



Date: 29th September, 2017

To,

The Compliance Department
BSE Limited,
P.J. Towers,
Dalal Street, Fort,
Mumbai - 400001.

Subject: Submission of Annual Report – Regulation 34 of SEBI (Listing Obligations & Disclosure Requirements), 2015.

Ref.: Vishal Fabrics Limited, Scrip Code: 538598, Security ID: VISHAL

Dear Sir/Ma'am,

In terms of Regulation 34 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, enclosed is the Annual Report of the Company for the financial year 2016-17.

Kindly take the same on record.

Thanking you,
Yours sincerely,

For Vishal Fabrics Limited

Tanushree Dave

Tanushree Dave
Company Secretary &
Compliance Officer



Encl.:a/a

Vishal Fabrics Limited

(CIN: L17110GJ1985PLC008206)

Corporate Office:

Chiripal House, Near Shivranjani
Cross Roads, Satellite, Ahmedabad-380015, Gujarat, India.
Ph : 079-26734660/2/3 Fax : 079-26768656
Email : corporate@chiripalgroup.com
Web : www.chiripalgroup.com

Plant & Registered office :

Ranipur, Narol Road, Ahmedabad-382405, Gujarat, India.
Ph : 079-25353977/78/79/80 Fax : 079-25353981
Email : chiripal@chiripalgroup.com
Web : www.vishalfabricsltd.com

32ND ANNUAL REPORT

2016-2017



VISHAL FABRICS LIMITED



VISHAL FABRICS LIMITED

CORPORATE OVERVIEW

- **Board of Directors**

Mr. Brijmohan D. Chiripal Mr. Amit Kadmawala Mr. Shubhankar Jha Mr. Chitranjan Ajaib Singh Mrs. Dhara Shah	<i>Managing Director (DIN: 00290426)</i> <i>Executive Director (DIN: 07016454)</i> <i>Independent Director(DIN:07208823)</i> <i>Independent Director(DIN:07300731)</i> <i>Independent Director(DIN:06983857)</i>	
--	--	--
- **Board Committees**
 - ❖ **Audit Committee**

Mr. Chitranjan Ajaib Singh Mr. Brijmohan D. Chiripal Mr. Shubhankar Jha Mrs. Dhara Shah	<i>Chairman</i> <i>Member</i> <i>Member</i> <i>Member</i>	
--	--	--
 - ❖ **Nomination & Remuneration Committee**

Mrs. Dhara Shah Mr. Shubhankar Jha Mr. Chitranjan Ajaib Singh	<i>Chairman</i> <i>Member</i> <i>Member</i>	
---	---	--
 - ❖ **Stakeholders' Relationship Committee**

Mr. Chitranjan Ajaib Singh Mr. Shubhankar Jha Mrs. Dhara Shah	<i>Chairman</i> <i>Member</i> <i>Member</i>	
---	---	--
- **Corporate Identity Number(CIN)** L17110GJ1985PLC008206
- **Bankers** Oriental Bank of Commerce , IDBI Bank, The Lakshmi Vilas Bank Limited
Bank of Baroda, Bank of Maharashtra & State Bank of India
- **Chief Financial Officer (CFO)** Mr. Mahesh Kawat
- **Company Secretary & Compliance Officer** Ms. Tanushree Dave (*appointed w.e.f. 23.08.2016*)
Ms. Poonam Pabla(*resigned w.e.f. 23.07.2016*)
- **Registered Office and Plant** Ranipur Narol Road,
Ahmedabad – 382 405
Phone: + 91 - 79 - 25353977/78/79/80
Fax: +91 - 79 – 25353981
- **Corporate Office** 'Chiripal House', Shivranjani Cross Roads, Satellite, Ahmedabad – 380 015
Phone: + 91 - 79 - 26734660/2/3
Fax: + 91 - 79 – 26768656
- **Statutory Auditors** M/s. Anil S. Shah & Co.
Chartered Accountants,
302, Shailly Complex, Opp. Loha Bhavan,
Nr. Old High Court Road, Navrangpura, Ahmedabad – 380 009
- **Registrar and Share Transfer Agent** Link Intime India Private Limited, 5th Floor, 506 to 508 Amarnath Business
Centre - I (ABC - I), Beside Gala Business Centre, Nr. St. Xavier's College Corner
Off C G Road, Navarangpura, Ahmedabad, Gujarat, 380009
Tel. No.: +91 - 79 – 26465179, Fax No.: +91 - 79 – 26465179
e-mail: ahmedabad@linkintime.co.in
- **E-mail** cs.vfl@chiripalgroup.com
- **Website** www.vishalfabricsltd.com



VISHAL FABRICS LIMITED

INDEX

Notice.....	01
Directors' Report.....	12
Management Discussion and Analysis Report.....	38
Independent Auditors' Report.....	41
Balance Sheet.....	48
Statement of Profit & Loss.....	49
Cash Flow Statement.....	50
Notes Forming part of the Financial Statements.....	51
Attendance Slip & Proxy Form.....	70



VISHAL FABRICS LIMITED
(CIN: L17110GJ1985PLC008206)

Regd. Office: Ranipur Narol Road, Ahmedabad – 382 405
Phone: +91 - 79 - 25353977/78/79/80; Fax: +91 - 79 - 25353981
Email: cs.vfl@chiripalgroup.com; Website: www.vishalfabricsltd.com

NOTICE

NOTICE is hereby given that the 32nd Annual General Meeting of the members of Vishal Fabrics Limited will be held on Thursday, 28th Day of September, 2017 at 03:00 p.m. at the Corporate Office of the Company situated at 'Chiripal House', Near Shivranjani Cross Roads, Satellite, Ahmedabad – 380 015 to transact the following business:

ORDINARY BUSINESS:

1. Adoption of the Financial Statements

To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2017, the reports of the Board of Directors and Auditors thereon.

2. Director retiring by rotation

To appoint a Director in place of Mr. Amit Kadmawala (DIN: 07016454), who retires by rotation and being eligible offers himself for re-appointment.

3. Appointment of Statutory Auditors

To appoint the Statutory Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013, and rules made thereunder, (including any statutory modification(s) or amendment(s) there-to or re-enactment(s) thereof for the time being in force), if any, and pursuant to the recommendation of the Audit Committee, M/s. Nahta Jain and Associates, Chartered Accountants (FRN: 106801W), be and are hereby appointed as the Statutory Auditors of the Company, to hold office from the conclusion of the 32nd Annual General Meeting till conclusion of the 37th Annual General Meeting to be held in the Financial Year 2022 at such remuneration as may be fixed by the Board of Directors of the Company, subject to ratification of such appointment by the shareholders at every Annual General Meeting.”

SPECIAL BUSINESS:

4. Ratification of Remuneration of Cost Auditors

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), M/s. A.G. Tulsian and Co., Practicing Cost Accountants (FRN: 100629), who are appointed as the Cost Auditor of the Company by the Board of Directors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2018 be paid the remuneration, not exceeding Rs. 35,000/- (Rupees Thirty Five Thousand Only/-) plus applicable taxes and reimbursement of out of pocket expenses incurred by them in connection with the said audit.”



“RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof) be and is hereby authorized to take such actions as may be necessary for implementing the above resolution.”

5. Sub-division of Equity Shares of the Company from the Face Value of Rs. 10/- per Equity Share to Rs. 5/- per Equity Share

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 61(1)(d) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof for the time being in force), and in accordance to the provisions of the Memorandum and Articles of Association of the Company and subject to other approval(s), consent(s), permission(s), sanction(s), if any, as may be necessary from the appropriate statutory authority(ies), each of the Equity Shares of the Company having a face value of Rs. 10/- (Rupees Ten only) each be sub-divided into 2 (Two) Equity Shares having nominal value of Rs. 5/- (Rupees Five only) each fully paid-up with effect from the Record Date as may be fixed for the purpose.”

“RESOLVED FURTHER THAT pursuant to the sub-division of equity shares of the Company, all the authorized, issued, subscribed and paid-up equity shares of nominal value of Rs. 10/- each, shall stand sub-divided into 2 (Two) equity shares of nominal value of Rs. 5/- (Rupees Five only) each from the record date and shall rank pari passu in all respects with and carry the same rights as the existing fully paid-up Equity shares of Rs. 10/- (Rupees Ten only) each of the company.”

“RESOLVED FURTHER THAT upon sub-division of equity shares as aforesaid, the existing share certificates of the equity shares of the face value of Rs. 10/- (Rupees Ten only) each both in the electronic and physical form shall be deemed to have been automatically cancelled and be of no effect on and from the record date of sub-division and the Company may without requiring the surrender of the old share certificates, directly use and dispatch the new share certificates of the Company, in lieu of the existing share certificates within the prescribed time period and give proportionate credit of shares to the respective beneficiary accounts of the shareholders with the Depository Participants, in lieu of the existing credits representing the equity shares before sub-division.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to fix the Record Date and to take such steps as may be considered necessary or expedient and to delegate all or any of its powers to any other committee as may deem appropriate in this regard.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and to execute all deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things and to give, from time to time, such directions as may be necessary, proper, expedient or incidental for the purpose of giving effect to this Resolution and to delegate all or any of the powers herein vested in the Board, to any Director(s) or Officer(s) of the Company as may be required to give effect to the above resolution.”

6. Alteration of the Capital Clause of the Memorandum of Association

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 13 and 61 and all other applicable provisions, if any, of



the Companies Act, 2013 and the rules made there under (including any statutory modification or re-enactment thereof for the time being in force) the existing Clause V of the Memorandum of Association of the Company relating to Share Capital be and is hereby altered by deleting the same and substituting in its place, the following as **new Clause V**:

The Authorized Share Capital of the Company is Rs. 25,00,00,000/- (Rupees Twenty Five Crore only) divided into 5,00,00,000 (Five Crore) Equity Shares of Rs. 5/- each."

7. Appointment of Mr. Brijmohan D. Chiripal (DIN: 00290426) as Managing Director of the Company

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

"RESOLVED THAT pursuant to the provisions of Section 161, 196, 197, 198, 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and subject to all other statutory approvals and sanctions, as may be necessary, the consent of the Members of the Company be and is hereby accorded for the appointment of Mr. Brijmohan D. Chiripal (DIN: 00290426) as Managing Director of the Company for a period of 5 (Five) years w.e.f. June 1st, 2017, as recommended by the Nomination and Remuneration Committee and the Board of Directors in their respective meeting dated 30.05.2017 on the terms, conditions and stipulations as set out in the Explanatory Statement annexed to this Notice convening this meeting."

"RESOLVED FURTHER THAT in the event of any statutory amendment, modification or relaxation by the Central Government to Schedule V to the Companies Act, 2013, the Board of Directors be and is hereby authorized to vary or increase the remuneration including salary, commission, perquisites, allowances, etc. within such prescribed limit or ceiling and the said terms of appointment of Mr. Brijmohan D. Chiripal, Managing Director be suitably amended to give effect to such modification, relaxation or variation without any further reference to the members of the Company in general meeting."

"RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolution, the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in the said regard."

8. Appointment of Mr. Chitranjan Singh (DIN: 07300731) as Independent Director of the Company

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 161(1) and 149 read with Schedule IV and all other applicable provisions of the Companies Act, 2013, Mr. Chitranjan Singh (DIN: 07300731), who was appointed as an Additional Director under Section 161 of the Companies Act, 2013 w.e.f. 30th May, 2017 at the meeting of the Board of Directors of the Company held on 30th May, 2017 and who holds office up to the date of this Annual General Meeting and in respect of whom a notice has been received from the member in writing, under section 160 of the Companies Act, 2013 along with requisite deposit proposing his candidature for the office of director be and is hereby appointed as the Independent Director of the Company not liable to retire by rotation, to hold office for 5 (five) consecutive years i.e., up to May 29, 2022."



“RESOLVED FURTHER THAT pursuant to the provisions of Sections 149 and 197 and any other applicable provisions of the Companies Act, 2013 and rules made thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], Mr. Chitranjan Singh be paid such fees and commission as the Board may approve from time to time and subject to such limits prescribed or as may be prescribed from time to time”

9. Remuneration to Mr. Amit Kadmawala (DIN: 07016454), Whole-time Director of the Company

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**

“RESOLVED THAT pursuant to the provisions of Section 196, 197, 198, 203 read with Schedule V to the said Act and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification from time to time or any re-enactment thereof for the time being in force), and subject to the approval of the such other authorities as may be necessary, consent of the Members be and is hereby accorded for payment of remuneration of Rs. 7,56,000/- per annum, payable w.e.f. 01st January, 2017 for financial year in which adequate profit is earned, to Mr. Amit Kadmawala (DIN: 07016454), Whole-time Director of the Company for remainder of duration of his appointment i.e., up to 12th November, 2019.”

10. Contribution to Charitable funds u/s 181 of the Companies Act, 2013

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**

“RESOLVED THAT pursuant to the provisions of Section 181 and other applicable provisions, if any, of the Companies Act, 2013, consent of the Company be and is hereby accorded to contribute bona fide charitable and other funds as may be deemed fit and appropriate by the Board, provided however that the total amount up to which the Board of Directors may contribute to such bona fide charitable and other funds as aforesaid from time to time shall not exceed, in the aggregate the sum of Rs. 1 Crore (Rupees One Crore Only) in any one Financial Year.”

Date: August 24, 2017
Place: Ahmedabad

By order of the Board of Directors
Sd/-
Tanushree Dave
Company Secretary



NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE 32nd ANNUAL GENERAL MEETING OF THE COMPANY IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIM/HER SELF AND PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PROXY FORM IS SENT HERewith. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE ANNUAL GENERAL MEETING. A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.**
2. The Statement pursuant to Section 102(1) of the Companies Act, 2013, which sets out details relating to Special Business to be transacted at the meeting, is annexed hereto.
3. Electronic copy of the Annual Report for F.Y. 2016-17 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purpose unless any member has requested for a Physical copy of the same. Members may also note that the Notice of Annual General Meeting and Annual Report for 2016-17 will also be available on the Company's website www.vishalfabricsltd.com
4. Corporate Members intending to send their authorized representatives to attend and vote at the Annual General Meeting are requested to send a duly certified copy of the Board Resolution at registered office of the company authorizing their representative to attend and vote on their behalf at the meeting.
5. Members are requested to bring their Attendance Slip along with copies of their Annual Report to the meeting.
6. In case of joint holders attending the meeting, only such joint holder who is higher in the order of name will be entitled to vote.
7. Brief resume of Directors including those proposed to be appointed / re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships / chairmanships of Board Committees as stipulated under Regulation 36 of the Listing Regulations, 2015 entered into with the Stock Exchange, are provided in the annexure to the notice calling Annual General Meeting.
8. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members at the AGM.
9. The Register of Contracts maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the AGM.
10. Members holding equity shares in electronic form are requested to notify the change of address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts.
11. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company/Registrar of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.



12. 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 Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Registrar and Share Transfer Agent of the Company.
13. As per Notification issued by Ministry of Corporate Affairs dated 19th of March, 2015 with reference to the Companies (Management and Administration) Rules, 2014, Companies covered under Chapter XB and Chapter XC as per SEBI (ICDR) Regulations, 2009 will be exempted from e-voting provisions. Also, no such provision is available in SME Equity Listing Agreement. Company is covered under Chapter XB as it is a SME Company and listed on SME platform of BSE Limited. Therefore, Company is not providing e-voting facility to its shareholders.
14. Members are requested to intimate their Email IDs for correspondence and quicker response to their queries.
15. The Register of Members and Share Transfer Register shall remain closed for registering share transfer from Wednesday, 27th Day of September to Thursday, 28th Day of September (both days inclusive).
16. All documents referred to in the accompanying notice and the Statement are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours upto the date of the Annual General Meeting.
17. The Companies Act, 2013 provides nomination facility to the members. As a member of the Company, you have an option to nominate any person as your nominee to whom your shares shall vest in the unfortunate event of your death. It is advisable to avail of this facility especially by the members who currently hold shares in their single name. Nomination can avoid the process of acquiring any right in shares through transmission by law. In case of nomination for the shares held by the joint holders, such nomination will be effective only on death of all the holders. The shares which are held in dematerialised form, the nomination form needs to be forwarded to your Depository Participant.



EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

Item No. 4

In accordance with the provisions of Section 148 of the Companies Act, 2013 ("the Act") read with the Companies (Audit and Auditors) Rules, 2014 ("the Rules"), the Company is required to appoint a Cost Auditor to audit the cost records of the Company and the shareholders have, at the 31st Annual General Meeting of the Company held on Tuesday, 20 September, 2016 ratified the remuneration of M/s. A.G. Tulsian & Co., Cost Accountants as Cost Auditors of the Company at Rs. 35,000/- plus plus service tax, travelling and other out of pocket expenses incurred by them in connection with the said audit for the F.Y. 2016-17.

In order to continue availing their services, the Audit Committee at its meeting held on 30th May, 2017 recommended and the Board of Directors has approved the re - appointment of M/s. A.G. Tulsian & Co., Cost Accountants as the Cost Auditor of the Company for the Financial Year 2017-18 at a remuneration of Rs. 35,000/- plus applicable taxes and reimbursements of out of pocket expenses incurred by them in connection with the said audit.

The remuneration payable to the Cost Auditor is to be ratified by the members in accordance with the provisions of the Section 148 of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014.

Accordingly, the Directors recommend the Ordinary Resolution as set out at Item no. 4 of the Notice for approval of the Members of the Company.

None of the Directors or Key Managerial Personnel (KMP) of the Company or their relatives is in any way concerned or interested in the resolution.

Item No. 5

The equity shares of the Company are listed on BSE Limited. In order to facilitate the benefit of more liquidity and broad basing of small investors, the Board of Directors of the Company, in its meeting held on 30th May, 2017 have approved the sub-division of the nominal value of equity shares of the Company of Rs.10/- each into smaller denomination of Rs.5/- each, subject to the approval of Members.

Accordingly, each equity share of the Company of the nominal value Rs. 10/- each existing on the Record Date, shall stand sub-divided into 2 Equity shares of the nominal value of Rs. 5/- each. The Record Date for the aforesaid sub-division of Equity shares will be fixed after the approval of shareholders is obtained, pursuant to this Annual General Meeting.

The Board recommends the Resolution as set out in Item No. 5 of the accompanying Notice for the approval of members of the Company.

None of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested in the Resolution except to the extent of their shareholding in the Company, if any.

Item No. 6

The proposed sub-division of the equity shares of the Company of Rs. 10/- each into smaller denomination of Rs. 5/- each requires amendment to the Memorandum of Association of the Company. Accordingly Clause V of the Memorandum of Association is proposed to be amended as set out in Item No. 6 of the accompanying Notice reflecting the corresponding changes in the Authorised Share Capital of the Company consequent to the proposed sub-division i.e. from Rs. 25,00,00,000/- (Rupees Twenty Five Crores only) divided into 2,50,00,000 (Two Crore Fifty Lac) equity shares of Rs. 10/- (Rupees Ten only) each to Rs. 25,00,00,000/- (Rupees Twenty Five Crores only) divided into 5,00,00,000 (Five Crore) Equity Shares of Rs. 5/- each.



