

# VIVID MERCANTILE LIMITED

## VIVID MERCANTILE LIMITED

(Formerly known as Veeram Infra Engineering Limited)

**CIN: L74110GJ1994PLC021483**

**Reg Add:** Basement Medicare Centreb/H M J Library Opp Stock-  
Exchange, Ellisbridge, Ahmedabad-380006

**E-Mail Id:** [complianceveil@gmail.com](mailto:complianceveil@gmail.com), **Website:** [www.vividmercantile.com](http://www.vividmercantile.com)

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Date:-07/09/2022

To,  
The General Manager-Listing  
Corporate Relations Department  
BSE LIMITED  
PJ Towers, 25th floor, Dalal Street,  
Mumbai -400 001

Dear Sir/ Madam,

**Subject: Submission of Annual Report for the financial year 2021-22 (Scrip Code - 542046)**

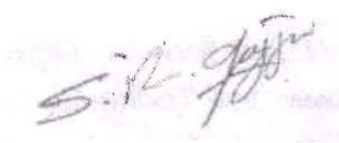
Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we submit herewith the Annual Report of the Company for the financial year 2021-22 alongwith the Notice convening the Annual General Meeting scheduled to be held on Friday, 30<sup>th</sup> September, 2022 at 4.00 PM. The above is also available on the website of the Company at [www.vividmercantile.com](http://www.vividmercantile.com).

Please take the information on record.

Thanking you,

Yours faithfully,

**For, Vivid Mercantile Ltd**



**Satish Gajjar**  
**Managing Director**  
**Din: 05254111**



**VIVID MERCANTILE LIMITED**

28<sup>TH</sup>

**ANNUAL REPORT**

**2021-22**

**VIVID MERCANTILE  
LIMITED**

**VIVID MERCANTILE LIMITED**  
**CORPORATE INFORMATION**

**BOARD OF DIRECTORS**

Mr. Satishkumar Ramanlal Gajjar	: Managing Director
Mrs. Geetaben Satishbhai Gajjar	: Whole-Time Director
Mr. Dhaval Satishkumar Gajjar	: Non-Executive Director
Mr. Satish Vadilal Sheth	: Non-Executive Independent Director

**CHIEF FINANCIAL OFFICER**

Mr. Satishkumar Ramanlal Gajjar

**COMPANY SECRETARY AND COMPLIANCE OFFICER**

Ms. Priti Jain

**STATUTORY AUDITORS**

**BHAGAT & CO.,**  
Chartered Accountant  
Ahmedabad

**TAMILNAD MERCANTILE BANK**

Ahmedabad branch, 1 B Wall street 1st Floor,  
opp. Orient Club, Ellisbridge,  
Ahmedabad, Gujarat-380006,

**REGISTERED OFFICE**

Basement Medicare centre B/H M. J. Library,  
Opp. Stock-Exchange, Ellisbridge, Ahmedabad-380006

**REGISTRAR & TRANSFER AGENT**

**KFIN TECHNOLOGIES LIMITED**  
Karvy Selenium Tower B, Plot 31-  
32, Gachibowli, Financial District,  
Nanakramguda, Hyderabad 500032

# VIVID MERCANTILE LIMITED

## INDEX

<b>Sr. No.</b>	<b>Contents</b>
1	Notice
2	Directors Report
3	Management Discussion And Analysis Report
4	Independent Auditor's Report
5	Audited Financial Statements
6	Attendance Slip
7	Proxy Form

# VIVID MERCANTILE LIMITED

## NOTICE OF 28<sup>th</sup> ANNUAL GENERAL MEETING

**NOTICE** is hereby given that the **28<sup>th</sup> ANNUAL GENERAL MEETING** of the members of **VIVID MERCANTILE LIMITED** (“the Company”) will be held as scheduled below:

Date : 30<sup>th</sup> September, 2022

Day : Friday

Time : 04:00 P.M.

Place : At registered office of the Company situated at Basement, Medicare Centre, B/h. M J Library, Opp. Stock-Exchange, Ellisbridge, Ahmedabad-380006 Gujarat.

To transact the following business:

### ORDINARY BUSINESS:

1. To Receive, Consider and Adopt Audited Financial Statement of the Company for the financial year ended on March 31<sup>st</sup>, 2022 together with report of Board of Directors and Auditors’ Report thereon.
2. To Appoint a Director in place of Mr. Dhaval Satishbhai Gajjar (DIN: 07772542), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and, being eligible, offers himself for appointment.

### SPECIAL BUSINESS:

3. Regularization of Mr. Umesh Gor (DIN: 08845586) as an Independent Director (Non-Executive Independent) of the Company.

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules made thereunder and Schedule IV to the said Act, Mr. Umesh Gor (DIN: 08845586) who was appointed as an Additional Director (Non-Executive Independent) of the Company w.e.f. 07 September 2022 and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 to propose him as a candidate for the office of the Director of the Company, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a period of five consecutive years.

RESOLVED FURTHER THAT any one of the Directors of the Company be and is hereby authorised to file necessary e-form with the Registrar of Companies and to do all such acts, deeds and things as may be necessary to give effect to the above resolution

**Date: 07.09.2022**  
**Place: Ahmedabad**

**By order of the board of directors of**  
**Vivid Mercantile Limited**

Sd/-  
Satishkumar Ramanlal Gajjar  
Managing Director  
DIN: 05254111

**ANNUAL REPORT 2021-22**

# **VIVID MERCANTILE LIMITED**

**Registered Office:**

Basement, Medicare Centre,  
B/h. MJ Liabrary, Opp. Stock exchange,  
Ellisbridge Ahmedabad – 380006, Gujarat

# VIVID MERCANTILE LIMITED

## NOTES

- A. MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY.
- B. Members/Proxies should bring the duly filled Attendance Slip at the Annual General Meeting along with the Annual Report already circulated to them. Duplicate admission slips and or copies of the report and accounts will not be provided at the AGM venue.
- C. Corporate Members intending to send their authorized representative(s) pursuant to section 113 of the Companies Act 2013 to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting. A person authorized by resolution under Section 113(1) of the Companies Act, 2013, shall be entitled to exercise the same rights and powers, including the right to vote by proxy, on behalf of the body corporate which he/she represents.
- D. Pursuant to the provisions of Section 91 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Register of Members and Share Transfer Books of the Company will remain closed from Friday 24th September, 2022 to Thursday, 30th September, 2022 (Both days inclusive).
- E. Members seeking any information with regard to accounts are requested to write to the Company at least 10 days before the meeting so as to enable the management to keep the information ready.
- F. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- G. Members are requested to notify immediately any change in their addresses and/or the Bank Mandate details to the Company's Registrars and Share Transfer Agents, Skyline Financial Services Ltd for shares held in physical form and to their respective Depository Participants (DP) for shares held in electronic form.
- H. The Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011 dated April 21, 2011 and April 29, 2011 respectively) has undertaken a "Green Initiative in Corporate Governance" and allowed companies to share documents with its shareholders through an electronic mode. The Stock Exchanges permits companies to send soft copies of the Annual Report to all those shareholders who have registered their email address for the said purpose. Members are requested to support this Green Initiative by registering / updating their email address for receiving electronic communication. The Annual Report of the company will also be available on the Company's website [www.vividmercantile.com](http://www.vividmercantile.com)
- I. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 & the Register of Contracts or arrangements in which the Directors are interested maintained under Section 189 of the Companies Act, 2013 will be made available for inspection by the members at the AGM venue during the continuance of the meeting.
- J. All the Documents referred to in the notice are open for inspection at the registered office of the Company between 11 A.M. to 5.00 P.M on any working day prior to the day of meeting and will also be available at the meeting venue on the date of meeting. Annual Report 2021-22.
- K. Procedure of Voting at the AGM In addition to the remote e-voting facility as described below, the company shall arrange voting facility at the venue of AGM through Ballot Paper and the members attending the meeting, who have not already cast their votes by remote e-voting, will be able to exercise their right at the meeting. Members who have cast their votes by remote e-voting prior to the meeting may attend the meeting, but shall not be entitled to cast their vote again. Members will need to write on the ballot paper, inter alia, relevant Folio No., DP ID & Client ID and number of shares held etc.
- L. **E-Voting Facility:**
- (A) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), the Circulars issued by the Ministry of Corporate Affairs dated 8 April 2020, 13 April 2020 and 5 May 2020 and the Secretarial Standard on General Meetings (SS-2) issued by the ICSI, as amended, the Company is pleased to provide to the members the facility of 'remote e-voting' (evoting from a place other than venue of AGM) to exercise their vote at the 05th AGM and accordingly business as mentioned in this Notice shall be transacted through e-voting. Necessary arrangements have been made by the Company with National Securities Depository Limited (NSDL) as the Authorised e-voting agency for facilitating voting through electronic means. The facility of casting votes by a member using remote e-voting as well as e-voting system on the date of the AGM will be provided by NSDL. The Company has appointed CS Shikha Patel,

# VIVID MERCANTILE LIMITED

Practising Company Secretary (Membership No. ACS: 43955; CP No: 16201), to act as the Scrutinizer for conducting the remote e- voting process as well as the e-voting system on the date of the AGM, in a fair and transparent manner.

- (B) Members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date i.e. Friday, 23rd September, 2022, shall be entitled to avail the facility of remote e-voting system. A person who is not a member as on the cut-off date should treat this notice for information purpose only.
- (C) The remote e-voting will commence on Tuesday, 27th September, 2022 at 9.00 A.M. and will end on Thursday, 29th September 2022 at 5.00 p.m. During this period, the members of the Company holding shares either in physical mode or in demat mode as on the Cut-off date i.e. Thursday, 23rd September, 2021 may cast their vote electronically. The members will not be able to cast their vote electronically beyond the date and time mentioned above and the remote e-voting module shall be disabled for voting by NSDL thereafter.
- (D) Once the vote on a resolution is cast by the member, such member shall not be allowed to change it subsequently.

