

# VIVID MERCANTILE LIMITED

(Formerly Known as Veeram Infra Engineering Limited)

Basement Medicare Centre, B/h M J Library Opp Stock- Exchange, Ellisbridge, Ahmedabad- 380006, Gujarat

CIN: L74110GJ1994PLC021483 Email: [complianceviel@gmail.com](mailto:complianceviel@gmail.com)

Website: [www.vividmercantile.com](http://www.vividmercantile.com)

---

September 7, 2021

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 2020-21 (Scrip Code – 542046)**

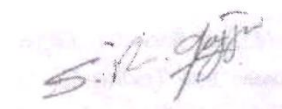
Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we submit herewith the Annual Report of the Company for the financial year 2020-21 alongwith the Notice convening the Annual General Meeting scheduled to be held on Thursday, 30th September, 2021 at 1:30 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**

27<sup>TH</sup>  
ANNUAL REPORT  
2020-21

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**

Mrs. Aarti Jain (Resigned w.e.f. January 1, 2021)  
Ms. Priti Jain (Appointed w.e.f. February 26, 2021)

**STATUTORY AUDITORS**

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

**BANKERS TO THE COMPANY**

**CENTRAL BANK OF INDIA**  
Mithakhali Branch, Sardar Patel Nagar Road,  
Navrangpura, Ahmedabad - 380006 Gujarat,  
India,

**REGISTERED OFFICE**

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

**REGISTRAR & TRANSFER AGENT**

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

# VIVID MERCANTILE LIMITED

## NOTICE OF 27<sup>th</sup> ANNUAL GENERAL MEETING

**NOTICE** is hereby given that the **27<sup>th</sup> ANNUAL GENERAL MEETING** of the members of **VIVID MERCANTILE LIMITED** (“the Company”) will be held as scheduled below:

Date : September 30, 2021  
Day : Thursday  
Time : 01:30 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, 2021 together with report of Board of Directors and Auditors’ Report thereon.
2. To Appoint a Director in place of Mr. Satishkumar Ramanlal Gajjar (DIN: 05254111), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and, being eligible, offers himself for appointment.
3. Re-appointment of Statutory Auditors 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 Section 139 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, M/s. Bhagat & Co., Chartered Accountants (Firm Registration No. 127250W), be and are hereby re-appointed as the Statutory Auditors of the Company to hold office for a period of 5 (five) years and they shall hold the office till the conclusion of Annual General Meeting to be held for the FY 2025-26 on such terms and conditions as may be decided by the Board in consultation with the Auditors.

## SPECIAL BUSINESS:

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

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ('the Act'), the Consent of the Members be and is hereby accorded for revision in remuneration of Mr. Satishkumar Ramanlal Gajjar (DIN :05254111), Managing Director, with effect from April 1, 2021 for the remaining period of his tenure ending on January 10, 2023."

"RESOLVED FURTHER THAT the remuneration payable to Mr. Satishkumar Ramanlal Gajjar, Managing Director with effect from April 1, 2021 shall be as under:

Salary: Not exceeding Rs.6,00,000/- per annum with effect from April 1, 2021 inclusive of all perquisite.

"RESOLVED FURTHER THAT the consent and ratification of the Members of the Company be and is hereby accorded that Mr. Satishkumar Ramanlal Gajjar, Managing Director of the Company be paid remuneration by way of Salary, Perquisites and allowances not exceeding Rs.6,00,000/- (Rupees Six Lakhs Only) per annum for the remaining period in case the Company has no profits or its profit are inadequate."

"RESOLVED FURTHER THAT the above remuneration shall be subject to modification, as may be deemed fit by the Board from time to time and subject to the limits and stipulations prescribed by the Companies Act, 2013 read with Schedule V thereto, and/or any guidelines prescribed by the Government from time to time."

"RESOLVED FURTHER THAT where in any financial year, during the currency of the tenure of Mr. Satishkumar Ramanlal Gajjar, Managing Director the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary, perquisites and allowances as specified above, subject to the limits and conditions prescribed under Schedule V of the Companies Act, 2013, as may be amended from time to time."

# VIVID MERCANTILE LIMITED

“RESOLVED FURTHER THAT except for the aforesaid revision in salary, all other terms and conditions of his appointment as Managing Director of the Company shall remain unchanged

“RESOLVED FURTHER THAT the Board of Director be and are hereby authorized to do all such acts, deeds and things, to enter into such agreement(s), deed(s) of amendment(s) or any such document(s), as the Board may, in its absolute discretion, consider necessary, expedient or desirable including power to sub-delegate, in order to give effect to this resolution.”

**Date: 07.09.2021**  
**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

## NOTES:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY OR PROXIES TO ATTEND AND, TO VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING 50 (FIFTY) AND HOLDING IN THE AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER SHAREHOLDER.**

The instrument of Proxy in order to be effective, must be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxy form submitted on behalf of the Companies, Societies, etc. must be supported by an appropriate resolution / authority, as applicable.

2. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company, a certified copy of Board Resolution/ Authorisation document authorizing their representative to attend and vote on their behalf at the AGM.
3. The Statement pursuant to section 102(1) of the Companies act, 2013, which sets out details relating to the special business to be transacted at the Meeting, is annexed hereto.
4. The Register of Members and Share Transfer Books will remain closed **from September 24, 2021 to September 30, 2021** (both days inclusive) for the purpose of Annual General Meeting (AGM).
5. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their DPs with whom they are maintaining their demat accounts and members holding shares in physical form to the Company / RTA.
6. The Shareholders holding Shares in Physical form are advised to seek their shareholding changed to dematerialized form since in terms of SEBI and Stock Exchange guidelines no physical shares can be traded in the Stock Exchanges.
7. 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.
8. 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.
9. The members are requested to intimate to the Company, queries, if any, at least 10 days before the date of the meeting to enable the management to keep the required information available at the meeting.

## VIVID MERCANTILE LIMITED

- 10.** 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, KFin technologies Private Limited for shares held in physical form and to their respective Depository Participants (DP) for shares held in electronic form.
- 11.** 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. A 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.
- 12.** 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.
- 13.** Members, Proxies and Authorized Representatives are requested to bring the duly completed Attendance Slip enclosed herewith to attend the AGM.
- 14.** The Company being listed on SME Exchange and in view of provisions of Rule 20 of the Companies (Management and Administration) Rules 2014 is not mandatory to provide remote e-voting facility to its member.



# VIVID MERCANTILE LIMITED

**15. 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 item no. 2 follows.

<b>Name of Director</b>	Satishkumar Ramanlal Gajjar
<b>Date of Birth</b>	23.05.1964
<b>Date of Appointment</b>	10.07.2001
<b>Qualification</b>	B. A.
<b>Brief Profile and Nature of Expertise</b>	Mr. Satishkumar R. Gajjar, Managing Director of the Company is having more than 25 years of experience in business management and over 2 years of experience in real estate sector.
<b>Terms &amp; Conditions of Appointment / Re-appointment</b>	Subject to such terms and conditions of appointment as Director
<b>Relationships between Directors inter-se</b>	Mr. Satishkumar R. Gajjar, Managing Director is husband of Mrs. Geetaben S. Gajjar and Father of Mr. Dhaval S. Gajjar
<b>Directorship held in other companies</b>	Nil
<b>Membership / Chairmanship of Committee in other Companies</b>	-
<b>Number of shares held in the Company at 31.03.2021</b>	40,69,881
<b>No. of Board Meetings attended during the Year</b>	9 out of 9

Date: 07.09.2021  
Place: Ahmedabad

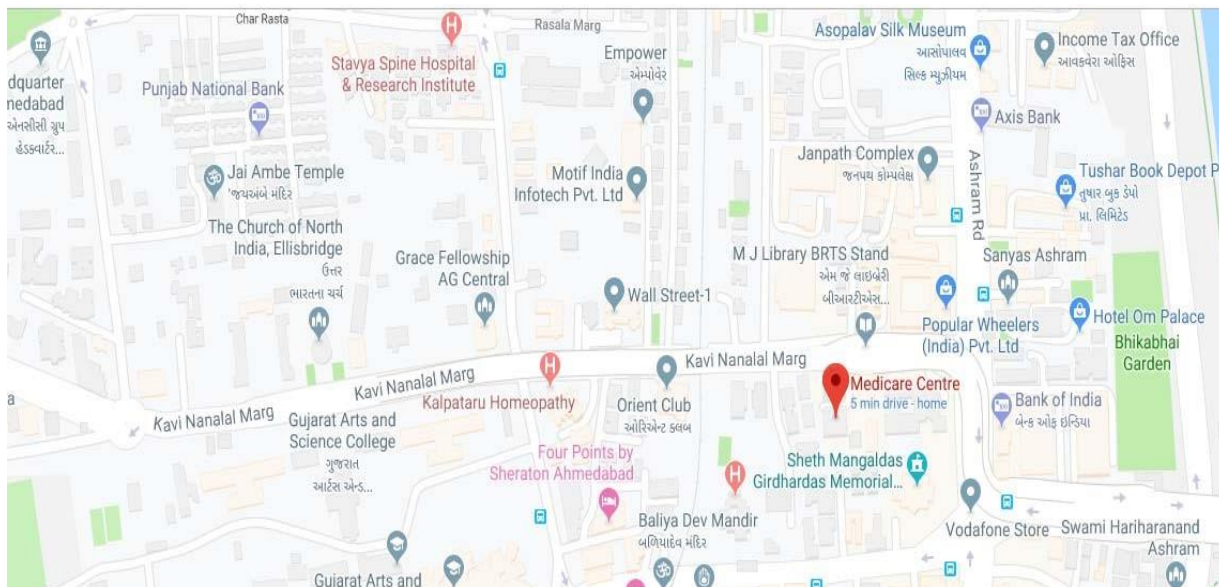
**By order of the board of directors of  
Vivid Mercantile Limited**

Sd/-  
**Satishkumar Ramanlal Gajjar**  
Managing Director  
DIN: 05254111

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

## ROUTE MAP TO THE VENUE OF THE 27<sup>th</sup> ANNUAL GENERAL MEETING:

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



## EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

### ITEM NO. 4

Mr. Satishkumar Ramanlal Gajjar (DIN :05254111), is the Promoter and Managing Director of the company. He has been appointed as the Director since July 10, 2001 and designated as Managing Director of the Company with effect from January 10, 2018.

Mr. Satishkumar Ramanlal Gajjar have successfully managed various phases of expansion and growth of our business and operations. He has vast experience in the Industry and has been instrumental in formulating growth strategy of our company.

