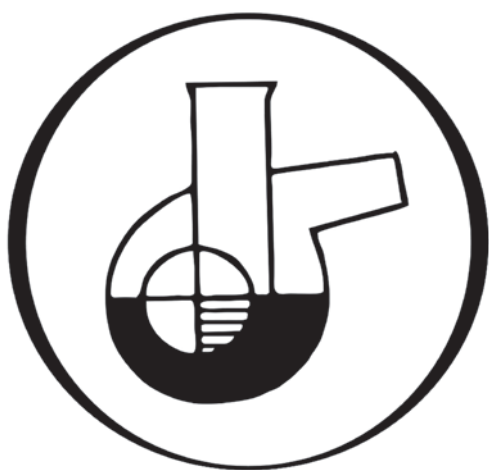


# **VIVID GLOBAL INDUSTRIES LIMITED**



**29<sup>th</sup>  
Annual Report 2015-16**

# 29<sup>th</sup> Annual Report 2015-16

## BOARD OF DIRECTORS:

**SHRI. SUMISH S.MODY**

**SMT. ASHA S. MODY**

**SHRI. MITEN MODY**

**SHRI. DHARMESH D. CHOKSI**

**SMT. ALKA HIMANSHU PAREKH**

MANAGING DIRECTOR

EXECUTIVE DIRECTOR

WHOLE-TIME DIRECTOR

INDEPENDENT DIRECTOR

ADDITIONAL DIRECTOR (W.E.F. 28.01.2016)

### **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 – 400 001.

### **INTERNAL AUDITOR:**

SMT. AMISHA MODY

### **SECRETARIAL AUDITOR:**

PANKAJ & ASSOCIATES,

COMPANY SECRETARY IN PRACTICE.

### **REGISTERED OFFICE:**

D-21/1, M.I.D.C., TARAPUR 401506

VIA BOISAR, Dist. Palghar, Maharashtra

### **ADMINISTRATIVE OFFICE:**

C/o. SUMICHEM CORPORATION

1-D, DHANNUR BUILDING,

SIR P.M. ROAD, FORT,

MUMBAI – 400 001

**EMAIL ID:** [vividglobalind@yahoo.com](mailto:vividglobalind@yahoo.com)

**WEBSITE URL:** [www.vividglobalinds.com](http://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.

# VIVID GLOBAL INDUSTRIES LIMITED

## NOTICE

Notice is hereby given that the Twenty Ninth Annual General Meeting of the members of Vivid Global Industries Limited will be held on Thursday, the 29th September, 2016 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, 2016 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. Miten Sudhir Mody (DIN: 02422219) who retires by rotation and being eligible offers himself for reappointment.
3. To declare Dividend for the Financial Year 2015-16 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 @ ₹0.38 per share (i.e. 7.5%) on the fully paid up equity shares of ₹5/- each of the Company for the year 2015-16 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 20th September 2016."

4. To ratify the appointment of the Auditors of the Company and their remuneration fixed at the Twenty Seventh Annual General Meeting of the Company held on 30th September 2014, and in this regard 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 first provision to Section 139(1) of the Companies Act, 2013, read with the first provision to Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the appointment of M/s. K.M.Kapadia & Associates, Chartered Accountants, Mumbai, (Firm Reg. No. 104777W) as the auditors of the Company to hold office from the conclusion of the Twenty Ninth Annual General Meeting until the conclusion of the Thirtieth Annual General Meeting of the Company, on such remuneration as may be decided by the Board of Directors of the Company, made at the Twenty Seventh Annual General Meeting of the Company held on 30th September 2014, be and is hereby ratified."

