



**Valiant**  
**Organics Limited**

**ANNUAL REPORT**  
**2016-17**

# **CORPORATE INFORMATION**

## **CHAIRMAN & MANAGING DIRECTOR**

Shri Hemchand Lalji Gala

## **INDEPENDENT DIRECTORS**

Shri. Dhirajlal Damji Gala  
Smt. Jeenal Kenil Gala  
Shri. Velji Gogri  
(Additional Director w.e.f: 06.07.2017)

## **EXECUTIVE DIRECTORS**

Shri. Arvind Kanji Chheda  
Shri. Vishnu Jotiram Sawant  
Shri Vicky Hemchand Gala  
(Resigned w.e.f 10.05.2017)  
Shri Mahek Manoj Chheda  
(Appointed w.e.f 06.07.2017)

## **CHIEF FINANCIAL OFFICER**

Shri. Arvind Kanji Chheda

## **AUDTIORS**

M/s. Madan Dedhia & Associates  
Charetered Accountants

## **REGISTERED OFFICE ADDRESS**

109 Udyog Kshetra 1<sup>st</sup> Floor,  
Mulund - Goregaon Link Road  
Mulund (West) Mumbai – 400080  
Ph No: 022-25913767/6, 022- 67976640/5  
Fax No: 022-2591376  
Visit us at [www.valiantorganics.com](http://www.valiantorganics.com)

## **REGISTRAR AND SHARE TRANSFER AGENT**

M/s. Bigshare Services Pvt. Ltd.  
1<sup>st</sup> Floor, Bharat Tin Works Building,  
Opp. Vasant Oasis, Makwana Road  
Marol, Andheri (East), Mumbai 400059  
Tel No- 022 62638200  
Fax No- 022 62638299  
Visit us at [www.bigshareonline.com](http://www.bigshareonline.com)

## **CORPORATE IDENTIFICATION NUMBER**

L24230MH2005PLC151348

## **BANK/ FINANCIAL INSTITUTION**

Citi Bank N.A.

## **NON EXECUTIVE DIRECTORS**

Shri. Chandrakant Vallabhaji Gogri  
(Additional Director w.e.f: 10.05.2017)  
Shri. Dattatray Sidram Galpalli  
(Additional Director w.e.f 06.07.2017 )

## **COMPANY SECRETARY**

CS Vyoma Vyas (w.e.f 02.06.2017)  
CS Prashant Gaikwad (up to 01.06.2017)

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## **NOTICE**

Notice is hereby given that the 12<sup>th</sup> Annual General Meeting of the Members of **VALIANT ORGANICS LIMITED** will be held at Udyog Kshetra, Mulund – Goregaon Link Road, Mulund (West) Mumbai 400080, on Wednesday, the 16<sup>th</sup> day of August, 2017, at 12.00 noon to transact the following business :

### **ORDINARY BUSINESS:**

- 1) To receive, consider and adopt the audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2017 and the Reports of the Board of Directors' and Auditors' thereon.
- 2) To declare a dividend of ₹ 5/- per Equity Share for the financial year ended 31<sup>st</sup> March, 2017.
- 3) To appoint a Director in place of Shri. Hemchand Lalji Gala (DIN: 01587225), who is liable to retire by rotation and being eligible, offers himself for re-appointment.
- 4) 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, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the “Act”) and the Companies (Audit and Auditors) Rules, 2014 (the Rules), and in terms of the resolution passed by the members at the Annual General Meeting (AGM) held on 30<sup>th</sup> September, 2014 the appointment of M/s. Madan Dedhia & Associates, Chartered Accountants (Firm Registration No. 113095W), as auditors of the Company be and is hereby ratified to hold office till the conclusion of Thirteenth Annual General Meeting and, on such remuneration and reimbursement of out of pocket expenses, as shall be decided/approved by the Board of Directors.”

### **SPECIAL BUSINESS:**

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

**“RESOLVED THAT** pursuant to provisions of Sections 196 and 197 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to all such sanctions, if any, as may be necessary, the Company

hereby approves, variation in the terms of remuneration payable to Shri. Hemchand Lalji Gala (DIN: 01587225), Chairman & Managing Director, Shri. Arvind Kanji Chheda (DIN: 00299741), Whole –Time Director and Chief Financial Officer and Shri. Vishnu Jotiram Sawant (DIN: 03477593), Whole - Time Director of the Company with effect from 1<sup>st</sup> April, 2017 as set out in the Statement annexed to the Notice convening this Meeting.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

- 6) 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 152 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Rules made there under (including any statutory modification(s) or re-enactments thereof for the time being in force), Shri. Chandrakant Vallabhaji Gogri (DIN 00005048) who was appointed as an Additional Director of the Company by the Board of Directors at its meeting held on 10<sup>th</sup> May, 2017 and who holds office up to the date of this Annual General Meeting in terms of Section 161(1) of the Act and in respect of whom the Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as a Non-Executive Director of the Company, liable to retire by rotation.”

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

“**RESOLVED THAT** pursuant to Section 149, 152 and other applicable provisions of Companies Act 2013 (‘Act’) and the rules made thereunder read with Schedule IV of the Act (including any statutory modifications or re-enactment thereof and any rules made thereunder, for the time being in force), Shri. Velji Karamshi Gogri (DIN: 02714758) who was appointed as an Additional Director of the Company by the Board of Directors at its meeting held on 6<sup>th</sup> July, 2017 and who holds office up to the date of this Annual General Meeting in terms of Section 161(1) of the Act and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation for the period of 3 (Three) years with effect from date of this Annual General Meeting i.e. 16<sup>th</sup> August, 2017.”



- 8) 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 152 and any other applicable provisions of the Companies Act, 2013 ("Act") and the Rules made there under (including any statutory modification(s) or re-enactments thereof for the time being in force), Shri. Dattatray Sidram Galpalli (DIN 01853463) who was appointed as an Additional Director of the Company by the Board of Directors at its meeting held on 6<sup>th</sup> July, 2017 and who holds office up to the date of this Annual General Meeting in terms of Section 161(1) of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing his candidature for the office of Director, be and is hereby appointed, as a Non-Executive Director of the Company, liable to retire by rotation."

- 9) 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 152 and any other applicable provisions of the Companies Act, 2013 ("Act") and the Rules made there under (including any statutory modification(s) or re-enactments thereof for the time being in force), Shri. Mahek Manoj Chheda (DIN 06763870), who was appointed as an Additional Director of the Company by the Board of Directors at its meeting held on 6<sup>th</sup> July, 2017 and who holds office up to the date of this Annual General Meeting in terms of Section 161(1) of the Act and in respect of whom the Company has received a notice in writing under section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed a Director of the Company, liable to retire by rotation."

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

**"RESOLVED THAT** pursuant to provisions of Sections 196, 197, 203 and all other applicable provisions of Companies Act, 2013, if any, read with Schedule V of the Companies Act, 2013 ("the Act"), the Company hereby approves the appointment and terms of remuneration of Shri. Mahek Manoj Chheda the Whole – Time Director designated as Executive Director of the Company for a period of three years with effect from 6<sup>th</sup> July, 2017 on the terms and conditions including the remuneration as set out in the statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors to alter and vary the terms and conditions of the said re-appointment and/or remuneration as it may deem fit and as may be acceptable to Shri. Mahek Manoj Chheda, subject to the same not exceeding the limits specified

under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof;

**“RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

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

**“RESOLVED THAT** pursuant to Section 148 and other applicable provisions if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force), Smt. Ketki D. Visariya, Cost Accountant (Membership Number 16028), being the Cost Auditor appointed by the Board of Directors of the Company to conduct audit of the cost records and related books maintained by the Company for Financial Year 2017-18 on a remuneration of ₹ 75,000/- (Rupees Seventy Five Thousand only) per annum plus Tax as applicable, and reimbursement of out of pocket expenses incurred by her in connection with aforesaid Audit be and is hereby ratified and confirmed.”

**Registered Office:**

109 Udyog Kshetra,  
1<sup>st</sup> Floor, Mulund-Goregaon Link Road,  
Mulund (W), Mumbai – 400 080.

By order of the Board

Sd/-

CS Vyoma Vyas  
Company Secretary

Place: Mumbai

Date: 06.07.2017

**NOTES:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/PROXIES TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF HIS/HER HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% (Ten Percent) of the total share capital of the Company. Further, a Member holding more than 10% (Ten Percent), 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 Member.



The instrument appointing a proxy must be deposited at the registered office of the Company not less than 48 hours before the commencement of meeting.

3. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the Special Business at Item Nos. 5 to 11 above is annexed hereto and forms part of the Notice.
4. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
5. The Register of the Members and Share Transfer Books of the Company will remain closed from 9<sup>th</sup> August, 2017 to 16<sup>th</sup> August, 2017 (both days inclusive) for the purpose of payment of the final dividend for the financial year ended 31<sup>st</sup> March, 2017 and the AGM.
6. As per Notification issued by Ministry of Corporate Affairs dated 19<sup>th</sup> 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.

7. The Company is concerned about the environment. We request you to update your email address with your Depository Participants to enable us to send you communications via email. Members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to provide their e-mail addresses to the M/s. Bigshare Services Private Limited (RTA) sending an e-mail at [investor@bigshareonline.com](mailto:investor@bigshareonline.com) or to the Company at [investor@valiantorganics.com](mailto:investor@valiantorganics.com).
8. The Notice of the AGM, Annual Report and Attendance Slip are being sent in electronic mode to the members whose email address are registered with the Company or Depository Participant(s), unless the members have registered their request for the hard copy of the same. Physical copy of the Notice of AGM, Annual

Report and Attendance Slip are being sent to those members who have not registered their email addresses with the Company or Depository Participant(s).

9. In case of Joint holders, attending the Meeting, only such joint holder, who is higher in the names, will be entitled to vote at the meeting.
10. As per Regulations of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 the Company has designated email ID of the grievance redressal division/compliance officer exclusively for the purpose of registering complaints by investors. Investors are requested to send their communication on the designated email id : [investor@valiantorganics.com](mailto:investor@valiantorganics.com)
11. For convenience of the members and proper conduct of the meeting, entry to the meeting venue will be regulated by the Attendance Slip, which is enclosed with this Annual Report. Members are requested to sign at the place provided on the attendance slip and hand it over at the registration counter at the venue.
12. All documents referred to in the accompanying Notice and the explanatory statement are open for inspection at the Registered Office of the Company on all working days between 11:00 a.m. upto 1:00 p.m. up to the date of the Annual General Meeting.
13. A Member desirous of getting any information on the accounts or operations of the Company is requested to forward his request to the Company at least 10 days prior to the Meeting so that the required information can be made available at the Meeting.
14. Members holding shares in dematerialized form are requested to register their latest Bank Account details (Core Banking Solutions enabled account number, 9 digit MICR and 11 digit IFS code) and Permanent Account Number (PAN) with their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company's RTA as the same is mandated by the Securities and Exchange Board of India.

**Registered Office:**

109 Udyog Kshetra,  
1<sup>st</sup> Floor, Mulund-Goregaon Link Road,  
Mulund (W), Mumbai.

Place: Mumbai

Date: 06.07.2017

By order of the Board

Sd/-

CS Vyoma Vyas  
Company Secretary



**BRIEF RESUME OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT ARE AS UNDER :**

<b>Particulars</b>	<b>Shri. Hemchand Lalji Gala (DIN : 01587225)</b>	<b>Shri. Chandrakant Vallabhaji Gogri (DIN : 00005048)</b>
Date of birth and age.	24.11.1945 (71 Years)	16.08.1946 (70 Years)
Appointed on.	16.02.2005	10.05.2017
Qualifications.	Chemical Engineer from UDCT Mumbai.	B.E. (Chem), (UDCT, Mumbai), DBM.
Experience and expertise in specific functional areas.	He is the promoter Director of the Company since the date of Incorporation of the Company i.e. 16 <sup>th</sup> February, 2005. He has more than 45 years of experience in production and marketing in the Chemical Industry.	He started his career with job and later created a massive business empire of his own by mastering the alchemy of Success. He is the founder of Aarti Group of Industries. His experience in areas of encompassing Projects, Operations, Process Development, Local & International Marketing in the Chemical Industry is remarkable. He is the Chairman Emeritus of Speciality Chemical Leader Aarti Industries Limited. Shri Chandrakant V. Gogri has been awarded the prestigious "DISTINGUISHED ALUMNUS AWARD" from UDCT (ICT) in the year 1995 for excellent performance as Entrepreneurs in Chemical Industry.
Disclosure of Relationships between Director inter-se.	None	None
Directorships held in	None	None

public companies other than Valiant Organics Limited.		
Memberships/Chairmans hips of committees across public companies other than Valiant Organics Limited.	None	None
No. of shares held in the Company.	74,928	300

Particulars	Shri. Velji Karamshi Gogri (DIN : 02714758 )	Shri. Dattatray Sidram Galpalli (DIN : 01853463 )
Date of birth and age.	14.10.1951 (65 Years)	20.09.1959 (57 years)
Appointed on.	06.07.2017	06.07.2017
Qualifications.	He is a Chemical Engineer from IIT Mumbai.	B SC Tech (Dyes & Intermediates) from UDCT (now ICT)
Experience and expertise in specific functional areas.	Shri. Velji Karamshi Gogri is a chemical Engineer from IIT Mumbai with overall experience of 35 years Chemical Industry. He has established number of bulk drugs, intermediate & fine chemicals manufacturing units. He possesses good knowledge of Chemical Process, equipment and safe handling of chemicals. Shri. Velji Karamshi Gogri was also on the Board of "Tarapur Environment Protection Society" from the year 2004 to 2009 and also Associated with Industrial Safety Committee of Tarapur Industry	Shri. Dattatray Sidram Galpalli is a B. Sc. Tech (Dyes & Intermediates) from UDCT (now ICT) having a rich Experience of working since last 35 years in various Chemical Industries producing specialty chemicals & intermediates for Agrochemicals, Pharmaceuticals, pigments and dyes. He has also worked with over 100 unit processes & unit operations involving large continuous & Batch Plant. He has carried out various expansion projects leading to improvements in productivity, Safety health &



	Manufacturing association.	environment and Energy efficiency etc. He has expertise in Trouble shooting, Debottlenecking & Isomers separation technology. He has developed processes for converting waste products in to value added products facilitating cost efficiency and Waste Management Mechanism. At present he is associated with Aarti Industries Limited as Senior Vice- President since last 25 years.
Disclosure of Relationships between Director inter-se.	None	None
Directorships held in public companies other than Valiant Organics Limited.	None	None
Memberships/Chairmans hips of committees across public companies other than Valiant Organics Limited.	None	None
No. of shares held in the Company.	None	None

<b>Particulars</b>	<b>Shri. Mahek Manoj Chheda (DIN : 06763870 )</b>
Date of birth and age.	11.11.1990(26 years)
Appointed on.	06.07.2017
Qualifications.	He is a BSC Business graduate from a college affiliated with University of London.

Experience and expertise in specific functional areas.	He is a dynamic young professional. He has worked with Aarti Industries Limited for more than 2 years and has good experience in the area of marketing & business development.
Disclosure of Relationships between Director inter-se.	None
Directorships held in public companies other than Valiant Organics Limited.	None
Memberships/Chairmanships of committees across public companies other than Valiant Organics Limited.	None
No. of shares held in the Company.	33,600

**Registered Office:**

109 Udyog Kshetra,  
1<sup>st</sup> Floor, Mulund-Goregaon Link Road,  
Mulund (W), Mumbai – 400 080.

Place: Mumbai

Date: 06.07.2017

By order of the Board

Sd/-  
CS Vyoma Vyas  
Company Secretary



## ANNEXURE TO THE NOTICE

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

#### ITEM NO. 5

Shri. Hemchand Lalji Gala, Chairman & Managing Director, Shri. Arvind Kanji Chheda, Whole-time Director and Chief Financial Officer, Shri. Vishnu Jotiram Sawant, Whole – time Director of the Company are holding their respective offices for a period of three years in terms of their respective Principal Agreements entered into by the Company with each of them and amended from time to time by way of Supplemental Agreement(s), if any, thereto.