Taking into consideration the increased business activities of the Company coupled with higher responsibilities cast on Mr. Satishkumar Ramanlal Gajjar, the Board of Directors, on recommendation of the Nomination and Remuneration Committee of the Company has approved the proposal to increase the salary of Mr. Satishkumar Ramanlal Gajjar, Managing Director, subject to the approval of shareholders, as set out in the resolution being item no. 4 of the accompanying notice w.e.f. April 1, 2021 for the remaining period of his tenure i.e. upto January 10, 2023.

Where in any financial year, during the currency of the tenure of Mr. Satishkumar Ramanlal Gajjar as Managing Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration to him by way of salary, perquisites and allowances as specified in the resolution being item no. 4 of the accompanying notice, subject to the limits and conditions as prescribed under Schedule V of the Companies Act, 2013, as may be amended from time to time.

Out of abundant caution and in view of the relevant extant provisions of law relating to managerial remuneration, the Company is complying with the provisions of Section II of Part II of Schedule V of the Companies Act, 2013 which prescribes that in case of no profits or inadequate profit, the remuneration can be paid by the Company to its managerial personnel within the limits arrived at in accordance with the requirements of the said section II, subject to the following:

- The payment of remuneration is approved by a resolution passed by the Board and also by the Nomination and Remuneration Committee of Directors.
- There is no default in repayment of any of its debts or interest payable thereon.

The Nomination and Remuneration Committee at its meeting has already approved the above remuneration payable to Mr. Satishkumar Ramanlal Gajjar, Managing Director of the Company. Further, the Company has not made any default in repayment of any of its debts or interest payable thereon.

The proposed revision in remuneration above is well in conformity with the relevant provisions of the Companies Act, 2013, read with Schedule V to the said Act and hence approval of Central Government is not required for the above revision in remuneration.

Except for the aforesaid revision in salary, all other terms and conditions of his appointment as Managing Director of the Company shall remain unchanged.

## VIVID MERCANTILE LIMITED

Considering Mr. Satishkumar Ramanlal Gajjar 's experience in the Industry and the trend in the industry, the terms of his remuneration are considered to be fair, just and reasonable and are commended for your approval.

Accordingly, Special Resolution is submitted to the meeting for the consideration and approval of Members.

None of the Directors, Key Managerial Personnel and their relatives, except Mr. Satishkumar Ramanlal Gajjar, are in any way, concerned or interested in the said resolution.

The Board commends the Special Resolution set out at Item No. 4 of the accompanying Notice for the approval by the Members.

Statement containing the information as required under Section-II, Pari-II of Schedule V to the Companies Act, 2013

<b>I. General Information</b>		
1	Nature of Industry The Company is engaged in trading of precious metals and Jewellery Industry	
2	Date or expected date of Commencement of Commercial production Commercial operations commenced in the year 1994	
	In case of new Companies, expected date of commencement of activities as per project approved by Financial Institutions appearing in the prospectus Not Applicable	
Financial performance based on given indicators	<b>Particulars</b>	<b>2020-21 (as per Audited Financials Report) (In Lakh)</b>
	Paid up Capital	1002.56
	Reserves and Surplus	1045.24
	Total Revenue from Operations	2063.28
	Total Expenses	1700.00
	Profit before Tax	363.28
	Tax Expenses including Deferred Tax	5.00
	Profit after Tax	358.28
	Foreign investments or collaborators, if any Not applicable	
<b>II Information about the Appointee:</b>		
Background detail	Mr. Satishkumar Ramanlal Gajjar has been on the board of the company since 2001. He is having valuable experience in Jewellery Industry and has been instrumental in formulating growth strategy of the company	
Past Remuneration (per	NIL	

## VIVID MERCANTILE LIMITED

	annum)	
	Job profile and his suitability	<p>As a Managing Director, Mr. Satishkumar Ramanlal Gajjar, is entrusted with to perform such duties and exercise such powers as have been or may from time to time be entrusted or conferred upon them by the Board.</p> <p>Mr. Satishkumar Ramanlal Gajjar is of proven caliber and skill and having wide ranging experience in the industry.</p> <p>Mr. Satishkumar Ramanlal Gajjar, shall have all powers and duties as the Board may determine from time to time.</p>
	Remuneration proposed	Not exceeding Rs.6,00,000/- (Rupees Six Lakhs Only) per annum
	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case expatriates the relevant details would be w.r.t. the country of his origin)	Taking into consideration the size of the Company, profile of Mr. Satishkumar Ramanlal Gajjar, responsibility shouldered by him and the industry standard, the remuneration paid is commensurate with the remuneration packages paid to Managerial Personnel in similar other companies
	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	<p>Besides the remuneration and as mentioned in form AOC-2 attached hereunder with the report, the Mr. Satishkumar Ramanlal Gajjar does not have any other pecuniary relationship with the Company.</p> <p>Mr. Satishkumar Ramanlal Gajjar is husband of Mrs. Geetaben Satishbhai Gajjar, Whole-Time Director and Father of Mr. Dhaval Satishkumar Gajjar, Director of the Company.</p> <p>Mr. Satishkumar Ramanlal Gajjar is promoter of the Company and his shareholding as on March 31, 2021 is 40,69,881 shares in the share capital of the Company.</p>

## VIVID MERCANTILE LIMITED

III Other Information	
Reasons of loss or inadequate profits	At present the Company is earning profits which may be deemed inadequate for the purpose of limits of managerial remuneration.
Steps taken or proposed to be taken for improvement	The Company is always looking forward to take all such steps and measures including expansion, diversification, restructuring which are in the best interest of the company. Though, the prices of raw materials and products are influenced by external factors, the Company is making all possible efforts to improve the margins.
Expected increase in productivity and profits measurable terms	The Company is very conscious about improvement in productivity and undertakes constant measures to improve it. However, it is extremely difficult in the present scenario to predict profit in measurable terms.

