

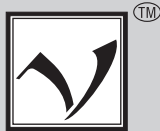


MANUFACTURERS OF FOOD COLOURS

Vidhi Dyestuffs Manufacturing Limited

19TH Annual
Report
2011 - 2012





VIDHI DYESTUFFS MANUFACTURING LIMITED.



**VIDHI DYESTUFFS MANUFACTURING LIMITED
NINETEENTH ANNUAL REPORT 2011 - 2012**

BOARD OF DIRECTORS

DIRECTORS

- : MR. BIPIN M. MANEK
Chairman & Managing Director
- : MR. MIHIR B. MANEK
Jt. Managing Director
- : MRS. PRAVINAB. MANEK
- : MR. VIJAY K. ATRE
- : MR. PRAFULCHANDRAA. SHAH
- : MR. CHETAN P. BAVISHI
- : MR. NIREN D. DESAI

AUDITORS

- : M/s. BHUTA SHAH & CO.
Chartered Accountants

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



19TH ANNUAL REPORT 2011-2012



NOTICE

To,
The Members

VIDHI DYESTUFFS MANUFACTURING LIMITED

Notice is hereby given that the **Nineteenth Annual General Meeting** of the Shareholders of **VIDHI DYESTUFFS MANUFACTURING LIMITED** will be held on Friday, the 28th September 2012 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 the 31st March 2012, the Profit and Loss Account (the Statement of Profit and Loss) and Cash Flow Statement of the Company for the year ended on that date, together with the Report of Directors' and the Auditors thereon.
2. To appoint a Director in place of Shri Prafulchandra Anantlal Shah who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri Nirenbbhai Dinkerrai Desai, who retires by rotation and being eligible, offers himself for re-appointment.
4. 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.

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 Sections 198, 269, 309, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and such other approvals and sanctions, if any, as may be necessary, and subject to the such conditions and modifications, as may be prescribed or imposed while granting such approvals, permissions and sanctions, the consent and approval of the Members be and is hereby accorded to re-appoint Shri Bipin M. Manek as the Managing Director of the Company with effect from 1st November 2012 for a period of five years i.e. till 31st October 2017, not liable to retire by rotation, so long as he holds office as the Managing Director of the Company, on such terms and conditions including remuneration as stated in the Agreement placed before the meeting, which Agreement is hereby specifically sanctioned with liberty to the Board of Directors (hereinafter referred to "the Board" which term shall be deemed to include the Remuneration Committee constituted by the Board) to alter and vary the remuneration and/or agreement subject to the limits specified in Schedule XIII to the Companies Act, 1956, including any statutory modification or re-enactment thereof for the time being in force or as may hereafter be made by the Central Government in that behalf from time to time or any amendments thereto as may be agreed to between the Board of Directors and Shri Bipin M. Manek."

"RESOLVED FURTHER THAT the remuneration and perquisites as mentioned in the above stated Agreement shall be payable as a minimum remuneration to the Whole-time Director in the event of absence/ inadequacy of profits in any financial year, which shall be within the limit specified in Section II of Part II of Schedule XIII of the Companies Act, 1956."

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

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING 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 RECEIVED AT THE REGISTERD 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 Saturday, the 22nd September 2012 to Saturday, the 29th September 2012 (both days inclusive).
3. The relevant Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 ('the Act'), setting out material facts relating to the business at item no.5 of the Notice as set out above is annexed hereto. Pursuant to the Clause 49 of the Listing Agreement, relevant details of the Directors seeking re-appointment at Item nos. 2 and 3 of the Notice are annexed hereto.
4. The Ministry of Corporate Affairs ('MCA') has taken a 'Green Initiative in the Corporate Governance' by allowing paperless compliances by companies. The Company shall use the e-mail addresses of the Members obtained from the Depositories/Depository Participants/available with the Company's Registrar & Share Transfer Agents namely, Sharex Dynamic (India) Private Limited ('RTA') to send all future Members' communications like notices, the Company's Annual Reports, etc. through electronic mode. In case the Members have not furnished their e-mail addresses, they are requested to furnish the same to their Depository Participants, in respect of electronic holdings, and to RTA, in case of shares hold in physical form. Members are requested to notify immediately of any change of address, e-mail address, bank account details:
 - (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 at the following address in respect of their shareholdings in physical form, if any, quoting their folio numbers:





VIDHI DYESTUFFS MANUFACTURING LIMITED.