The Board of Directors of your Company has approved this item in its Meeting held on 30th May, 2017 and recommends the Resolution as set out in Item No. 6 of the accompanying Notice for the approval of members of the Company.

None of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested in the Resolution except to the extent of their shareholding in the Company, if any.

Item No. 7

The Board of Directors at its meeting held on 30th May, 2017 appointed Mr. Brijmohan D. Chiripal (DIN: 00290426) as Managing Director of the Company with effect from 1st June, 2017 for the period of five years subject to approval of shareholders in ensuing Annual General Meeting on the basis of recommendation of Nomination and Remuneration Committee.

The main terms and conditions of his appointment as Managing Director are furnished below:

Terms & Conditions:

1. **Position** : Managing Director
2. **Tenure of appointment** : 5 (Five) years (w.e.f. 1st June, 2017)
3. **Remuneration:**
Cost to Company (CTC) : Rs. 10,00,000/- per month
4. **Responsibility Areas:**
Mr. Brijmohan D. Chiripal shall exercise substantial powers of management of the affairs of the Company which inter-alia shall include the following:
 - a) He shall prepare a corporate plan and annual business plan and monitor progress against these plans to ensure that the Company attains its objectives as cost-effectively and efficiently as possible;
 - b) Shall provide strategic advice and guidance to the other members of the Board, to keep them aware of developments within the industry and to ensure that the appropriate policies are developed to meet the Company's mission and objectives and to comply with all relevant statutory and other regulations;
 - c) Establish and maintain effective formal and informal links with major customers, relevant government departments and agencies, local authorities, key decision-makers and other stakeholders generally, to exchange information and views and to ensure that the Company is providing the appropriate range and quality of services.
5. **Termination:** This appointment may be terminated by any party herein, by giving to the other party, a one month notice in writing.

Mr. Brijmohan D. Chiripal has a very long association with the Chiripal Group, and brings in multi business exposure in various roles across the Group. A Chemical Engineer by qualification, with around 20 years of experience in Textile processing as well as export and domestic trading, providing extensive profit and cost centre experience in more than one Business. He has brought in strong execution rigor to his work and has considerably strengthened both innovation and new products development.

Mr. Brijmohan D. Chiripal is not related to any other Director and Key Managerial Personnel of the Company.

The Board recommends the resolution as set out in Item No. 7 for your approval.

None of the other Directors or key managerial personnel of the Company or their relatives are concerned or interested, financially or otherwise in this Resolution.

**Item No. 8**

In accordance with the provisions of Section 149 read with Schedule IV to the Act, appointment of an Independent Director requires approval of members. Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors has proposed that Mr. Chitranjan Singh be appointed as an Independent Director of the Company. The appointment of Mr. Chitranjan Singh shall be effective upon approval by the members in the Meeting.

The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mr. Chitranjan Singh for the office of Director of the Company. Mr. Chitranjan Singh is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director. The Company has received a declaration from Mr. Chitranjan Singh that he meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and Listing Regulations, 2015. In the opinion of the Board, Mr. Chitranjan Singh

fulfills the conditions for his appointment as an Independent Director as specified in the Act and the Listing Regulations, 2015. Mr. Chitranjan Singh is independent of the management and possesses appropriate skills, experience and knowledge.

Brief resume of Mr. Chitranjan Singh is as under:

He has done B.Sc. (Honours) in Bio Chemistry from Gujarat University and IPS from Union Public Service Commission (Government of India). He is retired IPS Officer with almost 37 years of experience and has served in Gujarat since 1978. He holds position of Independent Director in Shanti Educational Initiatives Limited. He does not hold any shares of the Company in his name. Keeping in view, his vast expertise and knowledge, it will be in the interest of the Company that Mr. Chitranjan Singh is appointed as an Independent Director of the Company. Copy of the draft letter for appointment of Mr. Chitranjan Singh as an Independent Director setting out the terms and conditions is available for inspection by members at the registered office of the Company.

Mr. Chitranjan Singh is not related to any other Director and Key Managerial Personnel of the Company.

None of the Directors, Key Managerial Personnel and their relatives, except Mr. Chitranjan Singh and his relatives, are in any way, concerned or interested in the said resolution.

The Board recommends the resolution as set out in Item No. 8 for your approval.

Item No. 9

The Nomination and Remuneration Committee, in its meeting held on 10th November, 2016 recommended and the Board of Directors, in its meeting held on 10th November, 2016, approved the payment of remuneration of Rs. 7,56,000/- per annum, payable for financial year in which adequate profit is earned, to Mr. Amit Kadmawala (DIN: 07016454), Whole-time Director of the Company with effect from 01st January, 2017, for remainder of duration of appointment up to 12th November, 2019, subject to the approval of the shareholders in the General Meeting.

He is associated with the Company since November, 2014. He is responsible for reduction in the cost and quality enhancement of the production. His work includes ensuring the proper functioning of the store and plant and achieving the best possible output. He is also responsible to keep a watch at costing of all the departments and abnormal costs occurring, if any.

The appointment as well as payment of remuneration was approved by the Board based on industry standards, responsibilities handled by the Whole-time Director of the Company. The details of Mr. Amit Kadmawala in pursuance of the provisions of the Listing Regulations, 2015 are mentioned in Annexure.

Approval of the shareholders is sought for ratification of remuneration paid/remuneration payable for the remaining period of appointment to Mr. Amit Kadmawala as Whole-time Director of the Company.



Mr. Amit Kadmawala is not related to any other Director and Key Managerial Personnel of the Company.

None of the Directors, Key Managerial Personnel and their relatives, except Mr. Amit Kadmawala and his relatives, are in any way, concerned or interested in the said resolution.

The Board recommends the resolution as set out in Item No. 09 for your approval.

Item No. 10

The Board of Directors of the Company is authorized to make contributions to Bona fide charitable and other funds under Section 181 of the Companies Act, 2013, provided that prior permission of the members is required for such contributions in case any amount the aggregate of which, in any financial year, exceeds five per cent of its average net profits for the three immediately preceding financial years. The Board of Directors of the Company propose to take approval of the members to contribute any amount the aggregate of which will in any Financial Year does not exceed Rs. 1(One) Crore .

Accordingly, the Board recommends the Ordinary resolution in relation to contribution to Bona fide Charitable and other funds, for the approval by the members of the Company.

None of the Directors, Key Managerial Personnel of the Company and their relatives, is in any way concerned or interested in the said Resolution.

The Board recommends the resolution as set out in Item No. 10 for your approval.

Date: August 24, 2017
Place: Ahmedabad

By order of the Board of Directors
Sd/-
Tanushree Dave
Company Secretary



**Details of Directors seeking Appointment / Re-appointment at the Annual General Meeting
(Under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements), 2015)**

Name of Director	Mr. Brijmohan D. Chiripal	Mr. Chitranjan Singh	Mr. Amit Kadmawala
DIN	00290426	07300731	07016454
Nationality	Indian	Indian	Indian
Date of Birth	15.07.1961	23.02.1953	06.07.1977
Date of appointment	01.06.2017	30.05.2017	13.11.2014
Brief Resume and Nature of Expertise in Functional Area	Almost 20 years of business experience in Textile Processing as well as export and domestic trading.	He is retired IPS Officer with almost 37 years of experience and has served in Gujarat since 1978.	He is associated with the Company since May 2006. He is responsible for reduction in the cost and quality enhancement of the production. His work includes ensuring the proper functioning of the store and plant and achieving the best possible output. He is also responsible to keep a watch at costing of all the departments and abnormal costs occurring, if any.
Qualification	B.E. (Chemicals)	<ul style="list-style-type: none"> B.Sc. (Honours) in Bio Chemistry ; IPS from Union Public Service Commission (GOI). 	B.Com
Disclosure of Relationships between Directors inter-se	NIL	NIL	NIL
List of Directorship / Committee Memberships in other Public Companies as on 31 st March, 2017.	Other Directorship: <ul style="list-style-type: none"> Chiripal Lifestyle Ltd. Chiripal Industrial Park Ltd. Prizm Club Ltd. Committee positions held in Vishal Fabrics Limited: NIL Committee Positions held in other Public Companies: NIL*	Other Directorship: Shanti Educational Initiatives Ltd. Committee positions held in Vishal Fabrics Limited: NIL Committee Positions held in other Public Companies: <ul style="list-style-type: none"> Chairman & Member of Audit Committee of Shanti Educational Initiatives Ltd. & Chairman & Member of Stakeholders' Committee of Shanti Educational Initiatives Ltd. 	Other Directorship: NIL Committee positions held in Vishal Fabrics Limited: NIL Committee Positions held in other Public Companies: NIL
Shareholding in Vishal Fabrics Ltd.	143000 equity shares	NIL	

Notes:

Pursuant to Regulation 26 of the Listing Regulations, only two Committee viz. Audit Committee and Stakeholders Committee have been considered.

Mr. Brijmohan D. Chiripal resigned as director & MD from Nandan Denim Ltd. w.e.f. 31st May, 2017, accordingly directorship & memberships in that Company & its Committees are not considered.



DIRECTORS' REPORT

To,
The Members

Your Directors are pleased to present the 32nd Annual Report along with Audited Financial Statements for the financial year ended 31st March, 2017.

1. FINANCIAL HIGHLIGHTS

(Rs. in Lacs)

PARTICULARS	2016-17	2015-16
Net revenue from operations	37363.63	27357.80
Profit Before Depreciation & Tax	2477.70	2123.60
Less : Depreciation	626.39	343.94
Profit Before Tax	1852.62	1780.97
Less : Provision for Taxation (Including Deferred Tax)	798.82	354.78
Profit After Tax	1053.80	1426.19
Earnings per share (in Rs.)	8.00	10.83

2. STATE OF COMPANY'S AFFAIRS AND PERFORMANCE

During the year under review, your Company has achieved a turnover of Rs. 37,363.63/- lacs as compared to a turnover of Rs. 27,357.80/- lacs over the previous financial year which shows increase of 36.57%. The profit before depreciation and tax increased by 16.67% to Rs. 2,477.70/- lacs as compared to Rs. 2,123.60/- lacs in the financial year 2015-16. The profit after tax stood at Rs. 1,053.80/- lacs against Rs. 1,426.19/-lacs in the previous year, which represents decline of 26% which is due to increase in depreciation from Rs. 343.94/- lacs in the financial year 2015-16 to Rs. 626.39/- lacs in the financial year 2016-17.

3. DIVIDEND

The Board of Directors has not recommended any dividend during the year under review and accordingly the Company was not required to transfer any amount to the Investor Education and Protection Fund.

4. TRANSFERS TO RESERVES

During the financial year under review, the Company was not required to transfer any amount to any reserves.

5. CHANGE IN CAPITAL STRUCTURE

During the year under review, the authorized share capital of the Company was increased from Rs. 20,00,00,000/- (Rupees Twenty Crore Only) divided into 2,00,00,000 (Two Crore) equity shares of Rs. 10/- (Rupees Ten) each to 25,00,00,000/- (Rupees Twenty Five Crore Only) by addition of 50,00,000 (Fifty Lac) equity shares of Rs. 10/- (Rupees Ten) each to meet the eventualities such as augmenting resources, issue of shares etc.

The paid-up equity share capital of the Company as on 31st March, 2017 was Rs. 1317.40/- lacs.

During the year under review, the Company came up with a Rights Issue of Rs. 8782.67/- lakhs consisting of 87,82,667 equity shares at a price Rs. 100/- (including premium of Rs. 90/- per equity share). The basis of the issue was in the ratio of 2 rights shares for every 3 fully paid up equity shares held by the equity shareholders as on the Record Date which was 03rd March, 2017. The issue opening date was 16th March, 2017 and closed on 30th March, 2017. The issue was subscribed fully. The allotment of shares took place on 07th April, 2017 and the shares got listed on BSE Ltd. on 11th April, 2017 & trading approval from BSE Ltd. was received on 12th April, 2017.

6. SUBSIDIARY COMPANY

The Company has no subsidiaries.

7. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The details of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the financial statements.



8. EXTRACT OF ANNUAL RETURN

Extract of the Annual Return in Form MGT - 9 is annexed herewith as **Annexure-I** to this Report.

9. RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on an arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of the act and the regulations. There are no material significant related party transactions entered into by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons and their relatives which may have a potential conflict with the interest of the Company at large. Particulars of contracts or arrangements with related parties referred to Section 188(1) of the Act in the form AOC-2 is annexed herewith as **Annexure-II** to this report.

All related party transactions are placed before the Audit Committee for approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are of repetitive nature.

10. CREDIT RATING

The Credit Rating of your Company is strengthened. It is BWR BBB (pronounced Triple B) for long term facilities and BWR A3+ (pronounced A Three Plus) for short term bank loan facilities respectively. The said ratings are being provided by Brickwork Ratings India Pvt. Ltd.

11. DIRECTORS AND KEY MANAGERIAL PERSONNEL

➤ BOARD OF DIRECTORS, COMPOSITION & CATEGORY

The Board of Directors of the Company has an optimum combination of Executive, Non-Executive and Independent Directors. The Board comprises of 5 (five) Directors, out of which 2 (two) are Executive Non Independent Directors and 3 (three) are Non-Executive Independent Directors. The Composition of the Board is in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Following is the composition of the Board of Directors as on 31st March, 2017:

Sr. No.	Name	Category	Attendance		Directorship in other Public Companies*
			Board	Last AGM	
1.	Mr. Jyotiprasad Chiripal DIN: 00155695	Managing Director (Executive)	5	Yes	5
2.	Mr. Amit Kadmawala DIN: 07016454	Whole Time Director (Executive)	5	Yes	NIL
3.	Mr. Arakhita Khandual** DIN: 00055601	Independent Director (Non-Executive)	5	Yes	NIL
4.	Mrs. Dhara Shah DIN: 06983857	Independent Director (Non-Executive)	5	Yes	NIL
5.	Mr. Shubhankar Jha DIN: 07208823	Independent Director (Non-Executive)	5	Yes	NIL

*The Directorship(s) held by Directors as mentioned above, does not include Alternate Directorships, Companies registered under Section 25 of the Companies Act, 1959 /Section 8 of the Companies Act, 2013 and Private Limited Companies.

**expired on 22nd March, 2017

➤ During the year under review, the following changes occurred in the Board of Directors:

- **Mr. Arakhita Khandual (DIN: 00055601)**, Independent Director of the Company expired on 22nd March, 2017.
- **Mr. Chitranjan Ajaib Singh (DIN: 07300731)** was appointed as Additional Director of the Company in the category of Non - Executive Independent w.e.f. 30th May, 2017 and it is proposed to appoint him as Independent Director at the ensuing AGM for a period of five years w.e.f. 30th May, 2017.



- **Mr. Brijmohan D. Chiripal (DIN: 00290426)** was appointed as Managing Director w.e.f. 01st June, 2017 subject to the approval of shareholders at the ensuing AGM.
- **Mr. Jyotiprasad D. Chiripal (DIN: 00155695)**, Managing Director of the Company resigned from the directorship w.e.f. 31st May, 2017.

➤ **RETIRE BY ROTATION**

- **Mr. Amit Kadmawala (DIN: 07016454)**, was appointed as Additional Director w.e.f. 13th November, 2014. Further, he was appointed as Whole-time Director for a period of 5 years w.e.f. 13th November, 2014 in the Annual General Meeting held on 28th September, 2015. In accordance with the provisions of the Act and the Articles of Association of the Company, Mr. Amit Kadmawala, Executive Director of the Company is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment. The Board recommends his re-appointment.

➤ **KEY MANAGERIAL PERSONNEL (KMP)**

- Ms. Poonam Pabla, Company Secretary & Compliance Officer resigned w.e.f. 23rd July, 2016.
- Ms. Tanushree Dave was appointed as Company Secretary and Compliance Officer of the Company w.e.f. 23rd August, 2016.

12. NUMBER OF BOARD MEETINGS

The Board meets once in every quarter to review the quarterly financial results and other items of the agenda and if necessary, additional meetings are held as and when required. The intervening gap between the meetings was within the period prescribed under SEBI (LODR) Regulations, 2015 & Companies Act, 2013. The agenda is circulated well in advance to the Board members. The items in the agenda are backed by comprehensive background information to enable the Board to take appropriate decisions. During the year under review, 5 (five) Board Meetings were held on 23rd May 2016, 23rd August, 2016, 29th September, 2016, 10th November, 2016 and 07th March, 2017 respectively.

13. BOARD COMMITTEES

The Board has following four Committees:

- Audit Committee;
- Nomination & Remuneration Committee;
- Stakeholders' Relationship Committee; &
- Corporate Social Responsibility (CSR) Committee

A. AUDIT COMMITTEE

• **Audit Committee Composition:**

The composition and terms of reference of the Audit Committee is in compliance with Section 177 of the Companies Act, 2013 and with Regulation 18 of the Listing Regulations, 2015. The Audit Committee of the Company comprises of 4 members out of which 3 members are Non-Executive-Independent Directors. Mr. Arakhita Khandual, an Independent Director, was the Chairman of the Committee. The Committee members have requisite knowledge in the fields of Finance, Accounts and Company Law. The Audit Committee met 4 times during the year. The representatives of Internal and Statutory Auditors are invitees to Audit Committee meetings and the Company Secretary acts as the Secretary of the Audit Committee.

• **Constitution of the Audit Committee is as under:**

Sr. No.	Name of the Member	Designation
1.	Mr. Arakhita Khandual*	Chairman/Independent, Non -Executive
2.	Mr. Shubhankar Jha	Member/Independent, Non-Executive
3.	Mr. Jyotiprasad Chiripal	Member/Managing Director, Executive
4.	Mrs. Dhara Shah	Member/Independent, Non-Executive

*Expired on 22nd March, 2017



- The scope of activities of Audit Committee broadly include to review reports of the Internal Auditors and to discuss the same with them periodically, to meet Statutory Auditors to discuss their findings / suggestions, to review weaknesses in internal controls reported by Internal and Statutory Auditors, to review financial reporting systems and internal control systems, to review quarterly / half yearly / annual financial results and other matters.

- **Terms of Reference of the Audit Committee *inter alia* include the following:**

The recommendation for appointment, remuneration and terms of appointment of auditors of the company;

- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Examination of the financial statement and the auditor's report thereon;
- Approval or any subsequent modification of transactions of the company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Monitoring the end use of funds raised through public offers and related matters;
- The role of Audit Committee shall *inter alia* include the roles as prescribed in Regulation 18 of the Listing Regulations.

B. NOMINATION AND REMUNERATION COMMITTEE

- **Nomination and Remuneration Committee Composition:**

The composition and terms of reference of the Committee is in compliance with the Section 178 of the Companies Act, 2013 and with Regulation 19 of the Listing Regulations, 2015. The Committee consists of 3 Directors all of whom are Non-Executive Independent Directors. The Chairman of the Committee is an Independent Director. During the year under review, the Committee met 1 (One) time only.