Date: 07.09.2021  
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, 2021.

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

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

(Amount in Rs)

PARTICULAR	2020-21	2019-20
Total Income for the year was	20,63,27,511	30,04,95,773
Operating & Administrative expenses	16,99,99,891	30,09,04,368
Net Profit/(Loss) Before Tax	3,63,27,620	(4,08,595)
Less: Provision For Tax	5,00,000	0
Deferred Tax	0	0
<b>Profit/(Loss) After Tax</b>	<b>3,58,27,620</b>	<b>(4,08,595)</b>

### 2. OPERATION AND REVIEWS

Total Revenue of the company is Rs.20,63,27,511/- and the net Profit after tax is Rs.3,58,27,620/- for the Financial Year 2020-21.

### 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, 2021.

### 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.

# VIVID MERCANTILE LIMITED

## 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.

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

- During the year under review, Mrs. Aarti Jain has resigned as Company Secretary and Compliance Officer of the Company w.e.f. January 1, 2021 and Ms. Priti Jain has been appointed as the Company Secretary and Compliance Officer of the Company w.e.f. February 26, 2021.
- Pursuant to the provisions of Section 152 of the Act, Satishkumar Ramanlal Gajjar (DIN:05254111), 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 Nine (9) times on April 1, 2020, June 25, 2020, July 31, 2020, August 29, 2020, October 12, 2020, November 10, 2020, November 26, 2020, January 12, 2021 and February 26, 2021 in respect of said meetings, proper notices were given and proceedings were properly recorded and signed in the Minute Book maintained for the purpose.

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.

Evaluation of the Board and its compositions was carried out through a defined



# VIVID MERCANTILE LIMITED

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. 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:

- (a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with explanation relating to material departures;
- (b) 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;
- (c) 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;
- (d) The directors have prepared the annual accounts on a going concern basis; and
- (e) 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.
- (f) 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.

## 11. 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.

## 12. CHANGE IN CAPITAL STRUCTURE OF COMPANY

During the year under review the Company has allotted 20,68,787 fully paid up Equity shares as bonus. The paid-up equity share capital as on March 31, 2021 stood Rs.10,02,56,400.

## 13. MATERIAL CHANGES AND COMMITMENTS, IF ANY

There have been no material changes and commitments, which affect the financial position of the Company which have occurred between the end of the Financial Year to which the Financial Statements relate and the date of this Report.

# VIVID MERCANTILE LIMITED

## 14. 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).

## 15. AUDITORS AND THEIR REPORT

### • STATUTORY AUDITORS

The Audit Committee and the Board of Directors of the Company proposed, subject to approval of the shareholders, the appointment of M/s. Bhagat & Co., Chartered Accountant, Ahmedabad (FRN: 127250W) as the Statutory Auditors of the Company to hold office for a period of 5 (five) years starting from 1st April 2021 till the conclusion of Annual General Meeting to be held for the FY 2025-26. The Company has received a confirmation from the said Auditors that they are not disqualified to act as the Auditors and are eligible to hold the office as Auditors of the Company.

The Auditor's Report does not contain any qualification, reservation or adverse remark. The Auditor's Report is enclosed with the financial statements.

There are no prevalence of fraud reported by the auditors as required under Section 143(12) of the Companies Act, 2013.

### • 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 Secretaries (CP No. 16201) to undertake the Secretarial Audit of the Company for the FY 2020-21. The Secretarial Audit Report for the FY 2020-21 is annexed to this Directors' Report in **Annexure A**.

### • 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.

## 16. 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.

## 17. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

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

# VIVID MERCANTILE LIMITED

## 18. 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.

## 19. 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.

## 20. 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.

## 21. 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.

## 22. 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.

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

- Audit Committee

Constitution & Composition of Audit Committee:

## VIVID MERCANTILE LIMITED

Our Company has formed the Audit Committee vide resolution passed in the meeting of Board of Directors held on May 30, 2019 as per the applicable provisions of the 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 (applicable upon listing of Company's Equity Shares).

The composition of the Audit Committee and details of meetings attended by the members of the Audit Committee are given below:

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".

# VIVID MERCANTILE LIMITED

- **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:

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

- **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, 2020.

**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

# VIVID MERCANTILE LIMITED

## 24. 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.

## 25. CORPORATE GOVERNANCE

As per Regulation 15(2) of SEBI (Listing Obligation and Disclosures requirement) Regulation, 2015, Report on Corporate Governance is not applicable on the Company as the Company is listed on SME platform of BSE and the paid-up equity share capital of the Company is Rs. 10,02,56,400 /— (Rupees Ten Crore Two Lakh Fifty-Six Thousand Four Hundred Only) but, the Net-worth of the Company is less than Rs.25,00,00,000/- (Twenty-Five Crores Only) as on March 31, 2021, hence Company has not obtained a Certificate from a Practicing Company Secretaries certifying the same.

