



Vidhi Dyestuffs Manufacturing Limited

**18TH Annual
Report
2010 - 2011**





**VIDHI DYESTUFFS MANUFACTURING LIMITED
EIGHTEENTH ANNUAL REPORT 2010 - 2011**

BOARD OF DIRECTORS

DIRECTORS	:	MR. BIPIN M. MANEK <i>Chairman & Managing Director</i>
	:	MR. MIHIR B. MANEK <i>Jt. Managing Director</i>
	:	MRS. PRAVINAB. MANEK
	:	MR. VIJAY K. ATRE
	:	MR. PRAFULCHANDRAA. SHAH
	:	MR. CHETAN P. BAVISHI
	:	MR. NIREN D. DESAI
AUDITORS	:	M/s. BHUTA SHAH & CO. <i>Chartered Accountants</i>
BANKERS	:	VIJAYA BANK HDFC BANK
REGISTERED OFFICE	:	E/27, COMMERCE CENTRE, 78, TARDEO ROAD, MUMBAI - 400 034.
FACTORY	:	59B & 68, MIDC, DHATAV, ROHA, DIST. RAIGAD, MAHARASHTRA - 402 116.
REGISTRAR & SHARE TRANSFER AGENT	:	SHAREX DYNAMIC (INDIA) PVT. LTD. BRANCH OFFICE : UNIT 1, LUTHRA INDUSTRIAL PREMISES, ANDHERI KURLA ROAD, SAFED POOL, ANDHERI (EAST), MUMBAI - 400 072. TEL. NO. : 2851 5606 / 5644



NOTICE

To,
The Members

VIDHI DYESTUFFS MANUFACTURING LIMITED

Notice is hereby given that the **Eighteenth Annual General Meeting** of the Shareholders of **VIDHI DYESTUFFS MANUFACTURING LIMITED** will be held on Tuesday, the 27th September, 2011 at 5.30 P.M. at E/27, Commerce Centre, 78, Tardeo Road, Mumbai - 400034 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2011 and the Profit & Loss Account of the Company for the year ended on that date, together with the Report of Directors' and the Auditors thereon.
2. To re-appoint Shri. Vijay K. Atre as Director, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY, IN ORDER TO BE EFFECTIVE, MUST BE DULY COMPLETED, STAMPED AND SIGNED AND SHOULD BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, the 20th September, 2011 to Tuesday, the 27th September, 2011 (both days inclusive).
3. Members are requested to :

- (i) Immediately intimate change of address, if any, to the Company/Registrar and Share Transfer Agent quoting reference to their Registered Folio Number.
- (ii) Members are requested to send all share transfer lodgments (Physical mode) / correspondence to the Registrar and Share Transfer Agent at the following address upto the date of book closure:

M/s Sharex Dynamic (India) Private Limited

Unit No. 1, Luthra Ind. Premises, Andheri-Kurla Road,
Safed Pool, Andheri (East), Mumbai - 400 072.
Tel No: 2851 5606, 2851 5644 Fax No: 2851 2885

- (iii) Members desirous of obtaining any information, concerning the accounts and operations of the Company are requested to address their queries to Compliance Officer of the Company at the Company's registered office at least seven days before the date of the Annual General Meeting in order to enable the management to keep the information ready at the meeting.
 - (iv) Quote Registered Folio Number or DP ID/ Client ID in all the correspondence.
 - (v) Furnish bank account details to the R&TA/Depository Participant to prevent fraudulent encashment of dividend warrants, whenever issued.
4. For the convenience of the Members, attendance slip is enclosed in the Annual Report. Members/ Proxy Holders/Authorized Representatives are requested to fill in and sign at the space provided therein and submit the same at the venue. Proxy/Authorized Representatives of Members should state on the attendance slip as 'Proxy' or 'Authorized Representative', as the case may be. Further, those who hold shares in demat form, are requested to write their Client Id and DP Id numbers and those who hold shares in physical forms are requested to write their folio number on the attendance slip for easy identification at the meeting.
 5. The Members are requested to dematerialize their shareholdings with their Depository Participants as the Company's Shares are traded compulsorily under demat mode on the Stock Exchanges.
 6. As per the provisions of Section 109A of the Companies Act, 1956 facility for making nominations is available for shareholders in respect of the physical shares held by them. Nomination forms can be obtained from the Company's Registered Office/R&TA.
 7. Consequent upon amendment to Section 205A of the Companies Act, 1956 and introduction of Section 205C by the Companies (Amendment) Act, 1999, the amount of refund pertaining to share application money out of public issue remaining unpaid or unclaimed for a period of seven years from the date of transfer to Refund Account of the Company has been transferred to the Investor Education and Protection Fund set up by the Government of India and no payments shall be made in respect of any such claims by the Fund.
Members, who have not yet encashed their dividend warrant(s) for Interim Dividend declared on 21st December 2004, are requested to make their claims to the Company accordingly, without any delay.
 8. Members, who are holding Shares in identical order of names in more than one Folio, are requested to apply to the Company/R&TA along with the relevant Share Certificates for consolidation of such Folios in one Folio.
 9. Members are informed that in case joint holders attend the Meeting, only such joint holder who is higher in the order of names in the Register of Members/Beneficial Holders will be entitled to vote.