- **Constitution of the Nomination and Remuneration Committee is as under:**

Sr. No.	Name of the Member	Designation
1.	Mrs. Dhara Shah	Chairman/ Independent, Non-Executive
2.	Mr. Arakhita Khandual*	Member/Independent, Non-Executive
3.	Mr. Shubhankar Jha	Member/Independent, Non-Executive

**Expired on 22nd March, 2017*

- **Terms of Reference:**

Terms of reference of the Committee, includes considering the matters relating to the Company's policies on remuneration payable and determining the package to the Managing Director and Executive Director, commission to be paid to the Directors and other matters specified in Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations, 2015.

- **NOMINATION & REMUNERATION POLICY**

The Company has adopted this policy on appointment and remuneration of directors, Key Managerial personnel, and senior management as required by the Section 178 of the Companies Act, 2013. The purpose of this policy is to establish the process for:

- To fix qualification, terms and conditions of the person who are qualified to become a Director (Executive and Non-Executive) and persons who may be appointed in Senior Management and Key Managerial positions.
- To determine remuneration based on designation, experience and financial position of the Company, industry trends and practices on remuneration prevailing in peer companies.
- To carry out evaluation of the performance of Directors, as well as Key Managerial personnel and Senior Management Personnel.
- To provide reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- The remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.



- **Remuneration Policy for Executive and Non-Executive and Independent Directors are as follows:**

- a. Executive Directors:

The remuneration payable to executive directors shall be paid in consultation with the Nomination & Remuneration Committee who decides the remuneration structure for Executive Directors by considering the financial position of the Company, qualification, experience of the directors, trend in the industry, past performance, past remuneration and limits prescribed for remuneration of Executive Directors i.e 10 % of net profit of the Company calculated in the manner prescribed under the Companies Act and subject to necessary approvals thereunder. The Nomination & Remuneration Committee ensures that remuneration if any payable to executive directors does not exceeds the prescribed limits.

- b. Non-Executive and Independent Directors:

The Non-Executive and Independent Directors of the Company may be paid remuneration periodically or may be paid commission within the overall limit of 1% of the Net Profit of the Company calculated in the manner prescribed under the Companies Act and subject to necessary approvals thereunder. In addition to commission if any, Non-Executive Directors are paid sitting fees and actual reimbursement of expenses incurred for attending each meeting of the Board and Committees. The Nomination & Remuneration Committee ensures that if any such commission payable should not exceed the prescribed limits under the Companies Act.

- c. Remuneration to Directors

The remuneration paid to the Managing Director, is as approved by the shareholders in the Extra – Ordinary General Meeting held on 08th April, 2014 for a period of 5 (Five) years, from 4th April, 2014 to 3rd April, 2019. Further, the remuneration was fixed to Rs. 36.00 lacs per annum as approved by the shareholders in the Annual General Meeting held on 28th September, 2015 for the remainder of duration of his appointment as Managing Director up to April 03, 2019.

- **Details of Remuneration paid to the Directors during the Financial Year 2016-17 is as follows:**
(Rs in lacs)

Sr. No.	Name of Directors	Salaries and Perquisites (Rs.)	Sitting Fees (Rs.)	Commission (Rs.)	No. of Shares held
1.	Mr. Jyotiprasad Chiripal*	36.00	-	-	-
2.	Mr. Amit Kadmawala	5.58	-	-	-
3.	Mr. Arakhita Khandual	-	0.60	-	-
4.	Mr. Shubhankar Jha	-	0.80	-	-
5.	Mrs. Dhara Shah	-	0.40	-	-

*Mr. Jyotiprasad Chiripal, Managing Director (up to 31st May, 2017) did not held any shares of the Company as on 31st March, 2017.

C. **STAKEHOLDERS' RELATIONSHIP COMMITTEE**

The composition and terms of reference of the Committee is in compliance with the Section 178 of the Companies Act, 2013 and with Regulation 20 of the Listing Regulations, 2015. The Committee consists of 3 Directors all of whom are Non-Executive Independent Directors. The Chairman of the Committee is an Independent Director. During the year under review, the Committee met 4 (Four) times. The Stakeholders Relationship Committee inter-alia deals with all matters relating to Stakeholders/Investors Grievance and its redressal and others as specified in the Listing Regulations, 2015. During the year ended 31st March, 2017, no Shareholders' Complaints were received by the Company. For effective and efficient grievance management, the Company has dedicated email id: tanushree.dave@chiripalgroup.com to resolve the grievances of the investors.

- **Constitution of the Stakeholders' Relationship Committee is as under:**

Sr. No.	Name of the Member	Designation
1.	Mr. Arakhita Khandual*	Chairman/ Independent, Non-Executive
2.	Mrs. Dhara Shah	Member/Independent, Non-Executive
3.	Mr. Shubhankar Jha	Member/Independent, Non-Executive

*Expired on 22nd March, 2017



D. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Company believes in the well-being of the society at large. As a social corporate citizen, it has always believed in the philosophy of “Think of others also when you think about yourself”. Over past many years, the Company has contributed to the society in the field of education & knowledge enhancement and social care & concern. In line with the provisions of the Companies Act, 2013 and Rules made thereunder, a Corporate Social Responsibility Committee has been formed on 28th May, 2015 by the Board of Directors. During F.Y. 2016-17, an amount of Rs. 112.5 lacs was spent towards the CSR activities.

14. RECONSTITUTION OF THE COMMITTEES

The committees of the Board were re-constituted on 30th May, 2017 in the following manner:

➤ AUDIT COMMITTEE

Sr. No.	Name of the Member	Designation
1.	Mr. Chitranjan Singh	Chairman/ Independent, Non-Executive
2.	Mr. Brijmohan D. Chiripal	Member/ Non - Independent, Executive
3.	Mr. Shubhankar Jha	Member/ Independent, Non-Executive
4.	Mrs. Dhara Shah	Member/ Independent, Non-Executive

➤ NOMINATION AND REMUNERATION COMMITTEE

Sr. No.	Name of the Member	Designation
1.	Mrs. Dhara Shah	Chairman/ Independent, Non-Executive
2.	Mr. Shubhankar Jha	Member/ Independent, Non-Executive
3.	Mr. Chitranjan Singh	Member/ Independent, Non-Executive

➤ STAKEHOLDERS' RELATIONSHIP COMMITTEE

Sr. No.	Name of the Member	Designation
1.	Mr. Chitranjan Singh	Chairman/ Independent, Non-Executive
2.	Mr. Shubhankar Jha	Member/ Independent, Non-Executive
3.	Mrs. Dhara Shah	Member/ Independent, Non-Executive

➤ CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

S. No.	Name of Director	Designation
1.	Mr. Brijmohan D. Chiripal	Chairman/ Independent, Non-Executive
2.	Mr. Chitranjan Singh	Member/ Independent, Non-Executive
3.	Mr. Amit Kadmawala	Member/ Non -Independent, Executive
4.	Mrs. Dhara Shah	Member/ Independent, Non-Executive

15. MEETING OF INDEPENDENT DIRECTORS

During the year under review, the Independent Directors met on 07th March, 2017, *inter alia*, to discuss:

- ✓ Review of the performance of Non-independent Directors and the Board of Directors as a whole.
- ✓ Review of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-executive directors.
- ✓ Assess the quality, content and timeliness of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All Independent Directors were present at the meeting.

16. DECLARATION FROM INDEPENDENT DIRECTORS

Your Company has received declaration from the Independent Directors confirming that they meet the criteria of independence as prescribed under the Section 149(6) of Companies Act, 2013 read with Rules made thereunder and as per the Listing Regulations, 2015.

17. CRITERIA FOR APPOINTMENT OF INDEPENDENT DIRECTORS

An Independent Director shall be a person of integrity and possess appropriate balance of skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing and technical operations or any other discipline related to the Company's business. The Company did not have any pecuniary relationship or



transactions with Non-Executive Directors during the year ended 31st March, 2017 except for payment of sitting fees.

18. CRITERIA FOR APPOINTMENT OF MANAGING DIRECTORS / WHOLE - TIME DIRECTORS

The appointment is made pursuant an established procedure which includes assessment of managerial skills, professional behavior, technical skills and other requirements as may be required and shall take into consideration recommendation, if any, received from any member of the Board.

19. FORMAL ANNUAL EVALUATION

Pursuant to the provisions of the Companies Act, 2013, the Nomination and Remuneration Committee has laid down the criteria for evaluation of the performance of individual directors and the Board as a whole. Based on the criteria the exercise of evaluation was carried out through a structured process covering various aspects of the Board functioning such as composition of the Board and committees, experience & expertise, performance of specific duties & obligations, attendance, contribution at meetings, etc. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Director. The performance of the Independent Directors was carried out by the entire Board (excluding the Director being evaluated). The Directors expressed their satisfaction with the evaluation process.

20. AUDITORS AND AUDITORS' REPORT

A. STATUTORY AUDITORS

M/s. Anil S. Shah & Co., Chartered Accountants, (FRN: 100474W) Statutory Auditors of the Company retire at the ensuing Annual General Meeting.

The Statutory Auditors have completed the maximum tenure to serve as the Statutory Auditors according to provisions of the Companies Act, 2013. Hence, the Statutory Auditors need to be rotated at the 32nd Annual General Meeting of the Company. Accordingly, the Board hereby recommends the appointment of M/s. Nahta Jain and Associates, Chartered Accountants (FRN: 106801W), as Statutory Auditors of the Company to hold the office from the close of the 32nd Annual General Meeting till the conclusion of the 37th Annual General Meeting subject to their appointment being ratified by the shareholders in every Annual General Meeting.

The appointment, if made, would be within the prescribed limits under the Act and they are not disqualified for appointment.

The Auditors' Report for F.Y. 2016-17 forms part of this Annual Report and does not contain any qualification, reservation or adverse remark.

B. SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. Jatin Kapadia, Practicing Company Secretary, (M.No.: 26725) to conduct Secretarial Audit for the financial year 2016-17. The Secretarial Audit Report is annexed herewith as **Annexure-III**. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

C. COST AUDITORS

In accordance with the provisions of Section 148 of the Act and rules made thereunder, the Board of Directors of the Company have appointed M/s. A.G. Tulsian and Co., Cost Accountants (FRN: 100629) as the Cost Auditor of the Company for the financial year 2016-17.

The Company has received Cost Audit Report on the cost accounts of the Company for the financial year ended 31st March, 2017 and the same will be submitted to the Central Government in due course.

The Board has re-appointed M/s. A.G. Tulsian and Co., Cost Accountants (FRN: 100629) as Cost Auditor to conduct the audit of cost records of your Company for the financial year 2017-18. The payment of remuneration to Cost Auditor requires the approval/ratification of the members of the Company and necessary resolution in this regard, has been included in the notice convening 32nd AGM of the Company.



D. INTERNAL AUDITOR

In accordance with the provisions of Section 138 of the act and rules made thereunder, the Board of Directors of the Company have appointed M/s. Jhaveri Shah & Co., Chartered Accountants, (FRN: 127390W) as Internal Auditor to conduct the Internal Audit of the Company for the F.Y. 2016-17.

21. CODE OF CONDUCT

The Board of Directors of the Company has laid down a Code of Conduct for all the Board Members and Senior Management Personnel of the Company. The Board Members and the Senior Management personnel have affirmed compliance with the code for the year 2016 - 17. The said Code of Conduct has been posted on the website of the Company. A declaration to this effect, is annexed and forms part of this report.

22. CORPORATE GOVERNANCE REPORT

As per Regulation 15(2) of the Listing Regulation, the compliance with the Corporate Governance provisions shall not apply in respect of the following class of companies:

- a. Listed Entity having paid up equity share capital not exceeding Rs.10 crore and Net Worth not exceeding Rs.25 crore, as on the last day of the previous financial year;
- b. Listed Entity which has listed its specified securities on the SME Exchange.

Since, our Company falls in the ambit of aforesaid exemption (b); hence compliance with the provisions of Corporate Governance shall not apply to the Company and it also does not form part of the Annual Report for the Financial Year 2016-17.

23. PREVENTION OF INSIDER TRADING

Pursuant to the provisions of the regulations, the Board has formulated and implemented a Code of Conduct to regulate, monitor and report trading by its employees and other connected persons and Code of Practices and Procedures for fair disclosure of Unpublished Price Sensitive Information. The same is available on the Company's website <http://vishalfabricsltd.com>.

24. VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has framed a Whistle Blower Policy to deal with instances of fraud and mismanagement, if any. The details of the Policy are given in the Corporate Governance Report and the Policy is posted on the Company's website <http://vishalfabricsltd.com>.

25. RISK MANAGEMENT POLICY

In line with the regulatory requirements, the Company has framed a Risk Management Policy to identify and access the key business risk areas and a risk mitigation process. A detailed exercise is being carried out at regular intervals to identify, evaluate, manage and monitor all business risks. The Board periodically reviews the risks and suggests steps to be taken to control and mitigate the same through a properly defined framework.

26. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL), ACT 2013

The Company has always believed in providing a safe and harassment free workplace for every individual working in its premises through various interventions and practices. The Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment.

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal), ACT 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed off during the year 2016-17:

- No. of Complaints received: NIL
- No. of Complaints disposed off: NIL



27. PUBLIC DEPOSITS

Your company has not accepted any Deposits from the public during the year under review.

28. INTERNAL CONTROL SYSTEM

The details in respect of the internal financial control and their adequacy are included in Management Discussion and Analysis Report, which forms part of the report.

29. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) of the Companies Act, 2013, the Directors confirm that:

- (i) that in the preparation of the accounts for the financial year ended 31st March, 2017, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2016 and of the profit of the company for the year under review;
- (iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) that the Directors have prepared the accounts for the financial year on going concern basis;
- (v) the Directors have laid down internal financial controls, which are adequate and were operating effectively.
- (vi) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

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

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, required to be disclosed by Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, are provided in the **Annexure-IV** to this report.

31. PARTICULARS OF EMPLOYEES

Disclosures with respect to the remuneration of Directors and employees as required under Section 197 of Companies Act, 2013 and Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 has been appended as **Annexure-V** to this Report.

32. MANAGEMENT DISCUSSION AND ANALYSIS

As stipulated in Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management Discussion and Analysis Report forms part of this Annual Report.

33. INSURANCE

All assets of the company including inventories, building, plant and machineries are adequately insured.

34. LISTING OF SHARES

Your Company's shares are listed at BSE Limited and the listing fee for the year 2017-18 has been duly paid.

35. APPRECIATION AND ACKNOWLEDGEMENT

Your Directors would like to express their appreciation for the assistance and co-operation received from the Banks, customers, business associates and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the executives, employees, staff and workers of the Company.



For and on behalf of the Board

Date: August 24, 2017
Place: Ahmedabad

Brijmohan D. Chiripal
Managing Director
DIN: 00290426

Amit Kadmawala
Whole-time Director
DIN: 07016454



**Annexure-I
Form No. MGT – 9**

EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2017

[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

i. CIN	L17110GJ1985PLC008206
ii. Registration Date	22/10/1985
iii. Name of the Company	Vishal Fabrics Limited
iv. Category / Sub-Category of the Company	Company Limited by shares / Indian Non-Government Company
v. Address of the Registered Office and Contact Details	Ranipur, Narol Road, Ahmedabad – 382 405 Tel: +91 79 25353977/78/79/80 Fax: +91 79 25353981 Email: cs.vfl@chiripalgroup.com Website: www.vishalfabricsltd.com
vi. Whether Listed Company	Yes
vii. Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Pvt. Ltd. 5 th Floor, 506 to 508 Amarnath Business Centre - I (ABC - I), Beside Gala Business Centre, Nr.St. Xavier's College Corner Off C G Road, Navarangpura, Ahmedabad – 380009, Gujarat Tel: +91 79 26465179 Fax: +91 79 2646 5179 Email: ahmedabad@linkintime.co.in Website: www.linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:-

Sr. No.	Name and Description of main products / services	NIC Code of the product / service	% to total turnover of the Company
1	Finishing of cotton and blended cotton textiles.	13131	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name of the Company	Address of the Company	CIN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
N.A.						

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

i. Category-wise Share Holding

	Category of Shareholders	No. of Shares held at the beginning of the year (As on 01-04-2016)				No. of Shares held at the end of the year (As on 31-03-2017)				% of change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A	Promoters									
(1)	Indian									
a)	Individual /	712000	0	712000	5.40	677500	0	677500	5.14	(0.26)



	HUF									
b)	Central Govt.	0	0	0	0	0	0	0	0	0
c)	State Govt.(s)	0	0	0	0	0	0	0	0	0
d)	Bodies Corp.	8988000	0	8988000	68.23	8857500	0	8857500	67.23	(0.99)
e)	Bank / FI	0	0	0	0	0	0		0	0
f)	Any Other	0	0	0	0	0	0		0	0
	Sub-Total (A)(1)	9700000	0	9700000	73.63	9535000	0	9535000	72.37	(1.25)
(2)	Foreign									
a)	NRIs – Individuals	0	0	0	0	0	0	0	0	0
b)	Others - Individuals	0	0	0	0	0	0	0	0	0
c)	Bodies Corporate	0	0	0	0	0	0	0	0	0
d)	Banks / FI	0	0	0	0	0	0	0	0	0
e)	Any Other	0	0	0	0	0	0	0	0	0
	Sub-Total (A)(2)	0	0	0	0	0	0	0	0	0
	Total Shareholding of Promoter (A) = (A)(1)+(A)(2)	9700000	0	9700000	73.63	9535000	0	9535000	72.37	(1.25)
B	Public Shareholding									
(1)	Institutions									
a)	Mutual Funds	0	0	0	0	0	0	0	0	0
b)	Banks / FI	0	0	0	0	0	0	0	0	0
c)	Central Govt.	0	0	0	0	0	0	0	0	0
d)	State Govt.(s)	0	0	0	0	0	0	0	0	0
e)	Venture Capital Funds	0	0	0	0	0	0	0	0	0
f)	Insurance Companies	0	0	0	0	0	0	0	0	0
g)	Foreign Institutional Investors/ Foreign Portfolio Investors	6000	0	6000	0.05	1254250	0	1254250	9.52	9.47
h)	Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i)	Others	0	0	0	0	0	0	0	0	0
	Sub-Total (B)(1)	6000	0	6000	0.05	1254250	0	1254250	9.52	9.47
(2)	Non-Institutions									
a)	Bodies Corporate*	22500	0	22500	0.17	69999	0	69999	0.53	0.36
b)	Individuals									
i.	Individual shareholders	225000	0	225000	1.71	174500	0	174500	1.32	(0.38)



	holding nominal share capital up to Rs. 1 lakh									
ii.	Individual shareholders holding nominal share capital excess of Rs. 1 lakh	2623500	0	2623500	19.91	1078500	0	1078500	8.19	(11.72)
c)	Others									
i.	NRI	215995	0	215995	1.64	657500	4.99	657500	4.99	3.35
ii.	OCB	0	0	0	0	0	0	0	0	0
iii.	Trust	0	0	0	0	0	0	0	0	0
iv.	HUF	367500	0	367500	2.79	403500	0	403500	3.06	0.27
v.	Clearing Members	13505	0	13505	0.10	751	0	751	0.01	(0.09)
	Sub-Total (B)(2)	3468000	0	3468000	26.32	2384750	0	2384750	18.10	(8.22)
	Total Public Shareholding (B) = (B)(1)+(B)(2)	3474000	0	3474000	26.37	3639000	0	3639000	27.62	1.25
C	Shares held by Custodian for GDRs and ADRs									
	Promoter and Promoter group	0	0	0	0	0	0	0	0	0
	Public	0	0	0	0	0	0	0	0	0
	Grand Total (A+B+C)	13174000	0	13174000	100	13174000	0	13174000	100	0

