



Syncom Formulations (India) Limited

A WHO-GMP & ISO 9001-2008 Certified Company

CIN L24239MH1988PLC04775

SYNCOM/SE/2017-18

4th September, 2017

online filing at www.listing.bseindia.com

To,
The General Manager
DCS-CRD
BSE Ltd.
Dalal Street, Fort,
MUMBAI-400001

BSE CODE: 524470

Sub: Filing of 29th Annual Report for the year ended 31st March, 2017 proposed to be adopted at the ensuing Annual General Meeting scheduled to be held on 29th September, 2017.

Dear Sir/Madam,

We are pleased to submit a copy of the 29th Annual Report for the year 2016-17 containing the Balance Sheet as at 31st March, 2017 and the Statement of the Profit and Loss and Cash Flow Statement for the year ended 31st March, 2017 and the Notice of the Annual General Meeting, along with the Board's Report along with Corporate Governance Report and the Auditor's Report being sent to the Members of the Company by email/physical copy as may be required.

Kindly note that the 29th Annual General Meeting of the Company scheduled to be held on 29th Sept., 2017 at the Supremo Activity Centre & Matoshri Sports Complex, Jogeshwari Vikhroli Link Road Andheri East, Mumbai - 400093.

You are requested to please take on record the above said documents of the Company for your reference and further needful.

Thanking You,
Yours Faithfully,

KARISHMA KAKKAR FORMULATIONS (INDIA) LTD.



**KARISHMA KAKKAR
COMPLIANCE SECRETARY &
COMPLIANCE OFFICER**

Encl.: a/a

Bringing a smile on every face...

Regd. Off. : 7, Niraj Industrial Estate, Off Mahakali Caves Road, Andheri (East), MUMBAI - 400 093, INDIA. Tel. : 91-022-30887744-54 Fax : 91-022-30887755 Email : sfil87@syncomformulations.com

Works : 256-257, Sector-1, PITHAMPUR Dist.-Dhar, M.P. - 454 775, INDIA. Tel. : 91-07292-403122, 407039 Fax: 91-07292-253404 Email : assistant2@sfil.in

Corp. Off. : 2nd Floor, "Tagore Centre" (Dawa Bazar), 13-14, RNT Marg, GPO P.B. No. 610, INDORE-452001, INDIA Tel.: 91-0731-3046868-71 Fax: 91-0731-3046870 Email : info@sfil.in

Website : <http://www.syncomformulations.com>



A WHO-GMP & ISO 9001-2008 CERTIFIED COMPANY



29th
Annual Report
2016-2017



SYNERGISTIC COMBINATION FOR HEALTH

BOARD OF DIRECTORS

Shri Kedarmal Bankda

Executive Chairman

Shri Vijay Shankarlal Bankda

Managing Director

Shri Vinod Kumar Kabra

Independent Director

Shri Krishna Das Neema

Independent Director

Shri Praveen Jindal

Independent Director

Smt. Rinki Ankit Bankda

Women Director

OTHER KEY MANAGERIAL PERSONNEL

Shri Ankit Kedarmal Bankda

Chief Financial Officer

CS Prachi Rathore (upto 14.08.2017)

Company Secretary & Compliance Officer

CS Karishma Kakkar (wef 16.08.2017)

Company Secretary & Compliance Officer

AUDIT COMMITTEE

Shri Krishna Das Neema

Independent Director - Chairman

Shri Vinod Kumar Kabra

Independent Director - Member

Shri Praveen Jindal

Independent Director - Member

STAKEHOLDERS' RELATIONSHIP COMMITTEE

Shri Krishna Das Neema

Independent Director - Chairman

Shri Vinod Kumar Kabra

Independent Director - Member

Shri Praveen Jindal

Independent Director - Member

NOMINATION AND REMUNERATION COMMITTEE

Shri Krishna Das Neema

Independent Director - Chairman

Shri Vinod Kumar Kabra

Independent Director - Member

Shri Praveen Jindal

Independent Director - Member

CSR COMMITTEE

Shri Kedarmal Shankarlal Bankda

Whole Time Director - Chairman

Shri Vijay Shankarlal Bankda

Managing Director - Member

Shri Krishna Das Neema

Independent Director - Member

RISK MANAGEMENT COMMITTEE

Shri Vijay Bankda

Managing Director - Chairman

Shri Krishna Das Neema

Independent Director - Member

Smt. Rinki Ankit Bankda

Women Director - Member

EXISTING STATUTORY AUDITOR

S.P. Moondra & Co.

Chartered Accountants

Indore - 452 001 (M.P.)

PROPOSED STATUTORY AUDITOR

Sanjay Mehta & Associates

Chartered Accountants

Indore - 452 018 (M.P.)

INTERNAL AUDITOR

Biyani Mittal & Co.

Chartered Accountants

Bansal & Agrawal (wef 14.08.2017)

Chartered Accountants

SECRETARIAL AUDITOR

D.K. Jain & Co.

Company Secretaries

Indore - 452 001 (M.P.)

COST AUDITOR

M. Goyal & Co.

Cost Accountants

BANKERS

Dena Bank, Mumbai

REGISTERED OFFICE

7, Niraj Industrial Estate,

Off Mahakali Caves Road,

Andheri (E) Mumbai (MS) 400093

Phone : 022-30887744

Fax : 022- 30887755

Email : Info@sfil.in, finance@sfil.in

Website : www.sfi.in

CORPORATE OFFICE

2nd Floor Tagore Centre,

Dawa Bazar, 13-14, R.N.T.Marg,

Indore (M.P.) 452001

Phone : 0731-3046870

Email : finance@sfil.in

Website : www.sfil.in

WORKS

256-257, Sector I, Industrial Area,

Pithampur (Dhar) M.P. 454774

Phone : 07292 253121, 253404

SHARE TRANSFER AGENT

Ankit Consultancy Pvt. Ltd.

Plot No. 60, Electronic Complex,

Pardeshipura, Indore-1 (M.P.)

Phone : 0731-4281333 - 4065799

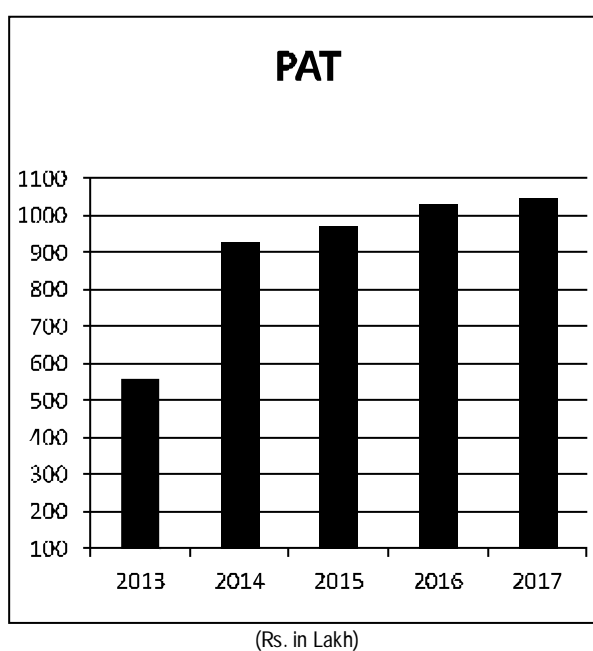
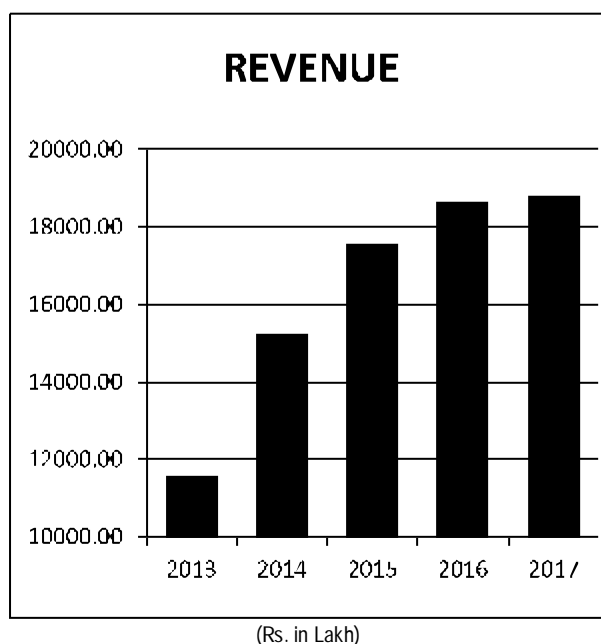
Email : ankit_4321@yahoo.com

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5 YEAR FINANCIAL HIGHLIGHTS

PARTICULARS	CONSOLIDATED (Rs. In Lacs)				
	2012-13	2013-14	2014-15	2015-16	2016-17
Revenue from Operations (Net) and Other Income	11609.81	15240.90	17536.80	18656.52	18761.32
PBDIT	1178.85	1735.91	2013.71	1927.17	1929.10
Depreciation & Amortisation	291.00	307.33	343.21	299.81	312.28
PBIT	887.85	1428.58	1670.50	1627.36	1616.82
Interest	42.94	35.53	21.26	7.08	28.17
Extraordinary Items	0.00	0.41	85.76	10.19	.90
PBT	844.91	1392.64	1563.48	1610.09	1587.75
Tax Expenses	279.32	460.98	587.83	574.53	534.33
Profit After Tax (PAT)	565.59	931.66	975.65	1035.56	1053.42
Equity Dividend	133.83	156.13	156.13	156.13	156.13
Tax on Equity Dividends	21.71	26.53	31.78	31.78	31.78
Dividend Per Share (In Rs.)	0.60	0.02	0.02	0.02	0.02
EPS (Basic and Diluted) on equity share (In Rs.)	2.54	0.12	0.13	0.13	0.13
Share Capital	2230.43	7806.52	7806.52	7806.52	7806.52
Face Value (In Rs.)	10.00	1.00	1.00	1.00	1.00
Book Value (in Rs.)	39.32	1.22	1.28	1.39	1.50





NOTICE FOR THE 29th ANNUAL GENERAL MEETING

Notice is hereby given that **29th Annual General Meeting** of the members of **SYNCOM FORMULATIONS (INDIA) LIMITED** will be held on Friday the 29th day of September, 2017 at 12.30 p.m. at the **Supremo Activity Centre & Matoshri Sports Complex, Jogeshwari Vikhroli Link Road Andheri East, Mumbai - 400093** to transact the following businesses:

ORDINARY BUSINESSSES:

- To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements containing the Balance Sheet as at 31st March, 2017, the Statement of Profit & Loss and Cash Flow Statement for the financial year ended 31st March, 2017 and the Reports of the Boards' and Auditors thereon.
- To declare dividend on equity shares of the Company for the financial year ended 31st March, 2017.
- To appoint a director in place of Shri Kedarmal Bankda (DIN:00023050) who is liable to retire by rotation and being eligible, offers himself for re-appointment.
- 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 139, 142 and other applicable provisions, if any, of Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 as amended from time to time, M/s Sanjay Mehta & Associates, Chartered Accountants (ICAI Firm Registration No. 011524C) be and are hereby appointed as Statutory Auditors of the company in place of M/s S.P. Moondra & Co. Chartered Accountants (Firm Registration No. 004879C) whose term shall be concluded on the conclusion of the ensuing Annual General Meeting, to hold the office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the 34th Annual General Meeting of the Company to be held in the year 2022, subject to ratification of their appointment at every Annual General Meeting on such remuneration as may be fixed by the Board."

SPECIAL BUSINESSSES:

- 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(3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors Rules) 2014, including any statutory modifications(s) or re-enactment thereof for the time being in force, M/s M. Goyal & Co., (Firm Registration No. 000051) appointed as the Cost Auditors by the Board of Directors of the Company for conducting Cost Audit for the financial year 2017-18 on a remuneration amounting to Re. 25,000/- plus GST be and is hereby ratified."
- To approve the expenses for service of documents to members and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:
"RESOLVED THAT pursuant to provisions of section 20 and other applicable provisions, if any, of the Companies Act, 2013 and relevant rules prescribed thereunder, the consent of the Company be and is hereby accorded to the Board of directors or the person authorized by the Board charge from member(s) fee in advance, a sum equivalent to the estimated actual expenses of delivery of the documents through a particular mode, if any request has been made by such member(s) for delivery of such document(s) to him through such mode of service as required and the same be provided upon such request in writing along with the requisite fee if has been duly received by the Company at least one week in advance of the dispatch of the document by the Company."
"RESOLVED FURTHER THAT the Board of directors and/or any person authorized by the Board be and are hereby authorized to do all acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty, doubt that may arise in respect of the matter aforesaid and further to do all acts, deeds, matters and things as may be necessary, proper or desirable or expedient to give effect to above resolution."

Place: Indore

Date : 14th August, 2017

Registered Office :

CIN: L24239MH1988PLC047759

7, Niraj Ind. Estate, Off Mahakali Caves Road,
Andheri (East), Mumbai (MH) 400093

By order of the Board

CS PRACHI RATHORE
Company Secretary &
Compliance Officer
ACS : 45273

Notes:

- A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF

HIMSELF/HERSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

- A person can act as a proxy on behalf of members not exceeding 50 in numbers and holding in aggregating not more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as a proxy for any other person or Shareholder.
The instrument of proxy in order to be effective should be deposited at the Registered Office of the Company duly completed and signed not less than 48 hours before the time fixed for the Meeting. A Proxy form is sent herewith.
- The Explanatory Statement pursuant to section 102 of the Companies Act, 2013, which sets out details relating to special business at the meeting is annexed thereto.
- The company has notified closure of Register of Members and Share Transfer Books from 23rd September, 2017, Saturday to 29th September, 2017, Friday (both days inclusive) for the purpose of the Annual General Meeting.
- The Members are requested to:
 - Intimate changes, if any, in their registered addresses immediately.
 - Quote their ledger folio number in all their correspondence.
 - Hand over the enclosed attendance slip, duly signed in accordance with their specimen registered with the Company for admission to the meeting place.
 - Bring their Annual Report and Attendance Slips with them at the AGM venue.
 - Send their Email address to us for prompt communication and update the same with their D.P to receive soft copy of the Annual Report of the Company.
- The report on the Corporate Governance and Management Discussion and Analysis also form part to the report of the Board.
- Members seeking any information are requested to write to the Company by email at finance@sfil.in at least 7 (Seven) days before the date of the AGM to enable the management to reply appropriately at the AGM.
- Members are requested to notify immediately correct address for any change in their address and also intimate their active E-Mail ID to their respective Depository Participants (DPs) in respect of their electronic share accounts and to the Registrar and Share Transfer Agent of the Company at Ankit Consultancy Pvt. Ltd. Plot No. 60, Electronic Complex, Pardeshipura, Indore (M.P.).
- Electronic copy of the Annual report for the year 2016-17 is being sent to the members whose email IDs are registered with the Share Transfer Agent of the Company/Depository Participants unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual reports being sent in the permitted mode.
- Members may also note that the Annual Report for year 2016-17 is also available on Company's website www.sfil.in.
- Corporate Members intending to send their authorized representatives to attend the Annual General Meeting pursuant to section 113 of Companies Act, 2013 are requested to send a duly certified copy of the Board Resolution together with the respective specimen signatures of those representatives authorized under the said resolution to attend and vote on their behalf at the Meeting.
- Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered Office of the Company on all working days, except Saturday, between 11:00 A.M and 1:00 P.M up to the date of the Annual General Meeting.
- Members/proxies/authorized representatives are requested to bring the duly signed attendance slip in accordance with their specimen registered with the Company and a copy of Annual Report with them to attend the Meeting.
- The Register of Directors and Key Managerial Personnel and their shareholding, maintained under section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which the directors are interested, maintained under section 189 of the Companies Act, 2013 will be available for inspection by the members at the AGM.
- Members who has not received the dividend for the year 2009-10 to 2015-16 are requested to please approach to the Company for obtaining duplicate dividend warrants/Cheque, please note that the amount remained unpaid or unclaimed for the year 2009-10 for a period upto 7 years, i.e. 4th Nov., 2017 shall be transferred to the IEPF of the Central Government and no claim in respect thereof shall be entertained by the Company thereafter.
- The Company shall transfer the shares of those shareholders who could not encashed their dividend for any of the year 2008-09 till the cut off date 31st May, 2017 are liable to be transferred to the authority of the IEPF on such date as may be applicable and these shares along with the dividend and other corporate benefits shall be passed to the authority of the IEPF and such shareholders may claim their shares from the IEPF authority by applying in the Form IEPF-5 once the shares transferred by the Company.



17. SEBI has also mandated that for registration of transfer of securities the transferee(s) as well as the transferor(s) shall furnish a copy their PAN to the Share Transfer Agent for registration of transfer of securities.
18. Members may also note that the Notice of 29th Annual General Meeting, Attendance Slip, Proxy Form, Route Map, Ballot Paper and the Annual Report for the year 2016-17 will also be available on the company website www.sfil.in for their download.
19. The Brief profile of the director seeking re-appointment at the ensuing annual general meeting is annexed with the Notice.

20. Voting through electronic means

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (LODR), Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 29th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the 29th Annual General Meeting (AGM) ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
- II. The facility for voting through polling paper which shall be available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- III. The members who have cast their vote by remote e-voting prior to the 29th Annual General Meeting (AGM) may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on **26th September, 2017, Tuesday (I.S.T. 9:00 A.M.) and ends on 28th September, 2017, Thursday (I.S.T. 5:00 P.M.)**. During this period members of the Company, holding shares either in physical or in dematerialized form, as on **the cut-off date of 22nd September, 2017**, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

Members are requested to carefully read the below mentioned instructions for remote e-voting before casting their vote.

- V. The process and manner for remote e-voting are as under:

A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)]:

- Open email and open PDF file viz: "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
- Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
- Click on Shareholder - Login
- Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
- Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/ characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
- Select "EVEN" of "Syncom Formulations (India) Limited".
- Now you are ready for remote e-voting as Cast Vote page opens.
- Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- Upon confirmation, the message "Vote cast successfully" will be displayed.
- Once you have voted on the resolution, you will not be allowed to modify your vote.
- Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail: to finance@sfil.in with a copy marked to evoting@nsdl.co.in

B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy]:

- Initial password is provided as below/at the bottom of the Attendance Slip for the AGM

EVEN (E Voting Event Number)	USER ID	PASSWORD/PIN

- Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.

VII. If you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password/PIN for casting your vote.

NOTE: Shareholders who forgot the User Details/Password can use "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com

In case Shareholders are holding shares in demat mode, USER-ID is the combination of (DPID+ Client ID).

In case Shareholders are holding shares in physical mode, USER-ID is the combination of (Even No+ Folio No).

VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

IX. The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of 22nd Sept., 2017.

X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 22nd Sept., 2017 for eligible of the Notice and the Annual Report, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA.

XI. However, if a member is already registered with NSDL for remote e-voting then, he can use his existing user ID and password for casting his vote. If a member forgot his password, he can reset his password by using "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com or contact NSDL at the toll free no.: 1800-222-990.

XII. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.

XIII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

XIV. **CS Anish Gupta, Practicing Company Secretaries (FCS No. 5733 CP 4092)** has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.

XV. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting by "Ballot Paper" or "Polling Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility. However, no remote e-voting facility shall be made available at the venue of the AGM.

XVI. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 48 hours of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favor or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

XVII. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.sfil.in and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.

EXPLANATORY STATEMENT IN TERMS OF SECTION 102 OF THE COMPANIES ACT, 2013

IN RESPECT OF SPECIAL BUSINESS:

Item No. 4

The existing Auditors, **M/s S.P. Moondra & Co., Chartered Accountants, (F.R.N. 004879C)** were appointed for a term of three years at the Annual General Meeting of the Company held on 22nd Sept., 2014 is eligible to hold office till the conclusion of the ensuing Annual General Meeting. Pursuant to section 139 and other applicable provisions, as may be applicable of the Companies Act, 2013 read with Rule 33 of Companies (Audit and Auditors) Rules, your company is required to rotate the statutory auditors on completion of the maximum term permitted under the said section.

The Audit Committee and the Board of directors has proposed the appointment of **M/s Sanjay Mehta & Associates, Chartered Accountants (F.R.N. 011524C)** as the Statutory Auditors of the company to hold office for a term of 5 consecutive years from the conclusion of the 29th Annual General Meeting on 29th September, 2017 till the



conclusion of the 34th Annual General Meeting to be held in the year 2022 subject to the ratification of their appointment at every AGM.

None of the directors or Key Managerial Personnel (KMP) or their relatives are, concerned or interested financially or otherwise in the proposed Resolution.

The Board recommends to pass necessary resolution as set out in the Item No. 4 of the notice as an Ordinary Resolution.

Item No. 5

The Board on the recommendation of Audit Committee has approved the appointment of M/s M. Goyal & Co., Cost Accountant (Firm Registration No. 00051) as the Cost Auditor of the Company for conducting Cost Audit for the year 2017-18 at a remuneration of Rs. 25,000/- plus applicable GST. In accordance with the provision of section 148 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 the remuneration payable to the Cost Auditor is required to be ratified by the Members of the company, accordingly consent of the members are sought for passing an Ordinary Resolution as set out in Item No. 5 of the notice for ratification of remuneration payable to the cost auditors.

None of the directors or Key Managerial Personnel (KMP) or their relatives are concerned or interested financially or otherwise in the proposed Resolution. The Board recommends to pass necessary resolution as set out in the Item No. 5 of the notice as an Ordinary Resolution.

Item No. 6

As per the provisions of section 20 of the Companies Act, 2013, a document may be served on any member by sending it to him by post or by registered post or by speed post or by courier or by delivery at his office or residence address or by such electronic or other mode as may be prescribed. Further, proviso to subsection (2) of section 20 states that a member may request for delivery of any document through a particular mode, for which member shall pay such fees in advance as may be determined by the company by ordinary resolution. Accordingly, the Board of Directors has proposed that a sum equivalent to the estimated actual expenses of delivery of the documents through a particular mode, if any request has been made by any member for delivery of such documents to him through such mode of service, be taken to cover the cost of such delivery as may be decided by the Board or the authorized person from time to time.

The Board recommends the Ordinary Resolution as set out at Item No. 6 of the Notice for approval of the members. None of the Directors or Key Managerial Personnel and their relatives, are concerned or interested (financially or otherwise) in the resolution.

Brief profile of the directors seeking re-appointment as per Item No. 3 of the notice at the ensuing Annual General Meeting as per SEBI (LODR) Regulations, 2015 and the Companies Act, 2013.

Name of Director	Shri Kedarnal Bankda
Designation	Chairman & Whole-time Director
Date of Birth	25.08.1952
Date of Appointment	13.04.1992
Expertise / Experience in specific functional areas	41 years' experience in Pharma filed in various capacity, he is the core promoter of the company, since its inception.
Qualification	M.Com
No. & % of Shares held	90194650 i.e. 11.55%
List of outside Company's directorship held	ARPP Pharma Pvt. Ltd.
Chairman/Member of the Committees of the Board, Directors of other Companies in which he is director	Nil
Interse relations with other directors	Brother of Shri Vijay Bankda, Managing Director and father in law of Mrs. Rinki Bankda, Women Director.

Brief Resume :

Shri Kedar Mal Bankda is a Commerce Post Graduate and having experience of more than 41 years in Pharma Filed/Industry. He is one of the core promoter since incorporation of the company. He is also having all round experience and looking into all the manufacturing & administrative function of the Corporate Office at Indore and Plant at Pithampur.

Place: Indore

Date : 14th August, 2017

Registered Office :

CIN: L24239MH1988PLC047759

7, Niraj Ind. Estate, Off Mahakali Caves Road, Andheri (East), Mumbai (MH) 400093

By order of the Board

CS PRACHI RATHORE
Company Secretary &
Compliance Officer
ACS : 45273

BOARD'S REPORT & MANAGEMENT DISCUSSION AND ANALYSIS

To,
The Members,

Syncom Formulations (India) Limited

The Directors take pleasure in presenting their 29th Annual Report together with the audited consolidated and standalone financial statements of the Company (Syncom) for the year ended 31st March, 2017.

HIGHLIGHTS OF PERFORMANCE

- Consolidated income for the year increased to Rs. 1876.13 Lakhs as compared to Rs. 1865.52 Lakhs in the previous year;
- Consolidated net sales for the year was Rs.18482.24 Lakhs as compared to Rs. 18389.70 Lakhs in the previous year.
- Consolidated profit before tax for the year was Rs. 1587.74 Lakhs as compared to Rs. 1610.09 Lakhs in the previous year, and Consolidated Profit after tax for the year was Rs. 1053.41 Lakhs as compared to Rs. 1035.56 Lakhs in 2016.

FINANCIAL RESULTS

Particulars	Consolidated		Stand Alone	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016
Revenue from Operations (Net) and Other Income	18761.32	18656.52	18761.32	18656.52
Profit Before Tax (PBT)	1587.74	1610.09	1587.74	1610.09
Provision for Tax	534.33	574.53	534.33	574.53
Profit After Tax (PAT)	1053.41	1035.56	1053.41	1035.56
Balance brought forward from previous year	655.94	708.30	655.94	708.30
Profits available for Appropriations	1709.35	1743.85	1709.35	1743.85
Appropriations:				
Proposed Equity Dividend	156.13	156.13	156.13	156.13
Tax on Equity Dividends	31.78	31.78	31.78	31.78
Transferred General Reserve	700.00	900.00	700.00	900.00
Surplus carried to the next year's account	821.44	655.94	821.44	655.94
EPS (Basic and Diluted) on equity share of Rs.1/-	0.135	0.133	0.135	0.133

DIVIDEND

Syncom always strives to enhance stakeholders and customers satisfaction value. In pursuance of the same your directors are pleased to recommend payout of 26th dividend @ Rs. 0.02 (2%) on the equity share of Re.1 each, (Previous year @ Rs. 0.02 (2%) of the equity shares of Re.1 each) and proposes to pay Rs.156.13 Lakhs as dividend (Previous year Rs.156.13 Lacs) subject to approval by the members at the ensuing Annual General Meeting.