### **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 pursuant to the provisions of Section 196, 197 and 203 and all other applicable provisions of the Companies Act, 2013 ("the Act") read with Schedule V of the Act and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Articles of Association of the Company and subject to such other approvals, permissions and sanctions, as may be required, and subject to such conditions and modifications, as may be prescribed or imposed by any of the Authorities including the Central Government in granting such approvals, permissions and sanctions, approval of the Company be and is hereby accorded for the re-appointment and remuneration of Shri. Sumish S. Mody (DIN: 00318652) as Managing Director of the Company under the Act for a term of 5 years with effect from 1st November, 2016, being liable to retire by rotation, and that he may be paid remuneration mentioned herein below, with liberty and authority to the Board of Directors, to alter, modify and revise the terms and conditions of the said re-appointment and remuneration, from time to time within the limits laid down in the subsisting provisions of the Act:

#### I. Remuneration:

Salary: ₹65,000/- per month

#### II. Perquisites, Benefits and Facilities:-

- a. Medical Reimbursement: Expenses incurred by Shri. Sumish S. Mody and / or his family subject to a ceiling of one month's salary per year or five months salary over a period of five years.
- b. Leave Travel Concession: Leave travel concession for Shri. Sumish S. Mody and / or his family, once in a year incurred in accordance with the Rules of the Company.

## 29<sup>th</sup> Annual Report 2015-16

- c. 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.
- d. He shall be covered under Personal Accident Insurance policy as per the rules of the Company.
- e. The Company shall provide a car with a driver and a telephone at the residence of Shri. Sumish S. Mody. Provision of car for use in Company's business and telephone at residence will not be considered as perquisites.
- f. Gratuity payable shall be calculated as per the provisions of the 'Payment of Gratuity Act, 1972.
- g. He shall be entitled to Encashment of Leave at the end of tenure in accordance with the rules of the Company.
- h. The Company shall pay fee of clubs as per rules of the Company, subject to a maximum of two clubs.

The perquisites wherever applicable, shall be valued as per the Income Tax Rules, 1962.

### III. Other Benefits:-

- 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 be 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 Shri. Sumish S. 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. Sumish S. Mody's legal heirs his full salary and other emoluments for that month and three months thereafter.

FURTHER RESOLVED THAT Shri. Sumish S. Mody shall be entitled to reimbursement of actual expenses including travelling, hotel bills, conveyance, entertainment, miscellaneous expenses and incidentals incurred by him on behalf of and for the business of the Company.

FURTHER RESOLVED THAT the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include the Nomination and Remuneration / Compensation Committee of the Board) in the event of no profit or inadequate profit may alter and vary the terms and conditions of the said re-appointment and / or remuneration as it may deem fit and as may be acceptable to Shri. Sumish S. Mody, subject to the same not exceeding the limits specified under Schedule V of the Companies Act, 2013 or any statutory modification(s) or re-enactments thereof;

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 Section 161 and any other applicable provisions of the Companies Act, 2013 and any rules made thereunder read with Schedule IV to the Act, Smt. Alka Himanshu Parekh (DIN: 07430514) who was appointed as an Additional Director of the Company by the Board of Directors with effect from 28th January, 2016 and who holds office up to the date of this Annual General meeting and in respect of whom the Company has received a notice in writing from a member pursuant to Section 160 of the Act proposing her candidature, for the office of the Director of the Company, be and is hereby appointed as a Director of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Act, and the Rules framed thereunder read with Schedule IV to the Act, as amended from time to time, appointment of Smt. Alka Himanshu Parekh (who meets the criteria for independence) as provided in Section 149(6) of the Act as an Independent Director of the Company, not liable to retire by rotation, for a term commencing with effect from 29th September, 2016 to 28th September, 2021 be and is hereby approved."