*Were re-classified during FY 2016-17.

ii. Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (As on 01-04-2016)			Shareholding at the end of the year (As on 31-03-2017)			% of change in shareholding during the year
		No. of shares	% of total shares of the Company	% of shares pledged / encumbered to total shares	No. of shares	% of total shares of the Company	% of shares pledged / encumbered to total shares	
1	Chiripal Industries Limited	6366000	48.32	0	6366000	48.32	0	0
2	Chiripal Exim LLP	1311000	9.95	0	1060500	8.05	0	(1.90)
3	Devkinandan Corporation LLP	1311000	9.95	0	1179000	8.95	0	(1.00)



4	Tripoli Management Private Limited	0	0.00	0	132000	1.00	0	1.00
5	Nandan Corporation LLP	0	0.00	0	120000	0.91	0	0.91
6	Pritidevi B. Chiripal	296000	2.25	0	261500	1.99	0	(0.26)
7	Nishi J. Agarwal	72000	0.55	0	72000	0.55	0	0
8	Shiwani V. Chiripal	72000	0.55	0	72000	0.55	0	0
9	Saloo J. Agarwal	48000	0.36	0	48000	0.36	0	0
10	Priyanka Brijmohan Chiripal	40000	0.30	0	40000	0.30	0	0
11	Savitridevi V. Chiripal	32000	0.24	0	32000	0.24	0	0
12	Vishal V. Chiripal	32000	0.24	0	32000	0.24	0	0
13	Deepak J. Agrawal	24000	0.18	0	24000	0.18	0	0
14	Manjudevi J. Agarwal	24000	0.18	0	24000	0.18	0	0
15	Ronak B. Agarwal	24000	0.18	0	24000	0.18	0	0
16	Urmiladevi J. Agarwal	24000	0.18	0	24000	0.18	0	0
17	Vedprakash Devkinandan Chiripal - HUF	24000	0.18	0	24000	0.18	0	0
	TOTAL	9700000	73.63	0	9535000	72.37	0	(1.26)

iii. Change in Promoter's Shareholding

	Shareholding at the beginning of the year (As on 01-04-2016)		Cumulative Shareholding during the year (01-04-2016 to 31-03-2017)	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	9700000	73.63		
Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc.):			As per Note-I*	
At the End of the year	9535000	72.37		



***Note-I**

Sr. No	Name	Shareholding		Date	Increase/Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-2016 to 31-03-2017)	
		No. of shares at the beginning (01-04-2016)/ end of the year (31-03-2017)	% of total shares of the Company				No. of shares	% of total shares of the Company
1	Chiripal Industries Limited	6366000	48.32	01-04-2016	NA	NA	6366000	48.32
		6366000	48.32	31-03-2017	NA	NA	6366000	48.32
2	Devkinandan Corporation LLP	1311000	9.95	01-04-2016	NA	NA	1311000	9.95
		NA	NA	06-01-2017	(66000)	Transfer	1245000	9.45
		NA	NA	13-01-2017	(16500)	Transfer	1228500	9.32
		NA	NA	20-01-2017	(49500)	Transfer	1179000	8.95
		1179000	8.95	31-03-2017	NA	NA	1179000	8.95
3	Chiripal Exim LLP	1311000	9.95	01-04-2016	NA	NA	1311000	9.95
		NA	NA	12-08-2016	(65250)	Transfer	1245750	9.45
		NA	NA	19-08-2016	(65250)	Transfer	1180500	8.96
		NA	NA	20-01-2017	(39000)	Transfer	1141500	8.66
		NA	NA	27-01-2017	(81000)	Transfer	1060500	8.05
		1060500	8.05	31-03-2017	NA	NA	1060500	8.05
4	Pritidevi B. Chiripal	296000	2.25	01-04-2016	NA	NA	296000	2.25
		NA	NA	19-08-2016	(34500)	Transfer	261500	1.98
		261500	1.98	31-03-2017	NA	NA	261500	1.98
5	Tripoli Management Private Limited	0	0.00	01-04-2016	NA	NA	0	0.00
		NA	NA	06-01-2017	33000	Transfer	33000	0.25
		NA	NA	13-01-2017	33000	Transfer	66000	0.50
		NA	NA	27-01-2017	66000	Transfer	132000	1.00
		132000	1.00	31-03-2017	NA	NA	132000	1.00
6	Nandan Corporation LLP	0	0.00	01-04-2016	NA	NA	0	0.00
		NA	NA	10-02-2017	120000	Transfer	120000	0.91
		120000	0.91	31-03-2017	NA	NA	120000	0.91
7	Nishi J. Agarwal	72000	0.55	01-04-2016	NA	NA	72000	0.55
		72000	0.55	31-03-2017	NA	NA	72000	0.55
8	Shiwani V. Chiripal	72000	0.55	01-04-2016	NA	NA	72000	0.55
		72000	0.55	31-03-2017	NA	NA	72000	0.55



Sr. No	Name	Shareholding		Date	Increase/Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-2016 to 31-03-2017)	
		No. of shares at the beginning (01-04-2016)/end of the year (31-03-2017)	% of total shares of the Company				No. of shares	% of total shares of the Company
9	Saloo J. Agarwal	48000	0.36	01-04-2016	NA	NA	48000	0.36
		48000	0.36	31-03-2017	NA	NA	48000	0.36
10	Priyanka Brijmohan Chiripal	40000	0.30	01-04-2016	NA	NA	40000	0.30
		40000	0.30	31-03-2017	NA	NA	40000	0.30
11	Savitridevi Vedprakash Chiripal	32000	0.24	01-04-2016	NA	NA	32000	0.24
		32000	0.24	31-03-2017	NA	NA	32000	0.24
12	Vishal V. Chiripal	32000	0.24	01-04-2016	NA	NA	32000	0.24
		32000	0.24	31-03-2017	NA	NA	32000	0.24
13	Deepak J. Agrawal	24000	0.18	01-04-2016	NA	NA	24000	0.18
		24000	0.18	31-03-2017	NA	NA	24000	0.18
14	Urmiladevi J. Agarwal	24000	0.18	01-04-2016	NA	NA	24000	0.18
		24000	0.18	31-03-2017	NA	NA	24000	0.18
15	Ronak B. Agarwal	24000	0.18	01-04-2016	NA	NA	24000	0.18
		24000	0.18	31-03-2017	NA	NA	24000	0.18
16	Manjudevi Jayprakash Agarwal	24000	0.18	01-04-2016	NA	NA	24000	0.18
		24000	0.18	31-03-2017	NA	NA	24000	0.18
17	Vedprakash Devkinandan Chiripal (HUF)	24000	0.18	24000	0.18	24000	0.18	24000
		24000	0.18	24000	0.18	24000	0.18	24000

iv. Shareholding Pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sr. No.	Name	Shareholding at the beginning of the year		Date	Increase / Decrease in shareholding	Reason	Cumulative shareholding during the year (01-04-16 to 31-03-17)	
		No. of shares at the beginning (01/04/2016) /end of the year (31/03/2017)	% of total shares of the Company				No. of shares	% of total shares of the Company



1	Manuj Chiripal	201000	1.53	01-04-2016	6000	Transfer	207000	1.57
				08-04-2016	23052	Transfer	230052	1.74
				15-04-2016	17815	Transfer	247867	1.88
				22-04-2016	25133	Transfer	273000	2.07
				29-04-2016	27000	Transfer	300000	2.27
				06-05-2016	21000	Transfer	321000	2.43
				13-05-2016	27000	Transfer	348000	2.64
				20-05-2016	27000	Transfer	375000	2.84
				27-05-2016	19500	Transfer	394500	2.99
				03-06-2016	14250	Transfer	408750	3.10
				10-06-2016	1500	Transfer	410250	3.11
				24-02-2017	102642	Transfer	512892	3.89
				03-03-2017	47358	Transfer	560250	4.25
				10-03-2017	58065	Transfer	618315	4.69
				17-03-2017	39185	Transfer	657500	4.99
		657500	4.99					
2	New Leaina Investments Limited	0	0.00	06-05-2016	3000	Transfer	3000	0.02
				08-07-2016	79500	Transfer	82500	0.62
				15-07-2016	79500	Transfer	162000	1.22
				22-07-2016	66000	Transfer	228000	1.72
				29-07-2016	262500	Transfer	490500	3.72
				19-08-2016	154500	Transfer	645000	4.89
				17-02-2017	(64500)	Transfer	580500	4.40
				24-02-2017	(37500)	Transfer	543000	4.12
		543000	4.12					
3	LTS Investment Fund Ltd	6000	0.04	20-05-2016	84750	Transfer	90750	0.68
				19-08-2016	10500	Transfer	101250	0.76
				30-12-2016	80250	Transfer	181500	1.37
				06-01-2017	156000	Transfer	337500	2.56
				20-01-2017	24750	Transfer	362250	2.74
				03-02-2017	69000	Transfer	431250	3.27
				10-03-2017	13750	Transfer	445000	3.37
		445000	3.37					
4	Amar Harshad Patel	0	0.00	03-03-2017	320250	Transfer	320250	2.43
		320250	2.43					
5	Amar H Patel	0 319500	0.00 2.42	03-03-2017	319500	Transfer	319500	2.42
6	Mrudulaben Harshadbhai Patel	0	0.00	20-01-2017	246750	Transfer	246750	1.87
		318750	2.41	03-03-2017	72000	Transfer	318750	2.41
7	Elara India Opportunities Fund Limited	0	0.00	23-12-2016	750	Transfer	750	0.01
				30-12-2016	66750	Transfer	67500	0.51
				06-01-2017	30750	Transfer	98250	0.74
				13-01-2017	76500	Transfer	174750	1.32
				20-01-2017	90750	Transfer	265500	2.01
				27-01-2017	21000	Transfer	286500	2.17
				03-02-2017	28500	Transfer	315000	2.39
				17-02-2017	(39000)	Transfer	276000	2.09
				24-02-2017	(9750)	Transfer	266250	2.02
		266250	2.02					



8	Sunil Raghuvirprasad Agarwal	141000	1.07	30-12-2016	(80250)	Transfer	60750	0.46
		54000	0.40	24-02-2017	(6750)	Transfer	54000	0.40
9	Dipti J Panchal	3000	0.02	03-03-2017	3000	Transfer	6000	0.04
		45750	0.34	10-03-2017	39750	Transfer	45750	0.34
10	Kavita Pawan Jalan	0	0.00	24-02-2017	12000	Transfer	12000	0.09
				10-03-2017	12500	Transfer	24500	0.18
				17-03-2017	17500	Transfer	42000	0.31
		42000	0.31					
11	Pushpadevi Agarwal	69000	0.52	15-07-2016	(39750)	Transfer	29250	0.22
				03-02-2017	(6750)	Transfer	22500	0.17
				10-02-2017	(21750)	Transfer	750	0.01
		750	0.01					
12	Manmohan S. Agarwal	82500	0.63	01-07-2016	(79500)	Transfer	3000	0.02
		750	0.01	10-02-2017	(2250)	Transfer	750	0.01
13	Ruchika Manmohan Agarwal	88500	0.67	20-05-2016	(84750)	Transfer	3750	0.02
		750	0.01	10-02-2017	(3000)	Transfer	750	0.02
14	Prakash Govindram	60000	0.45	22-07-2016	(33000)	Transfer	27000	0.20
				29-07-2016	(25500)	Transfer	1500	0.01
		250	0.00	10-03-2017	(1250)	Transfer	250	0.00
15	Harshadbhai Narandas Patel	552000	4.19	13-01-2017	(85500)	Transfer	466500	3.54
				27-01-2017	(465000)	Transfer	1500	0.01
		0	0.00	03-02-2017	(1500)	Transfer	0	0.00
16	Viraj Amar Patel	336000	2.55	13-01-2017	(117750)	Transfer	218250	1.65
				20-01-2017	(139500)	Transfer	78750	0.59
		0	0.00	27-01-2017	(78750)	Transfer	0	0.00
17	Kahini A. Patel	177000	1.34	06-01-2017	(65250)	Transfer	111750	0.84
				13-01-2017	(97500)	Transfer	14250	0.10
				20-01-2017	(4500)	Transfer	9750	0.07
				27-01-2017	(9000)	Transfer	750	0.01
				03-02-2017	(750)	Transfer	0	0
		0	0.00					
18	Samir Narayan Bhuta	168000	1.28	23-12-2016	(10500)	Transfer	157500	1.19
				30-12-2016	(76500)	Transfer	81000	0.61
				06-01-2017	(49500)	Transfer	31500	0.23
				13-01-2017	(21000)	Transfer	10500	0.07
				27-01-2017	(10500)	Transfer	0	0.00
		0	0.00					

v. Shareholding of Directors and Key Managerial Personnel

None of the Directors and Key Managerial Personnel held any shares in the Company as on 31st March, 2017.



VI. Indebtedness

Indebtedness of the Company including interest outstanding / accrued but not due for payment

(Rs. in Lac)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (01-04-2016)				
Principal Amount	490.91	2193.23	-	2684.14
Interest due but not paid	-	-	-	-
Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	490.91	2193.23	-	2684.14
Change in Indebtedness during the financial year 2016-17				
Addition	9747.56	-	-	9747.56
Reduction	-	2015.67	-	2015.67
Net Change	9747.56	-	-	7731.79
Indebtedness at the end of the financial year (31-03-2017)				
Principal Amount	10238.47	177.56	-	10416.03
Interest due but not paid	-	-	-	-
Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	10238.47	177.56	-	10416.03

VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

(Rs. in Lacs)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total
		(MD) Mr. Jyotiprasad Chiripal	(WTD) Mr. Amit Kadmawala	
1	Gross Salary			
	Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	32.14	5.58	37.72
	Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-
	Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	As % of profit	-	-	-
	Others, specify	-	-	-
5	Others, please specify	-	-	-



	Contribution to Provident Fund	3.85	-	3.85
	Total	36.00	5.58	41.57
	Ceiling as per Act	10% of the Net Profit of the Company		

B. Remuneration to other Directors

(Rs. in Lacs)

Sr. No.	Name of Directors	Fees for attending board / Committee meetings	Particulars of Remuneration Commission paid for financial year	Others, please specify	Total
1	Mr. Arakhita Khandual	0.60	-	-	0.60
2	Mr. Shubhankar Jha	0.80	-	-	0.80
3	Mrs. Dhara Shah	0.40	-	-	0.40
	Total (B)	1.80	-	-	1.80
	Overall Ceiling as per Act	1% of the Net Profit of the Company			

C. Remuneration to Key Managerial Personnel other than MD/WTM/Manager

(Rs. in lacs)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		Mr. Mahesh Kawat (CFO)	*Ms. Poonam Pabla (CS)	**Ms. Tanushree Dave (CS)	
1	Gross Salary				
	Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	7.05	1.14	2.37	10.56
	Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-	-
	Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	As % of profit	-	-	-	-
	Others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	Contribution to Provident Fund	0.74	-	-	0.74
	Total	7.79	1.14	2.37	11.30

*Ms. Poonam Pabla resigned w.e.f. 23rd July, 2016

**Ms. Tanushree Dave was appointed w.e.f. 23rd August, 2016

VIII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

During the year under review, the Company or any of its Directors were not liable for any penalty, punishment or any compounding offences under the Companies Act, 2013.



Annexure-II
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 subsection (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

a) DETAILS OF CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS NOT AT ARM'S LENGTH BASIS: NOT APPLICABLE

- a. Name(s) of the related party and nature of relationship: Not Applicable
- b. Nature of contracts/arrangements/transactions: Not Applicable
- c. Duration of the contracts /arrangements/transactions: Not Applicable
- d. Salient terms of the contracts or arrangements or transactions including the value, if any: Not Applicable
- e. Justification for entering into such contracts or arrangements or transactions: Not Applicable Not Applicable
- f. Date(s) of approval by the Board: Not Applicable
- g. Amount paid as advances, if any: Not Applicable
- h. Date on which the special resolution was passed in general meeting as required under first proviso to Section 188: Not Applicable

b) DETAILS OF CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS AT ARM'S LENGTH BASIS

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/transactions	Duration of the contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board	Amount paid as advances, if any
Chiripal Industries Limited	Purchase & sale of goods	-	Prevailing Market Price	23.05.2017	-
Chiripal Textiles Mills Pvt. Ltd.	Purchase & sale of goods	-	Prevailing Market Price	23.05.2017	-
Nandan Denim Limited	Purchase & Sale of goods	-	Prevailing Market Price	23.05.2017	-
Dholi Integrated Spinning Park Ltd.	Purchase of land on lease	-	Prevailing Market Price	23.05.2017	-
Prakash Calender Private Limited	Sale of goods		Prevailing Market Price	23.05.2017	-



Annexure-III
FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31ST, 2017

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

To,
The Members,
VISHAL FABRICS LIMITED

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Vishal Fabrics Limited (hereinafter called the "Company"). The 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, 2017 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 the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2017 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the rules made there under;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws Framed there under ;
- IV. 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 (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - e) The Securities And Exchange Board Of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- V. The Factories Act, 1948
- VI. The Employees' Provident Fund and Miscellaneous Provisions Act, 1952
- VII. The Contract Labour (Regulation & Abolition) Act
- VIII. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressed) Act, 2013
- IX. Water (Prevention and Control of Pollution) Act, 1974
- X. Payment of Gratuity Act, 1972



- XI. Labour Law and other incidental laws
- XII. Air (Prevention and Control of Pollution) Act, 1981

I have also examined compliance with the applicable clauses of the following:

- I. Secretarial Standards issued by The Institute of Company Secretaries of India.
- II. The Listing Agreements entered into by the Company with BSE Limited (SME Platform);

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. Adequate notice is given to all 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.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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 applicable laws, rules, regulations and guidelines.

I further report that during the audit period the company has issued 87,82,667 at price of Rs. 100/- (Including premium of Rs. 90/-) per share equity shares to the public through right issue.

For, K. Jatin & Co.
Company Secretary
(UCN: S2017GJ508600)

Date: 24.08.2017
Place: Ahmedabad

J. H. Kapadia
Proprietor
COP: 12043

This Report is to be read with my letter of even date which is annexed as '**Annexure A**' and forms an integral part of this report.



'Annexure A'

**To,
VISHAL FABRICS LIMITED**

My report of even date is to be read along with this letter.