## 26. 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.

**For and on behalf of Board**

**DATE:** 07/09/2021

**PLACE:** AHMEDABAD

**SD/-**

**Satishkumar Gajjar**

Managing Director

DIN: 05254111

**SD/-**

**Geetaben Gajjar**

Director

DIN: 05254107

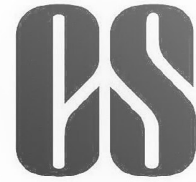
**SHIKHA PATEL & ASSOCIATES**

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, 2021

[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 M J Library,  
Opp Stock- Exchange, Ellisbridge,  
Ahmedabad - 380006

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, 2021 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 preparing 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, 2021, 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**
- (v) 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;
  - (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, 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**  
**Company Secretary in Practice**



**Shikha Patel**  
**(Proprietor)**  
**Membership No: 43955**  
**COP No: 16201**  
**UDIN: A043955C000906135**



**Date: 06/09/2021**  
**Place: Ahmedabad**

To,  
The Members,  
**VIVID MERCANTILE LIMITED**  
CIN: L74110GJ1994PLC021483  
Basement Medicare Centre, B/h M J Library,  
Opp Stock- Exchange, Ellisbridge,  
Ahmedabad - 380006

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  
Company Secretary in Practice

*Shikha*

Shikha Patel  
(Proprietor)  
Membership No: 43955  
COP No: 16201  
UDIN: A043955C000906135  
Date: 06/09/2021  
Place: Ahmedabad



# 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 arms 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.3,25,000/-	Purchase of Gold of Rs.22,28,000/-
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	25.06.2020	25.06.2020
f)	Amount paid as advances, if any	NA	NA

**For and on behalf of Board**

**DATE:** 07/09/2021  
**PLACE:** AHMEDABAD

SD/- SD/-  
Satishkumar Gajjar Geetaben Gajjar  
Managing Director Director  
DIN: 05254111 DIN: 05254107

## ANNEXURE - C

### 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;

# VIVID MERCANTILE LIMITED

- g. Any other criteria that may be considered necessary for the evaluation of the performance of the Board may be considered by the Committee.

## **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

## 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 Haveli. 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 Haveli. 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 Haveli. 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 Haveli dated 24<sup>th</sup> April, 2019. The CIN of the Company is L74110GJ1994PLC021483.

In 1994, our company entered into the business of Graphic Designing. Being successful in graphic designing and the growing demand for graphic printing, Our Promoters decided to expand its current business in 1996 through the forward integration strategy, i.e., it started its own printing business. Our Promoters added the printers having the latest 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 latest 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 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 activities 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, acquisition of development rights of projects, marketing of projects/land.

# VIVID MERCANTILE LIMITED

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 endeavours 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.
- 2) Legal & Statutory Risk: The Company Secretary, compliance and legal functions advice 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



# VIVID MERCANTILE LIMITED

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.



## **Independent Auditor's Report**

**To the Members 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 2021**, the Statement of Profit and Loss and the Cash flow statement for the year then ended, and 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 2021** 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 thereunder, 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 accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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, 2016 ("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. 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, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2021 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**".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:  
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 in accordance with the provision of section 197 of the Act.
- (h) 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:
  - i. The Company does not have any pending litigation which would impact its financial position.
  - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which are required to be transferred to the Investor Education and Protection fund by the company.

**For, Bhagat & Co.**

**Chartered Accountants**

**FRN No:-127250W**

Sd/-

**Sankar Prasad Bhagat**

**(Partner)**

**Mem. No.: 052725**

**UDIN : 21052725AAAABX9708**

**Place: Ahmedabad**

**Date:30.06.2021**

**"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 2021**, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets
  - (b) The Company has a regular program of physical verification of its fixed assets. 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.
- (ii) The Company is regular in maintaining physical inventory in accordance with paragraph 3(ii) of the Order applicable to the Company.
  - (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 deposits from the public.
  - (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered 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 provident fund, income-tax, sales tax, value added tax, duty of customs, service tax, 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, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at 31 March 2021 for a period of more than six months from the date they became payable.
  - (viii) The Company has not taken loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.
  - (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Company has issue 2068787 Bonus Share of 10/- Each.
  - (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
  - (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial

remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

- (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 sections 177 and 188 of the Act where applicable and 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 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.
- (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.

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

Sd/-

**Sankar Prasad Bhagat**  
**(Partner)**

**Mem. No.: 052725**

**UDIN : 21052725AAAABX9708**

**Place : Ahmedabad**

**Date : 30.06.2021**

## **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 2021** 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 2021, 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**

Sd/-  
**Shankar Prasad Bhagat**  
**(Partner)**  
**M No: 052725**  
**UDIN: 21052725AAAABX9708**