VIDHI DYESTUFFS MANUFACTURING LIMITED

10. Corporate members are requested to forward a certified true copy of the Board Resolution authorizing their representative to attend and vote at the Annual General Meeting.
11. Shri Vijay K. Atre, Director retires by rotation, being eligible, offers himself for re-appointment. The particulars of re-appointment of Director are given in the Annexure to the Notice and the Corporate Governance Section of the Annual Report.
12. All documents referred to in the accompanying notice are open for inspection at the Registered Office of the Company between 10.00 a.m. and 12.00 (Noon) on any working day.
13. As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Shareholders are therefore requested to kindly bring their copies at the time of attending the Meeting.
14. **Green Initiative:**

Ministry of Corporate Affairs (MCA) vide Circular Nos. 17/2011 and 18/2011 dated 21st April 2011 and 29th April 2011, respectively, have clarified that a Company would be deemed to have complied with the provisions of Section 53 and 219 (1) of the Companies Act, 1956, if documents like notices, annual reports, etc. are sent in electronic mode to its Members, in accordance with the above referred circulars.

Accordingly, we propose to send all documents which requires to be sent to share holders like notices, annual reports, etc. henceforth, to the shareholders in electronic form through e-mail address provided by them and made available to the Company or depositories through R&TA.

Members who have not registered their e-mail addresses are requested to register their e-mail address in respect of electronic holding with the Depository through their concerned Depository Participant. Members who hold shares in physical forms are requested to register their e-mail addresses quoting their Folio number with Registrar and Share Transfer Agent of the Company at the earliest so as to enable the Company to send the said documents in electric form, thereby supporting the green initiative of the MCA.

We request Members to note that the documents viz. Annual Report, etc. will be uploaded on the website of the Company viz. www.vidhifoodcolours.com and made available for inspection at the registered office of the Company during the business hours. However, in case a Member wishes to receive a physical copy of the said documents, he/she/it is required to send an e-mail to the Company at vidhi@bom4.vsnl.net.in duly quoting his/her/its DP ID & Client ID or the folio number, as the case may be, and the said documents will be dispatched to the members free of cost.

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

Place : Mumbai
Date : 20th August 2011

Bipin M. Manek
Chairman & Managing Director

ANNEXURE TO ITEM NO. 2 OF THE NOTICE

Details of Director seeking re-appointment at the forthcoming Annual General Meeting (in pursuance of revise Clause 49 of the Listing Agreement).

Name of the Director	VIJAY K. ATRE
Date of Birth	6 th April 1925
Date of Appointment on the Board	2 nd May 1995
Qualifications	M. Sc.
Experience	33 yeas rich experience in the field of food colors Manufacturing unit.
Shareholding in the Company	25,000
List of Directorships held in other Companies	Nil
Committee Membership	Vidhi Dyestuffs Mfg. Ltd. - Chairman of Audit Committee & Remuneration Committee and Member of Share Transfer cum Shareholders/Investors Grievance Committee.

For **Vidhi Dyestuffs Manufacturing Limited**

Place : Mumbai
Date : 20th August 2011

Bipin M. Manek
Chairman & Managing Director



DIRECTORS' REPORT

To,

The Members,

VIDHI DYESTUFFS MANUFACTURING LIMITED

Your Directors have pleasure in presenting 18th Annual Report together with the Audited Statement of Accounts for the financial year ended 31st March 2011.