- a) Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
- b) I have followed the audit practices and process 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 process and practices, I followed provide a reasonable basis for my opinion.
- c) I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company and Where ever required, I have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
- d) The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
- e) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For, K. Jatin & Co.
Company Secretary
(UCN: S2017GJ508600)**

**J. H. Kapadia
Proprietor
COP: 12043**



Annexure-IV

Details of Conservation of energy, technology absorption, foreign exchange earnings and outgo
[Pursuant to Section 134(3)(m) of the Companies Act, 2013 and rule 8(3) of the Companies (Accounts) Rules, 2014]

A. CONSERVATION OF ENERGY:

- i. the steps taken or impact on conservation of energy**
 - The company has installed invertors / AC drives to save the power.
 - Other necessary energy conservation measures are taken on day to day basis.
- ii. the steps taken by the unit for utilizing alternate sources of energy**
 - The company has installed hot water collector which enables the reuse of hot water.
- iii. the capital investment on energy conservation equipment: Rs. 55 Lacs**

B. TECHNOLOGY ABSORPTION:

- i. the efforts made towards technology absorption**
 - Efforts were made to adopt new technology by installing new improved/developed machines
- ii. the benefits derived as a result of above efforts**
 - Quality of fabric processed improved by adoption of new technology.
- iii. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): Not Applicable**
- iv. the expenditure incurred on Research and Development: Not Applicable**

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

During the year, the Foreign Exchange outgo was Rs. 729.5 lacs (P.Y. Rs. 7.50 lacs) and the foreign exchange earned was NIL (P.Y. Rs. NIL)



Annexure-V

[Statement of Disclosure of Remuneration under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

- i. Ratio of the remuneration of each director to the median remuneration of the Employees of the Company for the financial year 2016-17:

Sr. No.	Name	Category	Ratio
1.	Mr. Jyotiprasad Chiripal	Managing Director	8.70:1
2.	Mr. Amit Kadmawala	Executive Director	1.34:1

Note: For this purpose, sitting fees paid to the Directors have not been considered as remuneration.

- ii. The percentage of increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the F.Y. 2016-17:

Sr. No.	Name	Category	%
1.	Mr. Jyotiprasad Chiripal	Managing Director	NIL
2.	Mr. Amit Kadmawala	Executive Director	59
3.	Mr. Mahesh Kawat	Chief Financial Officer	31
4.	Ms. Tanushree Dave	Company Secretary	NIL

The median remuneration of the employees of the Company as on 31st March, 2017 was Rs. 4.14 Lakhs.

- iii. The percentage increase in the median remuneration of employees in F.Y. 2017 stood at 54.76%.
- iv. No. of permanent employees on the rolls of the Company: 1858
- v. Average percentage increase already made in the salaries of employees other than the managerial remuneration in comparison with the last financial year: 20%
- i. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: 1.20:1.
- ii. Affirmation that the remuneration is as per the remuneration policy of the company: It is affirmed that the remuneration is as per the Remuneration Policy of the Company.



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE & DEVELOPMENT

The fundamental strength of Indian Textile Industry flows from its strong production base of wide range of fibres/yarns - from natural fibres like cotton, jute, silk and wool to synthetic/man-made fibres like polyester, viscose, nylon and acrylic. The Indian textile industry is likely to continue its strong growth, buoyed by both strong domestic consumption as well as export demand. It is currently estimated at around USD 108 billion and is expected to grow at a CAGR of 8.7 percent to reach USD 223 billion by 2021. The industry is the second largest employer after agriculture, providing employment to over 45 million people directly and 60 million people indirectly. The Indian Textile Industry contributes approximately 5 percent to India's gross domestic product (GDP) and 14 percent to overall Index of Industrial Production (IIP). India accounts for 63 percent of global market share of textiles and garments. India accounts for about 14 percent of world's production of textile fibres and yarns.

OUTLOOK

The Indian textile industry has the potential to double itself in size over the next 6-7 years. Government has been overall supportive in encouraging textile industry in India. Textiles and garment industry has been included in list of 25 sectors of 'Make in India' initiative of the Government of India. With the right Government policies, we believe that the Indian Textile Industry is well poised to benefit from the large opportunity offered in the domestic and export market. Under the 'Make in India' initiative, investment opportunities for foreign companies and entrepreneurs are available across the entire value chain of synthetics, value-added and specialty fabrics, fabric processing set-ups for all kinds of natural and synthetic textiles, technical textiles, garments, and retail brands.

COMPETITION

The industry in which we operate is highly competitive and fragmented. Competition emerges from small as well as big players in the textile industry. The organized players in the industry compete with each other by providing high quality-time bound products and value added services. We have a number of competitors offering services similar to us. We believe the principal elements of competition in textile industry are price, fabric quality, timely delivery and reliability. We compete against our competitors by establishing ourselves as a knowledge-based processing unit with industry expertise in Dyeing and Printing which enables us to provide our clients with innovative designs suitable to current fashion and market requirements.

OPPORTUNITIES AND THREATS

The Company is engaged in manufacturing of textile products. The Company's future relies on the Textile industry growth. China, the leader in global textiles and apparel trade is witnessing an erosion of its cost competitiveness due to increasing labour and power costs, its upward currency valuation and need to service local demand. This is opening out space for other countries like India to provide a value proposition for global sourcing and increase its share of business. Our Company is taking all steps to leverage this opportunity. We are in fact a living and breathing personification of the Make In India campaign launched by our Honourable Prime Minister. But, lack of economies of scale is a major issue in Indian textile. Countries like China and Bangladesh have developed large production set-ups, whereas smaller units, which lack economies of scale and have a low level of technology, dominate the Indian textile sector. Due to lack of large manufacturing capacities Indian manufacturers are unable to cater to large orders and become globally competitive. The threats to the textiles industry are in the form of lack of enough skilled workforce and urgent need for labour reforms in this sector. There is a need for attracting more investments in the industry. The technology up gradation of the textile mills is another area of serious concern.

ENVIRONMENTAL PROTECTION

The Environmental Policy of your company is maintaining clean and green environment and eco friendly atmosphere. Your company has been complying with applicable environmental regulations and preventing pollution in all operations. Your company continues to strive for energy saving and conservation of natural reserves.



INTERNAL CONTROL SYSTEM AND ADEQUACY

The Company has an adequate internal control system commensurate with its size and the nature of its business in order to achieve efficiency in operation and optimum utilization of resources. These controls ensure safeguarding of assets, reduction and detection of fraud and error, adequacy and completeness of the accounting records and timely preparation of reliable financial information. Internal audits are conducted in the Company on regular basis.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS

Human resources are valuable assets for any organisation. The employees of the Company have extended a very productive cooperation in the efforts of the management to carry the Company to greater heights. The Company is giving emphasis to upgrade the skills of its human resources and continuous training down the line is a normal feature in the Company to upgrade the skills and knowledge of the employees and workmen of the Company. Further, this is in keeping with its policy of enhancing the individual's growth potential within the framework of corporate goals. The industrial relations remained cordial throughout the year.

FINANCIAL AND OPERATIONAL PERFORMANCE

(Rs. in Lacs)

PARTICULARS	2016-17	2015-16
Net revenue from operations	37363.63	27357.80
Profit Before Depreciation & Tax	2477.70	2123.60
Less : Depreciation	626.39	343.94
Profit Before Tax	1852.62	1780.97
Less : Provision for Taxation (Including Deferred Tax)	798.82	354.78
Profit After Tax	1053.80	1426.19
Earnings per share (in Rs.)	8.00	10.83

CAUTIONARY STATEMENT

Statement in this report describing the Company's objectives, expectations or predictions may be forward looking statements within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the company's operations include economic conditions affecting demand / supply and price condition in the domestic markets in which the company operates, changes in the government regulations, tax laws and other statutes and other incidental factors.



**DECLARATION AS REQUIRED UNDER SCHEDULE V PART D OF THE
SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

All Directors and Senior Management members of the Company have affirmed compliance with Code of Conduct for Directors and Senior Management of Vishal Fabrics Limited for the year ended March 31, 2017.

For Vishal Fabrics Limited

**Date: August 24, 2017
Place: Ahmedabad**

**Brijmohan D. Chiripal
Managing Director**



INDEPENDENT AUDITORS' REPORT

**To The Members of
Vishal Fabrics Limited**

Report on the Financial Statements

We have audited the accompanying financial statements of Vishal Fabrics Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2017, and 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.

Management's responsibility for the 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 of these 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 the 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 the frauds and other irregularities; selection and application of appropriate accounting policies; making judgment and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the act and the rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by companies directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) in the case of the Balance sheet, of the state of affairs of the company as at March 31, 2017;
- (ii) in the case of the Statement of Profit and Loss, the profit for the year ended on that date; and
- (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.



Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors 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 give in the annexure a statement on the matter specified in paragraphs 3 & 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 purpose 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, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d. in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014.
 - e. on the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of sub section (2) of Section 164 of the Companies Act, 2013.
 - f. In our opinion, the Company has, in all material respects, an adequate internal financial controls, system over financial reporting and such internal financial control over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company.
 - g. With respect to the other matters included in the auditor's report and to best of our information and according to the explanation given to us.
 1. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 29 (c) to (k) to the financial statements;
 2. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 3. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For, Anil S. Shah & Co.
Chartered Accountants
Firm's Reg. No.: 100474W
Krunal A. Shah
Partner
Membership No.: 115801
Place: Ahmedabad
Date: 30.05/2017



VISHAL FABRICS LIMITED

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirements" section of our report of even date

- (i) In Respect of its Fixed Assets:
 - a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets,
 - b) These Fixed Assets have been physically verified by the management at the reasonable intervals in accordance with regular programme of verification. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
 - c) The title deeds of immovable properties are held in the name of the company.
- (ii) In Respect of its inventory:

According to the information and explanation given to us, physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies were noticed on physical verification during the year.
- (iii) The Company has given loans to three parties covered in the register maintained u/s 189 of the Companies Act, 2013.
 - (a) According to information and explanation, the Company has granted interest free loan to two parties and interest bearing loan to one party, covered in the register maintained U/s. 189 of the Companies Act, 2013, prima facie, the terms and conditions are not prejudicial to company's interest;
 - (b) According to the information and explanations given to us, the loans granted by the Company are interest free loans except to one party, hence the question of recovery of interest does not arise in case of two parties and in case of principal, as explained to us there is no stipulation for repayment of loan.

In case of interest bearing loan, interest recovered and question of recovery of principal, does not arise as explained to us, there is no stipulation for repayment of loan.
 - (c) In respect of loan granted by the Company during the year, since there is no stipulation for repayment, overdue exceeding more than ninety days does not arise.
- (iv) According to information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and security.
- (v) According to information and explanations given to us the Company has not accepted any deposits during the year.
- (vi) We have broadly reviewed the books of account relating to materials, labour and other items of cost maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Companies Act, 2013 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have not, however made a detailed examination of the said records with a view to determine whether they are accurate or complete.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
 - (a) The Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities.

According to information and explanation given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2017 for a period of more than six months from the date of becoming



VISHAL FABRICS LIMITED

payable.

- (b) According to the information and explanation given to us, the following dues of income tax, excise duty have not been deposited on account of disputes,

(Rs. In Lacs)

Name of the statute	Nature of dues	Amount (in Rs)	Period to which the amount relates	Forum where dispute is pending
The Central Excise Act, 1944	Excise	11.42	2001-02 to 2004-05	Textile Cess Appellate Tribunal
		6.33	2004-05 to 2006-07	
Labour Laws	Labour Law Matters	12.65	2013	Labour Commisisoner Ahmedabad
Labour Laws	Civil Suit	4.57	2005 to 2013	City Civil Court Ahmedabad
Income Tax Act 1961	Income Tax	7.30	AY 2011-12	ITAT
		28.42	AY 2013-14	CIT(A)
		0.81	AY 2014-15	CIT(A)

- (viii) Based on our audit procedures and according to the information and explanation given to us, we are of the opinion that the company has not defaulted in repayment of dues to financial institutions, banks and debenture holders.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and term loans during the year.
During the Year Company has made Right Issue of 8782667 Shares @ Rs. 100/- each including Premium of Rs.90 per share fully paid up; Issue commenced on 16.03.2017 and pending allotment as on 31.03.2017.(Refer Note No.5 & 20)
- (x) We have not noticed or reported any fraud by the Company or any fraud on the Company by its officers or employees during the year.
- (xi) The managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion and according to information and explanation given to us, the Company is not a Nidhi Company, accordingly paragraph 3(xii) of the Order is not applicable to the Company.
- (xiii) According to the information and explanation given to us, all transactions with the related parties are in compliance with Section 177 and 188 of the Companies Act, 2013 wherever applicable and the details have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions



VISHAL FABRICS LIMITED

with directors or persons connected with him and the provisions of Section 192 of Companies Act, 2013 have been complied with.

- (xvi) The paragraph 3(xvi) of the Order is not applicable to the Company as the company is not a required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For, Anil S. Shah & Co.
Chartered Accountants
Firm's Reg. No.: 100474W

Krunal A. Shah
Partner
Membership No.: 115801
Place: Ahmedabad
Date: 30.05.2017



VISHAL FABRICS LIMITED

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF VISHAL FABRICS LIMITED

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 Vishal Fabrics Limited ("the Company") as of March 31, 2017 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. 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 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 auditor's judgement, 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 my /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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



VISHAL FABRICS LIMITED

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 March 31, 2017, 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, Anil S. Shah & Co.

Chartered Accountants

Firm's Reg. No.: 100474W

Krunal A. Shah

Partner

Membership No.: 115801

Place: Ahmedabad

Date:30.05.2017



VISHAL FABRICS LIMITED

BALANCE-SHEET AS AT 31st March, 2017

PARTICULARS		Note	(Amount in lacs)	
			CURRENT YEAR	PREVIOUS YEAR
I	<u>EQUITY AND LIABILITIES</u>			
A	<u>SHARE HOLDERS' FUNDS</u>			
	Share Capital	3	1317.40	1317.40
	Reserve & Surplus	4	8074.30	7020.49
			9391.70	8337.89
B	Share Application Money	5	8782.67	0.00
C	<u>Non-current liabilities</u>			
	(a) Long-term borrowings	6	10126.37	2484.22
	(b) Deferred tax liabilities (Net)		323.81	0.00
	(c) Other Long term liabilities	7	535.13	38.90
	(d) Long-term provisions	8	257.15	302.14
			11242.46	2825.26
D	<u>Current liabilities</u>			
	(a) Short-term borrowings	9	3672.47	2189.54
	(b) Trade payables	10	10772.13	2484.31
	(c) Other current liabilities	11	445.83	286.31
	(d) Short-term provisions	12	594.74	379.06
			15485.16	5339.23
	TOTAL>>>>>		44901.98	16502.39
II	<u>ASSETS</u>			
A	<u>Non-current assets</u>			
	(a) Fixed assets			
	(i) Tangible assets	13	12841.97	5054.56
	(ii) Intangible assets		0.83	0.00
	(iii) Capital work-in-progress		3559.25	1315.09
	(iv) Intangible assets under development		0.00	0.00
	(b) Non-current investments	14	10.24	10.24
	(c) Deferred tax assets (Net)	15	0.00	77.23
	(d) Long-term loans and advances	16	4886.77	1679.93
	(e) Other non current assets	17	221.26	81.44
			21520.32	8218.49
B	<u>Current assets</u>			
	(a) Current investments		0.00	0.00
	(b) Inventories	18	4072.60	1316.68
	(c) Trade receivables	19	11226.47	6084.13
	(d) Cash and cash equivalents	20	2986.81	123.61
	(e) Short-term loans and advances	21	5095.78	759.49
	(f) Other current assets		0.00	0.00
			23381.66	8283.90
	TOTAL>>>>>		44901.98	16502.39

The notes referred to above are an integral part of Profit & Loss

Significant Accounting Policies and Notes on Accounts as Note "2"

For and on behalf of the Board

M/s.ANIL S. SHAH & CO.

Chartered Accountants

Firm Reg. No. 100474W

KRUNAL A. SHAH

Partner

Membership No.115801

Place: Ahmedabad

Date: 30.5.2017

Jyotiprasad D. Chiripal

Managing Director

Amit Kadmawala

Whole Time Director

Mahesh Kawat Tanushree Dave

CFO

CS



VISHAL FABRICS LIMITED.
STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED
31st March, 2017

	PARTICULARS	Note	(Amount in lacs)	
			CURRENT YEAR	PREVIOUS YEAR
I.	Revenue from operations	22	37363.63	27357.80
	Less Excise duty		0.00	0.00
	Revenue from operations (net)		37363.63	27357.80
II.	Other Income	23	27.65	30.45
III.	Total revenue >>(i+ii)		37391.28	27388.25
IV.	Expenses			
	(a) Cost of Materials	24	26728.16	18217.89
	(b) Purchases of stock-in-trade	25	764.52	1240.65
	(c) Changes in inventories of finished goods,work-in-progress	26	(63.24)	(120.56)
	(d) Employee benefits expenses	27	4354.24	3473.42
	(e) Finance costs	28	746.13	507.68
	(f) Depreciation and amortisation expense	13	626.39	343.94
	(g) Other expenses	29	2383.75	1945.58
	Total expenses >>		35539.96	25608.60
V.	Profit / (Loss) before exceptional and extraordinary items and tax		1851.31	1779.65
VI.	Exceptional items	34	1.31	1.31
VII.	Profit / (Loss) before extraordinary items and tax		1852.62	1780.97
VIII.	Extraordinary Items			
IX.	Profit / (Loss) before tax		1852.62	1780.97
X.	Tax expense :			
	(a) Current tax expense for current year		466.49	320.00
	(b) MAT credit/utilisation		(466.49)	0.00
	(c) Tax expense relating to prior year/paid/ written back		397.79	(1.66)
	(d) Deferred tax Liabilities	37	401.03	36.44
			798.82	354.78
XI.	Profit / (Loss) from for the period from continuing operations		1053.80	1426.19
XII.	Profit / (Loss) from discontinuing operations (before tax)		0.00	0.00
XIII.	Tax expense of discontinuing operations		0.00	0.00
XIV.	Profit / (Loss) from discontinuing operations (after tax)		0.00	0.00
XV.	Profit / (Loss) from for the period from continuing operations		1053.80	1426.19
	Earning per equity share [nominal value of 10/- (previous year-10)]		131.74	131.74
	Basic and Diluted		8.00	10.83

The notes referred to above are an integral part of Profit & Loss

Significant Accounting Policies and Notes on Accounts as Note "1"

M/s.ANIL S. SHAH & CO.