## M. THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-

The remote e-voting period begins on Tuesday, 27<sup>th</sup> September, 2022 at 09:00 A.M. and ends on Thursday, 29 September, 2022 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Friday 23<sup>rd</sup> September, 2022, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 23<sup>rd</sup> September, 2022.

### How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

#### Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “Register Online for IDeAS Portal” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’</li> </ol>

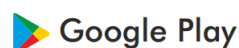


## VIVID MERCANTILE LIMITED

section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.

- Shareholders/Members can also download NSDL Mobile App “**NSDL Speede**” facility by scanning the QR code mentioned below for seamless voting experience.

**NSDL Mobile App is available on**



Individual Shareholders holding securities in demat mode with CDSL

- Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <https://web.cdslindia.com/myeasi/home/login> or [www.cdslindia.com](http://www.cdslindia.com) and click on New System Myeasi.
- After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of **e-Voting service provider i.e. NSDL**. Click on **NSDL** to cast your vote.
- If the user is not registered for Easi/Easiest, option to register is available at <https://web.cdslindia.com/myeasi/Registration/EasiRegistration>
- Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in [www.cdslindia.com](http://www.cdslindia.com) home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. **NSDL** where the e-Voting is in progress.

Individual Shareholders (holding securities in demat mode) login through their depository participants

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period

# VIVID MERCANTILE LIMITED

Important note: **Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.**

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 022-23058542-43

## B) Login Method for e-Voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

### How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
  1. If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  2. If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  3. How to retrieve your 'initial password'?

# VIVID MERCANTILE LIMITED

- If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
  - If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
    - (a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
    - (b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
    - (c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
    - (d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
  7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
  8. Now, you will have to click on "Login" button.
  9. After you click on the "Login" button, Home page of e-Voting will open.

## **Step 2: Cast your vote electronically on NSDL e-Voting system.**

### **How to cast your vote electronically on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote

### **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [cs.spatelasso@gmail.com](mailto:cs.spatelasso@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also

# VIVID MERCANTILE LIMITED

upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any query, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to (NSDL) at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

## Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

- In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [ccomplianceviel@gmail.com](mailto:ccomplianceviel@gmail.com)
- In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [ccomplianceviel@gmail.com](mailto:ccomplianceviel@gmail.com) If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
- Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
- In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

- N. The Scrutiniser after conclusion of voting at the AGM, first count the votes cast at the meeting and unblock the votes cast through remote e-voting in presence of at least two witnesses not in the employment of the company and shall make within 48 hours of the conclusion of the AGM a Consolidated Scrutinizer's Report of the total votes cast in favour or against or invalid votes, if any, forthwith to the Chairman of the Company or any other director or person authorised, who shall countersign the same and declare the result of the voting forthwith.
- O. The results so declared along with Scrutiniser's Report shall be placed on the Company's website i.e [www.smgold.com](http://www.smgold.com) and on the website of NSDL i.e. [www.nsdl.co.in](http://www.nsdl.co.in) and shall also be disseminated on the website of Stock Exchanges, where the Company's shares are listed.
- P. Members holding shares in electronic form must inform about change in address to their respective Depository Participant only and not to the Company or the Company's Registrar and Transfer Agent.
- Q. Members are requested to bring their copy of Annual Report at the meeting.

Members are requested to bring their copy of Annual Report at the meeting.

## R. BRIEF PROFILE OF THE DIRECTOR/S SEEKING APPOINTMENT/REAPPOINTMENT AT ANNUAL GENERAL MEETING:

Details under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 issued by The Institute of Company Secretaries of India in respect of Directors seeking re-appointment/appointment/confirmation at the ensuing Annual General Meeting are as follows:

## VIVID MERCANTILE LIMITED

<b>Name of Director</b>	Mr. Dhaval Satishkumar Gajjar	Mr. Umesh Gor
<b>DIN</b>	07772542	08845586
<b>Qualification</b>	He is a professional	Graduate in Commerce
<b>Brief Profile</b>	Mr. Dhaval Satishkumar Gajjar is a Non-Executive Director of the Company. He has completed his diploma in animation from Maya academy of advanced cinematic in year 2014. He has more then 3 year of experience in the filed of Arts animation of designing.	Mr. Umesh Gor in an entrepreneur and has more than 24 years of experience in business.
<b>Terms &amp; Conditions of Appointment / Re-appointment</b>	Subject to such terms and conditions of appointment as Director	Subject to such terms and conditions of appointment as Director
<b>Relationships between directors inter se</b>	Mr. Dhaval Satishkumar Gajjar is a Son of Satishkumar Gajjar	Mr. Umesh Gor is not related to any of the Director of the Company.
<b>Number of shares held in the Company at 31.03.2022</b>	236	0
<b>No. of Board Meetings attended during the Year</b>	6 out of 6	0

**Date: 07.09.2022**  
**Place: Ahmedabad**

**By order of the board of directors of  
Vivid Mercantile Limited**

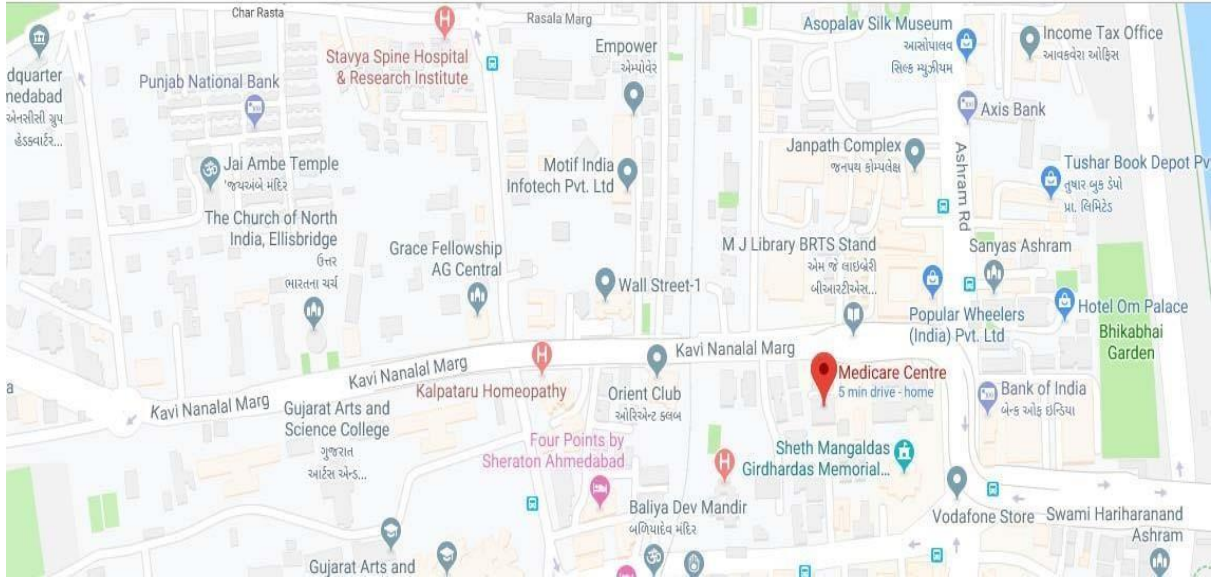
Sd/-  
Satishkumar Ramanlal Gajjar  
Managing Director  
DIN: 05254111

**Registered Office:**  
Basement, Medicare Centre,  
B/h. MJ Liabrary, Opp. Stock exchange,  
Ellisbridge Ahmedabad – 380006, Gujarat

# VIVID MERCANTILE LIMITED

## ROUTE MAP TO THE VENUE OF THE 28<sup>th</sup> ANNUAL GENERAL MEETING:

**Address:** Basement Medicare Centre, Behind M. J. Library, Opp. Stock Exchange Ellisbridge, Ahmedabad, Gujarat, 380006





**VIVID MERCANTILE LIMITED**  
**EXPLANATORY STATEMENT PURSUANT TO**  
**SECTION 102 OF THE COMPANIES ACT, 2013**

**ITEM NO. 3**

Mr. Umesh Gor (DIN: 08845586) was appointed as an Additional Director under the category of Non-Executive Independent of the Company w.e.f. 07th September 2022. As per the provisions of Section 161 of the Companies Act, 2013, Mr. Umesh Gor holds office up to the date of ensuing Annual General Meeting. Due notice under Section 160 of the Companies Act, 2013 has been received to propose him as a candidate for the office of Director of the Company.

The Board is also of the opinion that based on the declarations submitted by Mr. Umesh Gor, he fulfils the criteria relating to his independence as specified in Section 149(6) of the Companies Act, 2013 and Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Mr. Umesh Gor does not hold any equity share of the Company. The period of office of Mr. Umesh Gor shall not be liable to determination by retirement of Directors by rotation. Brief profile of Mr. Umesh Gor in terms of Regulation 36(3) of the Listing Regulations is forming part of this notice. Mr. Umesh Gor is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013.

The Board recommends passing of the resolution as set out in Item No. 3 of this Notice. None of the Director of the Company except Mr. Umesh Gor is concerned or interested in this resolution.

**Date: 07.09.2022**  
**Place: Ahmedabad**

**By order of the board of directors of**  
**Vivid Mercantile Limited**

Sd/-  
Satishkumar Ramanlal Gajjar  
Managing Director  
DIN: 05254111

**Registered Office:**  
Basement, Medicare Centre,  
B/h. MJ Liabrary, Opp. Stock exchange,  
Ellisbridge Ahmedabad – 380006, Gujarat

# VIVID MERCANTILE LIMITED

## DIRECTORS REPORT

To,  
The Members,  
Your Directors have pleasure in presenting their Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2022.

### 1. FINANCIAL SUMMARY OR HIGHLIGHTS/PERFORMANCE OF THE COMPANY

The Board's Report is prepared based on the stand alone financial statements of the company.