FINANCIAL RESULTS:

	Current Year 2010-11 Rupees Lakhs	Previous year 2009-10 Rupees Lakhs
Profit for the year before providing for Depreciation	695.58	546.64
Less : Depreciation	91.79	99.51
Profit after Depreciation	603.79	447.13
Less : Provision for Taxation		
Current Year	235.49	175.13
Earlier year	-	2.95
Deferred Tax	-	(16.24)
	235.49	161.84
Profit After Tax	368.30	285.29
Add : Profit brought forward from Previous year	1,574.50	1,289.21
	1,942.80	1,574.50
APPROPRIATION :		
Interim Dividend	-	-
Corporate Dividend Tax	-	-
Transfer to General Reserve	-	-
Balance Profit Carried to Balance Sheet	1,942.80	1,574.50

OPERATIONS:

During the year under review your Company has achieved a turnover of Rs.9862.10 Lakhs as compared to Rs. 7113.88 Lakhs of previous year registering a growth of 38.63%. The net profit after tax has also gone up from Rs. 285.29 Lakhs to Rs.368.30 Lakhs recorded an increase of 29.10% as compared to previous year.

The Company has manufactured 1151.549 M. Tons of Food Colors against 1083.285 M. Tons in the previous year. Your company has increased its export market share as well as local trading Sales on account of persistent marketing efforts.

The new production facility of the Company situated at plot no 68 MIDC Dhatav-Roha is scheduled to come in production in August,2011.Your Directors assure to strive for a bright future for your Company.

DIVIDEND:

In order to conserve resources, your Directors do not recommend any dividend for the year 2010-2011.

DIRECTORS:

In accordance with the requirements of the Companies Act, 1956 and Articles of Association of the Company Shri Vijay K. Atre retires at the ensuing Annual General Meeting and being eligible, offers himself, for re-appointment as a Director.

Your Directors recommend his reappointment as Director.

CORPORATE GOVERNANCE:

The Company has successfully implemented and complied with all the requirements and disclosures of the Code of Corporate Governance as required under Clause 49 of the Listing Agreement entered into with the Stock Exchanges. A report on Corporate Governance as stated above, along with a Certificate from the Statutory Auditors confirming compliance of the conditions of Corporate Governance, annexed to the Directors' Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

The Management Discussion and Analysis Report as mandated under the Code of Corporate Governance, is attached to the Corporate Governance Report.



VIDHI DYESTUFFS MANUFACTURING LIMITED

AUDITORS:

M/s. Bhuta Shah & Co, Chartered Accountants, Mumbai having Firm Registration No. 101474W, Auditors of the Company retire at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment as the Statutory Auditors of the Company at remuneration to be decided by the Board of Directors. The Company has received a letter from them to that effect that their re-appointment, if made, would be within the prescribed limits under section 224 (1B) of the Companies Act, 1956

AUDITORS' REPORT:

There are no qualifications contained in the Auditor's Report and therefore no further explanation is required to be provided. The notes to the accounts are referred in the Auditors' Report are also self - explanatory and therefore do not call for any further comments.

COMPLIANCE CERTIFICATE:

The Board of Directors appointed M/s. Hemanshu Kapadia & Associates, Company Secretaries in Whole-time Practice, to inspect the books, registers and records of the Company and to report us whether the Company has complied with all the provisions of the Companies Act, 1956. The Compliance Certificate u/s 383A of the Companies Act, 1956, received from M/s. Hemanshu Kapadia & Associates is attached herewith.

POSTAL BALLOT:

During the financial year 2010-11, the Company has passed a Special Resolution on 6th July 2010 through Postal Ballot for the alteration of the Main Object of the Company to diversify its business activities to undertake construction and realty business activity in addition to current Main Object of the Company.

FIXED DEPOSIT:

During the year under review, the Company has not accepted any deposits within the meaning of Section 58A of the Companies Act, 1956 and Rules made there under.

PARTICULARS OF THE EMPLOYEES:

There are no employees to whom the disclosure requirements u/s. 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended from time to time, apply.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information as per Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the report to the Board of Directors) Rules, 1988 is given in Annexure-A forming part of this Report.