Based on the recommendation of the Nomination and Remuneration Committee of the Board of Directors duly approved by a resolution passed at its meeting, the Board of Directors at its meeting held on 10<sup>th</sup> May, 2017, subject to approval of the Company in the General Meeting has revised the terms of payment of Basic Salary to all the said executives with effect from 1<sup>st</sup> April, 2017.

The Board of Directors will have power to make increments subject to maximum basic salary as mentioned below in case of Shri Hemchand Lalji Gala, Chairman & Managing Director, Shri Arvind Kanji Chheda, Whole-time Director and Chief Financial Officer, Shri Vishnu Jotiram Sawant, Whole –time Director of the Company.

<b>Name of the Director</b>	<b>Maximum Basic Salary Per Month</b>
Shri Hemchand Lalji Gala	₹ 3,66,000
Shri Arvind Kanji Chheda	₹ 1,93,000
Shri Vishnu Jotiram Sawant	₹ 1,12,000

All other terms and conditions of the agreement remain unchanged.

Your Directors recommend the resolution for your approval as an Ordinary resolution.

Shri. Hemchand Lalji Gala, Shri. Arvind Kanji Chheda, Shri. Vishnu Jotiram Sawant are interested in the said resolution pertaining to variation of respective terms of remuneration for each of them. None of the other Directors, Key Managerial Personnel or their relatives is, in any way, concerned or interested, financially or otherwise, in the said resolution.

**ITEM NO. 6**

Shri. Chandrakant Vallabhaji Gogri (DIN 00005048) was appointed as an Additional Director of the Company with effect from 10<sup>th</sup> May, 2017 by the Board of Directors. In terms of Section 161(1) of the Companies Act, 2013, Shri. Chandrakant Vallabhaji Gogri, holds office upto the date of this Annual General Meeting. The Company has received a Notice from a member in writing along with requisite deposit under Section 160 of the Act, proposing his candidature for the office of a Director.

Resume of Shri. Chandrakant Vallabhaji Gogri is given in the Brief Resume of Directors seeking Appointment/Re – appointment. His appointment as Director would be of immense help to the Company.

Your Directors recommend the resolution for your approval as an Ordinary resolution.

Except Shri. Chandrakant Vallabhaji Gogri, none of the Directors, Key Managerial Personnel or their relatives is, in any way, concerned or interested, financially or otherwise, in the said resolution.

**ITEM NO 7**

Shri. Velji Karamshi Gogri (DIN 02714758) was appointed as an Additional Director of the Company with effect from 06<sup>th</sup> July, 2017 by the Board of Directors. In terms of Section 161(1) of the Companies Act, 2013, Shri. Velji. Karamshi Gogri, holds office upto the date of this Annual General Meeting but is eligible for the appointment as a Director. The Company has received a Notice from a member in writing along with requisite deposit under Section 160 of the Act, proposing his candidature for the office of Director.

Resume of Shri. Velji Karamshi Gogri is given in the Brief Resume of Directors seeking Appointment/Re – appointment. His appointment as Director would be of immense help to the Company.

The Company has received from him, consent in writing to act as director and declaration to the effect that he is not disqualified under Section 164(2) of the Companies Act, 2013 in prescribed Form DIR-2 and DIR-8 respectively. Further, the Company has received from him, a declaration to the effect that he meets criteria of independence as provided in Section 149(6) of the said Act. Further, in terms of Sections 149, 152 read with Schedule IV of the Companies Act, 2013, the Board of Directors have reviewed the declaration made by him in respect of meeting the criteria of independence as provided in Section 149(6) of the said Act and the Board is of opinion that he fulfils the relevant conditions specified in the said Act and the Rules made thereunder and is independent of the management.

The Board considers that his association as the Independent Director would be of immense benefit to the Company in view of his qualification, expertise and experience.



Copy of the draft letter for appointment proposed to be issued to Shri. Velji Karamshi Gogri as an Independent Director setting out the terms and conditions thereof is available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on all working days between 11.00 a.m. to 1.00 p.m. on working days, up to the date of the AGM.

Your Directors recommend the resolution for your approval as an Ordinary resolution.

Except Shri. Velji K. Gogri, none of the Directors, Key Managerial Personnel or their relatives is, in any way, concerned or interested, financially or otherwise, in the said resolution.

#### **ITEM NO. 8**

Shri. Dattatray Sidram Galpalli (DIN 01853463) was appointed as an Additional Director of the Company with effect from 06<sup>th</sup> July, 2017 by the Board of Directors. In terms of Section 161(1) of the Companies Act, 2013, Shri. Dattatray Sidram Galpalli holds office upto the date of this Annual General Meeting. The Company has received a Notice from a member in writing along with requisite deposit under Section 160 of the Act, proposing his candidature for the office of Director.

Resume of Shri. Dattatray Sidram Galipalli is given in the Brief Resume of Directors seeking Appointment/Re – appointment. His appointment as Director would be of immense help to the Company.

Your Directors recommend the resolution for your approval as an Ordinary resolution.

Except Shri. Dattatray Sidram Galipalli, none of the Directors, Key Managerial Personnel or their relatives is, in any way, concerned or interested, financially or otherwise, in the said resolution.

#### **ITEM NOs 9 & 10**

Shri. Mahek Manoj Chheda (DIN 06763870) was appointed as an Additional Director of the Company with effect from 6<sup>th</sup> July, 2017 by the Board of Directors. In terms of Section 161(1) of the Companies Act, 2013, Shri. Mahek Manoj Chheda holds office upto the date of this Annual General Meeting. The Company has received a Notice from a member in writing along with requisite deposit under Section 160 of the Act, proposing his candidature for the office of Director.

Based on the recommendation of the Nomination and Remuneration Committee duly approved by the resolution passed at its meeting, the Board of Directors has also appointed Shri. Mahek Manoj Chheda the Whole-time Director designated as Executive

Director of the Company w.e.f. 6<sup>th</sup> July, 2017 for a period of 3 (Three) years, subject to the approval of the members in General Meeting, upon the terms and conditions set out in the draft Agreement to be entered into by the Company with him. The said Agreement would, inter-alia, contain the following material terms and conditions:

1. Period of Agreement : 06.07.2017 to 05.07.2020

2. Remuneration :

(a) Salary: Basic Salary of Rs. 3,60,000/- (Rupees Three Lakhs Sixty Thousand Only) per annum.

(b) Perquisites/allowances:

He will be entitled to reimbursement of telephone bills and Bonus as may be declared by the Company from time to time, subject to overall ceiling limit specified under the Act read with Schedule V thereto.

(c) Other Benefits:

The Whole-time Director will also be eligible to the following benefits which shall not be included in the computation of the ceiling on remuneration as specified hereinabove:

Leave Encashment: Encashment of leave at the end of tenure will be permitted in accordance with the rules of the Company

3. Where in any financial year during the currency of the tenure of the Whole-time Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary and perquisites as aforesaid subject to overall ceiling limit specified under the Act read with Schedule V thereto.
4. The Whole-time Director shall be entitled to annual privilege leave on full salary for a period of thirty days and shall be entitled to accumulate such leave. Encashment of leave at the end of the tenure will not be included in the computation of the ceiling on perquisites.
5. No sitting fee shall be payable to him for attending the Meetings of the Board of Directors or Committee thereof.
6. Notwithstanding anything to the contrary contained in the Agreement, either party shall be entitled to terminate the Agreement, at any time by giving to the other party 180 days notice in writing in that behalf without the necessity of showing any cause and on the expiry of the period of such notice this Agreement shall stand



determined and the Whole-time Director shall cease to be the Whole-time Director of the Company. Provided that the aforesaid notice may be waived mutually.

7. The terms and conditions of the said appointment herein and/or Agreement may be altered and varied by the Board from time to time at their discretion as they may deem fit so as not to exceed the limits specified in Schedule V to the Companies Act, 2013, or any amendments made hereafter in that regard.
8. The other terms and conditions of the Agreement are such as are customarily contained in agreement of similar nature.
9. The said appointment/agreement including the remuneration payable to him is subject to the approval of the Company and all such sanctions as may be necessary and shall be given effect to as per the modification, if any, made/approved as aforesaid.

The draft Agreement to be entered into between the Company and Shri. Mahek Manoj Chheda is open for inspection at the Registered Office of the Company on any working day between 11.00 a.m. to 1.00 p.m. on working days upto the date of AGM.

Your Directors recommend the resolution for your approval as an Ordinary resolution.

Shri. Mahek Manoj Chheda is interested in the said resolutions pertaining to his appointments as such and terms of remuneration payable thereof. None of the other Directors, Key Managerial Personnel or their relatives is, in any way, concerned or interested, financially or otherwise, in the said resolutions.

#### **ITEM NO. 11**

In pursuance of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, read with Companies (Cost Records and Audit) Rules, 2014, a proposal for appointment of Cost Auditor for 2016-17 was recommended by the Audit Committee to the Board.

The Board thereby re-appointed Smt. Ketki Damji Visariya (Membership Number 16028) Cost Accountant, as Cost Auditor at the Board Meeting held on 10<sup>th</sup> May, 2017 on remuneration of 75000/- per annum & tax as applicable. Certificate dated 4<sup>th</sup> May, 2017 issued by Smt. Ketki Damji Visariya regarding her eligibility for appointment as Cost Auditor is available for inspection at the registered office of the Company during 11.00 a.m. to 1.00 p.m. on working days, up to the date of AGM.

As per Rule 14 of Companies (Audit and Auditors) Rules 2014, the remuneration payable to the Cost Auditors is to be ratified by the Shareholders. Hence this resolution is put for the consideration of the shareholders.

Your Directors recommend the resolution for your approval as an Ordinary resolution.

None of the Directors, Key Managerial Personnel or their relatives is, in anyway concerned or interested, financially or otherwise, in the said resolution.

**Registered Office:**

109 Udyog Kshetra,  
1<sup>st</sup> Floor, Mulund-Goregaon Link Road,  
Mulund (W), Mumbai – 400 080.

By order of the Board

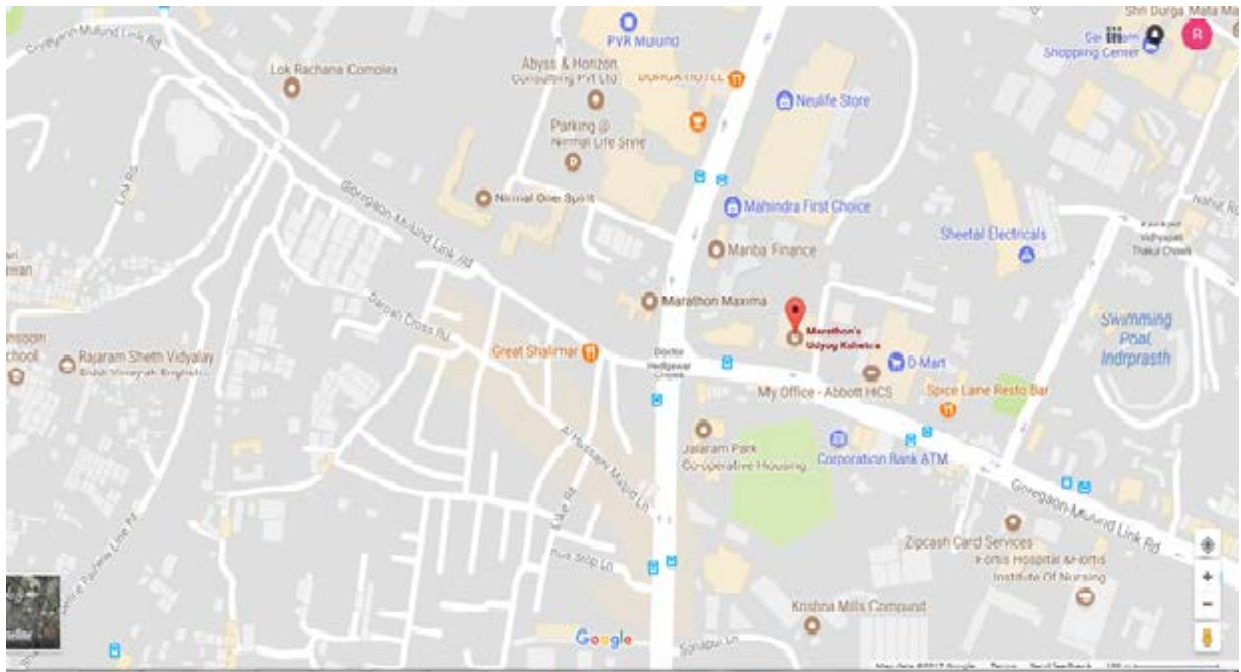
Sd/-

CS Vyoma Vyas  
Company Secretary

Place: Mumbai

Date: 06.07.2017

**ROUTE MAP TO THE VENUE OF ANNUAL GENERAL MEETING**



**Landmark:**

**Distance of 1.3 Km from Nahur and 3.3 km from Mulund Railway Station**



## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

### **Industrial structure:**

The chemical industry is an integral constituent of growing Indian Industry. It is one of the most diversified of all industrial sectors covering thousands of commercial products. This Industry occupies a pivotal position in meeting basic needs and improving quality of life. The Industry is the main stay of Industrial and agricultural development of the country and worldwide and provides blocks for several downstream industries such as soaps, detergents, home care, pharmaceuticals, dyes & dyes intermediates etc.

The country undertook several development programs, and especially for SME sector, to improve business conditions and improve India's ranking in the global index in the ease of doing business. The proposed GOODS AND SERVICE TAX (GST) could emerge as a key milestone in history of India's tax regime. This along with growing public investments and improving environment for infrastructure investments, are creating a platform for sustainable growth.

Based on these trends, India is moving towards claiming its rightful place in the global economy.

### **VOL'S Opportunities & strength:**

The Indian Chemical Companies are expected to get further fillip under "MAKE IN INDIA" drive. Various new projects are proposed to be commenced with a focus to make in India as a manufacturing hub for those products. This shall increase the direct and indirect demand for various chemicals. These chemicals are expected to contribute direct or indirect as Import Substitute or contribute to the increase in exports from India.

With improving cost competitiveness (particularly w.r.t. China), favourable framework and strong domestic demand outlook, India is emerging as a preferred manufacturing destination for Chemical industry.

The Company has been continuously striving to keep its costs to minimum possible to aggressively compete with Chinese Competitors. Moreover, slowly India is getting competitive with respect to Chinese manufacturers, as Chinese environmental rules are becoming stringent like that of India. China is losing its edge over India in chemical manufacturing due to Steep cost inflation (labour costs), stricter compliance of environmental regulations being enforced in China and Yuan appreciation in recent period. Moreover, global players prefer Indian manufacturers over Chinese due to better documentation and quality. Your Company offers its products to Customers as per their

specific requirements and that helps to build up strong business relationship with all the local as well as overseas customers. This is because Company is having 20 years of manufacturing experience and has developed in-house expertise in manufacturing of Chloro Phenols.

Your Company will enjoy economics of scale due to enhanced production in near future. Bigger market share automatically helps us to be competitive in market due to spread of over heads and better bargaining power. At present Valiant has been exporting its products to Japan, Europe & USA and will explore new destinations in order to market the enhanced capacities. Exports from India are likely to get further fillip due to:

1. Curtailment of capacities in developed countries and resulting in simultaneous scale up of capacities is being witnessed in emerging economies.
2. The major MNCs are trying to de-risk their supply chain by diversifying their RM procurement away from China as risks associated with Chinese exports increase due to domestic slow down, currency appreciation etc.

Your Company is at present the leading manufacturer of Chloro Phenol in India and has the best economic scale to compete the other domestic manufacturers in India.