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

5. Members are requested to:

- (i) Members are requested to send all share transfer lodgments (Physical mode) / correspondence to the Registrar and Share Transfer Agent unto the date of book closure.
 - (ii) 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.
 - (iii) Quote Registered Folio Number or DP ID/ Client ID in all the correspondence.
 - (iv) Furnish bank account details to the R&TA/Depository Participant to prevent fraudulent encashment of dividend warrants, whenever issued.
6. 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, if they hold shares in demat form, they 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.
7. 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
8. As per the provisions of Section 190A 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/ from R&TA.
9. Members, who are holding Shares in identical order of names in more than one Folio, are requested to apply to the **Company/Share Transfer Agents** along with the relevant Share Certificates for consolidation of such Folios in one Folio.
10. 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.
11. 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.
12. Shri Prafulchandra Anantlal Shah and Shri Nirenbbhai Dinkerrai Desai, Directors retires by rotation, being eligible, offers themselves for re-appointment. The particulars of re-appointment of Directors are given in the Annexure to the Notice and the Corporate Governance Section of the Annual Report.
13. All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company between 10.30 a.m. and 12.00 (Noon) on any working day.
14. 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.
15. **Green Initiative:**
The Ministry of Corporate Affairs has taken a 'Green Initiative in the Corporate Governance' by allowing paperless compliances by the companies. In accordance with the circulars issued by the Ministry of Corporate Affairs 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 their e-mail addresses to its Members, in accordance with the above referred circulars. Accordingly, we propose to send all documents which require to be sent to share holders like notices, annual reports, etc. to the shareholders in electronic form through e-mail address provided by them and obtained from the Depositories /Depository Participants/ available with the RTA.
Annual Report containing inter alia the Notice convening the Nineteenth Annual General Meeting, Audited Balance Sheet of the Company as at 31st March 2012, the Profit and Loss Account, (the Statement of Profit and Loss) and Cash flow statement for the financial year ended on that date and the Reports of the Board of Directors and Auditors thereon, Report on Corporate Governance, Management Discussion & Analysis, etc. are available on the Company's web site at: 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 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,

Bipin M. Manek
Chairman & Managing Director

Place: Mumbai
Date: 14th August 2012



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EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956:

Item No. 5:

Shri Bipin M. Manek was re-appointed as Managing Director of the Company w.e.f. 1st November 2007 for a period of five (5) years. The term of Shri Bipin M. Manek as Managing Director of the Company will expire on 31st October 2012. The Board considers that the services of Shri Bipin M Manek as the Managing Director of the Company will be valuable for the growth of the Company. Considering the responsibilities entrusted to him, the Board of Directors, on recommendation of the Remuneration Committee, in their meeting held on 14th August 2012 has re-appointed him as the Managing Director of the Company, not liable to retire by rotation so long as he hold office as the Managing Director of the Company, subject to the approval of the Members and subject to all other necessary approvals/sanctions and on the terms and condition mentioned herein below.

1. PERIOD OF APPOINTMENT:

Your re-appointment will be for a period of five (5) years effective from 1st November. 2012 till 31st October 2017.

2. REMUNERATION:

The Managing Director shall be entitled to remuneration unto the maximum as may be permitted under Schedule XIII of the Companies Act 1956 or any modifications or re-enactment thereof as in force for the period under the agreement or on the basis of such other law/modifications as may be permissible or applicable, so however, at present the Board has approved the total remuneration not exceeding a salary of Rs.1,25,000/-P.M. and applicable perquisites and commission of 2% on the net profit of the Company subject to the review of Remuneration Committee from time to time.

Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of his tenure, the Company has no profits or its profits are inadequate, remuneration by way of salary, commission, allowances and perquisites to the Managing Director shall not exceed the aggregate of the annual remuneration as provided above or the maximum remuneration payable as per the limits set out in Section II of Part II of Schedule XIII of the Companies Act, 1956, whichever is higher, unless otherwise determined by the **Board of Directors**.

He shall not be paid any sitting fees for attending the Meeting of the Board of Directors of Committee thereof.