POLLUTION CONTROL:

The Company is environment conscience and the products manufactured by the Company require the consent from Maharashtra Pollution Control Board (MPCB) for manufacturing. The Company's plant situated at Roha has provided full-fledge facilities to control pollution under Water Act and Air Act. Your Company has taken necessary approval and consent from the MPCB. Further your Company is also member of Common Effluent Treatment Plant (CETP), which is situated at Roha.

INSURANCE:

All the properties and insurable interest of the Company are adequately insured.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- i) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- ii) Directors have selected such accounting policies and applied them consistently and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- iii) Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- iv) the Directors have prepared the Annual Accounts on a going concern basis.

ACKNOWLEDGEMENTS:

The Board takes this opportunity to place on record their deep sense of gratitude and appreciation to the Banks, Financial Institution, Central and State Government Authorities for their guidance and support. Your Directors are also grateful to the customers, suppliers and business associates of the Company for their continued co-operation and support. Your Directors also wish to record their appreciation for the employees for their commitment, dedication and hard work put by them at all levels in contributing to the Company's growth. Your Directors are also deeply grateful to the shareholders of the Company for their confidence shown in them.

For VIDHI DYESTUFFS MANUFACTURING LIMITED

Place : Mumbai

Date : 20th August 2011

Bipin M. Manek

Chairman & Managing Director



ANNEXURE TO THE DIRECTORS REPORT

Annexure - A

Disclosure of particulars with respect to conservation of energy, technology absorption and foreign exchange earnings and outgo as required under the Companies (Disclosure of Particulars in the Board of Director's Report) Rules 1988.

1) CONSERVATION OF ENERGY

A) Details of power and fuel consumption:		Current Year	Previous year
a. Electricity			
Purchased and consumed	: UNITS	17,36,270	17,44,774
	: TOTALAMOUNT	98,46,410	92,32,840
	: RATE PER UNIT	5.67	5.30
b. Furnace Oil	: LITRES	1,46,475	1,74,960
	: TOTALAMOUNT	38,54,582	40,15,794
	: RATE PER LITRE	26.32	22.95
c. Coal	: KILOGRAM	20,68,685	18,80,980
	: TOTALAMOUNT	1,11,05,902	76,06,344
	: RATE PER KGS.	5.36	4.04

B) Details of consumption per unit of production

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Electricity	: UNITS	1.51	1.61
Energy Charges	:		
(Furnace Oil / Coal)	: LITRES / KILOGRAM	1.92	1.90

2) TECHNICAL ABSORPTION, ADAPTION & INNOVATION :

1. No technology has been imported by the company.
2. Efforts are being made to further improve quality of the products.
3. The Company strives to achieve innovations in its operations

3) FOREIGN EXCHANGE EARNINGS AND OUTGO :

The Company's total exports sales during the year under review have amounted to Rs.45.74 Crores.

(Rs. In Lakhs)

	Current Year	Previous year
FOB VALUE OF EXPORTS	4448.25	3721.62
EXPENDITURE IN FOREIGN EXCHANGE	4905.11	3766.98

For Vidhi Dyestuffs Manufacturing Limited

Place : Mumbai
Date : 20th August 2011

Bipin M. Manek
Chairman & Managing Director



VIDHI DYESTUFFS MANUFACTURING LIMITED

COMPLIANCE CERTIFICATE

CIN of the Company : L24110MH1994PLC076156

Nominal Capital : Rs. 6,00,00,000/-

To,
The Members,

VIDHI DYESTUFFS MANUFACTURING LIMITED

E-27, Commerce Centre, 78, Tardeo Road, Mumbai- 400 034.