**Risks:**

Your Company perceives risks or concerns common to industry such as Macro Indian Economic Outlook, Global Economic fallout, Regulatory risks, Foreign Exchange volatilities, higher interest rates, Volatile Raw-material prices and other commercial and business risks. Extreme volatile of exchange rate of Rupee against US dollar can give significant impact on Company's operations because approximately 35% of its total revenues consist of exports. However, natural hedge mitigate the risk to larger extent due to the imports. While Segments like Agrochemicals are not much affected by the economic cycle and have its own independent growth drivers and major application of Chloro Phenol is for Agro based applications. Any slowdown in the growth of end user industries such as agrochemicals, dyes and dyes intermediates, pharmaceutical could impact sectoral growth. Valiant caters to multiple customers across global as well as in domestic market and is not dependent on any single industry or customer as no single customer contributes higher than 10% of total revenues. Moreover Valiant is a preferred partner for major Customers enjoying leading downstream market share, safeguarding is from usual business risk.


**Product wise performance:**

We now present the product wise performance of Chloro Phenols:

(in Crores)

Product Name	Sales-2016-17	Sales-2015-16	Increase / Decrease
PARA CHLORO PHENOL	33.38	27.88	19.72%
ORTHO CHLORO PHENOL	6.34	8.20	(22.68%)
2,4 DICHLORO PHENOL	15.48	13.74	12.66%
2,6 DICHLORO PHENOL	2.79	2.27	22.90%
<b>Total</b>	<b>57.99</b>	<b>52.09</b>	<b>11.33%</b>

**Outlook:**

Your Company has already applied to Gujarat Pollution Control Board, Gandhinagar (Gujarat), to enhance the manufacturing capacity from 400 M.T. to 1800 M.T. (P.M.) and is expected to be granted in near future. Your Company has already started trial runs to enhance the volume of production on receipt of the GPCP clearance and other effective steps to increase the production in phase wise manner.

We plan to add around 40% to 50% of our current production capacity which will increase the total revenue by 30% to 35% in the next financial year 2017-18.

Our growth is fuelled with an immense drive with the purpose of growing together by being socially and Environmentally Sustainable.

**Internal control systems:**

The Company has sound and adequate internal control commensurate with its size and nature of business. We constantly upgrade our systems for incremental improvements, because we firmly believe that change is the only permanent thing, and without change we cannot progress.

We periodically review the systems. These systems ensure protection of assets and proper recording of transactions and timely reporting.

**Financial performance with respect to operational performance:**

During the year under review the Company has achieved the top line of ₹ 57.99/- Crores against ₹ 52.09 Crores achieving a growth of 11%, Net profit was ₹ 9,83,39,846/- against ₹ 10,24,47,074/- which is marginally lower by 4% because of delay in import shipments and due to which Company had to source the RM from the spot market at much higher rates for the last full quarter.

During the last year we have achieved record production and have achieved 100% capacity utilization of the plant capacity, and on receiving the Environmental permission we are optimistic of producing 40% to 50% more during 2017-18.

**Material development in Human Resources / Industrial Relationship front, including No. of people employed:**

Human capital has always been the most important and valuable asset to the Company. Company has periodically conducted training programs of Safety during 2016-17.

As on 31<sup>st</sup> March-2017 Company has total work force of 49 employees at manufacturing facility and at administrative office. Management is having cordial relationship with all the employees and work as one family of Valiant.



## **DIRECTORS' REPORT**

To,  
The Members,  
Valiant Organics Limited.

Your Directors have pleasure in presenting the twelfth Annual Report together with the Audited Statement of Accounts and the Auditors' Report of your company for the financial year ended 31<sup>st</sup> March, 2017.

### **FINANCIAL HIGHLIGHTS OF THE COMPANY**

(Amount in ₹)

Particulars	2016-17	2015-16
Revenue From Operations	57,99,03,721	52,09,93,820
Profit Before Interest and Depreciation	16,47,81,797	17,16,40,333
Finance Charges	24,20,749	48,52,734
Depreciation and Amortization Expense	1,06,38,265	92,66,787
Extra-Ordinary Item	-	2,73,105
Net Profit Before Tax	15,17,22,783	15,72,47,707
Tax Expense	5,33,82,937	5,48,00,633
Net Profit After Tax	9,83,39,846	10,24,47,074
Earnings Per Share	27.01	28.14

### **FINANCIALS**

The Company's revenue from Operations for the year increased to ₹ 57,99,03,721 as compared to last year ₹ 52,09,93,820. The Earnings before Depreciation & Tax (EBDT) in Financial Year 2016-2017 was ₹ 16,47,81,797 as compared to last year ₹ 17,16,40,333. The Profit After Tax (PAT) for the financial Year 2016-2017 is ₹ 9,83,39,846 as compared to last year of ₹ 10,24,47,074 .

### **CHANGE IN NATURE OF BUSINESS, IF ANY**

There are no changes in Nature of Business of the Company during the year under consideration.

### **DIVIDEND**

Your Company has proposed Dividend aggregating to ₹ 2,93,21,745 for Financial Year 2016-17 as against ₹ 7,28,06,400 for Financial Year 2015-16.

The proposed dividend of ₹ 2,93,21,745/- consists of Dividend of ₹ 1,11,20,145 to be kept in reserve for payment to the shareholders of Abhilasha Tex-Chem Limited (Abhilasha) subject to and upon Scheme of amalgamation of Abhilasha with the Company becoming effective as proposed effective from the Appointed Date (i.e. 1<sup>st</sup> July, 2016) specified therein.

Since there was no unpaid/unclaimed Dividend, the provisions of Section 125 of the Companies Act, 2013 relating to transfer of unpaid/unclaimed Dividend to Investor Education and Protection Fund did not apply.

#### **TRANSFER TO RESERVES IN TERMS OF SECTION 134 (3)(J) OF THE COMPANIES ACT, 2013**

The Company has transferred ₹ 98,33,985 to General reserve for Financial Year 2016-17 as against ₹ 1,02,44,707 for Financial Year 2015-16.

#### **INFORMATION ABOUT SUBSIDIARY/ JV/ ASSOCIATE COMPANY**

The Company does not have any Subsidiary, Joint venture or Associate Company. Hence the Annexure in the Format of AOC-1 is not required.

#### **FIXED DEPOSITS**

The Company did not have any deposits at the beginning of the year under review and the Company has neither accepted nor renewed any deposits during the year under review. The Company does not have any deposits which are not in compliance with the requirements of Chapter V of the Companies Act, 2013.

#### **ANNUAL RETURN**

The details forming part of the extract of Annual Return in the Form MGT-9, as required under Section 92 of the Companies Act, 2013 is included in the Report as **Annexure-A** and forms an integral part of the Report.

#### **MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT**

There were no material changes and commitments affecting the financial position of the Company occurred between the end of the Financial Year to which this financial statements relate and the date of the report.



However, during the year under review there was a material change that, the Company had listed 36,40,320 Equity Shares of ₹ 10/- each with SME Exchange of BSE Limited through an offer for sale. The details of which are mentioned under the head Share Capital of this report.

## **SHARE CAPITAL**

During the year under review, the Company had made a Public Offer of 9,64,800 Equity Shares of ₹ 10/- each ("Equity Shares") for Cash at a price of ₹ 220/- Per Share including a premium of ₹ 210/- (The "Offer Price"), through an offer for sale by the shareholders aggregating to ₹ 212,256,000 ("the offer"), of which, 49,200 equity shares of ₹ 10/- each was reserved for subscription by market makers to the offer (the "market maker reservation portion"). The Company has listed Equity Shares on SME Exchange of BSE Limited from 14<sup>th</sup> October, 2016.

Apart from the above, there was no change in the Share Capital of the Company during the Financial Year under review.

## **DIRECTORS / KEY MANAGERIAL PERSONNEL**

Shri. Hemchand Lalji Gala, Director retires by rotation in terms of provisions of the Act at the ensuing Annual General Meeting of the Company and offers himself for re-appointment.

During the Year 2016-17, following were the changes in Directors that took place in the Extra- Ordinary General Meeting of the Company which was held on 27<sup>th</sup> June, 2016:

- a) Shri Hemchand Lalji Gala was designated as Chairman and Managing Director for a period of three years w.e.f. 1<sup>st</sup> July, 2016.
- b) Shri Arvind Kanji Chheda was designated as Whole time Director for a period of three years w.e.f 1<sup>st</sup> July, 2016.
- c) Shri Vishnu Jotiram Sawant was designated as Whole time Director for a period of three years w.e.f. 1<sup>st</sup> July, 2016.

Shri Velji Karamshi Gogri was appointed as an Additional Director in the category of Independent Director by the Board of Directors effective from 6<sup>th</sup> July, 2017. The brief resume regarding his appointment at ensuing Annual General Meeting is given in the Notice conveying AGM.

Shri Dattatray Sidram Galpalli was appointed as an Additional Director in the category of Non- Executive Director by the Board of Directors effective from 6<sup>th</sup> July, 2017. The brief

resume regarding his appointment at ensuing Annual General Meeting is given in the Notice conveying AGM.

Shri Mahek Manoj Chheda was appointed as an Additional Director in the category of Executive Director by the Board of Directors effective from 6<sup>th</sup> July, 2017. The brief resume regarding his appointment at ensuing Annual General Meeting is given in the Notice conveying AGM.

Shri. Chandrakant Vallabhaji Gogri was appointed as an Additional Non-Executive Director by the Board of Directors effective from 10<sup>th</sup> May, 2017. The brief resume regarding his appointment at ensuing Annual General Meeting is given in Notice convening AGM. Shri. Vicky Hemchand Gala had resigned as Director effective from 10<sup>th</sup> May, 2017.

Pursuant to the provision of Section 149 of the Act, Shri Dhirajlal Damji Gala and Smt. Jeenal Kenil Savla were appointed as Additional Directors w.e.f 1<sup>st</sup> July, 2016 upto the 11<sup>th</sup> AGM of the Company. They were then appointed as Independent Directors at the Annual General Meeting of the Company held on 31<sup>st</sup> August, 2016, to hold the office for a term of 3 (three) years w.e.f the date of Annual General meeting i.e. 31<sup>st</sup> August, 2016. Independent Directors have given their respective declarations that they meet the criteria of Independence as laid down under section 149 (6) of the Companies Act, 2013

Pursuant to Section 203 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Board appointed/ designated Shri Arvind Kanji Chheda, Director as Chief Financial Officer of the Company w.e.f. 1<sup>st</sup> July, 2016 and CS Prashant Balasaheb Gaikwad as Company Secretary and Compliance Officer w.e.f. 1<sup>st</sup> September, 2016.

CS Vyoma Vyas has been appointed as the Company Secretary and Compliance officer of the company with effect from 2<sup>nd</sup> June, 2017 in place of CS Prashant Balasaheb Gaikwad.

## **MEETINGS OF THE BOARD**

During the year Seven (7) Board Meetings were convened and held on 1<sup>st</sup> June, 2016 , 27<sup>th</sup> June, 2016 , 26<sup>th</sup> July, 2016, 19<sup>th</sup> September, 2016, 7<sup>th</sup> October, 2016, 9<sup>th</sup> November, 2016 and 25<sup>th</sup> February, 2017 and one meeting of Independent Directors were convened and held. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.


**Details of Board meetings attended by Board of Directors :**

<b>Sr. No.</b>	<b>Name of Director</b>	<b>No. of Meetings Attended</b>
1	Shri Hemchand Lalji Gala	7
2	Shri Arvind Kanji Chheda	7
3	Shri Vicky Hemchand Gala	7
4	Shri Vishnu Jotiram Sawant	7
5	Shri Dhirajlal Damji Gala*	5
6	Smt. Jeenal Kenil Savla*	5

\* Shri Dhirajlal Damji Gala and Smt. Jeenal Kenil Savla were appointed as Independent Directors with effect from 1<sup>st</sup> July, 2016

**COMMITTEES OF THE BOARD**

During the year, your directors have constituted or re-constituted wherever required, the following committees of the Board in accordance with the requirements of the Companies Act, 2013. The composition, terms of reference and other details of all Board level committees have been elaborated in the report.

**1) AUDIT COMMITTEE**

The Audit Committee has been constituted in line with the provisions of Section 177 of the Companies Act, 2013. The Committee was constituted on 26<sup>th</sup> July, 2016. The chairman of the Committee is an Independent Director.

Composition of Audit Committee and Number of Meetings during the year:

<b>Sr. No</b>	<b>Name of the Director</b>	<b>Designation</b>	<b>Category of Director</b>
1	Shri Dhirajlal Damji Gala	Chairman	Independent Director
2	Smt. Jeenal Kenil Savla	Member	Independent Director
3	Shri Hemchand Lalji Gala	Member	Executive Director

1(One) Meeting of the Audit Committee was held on 9<sup>th</sup> November, 2016.

**Terms of Reference**

The Audit Committee inter-alia performs the functions of approving Annual Internal Audit Plan, review of financial reporting system, internal control system, discussion on financial results, interaction with statutory and Internal Auditors, recommendation for

appointment of Statutory and Cost Auditors and their remuneration, recommendation of the appointment and remuneration of Internal Auditors, review of Business Risk Management Plan, Management Discussions and Analysis, Review of Internal Audit Reports, approval, review of related party transactions and scrutiny of inter corporate loans and investments.

In fulfilling the above role Audit committee has powers to investigate any activity within its terms of reference, to seek information from employees and to obtain outside legal and professional advice.

## 2) NOMINATION AND REMUNERATION COMMITTEE:

The Committee was constituted on 26<sup>th</sup> July, 2016 as required under Section 178 of the Act and it comprises of 2 (two) Independent Directors and 1 (One) Non- Executive Director. The Chairman of the Committee is an Non – Executive Director.

Composition of Nomination and Remuneration Committee and Number of Meetings during the year:

Sr No	Name of the Director	Designation	Category of Director
1	Shri Vicky Hemchand Gala (upto 10.05.2017) Shri Chandrakant Gogri (w.e.f 10.05.2017)	Chairman	Non - Executive Director
2	Smt. Jeenal Kenil Savla	Member	Independent Director
3	Shri Dhirajlal Damji Gala	Member	Independent Director

No Meeting of Nomination and Remuneration Committee was held during the year.

### Terms of Reference

The broad terms of reference of the Nomination and Remuneration Committee are as under:

- To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- To formulate the criteria for evaluation of Independent Directors and the Board;
- To devise a policy on Board diversity;



- d) To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

### **3) STAKEHOLDERS' RELATIONSHIP COMMITTEE:**

The Board has formed Stakeholders' Relationship Committee pursuant to provisions of Section 178 of the Act w.e.f. 26<sup>th</sup> July, 2016.

Composition of Stakeholder Relationship Committee and Number of Meetings during the year:

<b>Sr No</b>	<b>Name of the Director</b>	<b>Designation</b>	<b>Category of Director</b>
1	Shri Dhirajlal Damji Gala	Chairman	Independent Director
2	Shri Hemchand Lalji Gala	Member	Executive
3	Shri Arvind Kanji Chheda	Member	Executive

No Meeting of Stakeholder Relationship Committee was held during the year.

### **Terms of Reference:**

Brief Terms of Reference of the Committee inter-alia cover reviewing status of approval of transfer/transmission of shares, issue of duplicate certificates, non-receipt of annual report, non-receipt of declared dividends and specifically review/redressal of Investors' Grievances.

### **4) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:**

Pursuant to Section 135 of Act and the rules made thereunder, the Board has re - constituted the Corporate Social Responsibility (CSR) Committee w.e.f. 26<sup>th</sup> July, 2016 with three members, out of which 2(two) are Executive Directors and 1 (one) is Independent Director.