(Amount in Rs)

<b>PARTICULAR</b>	<b>2021-22</b>	<b>2020-21</b>
<b>Total Income for the year was</b>	23,08,16,330	20,63,27,511
<b>Operating &amp; Administrative expenses</b>	<b>17,88,92,489</b>	<b>16,99,99,891</b>
<b>Net Profit/(Loss) Before Tax</b>	<b>5,19,23,841</b>	<b>3,63,27,620</b>
<b>Less: Provision For Tax</b>	<b>50,30,000</b>	5,00,000
<b>Deferred Tax</b>	<b>0</b>	0
<b>Profit/(Loss) After Tax</b>	<b>4,68,93,841</b>	<b>3,58,27,620</b>

### 2. OPERATION AND REVIEWS

Total Revenue from operation of the company is Rs. 17,87,39,610/- and the net profit after tax is Rs. 4,68,93,841/- for the Financial year 2021-22.

### 3. DIVIDEND

The Board of directors of your company has not recommended any dividend for the financial year ended on 31<sup>st</sup> March, 2022.

### 4. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

Since there was no unpaid/unclaimed dividend, the provisions of Section 125 of the Companies Act, 2013 do not apply.

### 5. TRANSFER TO RESERVES

During the year under review, the Company has not transferred any amount to General Reserves account.

### 6. CHANGE IN THE NATURE OF THE BUSINESS

During the year there is no changes in the nature of the business of the company.

### 7. DIRECTORS & KEY MANAGERIAL PERSONNEL

Following are the Director and Key Managerial Personnel of the company as on a date of sign of this Report.



# VIVID MERCANTILE LIMITED

Sr. No.	Name of Directors/KMPs	Designation
1	Mr. Satishkumar Ramanlal Gajjar	Managing Director
2	Mrs. Geetaben Satishbhai Gajjar	Whole time Director
3	Mr. Dhaval Satishkumar Gajjar	Non-Executive Director
4	Mr. Satish Vadilal Sheth	Non-Executive Independent Director
6	Ms. Priti Jain	Company Secretary
7	Mr. Satishkumar Ramanlal Gajjar	Chief Financial Officer

- under review, the Company has appointed Mr. Umesh Gor (DIN: 08845586) as Additional Directors (Non-Executive Independent) on the Board of the Company w.e.f. 07th September 2022. The Board hereby recommends their appointment as Independent Directors. The relevant details of them are given in the Explanatory Statement to the Notice convening the Meeting
- Pursuant to the provisions of Section 152 of the Act, Mr. Dhaval Satishkumar Gajjar (DIN: 07772542), retires by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment. The Board recommends his re-appointment
- Pursuant to Section 149(7) of the Companies Act, 2013, the Company has received necessary declaration from each Independent Director confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

## 8. **NUMBER OF BOARD MEETINGS**

The Board of Directors met Six (6) times in respect of said meetings, proper notices were given and proceedings were properly recorded and signed in the Minute Book maintained for the purpose.

### **Board Meetings held during the Year**

Date on which the Board Meetings were held	Total Strength of the Board	No of directors present
30-04-2021	4	4
30-06-2021	4	4
10-08-2021	4	4
07-09-2021	4	4
13-11-2021	4	4
10-03-2022	4	4

The gap between two Board Meetings was within the maximum time gap prescribed under the Act and the Listing Regulations. The requisite quorum was present in all the meetings.

## 9. **BOARD EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulation, 2015 The Board evaluated the effectiveness of its functioning and that of the Committees and of individual directors by seeking their inputs on various aspects of Board/Committee. The evaluation covered functioning and composition of the Board and its committees, understanding of the roles and responsibilities, experience, competencies, participation at the Board and Committee meetings, corporate governance practices etc.

# VIVID MERCANTILE LIMITED

Evaluation of the Board and its compositions was carried out through a defined process covering the areas of the Boards functioning viz. composition of the Board and Committees, understanding of roles and responsibilities, experience and competencies, contribution at the meetings etc.

## 10. DECLARATION BY INDEPENDENT DIRECTORS

Declaration from all the independent directors has been received that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013.

## 11. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(5) of the Companies Act, 2013, 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 explanation relating to material departures;
- (ii) The directors have selected such accounting policies and applied them consistently and made judgments 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/loss of the company for that period;
- (iii) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) The directors have prepared the annual accounts on a going concern basis; and
- (v) The directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (vi) The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 12. ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial Controls with reference to Financial Statements. The Board has inter alia reviewed the adequacy and effectiveness of the Company's internal financial controls relating to its financial statements. During the year, such Controls were tested and no reportable material weakness was observed.

## 13. CHANGE IN CAPITAL STRUCTURE OF COMPANY

During the year under review, The Company has not made any changes in Capital Structure of the Company.

## 14. MATERIAL CHANGES AND COMMITMENTS, IF ANY

The Equity shares of Vivid Mercantile Limited which are already listed under BSE SME Platform are now be migrated & admitted to dealing on the main board platform in the list of 'B' group.

# VIVID MERCANTILE LIMITED

## 15. EXTRACT OF THE ANNUAL RETURN

In terms of Section 92(3) of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company is available on the website of the Company at [www.vividmercantile.com](http://www.vividmercantile.com).

## 16. AUDITORS AND THEIR REPORT

### • STATUTORY AUDITORS

The Company has appointed M/s. Bhagat & Co, Chartered Accountants (Firm Registration No. 127250W) as Statutory Auditors of the Company as per the Provisions of Section 139 of the Companies Act, 2013 for a period of Five Years and they will continue to hold the office till the conclusion of AGM of the Company to be held in 2025-26.

The Company has received a confirmation from the Auditors that they are not disqualified to act as the Auditors and are eligible to hold the office as Auditors of the Company.

The Auditors' Report does not contain any qualification. Notes to Accounts and Auditors remarks in their report are self-explanatory and do not call for any further comments.

### • SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors had appointed Shikha Patel & Associates, Practicing Company Secretary (CP No. 16201) to undertake the Secretarial Audit of the Company for the FY 2021-22. The Secretarial Audit Report for the FY 2021-22 is annexed to this Directors' Report.

### • COST AUDITORS

The Company has not appointed the Cost Auditor as pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit is not applicable to the Company.

## 17. DEPOSITS

The Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 of the Companies Act, 2013 ("the Act") read with the Companies (Acceptance of Deposit) Rules, 2014 during the period under review.

## 18. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint venture or Associate Company.

## 19. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

In terms of rule (9) of the Companies (Accounts) Rules, 2014 The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

## 20. RISK MANAGEMENT POLICY

Your Company has established comprehensive Risk Management System to ensure that risks to the Company's continued existence as a going concern and to its growth are identified and

# VIVID MERCANTILE LIMITED

addressed on timely basis. Report on Risk Management forms an integral part of this Annual Report.

## 21. WHISTLE BLOWER POLICY

The Company promotes safe, ethical and compliant conduct of all its business activities and has put in place a mechanism for reporting illegal or unethical behavior. The Company has a Vigil Mechanism and Whistle-blower policy under which the employees are encouraged to report violations of applicable laws and regulations and the Code of Conduct – without fear of any retaliation.

## 22. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

During the year, the Company has not given any loan, guarantee or provided security in connection with the loan to any other body corporate or person or made any investments hence no particulars of the loans, guarantees or investments falling under the provisions of Section 186 of the Companies Act, 2013 are provided by the Board.

## 23. RELATED PARTY TRANSACTIONS

During the year under review, contracts or arrangements entered into with the related party, as defined under section 188 of the companies Act, 2013 were in ordinary course of business and on arms' length basis. Details of the transactions pursuant to compliance of section 134(3)(h) of the companies act, 2013 and rule 8(2) of the companies (Accounts) Rule, 2014 are annexed herewith as per "Annexure – B".

However, there are no materially significant related party transactions made by the company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large.

## 24. SIGNIFICANT AND MATERIAL ORDER PASSED BY REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There is no significant and material order was passed by regulators or courts or tribunals impacting the going concern status and company's operations in future.

## 25. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Disclosures pertaining to conservation of energy, technology absorption and foreign exchange earnings & outgo, were not applicable to the Company during the year under review.

## 26. AUDIT COMMITTEE/ NOMINATION AND REMUNERATION COMMITTEE/ STAKEHOLDERS' RELATIONSHIP COMMITTEE/ SEXUAL HARASSMENT COMMITTEE

### • Audit Committee

#### Constitution & Composition of Audit Committee:

The Company has formed the Audit Committee as per the applicable provisions of Section 177 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended) and also to comply with Regulation 18 of SEBI Listing Regulations. The composition of the Committee and details of meetings attended by the members are given below:

# VIVID MERCANTILE LIMITED

Name	Designation	Category	No. of Meetings held during the Period	
			Held	Attended
<b>Satish Vadilal Sheth</b>	Chairperson	Non-Executive-Independent Director	4	4
<b>Dhaval Satishkumar Gajjar</b>	Member	Non-Executive-Director	4	4
<b>Satishkumar R. Gajjar</b>	Member	Managing Director	4	4

- **Nomination and Remuneration Committee:**  
**Constitution & Composition of Remuneration Committee:**

Our Company has formed the Nomination and Remuneration Committee as per Section 178 and other applicable provisions of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended) and also to comply with Regulation 19 of SEBI Listing Regulations (applicable upon listing of Company's Equity Share. The Nomination and Remuneration Committee comprises the following members:

Name	Designation	Category	No. of Meetings held during the Period	
			Held	Attended
<b>Satish Vadilal Sheth</b>	Chairperson	Independent Director	2	2
<b>Dhaval Satishkumar Gajjar</b>	Member	Non-Executive-Director	2	2
<b>Satishkumar R. Gajjar</b>	Member	Managing Director	2	2

The Policy of nomination and Remuneration committee has been place on the website of the company at [www.vividmercantile.com](http://www.vividmercantile.com) and the salient feature of the same has been disclosed under "Annexure - C".

- **Stakeholder's Relationship Committee:**

**Constitution & Composition of Stakeholders Relationship Committee:**

Our Company has formed the Stakeholders Relationship Committee as per Section 178 and other applicable provisions of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended) and also to comply with Regulation 20 of SEBI Listing Regulations (applicable upon listing of Company's equity shares)vide board resolution dated May 30, 2019.