3. OVERALL LIMIT:

The remuneration referred to in Clause 2 hereof is subject to the limit of 5% of the annual net profits of the Company and subject to the overall limit of 10% on the remuneration of all the Managing Director of the Company.

4. OTHER FACILITES:

He will be eligible for all other facilities, privileges and amenities as may be applicable from time to time to the Senior Management Cadre Executives of the Company. The re-appointment of Shri Bipin M Manek as Managing Director is in accordance with and within the limits laid down under the provisions of the Companies Act 1956. The Agreement of the proposed re-appointment of Shri Bipin M Manek is available for inspection by the Shareholders at the Registered office of the Company on any working day except public holidays, Saturdays and Sundays between 10.30 a.m. and 12.00 (Noon) upto the date of ensuing Annual General Meeting. The re-appointment of the Managing Director requires your approval. The other terms and conditions of his re-appointment will be as mentioned in the AgreementThis explanatory statement together with the resolution under item no.5 of accompanying notice should be treated as an abstract and memorandum of concern and interest of the re-appointment in terms of provisions of sub section (2) of the section 302 of the Companies Act 1956. None of the Directors, except Shri Bipin M. Manek himself, Smt Pravina B. Manek being wife and Shri Mihir B. Manek being son, are interested in the resolution at item no.5.

Your Directors recommend the resolution at item no.5 of the Notice to be passed as an Ordinary Resolution.

By Order of the Board
For Vidhi Dyestuffs Manufacturing Limited,

Bipin M. Manek
Chairman & Managing Director

Place: Mumbai
Date: 14th August 2012

ANNEXURE TO ITEM NO. 2, 3 AND 5 OF THE NOTICE

Details of Directors seeking re-appointment at the forthcoming Annual General Meeting (pursuant to Clause 49 of the Listing Agreement)

Name of the Director	Bipin M. Manek	Prafulchandra A. Shah	Niren Dinkerrai Desai
Date of Birth	7 th June 1956	13 th November 1933	12 th December 1956
Nat ionality	Indian	Indian	Indian
Date of Appointment on the Board	19 th January 1994	6 th January 2003	10 th May 2005
Qualifications	Commerce Graduate	B.E. Mechanical B.E. Electricals	B.E. Mechanical
Experience	30 years rich experience in the field of Expo rts and Imports . He has experience of Managing the Company since incorporation.	53 Years rich experience in the field of Industrial Constructions & Project Works	33 Years rich experience in the field of Industrial Hardware & Mach ineTools.
Shareholding i n the Company	1,41,10,333	Nil	Nil
List of Directorships held in other Companies	Arjun Food Colourants Mfg. Pvt. Ltd	Nil	Nil
Committee Membership	Nil	Vidhi Dyestuffs Mfg. Ltd. (A u d i t C o m i t t e e a n d Remuneration Committee)	Vidhi Dyestuffs Mfg. Ltd. (Audit Comittee and Remuneration Comittee)





VIDHI DYESTUFFS MANUFACTURING LIMITED.



DIRECTORS' REPORT

To,
The Members,
VIDHI DYESTUFFS MANUFACTURING LIMITED

Your Directors are presenting 19th Annual Report together with the Audited Statement of Accounts for the financial year ended 31st March 2012.

FINANCIAL RESULTS:

	Current Year 2011-12 Rupees Lakhs	Previous year 2010-11 Rupees Lakhs
Profit for the year before providing for Depreciation	594.32	695.60
Less : Depreciation	94.42	91.79
Profit after Depreciation	499.90	603.81
Less : Provision for Taxation		
Current Year	103.70	235.49
Earlier year	-	-
Deferred Tax	58.83	-
	162.53	235.49
Profit After Tax	337.37	368.32
Add : Profit brought forward from Previous year	1,942.82	1,574.50
APPROPRIATION :	2,280.19	1,942.82
Interim Dividend	-	-
Corporate Dividend Tax	-	-
Transfer to General Reserve	-	-
Balance Profit Carried to Balance Sheet	2,280.19	1,942.82

FINANCIAL:

During the year under review your Company has achieved a turnover of Rs. 11251.17 Lakhs as compared to Rs. 9862.10 Lakhs of previous year registering a growth of 14.08%. The net profit after tax as compared to previous year has declined from Rs. 368.31 Lakhs to Rs. 337.37 Lakhs (after provision of deferred tax liability of Rs 58.83 Lacs (previous years Rs. Nil) on account of expansion. The Company has manufactured 1457.50 M. Tons of Food colors against 1151.549 M. Tons in the previous year. Your company has increased its export as well as local market share on account of persistent marketing efforts.