Chartered Accountants
Firm Reg. No. 100474W

KRUNAL A. SHAH

Partner

Membership No.115801

Place: Ahmedabad

Date:30.05.2017

For and on behalf of the Board

Jyotiprasad D. Chiripal

Managing Director

Amit Kadmawala

Whole Time Director

Mahesh Kawat Tanushree Dave

CFO

CS



VISHAL FABRICS LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2017

(Rs.in Lakh)

PARTICULARS	For the Period ended March 31, 2017	For the Period ended March 31, 2016
A. Cash Flow from Operating Activities		
Net Profit After Tax & Exceptional Items	1053.80	1426.19
<u>Adjustments for:</u>		
Depreciation & amortization	625.04	310.68
Dividend Income		
Preliminary Exp.	5.46	12.93
(Profit) / Loss on Sale of assets		(1.31)
Interest Income	(19.18)	(8.59)
Provision for Income Tax	397.79	318.34
Deffered Tax	401.03	36.44
	1410.14	668.48
Operating Profit Before Working Capital Changes	2463.94	2094.67
<u>Adjustments for:</u>		
Trade and Other Receivables	(5142.34)	(710.40)
Inventories	(2755.92)	49.53
Trade Payables	8287.82	500.42
Short term provisions	215.68	248.38
Long Term Provisions	(44.99)	116.48
Other Long term liabilities	496.23	38.90
Other current liability	159.52	(279.63)
Increase/Decrease in Short Term Borrowings	1482.93	(442.31)
Non Current Investment	0	0.00
Short term Loans and Advances	(4336.29)	879.78
Other non current assets	(164.56)	7.95
	(1801.92)	409.09
Cash Generated from Operations	662.02	2503.76
Income Taxes	397.79	318.34
Net Cash Generated by Operating Activities	264.23	2185.42
B. Cash Flow from Investing Activities:		
Purchase of Fixed Assets	(8414.89)	(2363.27)
Capital Work In Progress		
Purchase of Investments		
Capital Work In Progress	(2244.16)	(852.18)
Sale of Fixed Assets	1.58	33.27
Profit/loss on Sale of Fixed Assets		1.31
Other Non current investment		
Dividend Income		
Investments in subsidiaries		
Interest Income	19.18	8.59
Net Cash Generated by / (used in) Investing Activities	(10638.29)	(3172.28)
Net Cash Generated by / (used in) Investing Activities		
C. Cash Flow from Financing Activities:		
Increase in Share Capital & Share Premium	0	0.00
Increase/decrease in Long Term Borrowings	7642.15	630.56
Increase in Long term Loans Advances	(3206.84)	(115.56)
share application	8782.67	0.00
Preliminary Exp.	(5.46)	(12.93)
Expenses related to Initial Public Offering		
Net Cash Generated by / (used in) Finance Activities	13212.52	502.06
Net (Decrease) / Increase in Cash and cash equivalents	2838.46	(484.79)
Opening Cash and Cash Equivalent	148.35	633.14
Cash & Cash Equivalents at the end of the period	2986.81	148.35
As per our Report of even date annexed herewith		
M/s.ANIL S. SHAH & CO. Jyotiprasad D. Chiripal Amit Kadmawala Mahesh Kawat Tanushree Dave		
Chartered Accountants		
Firm Reg. No. 100474W		
KRUNAL A. SHAH Managing Director Whole Time Director CFO CS		
Partner		
Membership No.115801		
Place: Ahmedabad		
Date:30.05.2017		



VISHAL FABRICS LTD

Note:1 Company Information

The company was incorporated as private limited company as Vishal Fabrics Private Limited on 22/10/1985 under the Companies Act, 1956, in the state of Gujarat at Ahmedabad. The Company was then converted in to Public Limited Company on 31/03/2014, subsequently name changed to Vishal Fabrics Limited. The Company had came out with IPO by offering 3474000 equity shares of Rs. 45/- (including premium Rs.35/-) and listed on BSE SME Platform in F.Y. 2014-15.

Vishal Fabrics Limited is promoted by Chiripal Group engaged in manufacturing of wide range of textile fabrics on job work and own requirement having manufacturing fabrics at Ranipur, Opp. Kashiram Mills, Narol Road, Narol, Ahmedabad and at village Dholi Taluka Dholka, Dist. Ahmedabad-Gujarat, India.

Note:2 Significant Accounting Policies, Contingent Liabilities and Notes Forming Part of Accounts

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENT

- (a) These financial statements have been prepared under the historical cost of conversion in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP), and comply with the Accounting Standards issued by the Institute of Chartered Accountants of India and referred to Section 129 & 133 of the Companies Act, 2013.
- (b) The Company follows the mercantile system of accounting on going concern basis.

2.2 USE OF ESTIMATES

The presentation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosure relating to contingent assets and liabilities as at the date of financial statements are reported amounts of incomes and expenses during the period. Actual results could differ from those estimates.

2.3 FIXED ASSETS AND CAPITAL WORK IN PROGRESS

- a) Fixed assets are stated at cost of acquisition or construction (net of cenvat credits). All cost relating to the acquisition and installation of fixed assets are capitalized and include borrowing costs directly attributable to construction or acquisition of fixed assets, up to the date of asset is put to use and adjustment arising out of exchange rate variation relating to liabilities attributable to those fixed assets.
- b) They are stated at historical cost less depreciation.
- c) Project under which Fixed Assets are not yet ready for their intended use are acquired at cost, comprising direct cost, related incidental and pre-operative expenses and attributable interest.
- d) Pre operative Expenses/Income are classified under Capital Work in Progress under Fixed Assets.

2.4 DEPRECIATION

- a) Depreciation on Fixed Assets is provided to the extent of depreciable amount on Straight Line Method on Plant & Machineries and Written Down Value Method on other than Plant & Machineries. Depreciation is provided based on useful life of the asset as prescribed in Schedule II to the Companies Act, 2013.
- b) Lease hold assets are amortized over term of the lease, from the year of commencement of production of manufacturing facility.



2.5 Leases

Assets taken under lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit & Loss on a Straight line basis over the lease term.

2.6 REVENUE RECOGNITION

- a) Revenue from job work is recognized by the completed service contract.
- b) Sales are accounted for on dispatch of goods to the customers and is exclusive of the Excise, sales return rebate & discount, rate difference but inclusive of the sales tax, if any.
- c) Dividend income has been accounted on cash basis.
- d) Commission income, Investment, Export incentives, Int. on FDR are accounted on accrual basis.
- e) Insurance claims are accounted in the year in which claim are acknowledge with insurance company.

2.7 INVENTORIES

- a) Inventories of Raw materials are valued at cost, determined on FIFO basis. Cost of Raw Materials Stocks is determined so as to exclude from cost, taxes and duties, which are subsequently Recoverable from taxing authorities.
- b) Stock of Work-in-progress valued at estimated cost.

2.8 INVESTMENTS

Non Current Investments are stated at cost. Provision for diminution in the value of Non Current Investments is made only if such a decline is other than temporary. Current Investments are stated at lower of Cost or Market Value, if any.

2.9 RETIREMENT BENEFITS

a) GRATUITY

Liabilities in respect of Gratuity is assessed actuarially and provided accordingly.

b) PROVIDENT FUND AND LEAVE ENCASHMENT

A liability in respect of Provident Fund & Leave Encashment is provided in the accounts on accrual basis for the period.

2.10 FOREIGN CURRENCY TRANSACTION

Transaction in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction and outstanding in respect thereof are stated at the exchange rates prevailing at the date of Balance Sheet. Exchange differences relating to Fixed Assets are adjusted to the cost of Fixed Assets. Any other exchange difference is dealt in the Profit and Loss Account.

2.11 BORROWING COST

Borrowing costs directly attributable to the acquisition and construction of qualifying fixed assets are capitalized as part of the cost of the assets up to the date the asset is put to use. Other borrowing costs and interest on working capital are charged to revenue in the year in which they are incurred.

2.12 PRELIMINARY EXPENDITURE

Preliminary Expenditure, if any, is to be apportion in five equal installments, commencing from the year in which the expenditure has been incurred.

2.13 IPO Expenses

The company is having policy for allocating/amortizing IPO expense over the period of five years.



2.14 TAXES ON INCOME

Current tax is determined as the amount of tax payable in respect of taxable income for the year. Deferred tax is recognized, on timing differences, being the Difference between taxable incomes and accounting income that originates in one period and are capable of reversal in one or more subsequent periods.

Minimum Alternate Tax (MAT) Credit is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during specified period. In the year in which the MAT credit becomes eligible, to be recognized as an asset. In accordance with recommendation contained in the guidance note issued by ICAI, said asset is created by way of credit/reversal of provisions to Profit and Loss A/c and shown as MAT Credit Entitlements in Loans and Advances. The company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that company will pay normal Income Tax during the specified period.

2.15 PRIOR PERIOD ITEMS

Prior period incomes & expenditures are treated as current year's income/expenditure.

2.16 PROVISION

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an out flow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to present value and are determine based on best estimate required to settle the obligations at the balance sheet date these are review at each balance sheet date and adjusted to reflect the best estimates.

2.17 CASH FLOW STATEMENT

The Company has prepared cash flow statement by following an indirect method as per Accounting standard - 3 issued by ICAI.

2.18 EARNING PER SHARE

The earning considered in ascertaining the company's EPS comprises the Net Profit or Loss for the period after and extraordinary and exceptional items. The basic EPS is computed on the basis of weighted average number of equity shares outstanding during the year.


2.19 CONTINGENT LIABILITIES

Contingent Liabilities are determined on the basis of available information and explanations given to us and are disclosed by way of note to the accounts.




VISHAL FABRICS LTD.
NOTE - 3
Share Capital

		PARTICULARS	(Amount in Lacs)		
			CURRENT YEAR	PREVIOUS YEAR	
250.00	AUTHORISED				
	Equity Shares of Rs.10/- each (Previous Year 200 Lac's Shares @ Rs. 10/- each)		2500.00	2000.00	
			2500.00	2000.00	
131.74	ISSUED, SUBSCRIBED AND PAID-UP				
	Equity Shares of Rs.10/- each fully paid up (131.74 Lac's Shares @ Rs. 10/- each fully paid up)		1317.40	1317.40	
	Total		1317.40	1317.40	
3.1 The reconciliation of the number of shares outstanding is set out below					
Particulars		As at 31st March,2017 No. of Shares in Lacs	As at 31st March,2016 No. of Shares in Lacs		
Equity Shares at the beginning of the year		13174000	13174000		
Add: Shares issued as bonus @Rs. 100/- each		0.00	0.00		
Total Shares after Bonus Issue		13174000	13174000		
Add: Shares issued as bonus @Rs. 10/- each		0.00	0.00		
Add: Shares Issued @ Rs. 10/- each		0.00	0.00		
Less : Shares cancelled		0.00	0.00		
Equity: Shares at the end of the year		13174000	13174000		
3.2 Terms attached to Equity Share					
The Company has only one class of Equity Shares having a par value of Rs.10/- per share. Each holder of Equity shares is entitled to one vote per share.					
In the event of liquidation of the Company, the holders of the equity shares would be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of the equity shares held by the shareholders.					
3.3 The details of Shareholders holding more than 5%shares					
Sr.No.	Name of Shareholders	As at 31st March, 2017		As at 31st March, 2016	
		No. of	% held	No. of Shares	% held
1	Chiripal Industries Ltd.	6366000	48.32%	6366000	48.32%
2	Devkinandan Corporation LLP	1179000	8.95%	1311000	9.95%
3	Chiripal Exim LLP	1060500	8.05%	1311000	9.95%
4	Harshad Bhai N. Patel	0	0.00%	552000	4.19%
5	Manuj Chiripal	657500	4.99%	201000	1.52%
3.4 As per the records of the Company including its Register of Shareholder/members, the above shareholding represent both legal & beneficial ownership of the shares					
NOTE - 4 Reserve & Surplus					
A	GENERAL RESERVE				
	Balance Brought Forward			0	0
	Total			0.00	0.00
A	PROFIT & LOSS ACCOUNT				
	Balance Brought Forward			5629.59	4203.41
	Add : Profit/(loss) for the year			1053.80	1426.19
	Total			6683.40	5629.59
B	SECURITY PREMIUM RESERVE				
	Balance Brought Forward			1390.90	1390.90
	Add : During the year			0.00	0.00
	Total			1390.90	1390.90
TOTAL (A+B+C+D)				8074.30	7020.49

 PARTICULARS		Amount in (Lac's)	
		CURRENT	PREVIOUS
		YEAR	YEAR
NOTE - 5 Share Application Money SHARE APPLICATION MONEY Note: Details of share application money (a)(i) Balance in Escrow a/c (gross) Rs.2426.00 Refer Note 20 (a)(ii) Unsecured Loan transfer to share application <u>Rs.6356.67</u> (b)During the Year Company has made Right Issue of 8782667 Shares @ Rs. 100/- each including Premium of Rs.90 per share fully paid up;Issue commenced on 16 march 2017 and pending allotment as on 31.03.2017.		8782.67	0.00
NOTE - 6 Long-Term Borrowing			
6.A	SECURED TERM LOANS (a)From Banks (Narol Unit) (Refer note no.6.1(a) (b)From Banks (Denim Unit) (Refer note no.6.1(b)	127.44 9689.03	281.41 0.00
6.B	VEHICLE LOANS (a)From Bank (Refer Note NO. 6.4) (b)From Other	132.75 12.93	22.93 0.00
		9962.16	304.34
6.C	OTHER LOANS AND ADVANCES (UNSECURED) From Bank (Refer Note No 6.5) From Intercompany Corporate	164.21 0.00	179.88 2000.00
	Total	164.21	2179.88
	TOTAL (A+B+C)	10126.37	2484.22
	less : Current Maturity of Long Term Borrowings Amount disclosed under the head "other Current Liabilities" (Refer Note No.10)	289.66	199.92
	Total	10416.03	2684.14
6.1	(6.1a)Term Loan Rs. 127.44/- (P.Y. Rs. 281.41/-) are secured by way of first pari passu over all fixed assets/ immovable properties of the company situated at Ranipur, Narol Road, Narol, Ahmedabad over the movable assets including Plant & Machineries situated at Ranipur Narol road, Narol Ahmedabad, further corporate guarantee given by certain companies and personal guarantee of Managing Director and relative of such Managing Director, repayable in 28 to 32 equal quarterly installments having rate of interest of 12.65% to 13.25% p.a. Further Term Loans are secured by second pari passu charge over current assets.		
	(6.1b)Term Loan Rs. 9689.03/- (P.Y.NIL/-) are secured by assets purchase/created out of our Bank's finance and under cosortium arrangment for setting up a unit situated at plot No:2 & 3,Dholi Integrated Spinning Park Ltd.,Dholi,Dholka Taluka,Ahmedabad Diist.Gujarat. The Term Loan is further collaterally secured by:(a) first pari-passu charge on the project e fixed assets both present and future such as plant & Machinery and all other movables partins to yarn dyeing and denim processing unit at survey no 289 paiki, 297 paiki and 291 paiki total land admeasuring 5436575 mts at spinning park in the sim of village dholi dholka ahmedabad And First Pari-pasu charge by way of hypothecation on existing fixed assets such as plant & machinery situated at near kashiram textiles mills ranipur narol road ahmedabad And second pari-passue charge by way of hypothecation of current assets both current and future such as goods, stock .raw material, finished goods, book debts etc. In addition to above securities corporate gurantee of Prakesh calender private limited and dholi integrated spinning park limited and also personal gurantee of ved prakesh chiripal, jyoti prasad chiripal, jay prakesh chiripal and brijmohan chirapal.		

6.2

1. Avrage Maturity Profile of Term Loans(Secured) From Banks.



Particulars	Installment due beetween 1 to 2 year	Installment due beetween 2 to 3 year	Installment due beetween 3 to 4 year	Installment due for more then 4 year
T.L 6	127.44	0.00	0.00	0.00
Vehicle Loan	88.81	54.97	2.41	0.00
Total	216.25	54.97	2.41	0.00

6.3

2. Avrage Maturity Profile of Term Loans (unsecured) From Banks.

Particulars	Installment due beetween 1 to 2 year	Installment due beetween 2 to 3 year	Installment due beetween 3 to 4 year	Installment due for more then 4 year
SCB Loan (Refer note No.5.5)	13.35	13.35	13.35	124.15

6.4

Vehicles Loans are secured by hypothecation of vehicles in favour of Bank and other terms as prescribe by the respective banks.

6.5

Other loans and advances from bank (un secured) is collateraly secured by property situated at A-621 Sushant Lok-1, Nr. Centre Point Pizza Hut, Gurgaon, Delhi owned by partnership firm own by relatives of Managing Director, further guarantee of Managing Director, relative of such Managing Director of the copmany .

NOTE - 7

Other Long-Term Liabilities

-Trade Payable

-Sundry Creditors for Capital Goods

Total

66.19

468.95

535.13

0.00

38.90

38.90

NOTE - 8

Long-Term Provisins

-Gratuity (un funded)

Refer Note No 42

Total

257.15

257.15

302.14

302.14

NOTE - 9

Short-Term Borrowings

SECURED

Working Capital Loan

From Banks

Cash credit facilities (Refer Note No.9.1)

Total

3672.47

3672.47

2189.54

2189.54

9.1

Working capital loans are secured by hypothecation of present and future stock of Raw Materials, Stock In Process, Semi Finished Goods, stores and spares, Book Debts and receivables further corporate guarantee given by certain companies and personal guarantee of Managing Director and relatives of such Managing Director of the Company repayable on demand having interest rate of 12.80% to 13.20%.