SHARE CAPITAL & RESERVES

The paid up Capital of Syncom as on 31st March, 2017 was Rs. 78,06,52,180 divided into 78,06,52,180 equity shares of Re. 1/- each. During the year under review, Syncom has neither issued shares with differential voting rights nor granted stock options nor sweat equity. As on 31st March, 2017, none of the Directors of Syncom hold convertible instruments. Promoters are not holding any security convertible into equity shares during the year 2016-17.

Transfer to Reserves

During the year under review your company proposes to transfer Rs.700.00 Lakhs to the general reserves (Previous year Rs. 900.00 Lakhs).

FINANCE

Cash and cash equivalent as at 31st March, 2017 was Rs.651.95 Lakhs as compared to Rs. 569.41 Lakhs in previous year. Syncom continues to focus on judicious management of its working capital, Receivables, inventories and other working capital parameters were kept under strict check through continuous monitoring.

DEPOSITS

The details relating to deposits, covered under Chapter V of the Act, -

- Accepted during the year : Nil
- Remained unpaid or unclaimed as at the end of the year: Nil
- Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved: Nil

Details of deposits which are not in compliance with the requirements of Chapter V of the Act:

The Company has not accepted any deposit which are not in compliance of the Companies (Acceptance of Deposits) Rules, 2014 during the financial year.



PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Your company has not given any guarantee or provided any security to the other business entity during the financial year but the company has made investment and details of the investment is disclosed as per the requirement Section 186 of Companies Act, 2013 & Regulation 34(3) of the SEBI (LODR) Regulations, 2015 read with Schedule V of the Listing Regulations is given as under.

Name of the Company	Nature of Transactions/Relationship	Investment made/ Guarantee /Loans Provided	Opening Balance as on 01/04/2016	Transactions made during the year	Closing Balance as on 31/03/2017
Ravi Kumar Distilleries Ltd.	Non-Current	Investment Made	17926033	-	17926033
Bil Energy Ltd.	Non-Current	Investment Made	6868519	-	6868519
PFL Infotech Ltd.	Non-Current	Investment Made	17444039	-	17444039
Risa International Ltd.	Non-Current	Investment Made	5674407	-	5674407
Rutron International Ltd.	Non-Current	Investment Made	3943231	-	3943231
Upsurge Investment & Finance Ltd.	Non-Current	Investment Made	10462339	-	10462339
Lupin Ltd.	Non-Current	Investment Made	1462212	1462212	0
Trade Services FZE*	Wholly Owned Subsidiary	Investment in Share	1067896 (1 Share of Face Value AED 65000)	-	1067896 (1 Share of Face Value AED 65000)

ECONOMIC SCENARIO AND OUTLOOK

The Indian Pharmaceutical Industry is the 3 largest pharmaceutical market in terms of volume and 10 largest in terms of value, contributing towards 10% of global production. India holds an important position in the World pharmaceutical market.

The India's GDP grew by 7% approx in 2016-17, making the country one of the fastest growing economy amongst G20. The Indian Pharmaceutical market has seen growth of >10% in last one year. Indian drugs are exported to more than 200 countries in the world and India supply 20 per cent of global generic medicines market exports in terms of volume, making the country the largest provider of generic medicines globally and expected to expand even further in coming years.

The Pharma Industry in India has remained on a strong growth path, over the past few years, and is expected to increase to USD 48 billion by 2017-18 at a CAGR of 13-14%.

The World pharmaceuticals market is forecast to grow with approx 12% percent or more from up till 2020 which can be increased if companies invest more in drug research sector as well as promotion. Over the upcoming years the growth will be more as compared to the current standing position. The Government of India unveiled 'Pharma Vision 2020' aimed at making India a global leader in end-to-end drug manufacture.

In the Union Budget 2017, the government has demonstrated its commitment to increase healthcare spending. The National Health plan has been approved by the cabinet and aims at holistic approach to address the healthcare problems of all sectors of society and their solutions with participation from private sector as strategic partners in this mission.

Approval time for new facilities has been reduced to boost investments. Further, the government introduced mechanisms such as the Drug Price Control Order and the National Pharmaceutical Pricing Authority to deal with the issue of affordability and availability of medicines.

INDUSTRY STRUCTURE AND OPPORTUNITIES

In this economic scenario, the Indian Pharmaceuticals Market has seen almost double digit growth in last 1-2 year. A compound annual rate growth of 11-12% before 2020 in the Indian Pharmaceutical market is forecasted. By 2020, India is likely to be among the top three pharmaceutical markets by incremental growth and sixth largest market globally in absolute size. The Union Cabinet has given its nod for the amendment of the existing Foreign Direct Investment (FDI) policy in the pharmaceutical sector in order to

allow FDI up to 100 per cent under the automatic route for manufacturing of medical devices subject to certain conditions; this will result in rapid growth in the Indian pharma industry.

The Union Budget 2017-18 announced certain changes connected to the healthcare sector and there was an increase of health outlay in the Financial Year 2017-2018 as compared to the previous Financial Year. Increase in funding to the National Health Mission will help strengthen the efforts towards measles vaccination along with reduction in Maternal Mortality Rate. Higher medical education will receive a much-needed boost by an increase in the number of post-graduate seats and adding more hospitals to offer the Diplomate National Board (DNB) degree and enhance specialty care in fields like endocrinology and oncology. In addition, primary care's focus will be broadened with the conversion of 1.5 lakh health centres into health Wellness Centres.

RISKS & CONCERNS

The company operates in various developed and emerging markets across the world as a result general global economic and political conditions can affect the business of the company, similarly as the company is a generic pharmaceutical player operating in different countries across the globe, there are large number of players in the market ultimately resulting in cut throat competition. This competition constantly puts the pressure on the prices of the generic products which company charges to the customers. During the past few years industry has witnessed various changes. A few other concerns are regulatory risk, growth risk litigation risk, inflation which ultimately affect the business and volume of the products of the company.

The recent amendment was in DPCO policy which had number of drug formulations with an increase in price control. The other remaining formulations will be soon under the price control, under new DPCO that will also pose challenges for pharma companies in the near future.

A few other concerns are low per capita consumption of medicines, unstable political environment in developing and under developed countries including India, currency fluctuations, regulatory issues, inflation which has resulted in an all round increase in input costs.

Syncom has a Risk Management Policy in force to review and mitigate risks relevant to environmental, operational & business risks to safeguard its interest. Syncom's continued investments in manufacturing facilities and its strategy to remain a vertically integrated pharmaceutical business is a critical differentiator to create sustainable competitive advantage not only for products launched in international markets but also for contractual supplies to global generic companies, with a conscious endeavor for market and customer diversification.

The government introduced mechanisms like Drug Price Control Order and the National Pharmaceutical Pricing Authority to deal with the issue of affordability and availability of medicines. Also there is a talk of separate Pharma Ministry for the sector for better coordination of the work.

CSR INITIATIVES

In view of the profits and turnover of Syncom during the previous three years, it is required to undertake social responsibility (CSR) projects during the year 2016-17 under the provisions of the section 135 of the Companies Act, 2013 and the rules made there under. As part of its initiatives under CSR, Syncom has undertaken projects in the areas of Education and Health. These projects are largely in accordance with Schedule VII of the Companies Act, 2013.

The Annual Report on CSR activities is annexed herewith as "Annexure A" and the CSR policy is available at the website of the Company at www.sfil.in. The Board confirms that the Company has obtained the responsibility statement of the CSR Committee on the implementation and monitoring of the CSR Policy during the year as enclosed to the Board Report.

OCCUPATIONAL HEALTH & SAFETY (OH&S)

This initiative involved and positively engaged all levels of personnel on the plant and the Company's business. With regard to employee's safety, two key areas of focus identified were Facility Management for the employees and Equipment, Tools & Material Management. The Facility Management initiative was implemented to ensure adequate welfare facilities for the employees such as wash rooms with bathing facilities, restrooms, availability of drinking water etc. The Equipment, Tools & Material Management program ensured that the tools used by the employee were safe. The process of screening of contractors was made more stringent to ensure that the employees were aligned with the Company's objectives to ensure 'Zero Harm'.

HUMAN RESOURCES

Many initiatives have been taken to support business through organizational efficiency, process change support and various employee engagement programmes which has helped the Organization achieve higher productivity levels. A significant effort has also been undertaken to develop leadership as well as technical/ functional capabilities in order to meet future talent requirement.



Syncom's HR processes such as hiring and on-boarding, fair transparent online performance evaluation and talent management process, state-of-the-art workmen development process, and market aligned policies have been seen as benchmark practices in the Industry. During the year under review, the following Human Resources initiatives received greater focus:

- **Employer of Choice:** Employees are encouraged to express their views and are empowered to work independently. Employees are given the opportunity to learn through various small projects which make them look at initiatives from different perspectives and thus provide them with a platform to become result oriented. This has helped greatly in overall development of the employee and has significantly arrested the attrition rate.

- **Leadership Development:** As a part of leadership development, talented employees have been seconded to the senior leadership team to mentor them and prepare them for the next higher role.

- **Gender Equality:** Syncom as a company has a policy to promote Gender Equality. We hire female employees and mentor and groom them to take higher managerial positions. We also encourage our female employee to have a good work life balance. Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. No complaint was received during the year under review.

RISK MANAGEMENT POLICY AND INTERNAL ADEQUACY

Syncom has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. These are discussed at the meetings of the Audit Committee and the Board of Directors of Syncom.

Syncom has an Internal Control System, commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board.

Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board. The risk management policy of the Company is available at the website at www.sfil.in.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

Syncom has a vigil mechanism named vigil mechanism/whistle blower Policy to deal with instance of fraud and mismanagement, if any. The details of the Risk Management Policy is explained in the Corporate Governance Report and also posted on the website at www.sfil.in. Vigil mechanism/whistle blower Policy is attached with the Annual Report as "Annexure B".

AUDITED FINANCIAL STATEMENTS OF THE COMPANY'S SUBSIDIARY

As on 31st March, 2017, Syncom has Trade Services FZE foreign subsidiary which is 100% Wholly Owned Subsidiary Company, however the same ceased to be in existence w.e.f. 25th April, 2017. Except that the Company does not have any associate or joint venture company at the beginning or any time during the year 2016-17.

There has been no change in the number of subsidiaries or in the nature of business of the subsidiaries, during the year under review. In accordance with Section 129(3) of the Companies Act, 2013, your Company has prepared a consolidated financial statement of Syncom which is forming part of the Annual Report. A statement containing salient features of the financial statements of the subsidiary company in the Form AOC-1 is also included in the Annual Report as the "Annexure C".

In accordance with third proviso of Section 136(1) of the Companies Act, 2013, the Annual Report of your Company, containing therein its standalone and the consolidated financial statements has been placed on the website of the Company, www.sfil.in. Further, as per fourth proviso of the said section, audited annual accounts of the subsidiary company have also been placed on the website of the Company, www.sfil.in. Shareholders interested in obtaining a copy of the audited annual accounts of the subsidiary company may write to the Company Secretary at the Company's registered office.

BOARD OF DIRECTORS, KMPs AND MEETINGS OF THE BOARD

Independent Directors

At the Annual General Meeting (AGM) of Syncom held on September 22nd Sept., 2014, the Members had re-appointed all the existing independent directors viz Shri Krishna Das Neema, (DIN 02294270), Shri Vinod Kumar Kabra (DIN 01816189) and Shri

Praveen Jindal (05327830) under the Companies Act, 2013 for a term of 5 years with effect from 1st April 2014, and they are not liable to retire by rotation.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under section 149(6) of the Companies Act, 2013. Further that the Board confirmed that all the independent directors fulfill the criteria laid under the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015.

Directors seeking re-appointment

In accordance with the provisions of the Companies Act, 2013 and in terms of the Articles of Association of the Company, Mr. Kedarmal Bankda (DIN 00023050) director is liable to retire by rotation and he is eligible for re-appointment. Your Board recommends to pass necessary resolution for his re-appointment.

Change in the Key Managerial Personnel's

CS Nafisa Vakil was performing the duties of Company Secretary & Compliance officer had resigned from the post of company Secretary w.e.f. 13th February, 2017. The Company has appointed CS Prachi Rathore w.e.f. 13th February, 2017 as the company Secretary, Compliance Officer and the Key Managerial Personnel of the company. Prachi Rathore has also resigned w.e.f. 14th August, 2017 and the Company has appointed CS Karishma Kakkar w.e.f. 16th August, 2017 in the meeting held on 14th August, 2017 as the company Secretary and Compliance Officer as the Key Managerial Personnel of the company. Except that there is no change in the key managerial personnel's of the Company.

Key Managerial Personnel's

Syncom is having 4 (Four) Key Managerial Personnel's viz Shri Ankit Kedarmal Bankda, Chief Financial Officer, Shri Vijay Shankarlal Bankda, Managing Director and Shri Kedarmal Shankarlal Bankda, Whole-time director and CS Prachi Rathore are functioning as the Key Managerial Personnel under section 203 of the Companies Act, 2013 as on 31st March, 2017.

Composition of the Board

Syncom is having total 6 (Six) directors in the Board including 3 (Three) independent directors and meeting the requirement of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015 as applicable to the Company Shri Kedarmal Bankda is the Chairman of the Board and the Company's meetings.

Number of meetings of the Board

The Board meets at regular intervals to discuss and decide on Company/business policy and strategy apart from other Board business. However, in case of a special and urgent business need, the Board's approval is taken by passing resolutions through circulation, as permitted by law, which are confirmed in the subsequent Board meeting. The notice of Board meeting is given well in advance to all the Directors. Usually, meetings of the Board are held at the Corporate Office at Indore (M.P.). The Agenda of the Board/Committee meetings is circulated at least a week prior to the date of the meeting. The Agenda for the Board and Committee meetings includes detailed notes on the items to be discussed at the meeting to enable the Directors to take an informed decision.

The Board met **4 (four)** times in financial year 2016-17 viz., on **30th May, 2016, 30th July, 2016, 14th Nov., 2016 and 13th Feb., 2017**. The maximum interval between any two meetings did not exceed 120 days. The Company has complied with all the requirements of the Secretarial Standard-1 in respect of the Board and the Committee Meetings.

Board independence

The definition of 'Independence' of Directors is derived from SEBI (LODR) Regulations, 2015 and section 149(6) of the Companies Act, 2013. Based on the confirmation/disclosures received from the Independent Directors and on evaluation of the relationships disclosed, Shri Krishna Das Neema, Shri Praveen Jindal and Shri Vinod Kumar Kabra are the Non-Executive and Independent Directors in terms of Regulation 17(10) of the SEBI (LODR) Regulations, 2015 and section 149(6) of the Companies Act, 2013.

Policy on Directors' appointment and remuneration

The Policy of Syncom on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under section 178(3), is appended as "Annexure D" to this Report and has also placed on the website at www.sfil.in.

Annual evaluation by the Board

The evaluation frame work for assessing the performance of Directors comprises of the following key areas:

- Attendance of Board Meetings and Board Committee Meetings
- Quality of contribution to Board deliberations
- Strategic perspectives or inputs regarding future growth of Company and its performance
- Providing perspectives and feedback going beyond information provided by the



management

v. Commitment to shareholder and other stakeholder interests

The evaluation involves Self-Evaluation by the Board Member and subsequently assessment by the Board of Directors. A member of the Board will not participate in the discussion of his/her evaluation.

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:

- that in the preparation of the annual financial statements for the year ended 31st March, 2017, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- that such accounting policies as mentioned in Note 27.21 of the Standalone Notes to the Financial Statements have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March, 31st 2017 and of the profit of the Company for the year ended on that date;
- that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- that the annual financial statements have been prepared on a going concern basis;
- that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

COMMITTEES OF THE BOARD

During the year, the Board has the five Committees, as required under the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 as follows:

- Audit Committee
- CSR Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee
- Risk management Committee

Details of all the Committees along with their charters, composition and meetings held during the year, are provided in the "Report on Corporate Governance", a part of this Annual Report and placed on the website at www.sfil.in

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by Syncom with Promoters, Directors, Key Managerial Personnel, or other designated persons which may have a potential conflict with the interest of Syncom. Therefore, there is no requirement to furnish any details in the Form AOC-2.

All Related Party Transactions are placed before the Audit Committee and the Committee has accorded its Omni Bus Approval and also reviewed the same periodically also the Board for approval on a quarterly basis. The statement is supported by a Certificate from the MD and the CFO. The Company has developed a Related Party Transactions Policy, Standard Operating Procedures for purpose of identification and monitoring of such transactions.

The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website at www.sfil.in

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

No significant material orders were passed by the Regulators/Courts which would impact the going concern status of the Company and its future operations of the Company during the year under review.

However, the SEBI has issued an Ex-Party Ad- Interim Order No. WTM/RKA/SD/2014 dated 19th December, 2014 in the matter of First Financial Services Limited, and has restrain the company to access the capital market till the further order.

The Company has also filed an application before the SEBI Appellate Tribunal for deletion of the name of the Company. SEBI has also granted an Interim Relief vide letter SEBI/HO/SD/SD/OW/P/2016/0000001565 dated 22nd January, 2016 in the aforesaid matter and further orders was issued by the SEBI on 25th August, 2016 for providing reliefs for sale of the investments as per conditions stipulated therein. The Company is complying with the terms and conditions of the same

AUDITORS

Statutory Auditors

The Board takes pleasure in stating that no such observation has been made by the Auditors in their report which needs any further explanation by the Board.

According to applicable provisions of the Companies Act, 2013 M/s S.P. Moondra & Co., Chartered Accountant were appointed as statutory auditors of the company for a period of three years at the Annual General Meeting of the Company held on 22nd Sept., 2014, accordingly they will retire at the forthcoming AGM of the company.

The Audit Committee at their meeting held on 14th August 2017 has recommended and the Board of Directors has proposed the appointment of M/s Sanjay Mehta & Associates, Chartered Accountants (Firm Registration No. 011524C) as Statutory Auditors of the company for a period of 5 years' subject to approval of the members of the company in forthcoming General Meeting, in place M/s S.P. Moondra & Co., Chartered Accountants whose tenure is expiring on forthcoming AGM. They have confirmed their eligibility under Section 141(3)(g) of the Companies Act, 2013 and the Rules framed there under for appointment as Auditors of the Company.

The Company has obtained their eligibility letter as required under the Companies Act, 2013. Your Board recommend their appointment and pass necessary resolution as set out in the notice.

Cost Auditors

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit records maintained by the Company in respect of its drug formulation activity is required to be audited. Your Directors had, on the recommendation of the Audit Committee, appointed M/s M. Goyal & Co. Cost Accountants to audit the cost accounts of the Company for the financial year 2017-18 on a remuneration of Rs. 25, 000/- plus GST as required under the Companies Act, 2013, the remuneration payable to the cost auditor is required to be placed before the Members in a general meeting for their ratification. Accordingly, a Resolution seeking Member's ratification for the remuneration payable to M/s M. Goyal & Co, Cost Auditors is included at Item No. 5 of the Notice convening the Annual General Meeting.

Your Company has filed the Cost Audit Report for the year 2015-16 to the Central Government on 05/01/2017, which was self-explanatory and needs no comments. The Company is in process to file the Cost Audit Report for the year 2016-17. Further that there is no qualification and observation raised by the auditors which needs clarification by the Board.

Secretarial Auditors

Pursuant to the provisions of section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Board of directors has appointed M/s D.K. Jain & Co., Company Secretaries to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit Report is annexed here with as "Annexure E". The Secretarial Audit Report for the Financial Year ended March 31, 2017 is self explanatory and needs no comments as such, except the following comments:

- Persons associated with the promoters has sold 72,11,9081 equity shares of Rs. 1/- each consisting of 9.24% of the total paid up capital during the financial year 2016-17 without complying with the Regulation 5 of SEBI (Prohibition of Insider Trading) Regulations, 2015 relating to submission of the Trading Plans and matters related thereto.

Management Comments: The promoters and their associates have obtained opinion of the Lead Manager Hence it can be concluded that the persons who are not in possession of unpublished price sensitive information and the persons other than persons who by virtue of his/her designation in the company are perpetually in possession of unpublished price sensitive information can trade in securities of such listed company without complying the Regulation 5 of SEBI (Prohibition of Insider Trading) Regulations, 2015 relating to the Trading Plan.

- SEBI has issued an Interim Order in 2014 in the matter of First Financial Services on 19th Dec., 2014 However, relaxation for dealing in the investment is provided by the SEBI by order of August, 2016 to the company subject to certain conditions.

Management Comments: The Company is complying the terms and conditions as provided in the relaxation given for dealing in the investments. However, the Company has also made an appeal before the SEBI Appellate Tribunal for set aside the orders of the SEBI against the Company, which is process with the SEBI Appellate Tribunal.

Internal Auditors

Pursuant to the provisions of section 138 of the Companies Act, 2013 the Board of Directors of the company at their Board Meeting held on 14th August, 2017 has appointed M/s Bansal & Agrawal, Chartered Accountants (FRN: 010803C) as recommend by the Audit Committee of the Company as the internal auditors of the



company in place of existing internal Auditors of the company M/s Biyani Mittal & Co., who have shown their unwillingness to act as internal auditors of the company.

ENHANCING SHAREHOLDERS VALUE

Your Company believes that its Members are among its most important stake holders. Accordingly, your Company's operations are committed to the pursuit of achieving high levels of operating performance and cost competitiveness, consolidating and building for growth, enhancing the productive asset and resource base and nurturing overall corporate reputation. Syncom is also committed to creating value for its other stake holders by ensuring that its corporate actions positively impact the socio-economic and environmental dimensions and contribute to sustainable growth and development.

CORPORATE GOVERNANCE

As per SEBI (LODR) Regulations, 2015 a separate section on corporate governance practices followed by the Company, together with a certificate from the Company's Auditors confirming compliance forms an integral part of this Report "Annexure F".

MD & CFO certification

Certificate obtained from Shri Vijay Bankda Managing Director and Mr. Ankit Kedarmal Bankda, Chief Financial Officer, pursuant to Regulation 17(8) of SEBI (LODR) Regulations, 2015 and for the year under review was placed before the Board at its meeting held on 30th May, 2017.

A copy of the certificate on the financial statements for the financial year ended March, 31, 2017 is annexed along with this Report as "Annexure G".

CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company prepared in accordance with relevant Accounting Standards (AS) viz. AS 21, AS 23 and AS 27 issued by the ICAI form part of this Annual Report.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014, is annexed here with as "Annexure H".

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL STATUS OF THE COMPANY

The Company has commenced two more business segments relating to renting of property and merchant trading of commodities during the year under review, except that there have been no material changes and commitments, if any, affecting the financial position of the Company as well as after the close of financial year i.e. since 31st March, 2017.

APPLICABILITY OF THE IND-AS

Rule 4(1)(iii)(a) of the Companies (Indian Accounting Standards) Rules, 2015 notified vide Notification No.G.S.R.111(E) on 16th Feb., 2015, provides that if the company is a listed company or having a net worth of less than Rs. 500 Crore then Company is required to comply with the Indian Accounting Standards (IND AS) w.e.f. 1st April, 2017. Therefore, the company has complied the same w.e.f. 1st April, 2017.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return for the year 2016-17 in Form MGT-9 is annexed here with as "Annexure I".

RATIO OF THE REMUNERATION OF EACH DIRECTOR TO THE MEDIAN EMPLOYEE'S REMUNERATION AND PARTICULARS OF EMPLOYEES.

Pursuant to provision of section 197(12) of Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and the details of Top 10 employees given in the "Annexure J".

During the year, none of the employees received remuneration in excess of Rs. One Crore Two Lakhs or more per annum or Rs. Eighty Lakhs Fifty Thousand per month for the part of the year. Therefore, there is no information to disclose in terms of the provisions of the Companies Act, 2013.

FAMILIARISATION PROGRAM FOR INDEPENDENT DIRECTORS

The Company has in place a Familiarisation Program for Independent Directors to provide insights into the company to enable the Independent Directors to understand its business in depth and contribute significantly to the company's success. The Company has devised and adopted a policy on Familiarisation Program for Independent Directors and is also available at the company's website at www.sfil.in and the weblink for the policy and details of the Familiarisation Program imparted to the Independent Directors during the Financial year at http://www.syncomformulations.com/index.php?option=com_docman&task=cat_view&gid=66&Itemid=105.

PREVENTION OF INSIDER TRADING

In view of the SEBI (Prohibition of Insider Trading) Regulation, 2015 the Company

has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed.

CAUTIONARY STATEMENT

The statements made in this Report and Management Discussion and Analysis Report relating to the Company's objectives, projections, outlook, expectations and others may be "forward looking statements" within the meaning of applicable laws and regulations. Actual results may differ from expectations those expressed or implied. Some factors could make difference to the Company's operations that may be, due to change in government policies, global market conditions, foreign exchange fluctuations, natural disasters etc.

ACKNOWLEDGEMENTS

Your Directors thank the various Central and State Government Departments, Organizations and Agencies for the continuous help and co-operation extended by them. The Directors also gratefully acknowledge all stakeholders of the Company viz. customers, members, dealers, vendors, banks and other business partners for the excellent support received from them during the year. The Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company.

For and on behalf of the Board

KEDARMAL BANKDA
Chairman & Whole time Director
DIN 00023050

Place: Indore

Date : 14th August, 2017

ANNEXURE 'A'

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

- (i) 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 programmes. CSR Policy is stated at the Website: <http://www.sfil.in>
- (ii) Turnover: Rs. 18482.24 Lakhs
(iii) Net Worth: Rs. 11735.46 Lakhs
- Composition of the CSR Committee:
 - Shri Kedarmal Shankarlal Bankda : Whole-Time Director-Chairman
 - Shri Vijay Shankarlal Bankda : Managing Director- Member
 - Shri Krishna Das Neema : Independent Director- Member
- Average net profit of the Company for last three financial years:

Financial Year	Profit (Rs. in Lakhs)
2015-16	1610.08
2014-15	1563.48
2013-14	1392.64
Total (A)	4566.20
Average of above said Profit	1522.06

- Prescribed CSR Expenditure (two percent of the amount as in item 3 above):
The Company is required to spend Rs. 30.44 Lakhs towards CSR and your company has expended Rs. 31.00 Lakhs towards the CSR activities for the year 2016-17. Thus, the Company is not required to carry forward the amount.
- Details of CSR spend for the financial year
 - Total amount spent during the financial year 2016-17 : Rs. 31.00 Lakhs
 - Amount unspent if any : Nil
 - Manner in which the amount spent during the financial year is detailed below : (Rs. In Lakhs)



S. No.	Project/Activities	Sector	Location	Amount Outlay (Budget for project/activities)	Amount spent on the project/activities	Cumulative expenditure upto reporting period	Amount spent direct or through implementing agency
1.	For health and Education	Health & education	Mahatma Gandhi Mission (MGM Hospital), 12, Bhagyanagar, Nanded, 431602	21.00	21.00	21.00	Through NGO
2.	For health and Education	Health & education	Shreeyash Pratishthan GUT No. 258 (P) Satara Tanda, TO and District. Aurangabad 431005	9.44	10.00	31.00	Through NGO
			TOTAL	30.44	31.00	31.00	

6. During the financial year Co. has spent Rs. 31.00 Lakhs against the requirement of Rs. 30.44 Lakhs.

7. The CSR Committee of the Board of Directors hereby confirms that implementation and Monitoring is fully accordance with the CSR Policy of the Company. The amount spent under CSR activities was fully complied with CSR objective and Policy of the Company. The said contribution does not violate any provision of the Companies Act, 2013 and Rules made thereunder.