OPERATIONS:

The first phase of new manufacturing facility of the Company situated at plot no 68 MIDC Dhatav- Roha came into production from 15th August, 2011 and the 2nd phase commenced production from June, 2012.

Your Directors assure to strive for a bright future for your Company.

DIVIDEND:

In order to conserve resources for future growth and expansion, your Directors do not recommend any dividend for the year 2011-2012.

DIRECTORS:

In accordance with the requirements of the Companies Act, 1956 and Articles of Association of the Company Shri Prafulchandra A. Shah and Shri Niren D. Desai retire at the ensuing Annual General Meeting and being eligible, offers themselves, for re-appointment as Directors.

The term of the Shri Bipin M. Manek as the Managing Director of the Company will expire on 1st November 2012. On recommendation of the Remuneration Committee the Board of Directors, subject to the approval of the Members, has re-appointed him for further period of five (5) years w.e.f. 1st November 2012 i.e. till 31st October 2017.

The Board recommend their re-appointment to the Members.

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:

Management Discussion and Analysis Report for the financial year under review as stipulated in Clause 49 of the Listing Agreement entered into with the Stock Exchanges is set out in a separate section forming part of the Annual Report.

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 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 appointment, if made, would be within the prescribed limits under section 224 (1B) of the Companies Act, 1956





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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 Auditor's Report are self - explanatory and, therefore do not call for any further comments.

COST AUDITORS:

The Ministry of Corporate Affairs on 3rd June 2011 has issued The Companies (Cost Accounting Records) Rules, 2011 which mandate the Company to maintain Cost Records and obtain Cost Audit Compliance Report for the year 2011-12. Accordingly, the Company has appointed M/s. Rajesh Shah & Associates, Cost Accountants. The Cost Compliance Certificate certified by M/s. Rajesh Shah & Associates for the financial year 2011-12 was received by the Company.

Further, the Ministry of Corporate Affairs has issued Cost Audit Order No.52/26/Cab/2010 on 24th January 2012 which mandate the Company to have Audit its cost records. Effective date of implementation of the aforesaid Cost Audit Order is 1st April 2012. Accordingly, based on the recommendations of Audit Committee at its meeting held on 14th May 2012, the Board of Directors has appointed M/s. Rajesh Shah & Associates, Cost Accountants, as the Cost Auditor of the Company in compliance with the General Circular No. 15/ 2011 dated 11th April 2011 issued by the Ministry of Corporate Affairs, Cost Audit Branch, read with the Companies (Cost Audit Report) Rules, 2011 for cost audit of the cost records of the Company for the financial year 2012-13.

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:

There were no Postal Ballot/Extra Ordinary General Meeting conducted/held during the financial year 2011-12

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.

BUY BACK OF SHARES:

During the financial year under review, the Company has not offered to buy-back any of its outstanding shares.

There were 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, 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:

- in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- 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;
- 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;
- The Directors have prepared the Annual Accounts on a going concern basis.

ACKNOWLEDGEMENTS:

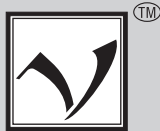
Your Directors wish to place on record their appreciation for the contribution made by employees of the Company at all levels but for whose hard work solidarity and support through their unstinted cooperation have enabled the Company to achieve sustained operational performance during the year.

Your Directors also wish to record their deep sense of gratitude and appreciation to the Banks, Financial Institution, Central and State Government Authorities for their guidance and continued support. Your Directors are also grateful to the customers, suppliers and business associates of the Company for their continued co-operation. Your Directors are also deeply grateful to the shareholders of the Company for their confidence shown in them.