**Date: 30/06/2021**  
**Place: Ahmedabad**

# VIVID MERCANTILE LIMITED

BALANCE SHEET AS ON 31<sup>st</sup> MARCH 2021

Particulars	Note No.	3/31/2021	3/31/2020
<b>I. EQUITY AND LIABILITIES</b>			
<b><u>(1) Shareholder's Funds</u></b>			
(a) Share Capital	1	100,256,400	79,568,530
(b) Reserves and Surplus	2	104,523,882	89,453,285
<b><u>(2) Share Application money pending allotment</u></b>			
<b><u>(3) Non-Current Liabilities</u></b>			
(a) Long-Term Borrowings		-	-
(b) Deferred Tax Liabilities (Net)		-	-
(c) Other Long Term Liabilities		-	-
(d) Long Term Provisions		-	-
<b><u>(4) Current Liabilities</u></b>			
(a) Short-Term Borrowings		-	-
(b) Trade Payables	3		
(i) Total outstanding dues of Micro , Small & Medium Enterprise		-	-
(ii) Total outstanding dues other than Micro , Small & Medium Enterprise		75,016	89,199,926
(c) Other Current Liabilities	4	38,471	575,195
(d) Short-Term Provisions	5	500,000	58,400
<b>Total Equity &amp; Liabilities</b>		<b>205,393,769</b>	<b>258,855,337</b>
<b>II.ASSETS</b>			
<b><u>(1) Non-Current Assets</u></b>			
(a) Property , Plant and Equipments	6	9,467,920	10,270,732
(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><u>(2) Current Assets</u></b>			
(a) Current investments	7	98,350,011	113,333,832
(b) Inventories		88,336,498	24,565,640
(c) Trade receivables	8	4,200,000	76,952,948
(d) Cash and cash equivalents	9	1,486,099	790,699
(e) Short-term loans and advances	10	2,666,560	31,346,400
(f) Other current assets	11	868,771	1,577,176
<b>Total Assets</b>		<b>205,393,769</b>	<b>258,855,337</b>
<b>NOTES TO ACCOUNTS</b>		<b>19</b>	
<i>Schedules referred to above and notes attached there to form an integral part of Balance Sheet</i>			
<i>This is the Balance Sheet referred to in our Report of even date.</i>			
<b>FOR , BHAGAT &amp; Co.</b>		<b>FOR, VIVID MERCANTILE LIMITED</b>	
<b>CHARTERED ACCOUNTANTS</b>			
<b>FRN No. 127250W</b>			
Sd/-		Sd/-	Sd/-
<b>Shankar Prasad Bhagat</b>		<b>Satishkumar R. Gajjar</b>	<b>Geetaben S. Gajjar</b>
<b>(Partner)</b>		<b>(Managing Director &amp; CFO)</b>	<b>(Whole-Time Director)</b>
<b>Mem. No. : 052725</b>		<b>DIN : 05254111</b>	<b>DIN : 05254107</b>
<b>UDIN : 21052725AAAABX9708</b>			
<b>Place : Ahmedabad</b>		Sd/-	
<b>Date : 30/06/2021</b>		<b>Priti Jain</b>	
		<b>(Company Secretary)</b>	

# VIVID MERCANTILE LIMITED

## PROFIT & LOSS STATEMENT FOR THE PERIOD ENDED ON 31<sup>st</sup> MARCH, 2021

Sr. No	Particulars	Note No.	31.03.2021	31.03.2020
I	Revenue from operations	12	169,729,435	300,071,806
II	Other Income	13	36,598,076	423,967
III	<b>Total Revenue (I +II)</b>		<b>206,327,511</b>	<b>300,495,773</b>
IV	<b>Expenses:</b>			
	Cost of materials consumed		-	-
	Purchase of Stock-in-Trade	14	231,413,286	294,053,673
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	15	-63,770,858	-
	Employee Benefit Expense	16	705,000	321,020
	Financial Costs	17	1,701	9,539
	Depreciation and Amortization Expense		765,269	892,452
	Other Expenses	18	885,493	5,627,684
	<b>Total Expense (IV)</b>		<b>169,999,891</b>	<b>300,904,368</b>
V	Profit before exceptional and extraordinary items and tax	(III-IV)	<b>36,327,620</b>	<b>-408,595</b>
VI	Exceptional Items		-	-
VII	Profit before extraordinary items and tax (V - VI)		<b>36,327,620</b>	<b>-408,595</b>
VIII	Extraordinary Items			
IX	Profit before tax (VII - VIII)		<b>36,327,620</b>	<b>-408,595</b>
X	<b>Tax expense:</b>			
	(1) Current tax		500,000	-
	(2) Deferred tax		-	-
XI	<b>Profit(Loss) from the period from continuing operations</b>	(IX-X)	<b>35,827,620</b>	<b>-408,595</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>35,827,620</b>	<b>-408,595</b>
XVI	Paid-up Equity Share Capital (at par Value of Rs.10 each)		10,025,640	7,956,853
	Earning per equity share			
	(1) Basic		3.57	(0.05)
	(2) Diluted		3.57	(0.05)

**NOTES TO ACCOUNTS**

19

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.**

**FOR, VIVID MERCANTILE LIMITED**

**CHARTERED ACCOUNTANTS**

**FRN No. 127250W**

Sd/-

**Shankar Prasad Bhagat**  
(Partner)

Mem. No. : 052725

UDIN : 21052725AAAABX9708

Sd/-

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

Sd/-

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

Sd/-

**Priti Jain**  
(Company Secretary)

Place: Ahmedabad

Date:30/06/2021



# VIVID MERCANTILE LIMITED

*Notes Forming Integral Part of the Balance Sheet as at 31<sup>st</sup> March, 2021*