Composition of Corporate Social Responsibility Committee and Number of Meetings during the year:

<b>Sr No</b>	<b>Name of the Director</b>	<b>Designation</b>	<b>Category of Director</b>
1	Shri Dhirajlal Damji Gala	Chairman	Independent Director
2	Shri Hemchand Lalji Gala	Member	Executive
3	Shri Arvind Kanji Chheda	Member	Executive

One Meeting of Corporate Social Responsibility Committee was held on 1<sup>st</sup> June, 2016.

**Terms of Reference:**

- a) Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of Companies Act, 2013;
- b) Recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and
- c) Monitor the Corporate Social Responsibility Policy of the Company from time to time.

CSR annual report is annexed as **Annexure-B** and forms an integral part of the Report.

**NOMINATION AND REMUNERATION POLICY**

The Board of Directors has framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. The policy also lays down criteria for selection and appointment of Board Members. The details of this policy are given below:-

***Criteria and Qualification for Nomination & Appointment***

A person to be appointed as Director, KMP or at Senior Management level should possess adequate and relevant qualification, expertise and experience for the position that he/she is being considered for.

***Policy on Remuneration***

The Company's Remuneration policy considers human resources as its invaluable assets, to pay equitable remuneration to all directors, key managerial personnel and employees of the Company, to harmonize the aspirations of human resources consistent with the goals of the Company. The Remuneration policy for all the employees are designed in a way to attract talented executives and remunerate them fairly and responsibly, this being a continuous ongoing exercise at each level in the organization.

***Whole-time Directors***

The Company remunerates its Whole-time Director's by way of salary, perquisites and allowances and variable commission based on performance of the Company. Remuneration is paid within the limits recommended by the Nomination & Remuneration Committee and the Board and as approved by the shareholders within the stipulated limits of the Companies Act, 2013 and the Rules made thereunder. The

remuneration paid to the Whole-time Director is determined keeping in view the industry benchmark and the relative performance of the Company to the industry performance.

#### *Non-executive Directors*

Non-executive Directors are presently receiving sitting fees (including reimbursement of expenses) for attending the meeting of the Board and its Committees as per the provisions of the Companies Act, 2013 and the rules made thereunder.

#### *Key Managerial Personnel and other senior employees*

The remuneration of KMP and other employees largely consists of basic salary, perquisites, allowances and performance incentives (wherever paid). Perquisites and retirement benefits are paid according to the Company policy. The components of the total remuneration vary for different grades and are governed by the industry pattern, qualification & experience/merits, performance of each employee. The Company while deciding the remuneration package takes into consideration current employment scenario and remuneration package of the industry and its peer group.

### **RISK MANAGEMENT**

The Company implemented an integrated risk management approach through which it reviews and assesses significant risks on a regular basis to ensure that a robust system on risk controls and mitigation is in place. Senior management periodically reviews this risk management framework to keep update and address emerging challenges.

Risk management system followed by the Company is elaborately detailed in the Management Discussion and Analysis report forming the part of this Annual Report.

### **INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY**

Your Company has clearly laid down policies, guidelines and procedures that form part of internal control systems, which provide for automatic checks and balances. Your Company has maintained a proper and adequate system of internal controls. This ensures that all Assets are safeguarded and protected against loss from unauthorized use or disposition and that the transactions are authorised, recorded and reported diligently. Your Company's internal control systems commensurate with the nature and size of its business operations. Internal Financial Controls are evaluated and Internal Auditors' Reports are regularly reviewed by the Audit Committee of the Board.

Statutory Auditors Report on Internal Financial Controls as required under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") is annexed with the Independent Auditors' Report.

## **AUDITORS**

### **STATUTORY AUDITORS & THEIR REPORT:**

In the 9<sup>th</sup> Annual General Meeting (AGM) of the Company M/s. Madan Dedhia and Associates, Chartered Accountants (Firm Regn. No. 113095W) had been appointed as the Statutory Auditors of the Company for a period up to 5 (five) years to hold office from the conclusion of 9<sup>th</sup> Annual General Meeting until the conclusion of the 14<sup>th</sup> (AGM) of the Company. In terms of the provisions of the Companies Act, 2013, it is necessary to get the appointment ratified by the shareholders in every Annual General Meeting until the expiry of the period of original appointment.

In view of the above, the Board of Directors recommends your ratification of the appointment of M/s. Madan Dedhia and Associates, Chartered Accountants (Firm Regn. No. 113095W) as the Statutory Auditors.

The Auditors' Report to the Shareholders for the year under review does not contain any reservation, qualification or adverse remark. The comments in the Auditors' Report to the Shareholder's for the year under review are self-explanatory and does not need further explanation.

### **COST AUDITOR & THEIR REPORT:**

Your Directors had, on the recommendation of the Audit Committee, appointed Smt. Ketki Damji Visarya (Fellowship No. 16028), Cost Accountants as the Cost Auditors to audit the cost records of the Company for the FY 2017-2018.

As required under the Companies Act, 2013, a resolution seeking member's approval for the remuneration payable to the Cost Auditor forms part of the Notice convening the Annual General Meeting.

### **SECRETARIAL AUDITOR & THEIR REPORT:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made thereunder, the Company has appointed CS Sunil M. Dedhia (COP No. 2031), Proprietor of Sunil M. Dedhia & Co., Company Secretary in Practice to undertake the Secretarial Audit of the Company.



The Secretarial Audit Report is included as **Annexure–C** and forms an integral part of this Report.

As regards comments of the Secretarial Auditor in respect of pending filing of Cost Audit Report obtained for FY 2015-16 with Ministry of Corporate Affairs(MCA) due to technical issues faced in filing the same is self-explanatory. Necessary follow up are being done with MCA to resolve the issue.

#### **REGISTRAR AND TRANSFER AGENT**

The Board had appointed M/s. Bigshare Services Private Limited as Registrar and Transfer Agent (RTA) at their meeting held on 19<sup>th</sup> September, 2016.

The Company's Registrar & Share Transfer Agents, M/s. Big Share Services Private Limited is fully equipped to carry out the transfers of shares and redress Investor complaints.

#### **RELATED PARTY TRANSACTIONS**

All transactions entered into with related parties as defined under the Companies Act, 2013 during the financial year were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with the related parties during the financial year which were in conflict with the interest of the Company and hence, enclosing of Form AOC-2 is not required. Suitable disclosure as required by the Accounting Standard (AS 18) has been made in the notes to the Financial Statements.

#### **PARTICULARS OF LOANS, GUARANTEE AND INVESTMENTS:**

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.

#### **PARTICULARS OF EMPLOYEES**

The statement containing particulars of employees as required under Section 197(12) of the Companies Act, 2013 read with rule 5(2) of the Companies (Appointment and remuneration of Managerial Personnel) Rules, 2014 is given in an Annexure and forms part of this report. In terms of Section 136(1) of the Companies Act, 2013, the Report and the Accounts are being sent to the Members excluding the aforesaid Annexure. Any Member interested in obtaining a copy of the Annexure may write to the Company Secretary at the Registered Office of the Company.

**NUMBER OF CASES FILED, IF ANY, AND THEIR DISPOSAL UNDER SECTION 22 OF THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

Your Company has Zero tolerance towards any action on the part of any one which may fall under the ambit of 'Sexual Harassment' at workplace, and is fully committed to uphold and maintain the dignity of every women working with the Company. The Policy framed by the Company in this regard provides for protection against sexual harassment of women at workplace and for prevention and redressal of such complaints.

<b>Particulars</b>	<b>No of Complaints</b>
Number of Complaints pending as on beginning of the Financial Year	NIL
Number of Complaints filed during the Financial Year	NIL
Number of Complaints pending as on the end of the Financial Year	NIL

**SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

There are no significant and material orders passed by the Regulators/Courts that would impact the going Concern status of the Company and its future operations.

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Management Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 read with Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), is presented in a separate section forming part of the Annual Report.

**MATERIAL SUBSIDIARY**

The Company does not have any subsidiary.

**CORPORATE GOVERNANCE**

Since the Company has listed its securities on SME platform of BSE Limited during the year under review, the provisions of Corporate Governance as specified in regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of SEBI (LODR) Regulation, 2015 are not applicable to the Company for the financial year ended 31<sup>st</sup> March 2017.



#### **VIGIL MECHANISM / WHISTLEBLOWER POLICY:**

In conformity with the provisions of the Companies Act, 2013 policy has been laid down to provide a mechanism for any concerned person of the Company to approach Chairman of the Audit Committee for the purpose of dealing with instance of fraud and mismanagement, if any and also ensure that whistle blowers are protected from retribution, whether within or outside the organization.

#### **INSIDER TRADING CODE**

The Securities and Exchange Board of India (SEBI) has promulgated the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("The PIT Regulations"). The PIT Regulations has come into effect from May 15, 2015 and it is applicable to the Company w.e.f. 14<sup>th</sup> October, 2016.

With a view to regulate trading in securities by the directors and designated employees, the Company has adopted a Code of Conduct to Regulate, monitor and Report trading by insiders.

#### **ADEQUACY OF INTERNAL FINANCIAL CONTROLS**

The company has adopted adequate policies and procedures for ensuring the orderly and efficient conduct of its business, including policies for Safeguarding of Assets, Prevention & Detection of Errors & Frauds, for accurate and complete presentation of accounting records and the timely preparation of reliable financial information.

#### **DIRECTORS' RESPONSIBILITY STATEMENT:**

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- a) That in the preparation of the annual financial statements for the year ended March 31, 2017, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) That the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the Financial Year and of the profit and loss of the company for that period;
- c) That the Directors had taken proper and sufficient care for 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 fraud and other irregularities;

- d) That Directors' have prepared the annual accounts on a going concern basis;
- e) The directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

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

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

### **A) CONSERVATION OF ENERGY**

(I)	the steps taken or impact on conservation of energy	Company's operation does not consume significant amount of energy.
(ii)	the steps taken by the company for utilizing alternate sources of energy.	Not applicable, in view of comments in clause (i)
(iii)	the capital investment on energy conservation equipment's	Not applicable, in view of comments in clause (i)

### **C) TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION**

(i)	the effort made towards technology absorption	Nil
(ii)	the benefits derived like product improvement cost reduction product development or import substitution	Nil
(iii)	in case of imported technology (important during the last three years reckoned from the beginning of the financial year)	Nil
	(a) the details of technology imported	
	(b) the year of import;	
	(c) whether the technology been fully absorbed	
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	
(iv)	the expenditure incurred on Research and Development	Nil



**B) FOREIGN EXCHANGE EARNINGS AND OUTGO**

Foreign Exchange Earnings: - ₹ 20, 48, 12,000(Previous Year: ₹ 23, 10, 84,000)

Foreign Exchange Outgo: - ₹ 17, 60, 40,371 (Previous Year: ₹ 16, 01, 57,136)

**ACKNOWLEDGEMENT**

The Board of Directors places on record its sincere appreciation for the dedicated services rendered by the employees of the Company at all levels and the constructive co-operation extended by them. Your Directors would like to express their grateful appreciation for the assistance and support by all Shareholders, Government Authorities, Auditors, financial institutions, Customers, employees, suppliers, other business associates and various other stakeholders.

For and on Behalf of Board

Sd/-

**HEMCHAND LALJI GALA**

**CHAIRMAN AND MANAGING DIRECTOR**

Place: Mumbai

Date: 06.07.2017

**CAUTIONARY STATEMENT**

Statement in the Annual Report describing the Company's objectives, projections, expectations and estimates regarding future performance may be "Forward Looking Statements" and are based on currently available information. The Management believes these to be true to the best of its knowledge at the time of preparation of this Report. However, these statements are subject to certain future events and uncertainties, which could cause actual results to differ materially from those which may be indicated in such statements.

**ANNEXURE “A”****Form No. MGT-9****EXTRACT OF ANNUAL RETURN****As on the financial year ended on 31<sup>st</sup> March, 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:-	L24230MH2005PLC151348
ii)	Registration Date	16 <sup>th</sup> February, 2005
iii)	Name of the Company	Valiant Organics Limited
iv)	Category / Sub-Category of the Company	Public Company Ltd. by Shares/ Non-Government Company
v)	Address of the Registered office and contact details	109 Udyog Kshetra, 1st Floor, Mulund Goregaon Link Road, Mulund (W), Mumbai MH 400080 Telephone : +91 22-67976640/5 Fax : +91-22-25913765 Email id : <a href="mailto:info@valiantorganics.com">info@valiantorganics.com</a> Website : <a href="http://www.valiantorganics.com">www.valiantorganics.com</a>
vi)	Whether listed company	Yes on BSE Limited
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s. Bigshare Services Pvt. Ltd 1 <sup>st</sup> Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai 400059 Tel No- 022 62638200 Fax No- 022 62638299 Website - <a href="http://www.bigshareonline.com">www.bigshareonline.com</a>

**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	Manufacturing of Chemicals for Agro Intermediate and Pharma	19201	100

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/	% of shares	Applicable Section
1	N.A.	N.A.	N.A.	N.A.	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 1 <sup>st</sup> April, 2016)				No. of Shares held at the end of the year (As on 31 <sup>st</sup> March, 2017)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Promoters									
(1) Indian									
a) Individual/ HUF	0	2457210	2457210	67.50	1892961	0	1892961	52.00	-15.50
b) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any Other...	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A) (1):-	0	2457210	2457210	67.50	1892961	0	1892961	52.00	-15.50
(2) Foreign									
a) NRIs - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other – Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks /FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any Other....	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A) (2):-	0	0	0	0.00	0	0	0	0.00	0.00
Total shareholding of Promoter (A) = (A)(1) + (A)( 2)	0	2457210	2457210	67.50	1892961	0	1892961	52.00	-15.50
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0.00	72000	0	72000	1.98	1.98
b) Banks /FI	0	0	0	0.00	0	0	0	0.00	0.00
c) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt.(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIs	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Other (Specify Alternate Investment Fund)	0	0	0	0.00	6600	0	6600	0.18	0.18
Sub-total (B)(1):-	0	0	0	0.00	78600	0	78600	2.16	2.16
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	0	0	0	0.00	245602	0	245602	6.74	6.74
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00

b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	0	0	0	0.00	379597	0	379597	10.43	10.43
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	0	1183110	1183110	32.50	977559	0	977559	26.85	-5.65
c) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
(i) Non Resident Indians Non Repatriable	0	0	0	0.00	2400	0	2400	0.07	0.07
(ii) Non Resident Repatriable	0	0	0	0.00	2400	0	2400	0.07	0.07
(ii) Trusts	0	0	0	0.00	0	0	0	0.00	0.00
(iii) Unclaimed suspense Account	0	0	0	0.00	0	0	0	0.00	0.00
(iv) Clearing Member	0	0	0	0	61201	0	61201	1.68	1.68
<b>Sub-total (B)(2):-</b>	<b>0</b>	<b>1183110</b>	<b>1183110</b>	<b>32.50</b>	<b>1668759</b>	<b>0</b>	<b>1668759</b>	<b>45.84</b>	<b>13.34</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>0</b>	<b>1183110</b>	<b>1183110</b>	<b>32.50</b>	<b>1747359</b>	<b>0</b>	<b>1747359</b>	<b>48.00</b>	<b>15.50</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Grand Total (A+B+C)</b>		<b>3640320</b>	<b>3640320</b>	<b>100.00</b>	<b>3640320</b>	<b>0</b>	<b>3640320</b>	<b>100.00</b>	<b>0</b>

**ii) Shareholding of Promoters**

SR. No.	Shareholder's Name	Shareholding at the beginning of the year (As on 1 <sup>st</sup> April, 2016)			Shareholding at the end of the year (As on 31 <sup>st</sup> March, 2017)			% change in share holding 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.	Hemchand L. Gala	356270	9.79	0.00	74928	2.06	0.00	-7.73
2.	Arvind K. Chheda	455040	12.50	0.00	427738	11.75	0.00	-0.75
3.	Aarti R. Gogri	473240	13.00	0.00	445938	12.25	0.00	-0.75
4.	Manisha R. Gogri	618860	17.00	0.00	582457	16.00	0.00	-1.00
5.	Dhanvanti H. Gala	207670	5.70	0.00	74970	2.06	0.00	-3.64
6.	Vicky H. Gala	346130	9.51	0.00	286930	7.88	0.00	-1.63
<b>Total</b>		<b>2457210</b>	<b>67.50</b>	<b>0.00</b>	<b>1892961</b>	<b>52.00</b>	<b>0.00</b>	<b>-15.50</b>

**Note:** During the year the Company had made public offer of 9, 64,800 equity shares of ₹10/- each at ₹220/- per share, through offer for sale by the selling shareholders.