The constituted Stakeholders Relationship Committee comprises the following members:

# VIVID MERCANTILE LIMITED

Name	Designation	Category	No. of Meetings held during the Period	
			Held	Attended
Satish Vadilal Sheth	Chairperson	Independent Director	2	2
Dhaval Satishkumar Gajjar	Member	Non-Executive-Director	2	2
Satishkumar R. Gajjar	Member	Managing Director	2	2

- **Sexual Harassment Committee**

Your Company has adopted a policy against sexual harassment in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder. The Company has constituted Committee for redressal of complaints on sexual harassment. During the year, the Company had not received any complaint on sexual harassment and no complaint was pending as on March 31, 2022.

**Constitution & Composition of Sexual Harassment Committee:**

Name	Designation	Category	No. of Meetings held during the Period	
			Held	Attended
Geetaben S. Gajjar	Chairperson	Whole-Time-Director	1	1
Dhaval Satishkumar Gajjar	Member	Non-Executive-Director	1	1
Satishkumar R. Gajjar	Member	Managing Director	1	1

## 27. **MANAGEMENT DISCUSSION AND ANALYSIS**

Management Discussion and analysis Report as Required under Regulation 34 and Schedule V of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 forms an integral part of this Report, and provides the companies' current working and future outlook.

## 28. **CORPORATE GOVERNANCE**

Since the Company's Securities migrated from SME Platform to BSE Mainboard Platform from Friday, May 20, 2022, Regulation 15(2) of SEBI (Listing Obligation and Disclosures requirement) Regulation, 2015, Report on Corporate Governance is not applicable to Our Company, hence Company has not obtained a Certificate from a Practicing Company Secretaries certifying the same.

## 29. **LISTING**

The Equity shares of Vivid Mercantile Limited which are already listed under BSE SME platform has been with effective from Friday, May 20, 2022 migrated & admitted to dealings on the Mainboard platform in the list of 'B' Group.

# VIVID MERCANTILE LIMITED

## 30. ACKNOWLEDGEMENTS

Your Directors wish to place on record their appreciation for the continuous support received from the Members, customers, suppliers, bankers, various statutory bodies of the Government of India and the Company's employees at all levels.

**Date: 07.09.2022**  
**Place: Ahmedabad**

**By order of the board of directors of  
Vivid Mercantile Limited**

Sd/-

Satishkumar Ramanlal Gajjar  
Managing Director  
DIN: 05254111

**Registered Office:**  
Basement, Medicare Centre,  
B/h. MJ Liabrary, Opp. Stock exchange,  
Ellisbridge Ahmedabad – 380006, Gujarat



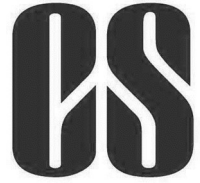
# **SHIKHA PATEL & ASSOCIATES**

Company Secretaries

Shikha Patel

M: +91 90161 21381

E: [cs.spatelasso@gmail.com](mailto:cs.spatelasso@gmail.com)



**Form No. MR-3**

## **SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

\*\*\*\*\*

**To,**  
**The Members,**  
**VIVID MERCANTILE LIMITED**  
CIN: L74110GJ1994PLC021483  
BASEMENT, MEDICARE CENTRE,  
B/H. MJ LIABRARY, OPP. STOCK EXCHANGE,  
ELLISBRIDGE AHMEDABAD – 380006, GUJARAT

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **VIVID MERCANTILE LIMITED** (hereinafter called the “Company”). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has during the audit period covering the financial year ended on March 31, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined (*physical as well as online verification and examination of records was conducted as facilitated by the Company due to Covid 19 pandemic for the purpose of issuing this report*) the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2022, according to the provisions of:

- (i) The Companies Act, 2013 (“the Act”) and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (“SCRA”) and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; - **Not Applicable during the Reporting Period**

The following Regulations and Guidelines prescribed under the Securities and Exchange Board





of India Act, 1992 ("SEBI Act"):

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; - **Not Applicable during the Reporting Period**
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; - **Not Applicable during the Reporting Period**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - **Not Applicable during the Reporting Period**
  - (f) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; - **Not Applicable during the Reporting Period**
  - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; - **Not Applicable during the Reporting Period and**
  - (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. - **Not Applicable during the Reporting Period**
- (vi) During the period under report, no specific law was applicable to the Company.

I have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

I further report that compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by Tax Auditor/Other designated professionals.

I further report that during the year under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**I further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

Adequate notices were given to all the Directors to schedule the Board Meetings, Agenda and detailed notes on Agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the Agenda items before the meeting and for meaningful participation at the meeting. There were no dissenting views on any matter.

I further report that there are adequate systems and processes in the Company commensurate



with the size and operations of the Company to monitor and ensure compliance with all the applicable laws, rules, regulations and guidelines, standards etc.

I further report that during the audit period, the Company has not conducted any actions/ events which could have a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

**FOR, SHIKHA PATEL & ASSOCIATES  
(PRACTICING COMPANY SECRETARY)**



**PLACE: AHMEDABAD  
DATE:08/09/2022**

**CS SHIKHA PATEL  
ACS NO.: 43955  
C P NO.: 16201  
UDIN: A043955D000942160**

**To,**  
**The Members,**  
**VIVID MERCANTILE LIMITED**  
CIN: L74110GJ1994PLC021483  
SHOP NO. 1 TO 3, 2<sup>ND</sup> FLOOR,  
24 CARET BUILDING, OPP. ROCK REGENCY HOTEL,  
LAW GARDEN, C G ROAD,  
AHMEDABAD-380009

My report of even date provided in Form MR-3 is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices I follow, provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. My examination was limited to the verification of procedure on test basis, for the purpose of issuing Secretarial Audit Report.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

**FOR, SHIKHA PATEL & ASSOCIATES**  
**(PRACTICING COMPANY SECRETARY)**



*Shikha Patel*

**PLACE: AHMEDABAD**  
**DATE:08/09/2022**

**CS SHIKHA PATEL**  
**ACS NO.: 43955**  
**C P NO.: 16201**  
**UDIN: A043955D000942160**

# VIVID MERCANTILE LIMITED

## Annexure B Form No. AOC 2

**(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014**

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

### **1. Details of contracts or arrangements or transactions not at Arm's length basis.**

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of Relationship	<b>There were no transactions or arrangement which was not at Arm's Length Basis.</b>
b)	Nature of contracts/arrangements/transaction	
c)	Duration of the contracts/arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions'	
f)	Date of approval by the Board	
g)	Amount paid as advances, if any	
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

### **2. Details of contracts or arrangements or transactions at Arm's length basis.**

SL. No.	Particulars	Details	
a)	Name (s) of the related party & nature of Relationship	Satishkumar R. Gajjar & Director	Satishkumar R. Gajjar & Director
b)	Nature of contracts/arrangements/transaction	Remuneration of Rs.3,00,000/-	Unsecured Loan of Rs. 63,26,725/-
c)	Duration of the contracts/arrangements/transaction	NA	NA
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	NA	NA
e)	Date of approval by the Board	30.04.2021	30.04.2021
f)	Amount paid as advances, if any	NA	NA

**Date: 07.09.2022**  
**Place: Ahmedabad**

**By order of the board of directors of**  
**Vivid Mercantile Limited**

Sd/-  
Satishkumar Ramanlal Gajjar  
Managing Director  
DIN: 05254111

**Registered Office:**  
Basement, Medicare Centre,  
B/h. MJ Liabrary, Opp. Stock exchange,  
Ellisbridge Ahmedabad – 380006, Gujarat

### Policy of Nomination and Remuneration Committee of the Company

#### Policy for Identification Of Persons For Appointment And Removal As Director And Senior Managerial Personnel

The Committee shall:

1. Identify and ascertain the honesty, reliability, qualification, expertise and experience of the person for appointment as Director or Senior Managerial Personnel and recommend the Board accordingly.
2. The committee must ensure itself regarding the capabilities and eligibilities of the proposed appointee(s) and must ensure that the proposed appointee shall be able to devote the required time as may be necessary.
3. The Committee shall be at discretion to decide whether qualification, expertise and experience possessed by the person is adequate for the proposed position.
4. Any other assessment as may be required must be carried out by the Committee and on being satisfied with the overall eligibility of the person, the committee shall recommend his/her appointment to the Board accordingly.
5. With respect to Independent Directors of the Company the committee shall additionally ensure the independence of the Director as per the applicable provisions of Companies Act, 2013 and the Rules made there under.
6. The Committee may recommend to the Board with the reasons recorded in writing, the removal of Director or Senior Managerial Personnel based on any disqualification that may be applicable as per the provisions of Companies Act, 2013 and the rules made there under or for any other reasons as may be justified by the Committee.

#### TERM OF APPOINTMENT:

The term of Appointment of Managing Director/ Whole Time Directors and Independent Directors of the Company shall be as per the provisions of the Companies Act, 2013 and the Rules made there under.

#### RETIREMENT:

The Managing Director/ Whole Time Directors and Independent Directors of the Company shall be subject to retirement as per the applicable provisions of Companies Act, 2013 and the Rules made there under. The Committee will be at its discretion to recommend retention of Directors even after they have attained the retirement age for the benefit of the Company subject to fulfillment of the requirements as mentioned in Companies Act, 2013.

#### POLICY FOR EVALUATION OF PERFORMANCE OF BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

##### **1. Evaluation of performance of Board and Individual Directors:**

- a. Achievement of financial/ business targets as fixed by the Board;
- b. Proper development, management and execution of business plans;
- c. Display of leadership qualities i.e. correctly anticipating business trends and opportunities;
- d. Establishment of an effective organization structure;
- e. Participation in the Board/Committee Meetings;
- f. Integrity and maintenance of confidentiality;
- g. Any other criteria that may be considered necessary for the evaluation of the performance of the Board may be considered by the Committee.