## **Note : 1 Share Capital**

Sr. No	Particulars	2021	2020
1	<b>AUTHORIZED CAPITAL</b>		
	7960000 Equity Share of Rs.10/- each	79,600,000	79,600,000
	2070000 Equity Share of Rs.10/- each	20,700,000	-
		100,300,000	79,600,000
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	27,682,900	27,682,900
	673389 Equity Share of Rs.10/- each fully paid up	6,733,890	6,733,890
	2409174 Equity Share of Rs.10/- each fully paid up	24,091,740	24,091,740
	2106000 Equity Share of Rs.10/- each fully paid up	21,060,000	21,060,000
	2068787 Equity Share of Rs.10/- each fully paid up	20,687,870	-
	<b>Total in `</b>	<b>100,256,400</b>	<b>79,568,530</b>

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

Sr. No	SHARE HOLDER'S NAME	2021	2020
1	Satishbhai Gajjar	4,069,881	3,286,064
		40.59%	41.30%
2	Ardi Investments and Trading Company Limited	907,200	728,000
		9.05%	9.15%
3	Salim Mohammed Hussein Punjani	2,096,802	1,664,128
		20.91%	20.91%

## **Note : 2 Reserve & Surplus**

Sr. No	Particulars	2021	2020
1	Capital Reserve	-	-
2	Capital Redemption Reserve	-	-
3	Securities Premium Reserve	98,996,150	119,684,020
4	Debenture Redemption Reserve	-	-
5	Revaluation Reserve	-	-
6	Share Option Outstanding accounts	-	-
7	Other Reserve	-	-
8	Surplus (Profit & Loss Account)	5,527,732	(30,230,735)
	Balance brought forward from previous year	(30,230,735)	(29,822,140)
	Preliminary Expenses	-	-
	Less: Tax on Regular Assessment Paid	-	-
	Less: Tax of earlier period paid	69,153	-
	Less: Transfer to Profit and Loss A/c	-	-
	Add: Profit for the period	35,827,620	(408,595)
	<b>Total in `</b>	<b>104,523,882</b>	<b>89,453,285</b>

## **Note : 3 Trade payable**

Sr. No	Particulars	2021	2020
A)	<b>Sundry Creditors</b>		
1	Balance of Sundry Creditors	-	89,199,926
2	Sundry Creditors for Expenses	75,016	-
	<b>Total in `</b>	<b>75,016</b>	<b>89,199,926</b>

## **Note : 4 Other Current Liabilities**

Sr. No	Particulars	2021	2020
1	Duties and Taxes	-	519,395
2	ROC Expenses	-	55,800
3	TCS Payable	31,471	-
4	TDS Payable	7,000	-
	<b>Total in `</b>	<b>38,471</b>	<b>575,195</b>

# VIVID MERCANTILE LIMITED

*Notes Forming Integral Part of the Balance Sheet as at 31<sup>st</sup> March, 2021*

**Note : 5 Short-Term Provisions**

Sr. No	Particulars	2021	2020
<b>A)</b>	<b><u>Other Short Term Provisions</u></b>		
1	Income Tax Payable	500,000	-
2	Provision For MAT	-	900
3	Salary Payable	-	30,000
4	TDS Payable	-	27,500
	<b>Total in `</b>	<b>500,000</b>	<b>58,400</b>

**Note : 7 Investments**

Sr. No	Particulars	2021	2020
1	Investments	98,350,011	113,333,832
	<b>Total in `</b>	<b>98,350,011</b>	<b>113,333,832</b>

**Note : 8 Trade Receivable**

Sr. No	Particulars	2021	2020
1	Trade Receivable	4,200,000	76,952,948
	<b>Total in `</b>	<b>4,200,000</b>	<b>76,952,948</b>

**Note : 9 Cash & Cash Equivalent**

Sr. No	Particulars	2021	2020
1	<b><u>Cash-in-Hand</u></b>		
	Cash Balance	109,648	387,863
2	<b><u>Bank Balance</u></b>		
	Bank Balance	1,376,451	402,836
	<b>Total in `</b>	<b>1,486,099</b>	<b>790,699</b>

**Note : 10 Short Term Loans And Advances**

Sr. No	Particulars	2021	2020
1	Short term Loans & Advances	2,666,560	31,346,400
	<b>Total in `</b>	<b>2,666,560</b>	<b>31,346,400</b>

**Note : 11 Other Current Assets**

Sr. No	Particulars	2021	2020
1	Other Current Asset	659,232	729,914
2	TCS Receivable	127,248	-
3	TDS Receivable	8,821	77,974
4	Other Current Asset	73,470	769,288
	<b>Total in `</b>	<b>868,771</b>	<b>1,577,176</b>

# VIVID MERCANTILE LIMITED

*Notes Forming Part of the Profit & Loss Accounts as at 31<sup>st</sup> March, 2021*

**Note : 12 Revenue from Operation**

Sr. No.	Particulars	2021	2020
1	Revenue from Operation	169,729,435	300,071,806
	<b>Total in `</b>	<b>169,729,435</b>	<b>300,071,806</b>

**Note : 13 Other Income**

Sr. No.	Particulars	2021	2020
1	Interest Income	-	413,967
2	Other Income	-	10,000
3	Profit on Sale of Shares	36,598,076	-
	<b>Total in `</b>	<b>36,598,076</b>	<b>423,967</b>

**Note : 14 Purchase of Stock in Trade**

Sr. No.	Particulars	2021	2020
A)	<b>Purchase of Material and Stores</b>		
1	Purchase	231,413,286	294,053,673
	<b>Total in `</b>	<b>231,413,286</b>	<b>294,053,673</b>