By order of the Board of Director

KEDARMAL BANKDA
Chairman & Whole Time Director
Chairman of the CSR Committee
DIN : 00023050

Place: Indore

Date : 14th Aug., 2017

ANNEXURE 'B'

VIGIL MECHANISM/WHISTLE BLOWER POLICY

1. Preface

- 1.1 The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behavior.
- 1.2 This policy is formulated to provide employee an avenue to lodge Complaints, in line with the commitment of Company to the highest possible standards of ethical, moral and legal business conduct and its commitment to open communication. To provide necessary safeguards for protection of employees from reprisals or victimization, for whistle-blowing in good faith.
- 1.3 Regulation 22 of the SEBI (LODR) Regulation, 2015 provides, to establish a mechanism called "Whistle Blower/Vigil Mechanism Policy" for directors and employees to report to the management instances of unethical behavior, actual or suspected fraud or violation of the Company's code of conduct.
- 1.4 The purpose of this policy is to provide a framework to protect employees wishing to raise a concern about serious irregularities within the Company.

2. Definitions

- 2.1 "The Company" means Syncom Formulations (India) Limited.
- 2.2 "Audit Committee" means the Audit Committee of the Board constituted by the Board of Directors of Syncom Formulations (India) Limited in accordance with provisions of Section 177(1) of Companies Act, 2013 read with SEBI (LODR) Regulations, 2015.
- 2.3 "Competent Authority" means Shri Vijay Bankda, Managing Director of Syncom Formulations (India) Limited and will include any person(s) to whom he may delegate any of his powers as the Competent Authority under this policy from time to time. In case of conflict of interest (WTD being the subject person), Competent Authority means Chairman of the Audit Committee.
- 2.4 "Dedicated Confidential Section" means any Section/Department of the Company which is decided by the Competent Authority from time to time for maintaining the

records as per the Whistle Blower/Vigil Mechanism Policy.

- 2.5 "Disciplinary Action" means any action that can be taken on completion of / during the investigation proceedings by the Competent Authority as he/she deems fit considering the gravity of the matter.
- 2.6 "Employees" mean the entire permanent employees which are working in Syncom Formulations (India) Limited.
- 2.7 "Improper Activity" means unethical behavior, actual or suspected fraud, embezzlement etc., violation of the Company's general guidelines on conduct, moral turpitude, unlawful conduct etc. by an employee of Syncom Formulations (India) Limited.
- 2.8 "Investigators" means those persons authorized, appointed, consulted or approached by the Competent Authority in connection with conducting investigation into a protected disclosure.
- 2.9 "Protected Disclosure" means a concern raised by a written communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity.
- 2.10 "Subject" means a person against or in relation to whom a protected disclosure is made or evidence gathered during the course of an investigation.
- 2.11 "Vigilance and Ethics Officer" means an officer appointed to receive protected disclosures from whistle blowers, maintaining records thereof, placing the same before Audit Committee for its disposal and informing the Whistle Blower the result thereof.
- 2.12 "Whistle Blower" means an Employee or Director making a Protected Disclosure under this policy.

3. Scope

This policy covers malpractices and events which have taken place/suspected to have taken place, misuse or abuse authority, fraud or suspected fraud, violation of company rules, manipulations, negligence causing danger to public health and safety, misappropriation of money, and other matters or activity on account of which the interest of the company is affected.

Whistle Blower/Vigil Mechanism Policy shall be applicable for all permanent employees and to all the Directors of the Company.

4. Interpretation

Terms that have not been defined in this Policy shall have the same meaning assigned to them in the Companies Act, 2013 and/or SEBI Act and/or any other SEBI Regulation(s) as amended from time to time.

5. Guiding Principles

- 5.1 Protected disclosures shall be acted upon in a time bound manner.
- 5.2 Complete confidentiality of the Whistle Blower will be maintained.
- 5.3 The Whistle Blower and/or person(s) processing the protected Disclosure will not be subjected to victimization.
- 5.4 Evidence of the Protected Disclosure will not be concealed and appropriate action including disciplinary action will be taken in case of attempts to conceal or destroy evidence.
- 5.5 "Subject" of the Protected Disclosure i.e. Employee against or in relation to whom a protected disclosure has been made, will be provided an opportunity of being heard.
- 5.6 The Whistle Blower should bring to attention of the Competent Authority at the earliest any improper activity or practice. Although they are not required to provide proof, they must have sufficient cause for concern.
- 5.7 The Whistle Blower shall co-operate with investigating authorities, maintaining full confidentiality.

6. Whistle Blower – Role & Protections

Role:

- 6.1 The whistle Blower's role is that a reporting party with reliable information.
- 6.2 The Whistle Blower is not required or expected to conduct any investigations on his own.
- 6.3 The Whistle Blower may also be associated with the investigations, if the case so warrants. However, he/she shall not have a right to participate.
- 6.4 Protected Disclosure will be appropriately dealt with by the Competent Authority.
- 6.5 The Whistle Blower shall have a right to be informed of the disposition of his disclosure except for overriding legal or other reasons.

Protections:

- 6.6 No unfair treatment will be meted out to a Whistle Blower by virtue of his/her having reported a Protected Disclosure under this Policy. The Company, as a policy, condemns any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against Whistle Blower.
- 6.7 Complete protection will, therefore, be given to Whistle Blower against any unfair practice like retaliation, threat or intimidation of termination/suspension of service,



disciplinary action, transfer, demotion, refusal of promotion, discrimination, any type of harassment, biased behavior or the like including any direct or indirect use of authority to obstruct the Whistle Blower's right to continue to perform his duties/functions including making further Protected Disclosure. The Company will take steps to minimize difficulties, which the Whistle Blower may experience as a result of making the Protected Disclosure.

6.8 If the Whistle Blower is required to give evidence in criminal or disciplinary proceedings, the Company will arrange for the Whistle Blower to receive advice about the procedure, etc.

6.9 The identity of the Whistle Blower shall be kept confidential.

6.10 Any other Employee assisting in the said investigation or furnishing evidence shall also be protected to the same extent as the Whistle Blower.

7. Procedures – Essential and Handling Procedure Disclosure

7.1 The Protected Disclosure/Complaint should be attached to a letter bearing the identity of the Whistle blower/complaint i.e. his/her Name, Employee Code and Location and should be inserted in an envelope which should be closed/ secured/ sealed. The envelope thus secured/ sealed should be addressed to the Competent Authority and should be super scribed "Protected Disclosure". (If the envelope is not super scribed and closed/sealed/secured, it will not be possible to provide protection to the whistle blower as specified under this policy).

7.2 If the Whistle Blower believes that there is a conflict of interest between the Competent Authority and the Whistle Blower, he/she may send his/her protected disclosure directly to the Chairman of the Audit Committee, Syncom Formulations (India) Limited.

7.3 Anonymous or pseudonymous Protected Disclosure shall not be entertained.

7.4 Protected Disclosure should either be typed or written in legible hand writing in English, Hindi or Regional language of the place of employment of the Whistle blower, should provide a clear understanding of the improper activity involved or issue/concern raised. The reporting should be factual and not speculative in nature. It must contain as much relevant information as possible to allow for preliminary review and proper assessment.

7.5 Investigations into any improper activity which is subject matter of an inquiry or order under the Commission of Inquiry Act, 1952 will not come under the purview of this policy.

7.6 The contact details of the Competent Authority for addressing and sending the Protected Disclosure is as follows:

Shri Vijay Bankda,

Managing Director (Competent Authority)

Whistle Blower/Vigil Mechanism

SYNCOM FORMULATIONS (INDIA) LIMITED

7, Niraj Ind. Estate, Off Mahakali Caves Road, Andheri (E) Mumbai-93 (MH)

7.7 The Contact details for addressing a protected disclosure to the Chairman, Audit Committee are as follows:

Shri Krishna Das Neema

Chairman, Audit Committee, Whistle Blower/Vigil Mechanism

In addition to above, the exact address shall be displayed prominently on the notice Board of all locations.

7.8 The Competent Authority shall mark the envelope containing the Protected Disclosure to a dedicated Confidential Section, which shall maintain a record thereof.

7.9 The Competent Authority shall weed out frivolous complaints after a preliminary enquiry by the Confidential Section. The Competent Authority based on the recommendations of the Confidential Section and depending upon the merit of the case shall forward the Complaint to the investigator(s) nominated for this purpose without disclosing the identity of the Whistle Blower.

8. Investigations and Role of Investigators

Investigation:

8.1 Investigation shall be launched if the Competent Authority is satisfied after preliminary review that:

- The alleged act constitutes an improper or unethical activity or conduct; and
- The allegation is supported by information and specific enough to be investigated or in cases where the allegation is not supported by specific information; it is felt that the concerned matter deserves investigation.

8.2 The decision taken by the Competent Authority to conduct an investigation is by itself not to be construed as an accusation (ilzam) and is to be treated as a neutral fact finding process.

8.3 The identity of the subject(s) and the Whistle Blower will be kept confidential.

8.4 Subject(s) will normally be informed of the allegations at the commencement of a formal investigation and will be given opportunities for providing their inputs during

the investigation.

8.5 Subject(s) shall have a duty to co-operate with the Investigator(s) during investigation to the extent that such co-operation will not compromise self-incrimination protections available under the applicable laws.

8.6 Subject(s) have a responsibility not to interfere with the investigation. Evidence shall not be withheld, destroyed or tampered with, and witnesses shall not be influenced, threatened or intimidated by the subject(s).

8.7 Unless there are compelling reasons not to do so, Subject(s) will be given the opportunity to respond to material findings contained in an investigation report. No allegation of wrongdoing against a Subject(s) shall be considered as maintainable unless there is good evidence in support of the allegation.

8.8 The investigation shall be completed normally within 60 days of the date of receipt of the protected disclosure or such extended period as the Competent Authority may permit for reasons to be recorded.

8.9 Subject(s) have a right to be informed of the outcome of the investigation.

Role of Investigator(s)

8.10 Investigators(s) are required to conduct a process towards fact finding and analysis. Investigator(s) shall derive their authority from Competent Authority when acting within the course and scope of their investigation. The Investigator(s) shall submit his/her report to the Competent Authority.

8.11 All Investigators shall perform their role in an independent and unbiased manner; Investigators have a duty of fairness, objectivity, thoroughness, ethical behaviors and observance of professional standards.

8.12 All Investigators are authorized to take reasonable steps including reprimand against the Whistle blower in case of repeated frivolous complaints.

9. Action

9.1 The competent authority shall take such other remedial action as deemed fit to remedy the improper activity mentioned in the protected disclosure and/or to prevent the re-occurrence of such improper activity.

9.2 If the investigation discloses that no further action on the protected disclosure is warranted, the report shall be filed in the confidential section.

10. Reporting & Review

The competent Authority shall submit a quarterly report of the protected disclosures, received and of the investigation conducted and of the action taken to the Audit Committee for review.

11. Notification

All departmental heads are required to notify & communicate the existence and contents of this policy to the employees of their department. The Whistle Blower policy shall be prominently displayed on all Notice Boards of the Company. This policy, including amendments thereof shall be made available on Company's website and Board Report of the Company.

12. Annual Affirmation

The Company shall annually affirm that it has not denied any personnel access to the Audit Committee and that it has provided protection to whistle blower from adverse personnel action. The affirmation shall form part of Corporate Governance report as attached to the Annual Report of the Company.

13. Amendment

This Policy can be modified at any time by the Board of Directors of the Company. The Company reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever.

ANNEXURE 'C'

FORM AOC-1

Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures

[Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of

Companies (Accounts) Rules, 2014]

Part 'A': Subsidiaries

(Information in respect of each subsidiary to be presented with a mount in Rs.)

S.No.	Name of the Subsidiary	Trade Services FZE
1	The date since when subsidiary was acquired	29/02/2012
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	01st April 2016 to 31st March 2017
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR (Indian Rupee)
4	Share capital	10,67,896
5	Reserves and surplus	Nil



6	Total assets	11,24,554
7	Total Liabilities	11,24,554
8	Investments	0
9	Turnover	0
10	Profit before taxation	0
11	Provision for taxation	0
12	Profit after taxation	0
13	Proposed Dividend	0
14	Extent of shareholding (in percentage)	100%

Note:

1. The above named foreign subsidiary yet to commence operations. However, the above have been liquidated and ceased to be in existence from 25th April, 2017.
2. None of the subsidiary have been liquidated or sold during the year.

Part "B": Associates and Joint Ventures

**Statement pursuant to Section 129(3) of the Companies Act, 2013
related to Associate Companies and Joint Ventures**

Name of associates/Joint Ventures	Name 1
Latest audited Balance Sheet Date	Nil
Date on which the Associate or Joint Venture was associated or acquired	Nil
Shares of Associate or Joint Ventures held by the company on the year end	Nil
No.	Nil
Amount of Investment in Associates or Joint Venture	Nil
Extent of Holding (in percentage)	Nil
Description of how there is significant influence	Nil
Reason why the associate/Joint venture is not consolidated	Nil
Net worth attributable to shareholding as per latest audited Balance Sheet	Nil
Profit or Loss for the year	Nil
i. Considered in Consolidation	Nil
ii. Not Considered in Consolidation	Nil

For and on behalf of the Board of Directors

As per our report of even date annexed
For **S.P. MOONDRA & CO.**
Chartered Accountants
F.R. No.: 004879C

S.P. Moondra
Proprietor
M. No.: 073747

Place : Indore
Dated: 30th May, 2017

Kedarmal Bankda
Chairman &
Whole Time Director
DIN : 00023050

Vijay Bankda
Managing Director
DIN : 00023027

CS Prachi Rathore
Company Secretary
A45273

Ankit Bankda
Chief Financial Officer

ANNEXURE 'D'
**POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION OF DIRECTORS,
KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES**

INTRODUCTION

In accordance with Section 178 of the Companies Act, 2013 the Nomination and Remuneration Committee has formulated Remuneration Policy ('the policy'). The objective of the policy is to ensure that Executive Directors and other employees are sufficiently compensated for their performance. The Policy seeks to provide criteria for determining qualifications, positive attributes and independence of a director.

REMUNERATION POLICY**DIRECTORS**

Nomination and Remuneration Committee shall recommend the remuneration, including the commission based on the net profits of the Company for the Non-Executive Directors and Whole Time Director and other Executive Directors. This will be then approved by the Board and shareholders. Prior approval of shareholders will be obtained wherever applicable in case of remuneration to non-executive directors.

The Company pays remuneration by way of salary, perquisites and allowances (fixed component) and variable pay to Whole Time Director. Salary is paid within the range

approved by the Shareholders. Annual increments are as recommended by the Nomination and Remuneration Committee, and is approved by the Board. Within the prescribed ceiling, the perquisites package is approved by the Remuneration Committee.

The remuneration paid to Executive Directors is determined keeping in view the industry benchmark and the relative performance of the Company to the industry performance. Perquisites and retirement benefits are paid according to the Company policy as applicable to all employees.

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

Independent Non-Executive Directors are appointed for their professional expertise in their individual capacity as independent professionals / Business Executives. Independent Non-Executive Directors receive sitting fees for attending the meeting of the Board and Board Committees.

KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

The remuneration of employees largely consists of basic salary, perquisites, allowances and performance incentives. Perquisites and retirement benefits are paid according to the Company policy, subject to prescribed statutory ceiling.

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.

The annual variable pay of managers is linked to the performance of the Company in general and their individual performance for the relevant year measured against Company's objectives fixed in the beginning of the year.

APPOINTMENT CRITERIA FOR BOARD**DIRECTORS**

The Company shall take into account following points:

- Director must have relevant experience in Finance/ Law/ Management/ Sales/ Marketing/Administration/ Research/ Corporate Governance/ Technical Operations or the other disciplines related to company's business.
- Director should possess the highest personal and professional ethics, integrity and values.
- Director must be willing to devote sufficient time and energy in carrying out their duties and responsibilities.

INDEPENDENT DIRECTOR(S)

Independent Director is a director who has no direct or indirect material relationship with Syncom or any of its officers, other than as a director or shareholder of Syncom.

Independent Director shall meet all criteria specified in Section 149(7) of the Companies Act, 2013 and rules made there under and SEBI (LODR) Regulations, 2015.

ANNEXURE "E"**Form MR-3****SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2017**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Syncom Formulations (India) Ltd.
7, Niraj Industrial Estate,
Off Mahakali Caves Road,
Andheri (E), Mumbai 400093

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practice by **Syncom Formulations (India) Ltd.** (hereinafter called 'the Company'). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's Books, Papers, Minutes 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, we hereby report that in our opinion, the Company has, during the **financial year ended 31st March, 2017**, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2017, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made



thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

- (v) (i) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): —
- The SEBI (Substantial Acquisition of Shares and Takeovers) Regulations 2011;
 - The SEBI (Prohibition of Insider Trading) Regulations, 2015;
 - The SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company under the financial year under report: -
 - The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - The SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - The SEBI (Issue and Listing of Debt Securities) Regulations, 2008;
 - The SEBI (Delisting of Equity Shares) Regulations, 2009; and
 - The SEBI (Buyback of Securities) Regulations, 1998

We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

The list of major head/groups of Acts, Laws and Regulations as applicable to the Company is given in Annexure I. Further, the Company is having business of manufacturing and selling of manufacturing and dealing in pharmaceutical formulations, merchant trading activities in commodities and rental of properties.

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

- Secretarial Standards issued by the Institute of Company Secretaries of India under the provisions of Companies Act, 2013; and
- The SEBI (LODR) Regulations, 2015.

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

- Persons associated with the promoters has sold 72,11,908 equity shares of Rs. 1/- each consisting of 9.24% of the total paid up capital during the financial year 2016-17 without complying with the Regulation 5 of SEBI (Prohibition of Insider Trading) Regulations, 2015 relating to submission of the Trading Plans and matters related thereto.
- SEBI has issued an Interim Order in 2014 in the matter of First Financial Services on 19th Dec., 2014. However, relaxation for dealing in the investment is provided by the SEBI by order of August, 2016 to the company subject to certain conditions.

We 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. There were no changes in the composition of the Board of directors during the period under review.

Adequate notice is given to all directors, for the Board/Committee Meetings. Detailed Agenda were sent at least seven days in advance, along with the respective notices 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 Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of directors or Committee of the Board, as the case may be.

Based on the records and process explained to us for compliances under the provisions of other specific acts applicable to the Company, we 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.

We further report that the compliance by the Company for the applicable Financial Laws like Direct Taxes, Indirect Taxes and the compliance of the Accounting Standards, Disclosure of quarterly financial results under Regulation 33 of the SEBI (LODR) Regulations, 2015 and the annual financial statements along with notes attached therewith, and the Cost Record has not been reviewed, since the same have been subject to the statutory auditor or by other designated professionals. Therefore, we do not offer any comment.

This report is to be read with our letter of even date which is annexed as Annexure II and forms an integral part of this report.

We further report that during the audit period of the Company, there was no specific event/action having a major bearing on the Company's affairs in pursuant of the above referred laws, rules, regulations, guidelines, standards etc. referred to above. However, the Company has passed a Board Resolution in the meeting held on 13th Feb., 2017 for winding up of the Foreign Subsidiary and the company has closed the subsidiary and got the dissolution certificate in the month of April, 2017.

For D.K. JAIN & CO.
Company Secretaries
FCS 3565 CP 2382

Dr. D.K. Jain
Proprietor

Place: Indore
Date: 10th August 2017

Annexure - I to the Secretarial Audit Report

List of specific/other laws generally applicable to the Company

- The Pharmacy Act, 1948;
- Drugs and Cosmetics Act, 1940;
- Factories Act, 1948;
- Sales of goods Act,
- Indian Contract Act, 1872
- Applicable provisions of the Maharashtra Stamp Act.
- Industries (Development & Regulation) Act, 1951
- Standard Weight and Measurement Act, 1976
- Labour Laws and other incidental laws related to labour and employees appointed by the Company either on it payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, compensation etc.;
- Acts prescribed under prevention and control of Pollution;
- Acts prescribed under Environmental protection;
- Acts as prescribed under Direct Tax and Indirect Taxation
- Labour Welfare laws of the Madhya Pradesh and Maharashtra.
- Local laws as applicable to the Registered office in the state of and Maharashtra and plant at Madhya Pradesh.

For D.K. JAIN & CO.
Company Secretaries
FCS 3565 CP 2382

Place : Indore
Date : 10th August 2017

Dr. D.K. Jain
Proprietor

Annexure - II to the Secretarial Audit Report

To,

The Members,

Syncom Formulations (India) Ltd.

7, Niraj Industrial Estate,
Off Mahakali Caves Road,
Andheri (E), Mumbai 400093

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

- Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- We 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. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- We have not verified the correctness and appropriateness of treatment of various tax liabilities and payment thereof, compliance of the applicable accounting standards, financial records and Books of Accounts of the company as the same is subject to the statutory audit being performed by the independent auditors.
- Wherever required, we have obtained the Management representation and also relied about the compliance of laws, rules and regulations and happening of events etc.
- The compliance of the provisions of Corporate and other applicable laws, rules, regulations, guidelines, standards etc., are the responsibility of management. Our examination was limited to the verification of procedures on test basis.
- The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.
- We do not take any responsibility for any person if taking any commercial, financial or investment decision based on our secretarial audit report as aforesaid and they need to take independent advice or decision as per their own satisfaction.

For D.K. JAIN & CO.
Company Secretaries
FCS 3565 CP 2382

Place : Indore
Date : 10th August 2017

Dr. D.K. Jain
Proprietor

ANNEXURE "F"

CORPORATE GOVERNANCE REPORT

[Pursuant to Regulation 34 of the SEBI (LODR) Regulation, 2015]

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Syncom Formulations (India) Ltd. (SYNCOM) philosophy on Corporate Governance is embedded in the rich legacy of ethical governance practices, most of which were implemented before they were mandatorily prescribed. Integrity, transparency, accountability and compliance with laws which are the columns of good governance are cemented in the Company's robust business practices to ensure ethical and responsible leadership both at the Board and at the Management level. Syncom's Code of Business



Conduct, its Risk Management Policy and its well structured internal control systems which are subjected to regular assessment for its effectiveness, reinforces integrity of Management and fairness in dealing with the SYNCOM's stakeholders. This, together with meaningful CSR activities and sustainable development policies followed by the SYNCOM has enabled your Company to earn the trust and goodwill of its investors, business partners, employees and the communities in which it operates.

SYNCOM has complied with the mandatory requirements of Corporate Governance as laid down under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

GOVERNANCE STRUCTURE

SYNCOM Governance structure broadly comprises the Board of Directors and the Committees of the Board at the apex level and the Management structure at the operational level. This layered structure brings about a harmonious blend in governance as the Board sets the overall corporate objectives and gives direction and freedom to the Management to achieve these corporate objectives within a given framework, thereby bringing about an enabling environment for value creation through sustainable profitable growth.

Board of Directors

SYNCOM's Board plays a pivotal role in ensuring that SYNCOM runs on sound and ethical business practices and that its resources are utilized for creating sustainable growth and societal wealth. The Board operates within the framework of a well-defined responsibility matrix which enables it to discharge its fiduciary duties of safeguarding the interest of the SYNCOM, ensuring fairness in the decision making process, integrity and transparency in the Company's dealing with its Members and other stakeholders.

Committee of Directors

With a view to have a more focused attention on various facets of business and for better accountability, the Board has constituted the following committees viz. Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee, CSR Committee, Risk Management Committee and Internal Committee under the Sexual Harassment of women at the Work Force Act. Each of these Committees has been mandated to operate within a given framework.

Management Structure

Management Structure for running the business of SYNCOM as a whole is in place with appropriate delegation of powers and responsibilities. This broadly is as under:

a. Chairman & Whole-time Director

The Chairman is responsible for the day-to-day working of the manufacturing activities and Corporate Office of SYNCOM. He gives strategic directions, lays down policy guidelines and ensures implementation of the decisions of the Board of Directors and its various committees.

b. Managing Director

The Managing Director is looking domestic and export Marketing, finance and strategic planning. He is responsible for the sales and financial matters of SYNCOM and all other functions relating to the day-to-day management of the Registered Office and compliances, including all local issues and compliances as applicable at Registered Office level. He is also looking into the taxation department and reports to the Board of Directors.

