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ANNUAL REPORT 2015 - 2016



VIDHI

DYESTUFFS MFG. LTD.



COLOURS

You Can Trust For
Your Food



VIDHI DYESTUFFS MFG. LTD.

CIN : L24110MH1994PLC076156

23rd Annual Report - 2015 - 16

BOARD OF DIRECTORS

- Mr. Bipin Manek (DIN: 00416441)
Chairman & Managing Director
- Mr. Mihir Manek (DIN: 00650613)
Joint Managing Director
- Mrs. Pravina Manek (DIN: 00416533)
Non-Executive Director
- Mr. Vijay Atre (DIN: 00416853)
Non-Executive Director
- Mr. Prafulchandra Shah (DIN: 00417022)
Independent Director
- Mr. Chetan Bavishi (DIN: 01978410)
Independent Director
- Mr. Niren Desai (DIN: 01978382)
Independent Director
- Mr. Rahul Berde (DIN: 06981981)
Independent Director
- Mr. Anil Kumar Dhar (DIN: 01524239)
Independent Director

CHIEF FINANCIAL OFFICER

Mr. Mitesh Manek

COMPANY SECRETARY

Ms. Kalika Dabholkar
Compliance Officer

STATUTORY AUDITORS

M/s. Bhuta Shah & Company, LLP
Chartered Accountants

SECRETARIAL AUDITORS

M/s. Hemanshu Kapadia & Associates
Practicing Company Secretary

INTERNAL AUDITORS

A. R. Ruwala & Co.
Chartered Accountants

BANKERS

HDFC Bank
Vijaya Bank

REGISTRAR & SHARE TRANSFER AGENTS(R & TA):

Sharex Dynamic (India) Private Limited.
Unit -1, Luthra Industrial Premises,
Andheri Kurla Road, Safed Pool,
Andheri (East) Mumbai - 400072.
Tel: 022-2851 5606 / 5644
Fax : 022-28512885

REGISTERED OFFICE:

Vidhi Dyestuffs Manufacturing Limited
CIN: L24110MH1994PLC076156
E/27, Commerce Centre,
78, Tardeo Road, Mumbai - 400034
Tel: + 91 22 6140 6666 Fax: + 91 22 2352 1980
E-mail: info@vidhifoods.com
Website: www.vidhifoodcolour.com

CORPORATE OFFICE:

Vidhi Dyestuffs Manufacturing Limited
E/28 & 29, Commerce Centre,
78, Tardeo Road, Mumbai - 400034
Tel: + 91 22 6140 6615

LOCATIONS OF PLANTS:

Factory I:

Plot No. 59/B, M.I.D.C Dhatav - Roha,
Dist. Raigad, Maharashtra - 402 116

Factory II:

Plot No. 68, M.I.D.C Dhatav - Roha,
Dist. Raigad, Maharashtra - 402 116

CONTENTS:	Page No.
1. Notice of Annual General Meeting	2
2. Board of Directors' Report	15
3. Report on Corporate Governance	52
4. Management Discussion and Analysis	70
5. Independent Auditors' Report	73
6. Balance Sheet	78
7. Statement of Profit & Loss	79
8. Cash Flow Statement	80
9. Notes forming part of Financial Statements	81
10. Proxy Form	



VIDHI
DYESTUFFS MFG. LTD.

Global Leader In World Class Synthetic Food Colours

Vidhi Dyestuffs Mfg. Ltd., is a leading manufacturer of Superior Synthetic Food Grade Colours. "VDML" provides customers superior colour solutions in applications for various industries such as Food & Beverage, Confectionary, Pharmaceuticals, Feeds, Cosmetics, Confectionary, Dairy etc. Our colours are being distributed and consumed in over 80 countries across 6 continents.

Our manufacturing facilities are spread over an area of 176,000 square feet, located in Dhatav Village of Raigad District in the state of Maharashtra - India. Today VDML is an ISO 9001:2008, ISO 22000:2005 and HACCP certified company. Our Manufacturing facilities have been audited and found satisfactory by the U.S. FDA. All our products carry HALAL and Kosher certification. VDML, is steadfastly working towards adoptions of standards like CEDEX and GFSI compliance.

Various products containing the colours are consumed by every human being right from the time they wake up in the morning in the form of coloured tooth paste and after shave lotion till they sleep at night, when they are hale and hearty in confectionary, beverages, jams, jellies etc to medicines when they fall sick.