**iii) Change in Promoters' Shareholding ( please specify, if there is no change)**

Sr. No.	Name	Shareholding at the beginning of the year		Date	Increase/ Decrease In shareholding	Reason	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company				No. of shares	% of total shares of the company
1.	Hemchand L. Gala	356270	9.79	15.09.2016	-281342	Offer for Sale	74928	2.06
2.	Arvind K. Chheda	455040	12.50	15.09.2016	-27302	Offer for Sale	427738	11.75
3.	Aarti R. Gogri	473240	13.00	15.09.2016	-27302	Offer for Sale	445938	12.25
4.	Manisha R. Gogri	618860	17.00	15.09.2016	-36403	Offer for Sale	582457	16.00
5.	Dhanvanti H. Gala	207670	5.70	15.09.2016	-132700	Offer for Sale	74970	2.06
6.	Vicky H. Gala	346130	9.51	15.09.2016	-59200	Offer for Sale	286930	7.88

**iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) :**

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Date	Increase/ Decrease In shareholding	Reason	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company				No. of shares	% of total shares of the Company
1.	Bhanumati Mohanlal Savla	346130	9.51	04-11-2016	29456	Market Purchase	375586	10.32
				25-11-2016	544	Market Purchase	376130	10.33
				23-12-2016	11448	Market Purchase	387578	10.65
				30-12-2016	14035	Market Purchase	401613	11.03
				06-01-2017	4517	Market Purchase	406130	11.16
				03-02-2017	600	Market Purchase	406730	11.17
				10-02-2017	600	Market Purchase	407330	11.19
				17-02-2017	600	Market Purchase	407930	11.21
				28-02-2017	-61800	Market Sale	346130	9.51
				03-03-2017	66653	Market Purchase	412783	11.34
				17-03-2017	4747	Market Purchase	417530	11.47
				31-03-2017	600	Market Purchase	418130	11.49
2	Meena Manoj Chheda	455040	12.50	23-09-2016	-163814	Offer for Sale	291226	8.00
3	Summet Mohanlal Savla	381940	10.49	23-09-2016	-236737	Offer for Sale	145203	3.99
4	Asian Markets Securities Private Ltd.	0	0.00	08-10-2016	81000	Shares Allotted in IPO	81000	2.23
5	Reliance capital trustee co. Ltd-A/C Reliance small Cap Fund.	0	0.00	08-10-2016	52200	Shares Allotted in IPO	52,200	1.43
				23-12-2016	19800	Market Purchase	72,000	1.98

6	Mahalaxmi Brokerage (India) Private Limited	0	0.00	31-03-2017	56400	Market Purchase	56400	1.55
7	Maverick Share Brokers Limited - Client Beneficiary A/c.	0	0.00	21-10-2016	85800	Market Purchase	85800	2.36
				28-10-2016	600	Market Purchase	86400	2.37
				04-11-2016	-6000	Market Sale	80400	2.21
				11-11-2016	-13200	Market Sale	67200	1.85
				25-11-2016	-6600	Market Sale	60600	1.66
				02-12-2016	-2400	Market Sale	58200	1.60
				24-02-2017	12600	Market Purchase	70800	1.94
				28-02-2017	2400	Market Purchase	73200	2.01
				03-03-2017	8400	Market Purchase	81600	2.24
				10-03-2017	6000	Market Purchase	87600	2.41
				17-03-2017	600	Market Purchase	88200	2.42
				31-03-2017	-57000	Market Sale	31200	0.86
8	Mahek Manoj Chheda	0	0.00	13-01-2017	30000	Market Purchase	30000	0.82
9	Mulraj Chandulal Gala	0	0.00	08-10-2016	22200	Shares Allotted in IPO	22200	0.61
10	Manoj Agarwal	0	0.00	08-10-2016	19,800	Shares Allotted in IPO	19,800	0.54

**v) Shareholding of Directors and Key Managerial Personnel:**

Sl. No.	For Each of the Directors and KMP	Shareholding at beginning of the year		Date	Increase/ Decrease In shareholding	Reason	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company				No. of shares	% of total shares of the company
1.	Arvind Kanji Chheda	455040	12.50	15.09.2016	-27302	Offer for Sale	427738	11.75
2.	Hemchand Lalji Gala	356270	9.79	15.09.2016	-281342	Offer for Sale	74928	2.06
3.	Vicky Hemchand Gala	346130	9.51	15.09.2016	-59200	Offer for Sale	286930	7.88
<b>Total</b>		<b>1157440</b>	<b>31.80</b>	-	-	-	<b>789596</b>	<b>21.69</b>

**V. INDEBTEDNESS**

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

(Amount in ₹)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	97,12,738	-	-	97,12,738
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>97,12,738</b>	<b>-</b>	<b>-</b>	<b>97,12,738</b>



Change in Indebtedness during the financial year				
Addition	-	-	-	-
Reduction	74,22,300	-	-	74,22,300
<b>Net Change</b>	<b>74,22,300</b>	<b>-</b>	<b>-</b>	<b>74,22,300</b>
Indebtedness at the end of the financial year				
i) Principal Amount	22,90,438	-	-	22,90,438
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>22,90,438</b>	<b>-</b>	<b>-</b>	<b>22,90,438</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**
**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**
**(Amount in Rs)**

Sr. no.	Particulars of Remuneration	Hemchand Lalji Gala	Arvind Kanji Chheda	Vishnu Jotiram Sawant	Total Amount
1	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	39,98,400	21,10,800	10,60,000	71,69,200
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	39,600	39,600	39,600	1,18,800
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission 1 % of net profit	10,24,471	10,24,471	-	20,48,942
	- others, specify...	-	-	-	-
5.	Bonus	3,63,449	1,91,875	75,240	6,30,564
	<b>Total (A)</b>	<b>54,25,920</b>	<b>33,66,746</b>	<b>11,74,840</b>	<b>99,67,506</b>
	Ceiling as per the Act	<b>10% of net profits of the Company</b>			

**B. Remuneration to other directors:***(Amount in ₹)*

SR. NO.	PARTICULARS OF REMUNERATION	NAME OF THE DIRECTOR		Total
		Dhirajlal Damji Gala	Jeenal Kenil Savla	
1.	Independent Directors			
	Fee for attending board / committee meetings	27,500	27,500	55,000
	Commission	-	-	-
	Others, please specify	-	-	-
	<b>Total (1)</b>	<b>27,500</b>	<b>27,500</b>	<b>55,000</b>
2	Other Non-Executive Directors	<b>Shri Vicky Hemchand Gala</b>	-	-
	Fee for attending board / committee meetings	25,000	-	-
	Commission	-	-	-
	Others, please specify	-	-	-
	<b>Total (2)</b>	<b>25,000</b>	<b>-</b>	<b>25,000</b>
	<b>Total Managerial Remuneration (B)=(1+2)</b>	<b>52,500</b>	<b>27,500</b>	<b>80,000</b>
	Overall Ceiling as per the Act	1% of net profits of the Company		

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD***(Amount in ₹)*

SL. NO.	PARTICULARS OF REMUNERATION	KEY MANAGERIAL PERSONNEL		TOTAL
		COMPANY SECRETARY W.E.F 1 <sup>ST</sup> SEPTEMBER, 2016	CFO	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2,28,564	21,10,800	23,39,364
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	39,600	39,600
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission			
	- as % of profit	-	10,24,471	10,24,471
	- others, specify	-	-	-
5.	Bonus	-	1,91,875	1,91,875
	<b>Total</b>	<b>2,28,564</b>	<b>33,66,746</b>	<b>35,95,310</b>



**VIII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding		--	-	-	-
<b>B. DIRECTORS</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

For and on Behalf of Board

Sd/-

**HEMCHAND LALJI GALA**  
CHAIRMAN AND MANAGING DIRECTOR

Place: Mumbai

Date: 06.07.2017

**Annexure 'B'****ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES**

1	A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web – link to the CSR policy and projects or programs and the Composition of CSR Committee.	The CSR policy approved by the Board of Directors has been uploaded on the Company's website. The web link is <a href="http://www.valiantorganics.com/CSRPolicy.pdf">http://www.valiantorganics.com/CSRPolicy.pdf</a>
2	Composition of CSR committee	Shri Dhirajlal Damji Gala (Independent Director) Shri. Hemchand Lalji Gala (Executive Director) Shri. Arvind Kanji Gala (Executive Director)
3	Average net profit of the Company for last three financial years	₹ 11.62 Crores
4	Prescribed CSR expenditure (two percent of the amount as in item 3 above)	₹ 23.25 Lakhs
5	Details of CSR spent during the financial year	
	Total amount to be spent for the financial year	₹ 30.50 Lakhs
	Amount unspent, if any	Nil
	Manner in which the amount spent during the financial year	Details given below

Sr. No.	Projects/ Activities	Sector in which project is undertaken	Locations where project is undertaken (Local Area/District)	Amount Outlay (Budget) Project or Programs Wise  (₹ in Lakhs)	Amount Spent on the project or programs. Sub-heads 1. Direct Expenditure on Projects or Programs 2. Overheads  (₹ in Lakhs)	Cumulative Expenditure upto the reporting period  (₹ in Lakhs)	Amount spent: Direct or through implementing agency*
1	Education & Skill Development	To held in education of needy	Mumbai, Maharashtra	10.00	10.00	10.00	Indirect
2	Health Care	Hospital and Medical Colleges	Gujarat	13.50	13.50	13.50	Indirect
3	Relief & Rehabilitation	Draught Relief	Bihar Beed (Maharashtra)	7.00	7.00	7.00	Indirect
<b>Total</b>				<b>30.50</b>	<b>30.50</b>	<b>30.50</b>	



**\* Details of implementing Agency:**

1. Aarti Foundation; 2. Shree Kutchi Visa Oswal Jain Mahajan 3. Vardhman Sanskar Dham 4. Yuganter 5. Shri K. K. Shah Sabarkantha Arogya Mandal

6. The CSR Committee Chairman confirms that the implementation and monitoring of CSR policy is in compliance with the CSR objectives and policy of your Company.

Sd/-

**HEMCHAND LALJI GALA**  
CHAIRMAN

Place: Mumbai

Date: 06.07.2017

## ANNEXURE – C

Form No. MR - 3

### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2017

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

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To,

The Members,

**Valiant Organics Limited**

(CIN: L24230MH2005PLC151348)

109, Udyog Kshetra, 1st Floor,

Mulund Goregaon Link Road,

Mulund (W), Mumbai 400080

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Valiant Organics Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the Financial Year ended on March 31, 2017 (**'Audit Period'**) 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) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment, External Commercial Borrowings:
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and the Securities 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 (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (**Not applicable to the Company during Audit Period**);
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (**Not applicable to the Company during Audit Period**);
  - (f) 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;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (**Not applicable to the Company during Audit Period**);  
and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (**Not applicable to the Company during Audit Period**).
- (vi) Other Laws applicable specifically to the Company, identified and confirmed by the Company and relied upon by me are as under:
  - (a) Explosives Act, 1889
  - (b) Air (Prevention and Control of Pollution) Act 1981
  - (c) Water (Prevention and Control of Pollution) Act 1974
  - (d) The Noise (Regulation and Control) Rules 2000

- (e) Environment Protection Act, 1986 and other environmental laws
- (f) Public Liability Insurance Act, 1991;
- (g) Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008.
- (h) The States Shops and Establishments Act
- (i) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

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 read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 to the extent applicable;

During the Audit Period under review and as per the representations and clarifications made, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above *except that Cost Audit Report for FY 2015-16 although obtained but not filed by the Company with MCA due to technical issues faced in filing the same.*

**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 was given 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.

All decisions at the Board Meetings were taken unanimously as recorded in the minutes of the meetings of the Board of Directors.

**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 under review, the equity shares of the Company were listed on SME platform of BSE Limited by public offer of 9,64,800 Equity Shares of ` 10/- each through an Offer For Sale by some of the then existing Shareholders. There were no other specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

This report is to be read with my letter of even date which is annexed as **Appendix - I** and forms an integral part of this report.

**For Sunil M. Dedhia & Co.**

Sd/-

**CS Sunil M. Dedhia**

Proprietor

FCS No: 3483 C.P. No. 2031

Place: Mumbai

Date: 6<sup>th</sup> July, 2017

## Appendix – I

To,  
The Members,  
Valiant Organics Limited  
(CIN: L24230MH2005PLC151348)  
109, Udyog Kshetra, 1st Floor,  
Mulund Goregaon Link Road,  
Mulund (W), Mumbai 400080

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

### Management's Responsibility

- (1) 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.

### Auditor's Responsibility

- (2) I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
- (3) I have not verified the correctness and appropriate of financial records and Books of Accounts of the Company.
- (4) Wherever required, I have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.
- (5) The compliance of the provisions of Corporate and Other Applicable Laws, Rules, Regulations, Standard is the responsibility of Management. My examination was limited to the verification of procedures on test basis.

### Disclaimer

- (6) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For Sunil M. Dedhia & Co.

Sd/-

CS Sunil M. Dedhia

Proprietor

FCS No: 3483 C.P. No. 2031

Place: Mumbai

Date: 6<sup>th</sup> July, 2017

**Madan Dedhia**  
B. Com., F.C.A.

**Dhaval Karania**  
B. Com., A.C.A.

**Madan Dedhia & Associates**  
Chartered Accountants

Address:

204, Chheda Bhavan, 98, Surat Street,  
Masjid (E), Mumbai - 400 009.  
Tel No.: 022 - 23487222  
E-mail - camdassociate@gmail.com

**Independent Auditor's Report**  
**To the Members of Valiant Organics Limited**

**Report on the Financial Statements**

We have audited the accompanying financial statements of **Valiant Organics Limited** ("the Company") which comprise the balance sheet as at 31<sup>st</sup> March, 2017, 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 standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these standalone 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 the 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's 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 standalone financial statements.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, of the state of affairs of the Company as at 31<sup>st</sup> March, 2017 and its profit and its cash flows for the year ended on that date:



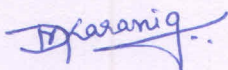
## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - 1) 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;
  - 2) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
  - 3) 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.
  - 4) In our opinion, the aforesaid financial statements comply with the Accounting Standards referred specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rule, 2014;
  - 5) On the basis of written representations received from the directors as on 31<sup>st</sup> March, 2017, and taken on record by the Board of Directors, none of the directors are disqualified as on 31<sup>st</sup> March, 2016, from being appointed as a director in terms of clause (g) of sub-section (1) of section 164(2) of the Companies Act, 2013.
  - 6) On the basis of information and explanation of the Company provided to us, the internal financial control, framework the report of the internal auditors and in our opinion, the Company has adequate internal financial controls systems in place and the operating effectiveness of such controls.
  - 7) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us,
    - a. The company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 23.6 of the Financial Statements.
    - b. The company did not have any long term contracts including derivative contracts which were any material foreseeable losses.
    - c. There were no amounts which required to be transferred to the Investor Education and Protection Fund by the Company.
    - d. The company has properly disclosed holding as well as dealings in Specified Bank Notes, during the specified period and are accordance with the books of accounts maintained by the company.

For **Madan Dedhia & Associates**

**Chartered Accountants**

**Firm Reg. No. 113095W**



**(C.A. Dhaval Karania)**

**Partner**

**Membership No. 151890**



Place: Mumbai

Dated: 10<sup>th</sup> May, 2017.