I. BOARD OF DIRECTORS

Composition of the Board as on March, 31, 2017

Category	No. of Directors
Non Executive & Independent Directors	3
Other Non Executive Directors	1
Executive Director (WTD & Managing Director)	2

Directors' Profile

The Board of Directors comprises highly renowned professionals drawn from diverse fields. They bring with them a wide range of skills and experience to the Board, which enhances the quality of the Board's decision making process. The brief profile of the Company's Board of Directors is as under:

Name of Directors	Shri Kedarmal Shankarlal Bankda	Shri Vijay Shankarlal Bankda	Shri Vinod Kumar Kabra	Shri Krishna Das Neema	Shri Praveen Jindal	Mrs. Rinki Bankda
DIN	00023050	00023027	01816189	02294270	05327830	06946754
State of directorship	Promotor & Chairman & WTD	Promotor & Managing Director	Independent Director	Independent Director	Independent Director	Women Non Ex. Director
Date of Birth	25/08/52	17/09/58	20/04/52	15/08/51	18/03/84	14/06/87
Date of Appointment	13/04/92	01/12/99	30/04/07	31/07/08	12/07/12	13/08/14

Expertise / Experience in specific functional areas	41 years Experience in Pharmaceuticals field in various Capacity. He is the key and found persons & promoter of the company	More than 37 years experience in Pharmaceuticals field in various capacity. He is the key and found persons & promoter of the company	Experience of more than 38 years in the educational field	39 years experience in Business	11 years experience in Electronic & IT field	4 years experience in Management field
Qualification	M.Com	B.Com, LLB	B.Ed., M.Com, LLB	M.Com, L.L.B.	B.E. (E. & T.C.)	MBA
No. & % of Equity Shares held	90194650 (11.55%)	58553775 (7.50%)	-	-	-	-
List of outside Company's director ship held	ARP Pharma Pvt. Ltd.	-	-	-	-	-
Chairman/ Member of the Committee s of the Board	1.CSR Committee	1.CSR Committee 2. Risk Management Committee	1.Audit Committee 2.Nomination & Remuneration Committee 3.Stakeholder Relationship Committee	1.Audit Committee 2.Nomination & Remuneration Committee 3.Stakeholder Relationship Committee 4.CSR Committee 5.Risk Management Committee	1.Audit Committee 2.Nomination & Remuneration Committee 3. Stakeholder Relationship Committee	1.Internal Committee of Sexual Harassment of Women at Workplace 2. Risk Management Committee
Chairman / Member of the committee s of the Board of other Companies in which he is director	-	-	-	-	-	-
Interse relations with other directors	Brother of Shri Vijay Bankda, Managing Director and father in law of Mrs. RinkiBankda, Women Director	Brother of Shri Kedarmal Bankda, Chairman & Whole-time Director and uncle in law of Mrs. RinkiBankda, Women Director	-	-	-	Daughter in law of Shri Kedarmal Bankda Chairman & Whole-time Director and Shri Vijay Bankda, Managing Director



Board Training and Induction

At the time of appointing a Director, a formal letter of appointment is given to him, which inter alia explains the role, function, duties and responsibilities expected of him as a Director of SYNCOM. The Director is also explained in detail the compliances required from him under the Companies Act, SEBI (LODR) Regulations, 2015 and relevant regulations and his affirmation taken with respect to the same.

By way of an introduction to SYNCOM, the Director is presented with a profile on SYNCOM which traces its history over 29 years of its existence, relevant Annual Reports, activities pursued by SYNCOM. Further, with a view to familiarize him with SYNCOM's operations, the Director is also invited to visit the plant manufacturing process, detailed presentations giving an overarching perspective of the pharmaceutical industry organizational set up of SYNCOM, the functioning of various divisions/departments, SYNCOM's market share and the markets in which it operates, governance and internal control processes and other relevant information pertaining to SYNCOM's business. The MD also has a one-to-one discussion with the newly appointed Director. The above initiatives help the Director to understand SYNCOM, its business and the regulatory framework in which SYNCOM operates and equips him to effectively fulfill his role as a Director of SYNCOM.

Board Meetings held during the year

Date on which the Board Meetings were held	Total Strength of the Board	No of directors present
30th May, 2016	6	6
30th July 2016	6	5
14th Nov., 2016	6	6
13th Feb., 2017	6	5

Attendance of Directors at Board Meetings and Annual General Meeting

Name of director	Date of the Board Meetings					Attendance at the AGM held on
	30.05.16	30.07.16	14.11.16	13.02.17	30.09.16	
Mr. Kedarmal Bankda	Yes	Yes	Yes	Yes	Yes	
Mr. Vijay Bankda	Yes	Yes	No	Yes	Yes	
Mr. Vinod Kumar Kabra	Yes	Yes	Yes	Yes	Yes	
Mr. Krishnadas Neema	Yes	Yes	Yes	Yes	Yes	
Mr. Praveen Jindal	Yes	No	No	No	No	
Mrs. Rinki Bankda	Yes	Yes	Yes	Yes	No	

Ms. Nafisa Vakil, Company Secretary till the date of her resignation on 13.02.2017 has attended all the Board meetings held during the financial year 2016-17 and further CS Prachi Rathore has also attended the Board Meeting dated 13.02.2017 held during Financial Year 2016-17. The CFO was also available during all the Board Meetings held in the year 2016-17 and the Statutory Auditors were permanent invitees for all the Board Meetings.

The Companies Act, 2013 read with the relevant rules made there under, now facilitates the participation of a Director in Board/Committee Meetings through video conferencing or other audio visual mode. Accordingly, the option to participate in the Meeting through video conferencing was made available for the Directors except in respect of such Meetings/Items which are not permitted to be transacted through video conferencing. However, no director has participated in the Board meetings by way of video conferencing during the above said period.

The Board periodically reviews the items required to be placed before it and in particular reviews and approves quarterly/ half yearly unaudited financial statements and the audited annual financial statements, corporate strategies, business plans, annual budgets, projects and capital expenditure. It monitors overall operating performance and reviews such other items which require Board's attention. It directs and guides the activities of the Management towards the set goals and seeks accountability. It also sets standards of corporate behavior, ensures transparency in corporate dealings and compliance with laws and regulations. The Agenda for the Board Meeting covers items set out in SEBI (LODR) Regulations, 2015 to the extent these are relevant and applicable. All agenda items are supported by relevant information, documents and presentations to enable the Board to take informed decisions.

II. COMMITTEES OF THE BOARD

With a view to have a more focused attention on business and for better governance and accountability, the Board has constituted the following mandatory committees viz. Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee, CSR Committee, Risk Management Committee and Internal Committee for (Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 redressal of complaint at the workplace.

The terms of reference of these Committees are determined by the Board and their relevance reviewed from time to time. Meetings of each of these Committees are convened by the respective Chairman of the Committee, who also informs the Board about the summary of discussions held in the Committee Meetings. The Minutes of the Committee Meetings are sent to all Directors individually and tabled at the Board Meetings.

(a) Audit Committee- Mandatory Committee

The Audit Committee acts as a link between the statutory and internal auditors and the Board of Directors. Its purpose is to assist the Board in fulfilling its oversight responsibilities of monitoring financial reporting processes, reviewing the Company's established systems and processes for internal financial controls, governance and reviewing the Company's statutory and internal audit activities. The Committee is governed by a Charter which is in line with the regulatory requirements mandated by the Companies Act, 2013, SEBI (LODR) Regulations, 2015. Some of the important functions performed by the Committee are:

Financial Reporting and Related Processes

A. The role of the audit committee shall include the following:

- (1) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (2) recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- (3) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (4) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - (a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of Section 134(3)(c) of the Companies Act, 2013;
 - (b) changes, if any, in accounting policies and practices and reasons for the same;
 - (c) major accounting entries involving estimates based on the exercise of judgment by management;
 - (d) significant adjustments made in the financial statements arising out of audit findings;
 - (e) compliance with listing and other legal requirements relating to financial statements;
 - (f) disclosure of any related party transactions;
 - (g) modified opinion (s) in the draft audit report;
- (5) reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
- (6) reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- (7) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (8) approval of Omni Bus Related Party Transaction and/or any subsequent modification of transactions of the Company with related parties;
- (9) scrutiny of inter-corporate loans and investments;
- (10) valuation of undertakings or assets of the Company, wherever it is necessary;
- (11) evaluation of internal financial controls and risk management systems;
- (12) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (13) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (14) discussion with internal auditors of any significant findings and follow up there on;
- (15) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- (16) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- (17) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (18) to review the functioning of the whistleblower mechanism;
- (19) approval of appointment of CFO after assessing the qualifications, experience and background, etc. of the candidate;



(20) Carrying out any other function as is mentioned in the terms of reference of the audit committee.

B. The audit committee shall mandatorily review the following information:

- (1) management discussion and analysis of financial condition and results of operations;
- (2) statement of significant related party transactions (as defined by the audit committee), submitted by management;
- (3) management letters/letters of internal control weaknesses issued by the statutory auditors;
- (4) internal audit reports relating to internal control weaknesses; and
- (5) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- (6) statement of deviations:
 - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

Audit

- Review the scope of the Statutory Auditors, the annual audit plan and the Internal Audit Plan with a view to ensure adequate coverage.
- Review the significant audit findings from the statutory and internal audits carried out, the recommendations and Management's response thereto.
- Review and recommend to the Board the appointment/re-appointment of the Statutory Auditors and Cost Auditors considering their independence and effectiveness and their replacement and removal.
- Approve such additional services to be rendered by the Statutory Auditors except those enumerated in Section 144 of the Companies Act, 2013 and payment for such services.
- To recommend to the Board the remuneration of the Statutory Auditors/Cost Auditors.
- To discuss with the Statutory Auditors/Internal Auditors any significant difficulties encountered during the course of the Audit.
- Review annual Cost Audit Report submitted by the Cost Auditor.

Other Duties

- To approve the appointment, removal and terms of remuneration of the Chief Internal Auditor and to approve the appointment of the Chief Financial Officer.
- To grant omnibus approval for related party transactions which are in the ordinary course of business and on an arm's length pricing basis and to review and approve such transactions subject to the approval of the Board.

The composition of the Audit Committee as at 31st March, 2017 and details of the Members participation at the Meetings of the Committee are as under:

Name of the Member	Category	Attendance at the Audit Committee Meeting held			
		30.05.2016	30.07.2016	14.11.2016	13.02.2017
Mr. Krishnadas Neema	ID/Chairman	Yes	Yes	Yes	Yes
Mr. Vinod Kumar Kabra	ID/Member	Yes	Yes	Yes	Yes
Mr. Praveen Jindal	ID/Member	Yes	No	Yes	No

All the Members on the Audit Committee have the requisite qualification for appointment on the Committee and possess knowledge of finance, accounting practices and internal controls.

Ms. Nafisa Vakil Company Secretary also functions as the Secretary to the Committee upto 13.02.2017 and attended the all the Audit Committee meetings held during the financial year 2016-17. Shri Ankit Bankda, CFO has also attended all the Meetings of the Audit Committee during the year 2016-17.

The representatives of the Statutory Auditors and the Secretarial Auditors are permanent invitees to the Audit Committee Meetings. The representative of the Cost Auditor is invited to attend the Meeting of the Audit Committee when the Cost Audit Report is tabled for discussion. The Internal Auditor reports directly to the Audit Committee.

During the year under review, the Audit Committee met with the Statutory Auditors and the Internal Auditor to get their inputs on significant matters relating to their areas of audit.

Self-Assessment by the Audit Committee

The Audit Committee has set in place a process to measure and benchmark its performance each year. The assessment broadly covers composition, structure and committee meetings; overview of the financial reporting process; internal control systems and overview of internal and external audits. The results of the self-assessment are presented to the Audit Committee along with the action plan in the areas requiring improvement.

(b) CSR Committee-Mandatory

In compliance with the provisions of section 135 of the Companies Act, 2013, the Board

has CSR Committee comprising of Shri Kedarmal Shankarlal Bankda, Chairman and Shri Vijay Shankarlal Bankda and Shri Krishna das Neema as members. During the year under review only two meetings were held on 30.05.2016 and 13.02.2017 which was attended by all the members and the Company of the Committee Meetings, however Mr. Vijay Bankda has not attended the CSR Committee meeting held on 30.05.2016.

(c) Stakeholders' Relationship Committee-Mandatory Committee

In compliance with the provisions of section 178 of the Companies Act, 2013 and the Listing Agreement, the Board has renamed the existing "Shareholders'/Investors' Grievance Committee" as the "Stakeholders' Relationship Committee".

The terms of reference of the Committee are:

- transfer/transmission of shares issued by the Company from time to time;
- issue of duplicate share certificates for shares reported lost, defaced or destroyed, as per the laid down procedure;
- issue new certificates against subdivision of shares, renewal, split or consolidation of share certificates;
- issue and allot right shares / bonus shares pursuant to a Rights Issue / Bonus Issue made by the Company, subject to such approvals as may be required;
- to approve and monitor dematerialization of shares / debentures / other securities and all matters incidental or related thereto;
- to authorize the Company Secretary and Head Compliance/other Officers of the Share Department to attend the matters relating to non-receipt of annual reports, notices, non-receipt of declared dividend, change of address for correspondence etc. and to monitor action taken;
- monitoring expeditious redressal of investors / stakeholder's grievances;
- all other matters incidental or related to shares, debentures and other securities of the Company.

Shri Krishna Das Neema, Chairman of the Committee, Shri Vinod Kumar Kabra, Shri Praveen Jindal were the members of the Committee and the Ms. Nafisa Vakil, Company Secretary also functions as the Compliance Officer and the Secretary to the Committee. The composition of the Stakeholders' Relationship Committee as at 31st March, 2017 are as under:

Name of the Member	Category	Attendance at the Stakeholder's Relationship Committee meeting held on	
		05.07.2016	03.01.2017
Mr. Krishnadas Neema	ID/Chairman	Yes	Yes
Mr. Vinod Kumar Kabra	ID/Member	Yes	Yes
Mr. Praveen Jindal	ID/Member	No	No

As per Part D of Schedule II to Regulation 20(4) of SEBI Listing Regulations as well as Section 178 of the Companies Act, 2013, a summary of the Complaints Received, Dispose d/ Pending during the Financial year 2016-17 are given below:

Nature of complaints	As on 1st April 2016	Received During the Financial Year	Disposed Off during the Financial year	Pending as on 31st March, 2017.
Non-Receipt of Share Certificates after Transfer/transmission, transposition, etc.	Nil	13	13	Nil
Non receipt of Dividend Warrants	Nil	30	29	1
Non Receipt of Annual Report	Nil	14	14	Nil
Total	Nil	57	56	1

During the financial year 57 complaints were received and all of them have been redressed/answered to the satisfaction of the shareholders except 1 complaint which was resolved after 31.03.2017. No Investor Grievance remained unattended / pending for more than 30 Days during the Financial Year 2016-17.

(d) Nomination and Remuneration Committee-Mandatory Committee

In compliance with section 178 of the Companies Act, 2013, the Board has renamed the existing "Compensation Committee" as the "Nomination and Remuneration Committee". With reference to Part D of Schedule II to Regulation 19(4) of the SEBI Listing Regulations. The Committee is governed by a Charter. The terms of reference of the Committee inter alia, include the following:

Role of committee shall, inter-alia, include the following:

- (1) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, KMP and other employees;
- (2) formulation of criteria for evaluation of performance of independent directors and the



board of directors;

- (3) devising a policy on diversity of board of directors;
- (4) identifying 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 of directors their appointment and removal.

(5) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

In compliance with the provisions of section 178 of the Companies Act, 2013 and SEBI (LODR) Regulations. The composition of the Nomination and Remuneration Committee as at March, 31, 2017 are as under:

Name of the Member	Category	Attendance at the Nomination and Remuneration Committee meeting held on	
		30.07.2016	13.02.2017
Mr. Krishnadas Neema	ID/Chairman	Yes	Yes
Mr. Vinod Kumar Kabra	ID/Member	Yes	Yes
Mr. Praveen Jindal	ID/Member	No	No

Ms. Nafisa Vakil Company Secretary Compliance Officer also functioned as the Secretary to the Committee.

(e) Risk Management Committee

Business Risk Evaluation and Management is an ongoing process within the Organization.

The Company has a robust risk management framework to identify, monitor and minimize risks as also identify business opportunities. The objectives and scope of the Risk Management Committee broadly comprise:

- Oversight of risk management performed by the executive management;
- Reviewing the BRM policy and framework in line with local legal requirements and SEBI guidelines;
- Reviewing risks and evaluate treatment including initiating mitigation actions and ownership as per pre-defined cycle;
- Defining framework for identification, assessment, monitoring, mitigation and reporting of risks.

Within its overall scope as aforesaid, the Committee shall review risks trends, exposure, potential impact analysis and mitigation plan.

The composition of the Risk Management Committee as at 31st March, 2017 was comprising Shri Vijay Bankda, Chairman, Smt. Rinki Ankit Bankda and Shri Krishna Das Neema are members and Ms. Prachi Rathore, Company Secretary & Compliance Officer functioned as the Secretary to the Committee. No meeting for the Committee was held during the year 2016-17.

(f) Internal Committee for (Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

In compliance with Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 the Board has constituted an Internal Committee and Mrs. Rinki Ankit Bankda is the chairperson of the Committee and Ms. Prachi Rathore Company Secretary and Mrs. Laxmi Tiwari as members of the Committee to look into the complaints of the women employees relating to the Sexual Harassment of Women at Workplace. As there was no reference to the Committee, no meeting was required to be held during the year 2016-17.

(g) Independent Directors' Meeting

During the year under review, the Independent Directors met on 14.11.2016, under the chairmanship of the Lead Independent Director, Shri Krishna Das Neema inter alia, to discuss:

- Independent Directors and the Board of Directors as a whole;
 - Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors.
 - Performance of the Chairman & Whole-time Director Shri Kedarnal Shankarlal Bankda
 - Performance of the Managing Director Shri Vijay Shankarlal Bankda
 - timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.
- Shri Krishna Das Neema and Shri Vinod Kumar Kabra, the Independent Directors were present at the Meeting. Ms. Nafisa Vakil, Company Secretary & the Compliance Officer functioned as the Secretary to the committee for assisting to the lead independent director during her tenure.

III. POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION

The Nomination and Remuneration (N&R) Committee has adopted a Charter which, inter alia, deals with the manner of selection of Board of Directors, Managing Director, Whole-time Directors, senior management and Key Managerial Persons and their remuneration. This Policy is accordingly derived from the said Charter and

is hosted on the website at www.sfil.in

1. Criteria of selection of Non-Executive Directors

- a. The Non-Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of manufacturing, engineering, medical science finance, governance and general management.
- b. In case of appointment of Independent Directors, the N&R Committee shall satisfy itself with regard to the independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.
- c. The N&R Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.
- d. The N&R Committee shall consider the following attributes/criteria, whilst recommending to the Board the candidature for appointment as Director.
 - i. Qualification, expertise and experience of the Directors in their respective fields;
 - ii. Personal, Professional or business standing;
 - iii. Diversity of the Board.
- e. In case of re-appointment of Non-Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

2. Remuneration

The Non-Executive Directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board/Committee meetings as detailed here under:

- i. All Non-Executive Director shall be entitled to receive sitting fees for each meeting of the Board or Committee of the Board attended by him within the overall limits prescribed under the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014;
- ii. The Independent Directors shall not be entitled to participate in the Stock Option Scheme, if any, introduced by the Company.

3. CEO & Managing Director - Criteria for selection/appointment

For the purpose of selection of the MD and WTD the N&R Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and shall take into consideration recommendation, if any, received from any member of the Board.

The Committee will also ensure that the incumbent fulfills such other criteria with regard to age and other qualifications as laid down under the Companies Act, 2013 or other applicable laws.

Remuneration for the Managing Director & Whole-time Directors

- i. At the time of appointment or re-appointment, the Managing Director and Whole-time director shall be paid such remuneration as may be mutually agreed between the Company (which includes the N&R Committee and the Board of Directors) and the Managing Director and Whole-time Director within the overall limits prescribed under the Companies Act, 2013.
- ii. The remuneration shall be subject to the approval of the Members of the Company in General Meeting.
- iii. The remuneration of the Managing Director and Whole-time director is broadly divided into fixed and variable components. The fixed component comprises salary, allowances, perquisites, amenities and retiral benefits. The variable component comprises performance bonus.
- iv. In determining the remuneration (including the fixed increment and performance bonus) the N&R Committee shall ensure/consider the following:
 - a. responsibility required to be shouldered by the Managing Director and Whole-time director, the industry benchmarks and the current trends;
 - b. the Company's performance vis-à-vis the annual budget achievement and individual performance.

Remuneration Policy for the Senior Management Employees

- I. In determining the remuneration of the Senior Management Employees and Key Managerial Personnels, the N&R Committee shall ensure/consider the following:
 - i. the relationship of remuneration and performance;
 - ii. the balance between fixed and incentive pay reflecting short and long term performance objectives, appropriate to the working of the Company and its goals;
 - iii. the remuneration is divided into two components viz. fixed component comprising salaries, perquisites and retirement benefits and a variable component comprising performance bonus;
 - iv. the remuneration including annual increment and performance bonus is decided based on the criticality of the roles and responsibilities, and current compensation trends in the market.
- II. The Managing Director will carry out the individual performance review based on the standard appraisal matrix and shall take into account the appraisal score card and



other factors mentioned herein-above, whilst recommending the annual increment and performance incentive to the N&R Committee for its review and approval.

Service Contracts, Severance Fees and Notice Period

The appointment of Managing Director and Whole-time Director(s) are governed by the Articles of Association and resolutions passed by the Board of directors and Shareholders of the Company. The appointment is as per service/employment contracts. These contracts are terminable by either of the parties by serving notice of six months.

Employee Stock Option Scheme

The Company have not issued any Employee Stock Option Scheme for its Directors or Employees during the year.

Performance Linked Incentive Criteria

The Company has internal norms for assessing the performance of its Directors & Senior Executives.

IV. PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 read with Part D of Schedule II to Regulation 19(4) of the SEBI Listing Regulations. The Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and Compliance Committees.

A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

Terms of Appointment & Remuneration - MD & WTD

Particulars	Shri Kedarmal Shankarlal Bankda, Chairman & WTD	Shri Vijay Shankarlal Bankda, MD
Period of Appointment	03.05.2017 to 02.05.2022	01.12.14 to 30.11.2019*
Salary Grade Allowances	125,000-100,000 P.M.	125,000-100,000 P.M.
Perquisites	9,00,000 P.A.	9,00,000 P.A.
Retiral Benefits	Gratuity and Leave encashment as per Rules	Gratuity and Leave encashment as per Rules
Performance Bonus	0	0
Deferred Bonus	0	0
Minimum Remuneration	As per provisions of the Schedule XIII of the Companies Act, 1956	As per provisions of the Schedule V of the Companies Act, 2013.
Notice Period and fees	6 months from either side	6 months from either side.

*Remuneration was increased w.e.f.01/08/2016 for remaining part of tenure as set out in resolution passed in the last AGM held on 30th September 2016.

Details of remuneration paid to the Directors are given in Form MGT - 9

V. GENERAL BODY MEETINGS

(a) Details of the Last Three Annual General Meetings held

Year	Venue of the AGM	Date & Time	Special Resolution	Special Resolution through Postal Ballot
2013-14	Touch of Class, Club B, Boomerang, Plot No. 37, Chandivali Farm Road, Chandivali, Andheri (E), MUMBAI-72	22.09.2014 2.00 P.M.	One	N.A.
2014-15	Ginger Hotel, Ground Floor, Bindra Corporate Centre, Mahakali Caves Road, Andheri (E), Mumbai -93	25.09.2015 2.00 P.M.	Nil	N.A.
2015-16	The Supremo Activity Centre & Matoshri Sports Complex, Jogeshwari Vikhroli Link Road, Andheri East, Mumbai-93	30.09.2016 4.30 P.M.	Two	N.A.

During the year under review, no extra ordinary general meeting was held as well as no resolution was passed through the Postal Ballot process.

(VI) MEANS OF COMMUNICATION

The quarterly, half-yearly and yearly financial results of the Company are sent to the Stock Exchanges immediately after these are approved by the Board. These are widely published in following newspapers. These results are simultaneously posted on the website of the Company at www.sfil.in and also uploaded on the website of the BSE Ltd.

Quarterly Results	Newspaper Publication	Displayed in Website
31.03.2016	Free Press & Navshakti Maratha	www.sfil.in
30.06.2016	Free Press & Navshakti Maratha	www.sfil.in
30.09.2016	Free Press & Navshakti Maratha	www.sfil.in
31.12.2016	Free Press & Navshakti Maratha	www.sfil.in
31.03.2017	Free Press & Navshakti Maratha	www.sfil.in

However, the Company has not made any official releases and presentation to any institution.

(VII) GENERAL SHAREHOLDER INFORMATION

a) Annual General Meeting

The 29th Annual General Meeting of the Company will be held on Friday, 29th September, 2017 at 12.30 P.M. at The Supremo Activity Centre & Matoshri Sports Complex, Jogeshwari Vikhroli Link Road, Andheri (East) Mumbai - 400093

b) Financial Year: 2017-18 (from 1st April 2017 to 31st March, 2018)

First quarterly results	: June, 2017 on 14th August, 2017
Second quarterly / Half yearly results	: Sept., 2017 - Before 14th Nov., 2017
Third quarterly results	: Dec., 2017 - Before 14th Feb., 2018
Annual results for the year ending on	: 31st March, 2018 - Before 30th May, 2018
Annual General Meeting for the year ending on 31st March, 2018	: On or Before 30th Sept., 2018

c) Book Closure/Record date :

The Register of Members and the Share Transfer Books of the Company shall remain closed from 23rd September, 2017 to 29th September, 2017 (both days inclusive) for the Annual General Meeting.

d) Dividend Payment Date

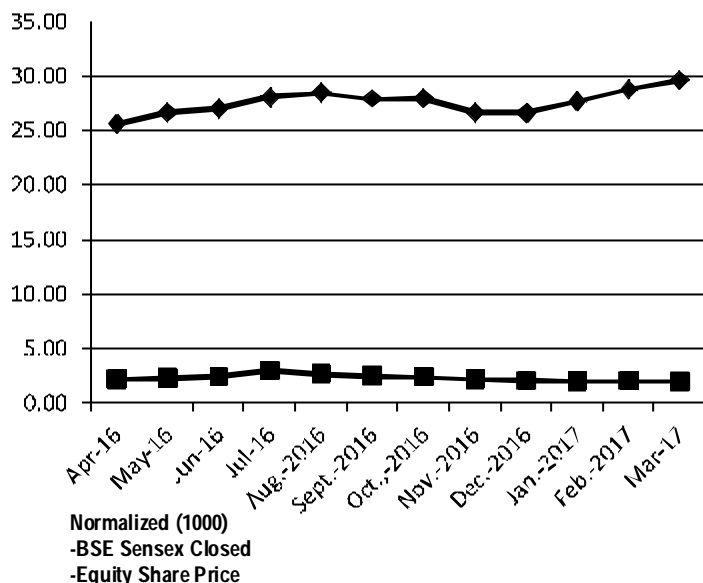
Dividend of Rs. 0.02 (2%) per equity share for the financial year ended 31st March, 2017 as recommended by the Board of Directors, if approved at the Annual General Meeting, will be paid to the members on or before dated 28th Oct., 2017.

e) Listing on Stock Exchange

The Company is listed on : BSE Limited
1st Floor, P.J. Towers, Dalal Street, Fort, Mumbai - 400001
Tel No.: +91-22-22721233 / 4 / 66545695
Website: www.bseindia.com
Email : corp.relations@bseindia.com

Scrip Code : 524470
CIN : L24239MH1988PLC047759
ISIN : INE312C01025

Month	BSE Sensex Closed	Equity Share Price			No of Trades in the month	No of Shares Traded in the Month	Turnover Rs. In Lakhs
		High	Low	Close			
April-2016	25606.62	2.99	2.12	2.15	24359	109020997	2670.55
May-2016	26667.96	2.43	2.00	2.25	17227	76013578	1619.68
June-2016	26999.72	2.52	2.01	2.41	17947	51109103	1150.74
July-2016	28051.86	3.49	2.34	3.02	32012	90422048	2549.59
Aug.-2016	28452.17	3.27	2.45	2.64	22506	54567512	1490.21
Sept.-2016	27865.86	2.73	2.36	2.47	14649	37907381	972.52
Oct.-2016	27930.21	2.70	2.30	2.38	17463	77583704	1896.43
Nov.-2016	26652.81	2.46	1.91	2.18	14162	40366517	887.05
Dec.-2016	26626.46	2.39	2.00	2.08	10958	36178210	774.07
Jan.-2017	27655.96	2.25	1.87	2.01	13600	69026070	1396.42
Feb.-2017	28743.33	2.20	1.98	2.03	9057	28357191	587.11
March-2017	29620.50	2.07	1.83	1.97	9865	28892159	562.97

**Registrar & Share Transfer Agent**

Ankit Consultancy Private Limited

Plot No. 60, Electronic Complex, Pardeshipura, Indore (M.P.) 452001

Tel No.: 0731-4281333, 0731-4065799, Email: ankit_4321@yahoo.com

Share Transfer System

The Board has authorised Stakeholder Relationship Committee to approve and authorise matters relating to share transfers/transmission, issue of duplicate share certificates, etc. The Company's Registrars, M/s Ankit Consultancy Pvt. Ltd. has adequate infrastructure to process the share transfers.