NOTE - 10
Trade Payables

PARTICULARS	Amount in (Lac's)	
	CURRENT	PREVIOUS
	YEAR	YEAR
-Sundry Creditors for Goods	8828.11	1313.06
-Sundry Creditors for Expenses	1944.01	1171.26
Total	10772.13	2484.31
<p>Note : 10. 1 The details of amounts outstanding to Small and Medium Enterprise based on available information with the Company is as under:</p> <p>Note : 10. 2 Balance confirmation not called for, are subject to confirmation and reconciliation, if any.</p>		
Particulars	As at 31st March, 2017	As at 31st March, 2016
Principal amount due and remaining unpaid	-	-
Interest payable on above and unpaid interest	-	-
Interest paid	-	-
Payment made beyond the stipulated day during the year	-	-
Interest thereon and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of financial interest remaining, due and payable in succeeding years	-	-
<p>In absence of available information regarding suppliers / buyers fall within definition of section 16 of Micro, Small and Medium Enterprises Development Act, 2006, the amount outstanding and interest due thereon to Micro, Small and Medium Enterprises is not ascertainable as on Balance Sheet date.</p>		
NOTE - 11 Other Current Liabilities		
Current maturities of long-term borrowings		
Term Loans	188.00	179.00
Unsecured Loan	13.35	13.35
Vehicle Loans	88.31	7.57
(Refer Note-6)	Total : A	199.92
Statutory remittances (Contributions to PF and ESIC, Withholding Taxes, Excise)	49.12	12.91
Contractually reimbursable expenses	10.89	0.81
Trade / security deposits received	32.56	4.86
Advances from customers	21.64	45.39
Sundry Others Liabilities (including credit balance of bank)	41.96	22.43
Total : B	156.17	86.39
Total (A+B)	445.83	286.31
NOTE - 12 Short-term Provisions		
-Provision for Taxation	466.49	320.00
-Provision for Leave- Encashment	0.00	3.96
- Provision for Expenses	128.25	55.11
Total	594.74	379.06



NOTE - 13
VISHAL FABRICS LTD.
FIXED-ASSETS


	GROSS BLOCK				DEPRECIATION				NET BLOCK	
ASSETS	As at April 1, 2016	Additions	Deductions/ adjustments	As at March 31, 2017	As at April 1, 2016	Additions	Deductions/ adjustments	As at March 31, 2017	As at March 31, 2017	As at March 31, 2017
Land	121.25	0.00	0.00	121.25	0.00	0.00	0.00	0.00	121.25	121.25
Lease-hold Land	1097.58	0.00	0.00	1097.58	0.00	11.09	0.00	11.09	1086.50	1097.58
Factory Buil.Narol.	1542.78	1378.27	0.00	2921.05	951.49	124.95	0.00	1076.44	1844.61	591.28
Plant & Machinery	9126.49	6621.23	0.00	15747.71	5983.96	401.40	0.00	6385.36	9362.35	3142.52
Furniture & Fixture	237.32	70.69	0.00	308.01	202.47	21.01	0.00	223.48	84.53	34.84
Air condition	64.41	7.90	0.00	72.31	51.37	3.91	0.00	55.29	17.03	13.04
Computer Fix	91.37	23.85	0.00	115.22	83.89	6.75	0.00	90.64	24.58	7.48
Office Equipment	41.08	9.37	0.00	50.45	28.33	7.61	0.00	35.94	14.51	12.75
Vehical Fix	97.20	302.63	1.58	398.26	63.85	49.58	1.35	112.08	286.18	33.35
Weighting Scale	3.61	0.07	0.00	3.68	3.14	0.10	0.00	3.24	0.44	0.47
TOTAL >>>>	12423.09	8414.02	1.58	20835.53	7368.53	626.39	1.35	7993.56	12841.97	5054.56
PREVIOUS YEAR	10093.09	2363.27	33.27	12423.09	7057.85	343.94	33.27	7368.53	5054.56	3035.24
Capital (wip)										
wip pre-operative	1315.09	8339.96	6095.80	3559.25	0.00	0.00	0.00	0.00	3559.25	1315.09
TOTAL >>>>	1315.09	8339.96	6095.80	3559.25	0.00	0.00	0.00	0.00	3559.25	1315.09
Note 13.1: During the year pre operative expenditure capitalized on 21.10.2016 & 31.03.2017 amounting Rs. 6095.80 (Refer Note no.36)										



NOTE-14

Non Current Investments

PARTICULARS	Amount in (Lac's)	
	CURRENT	PREVIOUS
	YEAR	YEAR
Investment in Equity Instruments		
Long Term Investments Other then Trade		
UNQUOTED SHARES (At Cost)		
20250 (P.Y.13500) Equity Shares of Chiripal Industries Ltd of Rs.10/- Each	0.90	0.90
UNQUOTED SHARES (At Cost) Other		
35000 (P.Y. 35000) Equity Shares of Prakash Calender P.Ltd of Rs.10/- Each	3.50	3.50
44 (P.Y. 44) Equity Shares of Ellisbridge Co-op Bank Ltd of Rs.25/- Each	0.01	0.01
4 (P.Y. 4) Equity Shares of Nutan Nagrik Sahakari Bank Ltd of Rs.25/- Each	0.00	0.00
150 (P.Y. 150) Equity Shares of Deepak Impex P.Ltd of Rs.100 Each	0.15	0.15
145000 (P.Y. 145000) Equity Shares of Merit Credit Corp Ltd of Rs.1.16 Each	1.68	1.68
Long Term Investments Other then Trade		
QUOTED SHARES (At Cost)		
20000 (P.Y. 20000) Equity Shares of GSL Nova Petrochemicals Ltd of Rs 5 Each	2.00	2.00
Market Value Rs. 13800/- (Previous Year Rs.12000/-)		
10000 (P.Y. 10000 @ Rs. 10/- Each) Equity Shares of CIL Nova Petrochemicals	2.00	2.00
(Market ValueRs. 227500/- of (Previous Year Rs.190000/-)		
Total	10.24	10.24
1. Aggregate value of Unquoted Investmetns	6.24	6.24
2. Market Value of Quoted Investment	2.76	2.41
3. Aggregate value of Quoted Investmetns	4.00	4.00
NOTE-15		
Deferred tax assets (Net)		
Deferred Tax Liability		
(Refer Note 38)		
Deffered tax assets	-323.81	77.23
(Refer Note 38)		
Total	-323.81	77.23
NOTE - 16		
Long-term loans and advances		
Advance for Capital Goods (Unsecured, considered good)		
Unsecured, considered good for fixed Assets	3806.54	1322.38
MAT Credit Entitlement	506.20	264.13
Balances with Government authorities (Unsecured, considered good)		
CENVAT credit receivable	336.58	0.48
Other Deposits	237.46	92.94
Total	4886.77	1679.93
NOTE-17		
Other non current assets		
Deposit with Banks (Refer note No.20)	49.11	24.74
Trade receivable (Exceding Twelve Months)	126.54	16.20
Unsecured, considered good		
Less: Provision for Doubtful	0.00	0.00
Total (A)	175.65	40.94
Miscellaneous Expenditure(To the extent not writtern off)		
I P O Exp. (Un amortised)	32.02	28.98
Preliminary Exp. (Un amortised)	9.60	6.54
Pre-Operative Exp. (Un amortised)	3.99	4.98
Total (B)	45.61	40.50
Total (A+B)	221.26	81.44

	PARTICULARS	Amount in (Lac's)	
		CURRENT	PREVIOUS
		YEAR	YEAR
	NOTE -18 Inventories (As taken valued & Certified By the Directors)		
	Raw Material		
	-Colour & Chemicals (At Cost)	510.55	322.89
	-Design (At Cost)	26.33	22.38
	Work in Progress		
	-Grey Cloth (At Cost)	1043.30	218.70
	-Yarn Cotton (At Cost)	598.25	0.00
	-Work in Process of Job (At Cost)	515.84	452.60
	Finished Goods		
	-Fabrics (At Cost or Market value which ever lower)	957.23	0.00
	-Grey Cloth (At Cost)	0.00	0.00
	Others		
	-Stores & Spares (At Cost)	316.26	223.04
	-Coal & Firewood (At Cost)	76.40	50.50
	-Packing Material (At Cost)	9.86	9.68
	-Stationery (At Cost)	3.43	5.49
	-Diesel & Oil (At Cost)	15.16	11.41
	Total	4072.60	1316.68
	NOTE-19 Trade Receivables		
	(UnSecured Considered Good)		
	Debtors outstanding for a period exceeding six months	0.00	0.00
	Other Debtors	11226.47	6084.13
	Less: Provision for Doubtful		
	Total	11226.47	6084.13
	Note No.19.1 Balance confirmation not called for,are subject to confirmation and reconciliation,if any.		
	NOTE-20 Cash and Cash Equivalents		
	-Cash on Hand	20.56	29.62
	-In Current Account	108.66	42.83
	-In Escrow Account - Share Application money-(Net of expences) (Refer note no.5)	2410.12	0.00
	-F.D.R. A/c with Bank (As margin money for LC and Bank Gurantee Limits with Banks)	496.58	75.90
	Less:Term Deposit with Banks maturing after 12 months (Refer Note.No.17)	(49.11)	(24.74)
	Total	2986.81	123.61




Additional disclosure with respect to Cash and Bank

Closing cash in hand as on 08.11.2016
(+) Permitted receipts
(-) Permitted payments
(-) Amount deposited in Bank
Closing cash in Hand as on 30.12.2016

SBNs	Other denomination	Total
0	11.85	11.85
0	21.89	21.89
0	21.54	21.54
0	0.00	0.00
0	12.20	12.20

Explanation: For the propose of this clause, the term Specified Bank Notes (SBN) shall have the same meaning provided in the notification of the Government of India, in the Ministry of finance department of Economic Affairs number S.O. 3407 (E) dated the 8th November, 2016.

PARTICULARS	Amount in (Lac's)	
	CURRENT	PREVIOUS
	YEAR	YEAR
NOTE-21		
Short-term Loans and Advances		
-Tax Deducted at source	150.05	154.78
-Income Tax Refundable	9.26	171.91
-Advance Recoverable in Cash or in Kind or for value to be Received .	4936.48	432.80
Total	5095.78	759.49
NOTE-22		
Revenue from operations		
Sale of products		
<u>Manufactured goods</u>		
- Fabrics Sales	14230.68	6819.81
- Fabrics Sales Exports	6.62	0.00
- Gray Fabric Sales	137.37	0.00
- Yarn Sales	2774.19	0.00
<u>Trading goods</u>		
- Fabrics Sales	0.00	0.00
- Chips sales	764.52	1240.65
Sale of services		
-Job work Sales	19449.91	19297.35
Other operating revenues		
-Drawback	0.34	0.00
Total	37363.63	27357.80
NOTE - 23		
Other Income		
-Interest on F.D.R.	19.18	8.59
-Foreign Exchange Gain/Loss	8.47	0.00
-Interest on Income Tax Refund	0.00	13.20
-Net Balance written off A/C	0.00	8.65
Total	27.65	30.45
NOTE - 24		
Cost of Materials		
Material consumed comprises:		
Raw material		
Gray Cloth Consumed	9661.50	6443.69
Fabrics consumed	84.03	0.00
Cotton Yarn consumed	4911.41	0.00
Colour & Chemicals Consumed		
Indeginious	7224.10	6207.67
Imported	324.10	0.00
Others		
Coal & Firewood Consumed (Indeginious)	2665.05	3773.29
Stores & Spares Consumed (Indeginious)	1013.16	1144.54
Packing & Folding Expenses (Indeginious)	172.99	141.68
Design Consumed (Indeginious)	671.83	507.03
Process Charges	0.00	0.00
Total	26728.16	18217.89

	PARTICULARS	Amount in (Lac's)	
		CURRENT	PREVIOUS
		YEAR	YEAR
	NOTE - 25		
	Purchases of stock-in-trade		
	Chips purchase	764.52	1240.65
	Total	764.52	1240.65
	NOTE - 26		
	CHANGES OF INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND		
	Inventories at the end of the year:		
	Finished goods	0.00	0.00
	Work in Progress	515.84	452.60
	Stock-in-trade	0.00	0.00
		515.84	452.60
	Inventories at the beginning of the year:		
	Finished goods	0.00	0.00
	Work in Progress	452.60	332.04
	Stock-in-trade	0.00	0.00
		452.60	332.04
	Total	63.24	120.56
	NOTE - 27		
	Payment to Employees		
	-Salaries, Wages, Bonus & P.F. etc.	4207.51	3239.10
	- Contributions to provident funds	62.22	43.46
	-Gratuity (Refer Note No.7 and Note No 41)	-44.99	117.88
	-Leave Encashment	87.44	42.58
	-Staff Welfare	42.06	30.40
	Total	4354.24	3473.42
	NOTE - 28		
	Financial Expenses		
	-Bank & Other Interest	418.89	348.26
	-Bank Interest On Term Loan	281.02	103.14
	-L C Charges	8.23	12.65
	-Bank Charges & Commission	37.99	43.63
	Total	746.13	507.68
	NOTE - 29		
	Other Expenses		
	Manufacturing Expenses		
	-Lorry Freight	99.36	77.40
	-Power & Fuel	1012.60	791.66
	-Factory Expenses	36.58	39.44
	-Repairs & Maintenance Building	183.49	218.51
	-Repairs & Maintenance Machineries	109.45	156.66
	-Repairs & Maintenance Others	151.88	94.17
	-Oil & Lubricant & other	43.92	46.90
	Administration & Selling and Distribution Exp.		
	-Rent, Rates & Taxes	159.01	60.47
	-Stationery & Printing	34.93	18.82
	-Auditors Remuneration (Refer Note : 29.1)	5.46	1.95
	-Conveyance	37.09	28.81
	-C S R Expenses	75.35	0.00
	-Travelling Expenses	31.15	25.55
	-Insurance	31.39	14.29
	-Telephone	11.77	8.85
	-Vehicle Expenses	16.04	8.96
	-Miscellaneous Expenses	83.01	131.43
	-Preliminary and ipo Exp.written off	17.02	0.00
	-Consultancy	76.10	52.35
	-Legal Expenses	1.63	0.09
	-Postage	11.73	2.21
	-Donation	37.00	65.66
	-Security Expenses	48.36	38.62
	-Sales/Vat Tax	33.89	17.31
	-Dalali & Commission	35.05	10.04
	-Advertisement & Sales Promotion	0.49	35.45
	Total	2383.75	1945.58
	29.1 Payments to the Auditor		
	Payments to the auditors comprises		
	Statutory audit	3.74	1.60
	Tax Audit	0.86	0.34
	Certification - IPO	0.86	0.00
	Total	5.46	1.95



Note: 30 CONTINGENT LIABILITIES

- (a) The estimated amount of contracts remaining to be executed on capital account and not provided for Rs. 9962.80 Lacs (P.Y.3581.32 Lacs) against which advance have been paid Rs. 38.07 Lacs (P.Y. 1322.38 Lacs)
- (b) Un-expired Letter of Credits and Bank Guarantee (net of margins) Rs. 425.74 Lacs (Previous Year Rs. 237.65 Lacs)
- (c) The Company has received Assessment Order U/s. 143(3) of the Income Tax Act, 1961 for the A.Y. 2013-14, against which company has preferred an appeal before CIT (A). Due to effect of this Assessment order refund has been reduced from Rs. 88.36 Lacs to Rs. 59.94 Lacs and consequently MAT Credit Entitlement has also been reduced. As the matter is pending with CIT (A), company is hopeful of positive outcome, hence, no provision is made in books of accounts
- (d) The Company has received Assessment Order U/s. 143(3) of the Income Tax Act, 1961 for the A.Y. 2014-15, against which company has preferred an appeal before CIT (A). Due to effect of this Assessment order refund has been reduced from Rs. 8.45 to Rs. 9.26 and consequently MAT Credit Entitlement has also been reduced. As the matter is pending with CIT (A), company is hopeful of positive outcome, hence, no provision is made in books of accounts.
- (e) Income Tax Department has filled an appeal against the order of CIT (A) for A.Y. 2011-12, having demand of Rs. 7.30 CIT (A) has decided the appeal for A.Y. 2011-12 in favour of the assessee. As the matter is pending with ITAT till date, no provision for same is made in books of account
- (f) As per information and explanation given to us, an employee fraud had occurred in the company for the amount aggregating to Rs.11.93 as per the FIR filed with the Police station, Ahmedabad out that Rs.0.67 covered in the F.Y.2007-08. The company has not provided for that in the books of account and shown as recoverable in the name of employee under the head Loans and Advances as the board is of the opinion that the amount is fully recoverable.
- (g) During the F.Y. 2010-11 Fire has occurred in the factory premises of the company and the company has lodge the claim of Rs.763.65 lacs with insurance company for loss of damaged goods and assets own and parities goods received for job work, out of total Rs.717.92 Lacs for goods received from various parties for job work. Against which company has received claim of Rs. 399.95 lacs out of Rs. 133.00 Lacs accounted/adjusted against loss to the assets of the company and balance as explained and informed made payment and/or adjusted to parties account, The Company has not provided for the same as the claim/matter is pending with insurance company till the date. The company has provided for loss of own goods costing Rs.45.73 Lacs.
- (h) Civil Suit is filled against the company for recovery of Rs. 4.57 in City Civil Court, Ahmedabad and according to the company the matter is still pending at the Balance sheet date hence not provided in the books of account.
- (i) Company has filled petition against order of Textile Cess Appellate Tribunal for demand amounting to Rs. 17.75 and according to the company the matter is still pending at the Balance sheet date hence not provided in the books of account.
- (j) There are four cases filled against the company for aggregating to Rs. 12.65 with Labour Court Ahmedabad and according to the company the matter is still pending at the Balance sheet date hence not provided in the books of account.
- (k) In respect of Corporate Guarantee given:
Not provided in the accounts in respect of Corporate Guarantee given: Rs. 296.74 Lac
(Previous Year Rs 296.74 lacs)

Note: 31 Provision for current year's income tax aggregating to Rs.466.49 (P.Y. Rs.320.00) has been made on estimated basis for the accounting year ended on 31.03.2017. The actual tax liabilities of the company will be determined on the basis of taxable income of the company for F.Y 2016-17.



Note: 32 Expenses includes following payments to Directors

Employment cost include managerial remuneration paid / payable during the year in accordance with the provisions of Companies Act, 2013.

<u>Remuneration to Directors:-</u>	<u>2016-17</u>	<u>2015-16</u>
Managerial Remuneration	37.72	25.34
Contribution to Provident Funds	<u>3.86</u>	<u>2.05</u>
	41.58	27.40
	=====	=====

The employee wise break up & facility on account of gratuity based on an actual evaluation is not ascertainable. The amounts related to the Directors are therefore, not considered above.