7. 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

- i. The provisions of Sections 23, 42 and 62 and all other applicable provisions, if any, of the Companies Act, 2013 (the Act) (including any Statutory modification(s) or re-enactment thereof for the time being in force), and the rules and regulations made thereunder;

## VIVID GLOBAL INDUSTRIES LIMITED

- ii. The enabling provisions of the Memorandum and Articles of Association of the Company;
- iii. The provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into by the Company with the Stock Exchange where the Company's shares are listed.
- iv. The provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time (the "SEBI ICDR Regulations");
- v. The provisions of any rules/regulations/guidelines issued/framed by the Central Government, Reserve Bank of India, Foreign Investment Promotion Board, Securities and Exchange Board of India, the Stock Exchange where the shares of the Company are listed and any other appropriate authorities (hereinafter collectively referred to as the "Appropriate Authorities"), and subject to the Company obtaining necessary consents, sanctions, permissions or approvals from the Appropriate Authorities; and

Such conditions and modifications, as may be prescribed by one or more of the Appropriate Authorities while granting any such consents, sanctions, permissions or approvals (hereinafter referred to as the "requisite approvals"), which may be agreed to by the Board of Directors of the Company.

1. Consent, authority and approval of the members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board") to create, issue, offer and allot, in one or more installments, on preferential basis such number of equity shares of ₹5/- each for an amount not exceeding ₹22,00,000/- (Rupees Twenty Two Lakhs only), to Smt. Meena Sumish Mody, Promoter on such terms and conditions and at such price as the Board may in its absolute discretion deem fit."
2. The "Relevant Date" for the purpose of calculating the price of the Issue of Shares is the date 30 days prior to the date of this Annual General Meeting i.e. Monday, the 29th August, 2016.

RESOLVED FURTHER THAT that pricing of the Equity Shares to be allotted shall be calculated in accordance with the SEBI Guidelines on the 'Relevant Date'.

The Preferential Allotment of Equity Shares aggregating upto ₹22,00,000/- (Rupees Twenty Two Lakhs only), on the following terms and conditions:

- a. The Investor shall pay an amount equivalent to ₹22,00,000/- (Rupees Twenty Two Lakhs only) on or before the date of allotment of Issue of Shares.
- b. The Issue of Shares shall be issued in Dematerialized Form and shall be subject to lock-in requirements required under Chapter VII of the SEBI ICDR Regulations;
- c. The Issue of Shares shall be allotted within a period of 15 days from the date of passing of this resolution provided that if the approval or permissions by any regulatory authority, required if any, for allotment is pending, the period of 15 days shall be counted from the date of such approval or permission as the case may be.
- d. The details of all monies utilized out of the preferential issue proceeds shall be disclosed under an appropriate head in the Balance Sheet and/or Directors' Report of the Company, indicating the purposes for which such monies have been utilized and that the details of the unutilized monies shall also be disclosed under a separate head in the Balance Sheet of the Company indicating the form in which such unutilized monies have been invested.

"RESOLVED FURTHER THAT the Equity Shares so issued shall upon allotment have the same rights as the existing shares and be treated for all other purposes pari-passu with the existing shares of the Company, and that the Equity Shares so allotted during the financial year shall be entitled to dividend, if any, including other corporate benefits, if any, for the financial year in which the allotment has been made and subsequent years.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board be and is hereby authorized to agree and accept all such condition(s), modification(s), and alteration(s) as may be stipulated by any relevant authorities while according approval or consent to the issue as may be considered necessary, proper or expedient and give effect to such modification(s) and to resolve and settle all questions, difficulties or doubts that may arise in regard to such issue and allotment and to do all such acts, deeds and things in connection therewith and incidental thereto without being required to seek any further consent or approval of the members of the Company to the extent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

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RESOLVED FURTHER THAT the Board be and is hereby authorized to take necessary steps for listing of the above mentioned Equity Shares on the Stock Exchanges where the Company's shares are listed, as per the terms and conditions of the listing and other applicable guidelines, rules and regulations.

RESOLVED FURTHER THAT the Company does make an application to the National Securities Depository Limited (NSDL) and the Central Depository Services Limited (CDSL) for admission of the New Equity Shares”.