Even the daily food you feed to your pet dog or cat or any such animal uses the same colours to make the food more appealing to these lovely creatures.



A Truly Global Foot Print



95.74% of all colours manufactured by VDML are exported globally.

Australia	Argentina	Cyprus	Egypt	Iran
Bangladesh	Bolivia	Czech Republic	Georgia	Syria
China	Brazil	France	Kenya	UAE
Indonesia	Canada	Germany	South Africa	
Malaysia	Chile	Hungary		
Pakistan	Colombia	Italy		
Philippines	El Salvador	Malta		
Sri Lanka	Guatemala	Morocco		
Thailand	Mexico	Republic of Poland		
Vietnam	Paraguay	Russia		
	Peru	Spain		
	Uruguay	The Netherlands		
	USA	Turkey		
		UK		

A Comprehensive Range

Synthetic Water Soluble Colours: (European Commission & JECFA Approved)

Available in microfine powder, fine plating grade powder & in granular forms.

Aluminum Lakes: (European Commission & JECFA Approved)

Food grade insoluble pigments available in microfine powder form.

FD&C Colours: (U. S. FDA Approved)

Available in microfine powder, fine plating grade powder as well as granular forms.

FD&C Lakes: (U. S. FDA Approved)

Food grade insoluble pigments available in microfine powder form.

D&C Colours: (U. S. FDA Approved)

Available in microfine powder for drug & cosmetic applications.

Blends: (European Commission, JECFA & U. S. FDA Approved)

Useful for acquiring any desired shade.

Co-Blended Lakes & Co-Blended Granules: (European Commission, JECFA & U. S. FDA Approved)

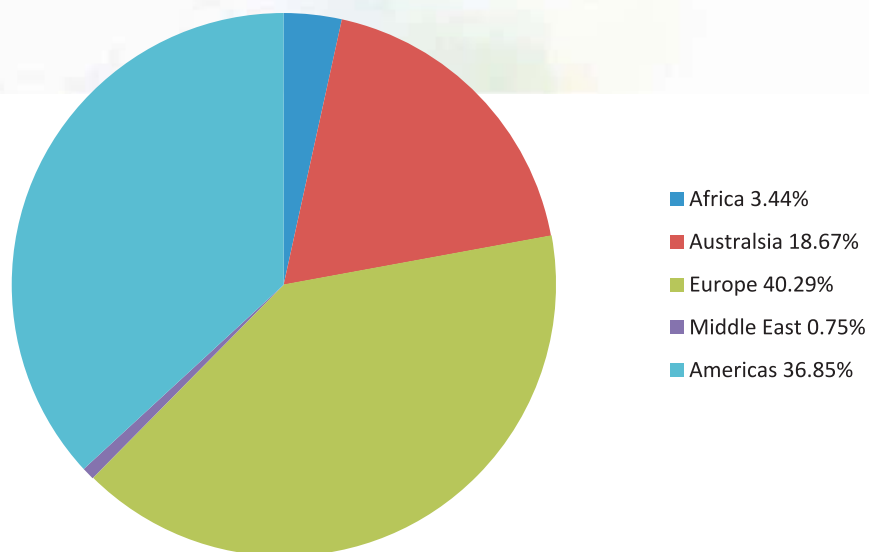
To achieve custom blended shades.

Natural Colours: (European Commission, JECFA & U. S. FDA Approved)

Natural colour formulations tailor made to suit any product applications.