The Share transfer requests received at the Registrar & Share Transfer Agent are processed and delivered within 15 days from the days of lodgement and in case of dematerialization requests are processed within 21 days from the date of receipt.

i. Nomination facility for shareholding

As per the provisions of the Companies Act, 2013, facility for making nomination is available for Members in respect of shares held by them. Members holding shares in physical form may obtain nomination form, from the Share Department of the Company or download the same from the MCA's website. Members holding shares in dematerialized form should contact their Depository Participants (DP) in this regard.

ii. Permanent Account Number (PAN)

Members who hold shares in physical form are advised that SEBI has made it mandatory that a copy of the PAN card of the transferee/s, members, surviving joint holders/legal heirs be furnished to the Company while obtaining the services of transfer, transposition, transmission and issue of duplicate share certificates.

iii. Sub-division of shares

The Company had sub-divided its equity shares of Rs. 10/- each to Re. 1/- each on 8th July, 2013.

Distribution of Shareholding as on March 31st 2017

Shareholding of Nominal Value Rs.	No. of shareholder	%	Shares Amount in Nominal Rs.	%
Up to 1000	13025	33.92	7474433	0.96
1001-2000	5182	13.50	8974971	1.15
2001-3000	2769	7.21	7486399	0.96
3001-4000	2715	7.07	9857076	1.26
4001-5000	2704	7.04	13232461	1.70
5001-10000	5028	13.09	40334488	5.17
10001-20000	3071	8.00	45682842	5.85
20001-30000	1239	3.23	31524159	4.04
30001-40000	604	1.57	21583286	2.76
40001-50000	509	1.33	23964064	3.07
50001-100000	874	2.28	64893376	8.31
100000-Above	678	1.76	505644625	64.77
Total	38398	100.00	780652180	100.00

Shareholding Pattern as on March 31st 2017.

Category of Share Holders	No. of Shares Held	%
Promoters	304279619	38.98
Mutual Funds/UTI	0	0
Financial Institutions/Banks	0	0.00
Insurance Companies	0	0
Foreign Institutional Investors	0	0
Directors & Relatives	0	0
Individuals	404486705	51.82
Non- Resident Indians & OCB	20988346	2.69
Others	50897510	6.51
TOTAL	780652180	100.00

Dematerialisation of Shares & Liquidity as on March 31st 2017

The shares of the Company are compulsorily traded in electronic mode and has established connectivity with both the Depositories namely, National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL). As on March 31st 2017 the number of shares held in dematerialized and physical mode are as under:

Particulars	Number of Shares	% to Total Capital Issued	Number of Share holders	Percentage to Total Number of Shareholders
Held in demat in NSDL	529975102	67.88	21149	55.07
Held in demat in CDSL	245726643	31.47	16386	42.68
Sub Total (demat)	775701745	99.35	37535	97.75
Physical Mode	4950435	0.65	862	2.25
	780652180	100.00	38397	100.00

Outstanding GDRs/ADRs/Warrants or any convertible instruments, etc.

As on date, the Company has not issued these types of securities.

Foreign exchange risk and hedging activities

The Company has no foreign exchange exposures, however, hedging is done wherever it was required.

Plant Location: 256-257, Sector I, Industrial Area, Pithampur (District Dhar) M.P. 454774, Phone: 07292 253121, 253404

Address for Correspondence

All Shareholders correspondence should be addressed to the Registrar & Share Transfer Agents of the Company or to the Secretarial Department of the Company at the following addresses:

1. Ankit Consultancy Private Limited

Plot No. 60, Electronic Complex, Pardeshipura, Indore (M.P.) 452001
Tel No.: 0731-4281333, 0731-4065799. Email: ankit_4321@yahoo.com

2. Syncom Formulations (India) Limited

CIN: L24239MH1988PLC047759
Registered Office: 7, Niraj Industrial Estate, off Mahakali Caves Road, Andheri (E) Mumbai (MS) 400093
Phone 022-30887744, Fax: 022-30887755 Email: info@sfil.in, finance@sfil.in, investors@sfil.in

Corporate Office: 2nd Floor Tagore Centre, (Dawa Bazar), 13-14, R.N.T. Marg Indore (M.P.) 452001, Ph.: 0731-3046870, Email: finance@sfil.in Website: www.sfil.in

OTHER DISCLOSURES**SUBSIDIARY COMPANIES**

The Company has one overseas subsidiary Trade Service FZE as its subsidiary, however the same has been liquidated w.e.f. 25th April, 2017.

The Audited Annual Financial Statements of Subsidiary Companies are tabled at the Audit Committee and Board Meetings. Copies of the Minutes of the Audit Committee/Board Meetings of Subsidiary Companies are individually given to all the directors and are tabled at the subsequent Board Meetings.

RELATED PARTY TRANSACTIONS

All transactions entered into with Related Parties as defined under the Companies Act, 2013, Clause 49 of the Listing Agreement and Regulation 34(3) Para A of Schedule V SEBI (LODR) Regulations, 2015 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 related parties during the financial year which were in conflict with the interest of the Company. Suitable disclosure as required by the Accounting Standards (AS18) has been made in the notes to the Financial Statements. There is no reportable transactions with the Related Parties to disclose in the Form AOC-2 Pursuant to section 134(3)(h) of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

The Audit Committee and the Board has approved a policy for related party transactions



which has been uploaded on the Company's website at http://www.syncomformulations.com/index.php?option=com_docman&task=catview&gid=5&Itemid=105.

STRICTURES AND PENALTIES

No strictures or penalties have been imposed on the Company by the Stock Exchanges or by the Securities and Exchange Board of India (SEBI) by any statutory authority on any matters related to capital markets during the last three years, except that an Interim Order has been passed by the SEBI on 19.12.2014 in the matter of First Financial Services for restraining the Company to access the capital market till the further order. The Company had submitted necessary information and applied to the SEBI for removal of the name of the Company and against SEBI Ad-Interim Ex-Parte Order in the matter of First Financial Services Limited granted Interim Relief on 22.01.2016 and further order dated 25th August, 2016. The Details of the Interim Relief are as follows:

Outstanding GDRs/ADRs/Warrants or any convertible instruments, etc.

As on date, the Company has not issued these types of securities.

Foreign exchange risk and hedging activities

The Company has no foreign exchange exposures, however, hedging is done wherever it was required.

Plant Location: 256-257, Sector I, Industrial Area, Pithampur (District Dhar) M.P. 454774, Phone: 07292 253121, 253404

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CIN: L24239MH1988PLC047759

Registered Office: 7, Niraj Industrial Estate, off Mahakali Caves Road,

Andheri (E) Mumbai (MS) 400093

Phone: 022-30887744, Fax: 022-30887755 Email: info@sfil.in, finance@sfil.in, investors@sfil.in

Corporate Office: 2nd Floor Tagore Centre, (Dawa Bazar), 13-14, R.N.T. Marg

Indore (M.P.) 452001, Ph.: 0731-3046870, Email: finance@sfil.in Website: www.sfil.in

OTHER DISCLOSURES

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The Audit Committee and the Board has approved a policy for related party transactions which has been uploaded on the Company's website at http://www.syncomformulations.com/index.php?option=com_docman&task=catview&gid=5&Itemid=105.

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Particulars	Disclosures
The details of any change in the status and/or any development in relation to such proceedings	The SEBI has provided the relief by the common order dated 25.08.2016 as under: a. enter into delivery based transactions in cash segment in the securities covered in NSE Nifty 500 Index scrips and/ or S&P BSE 500 scrips;

- b. subscribe to units of the mutual funds including through SIP and redeem the units of the mutual funds so subscribed;
 - c. deal in Debt/ Government Securities;
 - d. invest in ETF;
 - e. avail the benefits of corporate actions like rights issue, bonus issue, stock split, dividend, etc.;
 - f. tender the shares lying in their demat account in any open offer/delisting offer under the relevant regulations of SEBI.
- The SEBI has further allowed relaxations/reliefs as under:-
- a. They are permitted to sell the securities held in the demat account as on the date of the interim order, other than the shares of the companies which are suspended from trading by the concerned stock exchange, in orderly manner under the supervision of the stock exchanges so as not to disturb the market equilibrium and deposit the sale proceeds in an interest bearing escrow account with a nationalized bank.
 - b. They may deal with or utilize the sale proceeds lying in the aforesaid escrow account under the supervision of the concerned stock exchange as provided under:-
(i) the sale proceeds may be utilised for investments permitted in para 93;
(ii) upto 25% of the value of the portfolio as on the date of the interim order or the amount* in excess of the profit made /loss incurred or value of shares purchased to give exit, whichever is higher, may be utilized for business purposes and/or for meeting any other exigencies or address liquidity problems etc.
* The amount will include the value of portfolio in the demat account
Explanation: For the purposes of determining the portfolio value of the entities, the value of portfolio of securities lying in the demat account/s (individual and joint both) on the date of the interim order after excluding the value of shares that have been suspended from trading as on the date of the communication shall be considered. For NBFCs and stock brokers the value of portfolio shall exclude the value of clients' securities lying in their demat accounts.
 - c. The aforesaid reliefs shall be subject to the supervision of exchanges and depositories. The stock exchanges may use the existing mechanism available for implementing the similar interim relief earlier granted to some of the entities.

COMPLIANCE WITH ACCOUNTING STANDARDS

In the preparation of the financial statements, the Company has followed the Accounting Standards notified pursuant to Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provision of the Companies Act, 2013 read with General Circular 8/2014 dated April 04, 2014, issued by the Ministry of Corporate Affairs. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements. The Company has also implemented the IND-AS w.e.f. 1st April, 2017.

INTERNAL CONTROLS

The Company has a formal system of internal control testing which examines both the design effectiveness and operational effectiveness to ensure reliability of financial and operational information and all statutory/regulatory compliances. The Company's business processes have a strong monitoring and reporting process resulting in financial discipline and accountability.

MD/CFO CERTIFICATION

The MD and the CFO have issued certificate pursuant to the provisions of Regulation 17(8) of the SEBI (LODR) Regulations, 2015, certifying that the financial statements do not contain any untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is reviewed by the Audit Committee and taken on record by the Board and annexed and forms part of the Annual Report.

CODE OF CONDUCT

The Board of Directors has approved a Code of Business Conduct which is applicable to the Members of the Board and all employees. The Code has been posted on the Company's website www.sfil.in. The Code lays down the standard of conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders. The Code gives guidance through examples on the expected behavior from an employee in a given situation and the reporting structure.

All the Board Members and the Senior Management personnel have confirmed compliance with the Code.

VIGIL MECHANISM/WHISTLE BLOWER AND RISK MANAGEMENT POLICY

In staying true to our values of Strength, Performance and Passion and in line with our vision of being one of the most respected companies in India, the Company is



committed to the high standards of Corporate Governance and stakeholder responsibility.

The Company has a Risk Management Policy (RM) to deal with instances of fraud and mismanagement, if any. The RM Policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be met out to any person for a genuinely raised concern.

PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Company Secretary is responsible for implementation of the Code. All Board of Directors and the designated employees have confirmed compliance with the Code.

MANDATORY REQUIREMENTS

The Company has complied with all the mandatory requirements of the SEBI (LODR) Regulations, 2015 as amended from time to time.

FAMILIARISATION PROGRAM FOR INDEPENDENT DIRECTORS

The Company has in place a Familiarisation Program for Independent Directors to provide insights into the company to enable the Independent Directors to understand its business in depth and contribute significantly to the company's success. The Company has devised and adopted a policy on Familiarisation Program for Independent Directors and is also available at the company's website at www.sfil.in and the weblink for the policy and details of the Familiarisation Program imparted to the Independent Directors during the Financial year at http://www.syncomformulations.com/index.php?option=com_docman&task=cat_view&gid=66&Itemid=105.

UNCLAIMED DIVIDEND AND SHARES LIABLE TO TRANSFER TO IEPF AUTHORITY

a. Unclaimed Dividends

The Company is required to transfer dividends which have remained unpaid/unclaimed for a period of seven years to the Investor Education & Protection Fund established by the Government. The Company will, in November, 2017 transfer to the said fund, the dividends for the years ended 31st March, 2010 which have remained unclaimed /unpaid. The dates by which the dividend amounts will be transferred to IEPF are as under:

Financial Year	Date of Declaration	Rate of Dividend in Rs. per share of Rs. 10/- IEPF	Due date for transfer to
2009-10	27.09.2010	0.50	26.11.2017
2010-11	28.09.2011	0.50	27.11.2018
2011-12	29.09.2012	0.60	28.11.2019
2012-13	05.08.2013	0.60	04.08.2020
2013-14	22.09.2014	0.02*	21.11.2021
2014-15	25.09.2015	0.02	24.11.2022
2015-16	30.09.2016	0.02	29.11.2023

*Sub-divided into Re. 1/- per share

Individual reminders are sent each year to those Members by way of note to the notice of the Annual General Meeting which remained unclaimed for a period of seven years from the date they became due for payment, before transferring the monies to the Investor Education & Protection Fund (IEPF). The information on unclaimed dividend is also posted on the website of the Company as aforesaid.

b. Shares eligible for transfer to the IEPF Authority

The Company shares on which the shareholders could not claim/encashed their dividend for a consecutive period of 7 years the resulting shares of those shares as at the cut off date 31st May, 2017 is liable to be transferred to the IEPF Authority on such date as may be decided by the Central Government pursuant to the provisions of section 124 of the Companies Act, 2013 and rules made thereunder.

The Shareholders whose share transferred as aforesaid as well as unpaid dividend thereon may be claimed by them with the IEPF Authority by filing of the Form IEPF-5 after complying with the required formalities as prescribed under the concerning rules and help of the Form, once the shares transferred by the Company.

COMPLIANCE WITH DISCRETIONARY REQUIREMENTS

A. DISCLOSURES

1. There are no materially significant transactions with the related party viz. Promoters, Directors or the Management, or their relatives or Subsidiaries that had potential conflict with the Company's interest. Suitable disclosure as required by the Accounting Standard (AS 18) has been made in the Annual Report. The Related

Party Transactions Policy as approved by the Board is uploaded on the Company's website at

http://www.syncomformulations.com/index.php?option=com_docman&task=cat_view&gid=56&Itemid=105.

2. There were no non compliance by the Company and no penalty imposed by the stock exchange or any statutory authority on any matter related to capital market during the year except an Interim Order passed by the SEBI on 19.12.2014 in the matter of First Financial Services for restraining the Company to access the capital market till the further order. The Company had submitted necessary information and applied to the SEBI for removal of the name of the Company and against SEBI Ad-Interim Ex-Parte Order in the matter of First Financial Services Limited Granted Interim Relief on 22.01.2016.
3. The Company has formed and hosted the Vigil Mechanism Policy on the website of the Company, and the Company confirm that no personnel were denied to access to the audit committee.
4. The Company has hosted all the required policy on the website of the company, however, the Company is not having any material subsidiary during the year 2016-17.
5. The Company has given the web link of the related party transaction in the annual report.
6. Since the Company is not dealing in commodity hedging, therefore, it is not having any risk associated thereto.
7. The Company is not having any security to credit in the Demat suspense account u/s 124(5) and (6) of the Companies Act, 2013.

B. DISCRETIONARY REQUIREMENTS UNDER REGULATION 27 OF LISTING REGULATION

The Status of compliance with discretionary recommendations of the Regulation 27 of the SEBI (LODR) Regulations, 2015 is provided below:

1. Non- Executive Chairman's Office: N.A.
2. Shareholder's Rights: As the quarterly and half yearly financial performance along with significant events are published in the newspapers and are also posted on the Company's website, the same are not being sent to the shareholders.
3. Modified Opinion in Auditors Report: The Company's Financial Statement for the year 2016-17 does not contain any modified audit opinion.
4. Separate posts of Chairman and CEO: The Chairman of the Board is a Executive Director and his position is separate from that of the Managing Director.
5. Reporting of Internal Auditor: The Internal Auditor Reports to the Audit Committee.

For and on behalf of the Board of Directors

KEDARMAL BANKDA
Chairman & Whole Time Director
Chairman of the CSR Committee
DIN: 00023050

Place: Indore
Date : 14th Aug., 2017

Certificate on Compliance with Code of Conducts

As required under Schedule V(D) of the SEBI (LODR) Regulations, 2015 with BSE Limited, I hereby affirm that all the Board Members and Senior Management Personnel have affirmed compliance with the Syncom Code of Business Conduct and Ethics, as applicable to them, for the year ended March 31st 2017.

For and on behalf of the Board of Directors

KEDARMAL BANKDA
Chairman & Whole Time Director
Chairman of the CSR Committee
DIN: 00023050

Place: Indore
Date : 14th Aug., 2017

Auditors Certificate on Corporate Governance

To,
The Members,
Syncom Formulations (India) Limited
We have examined the compliance of conditions of Corporate Governance by Syncom Formulations (India) Limited (the 'Company') for the year ended 31st March, 2017 as stipulated in Chapter IV of the SEBI (LODR) Requirements, 2015.
The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the company.
In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the directors and management, we



certify that the company has complied with the conditions of Corporate Governance applicable as stipulated in the provisions as specified in Chapter IV of the SEBI (LODR) Requirements, 2015.

We state that in respect of investor grievances received during the year ended 31st March, 2017, only 1 (One) investor grievances are pending against the Company, as per the records maintained by the Company.

We further state that such compliance is neither an assurance as to the future viability of the company nor of the efficiency or effectiveness with which the management has conducted its affairs.

**FOR, S.P. MOONDRA & CO.
CHARTERED ACCOUNTANTS
F.R. NO. 004879C**

Place: Indore
Date : 14th August, 2017

**S.P. MOONDRA
PROPRIETOR
M.NO. 073747**

ANNEXURE 'G'

MD AND CFO CERTIFICATION

[Under Regulation 17(8) of SEBI (LODR) Regulations, 2015]

We the undersigned, in our respective capacities as Chief Executive Officer and Managing Director and Chief Financial Officer of Syncom Formulations (India) Limited ("the Company") to the best of our knowledge and belief certify that:

(A) We have reviewed the Financial Statements, Cash Flow Statements, Books of Accounts, detailed trial balance and grouping thereof for the Financial Year 2016-17 and that to the best of our knowledge and belief:

(1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(3) no transactions entered into by the Company during the year which are fraudulent, illegal or violate the Company's code of conduct.

(B) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

(C) We have indicated to the auditors and the Audit committee:

(a) significant changes in internal control over financial reporting during the Financial Year 2016-17

(b) significant changes in accounting policies during the period and that the same have been disclosed in the notes of the financial statements; and

(c) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

**VUJAY SHANKARLAL BANKDA
Managing Director
DIN : 00023027**

**ANKIT KEDARMAL BANKDA
Chief Financial Officer**

Place : Indore
Date : 30th May 2017

ANNEXURE 'H'

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

[Section 134(3)(m) of The Companies Act, 2013 read with Rule 8(3) of The Companies Accounts) Rules, 2014]

A. Conservation of energy

1. the steps taken or impact on conservation of energy

Your Company is taking measures to improve overall energy efficiency by installing power efficient equipments. Several environment friendly measures have been adopted by your Company such as:

- Maintain power factor unity
- Replacement of Air Compressors with energy efficient screw compressor.
- Minimizing the usage of air conditioning.
- Shutting off the lights when not in use.
- Minimizing the usage of papers and maximum usage of e-prints or e-folders for data archives.

- Creating environmental awareness by way of distributing relevant information in electronic form, encouraging conservation of energy and natural resources.

2. the steps taken by the company for utilizing

alternate sources of energy : The Company has installed Solar Power Generation Plant for captive consumption

3. the capital investment on energy

conservation equipment : Rs. 384.28 Lakhs

B. Technology Absorption

1. the efforts made towards technology absorption

- We have replaced old machines with modern machine to improve efficiency and energy saving
- We have installed condensate recovery system at VAC condensate outlet.

2. the benefits derived like product improvement, cost reduction, product development or import substitution

- Right sizing of Manpower
- Product improvement
- Cost reduction
- Energy efficient machines are being installed which helps in saving energy and increase production.

3. in case of imported technology (imported during the last three years reckoned from the beginning of the financial year) NIL

C. Foreign exchange earnings and Outgo

	Foreign exchange earnings and Outgo (Rs. in lacs)	Current Yr.	Prev. Yr.
(i) The Foreign Exchange earned in terms of actual inflows during the year ;		13637.50	10453.03
(ii) and the Foreign Exchange outgo during the year in terms of actual outflows.		81.74	59.88

For and on behalf of the Board of Directors

**KEDARMAL BANKDA
Chairman & Whole Time Director
Chairman of the CSR Committee
DIN : 00023050**

Place: Indore
Date : 14th Aug., 2017

ANNEXURE 'I'

EXTRACT OF ANNUAL RETURN FORM MGT - 9

As on the financial year ended on 31st 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

CIN	L24239MH1988PLC047759
Registration Date	21/06/1988
Name of the Company	SYNCOM FORMULATIONS (INDIA) LIMITED
Category/Sub-Category of the Company	Company having Share Capital
Address of the Registered Office and contact details	7, Niraj Industrial Estate, Off Mahakali Caves Road, Andheri (East), Mumbai (MH)- 400093 Phone: 022-30887744 - Email: finance@sfil.in
Whether listed company	Yes with BSE LTD.
Name, address and contact details of Registrar and Transfer Agent, if any	Ankit Consultancy Pvt. Ltd. Plot No. 60, Electronic Complex, Pardeshipura, Indore-1 (M.P.), Ph.: 0731-4281333/4065799 E-mail : ankit_4321@yahoo.com

II. Principal Business Activities of the Company

All the Business Activities contributing 10% or more of the total turnover of the Company:

Name and Description of main Products / Services	NIC Code of the Product / Service	% to total turnover of the Company
Pharmaceuticals	21002 & 21003	98.51%

III. Name and Address of the Holding, Subsidiary and Associate Companies:

Name and address of the Company	CIN / GLN	Holding/ Foreign Subsidiary/ Associate	% of shares held	Applicable Sec.
Trade Services FZE	RAKIA 52FZ302125255	Subsidiary	100%	2(87)

*The same has been liquidated w.e.f. 25th April, 2017.