We have examined the registers, records books and papers of **Vidhi Dyestuffs Manufacturing Limited** (The Company) as required to be maintained under the Companies Act, 1956 (The Act), and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March 2011. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this Certificate, as per the provisions of the Act and the rules made thereunder and all entries therein have been duly recorded.
2. The Company has filed the forms and returns as stated in Annexure 'B' to this Certificate, with the Registrar of Companies, within the time prescribed/with additional fees under the Companies Act, 1956 and the rules made thereunder. However no forms or returns were required to be filed with the Regional Director, Central Government, Company Law Board or other authorities.
3. The Company being a Public Limited Company comments are not required.
4. The Board of Directors duly met Nine (9) times respectively on 16th April 2010, 20th May 2010, 27th May 2010, 15th July 2010, 12th August 2010, 12th November 2010, 28th December 2010, 6th January 2011 and 31st January 2011 in respect of which meetings, proper notices were given and the proceedings were properly signed and recorded in the Minutes Book maintained for the purpose.
5. The Company has closed its Register of Members from Tuesday, 31st August 2010 to Tuesday, 7th September 2010 for the purpose of 17th Annual General Meeting to be held on 9th September 2010 and necessary compliance of Section 154 of the Act has been made.
6. The Annual General Meeting for the financial year ended on 31st March 2010 was held on 9th September 2010 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No Extra-ordinary General Meeting was held during the financial year.
8. The Company has not advanced any loans to its Directors or persons or firms or Companies referred in the Section 295 of the Act during the financial year.
9. The Company has not entered into any contracts falling within the purview of Section 297 of the Act.
10. The Company has made necessary entries in the register maintained under section 301 of the Act.
11. As there were no instances falling within the purview of Section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, Members or Central Government.
12. The Company has not issued any duplicate share certificate during the financial year.
13. (i) The Company has delivered the certificate on lodgment thereof for transfer and transmission in accordance with the provisions of the Act. However, there was no allotment of securities during the financial year under review.
(ii) The Company was not required to deposit any amount in separate Bank Account as no dividend was declared during the financial year under review.
(iii) The Company was not required to post warrants to any Member of the Company as no dividend was declared during the financial year under review.
(iv) The Company has transferred unclaimed dividend amount of Rs.55,382/- towards the Investor Education and Protection Fund which has remained unclaimed or unpaid for the period of seven years. Except for the above the Company was not required to transfer any other amount to the Investor Education and Protection Fund as there was no application money due for refund, matured deposits, matured debentures and the interest accrued thereon.
(v) The Company has duly complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. There was no appointment of Additional Directors, Alternate Directors and Directors to fill casual vacancy during the financial year under review. One Director has resigned from the Board of the Company during the financial year under review.
15. The Company has not appointed any Managing Director/ Whole-time Director/ Manager during the financial year. However, the Company has appointed one Joint Managing Director in compliance with the provisions of Section 269 read with Schedule XIII of the Act.

16. The Company has not appointed any sole-selling agents during the financial year.
17. The Company was not required to obtain any approval from the Central Government, Company Law Board, Regional Director and/or such authorities prescribed under the various provisions of the Act during the financial year.
18. The Directors have disclosed their interest in other firms/Companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The Company has not issued any shares, debentures or other securities during the financial year.
20. The Company has not bought back any shares during the financial year.
21. Since the Company has not issued any Preference Shares or Debentures, the question of redemption do not arise.
22. There were no transactions necessitating the Company to keep in abeyance the Rights to Dividend, Rights Shares and Bonus pending registration of transfer of Shares during the financial year.
23. The Company has not invited / accepted any deposits including any unsecured loans falling within the purview of Section 58A during the financial year.
24. The amount borrowed from Banks during the financial year ending 31st March 2011 are within the borrowing limits of the Company and that necessary resolutions as per section 293 (1) (d) of the Act have been passed.
25. The Company has not made any loans or advances or given guarantees or provided securities to other bodies corporate during the financial year and consequently no entries have been made in the register kept for the purpose.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's registered office from one State to another during the year under scrutiny.
27. The Company has altered the provisions of the Memorandum with respect to the objects of the Company during the year under scrutiny after obtaining the approval of the Members through Postal Ballot and complied with the provisions of the Act.
28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to Share capital of the Company during the year under scrutiny.
30. The Company has not altered its Article of Association during the financial year.
31. There was no prosecution initiated against or show cause notice received by the Company and no fine or penalty or any other punishment was imposed on the Company during the financial year, for offence under the Act.
32. The Company has not received any money as security from its employees during the financial year.
33. The Company has deposited both employee's and employer's contribution to Provident Fund with prescribed authorities pursuant to Section 418 of the Act except in few cases where there was delay in the range of 1 to 5 days.