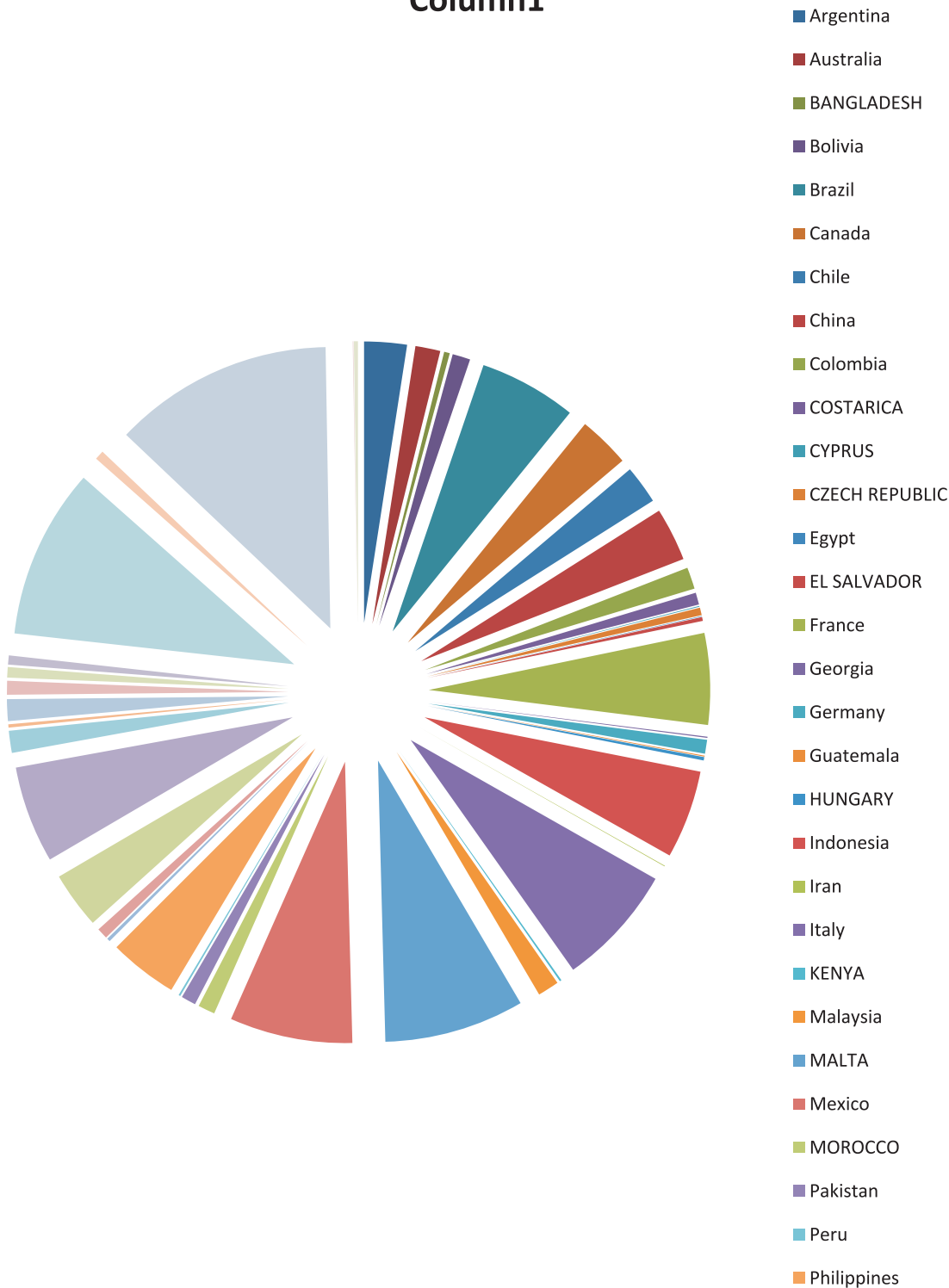


Continent Wise Break Up In Sales



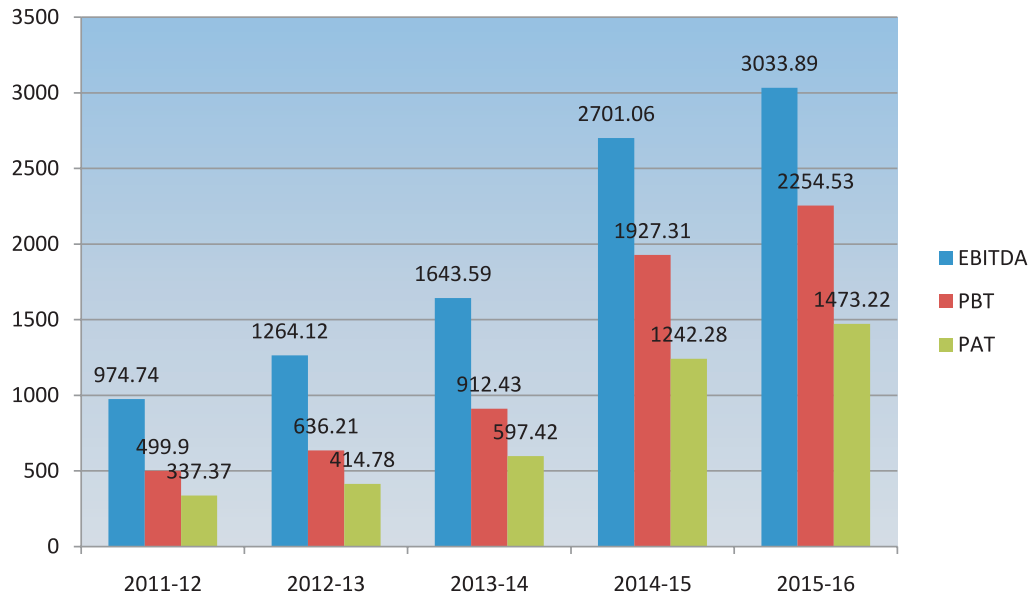
Country Wise Break Up In Sales

Column1



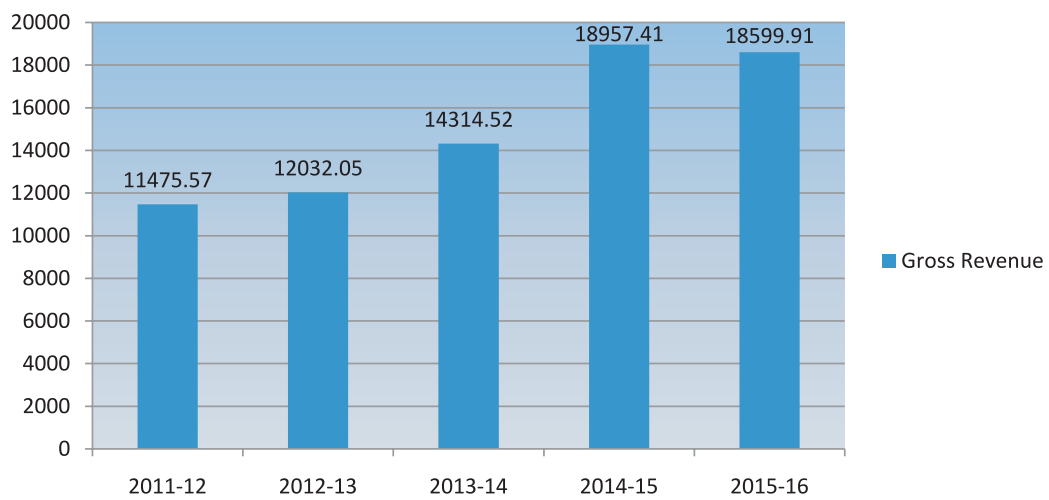
Key Comparative Figures

Rs. In Lakhs



Rs. In Lakhs

Gross Revenue



NOTICE OF THE TWENTY-THIRD ANNUAL GENERAL MEETING

To,
The Members
Vidhi Dyestuffs Manufacturing Limited

Notice is hereby given that the Twenty Third **Annual General Meeting** of the Members of **Vidhi Dyestuffs Manufacturing Limited** will be held on Saturday, September 24, 2016 at 3.30 P.M. at The Victoria Memorial School for Blind, Opp. Tardeo AC Market, 73, Tardeo Road, Mumbai – 400 034 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider, approve and adopt the Audited Financial Statements of the Company for the Financial Year ended March 31, 2016 including the Audited Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and Cash Flow Statement of the Company for the year ended on that date and notes related thereto together with the Reports of Directors' and the Auditor's thereon.
2. To confirm the 1st Interim Dividend, 2nd Interim Dividend and 3rd Interim Dividend declared in the financial year 2015-16.
3. To declare Final Dividend on equity shares for the financial year 2015-16.
4. To appoint a Director in place of Mrs. Pravina B. Manek (DIN: **00416533**), who retires by rotation and being eligible, offers herself for re-appointment.
5. To ratify the appointment of Auditors and fix their remuneration and in this regard, to consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 and all other applicable rules made thereunder (including any statutory modifications or re-enactment thereof for the time being in force) and based on the recommendation of the Audit Committee and the Board of Directors and pursuant to the resolution passed by the Members of the Company at the Twenty First Annual General Meeting held on September 27, 2014, the appointment of M/s. Bhuta Shah & Co. LLP, Chartered Accountants, Mumbai (Firm Registration No.101474W/W100100), as the Statutory Auditors of the Company be and is hereby ratified to hold office from the conclusion of the Twenty First Annual General Meeting till the conclusion of the third consecutive Annual General Meeting of the Company to be held in the year 2017 (with the meeting wherein such appointment has been made being counted as the first meeting), at a remuneration as may be recommended by the Audit Committee and fixed by the Board of Directors of the Company in addition to out of pocket expenses as may be incurred by them during the course of Audit.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to delegate all or any of its powers to any of its committee(s) or any Director or officer or person and to do all such acts, deeds, matters and things for giving effect to this resolution."