IV. SHAREHOLDING PATTERN

(Equity Share Capital Breakup as % of the total Equity)

i) Category-wise Shareholding

Category of Shareholder	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual / HUF	293337575	-	293337575	37.58	221218494	-	221218494	28.34	(9.24)
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	83061125	-	83061125	10.64	83061125	-	83061125	10.64	0.00
e) Banks/FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-Total (A1):	376398700	-	376398700	48.22	304279619	-	304279619	38.98	(9.24)
(2) Foreign									
a) NRIs – Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other...	-	-	-	-	-	-	-	-	-
Sub-Total (A) (2):	-	-	-	-	-	-	-	-	0
Total Share holding of Promoters (A) = (A)(1)+(A) (2)	376398700	-	376398700	48.22	304279619	-	304279619	38.98	(9.24)
B. Public Shareholding									
(1) Institutions									
a) MF / UTI	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	25000	-	25000	0.00	0.00	-	0.00	0.00	0.00
h) Foreign VCF	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-Total (B1):	25000	-	25000	0.00	0.00	-	0.00	0.00	0.00
(2) Non-Institutions									
a) Bodies Corporate									
i) Indian	80129877	-	80129877	10.26	48442477	-	48442477	6.21	(4.05)
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual Share holders holding nominal share capital upto Rs.1 lakh	207711080	4750935	212462015	27.21	255936786	4708935	260645721	33.39	6.17
ii) Individual Share holders holding nominal share capital in excess of Rs.1 lakh	94048192	-	94048192	12.05	143735984	105000	143840984	18.43	6.38
c) Others (specify)									
i) NRI / OCBs	15377643	136500	15514143	1.99	20851846	136500	20988346	2.69	0.7
ii) Clearing Members/ House	2074253	-	2074253	0.27	2455033	-	2455033	0.31	0.04
Sub-Total (B)(2):	399236045	4992435	404228480	51.78	471422126	4950435	476372561	61.02	9.24
Total Public Share holding (B) =(B1+ B2)	399261045	-	399261045	51.78	471422126	4950435	476372561	61.02	9.24
Grand Total A+B	775659745	4992435	780652180	100.00	775701745	4950435	780652180	100.00	0

ii) Share holding promoters

Shareholders Name	Share Holding at beginning of the year			Share Holding at the end of the year			% Change in share holding during the year
	No. of shares	% of total shares of the comp.	% of shares pledged/ encumbered to total shares	No. of shares	% of total shares of the comp.	% of shares pledged/ encumbered to total shares	
Shri Kedarmal Shankarlal Bankda	90194650	11.55	-	90194650	11.55	-	
Kedarmal Bankda(HUF)	10484040	1.34	-	10484040	1.34	-	
Shri Vijay Shankarlal Bankda	58553775	7.50	-	58553775	7.50	-	
Vijay Bankda (HUF)	12068000	1.55	-	12068000	1.55	-	
Mrs. Asha Bankda	41623400	5.33	-	54319	0.01	-	(5.32)
Shri Ankit Bankda	46886420	6.01	-	46886420	6.01	-	
Shri Ankur Vijay Bankda	6313900	0.81	-	63900	0.01	-	(0.80)
Shri Rahul Bankda	2169500	0.28	-	169500	0.02	-	(0.26)
Sirand Developers Pvt. Ltd.	35875000	4.60	-	35875000	4.60	-	
Mrs. Sulabh Rahul Bankda	100	0.00	-	100	0.00	-	
M/s Paradise Vyapar Pvt. Ltd.	47186125	6.04	-	47186125	6.04	-	
Mrs. Vimla Bankda	22312320	2.86	-	12320	0.00	-	(2.86)
Shankarlal Bankda (HUF)	2731470	0.35	-	2731470	0.35	-	
TOTAL	376398700	48.22	-	304279619	38.98	-	(9.24)


iii) Change in Promoters' Shareholding:

The Changes in the Promoter's Shareholding during the year are detailed below:

S. N.	Name of the Shareholder	Share Holding at the beginning of the year		Cumulative Share Holding during the year	
		No. of shares	% of the total share of the company	No. of shares	% of the total share of the company
	ASHA BANKDA				
	At the beginning of the year	41623400	5.33	41623400	5.33
	Sale of Shares on 20.04.2016	(3500000)	0.44	38123400	4.88
	Sale of Shares on 21.04.2016	(2500000)	0.32	35623400	4.56
	Sale of Shares on 25.04.2016	(3500000)	0.44	32123400	4.11
	Sale of Shares on 26.04.2016	(3500000)	0.44	28623400	3.67
	Sale of Shares on 29.04.2016	(3500000)	0.44	25123400	3.22
	Sale of Shares on 20.10.2016	(2500000)	0.32	22623400	2.90
	Sale of Shares on 21.10.2016	(3800000)	0.48	18823400	2.41
	Sale of Shares on 24.10.2016	(3500000)	0.44	15323400	1.96
	Sale of Shares on 25.10.2016	(3500000)	0.44	11823400	1.51
	Sale of Shares on 26.10.2016	(3000000)	0.38	8823400	1.13
	Sale of Shares on 19.12.2016	(1500000)	0.19	7323400	.94
	Sale of Shares on 20.12.2016	(1500000)	0.19	5823400	.75
	Sale of Shares on 21.12.2016	(1000000)	0.12	4823400	.62
	Sale of Shares on 26.12.2016	(750000)	0.09	4073400	.52
	Sale of Shares on 27.12.2016	(719081)	0.09	3354319	.43
	Sale of Shares on 03.01.2017	(3300000)	0.42	54319	0.01
	At the end of the year	54319	0.01	54319	0.01
	SHRIANKUR BANKDA				
	At the beginning of the year	6313900	0.80	6313900	0.80
	Sale of Shares on 28.12.2016	(650000)	(0.08)	5663900	0.72
	Sale of Shares on 02.01.2017	(2000000)	(0.25)	3663900	0.47
	Sale of Shares on 30.01.2017	(3600000)	(0.46)	63900	0.01
	At the end of the year	63900	0.01	63900	0.01
	SHRI RAHUL BANKDA				
	At the beginning of the year	2169500	0.28	2169500	0.28
	Sale of Shares on 02.01.2017	(2000000)	(0.25)	169500	0.02
	At the end of the year	169500	0.02	169500	0.02
	MRS. VIMAL BANKDA				
	At the beginning of the year	22312320	2.85	22312320	2.85
	Sale of Shares on 20.04.2016	(3000000)	.38	19312320	2.47
	Sale of Shares on 25.04.2016	(1500000)	.19	17812320	2.28
	Sale of Shares on 26.04.2016	(1000000)	.12	16812320	2.15
	Sale of Shares on 29.04.2016	(3000000)	.38	13812320	1.77
	Sale of Shares on 21.10.2016	(3700000)	.47	10112320	1.30
	Sale of Shares on 24.10.2016	(2500000)	.32	7612320	.98
	Sale of Shares on 25.10.2016	(1000000)	.12	6612320	.85
	Sale of Shares on 02.01.2017	(3000000)	.38	3612320	.46
	Sale of Shares on 03.01.2017	(1200000)	.15	2412320	.31
	Sale of Shares on 04.01.2017	(1500000)	.19	912320	.12
	Sale of Shares on 30.01.2017	(900000)	.11	12320	0.00
	At the end of the year	12320	0.00	12320	0.00

The Shareholding of the other promoters & promoter group remained unchanged during the year 2016-17.



iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year		Changes during the year					Reason
	No of Shares	% of total shares of the Co.	No of Shares	% of total shares of the Co.	Date	No. share before change	No. share after change	Increase	Decrease	
Alacrity Securities Limited	20755304	2.66	200000	0.03	08/04/2016	20755304	7000000	-	13755304	Sale
					22/04/2016	7000000	5000000	-	2000000	Sale
					29/04/2016	5000000	12000000	7000000	-	Buy
					06/05/2016	12000000	9500000	-	2500000	Sale
					13/05/2016	9500000	8500000	-	1000000	Sale
					20/05/2016	8500000	3000000	-	5500000	Sale
					27/05/2016	3000000	6500500	3500500	-	Buy
					03/06/2015	6500500	997633	5502867	-	Sale (Note: Not in List w.e.f. 03/06/2016)
Vivek Burman	780500	1.00	10072500	0.00	22/04/2016	7805000	7870000	65000	-	Buy
					29/04/2016	7870000	7925000	55000	-	Buy
					13/05/2016	7925000	8025000	100000	-	Buy
					10/06/2016	8025000	8125000	100000	-	Buy
					08/07/2016	8125000	8200000	75000	-	Buy
					13/07/2016	8200000	8000000	-	200000	Sale
					12/08/2016	8000000	8300000	300000	-	Buy
					23/09/2016	8300000	8750000	450000	-	Buy
					30/09/2016	8750000	8775000	25000	-	Buy
					07/10/2016	8775000	9275000	500000	-	Buy
					14/10/2016	9275000	9500000	225000	-	Buy
					21/10/2016	9500000	9525000	25000	-	Buy
					04/11/2016	9525000	9680000	155000	-	Buy
					18/11/2016	9680000	9815000	135000	-	Buy
					25/11/2016	9815000	9825000	10000	-	Buy
					02/12/2016	9825000	9835000	10000	-	Buy
					16/12/2016	9835000	9925000	90000	-	Buy
					23/12/2016	9925000	9999999	74999	-	Buy
					31/12/2016	9999999	10055000	55001	-	Buy
					13/01/2017	10055000	10065000	10000	-	Buy
					20/01/2017	10065000	10072500	7500	-	Buy
Comfort Securities Ltd	6717776	.86	5060975	.65	08/04/2016	6717776	6701225	-	16551	Sale
					29/07/2016	6701225	6601225	-	100000	Sale
					05/08/2016	6601225	5757475	-	843750	Sale
					12/08/2016	5757475	4957475	-	800000	Sale
					14/10/2016	4957475	4565475	-	392000	Sale
					10/03/2017	4565475	5010975	445500	-	Buy
					24/03/2017	5010975	5060975	50000	-	Buy
Angel Broking Private Limited	2309558	0.00	2757287	0.35	08/04/2016	2210496	2327870	115374	-	Buy
					15/04/2016	2327870	2213298	-	114572	Sale
					22/04/2016	2213298	2164856	-	48442	Sale
					29/04/2016	2164856	2210149	45293	-	Buy
					06/05/2016	2210149	2197014	-	13135	Sale
					13/05/2016	2197014	2346004	148990	-	Buy
					20/05/2016	2346004	2312705	-	33299	Sale
					27/05/2016	2312705	2494066	181361	-	Buy
					03/06/2016	2494066	2596841	102775	-	Buy
					10/06/2016	2596841	2467117	-	129724	Sale
					17/06/2016	2467117	2253818	-	213299	Sale
					24/06/2016	2253818	2450210	196392	-	Buy
					30/06/2016	2450210	2302192	-	148018	Sale
					08/07/2016	2302192	2397255	95063	-	Buy
					15/07/2016	2397255	2059771	-	337484	Sale
					22/07/2016	2059771	2025323	-	34448	Sale
					29/07/2016	2025323	2373475	348152	-	Buy
					05/08/2016	2373475	2635917	262442	-	Buy
					12/08/2016	2635917	2348428	-	287489	Sale
					19/08/2016	2348428	2170861	-	177567	Sale
					26/08/2016	2170861	2310399	139538	-	Buy
					02/09/2016	2310399	2239177	-	71222	Sale
					09/09/2016	2239177	2380784	141607	-	Buy
					16/09/2016	2380784	2110182	-	270602	Sale



Angel Broking Private Limited	2309558	2.66	200000	0.03	23/09/2016	2110182	2139475	29293	-	Buy
					30/09/2016	2139475	2183112	43637	-	Buy
					07/10/2016	2183112	2221652	38540	-	Buy
					14/10/2016	2221652	2092597	-	129055	Sale
					21/10/2016	2092597	1963678	-	128919	Sale (Not in List)
					28/10/2016	1963678	2389911	426233	-	Buy
					04/11/2016	2389911	2370619	-	19292	Sale
					11/11/2016	2370619	2424746	54127	-	Buy
					18/11/2016	2424746	2533984	109238	-	Buy
					25/11/2016	2533984	2557862	23878	-	Buy
					02/12/2016	2557862	2351115	-	206747	Sale
					09/12/2016	2351115	2116978	-	234137	Sale
					16/12/2016	2116978	2022353	-	94625	Sale
					23/12/2016	2022353	1854434	-	167919	Sale
					31/12/2016	1854434	1808501	-	45933	Sale
					06/01/2017	1808501	1689032	-	119469	Sale
					13/01/2017	1689032	1642872	-	46160	Sale
					20/01/2017	1642872	1668891	26019	-	Buy
					27/01/2017	1668891	1580836	-	88055	Sale
					03/02/2017	1580836	1639273	58437	-	Buy
					10/02/2017	1639273	1598615	-	40658	Sale
					17/02/2017	1598615	1631467	32852	-	Buy
					24/02/2017	1631467	1528950	-	102517	Sale
					03/03/2017	1528950	1660061	131111	-	Buy
					10/03/2017	1660061	3143228	1483167	-	Buy (Note: Due to Consolidation on PAN Basis)
					17/03/2017	3143228	3108150	-	35078	Sale
					24/03/2017	3108150	2891143	-	217707	Sale
					31/03/2017	2891143	2752287	-	133856	Sale
Odyssey Corporation Limited	4207718	.54	300000	0.04	08/04/2016	4207718	14307718	10100000	-	Buy
					22/04/2016	14307718	16307718	20000000	-	Buy
					29/04/2016	16307718	9307718	-	7000000	Sale
					06/05/2016	9307718	5307718	-	4000000	Sale
					13/05/2016	5307718	3807718	-	1500000	Sale
					20/05/2016	3807718	2407718	-	1400000	Sale
					27/05/2016	2407718	407718	-	2000000	Sale
					03/06/2016	407718	3407718	3000000	-	Buy
					22/07/2016	3407718	2407718	-	1000000	Sale
					19/08/2016	2407718	907718	-	1500000	Sale (Note: Not in List w.e.f. 19/08/2016)
Monotype India Limited	2840000	.36	Not in List	-	15/04/2016	2840000	1440000	-	1400000	Sale (Note: Not in List w.e.f. 15/04/2016)
Jayne Tradecom Private Limited	2554615	.33	2554615	.33	No Change during the year					
Karvey Stock Borking Limited	2309558	0.31	5281412	.68	08/04/2016	2309558	2385641	76083	-	Buy
					15/04/2016	2385641	2263711	-	121930	Sale
					22/04/2016	2263711	2261741	-	1970	Sale
					29/04/2016	2261741	2572401	310660	-	Buy
					06/05/2016	2572401	2720016	147615	-	Buy
					13/05/2016	2720016	2918187	198171	-	Buy
					20/05/2016	2918187	2923893	5706	-	Buy
					27/05/2016	2923893	2893263	-	30630	Sale
					03/06/2016	2893263	2953207	59944	-	Buy



					10/06/2016	2953207	2918009		35198	Sale
					17/06/2016	2918009	2895299	-	22710	Sale
					24/06/2016	2895299	2628290	-	267009	Sale
					30/06/2016	2628290	2662640	34350	-	Buy
					08/07/2016	2662640	2536160	-	126480	Sale
					15/07/2016	2536160	2681284	145124	-	Buy
					22/07/2016	2681284	2803504	122220	-	Buy
					29/07/2016	2803504	2483048	-	320456	Sale
					05/08/2016	2483048	2550137	67089	-	Buy
					12/08/2016	2550137	2365789	-	184348	Sale
					19/08/2016	2365789	2392658	26869	-	Buy
					26/08/2016	2392658	2356434	-	36224	Sale
					02/09/2016	2356434	2403662	47228	-	Buy
					09/09/2016	2403662	2496912	93250	-	Buy
					16/09/2016	2496912	2563192	66280	-	Buy
					23/09/2016	2563192	2518164	-	45028	Sale
					30/09/2016	2518164	2386209	-	131955	Sale
					07/10/2016	2386209	2270052	-	116157	Sale
					14/10/2016	2270052	2192962	-	77090	Sale
					21/10/2016	2192962	2391809	198847	-	Buy
					28/10/2016	2391809	2867232	475423	-	Buy
					04/11/2016	2867232	2250000	-	617232	Sale
					10/02/2017	2250000	4250000	2000000	-	Buy
					10/03/2017	4250000	5249665	999665	-	Buy (Note: Consolidation on)
					17/03/2017	5249665	5286790	37125	-	Buy
					24/03/2017	5286790	5269580	-	17210	Sale
					31/03/2017	5269580	5281412	11832	-	Buy
Pritesh Kuma H Shah Hashmukhbhai Manilal Shah	2369878	0.30	2369878	0.30	No Change during the Year					
Jainam Share Consultant Pvt. Ltd.	0.00	0.00	2426432	.31	16/09/2016	0	710314	710314	-	Buy
					10/02/2017	710314	2456078	1745764	-	Buy
					17/02/2017	2456078	2441628	-	14450	Sale
					24/02/2017	2441628	2441528	-	100	Sale
					03/03/2017	2441528	2434183	-	7345	Sale
					10/03/2017	2434183	2438532	4349	-	Buy (Note: Consolidation)
					24/03/2017	2438532	2426432	-	12100	Sale
Choice Equity Broking Private Limited	0.00	0.00	5261266	.67	20/05/2016	1835245	2016107	180862	-	Buy (New in list W.e.f. From 20/05/2016)
					27/05/2016	2016107	2045607	29500	-	Buy
					03/06/2016	2045607	1865242	-	180365	Sale
					06/01/2017	1865242	2252354	387112	-	Buy
					13/01/2017	2254254	3107976	853722	-	Buy
					20/01/2017	3107976	3520116	412140	-	Buy
					27/01/2017	3520116	3610116	90000	-	Buy
					03/02/2017	3610116	3887802	277686	-	Buy
					10/02/2017	3887802	4079017	191215	-	Buy
					17/02/2017	4079017	4273011	193994	-	Buy
					10/03/2017	4273011	4537804	264793	-	Buy (Consolidation)
					17/03/2017	4537804	4839098	301294	-	Buy
					24/03/2017	4839098	4943921	104823	-	Buy
					31/03/2017	4943921	5261266	317345	-	Buy
Virat Kumar Shama Mathuresh Sharma	0.00	0.00	1500100	.19	16/12/2017	0	1400100	1400100	-	Buy
Sakuntla Mittal Makhanlal	19999581	.26	1999581	.26	20/01/2017	1400100	1500100	100000	-	Buy
					No Change during the year (Note: No Change during the year (Note: New in List w.e.f. 03/06/2016))					



Shyam Surat Rajbali Singh	2432110	0.31	0.00	0.00	08/04/2016	2117110	2079110	-	38000	Sale
					15/04/2016	2079110	2074110	-	5000	Sale
					23/09/2016	2074110	1774110	-	300000	Sale
					09/12/2016	1774110	1574110	-	200000	Sale
					16/12/2016	1574110	0	-	1574110	Sale
					23/12/2016	0	774110	774110	-	Buy
					31/12/2016	744110	424110	-	320000	Sale
					06/01/2017	424110	274110	-	150000	Sale
					10/02/2017	274110	199110	-	75000	Sale
					17/02/2017	199110	0	-	199110	Sale

v) Shareholding of Directors and Key Managerial Personnel

For each of the Directors and KMP	Share Holding at beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the comp.	No. of shares	% of total shares of the comp.
Shri Kedarmal Shankarlal Bankda, Chairman & Whole-time Director				
At the beginning of the year	90194650	11.55		
Date wise Increase / Decrease in share holding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer/bonus/sweat equity etc):	-	-	-	-
At the end of the year			90194650	11.55
Shri Vijay Shankarlal Bankda, Managing Director				
At the beginning of the year	58553775	7.50		
Date wise Increase/ Decrease in share holding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer/bonus/sweat equity etc):	-	-	-	-
At the end of the year			58553775	7.50
Shri Ankit Kedarmal Bankda, Chief Financial Officer				
At the beginning of the year	46886420	6.01		
Date wise Increase/ Decrease in share holding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer / bonus / sweat equity etc):	-	-	-	-
At the end of the year			46886420	6.01

There is no shareholding in the Company held by CSP Prachi Rathor, Company Secretary

V. INDEBTNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment (Rs. in Lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	562.19	0.00	0.00	562.19
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i+ii+iii)	562.19	0.00	0.00	562.19
Change in Indebtedness during the financial year				
Addition	58.83	624.12	0.00	682.95
Reduction	0.00	0.00	0.00	0.00
Net Change	58.83	624.12	0.00	682.95
Indebtedness at the end of the financial year				
i) Principal Amount	621.02	624.12	0.00	1245.14
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i+ii+iii)	621.02	624.12	0.00	1245.14

VI. REMUNERATION OF DIRECTOR AND KMP

A. Remuneration to Managing Director, Whole-time Directors and / or Manager: (Rs. in Lacs)

S. No.	Particulars of Remuneration	Mr. Kedarmal Bankda Chairman & Whole Time Dir.	Mr. Vijay Bankda Managing Director	Total
1	Gross Salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	8.10	8.10	16.20
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	1.98	1.85	3.83
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	0	0	0
2	Stock Options	0	0	0
3	Sweat Equity	0	0	0
4	Commission			
	- as % of profit			
	- others, specify....	0	0	0
5	Others, please specify	0	0	0
	Total	10.08	9.95	20.03
	Ceiling as per the Act	42.00	42.00	84.00

**B. Remuneration to other Directors:****1. Independent Directors:**

S. No.	Particulars of Remuneration	Mr. Krishna Das Neema	Mr. Vinod Kumar Kabra	Mr. Praveen Jindal	Total
1	-Fee for attending Board Committee Meetings	0.125	0.125	0.05	0.30
2	-Commission	0	0	0	0
3	- Others, please specify	0	0	0	0
	Total B.1	0.125	0.125	0.05	0.30

2. Other Non Executive Directors:

S. No.	Particulars of Remuneration	Mrs. Rinki Ankit Bankda	Total
1	-Fee for attending Board Committee Meetings	0.10	0.10
2	-Commission	0	0
3	- Others, please specify	0	0
	Total B.2	0.10	0.10
	Total (B1+B2)	0.40	0.40
	Total Managerial Remuneration	20.43	20.43
	Overall Ceiling as per the Act		84.40

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/ MANAGER/ WTD

S. No.	Particulars of Remuneration	Mr. Ankit Kedarmal Bankda CFO	Ms. Prachi Rathore CS*	Ms. Nafisa Wakil CS*	Total
1	Gross Salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	7.20	.48	2.00	9.68
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	.29	0	0	.29
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	0	0	0	0
2	Stock Options	0	0	0	0
3	Sweat Equity	0	0	0	0
4	Commission	-	-	-	-
	- as % of profit	0	0	0	0
	- others, specify....	0	0	0	0
5	Others, please specify	0	0	0	0
	Total C	7.49	.48	2.00	9.97

*CS Ms. Nafisa Wakil has resigned from 13.02.2017 and Ms. Prachi Rathore was appointed w.e.f. 13th Feb., 2017.

VII. PENALTY/PUNISHMENT/COMPOUNDING OF OFFENCES:

There is no demand for penalty, fine or punishment against the Company and any of its directors and the officers under the provisions of the Companies Act, 2013, hence the matter for filing of application for compounding or payment of compounding fee as the information as required to be disclosed is Nil. However, the SEBI has issued an Interim Order in the matter of First Financial Services Ltd. on 19th Dec., 2014 and subsequent order dated 25th August, 2016 as disclosed in the Board Report.

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)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTOR					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

C. OTHER					
OFFICER					
DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

By order of the Board of Director

Place: Indore

Date : 14th August, 2017

KEDARMAL BANKDA

Chairman & Whole Time Director

DIN : 00023050

ANNEXURE 'J'

DETAILS OF REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH THIS RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

1. The percentage increase in remuneration of each Director, CFO and CS during the financial year 2016-17, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2016-17 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

S. No.	Name of the Director/Key Managerial Personnel (KMP) and Designation	Remuneration of Director/ KMP for the financial year 2016-17	Remuneration of Director/ KMP for the financial year 2015-16	% increase (decrease) in remuneration in the financial year 2016-17	Ratio of remuneration of each Director/ KMP to median remuneration of employees
1	Shri Kedarmal Bankda (Chairman & WTD)	1008000	832016	17.45%	8.94
2	Shri Vijay Bankda (Managing Director)	995000	818982	17.69%	8.83
3	*Mrs. Rinki Bankda (Women Director)	10000	10000	0%	0.08
4	Shri Krishna Das Neema (ID)	12500	12500	0	0.11
5	Shri Praveen Jindal (ID)	5000	5000	0	0.04
6	Shri Vinod Kabra (ID)	12500	12500	0	0.11
7	Shri Ankit Bankda (Chief Financial Officer)	749000	681600	8.99%	6.64
8	*Ms. Nafisa Wakil (Company Secretary)	200000	100000	50%	1.77
9	*Ms. Prachi Rathore (Company Secretary)	48000	0.00	-	0.42

*CS Ms. Nafisa Wakil has resigned from 13.02.2017 and Ms. Prachi Rathore was appointed w.e.f. 13th Feb., 2017.

- The median remuneration of the employees of the Company during the financial year, 2016-17 was Rs. 1,12,650
- In the financial year, there was an increase of 7.07% in the median remuneration of employees.
- There were 927 permanent employees on the rolls of the Company as on 31st March 2017.
- Average percentage increase made in the salaries of employees other than managerial personnel in the financial year 2016-17 was 8.97% whereas there is 20.08% increase in the managerial remuneration for the same financial year.
- It is hereby affirmed that the remuneration paid as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees

Note: Remuneration paid to KMP in last year is not comparable with the current year, reason being, appointment of CS Prachi Rathore w.e.f. 13.02.2017.



Particulars of Top 10 Employees in relation with the remuneration drawn by them during the year 2016-17
(Pursuant to Rule 5(2) of the Companies (Appointment and Remuneration) Rules, 2014)

S. N.	Name of Employee	Designation of the employee	Remuneration recd.	Nature of employment, whether contractual or other wise	Qualifications and experience of the employee	Date of commencement of employment	The age of such employee	The last employment held by such employee before joining the co.	Whether any such employee is a relative of any dir. or man. of the co. and if so, name of such dir. or man.	Remarks
1	Suresh B. Paithankar	VP International Marketing	2095885	Permanent Emp.	MCC 14.5Yrs. Experience	21/03/2016	47.5 Yrs	Aquatic Formulations	No	-
2	Vijay U. Pandya	GM Works	1302504	Permanent Emp.	BSC 34Yrs Experience	02/07/2015	65 Yrs	PDPL	No	-
3	Rakesh ch. Srivastava	VP Marketing	1134120	Permanent Emp.	Graduate 30Yrs. Experience	12/04/2016	55 Yrs.	CBC	No	-
4	Rajul Joshi	Manager	1020000	Permanent Emp.	B.Tech 13Yrs. Experience	05/02/2015	35 Yrs	Teva API I. LTD	No	-
5	Kedarmal Bankda	Whole Time Director	1008000	Permanent Emp.	M.Com 41Yrs. Experience	13/04/1992	65 Yrs	-	Vijay Bankda & Rinki Bankda	-
6	Samujiwal Majumdar	Export Sale Manager	1004096	Permanent Emp.	MBA	13/05/2016	35 Yrs.	Super Sonic	No	-
7	Sandeep Sharma	D.G.M.	995496	Permanent Emp.	MSC & MBA 25Yrs. Expr.	14/04/2015	50Yrs	PDPL	No	-
8	Renu Rakesh Chandra	Product Mngr. Mumbai	912191	Permanent Emp.	Post Graduate 11Yrs. Expr.	02/01/2014	49 Yrs	Cratus Lifecare	No	-
9	Manoj Yadav	D.G.M.	880597	Permanent Emp.	MBA 27Yrs. Experience	12/01/1998	46 Yrs	Kabra Drugs	No	-
10	Krishna Gopal	Sr. Manager	838305	Permanent Emp.	MSC 23Yrs. Experience	16/03/2016	44 Yrs.	Zydus Biochem	No	-

By order of the Board of Director

Place: Indore
Date : 14th August, 2017

KEDARMAL BANKDA
Chairman & Whole Time Director
DIN : 00023050



INDEPENDENT AUDITOR'S OPINION
To the Members of M/s. Syncom Formulations (India) Ltd.
Report on the Financial Statements

We have audited the accompanying financial standalone statements of **M/s. SYNCOM FORMULATIONS (INDIA) LTD** (the Company) which comprise the Balance Sheet as at **31st March, 2017**, the Statement of Profit and Loss and Cash Flow Statements for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation & presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' 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 the 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 the internal 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 accounting policies used and the reasonableness of the accounting estimates made by the Management, 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.