## ANNEXURE TO THE AUDITORS' REPORT

The Annexure referred to in our Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31<sup>st</sup> March, 2017, we report that:

- 1)
  - a. As informed to us the company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - b. All the fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of the assets. No material discrepancies were noticed on such verification.
  - c. According to the information and explanation given to us, the title deeds of immovable properties of the Company are held in the name of the Company.
- 2) The inventories have been physically verified during the year by the management at reasonable intervals and in our opinion, the frequency of verification is reasonable. As explained to us, no material discrepancies were noticed on physical verification of inventories as compared to the book records.
- 3) According to the information and explanations given to us the company has granted loans, secured or unsecured, to Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
  - a. In our opinion, the rate of interest and other terms and conditions on which the loans had been granted to the party listed in the register maintained under Section 189 of the Act were not, prima facie, prejudicial to the interest of the Company.
  - b. In the case of loans granted to the party listed in the register maintained under section 189 of the Act, the borrowers have been regular in the payment of the principal and interest as stipulated.
  - c. There are no overdue amounts in respect of the loan granted to a party listed in the register maintained under Section 189 of the Act.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of Section 185 and 186 of the Act, with respect to the loans and investment made.
- 5) The Company has not accepted any deposits from the public.
- 6) We have broadly reviewed the books of account 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 are of the opinion that prime facie, the prescribed accounts and records have been made and maintained. We have not, however, carried out a detailed examination of the same.
- 7)
  - a. i. According to the information and explanations given to us and on the basis of the records of the company, amounts deducted / accrued in the books of the account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Value Added Tax, Service Tax, Custom Duty, Excise Duty, Cess and any other statutory dues have been regularly deposited during the year by the company with the appropriate authorities.  
  
ii. According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Value Added Tax, Service Tax, Custom Duty, Excise Duty, Cess and any other statutory dues were in arrears as at 31<sup>st</sup> March, 2017 for a period more than six months from the date they became payable.
  - b. According to the information and explanations given to us, there are no dues of Income-tax, Sales-tax, Value Added Tax, Service Tax, Custom Duty, Excise Duty, Cess tax which have not been deposited on account of any dispute.

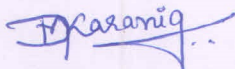


- 8) According to the information and explanations given to us, the Company has not defaulted in repayment of dues from any financial institutions, banks, government or debenture holders during the year.
- 9) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year, Accordingly, para 3(ix) of the Order is not applicable.
- 10) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- 11) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- 12) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- 13) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- 14) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- 15) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- 16) According to the information and explanations given to us and based on our examination of the records, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For **Madan Dedhia & Associates**

**Chartered Accountants**

**Firm Reg. No. 113095W**



**(C.A. Dhaval Karania)**

**Partner**

**Membership No. 151890**



Place: Mumbai

Dated: 10<sup>th</sup> May, 2017.

## **Annexure - B to the Independent Auditors' Report- 31<sup>st</sup> March 2017.**

### **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 Valiant Organics Limited ("the Company") as of 31<sup>st</sup> March 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



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

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

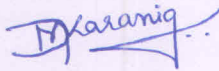
### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 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 **Madan Dedhia & Associates**

**Chartered Accountants**

**Firm Reg. No. 113095W**



**(C.A. Dhaval Karania)**

**Partner**

**Membership No. 151890**



Place: Mumbai

Dated: 10<sup>th</sup> May, 2017.

**VALIANT ORGANICS LIMITED**  
BALANCE SHEET AS AT 31ST MARCH, 2017.

(Amt in Rs)			
Particulars	Note No.	As at 31st March, 2017	As at 31st March, 2016
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders Funds</b>			
(a) Share Capital	1	3,64,03,200	3,64,03,200
(b) Reserves and Surplus	2	25,41,71,420	19,11,22,586
Sub - Total (A)		29,05,74,620	22,75,25,786
<b>(2) Non-Current Liabilities</b>			
(a) Deferred Tax Liabilities (Net)	3	1,67,78,368	1,49,90,061
(b) Long Term Provisions	4	14,18,39,683	11,76,02,578
Sub - Total (B)		15,86,18,051	13,25,92,639
<b>(3) Current Liabilities</b>			
(a) Short-Term Borrowings	5	22,90,438	97,12,738
(b) Trade Payables	6	11,12,07,027	3,42,88,851
(c) Other Current Liabilities	7	11,48,738	15,09,938
(d) Short-Term Provisions	8	3,83,03,939	21,18,822
Sub - Total (C)		15,29,50,142	4,76,30,349
<b>Total (A+B+C)</b>		<b>60,21,42,812</b>	<b>40,77,48,774</b>
<b>II. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Fixed Assets	9		
(i) Tangible Assets		14,47,00,560	12,43,66,683
(ii) Intangible Assets		-	-
(iii) Capital WIP		-	16,07,498
(b) Non-Current Investments	10	1,95,82,360	1,95,82,360
(c) Long-Term Loans & Advances	11	14,21,30,162	11,89,35,644
Sub - Total (D)		30,64,13,082	26,44,92,185
<b>(2) Current Assets</b>			
(a) Inventories	12	7,39,14,677	2,46,42,568
(b) Trade Receivables	13	16,71,04,406	10,18,72,074
(c) Cash and Cash Equivalents	14	3,90,97,626	1,14,26,400
(d) Short-Term Loans and Advances	15	1,56,13,021	53,15,547
Sub - Total (E)		29,57,29,730	14,32,56,588
<b>Total (D+E)</b>		<b>60,21,42,812</b>	<b>40,77,48,774</b>

Notes 1 to 26 form integral part of accounts

Previous Year's figures are regrouped / rearranged wherever required

As per our report of even date

For Madan Dedhia & Associates  
Chartered Accountants  
(Firm Regn No.113095W)

*D Karania*

Dhaval Karania  
Partner  
Mem. No. 151890



For Valiant Organics Limited

*Hemchand Gala*  
Hemchand Gala  
Managing Director

*Arvind Chheda*  
Arvind Chheda  
CFO & Wholetime Director

*Prashant Gaikwad*  
Prashant Gaikwad  
Company Secretary

Place: Mumbai  
Dated: 10th May, 2017.

**VALIANT ORGANICS LIMITED**  
**PROFIT & LOSS STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2017.**

(Amount in Rs)

Sr. No	Particulars	Note No.	For the year ended 31st March, 2017	For the year ended 31st March, 2016
I	Revenue from operations	16	57,99,03,721	52,09,93,820
II	Other Income	17	75,02,438	1,37,67,311
III	<b>Total Revenue (I +II)</b>		<b>58,74,06,159</b>	<b>53,47,61,131</b>
IV	<b>Expenses:</b>			
	Cost of materials consumed	18	29,38,04,323	23,51,96,608
	Changes in inventories of Finished Goods, WIP & Stock-in-Trade	19	(14,91,369)	1,59,77,713
	Employee Benefit Expenses	20	2,35,62,331	2,30,95,053
	Financial Cost	21	24,20,749	48,52,734
	Depreciation and Amortization Expense	22	1,06,38,265	92,66,787
	Other Expenses	23	10,67,49,077	8,88,51,424
	<b>Total Expenses (IV)</b>		<b>43,56,83,376</b>	<b>37,72,40,320</b>
V	Profit before tax & extraordinary items (III - IV)		<b>15,17,22,783</b>	<b>15,75,20,812</b>
VI	Extraordinary Item (Prior Period Item)		-	2,73,105
VII	Profit before tax (V - VI)		<b>15,17,22,783</b>	<b>15,72,47,707</b>
VIII	<b>Tax expense:</b>			
	(1) Current tax		5,06,00,000	5,38,00,000
	(2) Short / (Excess) provision for tax of earlier year(s)		9,94,630	3,43,407
	(3) Deferred tax		17,88,307	6,57,226
IX	Profit/(Loss) for the period (VII - VIII)		<b>9,83,39,846</b>	<b>10,24,47,074</b>
X	Earning per equity share:	24		
	(1) Basic		27.01	28.14
	(2) Diluted		27.01	28.14

Notes 1 to 26 form integral part of accounts

As per our report of even date

Previous Year's figures are regrouped/rearranged wherever required

For Madan Dedhia & Associates  
Chartered Accountants  
(Firm Regn No.113095W)

*D. Karania*

Dhaval Karania  
Partner  
Mem. No. 151890



For Valiant Organics Limited

*Hemchand Gala*

Hemchand Gala  
Managing Director

*Arvind Chheda*

Arvind Chheda  
CFO & Wholetime Director

*Prashant Gaikwad*

Prashant Gaikwad  
Company Secretary

Place: Mumbai  
Dated: 10th May, 2017.

**VALIANT ORGANICS LIMITED**  
**NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2017.**

(Amount in Rs)

1	SHARE CAPITAL	As at 31/03/2017	As at 31/03/2017
	<b>Authorised Capital</b> 40,00,000 Equity Shares (P.Y. 40,00,000) Equity Shares of Rs. 10/- each.	4,00,00,000	4,00,00,000
		4,00,00,000	4,00,00,000
	<b>Issued, Subscribed &amp; Paid Up</b> <b>Equity Share Capital</b> 36,40,320 (P.Y. 36,40,320) Equity Shares of Rs. 10/- each fully paid up	3,64,03,200	3,64,03,200
	<b>Total in Rs.</b>	<b>3,64,03,200</b>	<b>3,64,03,200</b>

**1.1 The reconciliation of number of shares outstanding is set out below**

Particulars	Equity Shares Numbers	
	31.03.2017	31.03.2016
Shares outstanding at the beginning of the year	36,40,320	3,64,032
Shares issued during the year	-	32,76,288
Shares bought back during the year	-	-
Shares outstanding at the end of the year	<b>36,40,320</b>	<b>36,40,320</b>

**1.2 The details of Equity shareholders holding more than 5% shares**

Name of Shareholder	As at 31st March, 2017		As at 31st March, 2016	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Arvind K. Chheda	4,27,738	11.75	4,55,040	12.50
Vicky H. Gala	2,86,930	7.88	3,46,130	9.51
Bhanumati M. Savla	4,18,130	11.49	3,46,130	9.51
Aarti R. Gogri	4,45,938	12.25	4,73,240	13.00
Manisha R. Gogri	5,82,457	16.00	6,18,860	17.00
Meena M. Chheda	2,91,226	8.00	4,55,040	12.50

**1.3 Bonus Shares Issued during past five years**

32,76,288 Equity shares of Rs.10/- each issued as bonus shares in F.Y. 2015-16

**1.4 Buy back of Shares during past five years**

63,796 Equity shares of Rs.10/- each had been bought back in F.Y. 2012-13

**1.5 Terms / Rights attached to Equity Shares**

The Company has only one class of Shares referred to as Equity Shares having a par value of Rs. 10. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will 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 equity shares held by the shareholder.

2	RESERVE & SURPLUS	As at 31/03/2017	As at 31/03/2017
a	<b>Capital Redemption Reserve</b>		
	Opening Balance	-	22,91,200
	Add: Addition during the year	-	-
	Less: Utilized for Issue of Bonus Shares	-	(22,91,200)
	<b>Closing Balance (a)</b>	<b>-</b>	<b>-</b>
	<b>General Reserve</b>		
	Opening Balance	1,02,44,707	2,20,55,298
	Add: Transfer from P&L A/c	98,33,985	1,02,44,707
	Less: Utilized for Issue of Bonus Shares	-	(2,20,55,298)
	<b>Closing Balance (b)</b>	<b>2,00,78,692</b>	<b>1,02,44,707</b>
	<b>Profit &amp; Loss Account</b>		
	Opening Balance	18,08,77,879	18,66,52,667
	<b>Addition</b>		
	Net Profit / (Loss) for the year	9,83,39,846	10,24,47,074
	<b>Deduction</b>		
	Transfer to General Reserve	(98,33,985)	(1,02,44,707)
	Proposed Dividend	(2,93,21,745)	-
	Dividend Paid on Equity Shares	-	(7,28,06,400)
	Tax on Proposed Dividend / Dividend Paid	(59,69,268)	(1,48,21,795)
	Gratuity of Previous Period	-	(19,32,578)
	Utilised for Issue of Bonus Shares	-	(84,16,382)
	<b>Closing Balance (c)</b>	<b>23,40,92,728</b>	<b>18,08,77,879</b>
	<b>Total in Rs. (a + b + c)</b>	<b>25,41,71,420</b>	<b>19,11,22,586</b>



**VALIANT ORGANICS LIMITED**  
**NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2017.**

(Amount in Rs)

3	DEFERRED TAX LIABILITY	As at 31/03/2017	As at 31/03/2017
	<b>Deferred Tax Liability</b>		
	Opening Balance	1,49,90,061	1,43,32,835
	Add: On Fixed Assets	18,91,366	10,89,573
	Less: On Accrued benefit to Employees	(1,03,059)	(4,32,347)
	<b>Total in Rs.</b>	<b>1,67,78,368</b>	<b>1,49,90,061</b>

4	LONG TERM PROVISIONS	As at 31/03/2017	As at 31/03/2017
i	Provision For Gratuity	12,69,683	19,32,578
ii	Provision For Taxation	14,05,70,000	11,56,70,000
	<b>Total in Rs.</b>	<b>14,18,39,683</b>	<b>11,76,02,578</b>

5	SHORT TERM BORROWINGS	As at 31/03/2017	As at 31/03/2017
i	<b>Secured</b>		
	- Working Capital Loans From Banks	22,90,438	97,12,738
	<b>Total in Rs.</b>	<b>22,90,438</b>	<b>97,12,738</b>

Working Capital loan of Rs. 13,00,00,000/- (Previous Year Rs. 13,00,00,000) from Citi Bank is secured by exclusive charge on present and future stocks, book debts, fixed assets, hypothecation of stock and book debts of the respective activities and collateral security is provided by creating equitable mortgage of the properties held by the company. It is also personally guaranteed by the Directors of the company.

6	TRADE PAYABLES	As at 31/03/2017	As at 31/03/2017
	For Goods Purchased	10,64,09,440	3,28,81,603
	For Others	47,97,587	14,07,248
	<b>Total in Rs.</b>	<b>11,12,07,027</b>	<b>3,42,88,851</b>

In the absence of necessary information relating to registration status of supplier under the Micro, Small & Medium Enterprises Development Act, 2006 with company, the information required under the said Act could not be disclosed.

7	OTHER CURRENT LIABILITIES	As at 31/03/2017	As at 31/03/2017
	<b>Others</b>		
	- Statutory Dues	4,29,711	14,53,338
	- Other Payable *	7,19,027	56,600
	<b>Total in Rs.</b>	<b>11,48,738</b>	<b>15,09,938</b>

\* Other Payables include Provision of various Expense etc.