SPECIAL BUSINESS:

6. To consider revision in terms of remuneration of Mr. Bipin M. Manek (DIN: **00416441**), Managing Director of the Company and if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT in partial modification of the resolution passed in the meeting of the Board of Directors held on August 14, 2012 and by the members at the 19th Annual General Meeting of the Company held on September 29, 2012 for the re-appointment of Mr. Bipin M. Manek (DIN: **00416441**) as the Managing Director of the Company and pursuant to the provisions of Sections 196, 197, 198 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Schedule V to the Act and all other applicable provisions of the Companies Act, 2013 (hereinafter referred to as the 'Act') and the Rules made there under, as amended from time to time, Articles of Association of the Company and subject to the approval of Central Government or any other Government authority/agency/board, if and to the extent applicable and required and subject to such conditions and modifications as may be prescribed, stipulated or imposed by any of them while granting such approvals, consents, permissions, sanctions and the like, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the 'Board' which shall include duly authorized Nomination and Remuneration Committee thereof for the time being in force exercising the powers conferred upon it by the Board) and as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors, the approval of the Members be and is hereby granted to the revision in the remuneration payable to Mr. Bipin M. Manek (DIN: **00416441**), as detailed in the explanatory statement forming part of this notice and Supplementary Agreement as placed

before the meeting with effect from December 1, 2015 for his remaining tenure as Managing Director of the Company i.e. till October 31, 2017.

RESOLVED FURTHER THAT except above, the original terms and conditions of re-appointment of Mr. Bipin M. Manek (DIN: **00416441**) as Managing Director of the Company will remain unchanged.

RESOLVED FURTHER THAT the Board be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this resolution.”

7. To consider revision in terms of remuneration of Mr. Mihir B. Manek (DIN: **00650613**), Joint Managing Director of the Company and if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** in partial modification of the resolution passed in the meeting of the Board of Directors held on July 6, 2015 and approved by the members at the 22nd Annual General Meeting of the Company held on September 16, 2015 for the re-appointment of Mr. Mihir B. Manek (DIN: **00650613**) as the Joint Managing Director of the Company and pursuant to Sections 196, 197, 198 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Schedule V of the Act and all other applicable provisions of the Companies Act, 2013 (“Act”) and the Rules made there under, as amended from time to time, Articles of Association of the Company and subject to the approval of Central Government or other Government authority/agency/board, if and to the extent applicable and required and subject to such conditions and modifications as may be prescribed, stipulated or imposed by any of them while granting such approvals, consents, permissions, sanctions and the like, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the ‘Board’ which shall include duly authorized Nomination and Remuneration Committee thereof for the time being in force exercising the powers conferred upon it by the Board) and as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors, the approval of the Members be and is hereby granted to the revision in the remuneration payable to Mr. Mihir B. Manek (DIN: **00650613**), as detailed in the statement forming part of this notice and Supplementary Agreement placed before the meeting with effect from December 1, 2015 for his remaining tenure as Joint Managing Director of the Company i.e. till July 14, 2020.

RESOLVED FURTHER THAT except above, the original terms and conditions of re-appointment of Mr. Mihir B. Manek (DIN: **00650613**) as Joint Managing Director of the Company will remain unchanged.

RESOLVED FURTHER THAT the Board be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this resolution.”

8. To consider Determination of fees for delivery of any document through a particular mode of delivery to a Member and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to provisions of Section 20 and other applicable provisions, if any, of the Companies Act, 2013 and relevant rules prescribed there under, (including any statutory modifications or re-enactment thereof for the time being in force) the consent of the Company be and is hereby accorded to charge from a Member in advance, a sum equivalent to the estimated actual expenses of delivery of the documents through a particular mode if any request has been made by such Member for delivery of such document to him through such mode of service, provided that such request along with the requisite fees has been duly received by the Company at least one week in advance of the dispatch of the document by the Company.