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 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") as amended, 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**, 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:
 - a) We have sought & obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standard specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

- e) On the basis of the written representations received from the directors as on 31 March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164 (2) of the Act; and
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigation which would have material impact on its financial position.
 - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. The company had provided requisite disclosures in its financial statements as to holding as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the company.

FOR, S.P. MOONDRA & CO.
CHARTERED ACCOUNTANTS
F.R. NO. 004879C
S.P. MOONDRA
PROPRIETOR
M.NO. 073747

Place: Indore

Date : 30th May, 2017

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of M/s Syncom Formulations Ltd. for the year ended March 31, 2017:

- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
 (b) As explained to us, the fixed assets have been physically verified by the management during the year, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. We were informed that no material discrepancies were noticed on such physical verification.
 (c) The title deeds of immovable properties are held in the name of the company.
- 2) (a) The management has conducted the physical verification of inventory at reasonable intervals.
 (b) The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.
- 3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
- 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 Companies Act, 2013 in respect of loans, investments, guarantees, and security.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) The Central Government has prescribed maintenance of Cost Records under Sub-Section(1) of section 148 of the Companies Act, in respect of manufacturing activity of the Company. We have broadly reviewed the accounts and records of the Company in this connection and are of the opinion, that prima facie, the prescribed accounts and records have been made and maintained. However, we are neither required to carryout nor have carried out any detailed examination of such Accounts and records.
- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2017 for a period of more than six months from the date on when they become payable.



(b) According to the information and explanations given to us, the dues in respect of Income Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, Cess and Value Added Tax that have not been deposited with the appropriate authorities on account of disputes as on the date of Balance Sheet and the forum where the disputes are pending are as follows:

Sr. no.	Name of the Statute	Nature of the Dues	Forum where dispute is pending	Amount for which dispute is pending (₹ in Lacs)	Amount Not Deposited (₹ in Lacs)
1.	Income Tax Act	Income Tax AY. 2006-07	Income Tax Appellate Tribunal Mumbai	45.30	45.30
2.	Provident Fund Act	Provident Fund	High Court Indore	7.55	3.78
3.	Income Tax Act	Income Tax AY 2010-11	Income Tax Appellate Tribunal Mumbai	7.64	7.64
4.	Income Tax Act	Income Tax AY 2011-12	Income Tax Appellate Tribunal Mumbai	20.81	20.81
5.	Income Tax Act	Income Tax AY 2014-15	Commissioner Income Tax Appeal Mumbai	106.78	125.63
6.	Commercial Tax	Central Sales Tax F.Y. 2011-12	D.C. Appeal Sales tax Indore	0.42	0.42
7.	Commercial Tax	Central Sales Tax F.Y. 2011-12	D.C. Appeal Sales tax Indore	0.97	0.97
8.	Commercial Tax	Central Sales Tax F.Y. 2011-12	D.C. Appeal Sales tax Indore	1.02	1.12

- 8) In our opinion and according to the Information and explanation given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institution or from the Government and has not issued any debentures.
- 9) The Company did not raise any money by the way of initial public offer or future public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no 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) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

FOR, S.P. MOONDRA & CO.
CHARTERED ACCOUNTANTS
F.R. NO. 004879C
S.P. MOONDRA
PROPRIETOR
M.NO. 073747

Place: Indore
Date : 30th May, 2017

"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT
Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of
Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of M/s Syncom Formulation Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for 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 a authorization 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 on date of balance sheet, 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, S.P. MOONDRA & CO.
CHARTERED ACCOUNTANTS
F.R. NO. 004879C
S.P. MOONDRA
PROPRIETOR
M.NO. 073747

Place: Indore
Date : 30th May, 2017



Balance Sheet as at 31st March, 2017

(Amount in ₹)

Particulars	Note	As at 31-03-2017	As at 31-03-2016
EQUITY AND LIABILITIES			
Share holders' funds			
Share capital	1	78,06,52,180	78,06,52,180
Reserves and surplus	2	39,28,93,833	30,63,44,316
		1,17,35,46,013	1,08,69,96,496
Non-Current Liabilities			
Deferred Tax Liability (Net)	3	7,15,64,633	5,84,57,255
Other long-term liabilities	4	57,63,580	42,12,580
Current Liabilities			
Short Term Borrowings	5	12,45,14,420	5,62,19,916
Trade Payables	6	32,26,13,973	46,93,61,722
Other Current Liabilities	7	5,84,31,792	3,66,78,805
Short Term Provisions	8	4,52,33,592	4,20,90,476
		55,07,93,777	60,43,50,919
GRAND TOTAL		1,80,16,68,003	1,75,40,17,251
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	9	54,91,51,795	45,76,57,088
Intangible Assets	9	12,62,107	8,34,669
Capital Work in Progress	9	24,61,068	4,71,94,703
Non-Current Investments	10	36,01,97,421	23,47,42,678
Long Term Loans and Advances	11	6,18,42,955	15,05,42,200
		97,49,15,346	89,09,71,338
Current Assets			
Inventories	12	10,00,92,853	15,46,80,764
Trade Receivables	13	45,99,46,250	45,99,69,058
Cash and Bank Balances	14	6,51,95,168	5,69,41,230
Short-Term Loans and Advances	15	19,24,51,727	18,69,86,642
Other Current Assets	16	90,66,659	44,68,219
		82,67,52,657	86,30,45,913
GRAND TOTAL		1,80,16,68,003	1,75,40,17,251
Notes & significant accounting policies, forming part of financial statements	1 to 27		

As per our report of even date annexed

For S.P. MOONDRA & CO.
Chartered Accountants
F.R. No.: 004879C

S.P. Moondra
Proprietor
M. No.: 073747

Place : Indore
Dated: 30th May, 2017

For and on behalf of the Board of Directors

Kedarmal Bankda
Chairman & Whole Time Director
DIN : 00023050

Vijay Bankda
Managing Director
DIN : 00023027

CS Prachi Rathore
Company Secretary
A45273

Ankit Bankda
Chief Financial Officer



Statement Of Profit And Loss for the year ended 31st March, 2017

(Amount in ₹)

Particulars	Note	2016-2017	2015-2016
INCOME			
Revenue from Operations (Gross)	17	1,84,84,03,192	1,85,56,80,963
Less : Excise Duty		1,78,947	1,67,11,270
Revenue from Operations (Net)		1,84,82,24,245	1,83,89,69,693
Other Income	18	2,79,08,381	2,66,83,198
Total Revenue		1,87,61,32,626	1,86,56,52,891
EXPENDITURE			
Cost of materials consumed	19	69,02,10,026	68,90,02,950
Purchase of Stock-in-Trade	20	54,12,19,174	66,30,17,266
Changes in inventories of Finished Goods, Stock-in-Process and Stock-in-Trade	21	4,96,70,853	(3,65,03,781)
Employee Benefits Expenses	22	14,61,68,407	13,61,36,808
Finance Costs	23	28,17,822	7,08,564
Depreciation and Amortisation Expenses	24	3,12,28,155	2,99,81,149
Other Expenses	25	25,59,53,924	22,12,82,066
Total Expenses		1,71,72,68,361	1,70,36,25,022
Profit / (Loss) before Extraordinary Items and Tax		15,88,64,265	16,20,27,869
Less : Extraordinary Item	26	90,030	10,19,363
Profit/(Loss) before Tax		15,87,74,235	16,10,08,506
Tax Expenses			
Current Tax		4,03,25,847	5,27,05,093
Income Tax (Earlier Years)		0	8,31,932
Deferred Tax		1,31,07,378	39,15,954
Profit for the year		10,53,41,010	10,35,55,527
Earning per equity share of Re. 1 each			
Basic & Diluted Before Extraordinary Activities (In Re.)		0.135	0.133
Basic & Diluted After Extraordinary Activities (In Re.)		0.135	0.133
Notes & significant accounting policies, forming part of financial statements	1 to 27		

As per our report of even date annexed

For S.P. MOONDRA & CO.
Chartered Accountants
F.R. No.: 004879C

S.P.Moondra
Proprietor
M. No.: 073747

Place : Indore
Dated: 30th May, 2017

For and on behalf of the Board of Directors

Kedarmal Bankda
Chairman & Whole Time Director
DIN : 000230 50

Vijay Bankda
Managing Director
DIN : 000230 27

CS Prachi Rathore
Company Secretary
A45273

Ankit Bankda
Chief Financial Officer



Cash Flow Statement for the year ended 31st March, 2017

(₹ in Lacs)

Particulars	Year Ended 31-03-2017		Year Ended 31-03-2016	
A. CASH FLOW FROM OPERATING ACTIVITIES:				
Net profit before extraordinary items & tax		1587.74		1610.09
<u>Adjustments for:</u>				
Depreciation	312.28		299.81	
Amortisation of share issue expenses	0.00		0.00	
Finance costs	28.18		7.09	
Interest income	(59.76)		(122.74)	
Dividend income	(0.08)		(0.12)	
Loss on sale of Investments	0.00		0.00	
Loss on Sale of Machinery	0.90		10.19	
Rental income from investment properties	(210.46)	71.06	(80.61)	113.62
Operating profit before working capital changes		1658.80		1723.71
<u>Changes in working capital</u>				
Adjustments for (increase)/decrease in operating assets:				
Inventories	545.88		(452.93)	
Trade receivables	0.23		(1483.82)	
Short term loans and advances	(54.65)		1055.40	
Long term loans and advances	886.99		(830.03)	
Other current assets	(45.98)		1.89	
Adjustments for increase/(decrease) in operating liabilities:				
Trade payables	(1467.48)		2702.18	
Other current liabilities	217.53		203.91	
Other long-term liabilities	15.51		25.63	
Short-term provisions	31.43	129.46	6.61	1228.84
		1788.25		2952.55
Cash flow from extraordinary items	(0.90)	(0.90)	(10.19)	(10.19)
Cash generated from operations		1787.35		2942.36
Net income tax (paid)	(403.26)	(403.26)	(535.37)	(535.37)
Net cash flow from/ (used in) operating activities (A)		1384.09		2406.99
B. CASH FLOW FROM INVESTING ACTIVITIES				
Capital expenditure on fixed asset	(1290.05)		(327.12)	
Capital Work in Progress	447.34		(471.95)	
Purchase of long-term investments	(1254.55)		(1698.94)	
Process from sale of Machinery	58.54		20.11	
Interest received	59.76		122.74	
Dividend received	0.08		0.12	
Rental income from investment properties	210.46		80.61	
Net cash flow (used in) investing activities (B)		(1768.41)		(2274.43)



Cash Flow Statement for the year ended 31st March, 2017

(₹ in Lacs)

<i>Particulars</i>	Year Ended 31-03-2017		Year Ended 31-03-2016	
C. CASH FLOW FROM FINANCING ACTIVITIES:				
Proceeds from issue of equity shares	0.00		0.00	
Proceeds from other short-term borrowings	682.95		(45.50)	
Repayment of other short-term borrowings	0.00		0.00	
Finance Cost	(28.18)		(7.09)	
Dividends Paid	(156.13)		(156.13)	
Tax on dividend	(31.78)		(31.78)	
Net cash flow from/(used in) financing activities (C)		466.86		(240.50)
Net increase/(decrease) in Cash and cash equivalents (A+B+C)		82.54		(107.94)
Cash and cash equivalents at the beginning of the year		569.41		677.36
Cash and cash equivalents at the end of the year		651.95		569.42

As per our report of even date annexed

For S.P. MOONDRA & CO.
Chartered Accountants
F.R. No.: 004879C

S.P. Moondra
Proprietor
M. No.: 073747

Place : Indore
Dated: 30th May, 2017

For and on behalf of the Board of Directors

Kedarmal Bankda
Chairman & Whole Time Director
DIN : 00023050

Vijay Bankda
Managing Director
DIN : 00023027

CS Prachi Rathore
Company Secretary
A45273

Ankit Bankda
Chief Financial Officer



Notes On Financial Statements for the year ended 31st March, 2017

(Amount in ₹)

Particulars			2016-2017	2015-2016																																													
NOTE - 1: SHARE CAPITAL																																																	
Authorized Share Capital																																																	
80,00,00,000 equity shares of Re. 1 each (Previous Year 80,00,00,000 equity share of Re. 1 each)			80,00,00,000	80,00,00,000																																													
Issued, Subscribed & Fully Paid up																																																	
78,06,52,180 Equity shares of Re. 1 fully paid up (Previous year 78,06,52,180 Equity Shares of Re. 1 fully paid up.)			78,06,52,180	78,06,52,180																																													
<p>(The company has only one class of equity share. Each share holder is eligible for one vote per share. The dividend proposed by the board is subject to the approval of share holders except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the assets of the company after distribution of all preferential amounts in proportion to their shareholding.</p> <p>1.1 of the above shares 75,00,000 equity shares of Re 1 each were allotted as fully paid up bonus shares by capitalisation of General Reserve.</p> <p>1.2 of the above Share 4,92,40,000 equity shares of Re 1 each have been allotted for consideration other than cash</p> <p>1.3 of the above shares equity 55,76,08,700 equity shares of Re.1 each were allotted as bonus shares fully paid up bonus shares by capitalisation of General Reserve, share Premium, share Forfeiture in the proportion of 5 share for every 2 share of Re 1/-</p> <p>The details of Shareholders holding more than 5% shares:</p> <table><tr><th rowspan="2">Name of the Shareholder</th><th colspan="2">As at 31.03.2017</th><th colspan="2">As at 31.03.2016</th></tr><tr><th>No. of shares(Re1)</th><th>% held</th><th>No. of shares(Re1)</th><th>% held</th></tr><tr><td>Mr. Kedarmal Bankda</td><td>9,01,94,650</td><td>11.55%</td><td>9,01,94,650</td><td>11.55%</td></tr><tr><td>Mr. Vijay Bankda</td><td>5,85,53,775</td><td>7.50%</td><td>5,85,53,775</td><td>7.50%</td></tr><tr><td>M/s. Paradise Vyapar Pvt. Ltd.</td><td>4,71,86,125</td><td>6.05%</td><td>4,71,86,125</td><td>6.05%</td></tr><tr><td>Mr. Ankit Bankda</td><td>4,68,86,420</td><td>6.01%</td><td>4,68,86,420</td><td>6.01%</td></tr><tr><td>Mrs. Asha Bankda</td><td>54,319</td><td>0.01%</td><td>4,16,23,400</td><td>5.33%</td></tr></table> <p>The reconciliation of the number of shares outstanding is set out below:</p> <table><tr><th rowspan="2">Particulars</th><th colspan="2">No. of shares</th></tr><tr><th>As at 31.03.2017</th><th>As at 31.03.2016</th></tr><tr><td>Equity shares at the beginning of the year</td><td>78,06,52,180</td><td>78,06,52,180</td></tr><tr><td>Equity shares at the end of the year</td><td>78,06,52,180</td><td>78,06,52,180</td></tr></table>			Name of the Shareholder	As at 31.03.2017		As at 31.03.2016		No. of shares(Re1)	% held	No. of shares(Re1)	% held	Mr. Kedarmal Bankda	9,01,94,650	11.55%	9,01,94,650	11.55%	Mr. Vijay Bankda	5,85,53,775	7.50%	5,85,53,775	7.50%	M/s. Paradise Vyapar Pvt. Ltd.	4,71,86,125	6.05%	4,71,86,125	6.05%	Mr. Ankit Bankda	4,68,86,420	6.01%	4,68,86,420	6.01%	Mrs. Asha Bankda	54,319	0.01%	4,16,23,400	5.33%	Particulars	No. of shares		As at 31.03.2017	As at 31.03.2016	Equity shares at the beginning of the year	78,06,52,180	78,06,52,180	Equity shares at the end of the year	78,06,52,180	78,06,52,180		
Name of the Shareholder	As at 31.03.2017			As at 31.03.2016																																													
	No. of shares(Re1)	% held	No. of shares(Re1)	% held																																													
Mr. Kedarmal Bankda	9,01,94,650	11.55%	9,01,94,650	11.55%																																													
Mr. Vijay Bankda	5,85,53,775	7.50%	5,85,53,775	7.50%																																													
M/s. Paradise Vyapar Pvt. Ltd.	4,71,86,125	6.05%	4,71,86,125	6.05%																																													
Mr. Ankit Bankda	4,68,86,420	6.01%	4,68,86,420	6.01%																																													
Mrs. Asha Bankda	54,319	0.01%	4,16,23,400	5.33%																																													
Particulars	No. of shares																																																
	As at 31.03.2017	As at 31.03.2016																																															
Equity shares at the beginning of the year	78,06,52,180	78,06,52,180																																															
Equity shares at the end of the year	78,06,52,180	78,06,52,180																																															



Notes On Financial Statements for the year ended 31st March, 2017

(Amount in ₹)

Particulars	2016-2017	2015-2016
NOTE - 2: RESERVES & SURPLUS		
Capital Reserve		
State capital subsidy		
As per last balance sheet a	7,50,000	7,50,000
General reserve		
(As per last balance sheet)	24,00,00,000	15,00,00,000
Add: Set aside during the year	7,00,00,000	9,00,00,000
b	31,00,00,000	24,00,00,000
Surplus - Balance in Statement of Profit & Loss		
As per last balance sheet	6,55,94,317	7,08,30,284
Add: Profit for the year	10,53,41,010	10,35,55,527
Less: Transfer to General Reserve	7,00,00,000	9,00,00,000
Less: Proposed Equity Dividend	1,56,13,044	1,56,13,044
Less: Tax on Proposed Equity Dividend	31,78,450	31,78,450
c	8,21,43,833	6,55,94,317
(a to c)	39,28,93,833	30,63,44,317
NOTE - 3: DEFERRED TAX LIABILITY (NET)		
Deferred Tax Liability on account of		
Depreciation	7,43,04,665	6,04,60,182
Less : Deferred Tax Assets on account of		
Provision for Gratuity	27,40,032	20,02,927
Net Deferred Tax liability / (Assets)	7,15,64,633	5,84,57,255
NOTE - 4: OTHER LONG-TERM LIABILITIES		
Trade Deposits	1,00,000	1,00,000
Deposit Against Property Let Out	56,63,580	41,12,580
	57,63,580	42,12,580
NOTE - 5: SHORT TERM BORROWINGS		
Loan repayable on demand		
Secured		
Working Capital Loans (Over Draft)		
From Dena Bank	5,65,97,825	5,25,79,986
From State Bank of India	55,04,595	36,39,930
Security:		
Overdrafts from banks are secured by the lien of fixed deposit receipts		
Unsecured		
From Director (Refer Note No. 27.11)	6,24,12,000	0
	12,45,14,420	5,62,19,916
NOTE - 6: TRADE PAYABLE (Refer Note No. 27.09)		
Micro, Small and Medium Enterprises	69,58,659	98,22,149
Others	31,56,55,314	45,95,39,573
	32,26,13,973	46,93,61,722



Notes On Financial Statements for the year ended 31st March, 2017

(Amount in ₹)

Particulars	2016-2017	2015-2016
NOTE - 7: OTHER CURRENT LIABILITIES		
Unclaimed dividend	10,47,636	12,26,037
Right issue Refund Payable A/c	1,717	1,717
Creditors - Capital Expenditure	2,98,33,885	1,54,69,964
Advance from Customers	2,36,91,663	1,28,59,491
Statutory Dues	38,56,891	71,21,596
	5,84,31,792	3,66,78,805
NOTE - 8: SHORT TERM PROVISIONS		
Provision for Bonus, Gratuity and leave encashment	1,62,73,275	98,23,821
Provision for Income Tax- Net of Advance. Tax Re. 3,75,00,000 (Pre.Yr. Re. 5,24,74,199)	1,97,483	2,30,894
Provision for Expenses	99,71,340	1,32,44,267
Proposed dividend	1,56,13,044	1,56,13,044
Corporate Dividend Tax Payable	31,78,450	31,78,450
	4,52,33,592	4,20,90,476

NOTE - 9: FIXED ASSETS (AT COST)

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS AT 31/03/16	Additions	Sale / Transfer	AS AT 31/03/17	AS AT 31/03/16	For the Year	Written back due to sale / Transfer	AS AT 31/03/17	AS AT 31/03/17	AS AT 31/03/16
TANGIBLE ASSETS:										
Own Assets										
Lease hold land	1186605	0	0	1186605	204964	12587	0	217551	969054	981641
Free Hold Land	0	1741000	0	1741000	0	0	0	0	1741000	0
Building Factory	201014467	28525191	0	229539658	70939323	6814306	0	77753629	151786029	130075144
Building Others	146976660	2291264	0	149267924	124490935	2340829	0	14789864	134478060	134527625
Plant & Machineries	304975610	33087780	33247257	304816133	170222954	11740357	27392514	154570797	150245336	134752656
Solar Generation Plant	0	38428750	0	38428750	0	20004	0	20004	38408746	0
Electrical Installation	57049960	5707899	0	62757859	26248212	4070964	0	30319176	32438683	30801748
Furniture & Fixtures	50898754	8204858	0	59103612	38662155	2216984	0	40879139	18224473	12236599
Office Equipments	30970019	4286492	0	35256511	26630663	987899	0	27618562	7637949	4339356
Computers	11608998	281325	0	11890323	10435750	333133	0	10768883	1121440	1173248
Vehicles	15387136	5749370	0	21136506	6618065	2417416	0	9035481	12101025	8769071
TOTAL (A)	820068209	128303930	33247257	915124882	362411121	30954480	27392514	36590	549151795	457657088
INTANGIBLE ASSETS										
Software	4007290	701113	0	4708403	3172621	273675	0	3446296	1262107	834669
TOTAL (B)	4007290	701113	0	4708403	3172621	273675	0	3446296	1262107	834669
TOTAL (A+B)	824075499	129005043	33247257	919833285	365583742	31228155	27392514	369419383	550413902	458491757
Prev. Year	804269340	32712088	12905928	824075500	346497221	29981149	10894628	365583742	458491758	457772119

Capital Work in Progress

Office Furniture	0	0	0	0	0	0	0	0	2461068	0
Plant & Machinery	0	0	0	0	0	0	0	0	0	25273113
Factory Building	0	0	0	0	0	0	0	0	0	19147917
Electric Installation	0	0	0	0	0	0	0	0	0	2773673
Total									2461068	47194703



Notes On Financial Statements for the year ended 31st March, 2017

(Amount in ₹)

Particulars	2016-2017	2015-2016
NOTE - 10: NON CURRENT INVESTMENTS		
In equity shares - quoted, fully paid up		
M/s Ravi Kumar Distilleries Ltd. 5,11,000 shares of Rs. 10 each fully paid up (Previous Year 5,11,000) Market value Rs. 58,81,610 (Previous year 40,47,120)	1,79,26,033	1,79,26,033
Bil Energy Systems Ltd., 10,63,000 (Prev. Yr. 10,63,000) shares of Re 1 fully paid up - Mkt. Val. Re. 7,12,210 (Prev. Yr. Re 11,16,150)	68,68,519	68,68,519
PFL Infotech Ltd. 32,700 (Prev. yr. 32,700) shares of Re. 10 fully paid up - Market Value Re 3,53,160 (Prev. Yr. Re 6,99,780)	1,74,44,039	1,74,44,039
Risa International Ltd., 45,000 shares (Prev. Yr. 45,000) of Re 2 fully paid up Mkt Val. Re 64,350 (Prev. Yr. 40,950)	56,74,407	56,74,407
Rutron International Ltd. 5,50,000 (Prev. Yr. 5,50,000) shares of Re 1 fully paid up - Market Value Rs. 71,50,000 (Prev. Yr. Re 7,15,000 Trading suspended)	39,43,231	39,43,231
Upsurge Investment & Finance Ltd. 2,74,000 (Prev. Yr. 274,000) shares of Re 10 fully paid up Market Value Re. 40,41,500 (Prev. Yr. Re 66,44,500)	1,04,62,339	1,04,62,339
Lupin Limited 0 Shares (Previous Year 1000) of Re 2 each fully paid up Market Value Re 0 (Prev. Yr. 148,025)	0	14,62,212
a	6,23,18,568	6,37,80,780
Investment in subsidiary		
Trade Services FZE 1 share of face Value AED 65000	10,67,896	10,67,896
b	10,67,896	10,67,896
Investment in Property		
Property at Thane, Mumbai	5,43,64,002	5,43,64,002
Property at Goregaon	24,24,46,955	11,55,30,000
c	29,68,10,957	16,98,94,002
(a+b+c)	36,01,97,421	23,47,42,678
NOTE - 11: LONG TERM LOANS & ADVANCES		
(Unsecured Considered Goods)		
Capital advances	1,91,50,779	10,77,74,916
Deposits	29,92,176	30,67,284
Deposit for Premises (Related parties) (Refer note 27.11)	3,97,00,000	3,97,00,000
	6,18,42,955	15,05,42,200
NOTE - 12: INVENTORIES		
(At lower of cost or net realizable value)		
Raw Materials	1,98,91,677	2,49,35,967
In Transit Raw Material	1,08,86,162	49,49,434
Stock in Process	2,40,17,989	3,24,88,354
Finished Goods	1,27,77,146	5,39,77,634
Packing Material	2,72,86,580	2,60,61,458
- In Transit Packing Material	28,24,536	4,20,354
Stock of Traded Goods - In Transit	0	94,55,160
Stores & spares and others	24,08,763	23,92,403
	10,00,92,853	15,46,80,764



Notes On Financial Statements for the year ended 31st March, 2017

(Amount in ₹)