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

“RESOLVED THAT pursuant to provisions of Section 20 of the Companies Act, 2013 and other applicable provisions, if any, of the said Act and relevant rules prescribed there under, whereby a document may be served on any member by the Company by sending it to him by post or by registered post or by speed post or by courier or by delivering to his office or address, or by such electronic or other mode as may be prescribed, the consent of the Company be and is hereby accorded to charge from the member the fee in advance equivalent to the estimated actual expenses of delivery of the documents, pursuant to any request made by the shareholder for delivery of such document to him, through a particular mode of services mentioned above provided such request along with requisite fee has been duly received by the Company at least one week in advance of the dispatch of document by the Company and that no such request shall be entertained by the Company post the dispatch of such document by the Company to the shareholder.”

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, Directors or key managerial personnel of the Company be and are hereby severally authorized to do all acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty, doubt that may arise in respect of the matter aforesaid and further to do all acts, deeds, matters and things as may be necessary, proper or desirable or expedient to give effect to the above resolution.”

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

“RESOLVED THAT pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force), and rules made thereunder, the Articles of Association (“AOA”) of the Company be and is hereby altered by adding the following Article after the existing Article 88:

“88A. Notwithstanding anything contained in the Articles 80 to 88 of the Articles of Association of the Company, but subject to the provisions of the Companies Act, 2013 and all other applicable rules of the statutory authorities and the Rules framed by the Board of Directors of the Company in this behalf, as amended from time to time by the Board, it shall be open for the Members of the Company who hold the equity shares in the Company to waive/forgo his/their right to receive the dividend (interim or final) by him/them for any financial year which may be declared or recommended respectively by the members and Board of Directors of the Company. The waiver/forgoing by the Members, his/their right to receive the dividend (interim or final) by him/them under this Article shall be irrevocable immediately after the record date/book closure date fixed for determining the names of Members entitled for dividend. The Company shall not be entitled to declare or pay and shall not declare or pay dividend on equity shares to such Members who have waived/forgone his/their right to receive the dividend (interim or final) by him/ them under this Article.”

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, Directors or key managerial personnel of the Company be and are hereby severally authorized to do all acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty, doubt that may arise in respect of the matter aforesaid and further to do all acts, deeds, matters and things as may be necessary, proper or desirable or expedient to give effect to the above resolution.”

### **REGISTERED OFFICE**

D-21/1 M.I.D.C.  
Tarapur, Via Boisar,  
Dist. Palghar, Maharashtra  
Dated:03.08.2016

**For and on behalf of the Board**

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

## VIVID GLOBAL INDUSTRIES LIMITED

### 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 21.09.2016 to 29.09.2016 (Both days inclusive).
4. The dividend for the year ended 31st March, 2016 as recommended by the Board, will be paid to those members whose names appear on the Company's Register of Members on 20.09.2016. 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, Safed Pool, 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 29th Annual General Meeting by electronic means and the business may be transacted through e-Voting services as provided by National Securities Depository Limited (NSDL):



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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](mailto:shirdipankaj@hotmail.com) with a copy marked to [evoting@nsdl.co.in](mailto: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](http://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 shall commence from Monday the 26.09.2016 and ends on Wednesday the 28.09.2016. The voting by electronic means shall not be allowed beyond 5.00 p.m. on 28.09.2016. 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 20.09.2016 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 20.09.2016.



## VIVID GLOBAL INDUSTRIES LIMITED

7. Shri. 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 atleast two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes case 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.

### **REGISTERED OFFICE**

D-21/1 M.I.D.C.  
Tarapur, Via Boisar,  
Dist. Palghar, Maharashtra  
Dated:03.08.2016

**For and on behalf of the Board**

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

### **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. 5**

The members at the Twenty Fourth Annual General Meeting held on 30th September, 2011 approved the appointment of Shri. Sumish S. Mody as Managing Director of the Company for a period of 5 years with effect from 1st November, 2011 with remuneration of ₹25,000/- per month plus perquisites and other benefits. The term of 5 years of Shri. Sumish S. Mody in the office of Managing Director would be expiring on 31st October, 2016.