# VIVID MERCANTILE LIMITED

## **2. Evaluation of performance of Committee:**

- a. Discharge of its functions and duties as per its terms of reference;
- b. Effectiveness of the suggestions and recommendations received;
- c. Conduct of its meeting and procedures followed in this regard.

## **3. Review of the Implementation of this policy:**

The Committee shall review the implementation and compliance of this policy at least once a year.

### **POLICY FOR REMUNERATION TO DIRECTORS AND KEY MANAGERIAL PERSONNEL**

The remuneration of the Directors and Key Managerial Personnel must be in accordance with the provisions of Companies Act, 2013 and the Rules made there under. The committee must ensure that:

The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully.

# VIVID MERCANTILE LIMITED

## ANNEXURE-D

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

#### Business Overview

Our Company was originally incorporated as Vivid Offset Printers Private Limited on March 4, 1994 under the Companies Act, 1956 vide certificate of incorporation issued by the Registrar of Companies, Gujarat, Dadra and Nagar Havelli. Subsequently, the name of company was changed to "Veeram Infra Engineering Private Limited" on January 10, 2018 under the Companies Act, 2013 pursuant to a special resolution passed by our shareholders at the EGM held on December 22, 2017 and vide certificate of incorporation issued by the Registrar of Companies, Gujarat, Dadra and Nagar Havelli. Thereafter, Our Company was converted in to a public limited company pursuant to a special resolution passed by our shareholders at the EGM held on January 12, 2018 and consequently name was changed to "Veeram Infra Engineering Limited" (VIEL) vide fresh certificate of incorporation dated January 29, 2018 issued by Registrar of Companies, Gujarat, Dadra and Nagar Havelli. The name of company was changed from "Veeram Infra Engineering Limited" to Vivid Mercantile Limited on April 24, 2019 under the Companies Act, 2013 pursuant to a special resolution passed by our shareholders through the Postal Ballot result dated April 08, 2019 and vide certificate of incorporation issued by the Registrar of Companies, Gujarat, Dadra and Nagar Havelli dated 24<sup>th</sup> April, 2019. The CIN of the Company is L74110GJ1994PLC021483.

In 1994, our company entered into the business of Graphic Desiging. Being successful in graphic desiging and the growing demand for graphic printing, Our Promoters decided to expand its current business in 1996 through the forward intergration strategy, i.e., it started its own printing business. Our Promoters added the printers having the lastest technology that helped our company in offering multi-colour offset printing services, single colour offset printing services, commercial printing services for calendars, catalogs, brochures, posters, annual reports manuals, etc. Backed by a team of qualified and skilled professionals and lastest printing technology, our company has obtained a long list of reputed clientele.

Over the years, as digital printing was preferred over offset printing, our company also decided to enter into the trading business of general mercantile. Our company traded in different general goods & variety of products as per season like pulses, garments and metals etc and other such profitable product segments. Currently, our company's trading activities are focused only in Gujarat. However, we intend to cater to the increasing demands of our existing customers and also to increase our customer base by enhancing the distribution reach of our products in different parts of the country. Our Company is in the process of building a quality and innovation focused trading vertical as well as developing a strong team to cater to its proposed increased operational needs in the printing and trading business.

Over the last 2-3 years, our promoters have a developed a focused and bigger vision in the real estate sector. In order to execute the same, the promoters have decided to diversify its business actitivies in the real estate sector. With this mission in their mind, the promoter have made the necessary changes in the Company's MOA wherein our 70% company's revenues from now on shall be earned through its real estate business and the remaining from its ancillary business.

Our real estate business shall include development and sale of land, residential properties including identification and acquisition of land, development of land & infrastructure,



# VIVID MERCANTILE LIMITED

acquisition of development rights of projects, marketing of projects/land. Currently, our company has entered in to a land development agreement for Land Development and Plotting Project at Village Zamp, Taluka Sanand, District Ahmedabad, Gujarat. We are in the process of land development and plotting of the above land admeasuring approximately 7.34 hectares. We will be doing the levelling and land filling work and will also do plotting and boundary work to sell these plots in different sizes as per the customer requirements.

During the year under review company has changed object to diversified business of dealing in any manner whatsoever in all type of goods on retail as well as on wholesale basis in India or elsewhere and job worker, export house of goods, merchandise and services of all grades, specifications, descriptions, applications, modalities, fashions, including by- products, spares or accessories thereof.

## OUR COMPETITIVE STRENGTHS:

- Quality Products
- Use of efficient internal processes to leverage our sales
- Wide Range of our Product
- Established Brand Name
- Experience of our Promoters
- Experience Management Team & efficient Work Force
- Strong and Long term Relationship with our Clients

## OUR BUSINESS STRATEGIES

- Continue to maintain Strong Relation with existing Customers
- Enhancing Operating Effectiveness and Efficiency
- Active and regular Participation in trade fairs and Exhibitions

## HUMAN RESOURCES AND INDUSTRIAL RELATIONS:

Human Resources play a critical role in driving Vivid Mercantile Limited's strategies and growth. The Company endeavors to become the best place to work for its employees and to provide them with a nurturing environment that is essential for their growth. Vivid Mercantile Limited has implemented comprehensive and well-structured HR policies to ensure employee growth both at personal and professional levels. The Companies' talent pool comprises a diverse set of experienced and skilled people who play key roles in enhancing business efficiency, devising strategies, setting up systems and evolving business as per industry requirements. The Company provides a safe, conducive and productive work environment to its people. Overall, the Company provides a nurturing work environment to a diverse set of workforce.

## RISK & CONCERNS

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Key business risks and mitigation strategy are highlighted below.

1) Business risk: To mitigate the risk of high dependence on any one business for revenues, the Company has adopted a strategy of launching new products/services.



# VIVID MERCANTILE LIMITED

2) Legal & Statutory Risk: The Company Secretary, compliance and legal functions advise the Company on issues relating to compliance with law and to prevent violations of the same. The Company Secretary submits a quarterly report to the Board on the company's initiatives to comply with the laws of various jurisdictions. The company also seeks independent legal advice wherever necessary.

3) Human resource attrition risk: Vivid Mercantile Limited's key assets are its employees and in a highly competitive market, it is a challenge to address attrition.

4) Vivid Mercantile Limited continues to accord top priority to manage employee attrition by talent retention efforts and offering a competitive salary and growth path for talented individuals.

5) Others: The Company is exposed to risks & fluctuations of foreign exchange rates, raw material prices and overseas investments exposures.

## **INTERNAL CONTROL SYSTEM:**

The Company maintains a proper and adequate system of internal controls, which provide for automatic checks and balances. The Company's resilience and focus is driven to a large extent by its strong internal control systems for financial reporting. The Company follows strict procedures to ensure high accuracy in recording and providing reliable financial and operational information, meeting statutory compliances. The Company's internal team and Audit Committee closely oversee business operations. These responsibilities include the design, implementation and maintenance of adequate internal financial controls to ensure an orderly and efficient conduct of its business. The committees also ensure adherence to the Company's policies the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information. Any deviations are promptly reported to the management. Various risk mitigation measures are then devised to bring risk exposure levels in line with risk appetite. Timely and adequate measures are undertaken to ensure uninterrupted functioning of the business.

## **FINANCIAL PERFORMANCE**

The financial statements have been prepared in accordance with the Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 and the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other pronouncements / provisions of the applicable laws. The financial statements have been prepared on a going concern basis and the accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

# VIVID MERCANTILE LIMITED

## Statutory Audit Report F.Y. 2021-22

--: Auditors :--

Bhagat & Co.

(Chartered Accountants)

24, Laxmi Chambers,

Navjeevan Press Road,

Near Old High Court, Income Tax,

Ahmedabad- 380014



## **Independent Auditor's Report**

**To the Members of Vivid Mercantile Limited.**

**Report on the Standalone Financial Statements**

### **Opinion**

We have audited the accompanying Standalone financial statements of **Vivid Mercantile Limited** . ('the Company'), which comprise the Balance Sheet as at **31<sup>st</sup> March 2022**, the Statement of Profit and Loss (including other comprehensive income) and Cash Flow statement for the year then ended, and notes to financial Statement including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statement give the information required by the Companies Act, 2013("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of state of affairs of the company as at **31<sup>st</sup> March 2022** and its profit and its cash flow for the year ended on that date.

### **Basis for Opinion**

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to be communicated in our report.

### **Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the AS and the other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we have given in the **Annexure A**, a statement on the matters specified in the paragraph 3 and 4 of the order.

2.

(A) As required by Section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the Internal Financial Controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".

(B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- a. The Company does not have any pending litigation which would impact its financial position.
- b. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
- c. There were no amounts which are required to be transferred to the Investor Education and Protection Fund by the company.
- d. (i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.  
  
(ii) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

(iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub- clause (d) (i) and (d) (ii) contain any material mis-statement.

e. The Company has neither declared nor paid any dividend during the year.

(C) With respect to the matters to be included in the Auditor's Report under section 197(16) of the Act:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its director during the year is in accordance with the provision of section 197 of the Act.

**For, Bhagat & Co.**  
**Chartered Accountants**  
**FRN No:-127250W**

**s/d**  
**Shankar Prasad Bhagat**  
**(Partner)**  
**Mem. No.: 052725**  
**UDIN : 22052725AJXOSF6497**  
**Place: Ahmedabad**  
**Date:30.05.2022**

## “Annexure - A” to the Auditors’ Report

The Annexure referred to in Independent Auditors’ Report to the members of the Company on the standalone financial statements for the year ended **31<sup>st</sup> March 2022**, we report that:

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipments
- (b) The Company has a regular program of physical verification of its Property, Plant and Equipments. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are not held in the name of the Company. As the company has taken immovable property on rent from the directors.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, plant and equipment (including Right-of-use assets) or Intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made there under.
- ii. (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were 10% or more in the aggregate for each class of inventory.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets.
- iii. The Company has not granted any loans to bodies corporate covered in the register maintained under section 189 of the Companies Act, 2013 (‘the Act’).
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for any business activities carried out by the Company.



- vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the book of account in respect of undisputed statutory dues including goods and service tax, provident fund, income-tax, duty of customs, cess and other material statutory dues have been regularly deposited during the year by the company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance and duty of excise.
- (b) According to the information and explanations given to us, there were no undisputed amounts payable in respect of Income-tax, goods and service tax and other material statutory dues in arrears were outstanding as at 31<sup>ST</sup> March,2022 for a period of more than six months from the date they became payable.
- viii. Whether any transaction not recorded in the books of accounts have been surrendered or disclosed as income during the year in the tax assessment under the IT Act, 1961. There is no such kind of disclosure as explained by Management.
- ix. Company has not taken loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(ix) of the Order is not applicable
- x. (a) The company did not raise any money by way of initial public offer or further public offer (including debt instruments).
- (b) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xi. (a) According to the information and explanations given to us, no material fraud by the Company or on the Company has been noticed or reported during the course of our audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) The company has not been received whistle-blower complaints during the year. Hence this sub clause is not applicable.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with the sections 177 and 188 of the Act. Where applicable, the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us, The Company has Internal Audit System commensurate with size and its business. The report of internal auditor have been considered for finalization of account.

- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, all sub clauses of paragraph 3(xvi) of the Order is not applicable.
- xvii. The Company has not incurred cash losses in the financial year and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year. Accordingly, paragraph 3(xviii) of the Order is not applicable.
- xix. The Company is in position to meet all liabilities at the balance sheet date.
- xx. This clause is not applicable.
- xxi. This clause is not applicable

**For, Bhagat & Co.**  
**Chartered Accountants**  
**FRN No:-127250W**

**s/d**  
**Shankar Prasad Bhagat**  
**(Partner)**  
**Mem. No.: 052725**  
**UDIN : 22052725AJXOSF6497**

**Place : Ahmedabad**  
**Date : 30.05.2022**

## **ANNEXURE B TO THE AUDITOR'S REPORT**

### **Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

We have audited the internal financial controls over financial reporting of **Vivid Mercantile Limited.** ('the Company') as of **31<sup>st</sup> March 2022** in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

## **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of the management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For, Bhagat & Co.**  
**Chartered Accountants**  
**FRN No. 127250W**

s/d  
**Shankar Prasad Bhagat**  
**(Partner)**  
**M No: 052725**  
**UDIN:22052725AJXOSF6497**

**Date: 30/05/2022**  
**Place: Ahmedabad**

# VIVID MERCANTILE LIMITED

BALANCE SHEET AS ON 31<sup>st</sup> MARCH 2022

Particulars	Note No.	31.03.2022	31.03.2021
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	1	10,02,56,400	10,02,56,400
(b) Reserves and Surplus	2	15,18,06,129	10,45,23,882
<b>(2) Share Application money pending allotment</b>			
<b>(3) Non-Current Liabilities</b>			
(a) Long-Term Borrowings			
(b) Deferred Tax Liabilities (Net)			
(c) Other Long Term Liabilities			
(d) Long Term Provisions			
<b>(4) Current Liabilities</b>			
(a) Short-Term Borrowings	3	63,26,725	-
(b) Trade Payables	4	4,55,380	75,016
(i) Total outstanding dues of Micro , Small & Medium Enterprise			
(ii) Total outstanding dues other than Micro , Small & Medium Enterprise			
(c) Other Current Liabilities	5	4,38,476	38,471
(d) Short-Term Provisions	6	50,55,000	5,00,000
<b>Total Equity &amp; Liabilities</b>		<b>26,43,38,110</b>	<b>20,53,93,769</b>
<b>II. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Property , Plant and Equipments	7	30,91,866	94,67,920
(i) Tangible Assets			
(ii) Intangible Assets			
(iii) Capital Work in Progress			
(iv) Intangible assets under development			
(b) Non-current investments			
(c) Deferred tax assets (net)		17,910	17,910
(d) Long term loans and advances			
(e) Other non-current assets			
<b>(2) Current Assets</b>			
(a) Current investments	8	9,44,85,723	9,83,50,011
(b) Inventories		14,72,66,186	8,83,36,498
(c) Trade receivables	9	1,42,32,266	42,00,000
(d) Cash and cash equivalents	10	2,66,682	14,86,099
(e) Short-term loans and advances	11	-	26,66,560
(f) Other current assets	12	49,77,478	8,68,771
<b>Total Assets</b>		<b>26,43,38,110</b>	<b>20,53,93,769</b>

**NOTES TO ACCOUNTS**

20

*Schedules referred to above and notes attached there to form an integral part of Balance Sheet*

*This is the Balance Sheet referred to in our Report of even date.*

**FOR , BHAGAT & Co.**

**CHARTERED ACCOUNTANTS**

**FRN No. 127250W**

s/d

**Shankar Prasad Bhagat**

**(Partner)**

**Mem. No. : 052725**

**UDIN :22052725AJXOSF6497**

**Place : Ahmedabad**

**Date : 30/05/2022**

**FOR, VIVID MERCANTILE LIMITED**

s/d

**Satishkumar R. Gajjar**  
**(Managing Director & CFO)**  
**DIN : 05254111**

s/d

**Geetaben S. Gajjar**  
**(Whole-Time Director)**  
**DIN : 05254107**

s/d

**Priti Jain**  
**(Company Secretary)**

# VIVID MERCANTILE LIMITED

## PROFIT & LOSS STATEMENT FOR THE PERIOD ENDED ON 31<sup>st</sup> MARCH, 2022

Sr. No	Particulars	Note No.	31.03.2022	31.03.2021
I	Revenue from operations	13	17,87,39,610	16,97,29,435
II	Other Income	14	5,20,76,720	3,65,98,076
III	<b>Total Revenue (I + II)</b>		<b>23,08,16,330</b>	<b>20,63,27,511</b>
IV	<b>Expenses:</b>			
	Cost of materials consumed		-	-
	Purchase of Stock-in-Trade	15	23,48,81,128	23,14,13,286
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	16	-5,89,29,688	-6,37,70,858
	Employee Benefit Expense	17	11,04,000	7,05,000
	Financial Costs	18	4,733	1,701
	Depreciation and Amortization Expense		10,68,592	7,65,269
	Other Expenses	19	7,63,724	8,85,493
	<b>Total Expense (IV)</b>		<b>17,88,92,489</b>	<b>16,99,99,891</b>
V	Profit before exceptional and extraordinary items and tax	(III-IV)	<b>5,19,23,841</b>	<b>3,63,27,620</b>
VI	Exceptional Items		-	-
VII	Profit before extraordinary items and tax (V - VI)		<b>5,19,23,841</b>	<b>3,63,27,620</b>
VIII	Extraordinary Items			
IX	Profit before tax (VII - VIII)		<b>5,19,23,841</b>	<b>3,63,27,620</b>
X	<b>Tax expense:</b>			
	(1) Current tax		50,30,000	5,00,000
	(2) Deferred tax		-	-
XI	<b>Profit(Loss) from the period from continuing operations</b>	(IX-X)	<b>4,68,93,841</b>	<b>3,58,27,620</b>
XII	Profit / (Loss) from discontinuing operations		-	-
XIII	Tax Expenses from discontinuing operations		-	-
XIV	Profit / (Loss) from discontinuing operations (XII-XIII)		-	-
XV	<b>Profit / (Loss) for the period</b>	(XI+XIV)	<b>4,68,93,841</b>	<b>3,58,27,620</b>
	Paid-up Equity Share Capital (at par Value of Rs.10 each)		10,02,56,400	10,02,56,400
XVI	Earning per equity share			
	(1) Basic		4.68	3.57
	(2) Diluted		4.68	3.57

### NOTES TO ACCOUNTS

20

Notes referred to above and notes attached there to form an integral part of Profit & Loss  
This is Profit & Loss Statement referred to in our Report of even date.

**FOR, BHAGAT & Co.**  
**CHARTERED ACCOUNTANTS**  
**FRN No. 127250W**

**FOR, VIVID MERCANTILE LIMITED**

s/d  
Shankar Prasad Bhagat  
(Partner)  
Mem. No. : 052725  
UDIN : 22052725AJXOSF6497

s/d  
Satishkumar R. Gajjar  
(M.D. & CFO)  
DIN : 05254111

s/d  
Geetaben S. Gajjar  
(W.T.D.)  
DIN : 05254107

Place: Ahmedabad  
Date : 30/05/2022

s/d  
Priti Jain  
(Company Secretary)



# VIVID MERCANTILE LIMITED

*Notes Forming Integral Part of the Balance Sheet as at 31<sup>st</sup> March, 2022*

**Note : 1 Share Capital**

		₹	₹
Sr. No	Particulars	2022	2021
1	<b>AUTHORIZED CAPITAL</b>		
	7960000 Equity Share of Rs.10/- each	7,96,00,000	7,96,00,000
	2070000 Equity Share of Rs.10/- each	2,07,00,000	2,07,00,000
		<b>10,03,00,000</b>	<b>10,03,00,000</b>
2	<b>ISSUED , SUBSCRIBED &amp; PAID UP CAPITAL</b>		
	<b>To the Subscribers of the Memorandum</b>		
	2768290 Equity Share of Rs.10/- each fully paid up	2,76,82,900	2,76,82,900
	673389 Equity Share of Rs.10/- each fully paid up	67,33,890	67,33,890
	2409174 Equity Share of Rs.10/- each fully paid up	2,40,91,740	2,40,91,740
	2106000 Equity Share of Rs.10/- each fully paid up	2,10,60,000	2,10,60,000
	2068787 Equity Share of Rs.10/- each fully paid up	2,06,87,870	2,06,87,870
	<b>Total in ₹</b>	<b>10,02,56,400</b>	<b>10,02,56,400</b>

Following Shareholders hold equity shares more than 5% of the total equity shares of the Company.