8	SHORT TERM PROVISIONS	As at 31/03/2017	As at 31/03/2017
	Provision For Employees Benefit	30,12,926	21,18,822
	Proposed Dividend & Tax	3,52,91,013	-
	<b>Total in Rs.</b>	<b>3,83,03,939</b>	<b>21,18,822</b>



VALIANT ORGANICS LIMITED										
NOTE NO. 9 - FIXED ASSETS										
(Amt in Rs)										
	PARTICULARS	GROSS BLOCK			DEPRECIATION / AMORTISATION			NET BLOCK		
		As at 01-04-2016	Addition	Adjustment Effect	Disposal / Other Deduction	As at 31-03-2017	As at 01-04-2016	Adjustments	For the year	As at 31-03-2017
I	Tangible Assets									
a	Land	12,50,935	-	-	-	12,50,935	35,474	-	17,737	11,97,724
	- Leasehold (Plot 755/2906)	1,35,38,476	-	-	-	1,35,38,476	1,99,095	-	1,99,095	1,31,40,286
b	- Leasehold (Plot 752/753/754)	2,26,70,129	10,97,097	-	-	2,37,67,226	41,34,640	-	7,38,750	1,88,93,836
c	Building	15,26,53,927	2,73,13,457	-	-	17,99,67,384	6,59,70,814	-	87,01,529	10,52,95,041
d	Plant and Machinery	8,23,254	7,31,337	-	-	15,54,591	2,74,144	-	1,21,632	11,58,815
e	Electrification	6,48,389	2,34,614	-	-	8,83,003	3,65,471	-	75,527	4,40,998
f	Laboratory Equipments	4,22,891	-	-	-	4,22,891	1,96,838	-	40,175	1,85,878
g	Furniture and Fixtures	47,51,797	21,93,051	-	(14,86,454)	54,58,394	15,64,085	(7,29,601)	5,29,548	13,64,032
h	Vehicles	4,78,099	76,438	-	-	5,54,537	2,56,710	-	1,03,055	3,59,765
i	Office Equipments	7,57,029	83,000	-	-	8,40,029	6,30,976	-	1,11,217	7,42,193
	Computer Systems									
	Sub-Total (I)	19,79,94,931	3,17,28,994	-	(14,86,454)	22,82,37,471	7,36,28,247	(7,29,601)	1,06,38,265	14,47,00,560
II	Intangible Assets									
	Goodwill	1,00,00,000	-	-	-	1,00,00,000	1,00,00,000	-	-	-
	Technical Knowhow	1,50,00,000	-	-	-	1,50,00,000	1,50,00,000	-	-	-
	Sub-Total (II)	2,50,00,000	-	-	-	2,50,00,000	2,50,00,000	-	-	-
III	Capital WIP	16,07,498	-	-	16,07,498	-	-	-	-	16,07,498
	Current Year (I+II+III)	22,46,02,429	3,17,28,994	-	1,21,044	25,32,37,471	9,86,28,247	(7,29,601)	1,06,38,265	14,47,00,560
	Previous Year	20,66,86,922	2,43,26,132	-	64,10,630	22,46,02,429	8,90,88,354	2,73,105	92,66,787	12,59,74,182
										11,75,98,569



**VALIANT ORGANICS LIMITED**  
**NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2017.**

(Amount in Rs)

10	NON CURRENT INVESTMENTS	As at 31/03/2017	As at 31/03/2017
i	Investment in Equity Instruments - Quoted 2,35,000 (P.Y. 2,35,000) Equity Shares of Aarti Industries Limited each fully paid up	1,95,82,360	1,95,82,360
	<b>Total in Rs.</b>	<b>1,95,82,360</b>	<b>1,95,82,360</b>

Market Value of Quoted Investments as on 31st Mar, 2017 - Rs. 17,99,04,250  
31st Mar, 2016 - Rs. 12,11,30,750

11	LONG TERM LOANS AND ADVANCES	As at 31/03/2017	As at 31/03/2017
i	Security Deposit	10,66,471	10,66,471
ii	Loans and Advances - To Related Parties - To Others	5,12,220 3,80,000	8,12,220 5,50,000
iii	Advance Tax & Tax Deducted at Source	14,01,71,471	11,65,06,953
	<b>Total in Rs.</b>	<b>14,21,30,162</b>	<b>11,89,35,644</b>

12	INVENTORIES	As at 31/03/2017	As at 31/03/2017
i	Raw Material	6,24,59,393	1,52,04,748
ii	Work-in-Progress	48,50,370	47,58,287
iii	Finished Goods	47,49,686	33,50,400
iv	Stores & Spares	3,50,000	2,50,000
v	Packing Materials	15,05,228	10,79,133
	<b>Total in Rs.</b>	<b>7,39,14,677</b>	<b>2,46,42,568</b>

13	TRADE RECEIABLES	As at 31/03/2017	As at 31/03/2017
	Unsecured, Considered Good :		
	- Over Six Months	14,75,852	43,932
	- Others	16,56,28,554	10,18,28,142
	<b>Total in Rs.</b>	<b>16,71,04,406</b>	<b>10,18,72,074</b>

14	CASH AND CASH EQUIVALENTS	As at 31/03/2017	As at 31/03/2017
i	Cash and Cash Equivalents - Balances with Banks - Cash on hand	3,52,46,081 3,04,114	65,64,539 6,94,994
	<b>Sub Total (A)</b>	<b>3,55,50,195</b>	<b>72,59,533</b>
ii	Other Bank Balances - Bank Deposits (with maturity less than twelve months)	35,47,431	41,66,867
	<b>Sub Total (B)</b>	<b>35,47,431</b>	<b>41,66,867</b>
	<b>Total in Rs. (A + B)</b>	<b>3,90,97,626</b>	<b>1,14,26,400</b>

15	SHORT TERM LOANS AND ADVANCES	As at 31/03/2017	As at 31/03/2017
i	Security Deposit	21,25,000	-
ii	Advance to - Suppliers - Staff / Workers	63,51,401 7,82,000	9,56,646 10,36,000
iii	Balance With Revenue Authorities (Indirect Taxes)	62,00,418	22,54,760
iv	Prepaid Expenses	52,250	8,78,098
v	Interest Receivable	1,01,952	1,90,042
	<b>Total in Rs.</b>	<b>1,56,13,021</b>	<b>53,15,547</b>



**VALIANT ORGANICS LIMITED**  
**NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2017.**

(Amount in Rs)

16	REVENUE FROM OPERATION	For the year ended 31/03/2017	For the year ended 31/03/2016
1	<b>Revenue from Operation</b>		
	Revenue from Sale of Products (Gross)	61,85,83,958	54,75,72,698
	Less : Excise Duty	3,86,80,237	2,65,78,878
	<b>Total in Rs.</b>	<b>57,99,03,721</b>	<b>52,09,93,820</b>

17	OTHER INCOME	For the year ended 31/03/2017	For the year ended 31/03/2016
a	Interest Income	2,66,415	10,05,127
b	Dividend Income	-	24,08,750
c	Net Gain on Foreign Currency Transaction	42,44,953	83,82,934
d	Sale of Licence	16,72,467	19,69,578
e	VAT Refund	13,18,604	-
f	Misc Income	-	922
	<b>Total in Rs.</b>	<b>75,02,438</b>	<b>1,37,67,311</b>

18	COST OF MATERIALS/PACKAGING MATERIALS CONSUMED	For the year ended 31/03/2017	For the year ended 31/03/2016
a	Raw Material Consumption		
	- Raw Material - Phenol	29,43,02,471	22,30,97,699
	- Raw Material - Liq. Chlorine	(1,54,91,741)	(35,67,021)
b	Other Raw Materials	30,79,016	19,73,073
c	Packing Materials	1,19,14,576	1,36,92,857
	<b>Total in Rs.</b>	<b>29,38,04,323</b>	<b>23,51,96,608</b>

19	CHANGES IN INVENTORIES OF FINISHED GOODS, WIP AND STOCK-IN- TRADE	For the year ended 31/03/2017	For the year ended 31/03/2016
	<b>Inventories (At Close)</b>		
a	Finished Goods / Stock-in Trade	47,49,686	33,50,400
b	Stock-in-Process	48,50,370	47,58,287
	(A)	96,00,056	81,08,687
	<b>Inventories (At Commencement)</b>		
a	Finished Goods / Stock-in Trade	33,50,400	29,89,000
b	Stock-in-Process	47,58,287	2,10,97,400
	(B)	81,08,687	2,40,86,400
	<b>Total in Rs. ( B - A )</b>	<b>(14,91,369)</b>	<b>1,59,77,713</b>



**VALIANT ORGANICS LIMITED**  
**NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2017.**

(Amount in Rs)

20	EMPLOYEE BENEFIT EXPENSES	For the year ended 31/03/2017	For the year ended 31/03/2016
a	Directors Remuneration & Siting Fees	1,00,99,019	89,89,882
b	Salaries & Wages	1,17,88,023	1,22,27,991
c	Contribution to Provident & Other Funds	8,44,468	10,39,008
d	Staff Welfare Expenses	8,30,821	8,38,172
	<b>Total in Rs.</b>	<b>2,35,62,331</b>	<b>2,30,95,053</b>

**Disclosure pursuant to Accounting Standard – 15 (Revised) 'Employee benefits'**

- (a) Defined Contribution Plans Amount of Rs. 8,44,468/- (P.Y. Rs. 10,39,008/-) towards Provident Fund is recognized as an expense & included in "Contribution to Provident and other funds" in the Profit and Loss Account.
- (b) Defined benefits plan and short term employment benefits

**Gratuity (Defined benefits plan)**

The Company has a defined benefit gratuity plan. Every employee who has completed five (5) years of service gets a gratuity on death or resignation or retirement at 15 days of Salary (last drawn salary) for each completed year of service. The gratuity has been provided on the basis of valuation provided by the actuary, since gratuity has not been funded, no information as to assets has been disclosed. Further liability at the close of the year has been charged to profit & loss account.

**Leave Encashment (Short term employment benefits)**

Payment of all accumulated leave balance has been made at the year end.

Gratuity is provided in the books on the basis of following assumptions :

Date of Valuation	31-Mar-17	31-Mar-16
Retirement age	58 years	58 years
Attrition Rate	2%	2%
Future Salary Rise	5%	5%
Rate of Discounting	7.26%	7.29%
Mortality Table	Indian Assured Lives Mortality 2006-08 Ultimate	Indian Assured Lives Mortality 2006-08 Ultimate

Particulars	Amount In Rs.
Gratuity Payable	21,61,085

21	FINANCE COST	For the year ended 31/03/2017	For the year ended 31/03/2016
a	Interest		
	- On Cash Credit	5,42,612	8,77,158
	- On Unsecured Loan	-	18,33,369
b	Other Borrowing Cost		
	- Bank Charges	9,62,439	11,47,770
	- Bank Commission	9,15,698	9,94,438
	<b>Total in Rs.</b>	<b>24,20,749</b>	<b>48,52,734</b>

22	DEPRECIATION AND AMORTISATION EXPENSES	For the year ended 31/03/2017	For the year ended 31/03/2016
	Depreciation	1,06,38,265	92,66,787
	<b>Total in Rs.</b>	<b>1,06,38,265</b>	<b>92,66,787</b>



**VALIANT ORGANICS LIMITED**  
**NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2017.**

(Amount in Rs)

23	OTHER EXPENSES	For the year ended 31/03/2017	For the year ended 31/03/2016
<b>A</b>	<b>Manufacturing Expenses</b>		
	Consumption of Stores & Spare Parts	76,162	2,91,972
	Consumption of Power & Fuel	4,36,65,098	3,56,55,024
	Freight Octroi & Cartage	1,78,73,268	1,53,31,859
	Repair & Maintenance		
	- Plant & Machinery	1,17,45,515	1,34,85,484
	- Building	4,09,974	6,87,801
	Insurance Charges	7,00,671	8,22,452
	Labour Charges	1,01,61,138	44,50,657
	Laboratory Expenses	2,30,799	1,86,985
	Water & Drainage Charges	6,74,139	4,69,272
	Security Charges	3,80,386	1,69,880
	Vat Set-Off	5,20,742	1,17,423
	Other Manufacturing Expenses	7,91,382	3,38,677
	<b>Total A</b>	<b>8,72,29,273</b>	<b>7,20,07,486</b>
<b>B</b>	<b>Office and Administrative Expenses</b>		
	Auditors Remuneration (Refer Note No.23.3)	1,94,400	1,69,195
	Professional & Consultancy Charges	27,75,059	14,84,864
	Postage Courier & Telephone Charges	1,85,251	1,99,634
	Printing & Stationary Charges	2,85,174	2,71,373
	Conveyance	1,48,878	1,33,480
	Vehicle Expenses	3,66,102	4,02,689
	ROC Expenses	4,23,015	64,249
	Public Issue & Related Expense	7,72,735	-
	Other Administrative Expenses	3,84,810	2,91,113
	<b>Total B</b>	<b>55,35,424</b>	<b>30,16,598</b>
<b>C</b>	<b>Selling and Distribution Expenses</b>		
	Commission on Sales	4,82,779	3,97,530
	Travelling Expense	71,524	11,88,265
	Clearing Charges	4,46,923	4,97,872
	Freight Outward	7,44,233	7,74,779
	Export Freight	64,85,173	56,39,694
	Export Expenses	25,06,851	23,09,900
	Membership Fees	2,14,763	3,40,263
	Discount on Sales	2,53,547	6,00,337
	Other Selling Expenses	3,84,387	3,25,701
	<b>Total C</b>	<b>1,15,90,180</b>	<b>1,20,74,340</b>
<b>D</b>	<b>Non - Operating Expenses:</b>		
	Donation - CSR	23,50,000	17,25,000
	Donation	44,200	28,000
	<b>Total D</b>	<b>23,94,200</b>	<b>17,53,000</b>
	<b>Total in Rs. ( A + B + C + D )</b>	<b>10,67,49,077</b>	<b>8,88,51,424</b>



**VALIANT ORGANICS LIMITED**  
**NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2017.**

(Amount in Rs)

23.1	VALUE OF STORES & SPARES CONSUMED	For the year ended 31st March, 2017	For the year ended 31st March, 2016
	Imported	-	-
	Indigenous	76,162	2,91,972
	<b>TOTAL</b>	<b>76,162</b>	<b>2,91,972</b>

23.2	VALUE OF IMPORTS ON CIF BASIS IN RESPECT OF	For the year ended 31/03/2017	For the year ended 31/03/2016
	Raw Materials	17,60,40,371	16,01,57,136
	<b>TOTAL</b>	<b>17,60,40,371</b>	<b>16,01,57,136</b>

23.3	AUDITOR'S REMUNERATION	For the year ended 31/03/2017	For the year ended 31/03/2016
	Auditors Remuneration		
	- Statutory Audit Fees	1,50,000	1,41,950
	- Others	44,400	27,245
	<b>TOTAL</b>	<b>1,94,400</b>	<b>1,69,195</b>

23.4	EXPENDITURE IN FOREIGN CURRENCY	For the year ended 31/03/2017	For the year ended 31/03/2016
	Membership Fees	-	2,47,859
	Demurrage Charges	-	1,05,047
	<b>TOTAL</b>	<b>-</b>	<b>3,52,906</b>

23.5	EARNINGS IN FOREIGN CURRENCY	For the year ended 31/03/2017	For the year ended 31/03/2016
	FOB Value of Exports	20,48,12,000	23,10,84,000
	<b>TOTAL</b>	<b>20,48,12,000</b>	<b>23,10,84,000</b>

23.6	CONTINGENT LIABILITIES AND COMMITMENTS	For the year ended 31/03/2017	For the year ended 31/03/2016
	Contingent Liabilities		
	- Estimated Amount of contracts to be executed on capital accounts (net of advances)	5,24,556	14,56,885
	- Letters of Credit, Bank Guarantees & Bills discounted	3,19,26,879	3,31,02,583
	<b>TOTAL</b>	<b>3,24,51,435</b>	<b>3,45,59,468</b>



**VALIANT ORGANICS LIMITED**  
**NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2017.**

24	EARNING PER SHARE (EPS)	For the year ended 31/03/2017	For the year ended 31/03/2016
	Net Profit available for Equity Shareholders	9,83,39,846	10,24,47,074
	Weighted Average No. of Equity Shares	36,40,320	36,40,320
	Basic EPS	27.01	28.14
	Diluted EPS	27.01	28.14
	Nominal Value of Equity Share	10	10

As per our report of even date

Previous Year's figures are regrouped/rearranged wherever required

For Madan Dedhia & Associates  
Chartered Accountants  
(Firm Regn No.113095W)

*Dhaval Karania*

Dhaval Karania  
Partner  
Mem. No. 151890



For Valiant Organics Limited

*Hemchand Gala*

Hemchand Gala  
Managing Director

*Arvind Chheda*

Arvind Chheda  
CFO & Wholetime Director

*Prashant Gaikwad*

Prashant Gaikwad  
Company Secretary

Place: Mumbai  
Dated: 10th May, 2017.