**Note : 15 Changes in Inventories**

Sr. No.	Particulars	2021	2020
1	Opening Stock	24,565,640	24,565,640
2	Closing Stock	88,336,498	24,565,640
	<b>Total in `</b>	<b>- 63,770,858</b>	<b>-</b>

**Note : 16 Employee Benefit Expenses**

Sr. No.	Particulars	2021	2020
1	Salary Expenses	405,000	321,020
2	Director Remuneration	300,000	-
	<b>Total in `</b>	<b>705,000</b>	<b>321,020</b>

**Note : 17 Finance Charges**

Sr. No.	Particulars	2021	2020
1	Bank Charges	1,701	9,539
	<b>Total in `</b>	<b>1,701</b>	<b>9,539</b>

**Note : 18 Other Administrative Expenses**

Sr. No.	Particulars	2021	2020
1	Audit Fees	30,000	32,500
2	Legal & Professional Expense	20,000	-
3	Office Expense	100,000	4,387
4	Other Expense	651,869	470,368
5	CDSL , NSDL Charges	83,624	22,500
6	Donation	-	15,000
7	Loss on Sale of Shares	-	5,082,928
	<b>Total in `</b>	<b>885,493</b>	<b>5,627,683</b>

## VIVID MERCANTILE LIMITED

Notes Forming Integral Part of the Balance Sheet as at 31<sup>st</sup> March, 2021

Note : 6 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 31.03.2021	WDV as on 31.03.2020
	<b>Tangible Assests</b>										
(i)	<b>Property, Plant and Equipment</b>										
1	Office	1873791	-	-	1,873,791	-	-	-	-	1,873,791	1,873,791
2	Furniture	2,200,000	-	-	2,200,000	1,042,693	299,626	-	1,342,319	857,681	1,157,307
3	Activa	45,414	-	-	45,414	25,094	5,262	-	30,356	15,058	20,320
4	Air Conditioner	273,337	-	-	273,337	117,165	28,267	-	145,432	127,905	156,172
5	Camera	16,880	-	-	16,880	14,418	1,554	-	15,972	908	2,462
6	Car	790,000	-	-	790,000	433,300	111,397	-	544,697	245,303	356,700
7	Computers	226,508	32,457	-	258,965	193,483	20,858	-	214,341	44,624	33,025
8	Printers	1,512,109	-	70,000	1,442,109	892,672	157,296	-	1,049,968	392,141	619,437
9	Car Creta	1,000,000	-	-	1,000,000	548,482	141,009	-	689,491	310,509	451,518
	<b>TOTAL</b>	<b>7,938,039</b>	<b>32,457</b>	<b>70,000</b>	<b>7,900,496</b>	<b>3,267,307</b>	<b>765,269</b>	<b>-</b>	<b>4,032,576</b>	<b>3,867,920</b>	<b>4,670,732</b>
	<b>Intangible Assests</b>										
1	Album Rights	1,000,000	-	-	1,000,000	-	-	-	-	1,000,000	1,000,000
2	Copyrights	3,600,000	-	-	3,600,000	-	-	-	-	3,600,000	3,600,000
3	Movie Rights	1,000,000	-	-	1,000,000	-	-	-	-	1,000,000	1,000,000
	<b>TOTAL</b>	<b>5,600,000</b>	<b>-</b>	<b>-</b>	<b>5,600,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,600,000</b>	<b>5,600,000</b>
	<b>GRAND TOTAL</b>	<b>13,538,039</b>	<b>32,457</b>	<b>70,000</b>	<b>13,500,496</b>	<b>3,267,307</b>	<b>765,269</b>	<b>-</b>	<b>4,032,576</b>	<b>9,467,920</b>	<b>10,270,732</b>





## **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 applicable accounting standards referred to in section 133 read with rule 7 of the Companies (Accounts) rules, 2014.

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. Fixed Assets**

Fixed assets 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 dimunation 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 no 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. Prior Period Items**

Significant items of Income or Expenditure, which relates to the prior accounting periods, are accounted in the Profit and Loss Account under the head "prior year Adjustments" other than those occasioned by the events occurring during or after the close of the year and which are treated as relatable to the current year.

## **J. 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.

## **K. 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.

## **L. 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.

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

In accordance with the requirements of Accounting Standard-18 (AS-18) "Related Party Transaction" issued by the Institute of Chartered Accountants of India, the following persons are considered as Related Party as define 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	22,28,000/-	Director	Purchase



# 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)

---

**27<sup>TH</sup> Annual General Meeting – Thursday, September 30, 2021**

## **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 Thursday, September 30, 2021 at 1:30.00 PM at **Basement, Medicare Centre B/h M. J. Library Opp. Stock-Exchange, Ellisbridge, Ahmedabad-380006, Gujarat.**

---

**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

(Formerly known as Veeram Infra Engineering Limited)

CIN: U74110GJ1994PLC021483

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)

## 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]

### 27<sup>TH</sup> Annual General Meeting – Thursday, September 30, 2021

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 27<sup>th</sup> Annual General Meeting of the Company to be held on – Thursday, September 30, 2021 at 01.30 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, 2021 together with Report of Board of Directors and Auditors' Report thereon.		

## VIVID MERCANTILE LIMITED

2.	To Appoint a Director in place of Mr. Satishkumar Ramanlal Gajjar (DIN: 05254111), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.		
3.	Re-appointment of Statutory Auditors of the Company		

Signed this..... day of..... 2020

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.**