		2022	2021
Sr. No	SHARE HOLDER'S NAME		
1	Satishbhai Gajjar	40,69,881 40.59%	40,69,881 40.59%
2	Ardi Investments and Trading Company Limited	9,12,240 9.10%	9,07,200 9.05%
3	Salim Mohammed Hussein Punjani	20,96,802 20.91%	20,96,802 20.91%

**Note : 2 Reserves and Surplus**

		₹	₹
Sr. No	Particulars	2022	2021
1	Capital Reserve	-	-
2	Capital Redemption Reserve	-	-
3	Securities Premium Reserve	9,89,96,150	9,89,96,150
4	Debenture Redemption Reserve	-	-
5	Revaluation Reserve	-	-
6	Share Option Outstanding accounts	-	-
7	Other Reserve	-	-
8	Surplus (Profit & Loss Account)	5,28,09,979	55,27,732
	Balance brought forward from previous year	55,27,732	(3,02,30,735)
	Preliminary Expenses	-	-
	Less: Tax on Regular Assessment Paid	-	-
	Less: Tax of earlier period paid	3,88,406	69,153
	Less: Transfer to Profit and Loss A/c	-	-
	Add: Profit for the period	4,68,93,841	3,58,27,620
	<b>Total in ₹</b>	<b>15,18,06,129</b>	<b>10,45,23,882</b>



## VIVID MERCANTILE LIMITED

*Notes Forming Integral Part of the Balance Sheet as at 31<sup>st</sup> March, 2022*

### Note : 3 Short Term Borrowings

		₹	₹
Sr. No	Particulars	2022	2021
1	Satishbhai gajjar	63,26,725	-
<b>Total in ₹</b>		<b>63,26,725</b>	<b>-</b>

### Note: 4 Trade Payable ageing schedule

		₹	₹
Sr. No	Particulars	2022	2021
<b>Outstanding for following periods from the Due Date less than 1 Year</b>			
(A)			
(i)	MSME(Undisputed)	-	-
(ii)	Others(Undisputed)	4,55,380	75,016
(iii)	Disputed Due - MSME	-	-
(iv)	Disputed Due - Others		
<b>Total in ₹</b>		<b>4,55,380</b>	<b>75,016</b>

### Note : 5 Other Current Liabilities

		₹	₹
Sr. No	Particulars	2022	2021
1	Vinod Shah	3,60,000	-
2	TCS Payble	17,962	31,471
3	TDS Payable	60,514	7,000
<b>Total in ₹</b>		<b>4,38,476</b>	<b>38,471</b>

### Note :6 Short-Term Provisions

		₹	₹
Sr. No	Particulars	2022	2021
<b><u>A) Other Short Term Provisions</u></b>			
1	Income Tax Payable	50,30,000	5,00,000
2	Audit fee Payable	25,000	-
<b>Total in ₹</b>		<b>50,55,000</b>	<b>5,00,000</b>

# VIVID MERCANTILE LIMITED

Notes Forming Integral Part of the Balance Sheet as at 31<sup>st</sup> March, 2022

Note : 7 Property , Plant & Equipments

Sr. No	Particulars	Gross Block				Depreciaton				Net Block	
		Value at the beginning	Addition during the year	Deduction during the year	Value at the end	Value at the beginning	Addition during the year	Deduction during the year	Value at the end	WDV as on 31.03.2022	WDV as on 31.03.2021
	<b>Tangible Assests</b>										
(i)	<b>Property, Plant and Equipment</b>										
1	Office	1873791	-	-	18,73,791	-	-	-	-	18,73,791	18,73,791
2	Furniture	22,00,000	-	-	22,00,000	13,42,319	2,99,626	-	16,41,945	5,58,055	8,57,681
3	Activa	45,414	-	-	45,414	30,356	5,262	-	35,618	9,796	15,058
4	Air Conditioner	2,73,337	-	-	2,73,337	1,45,432	28,266	-	1,73,698	99,639	1,27,905
5	Camera	16,880	-	-	16,880	15,972	908	-	16,880	-	908
6	Car	7,90,000	-	-	7,90,000	5,44,697	1,11,396	-	6,56,093	1,33,907	2,45,303
7	Computers	2,58,965	1,51,780	-	4,10,745	2,14,341	1,22,986	-	3,37,327	73,418	44,624
8	Printers	14,42,109	-	-	14,42,109	10,49,968	2,27,296	-	12,77,264	1,64,845	3,92,141
9	Mobile	-	8,914	-	8,914	-	-	-	-	8,914	-
10	Car Creta	10,00,000	-	-	10,00,000	6,89,491	1,41,008	-	8,30,499	1,69,501	3,10,509
	<b>TOTAL</b>	<b>79,00,496</b>	<b>1,60,694</b>	<b>-</b>	<b>80,61,190</b>	<b>40,32,576</b>	<b>9,36,748</b>	<b>-</b>	<b>49,69,324</b>	<b>30,91,866</b>	<b>38,67,920</b>
	<b>Intangible Assests</b>										
1	Album Rights	10,00,000	-	10,00,000	-	-	-	-	-	-	10,00,000
2	Copyrights	36,00,000	-	36,00,000	-	-	-	-	-	-	36,00,000
3	Movie Rights	10,00,000	-	10,00,000	-	-	-	-	-	-	10,00,000
	<b>TOTAL</b>	<b>56,00,000</b>	<b>-</b>	<b>56,00,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>56,00,000</b>
	<b>GRAND TOTAL</b>	<b>1,35,00,496</b>	<b>1,60,694</b>	<b>56,00,000</b>	<b>80,61,190</b>	<b>40,32,576</b>	<b>9,36,748</b>	<b>-</b>	<b>49,69,324</b>	<b>30,91,866</b>	<b>94,67,920</b>

## VIVID MERCANTILE LIMITED

*Notes Forming Integral Part of the Balance Sheet as at 31<sup>st</sup> March, 2022*

<b>Note : 8 Investments</b>		₹	₹
Sr. No	Particulars	2022	2021
1	Investments	9,44,85,723	9,83,50,011
<b>Total in ₹</b>		<b>9,44,85,723</b>	<b>9,83,50,011</b>

<b>Note : 9 Trade Receivables ageing schedule</b>		₹	₹
Sr. No	Particulars	2022	2021
<b>Outstanding for following periods from the Due Date</b>			
<b>(A) less than 6 Months</b>			
(i)	Undisputed Trade receivables- considered Good	1,42,32,266	42,00,000
(ii)	Undisputed Trade Receivables-Considered Doubtful	-	-
(iii)	Disputed Trade Receivables considered Good	-	-
(iv)	Disputed Trade Receivables considered Doubtful	-	-
<b>Total in ₹</b>		<b>1,42,32,266</b>	<b>42,00,000</b>

<b>Note : 10 Cash &amp; Cash Equivalent</b>		₹	₹
Sr. No	Particulars	2022	2021
1	<b>Cash-in-Hand</b>		
	Cash Balance	52,418	1,09,648
2	<b>Bank Balance</b>		
	Bank Balance	2,14,264	13,76,451
<b>Total in ₹</b>		<b>2,66,682</b>	<b>14,86,099</b>

<b>Note : 11 Short Term Loans And Advances</b>		₹	₹
Sr. No	Particulars	2022	2021
1	Short Term Loans & Advances	-	26,66,560
<b>Total in ₹</b>		<b>-</b>	<b>26,66,560</b>

<b>Note : 12 Other Current Assets</b>		₹	₹
Sr. No	Particulars	2022	2021
1	Other Current Asset	47,31,056	6,59,232
2	TCS Receivable	1,34,972	1,27,248
3	TDS Receivable	37,980	8,821
4	Other Current Asset	73,470	73,470
<b>Total in ₹</b>		<b>49,77,478</b>	<b>8,68,771</b>

# VIVID MERCANTILE LIMITED

Notes Forming Part of the Profit & Loss Accounts as at 31<sup>st</sup> March, 2022

## Note : 13 Revenue from Operation

		₹	₹
Sr. No.	Particulars	2022	2021
1	Revenue from Operation	17,87,39,610	16,97,29,435
	<b>Total in ₹</b>	<b>17,87,39,610</b>	<b>16,97,29,435</b>

## Note : 14 Other Income

		₹	₹
Sr. No.	Particulars	2022	2021
1	Other Income	3,47,229	-
2	Profit on Sale of Shares	5,17,29,491	3,65,98,076
	<b>Total in ₹</b>	<b>5,20,76,720</b>	<b>3,65,98,076</b>

## Note : 15 Purchase of Stock in Trade

		₹	₹
Sr. No.	Particulars	2022	2021
<b>Purchase of Material and Stores</b>			
1	Purchase	23,48,81,128	23,14,13,286
	<b>Total in ₹</b>	<b>23,48,81,128</b>	<b>23,14,13,286</b>

## Note : 16 Changes in Inventories

		₹	₹
Sr. No.	Particulars	2022	2021
1	Opening Stock	8,83,36,498	2,45,65,640
2	Closing Stock	14,72,66,186	8,83,36,498
	<b>Total in ₹</b>	<b>- 5,89,29,688</b>	<b>- 6,37,70,858</b>

## Note : 17 Employee Benefit Expenses

		₹	₹
Sr. No.	Particulars	2022	2021
1	Salary Expenses	8,04,000	4,05,000
2	Director Remuneration	3,00,000	3,00,000
	<b>Total in ₹</b>	<b>11,04,000</b>	<b>7,05,000</b>

## Note : 18 Finance Charges

		₹	₹
Sr. No.	Particulars	2022	2021
1	Bank Charges	4,733	1,701
	<b>Total in ₹</b>	<b>4,733</b>	<b>1,701</b>

## Note : 19 Other Administrative Expenses

		₹	₹
Sr. No.	Particulars	2022	2021
1	Audit Fees	25,000	30,000
2	Legal & Professional Expense	25,000	20,000
3	Office Expense	2,92,414	1,00,000
4	Other Expense	46,512	6,51,869
5	CDSL , NSDL Charges	2,88,778	83,624
6	Electricity Expences	86,020	
	<b>Total in ₹</b>	<b>7,63,724</b>	<b>8,85,493</b>