**Note No. 25 - SIGNIFICANT ACCOUNTING POLICIES:****A Basis of Preparation of Financial Statements**

The financial statements have been prepared in accordance with Generally Accepted Accounting Principles in India (Indian GAAP) under historical cost convention on an accrual basis in compliance with all material aspects of the Accounting Standards (AS) notified under the section 133 of the Companies Act, 2013 read together with paragraph 7 of the Companies (Accounts) Rules 2014. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

**B Use of Estimates**

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/materialised

**C Revenue Recognition**

- i Revenue is recognized to the extent that it is possible that economic benefits will flow to the Company and can be reliably measured.
- ii Revenue from sales of products is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer. Sales of goods are recorded net of trade discounts, rebates, sales tax, value added tax, and gross of Excise Duty.
- iii Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate.
- iv Dividend income is recognised when right to receive is established.

**D Fixed Assets****Tangible Assets**

The fixed assets are stated at cost of acquisition, less accumulated depreciation and impairment loss, if any. Cost is inclusive of all expenditure of capital nature such as inward freight, duties & taxes (to the extent not recoverable), installation and commencing expenses and incidental expenses related to acquisition and costs to bring asset to its working condition. Adjustments arising if any from exchange rate variations attributable to fixed assets are capitalised.

Subsequent expenditures related to an item of Tangible Asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Projects under which assets are not ready for their intended use are disclosed under Capital Work-in-Progress.

**Intangible Assets**

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation/depletion and impairment loss, if any. The cost comprises purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use and net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets

**E Depreciation and Amortisation****Tangible Assets**

Depreciation on Fixed Assets is provided on Straight Line Method (SLM) method as per rates prescribed in Schedule II of the Companies Act, 2013, except in the respect of the following assets, where useful life of asset is different than those prescribed in Schedule II of the Act.

Particulars	Depreciation
Building (Useful life 28 years)	Over its useful life as assessed
Plant & Machinery (Useful life 18 years)	Over its useful life as assessed
Vehicle (Useful life 10 years)	Over its useful life as assessed
Leasehold Land	Over the period of lease term

**F Impairment of Assets**

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Statement in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

**G Borrowing Costs**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Profit and Loss Statement in the period in which they are incurred



**Note No. 25 - SIGNIFICANT ACCOUNTING POLICIES: (Contd.)****H Valuation of Inventories:**

Inventories are valued at lower of Cost and Net Realizable Value after providing for obsolescence, if any.

Inventories have been valued on the following basis:

- i Raw Materials, Packing Material, Stores and Spares - At lower of cost and net realizable value.
- ii Work-in-Process - At lower of cost plus appropriate allocation of overheads and net realizable value.
- iii Finished Goods - At cost plus appropriate allocation of overheads or net realizable value, whichever is lower.

**I Investments**

Current investments are valued at cost or market value whichever is less. Long term investments are stated at cost less provision for permanent diminution in value if any, of investments.

**J Employee Benefits**

Contributions to Provident Fund, which is defined contribution scheme, are charged to the Profit & Loss Account in the period in which the liability is incurred.

**K Taxation**

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates. Deferred income tax reflect the current period timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier years/period. Deferred tax assets are recognised only to the extent that there is a reasonable certainty that sufficient future income will be available except that deferred tax assets, in case there are unabsorbed depreciation or losses, are recognised if there is virtual certainty that sufficient future taxable income will be available to realise the same.

Deferred tax assets and liabilities are measured using the tax rates and tax law that have been enacted or substantively enacted by the Balance Sheet date

**L Foreign Currency Transactions**

Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction

Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Profit and Loss Statement, except in case of long term liabilities, where they relate to acquisition of Fixed Assets, in which case they are adjusted to the carrying cost of such assets.

**M Provisions, Contingent Liability and Contingent Assets**

Provision is recognised in the accounts when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates required to be settled the obligation at the Balance Sheet date.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the financial statements.

**N Earnings Per Share**

- i Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

- ii For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

**O Segment Reporting as per Accounting Standard - 17****i Business Segment as Primary Segment**

The Company is considered to be a single segment Company engaged in Pharmaceuticals business, hence the disclosure requirement as per AS-17 'Business Segments as Primary' is not attracted.

**ii Geographical Segments as Secondary Segments****Particulars**

Segment Revenue	31st March, 2017	31st March, 2016
a) Exports	Rs. 20,48,12,000	Rs. 23,10,84,000
b) In India	Rs. 37,50,91,721	Rs. 28,99,09,820
<b>Total</b>	<b>Rs. 57,99,03,721</b>	<b>Rs. 52,09,93,820</b>

Note:

Segmental capital employed:

Fixed assets used in the Company's business or liabilities contracted have not been identified to any of the reportable segments, as the fixed assets and services are used interchangeably between segments. The Company believes that currently it is not practicable to provide segment disclosures relating to total assets and liabilities.



## 26 Related Party Disclosure under Accounting Standard :

I Following are the Subsidiaries of the Company as defined in para 3(a) of Accounting Standard - 18.

N.A.

II Following are the Associates of the Company as defined in para 3(b) of the Accounting Standard - 18.

N.A.

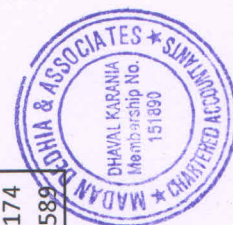
III Following are the Enterprises / Firms over which controlling Individuals / Key Management Personnel, of the Company along with their relatives, have significant influence as defined in para 3(e) of the Accounting Standard - 18.

N.A.

IV Following are the individuals who with their relatives as defined in para 3(c) and 3(d) of the Accounting Standard - 18 own Directly / Indirectly 20% or more voting power in the Company or have significant influence or are Key Management Personnel.

1. Arvind K. Chheda  
CFO / Wholetime Director
2. Hemchand L. Gala  
CEO / Managing Director
3. Vishnu J. Sawant  
Wholetime Director
4. Vicky H. Gala  
Director
5. Jeenal K. Savla  
Director
6. Dhirajlal D. Gala  
Director

(A) Details relating to parties referred to in items I, II and III above.				(Amt. in Rs.)	
Sr. No.	Description of Transaction	Year	Associated	Other Related Enterprises	
1	Other Expenses	CY	-	1,00,99,019	
		PY	-	1,27,76,851	
2	Other Income	CY		80,954	
		PY		91,369	
3	Unsecured Loans Given/(Received Back)	CY	-	(3,00,000)	
		PY	-	(1,95,000)	
4	Unsecured Loans Taken/(Repaid)	CY	-	-	
		PY	-	-	
5	Outstanding items pertaining to the related parties at the balance sheet date.: Receivable/(Payable)	CY	-	5,93,174	
		PY	-	9,03,589	



## 26 Related Party Disclosure under Accounting Standard :

I Following are the Subsidiaries of the Company as defined in para 3(a) of Accounting Standard - 18.

N.A.

II Following are the Ventures or the Investing Parties as defined in para 3(b) of the Accounting Standard - 18.

N.A.

III Following are the Enterprises / Firms over which controlling Individuals / Key Management Personnel, of the Company along with their relatives, have significant influence as defined in para 3(e) of the Accounting Standard - 18.

N.A.

IV Following are the individuals who with their relatives as defined in para 3(c) and 3(d) of the Accounting Standard - 18 own Directly / Indirectly 20% or more voting power in the Company or have significant influence or are Key Management Personnel.

1. Arvind K Chheda	CFO / Wholetime Director	4. Vicky H Gala	Director
2. Hemchand L Gala	CEO / Managing Director	5. Jeenal K. Savla	Director
3. Vishnu J Sawant	Wholetime Director	6. Dhirajlal D. Gala	Director

## (A) Details relating to parties referred to in items I, II and III above.

A = Associate

K = Key Management Personnel

S = Significant Influence

R = Relative of Key Management Personnel

Sr. No.	Name of party	Relationship	Purchase		Sales	Expenses		Income		Taken	Loan		Recd Back		Balance Outstanding		Investment
			Goods	Assets		Interest	Other	Interest	Other		Repaid	Given			Payable	Receivable	
1	Arvind K Chheda	K	-	-	-	-	33,27,146	-	-	-	-	-	-	-	-	-	-
2	Hemchand L Gala	K	-	-	-	-	53,86,320	-	-	-	-	-	-	-	-	-	-
3	Vicky H Gala	K	-	-	-	-	1,95,313	-	-	-	-	-	-	-	-	-	-
4	Vishnu J Sawant	K	-	-	-	-	11,35,240	80,954	-	-	-	-	3,00,000	-	-	5,93,174	-
5	Jeenal K. Savla	K	-	-	-	-	27,500	-	-	-	-	-	-	-	-	-	-
6	Dhirajlal D. Gala	K	-	-	-	-	27,500	-	-	-	-	-	-	-	-	-	-
	<b>TOTAL</b>		-	-	-	-	1,00,99,019	80,954	-	-	-	-	3,00,000	-	-	5,93,174	-



**VALIANT ORGANICS LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017.**

(Amount in Rs)

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
<b>(A) Cash Flow from Operating Activities</b>		
Net Profit Before Tax And Extra Ordinary Items	15,17,22,783	15,75,20,812
Adjustments For:		
<b>Add:</b>		
Interest Paid	24,20,749	48,52,734
Loss on Sale of Car	46,853	-
Depreciation	1,06,38,265	92,66,787
	16,48,28,650	17,16,40,334
<b>Less:</b>		
Interest Income	2,66,415	10,05,127
Dividend Income	-	24,08,750
Operating Profit Before Working Capital Changes	16,45,62,235	16,82,26,457
Adjustments for:		
<b>Add/(Less):</b>		
(Increase) / Decrease in Trade & Other Receivables	(7,50,59,808)	2,32,12,199
(Increase) / Decrease in Trade Payable & Other Provisions	8,27,57,453	2,77,91,654
(Increase) / Decrease in Inventories	(4,92,72,109)	1,82,47,811
Cash Generated from Operation	12,29,87,771	23,74,78,119
<b>Less:</b>		
Direct Taxes/Dividend Tax/Other Tax Paid	5,03,59,148	5,95,67,296
Cash Flow Before Extraordinary item	7,26,28,623	17,79,10,824
<b>Add/(Less):</b>		
Extraordinary items	-	-
<b>Net Cash From Operating Activities (A)</b>	<b>7,26,28,623</b>	<b>17,79,10,824</b>
<b>(B) Cash Flow From Investing Activities</b>		
Addition to Fixed Assets / CWIP	(3,01,21,496)	(1,79,15,502)
Interest Income	2,66,415	10,05,127
Dividend Income	-	24,08,750
Sale Proceeds of Car	7,10,000	-
<b>Net Cash from Investing Activities (B)</b>	<b>(2,91,45,081)</b>	<b>(1,45,01,625)</b>
<b>(C) Cash Flow From Financing Activities</b>		
Proceeds / Repayment from Long Term Borrowings	(74,22,300)	(6,74,66,616)
Proposed Dividend & Tax thereon paid	(59,69,268)	(8,76,28,195)
Interest Paid	(24,20,749)	(48,52,734)
<b>Net Cash from /(Used) in Financing Activities (C)</b>	<b>(1,58,12,317)</b>	<b>(15,99,47,545)</b>
Net Increase / (Decrease): in Cash and Cash Equivalents (A+B+C)	2,76,71,226	34,61,653
Opening Balance of Cash and Cash Equivalents	1,14,26,400	79,64,747
Closing Balance of Cash and Cash Equivalents	3,90,97,626	1,14,26,400

As per our separate report of even date attached

For Madan Dedhia & Associates  
Chartered Accountants  
(Firm Regn No.113095W)

*D Karania*

Dhaval Karania  
Partner  
Mem. No. 151890



For Vallant Organics Limited

*Hemchand Gala*

Hemchand Gala  
Managing Director

*Arvind Chheda*

Arvind Chheda  
CFO & Wholetime Director

*Prashant Gaikwad*

Prashant Gaikwad  
Company Secretary

Place: Mumbai

Dated: 10th May, 2017.

## PROXY FORM

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



**VALIANT ORGANICS LIMITED**

**CIN: L24230MH2005PLC151348**

**Registered Office :** Udyog Kshetra ,Mulund Goregaon Link Road Mulund (W)  
Mumbai Maharashtra 400080 IN

**12<sup>th</sup> Annual General Meeting Wednesday, 16<sup>th</sup> day of August, 2017**

Name of the member(s) :  
Registered address :  
E-mail Id :  
Folio No./ Client Id: DP ID :

--	--	--	--	--	--	--	--	--	--	--	--

I/We, being the member(s) of.....shares of the above named company, hereby appoint :

1) Name:.....Address:.....  
.....  
E-mail ID .....Signature..... or failing him;

2) Name:.....Address:.....  
.....  
E-mail ID .....Signature..... or failing him;

3) Name:.....Address:.....  
.....  
E-mail ID .....Signature..... or failing him;

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 12<sup>th</sup> Annual General Meeting of the Company, to be held on the 16<sup>th</sup> day of August, 2017 at Udyog Kshetra, Mulund Goregaon Link Road, Mulund (W) Mumbai MH- 400080 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution Number	Resolution	Optional*	
		For	Against
Ordinary Business			
1	Adoption of Financial Statements for the year ended 31 <sup>st</sup> March, 2017.		
2	Declaration of dividend of Rs 5/- per equity share for the financial year ended 31 <sup>st</sup> March, 2017.		
3	Re-Appointment of Shri. Hemchand Gala, who retires by rotation and being eligible, seeks re-appointment.		
4	Ratification of appointment Statutory Auditors.		
Special Business			
5	To approve Variation in terms of Remuneration payable to Executive Directors.		
6	To regularise the Appointment of Shri. Chandrakant Vallabhaji Gogri		
7	To regularize the appointment of Shri. Vellji Gogri		
8	To regularize the appointment of Shri. Dattatray Sidram Galpalli		
9	To regularize the appointment of Shri. Mahek Manoj Chheda		
10	To Appoint Shri Mahek Manoj Chheda as the Executive Director & Fix his terms of remuneration		
11	To ratify the remuneration of Cost Auditor for the year 2017-2018.		

Signed this..... day of..... 2017

Signature of shareholder.....

Signature of Proxy holder(s).....

Affix  
Re. 1/-  
Revenue  
Stamp

**Notes :**

- 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.**
  - A person can act as proxy on behalf of Members upto and not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company. Further, a Member holding more than ten percent, 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 Member.
- \* It is optional to put a '√' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' Column blank against any or all Resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.



## VALIANT ORGANICS LIMITED

CIN: L24230MH2005PLC151348

Regd. Off.: Udyog Kshetra 1<sup>st</sup> Floor, Mulund-Goregaon Link Road, Mulund (West),  
Mumbai-400080

### ATTENDANCE SLIP

**12<sup>th</sup> Annual General Meeting Wednesday, 16<sup>th</sup> day of August, 2017**

Registered Folio No. /DP ID No./Client ID No.:	Number of shares held:

I/we hereby record my/our presence at the 12<sup>th</sup> Annual General Meeting of the Company, at Udyog Kshetra, Mulund-Goregaon Link Road, Mulund (West), Mumbai-400080, on Wednesday, 16<sup>th</sup> day of August, 2017 at 12 Noon.

\_\_\_\_\_  
Member's/Proxy's name in Block Letters

\_\_\_\_\_  
Member's/Proxy's Signature

**Note:** Please fill up the attendance slip and hand it over at the entrance of the meeting hall.  
Members are requested to bring their copies of the Annual Report to the meeting.



**Regd. Office:** 109,Udyog Kshetra,  
1<sup>st</sup> Floor, Mulund Goregaon Link Road,  
Mulund (West), Mumbai – 400 080.

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

Email Id: [investor@valiantorganics.com](mailto:investor@valiantorganics.com)