RESOLVED FURTHER THAT the Board of Directors and/or Key Managerial Personnel of the Company be and are hereby authorized to do all such acts, deeds, matters and things as they may, in their absolute discretion, deem necessary, desirable and expedient to give effect to this resolution.”

9. To consider payment of professional fees to Mr. Anil Kumar Dhar (DIN: **01524239**), Non-Executive, Independent Director and if thought fit, to pass the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the proviso to Section 197(4) and all other applicable provisions, if any, of the Companies Act, 2013 and relevant rules prescribed there under, (including any statutory modifications or re-enactment thereof for the time being in force), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, subject to the provisions of Articles of Association of the Company and as recommended by the Nomination and Remuneration Committee and Audit Committee and approved by Board of Directors, the approval of the Members be and is hereby accorded for payment of professional fees of ₹ 27,800/- per month to Mr. Anil Kumar Dhar (DIN: **01524239**), Non-Executive, Independent Director effective from October 1, 2015 till his tenure as an Independent Director of the Company.

RESOLVED FURTHER THAT the Board of Directors and/or Key Managerial Personnel of the Company be and are hereby authorized to do all such acts, deeds, matters and things as they may, in their absolute discretion, deem necessary, desirable and expedient to give effect to this resolution.”

**By Order of the Board of Directors
For Vidhi Dyestuffs Manufacturing Limited,**

Date: August 12, 2016
Place: Mumbai

**Sd/-
Bipin M. Manek**
Chairman & Managing Director
(DIN: 00416441)

Address: Flat No.12, Somerset House,
Off. Bhulabhai Desai Road,
Warden Road, Mumbai - 400026

Registered Office:

E/27, Commerce Centre,
78, Tardeo Road, Mumbai – 400034
CIN: L24110MH1994PLC076156
www.vidhifoodcolour.com

NOTES:

1. A Member entitled to attend and vote at the general meeting is entitled to appoint a proxy, who need not be a member, to attend and vote on poll on behalf of himself/ herself. The instrument appointing the Proxy, in order to be effective, should be duly completed and deposited at the Registered Office of the Company, not less than 48 (forty eight) hours before the commencement of the Meeting. A proxy form for the Annual General Meeting (AGM) is enclosed.

A person can act as a proxy on behalf of the Members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A Member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as a proxy for any other person or Member. Proxies submitted on behalf of limited companies, societies, etc. must be supported by valid and effective resolution/ authority, as applicable.
2. The Company's Registrar & Share Transfer Agents are Sharex Dynamic (India) Private Limited ('R & TA'), Unit: Unit-1, Luthra Industrial Premises, 1st Floor, 44-E, M vasanti Marg, Andheri-Kurla Road, Safed Pool, Andheri (East), Mumbai - 400072. Phone: 022-28545 606/2851 5644; Fax: 2854 2885.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, September 17, 2016 to Saturday, September 24, 2016, both days inclusive, for taking record of the Members of the Company for the purpose of AGM and determining the names of the Members eligible for final dividend on equity shares for the financial year 2015-16, if declared at the AGM.
4. The Dividend, if declared at the AGM, would be paid/ dispatched on/ after September 25, 2016 and within thirty days from the date of declaration of dividend to those persons (or their mandates):
 - whose names appear as beneficial owners as at the end of the business hours on Saturday, September 17, 2016 in the list of the Beneficial Owners to be obtained from the Depositories i.e. National Securities Depository Limited [NSDL] and Central Depository Services (India) Limited [CDSL], in respect of the shares held in electronic/ dematerialized mode; and
 - whose names appear as Members in the Register of Members of the Company as on Saturday, September 17, 2016, after giving effect to valid share transfers in physical forms lodged with the Company/ R & TA, in respect of the shares held in physical mode.

In respect of the Members holding shares in electronic form, the bank details obtained from the respective depositories will be used for the purpose of distribution of dividend through various approved/ permissible electronic mode of payment viz. Electronic Clearing Services (ECS), National Electronic Funds Transfer (NEFT), Real Time Gross Settlement (RTGS), etc. The Company/ R & TA will not act on any direct request from the Members holding shares in dematerialized form for change/deletion of such bank details. Such changes are to be intimated by the Members:

- (i) to their Depository Participants (DPs) in respect of their shareholdings in electronic (demat) form, and
- (ii) to the Company's Registrar & Share Transfer Agents namely, M/s. Sharex Dynamic (India) Private Limited in respect shareholdings in physical form.

Any query related to dividend should be directed to R & TA.