For Hemanshu Kapadia & Associates

Place : Mumbai
Date : 20th August 2011

Hemanshu Kapadia
C. P. No.: 2285

ANNEXURE A

Registers as maintained by the Company Statutory Registers

1. Register of Members u/s 150 (maintained by RTA)
2. Register of Beneficial Owners u/s 152A
3. Register of Charge u/s 143
4. Register of Directors, Managing Director, Manager and Secretary u/s 303
5. Register of Directors Shareholding u/s 307
6. Register of Particulars of contracts in which Directors are interested u/s 301
7. Register of Application & Allotment u/s 75
8. Books of Minutes of Board & General Meetings u/s 193
9. Books of Accounts u/s 209
10. Registers and Returns u/s 163
11. Register of Share Transfer u/s 108 (maintained by RTA)
12. Register of Renewed and Duplicate Certificates under Rule 7 of the Companies (Issue of Share Certificates) Rules, 1960
13. Register of Investment u/s 49(7)

Other Registers

1. Register of Directors' Attendance
2. Register of Shareholders Attendance
3. Register of Proxies
4. Register of Fixed Assets

Note:

The Company has not maintained the following registers as it was informed that there were no entries / transactions to be recorded therein:

1. Register of Debenture holders' u/s 152
2. Register of Deposits under Rule 7 of the Companies (Acceptance of Deposits) Rules, 1975
3. Register of Securities Bought Back u/s 77A
4. Foreign Registers of Members or Debenture holders' u/s 157



ANNEXURE B

Forms and Returns filed by the Company with Registrar of Companies during the financial year ending **31st March 2011**.

Sr. No	Form No./ Return	Filed under Section	For	Date of filing	Whether filed within prescribed time Yes/ No	If delay in filing whether requisite additional fee paid Yes/ No
1.	Form 1 of INV	205C read with rule 3 of IEPF (Awareness and Protection of Investor) Rules 2001	Deposits to Investor Education and Protection Fund	23/10/2010	Yes	N.A.
2.	Form 1 of INV	205C read with rule 3 of IEPF (Awareness and Protection of Investor) Rules 2001	Deposits to Investor Education and Protection Fund	18/03/2011	Yes	N.A.
3.	Form 1 of INV	205C read with rule 3 of IEPF (Awareness and Protection of Investor) Rules 2001	Deposits to Investor Education and Protection Fund	18/03/2011	Yes	N.A.
4.	Form 66	383A(1)	Compliance Certificate for the financial year ended on 31 st March 2010.	25/09/2010	Yes	N.A.
5.	Form 23AC & 23ACA	220	Financial year ended 31 st March 2010.	30/09/2010	Yes	N.A.
6.	Form 20B	159(1)	Annual General Meeting held on 9 th September 2010.	30/09/2010	Yes	N.A.
7.	Form 32	303(2)	For resignation of Director	21/05/2010	Yes	N.A.
8.	Form 32	303(2)	For change in designation as Joint Managing Director	12/08/2010	Yes	N.A.
9.	Form 62	-	Submission of documents with Registrar.	25/05/2010	Yes	N.A.
10.	Form 23	192	Registration of Resolution	12/08/2010	Yes	N.A.
11.	Form 25C	269(2) and Schedule XIII	Return of Appointment of Joint Managing Director	14/08/2010	Yes	N.A.
12.	Form 23	192	Registration of Resolution	13/07/2010	Yes	N.A.
13.	Form 8	135	Modification of Charge	06/01/2011	No	Yes

Declaration regarding Code of Conduct:**Pursuant to Clause 49 I D (ii) of the Listing Agreement**

I hereby declare that in compliances with the regulatory requirements and effective implementation of corporate governance practices, the Company has adopted the following codes of governance in accordance with the applicable regulations of Securities and Exchange Board of India :-

- Code of Conduct for prevention of Insider Trading or regulating the dealings of the Directors and Employees of the Company possessing or likely to possess price sensitive information, in the securities of the Company;
- Code of Conduct for Board of Directors and Senior Management

For Vidhi Dyestuffs Manufacturing Limited

Place: Mumbai
Dated: 20th August 2011

Bipin M. Manek
Chairman & Managing Director



VIDHI DYESTUFFS MANUFACTURING LIMITED

CORPORATE GOVERNANCE

In this dynamic environment, shareholders across the globe have keen interest in the performance of the Companies and thus good Corporate Governance is of paramount importance for the Companies seeking to distinguish themselves in the global footprint.