Note: 33 Earning per share

	(Rs. In lacs)	
Particular	2016-17	2015-16
(a) Net Profit after tax available for Equity Share Holders	1053.80	1426.19
(b) Weighted Avg. No. of shares used as denominator for		
Calculation of Basic EPS on shares of Rs. 10 each.	13174000	13174000
Basic/Diluted Earning per shares (a/b)	8.00	10.83

Note: 34 Exceptional and Extra Ordinary Item

	(Rs. In lacs)	
Particular	2016-2017	2015-2016
a. Profit / (Loss) on sale of Fixed assets	1.31	1.31
b. Profit / (Loss) on sale of Investment in Shares	NIL	NIL
Total	1.31	1.31

Note: 35 Related Party

The Company has identified the following related parties under Accounting standard – 18 on related parties, issued by the institute of chartered accountants of India and as per Section 188 of The Companies Act 2013.

a) Related parties with whom transaction have taken place during the year Associates /Enterprise which has significant influence

- i. Chiripal Industries Ltd.
- ii. Nandan Denim Ltd
- iii. Shanti Exports Pvt. Ltd.
- iv. Chiripal Poly Films Ltd
- v. Shanti Educational Initiatives Limited
- vi. Milestone Educom Trust
- vii. Shanti Polytechnic Foundation
- viii. Dholly Integrated Spinning Park Ltd.
- ix. Chiripal Textile Mills Pvt. Ltd.
- x. Shanti Spincot Pvt. Ltd.
- xi. Tripoli Management Pvt. Ltd.



b) Key Management Personnel

- i. Mr. Jyotiprasad D. Chiripal (Managing Director) (Appointment w.e.f. 04.04.14)
- ii. Mr. Vinodkumar Ajmera (Vice President)
- iii. Mr. Amit Kadmawala (Whole-time Director) (Appointment w.e.f. 13.11.14)
- iv. Mrs. Nitika D. Chiripal (Director) (Resigned w.e.f. 17.08.15)
- v. Mrs. Dhara S. Shah (Independent Director) (Appointment w.e.f. 05.03.15)
- vi. Mr. Maheshchandra Kawat (Chief Financial Officer) (Appointment w.e.f. 04.04.14)
- vii. Ms. Tanushree Dave (Company Secretary)
- viii. Ms. Poonam Pabla (Company Secretary) (resigned on 23.07.2016)
- ix. Mr. Shubhankar Jha (Independent Director) (Appointment w.e.f. 28.05.15)
- x. Mr. Arakhita Khandual (Independent Director) (Appointment w.e.f. 04.04.14)*

* Expired on 22.03.2017

C) The Related Party Transactions are under: -

(Rs.in Lacs)

Sr. No.	NATURE OF TRANSACTIONS	2016-17		2015-16	
		ASSOCIATES COMPANIES	KEY MANAGE-MENT PERSONAL	ASSOCIATES COMPANIES	KEY MANAGE-MENT PERSONAL
1	Purchase				
	Chiripal Textiles Mills Pvt. Ltd	179.08			
	Chiripal Industries Limited	521.89		428.86	
	Nandam Denim Limited	525.31			
2	Lease hold Land purchases				
	Dholi Integrated Spinning Park Limited	-		1097.58	
3	Sales				
	Chiripal Industries Limited	89.42		353.57	
	Nandan Danim Limited	-		37.26	
	Chiripal Textiles Mills Pvt. Ltd	10.00			
	Prakash Calendar Pvt Ltd.	2611.73			
	Nandam Denim Limited	27.87			
4	Loan Taken				
	Tripoli Management Private Limited	-		550.00	
	Shanti Educational Initiatives Limited	95.00		534.00	
	Chiripal Industries Limited	573.71		79.43	
	Chiripal Textiles Mills Pvt Ltd	153.44			
	Dholi Integrated Spinning Park Ltd.	30.00			
	Nandan Denim Limited	1422.68			
	Tripoli Management Pvt. Ltd	1333.68			
	Prakash Calendar Pvt Ltd.	350.00			
5	Loan Repaid				
	Chiripal Industries Limited	911.45			
	Chiripal Textiles Mills Pvt. Ltd.	500.85			
	Dholi Integrated Spinning Park Ltd.	99.99			
	Nandan Denim Limited	1920.12			
	Shanti Educational Initiatives Limited	120.00			
	Tripoli Management Pvt. Ltd.	2086.42			
5	Paid on our behalf of us				
	Chiripal Industries Limited			15.07	
6	Paid on their behalf				
	Chiripal Industries Limited			8.43	
7	Donations				
	Milestone Education Trust	12.50		50.00	



	Chiripal Charitable Trust	12.50			
8.	CSR				
	Milestone Education Trust	37.50			
	Chiripal Charitable Trust	37.50			
9	Rent & Maintenance Expenses				
	Shanti Exports Pvt. Ltd.	17.48		10.28	
10	Remuneration Expenses				
	Jyotiprasad D. Chiripal		36.00		22.92
	Amit Kadmawala		5.58		4.47
	Mahesh Kawat		7.79		4.88
	Poonam Pabla		-		2.85
	Vinod Ajmera		31.00		24.82
	Tanushree Dave		2.37		-
11	Interest Expenses				
	Tripoli Management Private Limited		-		28.31

Closing Balance at the end of Year

(Rs. In lacs)

Sr. No.	Name of Party	Nature	2016-17	2015-16
1	Prakesh Calendar Private Limited, Dholi Interegated Spinning Park Limited and others	Corporate Guarantee obtained.	198.00	198.00
2	Nandam Denim Limited	Trade Receivables	-	12.89
3	Chiripal Industries Limited	Trade Payable	123.76	460.43
4	Chiripal Textiles Mills Private Limited	Loan & Advances	207.36	29.03
5	Dholi Integrated Spinning Park Pvt. Ltd.	Loan & Advances	-	69.99
6	Nandan Denim Limited	Loan & Advances	213.07	213.07
7	Shanti Educational Initiatives Limited	Loan & Advances	-	25.00
8	Tripoli Management Pvt. Ltd	Loan & Advances	752.74	-
9	Prakash Calendar Pvt Ltd.	Trade Receivable	2661.73	-

Note: 36 Capital Work in Progress and Pre operative Expenditure and capitalization during the period.

Company is under implementing 80 MMPA Denim Fabric Manufacturing and processing unit of fabrics width upto 2100 MM at Plot No. 2 & 3, Dholi Integrated Spinning Park Ltd., Village : Dholi, TA.: Dholka, Dist.: Ahmedabad at the estimated project cost of Rs. 283.26 crore. During the year company has commenced commercial production on two Indigo dying range machinery w.e.f 21st October 2016 & one Indigo dying range w.e.f 31st March 2017. Accordingly WIP- pre operative expenditure as per management estimation have been capitalized on pro rata basis of assets put to use, considering total six Indigo dying range machinery line to be installed along with building & plant & machinery and other assets. The expenditure incurred till 31.03.2017 have been classified and allocated to capitalization of assets (Refer Note No.13), the details thereof produced below.

Capital work in progress

(Rs. in lacs)

	2016-17	2015-16
Opening WIP as on 01.04.2016	1315.09	0
Add: Expenses incurred during the year	8339.96	1315.09
Less: Capitalisation on 21.10.2016	5419.71	0
Less: Capitalisation on 31.03.2017	676.08	0
Closing Balance as on 31.03.2017	3559.26	1315.09



Note: 37 Deferred Taxes

In accordance with the Accounting Standard 22 "Accounting for Taxes on Income issued by the ICAI, the company has accounted for deferred taxes during the year.

Following are the major components of Deferred Tax Asset/(Liabilities) : (Rs. In lacs)

Component	Deferred Tax Asset/(Deferred Tax Liabilities) as at 01/04/2016	Current Year DTA/ (DTL)	Deferred Tax Asset/(Deferred Tax Liabilities) as at 31/03/2017
*Opening Bal. Of Deferred Tax assets (Deferred Tax Liabilities) Difference in	77.23	-	-
*Depreciation between accounting books and tax return for year end as on 31.03.2017	-	(416.60)	
*Provision for Gratuity for F.Y.2016-17 disallowable U/S. 43B of The Income Tax Act,1961	-	15.57	(323.81)
TOTAL	77.23	(401.03)	(223.81)

Tax Impact for the above purpose has been arrived by applying a tax rate of 34.608 % being the rate prevailing for the Indian Companies under the Income Tax Act, 1961

Note: 38 Segment Information

- The segments have been identified in line with the AS-17, taking into account the organization structure as well as the differential risks and returns of these segments. Business segments have been considered as primary segments.
- Inter segment revenue have been accounted for based on the transaction price agreed between segments which is primarily market led.
- Geographical segment is not considered as exports are insignificant.

Note: 39 Impairment of assets

The company has not recognized any loss on impairment in respect of assets of the Company as is required in terms of Accounting Standard 28 on Impairment of Assets issued by The Institute of Chartered Accountants of India, since in the opinion of the management the reduction in value of any assets, to the extent required, has already been provided for in the books.

Note: 40 Value of Imported/Indigenous Stores Spares and Components Consumed.

(Rs. In lacs)

Class of Goods	2016-17		2015-16	
	Qty	Value	Qty	Value
A) Indigenous				
Design		671.83		507.03
Colour Chemi.	N.A	7224.10	N.A	6207.67
Stores & Spares	N.A	1013.16	N.A	1144.54
B) Imported				
Design	N.A	N.A.	N.A	N.A.
Colour Chemi.	N.A	324.10	N.A	N.A.
Stores & Spares	N.A.	N.A.	N.A.	N.A.

(Quantity details are not available as there are different types of units)



Note: 41 Earning / Expenditure in Foreign Currency	2016-17	2015-16
A. Expenditure in foreign currency during the Financial year on account of royalty, know-how, Professional consultation fees, interest and Other matters	NIL	NIL
a) Foreign Bank Charge & Commission	NIL	NIL
b) Foreign Traveling	NIL	7.50
c) Advertisement	NIL	NIL
B. Value of Imports on C.I.F. basis in respect of		
a) Raw Materials	397.17	NIL
b) Spares & other matters	8.24	NIL
c) Capital Goods	NIL	NIL
C. Remittances of Foreign currency on account Of dividend	NIL	NIL
D. Value of Imported Raw material consumed	324.09	NIL
E. Income in Foreign currency during the Financial year on account of Sales.	NIL	NIL

Note: 42 Employee Benefit Plans

Defined Contribution Plans: Provident Fund

The Company makes Provident Fund contributions to defined contribution plans for qualifying employee. Under the schemes the company is required to contribute a specified percentage of the payroll costs to fund the benefits. The company recognized Rs. 43.46/- (P.Y. Rs. 32.54/-) for Provident Fund contributions in the statement of Profit and Loss. The contributions payable to these plans by the company are at rates specified in the rules of the schemes.

Defined Benefit Plans: Gratuity

The following table sets out the funded status of the defined benefit schemes and the amount recognized in the financial statements.

	(Rs. In lacs)	
Particulars	31/03/2017	31/03/2016
Statement of Profit and Loss		
Current Service Cost	106.64	96.32
Interest on Obligation	22.60	14.38
Expected Return on Plan Assets	-	-
Net Actuarial Loss/ (Gain)	(174.23)	7.174
Past Service Liabilities	-	-
Losses/ (Gains) on curtailment and settlement	-	-
Total included in Employer Benefit Expense	(44.99)	117.88
Prior Year Charge		
Total charge to P&L	(44.99)	117.88
Reconciliation of Defined Benefit Obligation		
Opening Defined Benefit Obligation	308.12	191.25
Prior Year Charge	-	-
Service Cost	106.64	96.32
Interest Cost	22.60	14.38
Actuarial Losses (Gains)	(174.23)	7.47
Past service Liabilities	-	-
Losses (gains) on curtailments	-	-
Liabilities extinguished on settlement	-	-
Benefits Paid	--	(1.00)
Benefits Payable	-	-



Closing Defined Benefit Obligation	263.13	308.12
Reconciliation of Plan Assets		
Opening Value of Plan Assets	-	-
Expected deducted from the fund	-	-
Expected Return	-	-
Acturial gains / (losses)	-	-
Contributions by employer	-	-
Benefits paid	-	-
Closing Value of Plan Assets	-	-
Acturial Assumptions		
Discount Rate	7.25%	7.80%
Expected Return on Plan Assets	-	-
Salary Growth Rate	5.50%	5.50%
Retirement Age	58 Years	58 Years
	Indian Assured	Indian Assured
Mortality Rates	Lives Mortality (2006-08)	Lives Mortality (2006-08)

Note: 43

- The Previous year figures have been regrouped/rearranged to make them comparable with the current year's figures. Figures in brackets are of previous years'.
- In the opinion of the Board, all the current assets, Loans and advances have a value on the realization in the ordinary course of the business at least equal to the amount at which they are stated.
- Balances of sundry debtors, sundry creditors and loans and advances etc., are subject to confirmation and reconciliation, and consequential adjustment, if any.

Signature to Notes 1 to 43

As per our report and even date annexed.

For, M/S. ANIL S. SHAH & CO.

CHARTERED ACCOUNTANTS

Firm Registration No.:100474W

Krunal A. Shah

Partner

Membership No.: 115801

Place: Ahmedabad

Date: 30.05.2017

For and on behalf of the Board

Jyotiprasad D. Chiripal
Managing Director

Amit Kadmawala
Whole Time Director

Mahesh Kawat
CFO

Tanushree Dave
CS



VISHAL FABRICS LIMITED

VISHAL FABRICS LIMITED
(CIN: L17110GJ1985PLC008206)
Registered Office: Ranipur Narol Road, Ahmedabad – 382 405
Phone: +91 - 79 - 25353977/78/79/80; Fax: +91 - 79 - 25353981
Email – cs.vfl@chiripalgroup.com, website: www.vishalfabricsltd.com

ATTENDANCE SLIP

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.

For Demat Shares

DP ID:	FOLIO NO.:
CLIENT ID:	NO. OF SHARES:

For Physical Shares

Name and Address of Shareholder: _____

I hereby record my presence at the 32nd Annual General Meeting of the Company to be held on Thursday, 28th Day of September, 2017 at 3:00 P.M. at the Corporate Office of the Company situated at 'Chiripal House', Near Shivranjani Cross Roads, Satellite, Ahmedabad – 380 015.

Signature of the Shareholder or Proxy
(To be signed at the time of handing over this slip)

VISHAL FABRICS LIMITED
(CIN: L17110GJ1985PLC008206)
Registered Office: Ranipur Narol Road, Ahmedabad – 382 405
Phone: +91 - 79 - 25353977/78/79/80; Fax: +91 - 79 - 25353981
Email – cs.vfl@chiripalgroup.com, website: www.vishalfabricsltd.com

FORM MGT – 11

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

PROXY FORM

Name of member(s) :	Email Id :
Registered Address :	Folio No/Client ID :
	DP ID :



VISHAL FABRICS LIMITED

I/We, being a member(s) of _____ shares of Vishal Fabrics Limited, hereby appoint:

1. Name: _____ Address: _____

E-mail Id: _____ Signature: _____ or falling him

2. Name: _____ Address: _____

E-mail Id: _____ Signature: _____ or falling him

3. Name: _____ Address: _____

E-mail Id: _____ Signature: _____

as my / our proxy to attend and vote (on a poll) for me / us on my / our behalf at the 32nd Annual General Meeting of the Company to be held on Thursday, 28th Day of September, 2017 at 3:00 P.M. at the Corporate office of the Company situated at 'Chiripal House', Near Shivrnanajani Cross Roads, Satellite, Ahmedabad – 380 015 and any adjournment thereof in respect of such resolutions as are indicated below:

	RESOLUTIONS	Optional	
		For	Against
	ORDINARY BUSINESS:		
1.	Adoption of Audited Financial Statements as on March 31, 2017.		
2.	Re-appointment of Mr. Amit Kadmawala (DIN: 07016454)		
3.	Appointment of Auditors and fixing their remuneration.		
	SPECIAL BUSINESS:		
4.	Ratification of Remuneration of Cost Auditors.		
5.	Sub-division of Equity Shares of the Company from the Face Value of Rs. 10/- per Equity Share to Rs. 5/- per Equity Share		
6.	Alteration of the Capital Clause of the Memorandum of Association		
7.	Appointment of Mr. Brijmohan D. Chiripal (DIN: 00290426) as Managing Director of the Company		
8.	Appointment of Mr. Chitrnanjan Singh (DIN: 07300731) as Independent Director of the Company		
9.	Remuneration of Mr. Amit Kadmawala (DIN: 07016454), Whole-time Director of the Company		
10.	Contribution to Charitable funds u/s 181 of the Companies Act, 2013		



VISHAL FABRICS LIMITED

Signed this _____ day of _____, 2017

Signature of shareholder _____

Affix
Seal
venue
stamp

Signature of first proxy holder

Signature of second proxy holder

Signature of third proxy holder

Notes:

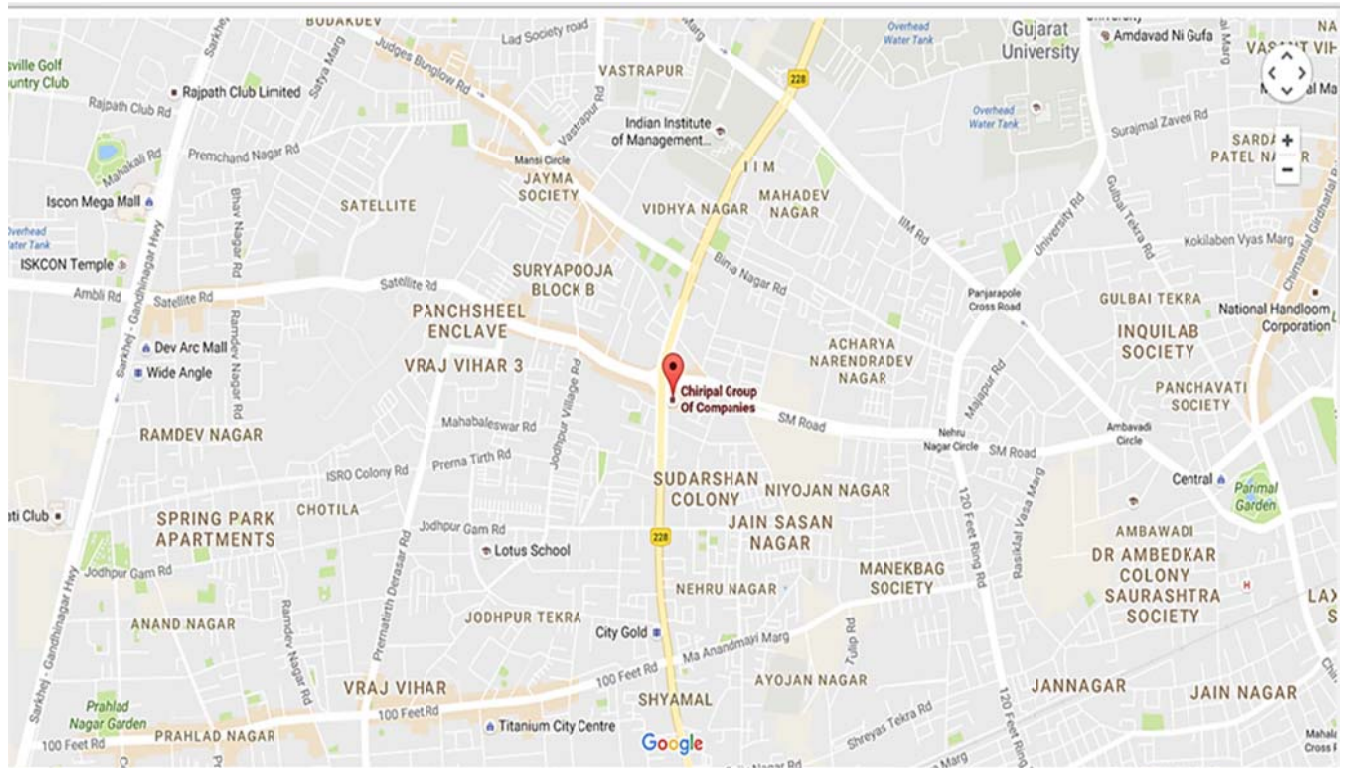
1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting. The Proxy need not be a member of the Company.
2. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not 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 proxy for any other person or shareholder.
** This is only optional. Please put 'X' in the appropriate Column against the resolutions indicated in the Box. If you leave the 'For' or 'Against ' Column blank against any or all the resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.
3. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.



VISHAL FABRICS LIMITED

Route Map for Venue of 32ND Annual General Meeting (“AGM”)

VISHAL FABRICS LIMITED





VISHAL FABRICS LIMITED

(CIN: L17110GJ1985PLC008206)

Registered Office: Ranipur Narol Road,
Ahmedabad – 382 405

Ph. No.: +91 - 79 - 25353977/78/79/80;

Fax: +91 - 79 - 25353981

Email: cs.vfl@chiripalgroup.com

Website: www.vishalfabricsltd.com