<b>Note : Ratio Analysis</b>			
	<b>Particulars</b>	<b>2022</b>	<b>2021</b>
<b>(A)</b>	<b>Current Ratio</b> (Current Assets/Current Liabilities)	21.28	319.34
<b>(B)</b>	<b>Inventory Turnover Ratio</b> (Revenue From Operation/Closing Inventory)	1.21	1.92
<b>(C)</b>	<b>Trade Receivable Turnover Ratio</b> (Revenue From Operation/Trade Receivable)	12.56	40.41
<b>(D)</b>	<b>Trade Payable Turnover Ratio</b> (Total Purchase/Trade Payable)	515.79	3,084.85
<b>(E)</b>	<b>Net Working Capital Turnover Ratio</b> (Revenue From Operation/Net Working Capital)	0.72	0.87
<b>(F)</b>	<b>Return on Equity</b> (Profit For Equity Shareholders/Equity)*100	18.60%	17.50%
<b>(G)</b>	<b>Net Profit Ratio</b> (Net Profit/Revenue From Operation)*100	26.24%	21.11%
<b>(H)</b>	<b>Return on Capital Employed</b> (PBIT/Capital Employed)*100	20.10%	17.74%
<b>(I)</b>	<b>Debt Equity Ratio</b> (Total Outside Liabilities/Equity)	0.03	NA
<b>(J)</b>	<b>Debt Service Coverage Ratio (in times)</b> (PAT+Interest Exp/Interest Expenses)	NA	NA

# **VIVID MERCANTILE LIMITED**

## **Significant Accounting Policies and Notes forming parts of Accounts**

### **Note : 20**

#### **NOTES ON ACCOUNTS**

1. Previous year's figures are regrouped/rearranged wherever necessary.
2. Provision for Taxation for the current year has been made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961.
3. The balances of Loans and Advances are subject to their confirmation and reconciliation if any.
4. Contingent liability in respect of claims against the company not acknowledged as debts against which the company has counter claims aggregating to Rs. is Nil.
5. In the opinion of the Board, the current assets, loans and advances are approximately of the value stated in the Balance sheet, if realized in the ordinary course of business.
6. Information pursuant to paragraph 2, 3, 4, 5 of Part II of the schedule III is given as under so far as it applies to the company.

#### a) Payment to Statutory Auditors

	Current Year	Previous Year
1. Audit Fees	25,000/-	30,000/-

7. There is no adjustment required to be made to the profits or loss for complying with ICDS notified u/s 145(2).

**For, Bhagat & Co.**  
**Chartered Accountants**  
**FRN No:-127250W**

s/d  
**Shankar Prasad Bhagat**

**(Partner)**  
**Mem. No.: 052725**  
**UDIN : 22052725AJXOSF6497**

**Place: Ahmedabad**  
**Date:30.05.2022**

**For And On Behalf Of The Board**

s/d  
**(Managing Director & CFO)**      s/d  
**(Whole Time Director)**

s/d  
**(Company Secretary)**

## **Significant Accounting Policies**

### **A. Basis of preparation of Financial Statements**

The Financial statements are prepared under the historical cost convention and on accrual basis in accordance with Accounting Standards (referred to as "AS") prescribed under section 133 of the Companies Act, 2013 read with the Companies (Accounting Standards) Rules as amended from time to time.

Accounting policies not specifically referred to otherwise are consistent and in accordance with the generally accepted accounting principles

### **B. Revenue Recognition**

Sales are recorded exclusive of Taxes.

### **C. Property, Plant and Equipments**

Property, Plant and Equipments are stated at cost of acquisition or construction less accumulated depreciation, including financial cost till such assets are ready for its intended use.

### **D. Depreciation**

Depreciation is charged on written down value method as per Companies Act 2013.

### **E. Impairment of Assets**

Impairment of assets if any is ordinarily assessed by comparing recoverable value of individual assets with its carrying cost.

### **F. Inventories**

Inventories are valued at cost or net realizable value whichever is lower. Cost in respect of inventories is ascertained on Weighted Average Method.

### **G. Investments**

Long Term Investments are stated at cost. Provision for diminution if any in value of assets is only made when the same is of permanent nature.

### **H. Retirement Benefits**

- i As certified by the management, the company has no liability under the Provident Fund & Super Annuation Fund as the said acts do not apply to the company.
- ii It is explained to us that the company does not provide for any leave encashment and any liability arising thereon shall be paid and dealt with in the books of accounts at the actual time of payment.

### **I. Borrowing Cost**

Borrowing cost on working capital is charged against the profit & loss account in which it is incurred.

Borrowing costs that are attributable to the acquisition or construction or manufacture of qualifying assets are capitalized as a part of the cost of such assets till the date of acquisition or completion of such assets. In respect of suspended project for extended period, borrowing costs are not capitalized for such period.

### **J. Taxes on Income**

Taxes on income of the current period are determined on the basis of taxable income and credits computed in accordance with the provisions of the Income tax Act, 1961.

Deferred tax is recognized on timing differences between the accounting income and the taxable income for the year, and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

Deferred tax assets are carried forward to the extent that there is a reasonable and virtual certainty as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

### **K. Provision, Contingent liabilities and contingent assets**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past event and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but the same is disclosed in the financial statements. Contingent assets are neither recognized nor disclosed in the financial statements.

### **L. Applicability of AS-18**

In accordance with the requirements of Accounting Standard-18 (AS-18) "Related Party Disclosures" issued by the Institute of Chartered Accountants of India, the following persons are considered as Related Party as defined in AS-18:

<b>Sr. No.</b>	<b>Name</b>	<b>Amount</b>	<b>Relationship</b>	<b>Nature of transaction</b>
1.	Satishkumar R. Gajjar	3,00,000/-	Director	Remuneration
2.	Satishkumar R. Gajjar	63,26,725/-	Director	Unsecured Loan Taken

### **M. Foreign Currency Transaction**

There are no such foreign currency transactions during the year.





# VIVID MERCANTILE LIMITED

## VIVID MERCANTILE LIMITED

(Formerly known as Veeram Infra Engineering Limited)

**CIN: L74110GJ1994PLC021483**

**Reg Add:** Basement Medicare Centreb/H M J Library

Opp Stock-Exchange, Ellisbridge, Ahmedabad-380006

**E-Mail Id:** [complianceveil@gmail.com](mailto:complianceveil@gmail.com), Website:[www.vividmercantile.com](http://www.vividmercantile.com)

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**28<sup>TH</sup> Annual General Meeting – Friday, 30<sup>th</sup> September, 2022**

### **ATTENDANCE SLIP**

<b>Folio No. /Client Id:</b>	
<b>Name of Shareholder:</b>	
<b>Address of Shareholder:</b>	

I, hereby record my presence at the Annual General Meeting of the Company to be held on Friday, 30th September, 2022 at 4:00.00 PM at Basement, Medicare Centre B/h M. J. Library **Opp. Stock-Exchange, Ellisbridge, Ahmedabad-380006, Gujarat.**

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**Signature of the Member**

#### **Notes:**

- A. Only Member/Proxy can attend the meeting. No minors would be allowed at the meeting.
- B. Member/Proxy who wishes to attend the meeting must bring this attendance slip to the meeting and hand over at the entrance duly filled in and signed.
- C. Member/Proxy should bring his/her copy of the Notice of Extraordinary General Meeting for reference at the meeting.

# VIVID MERCANTILE LIMITED

## VIVID MERCANTILE LIMITED

(Formerly known as Veeram Infra Engineering Limited)

**CIN: L74110GJ1994PLC021483**

**Reg Add:** Basement Medicare Centreb/H M J Library

Opp Stock-Exchange, Ellisbridge, Ahmedabad-380006

**E-Mail Id:** [complianceveil@gmail.com](mailto:complianceveil@gmail.com), **Websit**[www.vividmercantile.com](http://www.vividmercantile.com)

### Form MGT-11 PROXY FORM

*[Pursuant to section 105(6) of Companies Act, 2013 and rule 19(3) of Companies (Management and Administration) Rules, 2014]*

### 28<sup>TH</sup> Annual General Meeting – Friday, 30<sup>th</sup> September, 2022

Name of the shareholder(s): \_\_\_\_\_

Registered Address: \_\_\_\_\_

E-mail ID: \_\_\_\_\_

Folio No./Client Id: \_\_\_\_\_ DP ID : \_\_\_\_\_

I/We, being member(S) of Vivid Mercantile Limited, holding \_\_\_\_\_ share of the company, hereby appoint

**A:** Name \_\_\_\_\_

Address: \_\_\_\_\_

E-mail ID: \_\_\_\_\_

Signature: \_\_\_\_\_ Or failing him/her

**B:** Name \_\_\_\_\_

Address: \_\_\_\_\_

E-mail ID: \_\_\_\_\_

Signature: \_\_\_\_\_ Or failing him/her

**C:** Name \_\_\_\_\_

Address: \_\_\_\_\_

E-mail ID: \_\_\_\_\_

Signature: \_\_\_\_\_ Or failing him/her

As my/our proxy to attend and vote (on poll) for me/us, on my/our behalf at the 28<sup>th</sup> Annual General Meeting of the Company to be held on – Friday, 30<sup>th</sup> September, 2022 at 4.00 pm at **Basement, Medicare Centre B/H M J Library Opp. Stock-Exchange, Ellisbridge, Ahmedabad-380006, Gujarat, India.** And/or at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution	Assent	Dissent
<b>ORDINARY BUSINESS</b>			
1.	To Receive, Consider and Adopt Audited Financial Statement of the Company for the financial year ended on March 31 <sup>st</sup> , 2022. together with Report of Board of Directors and Auditors' Report thereon.		

## VIVID MERCANTILE LIMITED

2.	To Appoint a Director in place of Mr. Dhaval Satishkumar Gajjar (DIN: 07772542), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.		
<b>SPECIAL BUSINESS</b>			
3.	Regularization of Mr. Umesh Gor (DIN: 08845586) as an Independent Director (Non-Executive Independent) of the Company		

Signed this..... day of..... 2022

Signature of shareholder

Signature of Proxy holder(s)

**Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**