Corporate Governance broadly refers to a set of rules and practices designed to govern the behavior of corporate enterprises. It refers to a system by which Companies are governed, controlled and managed. The detailed report on Corporate Governance as per the format prescribed by SEBI and incorporated in the Clause 49 of the Listing Agreement is set out below. In this report, we confirm the compliance of Corporate Governance criteria as required under Clause 49 of the Listing Agreement.

(A) Mandatory Requirements:

1. Company Philosophy:

Corporate Governance is a system by which Companies are governed, controlled and managed. Your Company's philosophy on Corporate Governance envisages accountability, responsibility and transparency in the conduct of the Company's business and its affairs vis-à-vis its employees, shareholders, bankers, lenders, government, suppliers, dealers etc. and accordingly lays great emphasis on regulatory compliances. The Company's Corporate Governance philosophy encompasses not only regulatory and legal requirements such as filing of forms under Listing Agreement with the Stock Exchanges but also several voluntary practices. Your Company strives to ensure that high standards of professionalism and ethical conduct are maintained throughout the organization. Your Company continues to give high priority to the principles and practice of Corporate Governance and has accordingly benchmarked its practices with the existing guidelines of Corporate Governance as laid down in the Listing Agreement. Transparency, fairness, disclosures and accountability-the four pillars of Corporate Governance have always been central to the working of your Company.

2. Board of Directors:

Your Company is managed and guided by a professional Board comprising of 7 Directors out of which 4 are Independent Directors. During the year, the Board was headed by Executive Chairman–Shri. Bipin M. Manek. All the members of the Board are persons with considerable experience and expertise in their respective fields.

Composition of the Board of Directors is in accordance with the requirements of Clause 49(I)(A) of the Listing Agreement. None of the Directors on the Board is a member of more than 10 Committees and Chairman of more than 5 Committees as per Clause 49(I)(C)(ii) across all Companies in which they are Directors. The same is also evidenced from the below given table:

Sr. No.	Name of the Director(s)	Category	No. of Other Directorship#	No. of other Committees# Chairman	Member
1	Shri Bipin M. Manek	Executive-Chairman & Managing Director, Promoter	NIL	NIL	NIL
2	Shri Naresh L. Modi (resigned w.e.f. 27th April 2010)	Non-Executive Director, Promoter	NIL	NIL	NIL
3	Smt. Pravina B. Manek	Non-Executive Director, Promoter	NIL	NIL	NIL
4	Shri Vijay K. Atre	Non-Executive Director, Independent	NIL	NIL	NIL
5	Shri Prafulchandra A. Shah	Non-Executive Director, Independent	NIL	NIL	NIL
6	Shri Chetan P.Bavishi	Non-Executive Director, Independent	NIL	NIL	NIL
7	Shri Niren D Desai	Non-Executive Director, Independent	NIL	NIL	NIL
8	Shri Mihir B. Manek	Executive - Jt. Managing Director	NIL	NIL	NIL

For the purpose of considering the number of directorships and Committee positions, all Public Limited Companies, whether listed or not, have been included and all other Companies including Private Limited Companies, Foreign Companies and companies under Section 25 of the Companies Act, 1956, have been excluded and the Committees other than Audit Committee and Shareholders' Investors' Grievance Committee have been excluded.

Shri Bipin M. Manek, Smt. Pravina B. Manek and Shri Mihir B. Manek, Directors of the Company are related with each other (inter-se) within the meaning of Clause 49 IV(G)(ia) of the Listing Agreement.

None of the above-referred Independent Directors have any material pecuniary relationship or transaction with the Company, its Promoters or with its Management, which would affect the independence or judgment of the Directors.

Besides the transactions reported in the Notes to the Accounts for the year, the Company has not entered into any materially significant transactions with its Promoters, Directors or their relatives or with the Management etc. that may have potential conflict with the interest of the Company at large.

a) Re-appointment of Director:

Shri Vijay K. Atre retires at the ensuing Annual General Meeting and being eligible, offers himself, for re-appointment as Director.

Details of Director seeking re-appointment at the forthcoming Annual General Meeting are given in the annexure to the notice calling Annual General Meeting.