Taking into account the responsibilities borne by the Managing Director and the industry standards, the Board of Directors of the Company at its Meeting held on 3rd August, 2016 pursuant to the recommendation of the Nomination and Remuneration / Compensation Committee and subject to the approval of members, approved the re-appointment and remuneration of Shri. Sumish S. Mody, Managing Director under the Companies Act, 2013 for a term of 5 years with effect from 1st November, 2016, being liable to retire by rotation.

Pursuant to the provisions of Section 196, 197, 203 of the Companies Act, 2013 and all other applicable provisions of the Companies Act, 2013, including Schedule V to the said Act and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the appointment and remuneration payable to the Managing Director is now being placed before the members in the 29th Annual General Meeting for their approval by way of an Ordinary Resolution.

The remuneration proposed to be payable to Shri. Sumish S. Mody by way of salary, allowances, perquisites and benefits is within the limit prescribed under Section 197 of the Companies Act, 2013.

Your Board of Directors recommends Resolution set out at Item No.5 as an Ordinary Resolution for approval of the members.

Apart from Shri. Sumish S. Mody, Managing Director who would obviously be interested in his appointment and remuneration, none of the other Directors and Key Managerial Personnel of the Company or their respective relatives is concerned or interested, financially or otherwise, in this resolution.

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### Item No. 6

Smt. Alka Himanshu Parekh was appointed as an Additional Director by the Board of Directors in accordance with the provisions of Section 161 of the Companies Act, 2013 on 28th January, 2016. Pursuant to Section 152 of the Companies Act, 2013, the above director holds office up to the date of the ensuing Annual General Meeting. In this regard, the Company has received a request in writing from a member of the company proposing Smt. Alka Himanshu Parekh for appointment as an Independent Director of the Company not liable to retire by rotation, for a term commencing with effect from 29th September, 2016 to 28th September, 2021.

In the opinion of the Board, Smt. Alka Himanshu Parekh meets the criteria of independence as required under the provisions of sec.149 of the Companies Act, 2013, for appointment as Independent Director of the Company.

The appointment of Smt. Alka Himanshu Parekh as Director is now being placed before the Members in General Meeting for their approval. The terms and conditions of appointment of Director shall be open for inspection by the members at the Registered Office during normal business hours on any working day of the Company.

The Directors recommend the resolution set out in Item No. 6 of accompanying notice.

Except Smt. Alka Himanshu Parekh none of the Directors is concerned or interested in the above mentioned Resolution.

The brief background of the Director proposed for appointment/re- appointment is given below:

1.	Name of the Director	Shri. Miten Sudhir Mody	Shri. Sumish Sudhir Mody	Smt. Alka Himanshu Parekh
2.	DIN	02422219	00318652	07430514
3.	Date of Birth	14/12/1974	09/06/1972	18/02/1975
4.	Date of Appointment	11/08/2014	01/01/2009	28/01/2016
5.	Experience in specific Areas	He has experience in designing and production activity of managing a chemical industry.	He is looking after Production, Marketing, Finance, Exports, Imports, Trading activities, Banking, etc.	8 years of Experience in Finance and Accounts.
6.	Qualifications	Bachelors of Science in Chemical Engineering (U.S.A), Graduate Diploma in Engineering Management (Australia)	M.B.A. (Finance & Marketing) from Rider University, U.S.A.	Bachelors of Commerce
7.	Directorships in other Companies	Shlokee Builders And Developers Pvt. Ltd.	Vivid Intermediates Pvt. Ltd. Shlokee Builders And Developers Pvt. Ltd.	Nil
8.	Membership / Chairmanship of Committees other than Vivid Global Industries Limited	Nil	Nil	Nil

### Item No. 7

#### Material Facts relating to Preferential Allotment

The Board of Directors of the Company give below disclosures that are required to be given in the Explanatory Statement to the Special Resolution to be passed under Section 62 of the Companies Act, 2013 and in terms of the SEBI (Disclosure and Investors Protection) Guidelines.