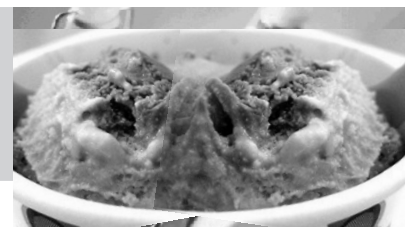
Place: Mumbai
Date: 14th August 2012

By Order of the Board
For Vidhi Dyestuffs Manufacturing Limited,
Bipin M. Manek
Chairman & Managing Director





VIDHI DYESTUFFS MANUFACTURING LIMITED.



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	24,89,360	17,36,270
	: TOTALAMOUNT	1,73,61,112	98,46,410
	: RATE PER UNIT	6.97	5.67
b. Furnace Oil	: LITRES	76,071	1,46,475
	: TOTALAMOUNT	26,57,958	38,54,582
	: RATE PER LITRE	34.94	26.32
c. Coal	: KILOGRAM	36,60,202	20,68,685
	: TOTALAMOUNT	1,95,81,056	1,11,05,902
	: RATE PER KGS.	5.35	5.36

B) Details of consumption per unit of production

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Electricity	: UNITS	1.71	1.51
Energy Charges	:		
(Furnace Oil / Coal)	: LITRES / KILOGRAM	2.56	1.92

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.51.29 Crores. (P.Y. Rs. 45.74 Crore)
(Rs. In Lakhs)

	Current Year	Previous year
FOB VALUE OF EXPORTS	4951.49	4448.25
EXPENDITURE IN FOREIGN EXCHANGE	5694.35	4924.41

For Vidhi Dyestuffs Manufacturing Limited

Place : Mumbai
Date : 14th August 2012

Bipin M. Manek
Chairman & Managing Director





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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 thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on **31st March 2012**. 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 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 Eight (8) times respectively on 18th April 2011, 30th May 2011, 15th June 2011, 20th June 2011, 12th August 2011, 20th August 2011, 14th November 2011 and 14th February 2012 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, the 20th September 2011 to Tuesday, the 27th September 2011 for the purpose of 18th Annual General Meeting held on 27th September 2011 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 2011 was held on 27th September 2011 after giving due notice to the Members of the Company and 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 under review.
8. The Company has not advanced any loans to its Directors or persons or firms or Companies referred to under section 295 of the Act.
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) There was no allotment/transfer/transmission of securities during the financial year.
(ii) The Company has not deposited any amount in a separate Bank Account as no dividend was declared during the financial year.
(iii) The Company was not required to post warrants to any Member of the Company as no dividend was declared during the financial year.
(iv) The Company has transferred unclaimed dividend amount of Rs.38,498/- (Rupees Thirty Eight Thousand Four Hundred and Ninety Eight Only) 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.
15. The Company has not appointed any Managing Director/ Whole-time Director/ Manager during the financial year.

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 thereunder.
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.
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 2012 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 not altered the provisions of the Memorandum with respect to the objects of the Company during the year under scrutiny.
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 Articles 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. As explained to us, the Company has not constituted a separate Provident Fund as provided under section 418 of the Act.

Place : Mumbai
Date : 14th August 2012

For Hemanshu Kapadia & Associates
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 RA)
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 RA)
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





VIDHI DYESTUFFS MANUFACTURING LIMITED.



ANNEXURE B

Forms and Returns filed by the Company with Registrar of Companies during the financial year ending 31st March 2012.

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 23AC XBRL & 23ACA XBRL	220	Financial year ended 31 st March 2011	19/11/2011	Yes	N.A.
2.	Form 20B	159(1)	Annual General Meeting held on 27 th September 2011.	24/10/2011	Yes	N.A.
3.	Form 66	383A(1)	Compliance Certificate for the financial year ended on 31 st March 2011	15/10/2011	Yes	N.A.
4.	Form 8	135	Modification of Charge	08/12/2011	No	Yes
5.	Form 8	135	Modification of Charge	21/02/2012	No	Yes
6.	Form 1 INV	205C read with rule 3 of IEPF (Awareness and Protection of Investor) Rules, 2001	Deposits to Investor Education and Protection Fund	07/02/2012	Yes	N.A.

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 and this is to affirm and declare that all the Directors and Senior Management personnel have affirmed their compliance and adherence with the provisions of the Code of Conduct for the financial year ended March 31, 2012: -

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
Date : 14th August 2012

Bipin M. Manek
Chairman & Managing Director