Particulars	2016-2017	2015-2016
Details of Inventories of Work in Progress		
Tablets	1,74,58,336	2,14,16,192
Capsules	25,91,112	25,36,642
Liquids	7,60,496	11,46,850
Others	32,08,045	73,88,670
	2,40,17,989	3,24,88,354
NOTE - 13: TRADE RECEIVABLE		
(Unsecured, Considered Goods)		
Within Six Months	36,78,44,468	45,97,42,184
Over Six Months	9,21,01,782	2,26,874
	45,99,46,250	45,99,69,058
NOTE - 14: CASH & BANK BALANCE		
Cash in hand (As certified)	4,66,483	6,29,642
Balance with Banks		
- In Current Account	2,70,830	83,833
- In Current accounts in respect of unclaimed dividend warrants	10,47,636	12,26,038
- In Current accounts in respect of Right issue refund orders	1,717	1,717
- In Fixed Deposit with Banks (given as lien to Bank/Govt. Dept.)	6,34,08,502	5,50,00,000
	6,51,95,168	5,69,41,230
NOTE - 15: SHORT TERM LOANS AND ADVANCES		
(Unsecured and considered good)		
Loans and Advance to employees	67,28,783	72,12,130
Loans and Advance to others	1,53,83,772	91,40,055
Prepaid Expenses	2,28,600	2,20,716
Balances with Govt. Authorities		
- Export incentives receivables	5,44,22,475	5,50,90,770
- Excise duty receivable	2,72,55,103	70,92,909
- Balance with Central Excise	7,55,45,950	9,21,51,068
- VAT receivable	1,28,87,044	1,60,78,994
	19,24,51,727	18,69,86,642
NOTE - 16: Other Current Assets		
a. Accruals		
Interest Accrued but not due on fixed deposits with bank	90,66,659	44,68,219
	90,66,659	44,68,219
NOTE - 17: REVENUE FROM OPERATIONS		
Sales		
- Export Sales	1,43,23,29,679	1,08,76,51,752
- Domestic Sales	36,23,58,047	71,85,79,766
Total	1,79,46,87,726	1,80,62,31,518
Export Incentives	5,37,15,466	4,94,49,445
	1,84,84,03,192	1,85,56,80,963
Less : Excise Duty	1,78,947	1,67,11,270
Total	1,84,82,24,245	1,83,89,69,693



Notes On Financial Statements for the year ended 31st March, 2017

(Amount in ₹)

Particulars	2016-2017	2015-2016
NOTE - 17(a): REVENUE FROM OPERATIONS		
Sales of Product Comprises of Manufactured Goods		
- Tablets	74,14,84,518	70,55,62,866
- Capsules	12,74,38,395	14,93,01,235
- Liquids	9,20,92,527	8,27,12,664
- Injectable	10,82,23,865	8,14,34,541
- Ointment	1,05,38,843	1,20,98,862
- Dry Powder	1,24,75,250	95,02,168
- Others	98,51,995	12,20,376
Total of Manufactured Goods (a)	1,10,21,05,393	1,04,18,32,712
Traded Goods		
- Mentha Oil	0	0
- Tablets	10,40,29,456	8,85,44,897
- Liquids	6,62,07,887	4,14,59,724
- Capsules	3,27,09,969	2,14,01,588
- Ointment	3,42,07,907	3,23,97,554
- Dry Powder	1,60,29,680	11,91,419
- Agro Commodity	27,40,83,237	12,09,00,641
- Soya DOC	0	3,60,40,549
- Basic Drug Formulations	13,24,44,712	39,28,97,318
- Others	3,28,69,485	2,95,65,116
Total of Traded Goods (b)	69,25,82,333	76,43,98,806
Grand Total (a+b)	1,79,46,87,726	1,80,62,31,518
NOTE - 18: OTHER INCOME		
Interest received		
Bank	51,08,447	61,38,081
Others	8,68,027	61,35,817
Gain from Invest in Mutual Fund	0	3,32,287
Compensation on Cancellation of Property Deal	0	46,27,726
Dividend Income		
From Investment (Others)	7,500	11,728
Other non operating income		
Rent	2,10,46,458	80,61,367
Miscellaneous Income	8,77,949	13,76,192
	2,79,08,381	2,66,83,198
NOTE - 19: PARTICULARS OF MATERIALS CONSUMED		
Paracetamol	11,08,16,901	13,58,82,342
Ibuprofen	2,52,79,461	3,15,84,497
Chloroquine Phosphate	2,10,44,568	2,61,54,110
Packing Material	25,31,38,650	25,01,20,289
Others	27,99,30,446	24,52,61,712
	69,02,10,026	68,90,02,950



Notes On Financial Statements for the year ended 31st March, 2017

(Amount in ₹)

Particulars					2016-2017	2015-2016
NOTE - 19(a): COST OF MATERIALS CONSUMED						
		2016-17		2015-16		
Particulars	Amount	%	Amount	%		
Imported	0	0	0	0		
Indigenous	69,02,10,026	100	68,90,02,950	100	69,02,10,026	68,90,02,950
Total	69,02,10,026	100	68,90,02,950	100	69,02,10,026	68,90,02,950
NOTE - 20: PURCHASE OF STOCK-IN-TRADE						
Mentha Oil					0	0
Tablets					6,58,27,828	5,57,07,316
Liquids					3,03,75,329	2,01,54,127
Capsules					2,07,04,521	1,13,29,051
Basic Drug Formulations					12,35,01,022	37,48,77,109
Soya DOC					0	3,59,95,025
Agro Comodity					24,27,84,944	11,92,17,745
Dry Powder					1,39,69,394	8,48,743
Others					4,40,56,136	4,48,88,150
					54,12,19,174	66,30,17,266
NOTE - 20(a): PURCHASE OF STOCK IN TRADE						
		2016-17		2015-16		
Particulars	Amount	%	Amount	%		
Imported	0	0.00	2206024	0.33		
Indigenous	54,12,19,174	100	66,08,11,242	99.67	54,12,19,174	66,30,17,266
Total	54,12,19,174	100	66,30,17,266	100	54,12,19,174	66,30,17,266
NOTE - 21: CHANGES IN INVENTORIES OF FINISHED GOODS,						
STOCK-IN-PROCESS AND STOCK- IN- TRADE						
Inventories (at close)						
Finished Goods					1,27,77,146	5,39,77,634
Stock in Process					2,40,17,989	3,24,88,354
Stock in Trade					0	0
				a	3,67,95,135	8,64,65,988
Inventories (at commencement)						
Finished Goods					5,39,77,634	2,09,78,408
Stock in Process					3,24,88,354	2,89,83,799
Stock in Trade					0	0
				b	8,64,65,988	4,99,62,207
(Increase) / Decrease in stock				(b-a)	4,96,70,853	(3,65,03,781)
NOTE - 22: EMPLOYEE BENEFITS EXPENSES						
Salary and Wages					13,16,57,662	12,22,20,878
Salaries and Allowances to Directors					16,20,000	13,20,000
Contribution to provident and other fund					53,24,825	52,93,615
Gratuity					26,82,518	12,79,607
Workmen and Staff welfare					48,83,402	60,22,708
					14,61,68,407	13,61,36,808



Notes On Financial Statements for the year ended 31st March, 2017

(Amount in ₹)

Particulars			2016-2017	2015-2016
As per Accounting standard 15 "Employee benefits" the disclosures as defined in the Accounting Standard are given below:				
Defined Contribution Plans	2016-17	2015-16		
Employer's Contribution to Provident Fund	3313773	3309881		
Employer's Contribution to E.S.I.	2011052	1983734		
	5324825	5293615		
NOTE-23: FINANCE COST				
Interest Expenses				
Bank			28,17,822	7,08,564
Other			0	0
			2,81,78,22	7,08,564
NOTE-24: DEPRECIATION AND AMORTISATION EXPENSES				
Depreciation (As per Note No. 9)			3,12,28,155	2,99,81,149
Amortisation of Share Issue Expenses			0	0
			3,12,28,155	2,99,81,149
NOTE-25: OTHER EXPENSES				
Manufacturing Expenses				
Power and Fuel			2,76,00,028	2,45,07,614
Repairs to Machineries			71,16,262	1,14,58,907
Vehicle Hire Charges			9,78,322	8,45,918
Factory Expenses			46,22,654	63,35,978
Insurance Expenses			10,07,229	7,85,555
Security Charges			15,83,485	13,03,405
			a	4,29,07,980
Selling & Distribution expenses				
Ocean Freight			6,96,56,470	4,70,65,218
Export Expenses			1,91,56,807	83,82,615
Selling Expenses			1,72,65,559	2,32,67,086
Sales Promotion Expenses			1,48,63,033	1,03,07,153
			b	12,09,41,869
Establishment expenses				
Traveling Expenses			6,03,29,282	6,55,29,473
Legal & Professional			67,39,887	44,62,880
Rent			18,96,000	18,96,000
Electricity & Water			25,32,236	23,43,908
Expenditure towards Corporate Social Responsibility (CSR)			31,00,000	25,51,000
Sundry Expenses			1,45,42,731	77,14,093
Telephone & Postage			23,04,212	17,36,125
Payment to Auditors				
- Audit Fee			97,750	97,750
- Tax Audit Fee			28,750	28,750



Notes On Financial Statements for the year ended 31st March, 2017

(Amount in ₹)

Particulars		2016-2017	2015-2016
- Certification Fee		6,900	7,869
Bank Charges		5,26,328	6,54,770
c		9,21,04,076	8,70,22,617
(a+b+c)		25,59,53,925	22,12,82,066
NOTE - 26: EXTRAORDINARY ITEM			
Loss on Sale of Machinery		78,681	10,19,363
Loss on Sales of Investments		11,349	0
		90,030	10,19,363
NOTE - 27			
27.01	Derivative contracts entered into by the Company and outstanding as on 31st March, 2017		
	a) Nominal amounts of Forward contracts entered into by the Company and outstanding as on the date of balance sheet is Rs.337.36 lacs (Previous Year Rs. 1168.51 lac) category wise breakup is below: ₹ in Lacs)		
	Sr. No.	Particular	31.03.2017
	1	US \$	337.36
	b) Foreign currency exposures that are not hedged by forward cover Rs.2646.47 lacs (Previous Year 1052.11 lacs)		
27.02	Earning in Foreign Exchange: Export Sales (FOB Value) Rs. 13637.50 Re. Lacs (Prev. Year 10453.03 Lacs)		
	Expenditure in Foreign Exchange:		31.03.2017
	Capital Goods		31.03.2016
	Machines	30,03,750	22,70,894
	Others		
	Commission on sales	8,06,598	8,68,550
	Product Regd. Expenses	15,41,250	1,04,128
	Purchase Traded Goods	0	22,06,024
	Traveling Exp. (Foreign)	28,22,584	5,38,453
27.03	Details of Government grants		
	Particulars	31.03.2017	31.03.2016
	Government grants received by the Company during the Year towards		
	- Export incentive (DEPB) \ Duty Draw Back	5,37,15,466	4,94,49,445
		5,37,15,466	4,94,49,445
27.04	Borrowing costs capitalised during the year - Nil (Previous Year Nil)		
27.05	Contingent liabilities and commitments (to the extent not provided for)		
	Contingent liabilities		
	a) Claims against the Company not acknowledged as debt	(₹ in Lacs)	(₹ in Lacs)
	(i) Income Tax demand for A.Y. 2006-07	45.30	45.30
	(ii) Provident Fund demand	7.55	7.55
	(iii) Income Tax demand for A.Y. 2010-11	7.64	7.64
	(iv) Income Tax demand for A.Y. 2011-12	20.81	20.81
	(v) Income Tax demand for A.Y. 2014-15	106.78	0.00
	(vi) Appeal with D C Commercial Tax F.Y. 2010-11	0.42	0.42
	(vii) Appeal with D C Commercial Tax F.Y. 2011-12	0.97	0.97
	(vii) Appeal with D C Commercial Tax F.Y. 2013-14	1.02	0.00
	b) Capital commitments	270.65	1255.50
	c) Bank Guarantees	83.88	0.00



Notes On Financial Statements for the year ended 31st March, 2017

(Amount in ₹)

27.06	Segment Information: The Company is operating in three segment. Details are as under		
	Particular	31.03.2017	31.03.2016
A) Primary Segment Information			
1	Segment Revenue		
	Pharmaceutical Drugs & Formulations	15423.77	16862.49
	Trading of Commodities	3127.10	1713.43
	Renting of Property	210.46	80.61
	Unallocated	0.00	0.00
	Total	18761.33	18656.53
	Less Inter-Segment Revenue	0.00	0.00
	Net Sales/Income from Operations	18761.33	18656.53
2	Segment Result		
	Pharmaceutical Drugs & Formulations	1162.89	1463.91
	Trading of Commodities	243.47	82.84
	Renting of Property	210.46	80.61
	Unallocated	0.00	0.00
	Total	1616.82	1627.36
	Less : Finance Cost	28.18	7.09
	Other unallocable expenditure (Net of Unallocable Income)	0.90	10.19
	Profit Before Tax	1587.74	1610.09
	Less: Tax Expenses	534.3	574.53
	Profit After Tax	1053.41	1035.56
3	Other Information		
	<u>Segment Assets</u>		
	Pharmaceutical Drugs & Formulations	13833.83	14111.73
	Trading of Commodities	314.44	94.49
	Renting of Property	3868.41	3333.95
	Unallocated	0.00	0.00
	Total	18016.68	17540.17
	<u>Segment Liabilities</u>	0.00	0.00
	Pharmaceutical Drugs & Formulations	6064.02	6597.27
	Trading of Commodities	160.56	31.81
	Renting of Property	56.64	41.13
	Unallocated	0.00	0.00
	Total	6281.22	6670.21
4	Capital Expenditure (During the Year)		
	Pharmaceutical Drugs & Formulations	1290.05	327.12
	Trading of Commodities	0	0
	Renting of Property	536.41	2431.70
	Unallocated		
	Total	1826.46	2758.82
5	Depreciation and Amortisation		
	Pharmaceuticals Drugs & Formulations	296.44	284.29
	Trading of Commodities	0	0
	Renting of Property	15.84	15.52



Notes On Financial Statements for the year ended 31st March, 2017

(Amount in ₹)

(B)	Unallocated		
	Total	312.28	299.81
	Secondary Segment Disclosures:		
	(1) Revenue from External Customers		
	(a) Indigenous	1053.56	1677.81
	(b) Exports (Including Export incentives)	2284.00	116.23
	Total	3337.56	1794.04
	(2) Carrying Amount of Assets		
	(a) In India	18006.00	17529.49
	(b) Outside India	10.68	10.68
	Total	18016.68	17540.17
	(3) Capital Expenditure (During the Year)		
	(a) In India	1826.46	2758.82
	(b) Outside India	0.00	0.00
	Total	1826.46	2758.82
27.07	Earning per share	31.03.2017	31.03.2016
	Weighted average number of equity shares outstanding during the year	78,06,52,180	78,06,52,180
	Net profit after tax available for equity shareholders	10,53,41,010	10,35,55,527
	Basic & Diluted Earnings (in Rupees) per share	0.13	0.13
	Face value per share (in Rupees)	1.00	1.00
27.08	Expenditure related to Corporate Social Responsibility as per Section 135 of the Companies Act 2013 read with Schedule VII thereof: Gross Amount to be spent by the company during the year Re 30.44 lacs (Prev. Yr. Re. 25.34). Amount Spend during the Year on:		
	1. Construction / acquisition on any Assets	Nil	Nil
	2. On purpose other than (I) above	31.00	25.51
27.09	The company has addressed letters to suppliers seeking confirmations as to registration under the "Micro, Small and Medium Enterprises Development Act, 2006". Based on the information available with the company, an amount of Rs.69.60 lacs is due to Micro, Small and Medium Enterprises as detailed below:		
	S.No.	Name of the Party	Current Year
	1	Ideal Cures Pvt. Ltd., Mumbai	0.11
	2	Lux Flavours	0.21
	3	PG Holographic Products, Indore	1.72
	4	Panna Flex Pack, Indore	15.92
	5	Shree Packers (MP) Pvt. Ltd.	51.64
		TOTAL	69.60
	All the amounts outstanding are due for a period less than that prescribed under the Act and all the payments during the year have been paid within the period less than that prescribed under the Act. Interest Paid / Payable is Rs. Nil.		
27.10	The outstanding balances of the debtors, creditors, advances and unsecured loans are as per books of accounts and subject to confirmation from respective parties.		
27.11	RELATED PARTY DISCLOSURES		
	As per Accounting Standard 18, the disclosures of transactions with the related parties are given below:		
	a) Details of related parties:		
	Description of relationship	Name of Related Parties	
	Parties with whom control exist	M/s Trade Services FZE- Subsidiary ARP Pharma Pvt. Ltd., Strand Developers Pvt. Ltd., Paradise Vyapaar Pvt. Ltd., Synmex Pharma, Vincit International	
	Key Management Personnel (KMP)	Mr. Kedarmal Bankda (Chairman & Whole Time Director) Mr. Vijay Bankda (Managing Director) CS Nafisa Vakil (Resigned on 13.02.2017), Ankit Bankda (CFO) CS Prachi Rathore (Joined from 13.02.2017)	



Notes On Financial Statements for the year ended 31st March, 2017

(₹ in Lacs)

Independent/Non Executive Directors			Mrs. Rinki Bankda (Women Director) Mr. Vinod Kabra, Mr. K.D. Neema, Mr. Praveen Jindal				
Relatives of Director			Mrs. Vimla Bankda, Mr. Ankit Bankda, Kedarmal Bankda HUF, Mrs. Asha Bankda, Mrs. Sulabh Bankda, Mr. Ankur Bankda, Ankur Bankda HUF, Vijay Bankda HUF, Mrs. Payal Bankda, Shankarlal Bankda HUF, Rahul Bankda HUF, Mr. Rahul Bankda, Ankit Bankda HUF				
Other related parties			Nil				
b) Transactions during the year with `related parties: (Rs. in Lacs)							
Sr. No.	Nature of Transactions (Excluding reimbursements)	Employee Benefits Expenses		Rent		Sitting Fee	
		Current Yr.	Prev. Yr.	Current Yr.	Prev. Yr.	Current Yr.	Prev. Yr.
A	Key Managerial Personnel						
	Mr. Kedarmal Bankda	10.81	9.12	2.16	2.16	0.00	0.00
	Mr. Vijay Bankda	9.95	9.24	2.16	2.16	0.00	0.00
	Mr. Ankit Bankda (CFO)	7.20	6.60	0.00	0.00	0.00	0.00
	CS Nafisa Vakil (Resign on 13.02.2017)	2.37	0.98	0.00	0.00	0.00	0.00
	CS Prachi Rathore (Joined on 13.02.17)	0.48	0.00	0.00	0.00	0.00	0.00
B	Independent/Non Executive Directors						
	Mrs. Rinki Bankda	0.00	0.00	0.00	0.00	0.10	0.10
	Mr. Praveen Jindal	0.00	0.00	0.00	0.00	0.05	0.05
	Mr. Vinod Kabra	0.00	0.00	0.00	0.00	0.13	0.13
	Mr. Krishna Das Neema	0.00	0.00	0.00	0.00	0.13	0.13
C	Relative of Director						
	Mrs. Vimla Bankda	5.28	4.80	2.16	2.16	0.00	0.00
	Mrs. Asha Bankda	4.80	4.20	4.32	4.32	0.00	0.00
	Mr. Rahul Bankda	7.20	6.60	2.16	2.16	0.00	0.00
	Mrs. Sulabh Bankda	5.52	5.04	0.00	0.00	0.00	0.00
	Mr. Ankur Bankda	5.10	4.20	0.00	0.00	0.00	0.00
	Mrs. Payal Bankda	4.80	3.60	0.00	0.00	0.00	0.00
	Shankarlal Bankda (HUF)	0.00	0.00	2.40	2.40	0.00	0.00
	Vijay Bankda (HUF)	0.00	0.00	3.60	3.60	0.00	0.00
		Nature of Transactions	Key Managerial Personnel		Relatives of Director		Parties with whom control exist.
A	Sale						
	Synmax Pharma	0.00	0.00	0.00	0.00	8.39	0.00
	Vincit International	0.00	0.00	0.00	0.00	22.54	0.00
B	Unsecured Loan received						
	Paradise Vyapaar Pvt. Ltd.	0.00	0.00	0.00	0.00	0.00	0.00
	ARP Pharma Pvt. Ltd.	0.00	0.00	0.00	0.00	0.00	1.60
	Kedarmal Bankda	53.95	97.97	0.00	0.00	0.00	0.00
	Vijay Bankda	582.29	120.14	0.00	0.00	0.00	0.00
C	Unsecured Loan repaid						
	ARP Pharma Pvt. Ltd.	0.00	0.00	0.00	0.00	0.00	1.60
	Paradise Vyapaar Pvt. Ltd.	0.00	0.00	0.00	0.00	0.00	14.09
	Kedarmal Bankda	5.87	97.97	0.00	0.00	0.00	0.00
	Vijay Bankda	6.25	120.14	0.00	0.00	0.00	0.00



Notes On Financial Statements for the year ended 31st March, 2017

(₹ in Lacs)

c) Balances outstanding as at 31st March, 2017 (Rs. in Lacs)							
Sr. No.	Nature of Transactions	Key Managerial Personnel		Relatives of Director		Parties with whom control exist	
		Current Yr.	Prev. Yr.	Current Yr.	Prev. Yr.	Current Yr.	Prev. Yr.
A	Assets						
	Long Term Loan & Advances (Deposit Against Property)	118.00	118.00	0.00	0.00	0.00	0.00
	Mr. Kedarmal Bankda	103.00	103.00	0.00	0.00	0.00	0.00
	Mr. Vijay Bankda	0.00	0.00	88.00	88.00	0.00	0.00
	Mrs. Asha Bankda	0.00	0.00	88.00	88.00	0.00	0.00
	Mrs. Vimla Bankda	0.00	0.00	0.00	0.00	0.00	0.00
	Short Term Loans & Advances						
	Trade Services FZE, Rakia	0.00	0.00	0.00	0.00	0.00	0.00
	Long Term Investment						
	Investment with Trade Services FZE	0.00	0.00	0.00	0.00	10.68	10.68
B	Liabilities						
	Short Term Borrowings (Unsecured Loan)						
	Paradise Vyapar Pvt. Ltd.	0.00	0.00	0.00	0.00	0.00	0.00
	ARP Pharma Pvt. Ltd.	0.00	0.00	0.00	0.00	0.00	0.00
	Mr. Kedarmal Bankda	48.08	0.00	0.00	0.00	0.00	0.00
	Mr. Vijay Bankda	576.04	0.00	0.00	0.00	0.00	0.00
	M/s. Vincit International	5.76	0.00	0.00	0.00	0.00	0.00

Note : No amount has been provided as doubtful debts or advances/written off or written back in the year in respect of debts due from or to above related parties.

27.12	DEFERRED TAX LIABILITY (Net)		
	Tax effect of items constituting deferred tax liability	31.03.2017	31.03.2016
	Related to Fixed Assets		
	Opening Balance	6,04,60,182	5,61,25,230
	Timing differences on account of :- Difference between book & tax depreciation.	1,38,44,483	43,34,952
	Deferred tax liability as on 31/03/2017	7,43,04,665	6,04,60,182
	Less: Tax effect of items constituting deferred tax assets		
	Unabsorbed Depreciation	0	0
	Provision for Gratuity	27,40,032	20,02,927
	Net Deferred Tax Liabilities.	7,15,64,633	5,84,57,255
27.13	The Company does not have any pending litigation which would have material impact on its financial position.		
27.14	The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.		
27.15	There has been no delay in transferring amounts, required to be transferred, to the Investor Education & Protection Fund by the company.		
27.16	Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification/ disclosure.		
27.17	Income Tax, Sales Tax and Purchase Tax Assessment are at various stages. According to company's management the provision for the same is sufficient.		
27.18	Excise duty is net of Excise duty refund received against export under the Central Excise Rules amounting to Rs.9,15,87,069 (Previous Year Rs.4,14,74,419).		
27.19	During the year the company has specified bank notes (SBNS) or other denomination notes as defined in the MCA notification, G.S.R. 308(E), dated March 31, 2017. The details of SBNS transacted during the period from November 8, 2016 to December 30, 2016, the denomination-wise SBNS and other notes as per notification are as follows:		

Particulars	Specified Bank Notes (SBN) (INR)	Other Denomination Notes (INR)	Total (INR)
Closing cash in hand as on 08-11-2016	1150000	367917	1517917
AddL: Permitted Receipts	0	589529	589529
Less: Permitted Payments	0	583794	583794
Less: Amount deposited into Banks	1150000	0	1150000
Closing cash in hand as on 30-12-2016	0	373652	373652



27.20	For the purpose of this clause the term 'Specified Bank Notes' shall have the same meaning provided provided in the notification of the government of India, in the ministry of Finance, Department of Economic Affairs S.O. 3407(E), dated November 8, 2016.
27.21	In the opinion of the Board, Current Assets, Loans & Advances have a value on realisation in the ordinary course of business at least equal to the amount at which these are stated in the Balance Sheet & that the provisions for known liabilities is adequate and not in excess of amount reasonably necessary.
27.22	Figures have been rounded off to the nearest rupee.
	Significant Accounting Policies followed by the Company are as stated in the statement annexed as Annexure -I.

ANNEXURE - I

Statement referred to in Note No. 27.21 to the Financial Statements for the year ended 31st March, 2017.

A. SIGNIFICANT ACCOUNTING POLICIES :**i) Basis of Accounting :**

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India. To comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013, the financial statements have been prepared under the historical cost convention on accrual basis.

ii) Use of estimates :

The presentation of financial statements is in conformity with generally accepted accounting principles requires estimates and assumptions to be made, that affect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the period.

Differences between the actual result and estimates are recognised in the period in which the results are known/materialised.

iii) Fixed Assets :

Fixed assets are stated at cost net of modvat/cenvat on construction and includes proportionate financial cost till commencement of production less accumulated depreciation.

iv) Depreciation :

Depreciation / Amortisation In respect of fixed assets acquired during the year, depreciation/ amortisation is charged on a straight line basis so as to write off the cost of the assets over the useful lives and for the assets acquired prior to April 1, 2014, the carrying amount as on April 1, 2014 is depreciated over the remaining useful life, as per schedule II of the Companies Act, 2013.

v) Impairment of Assets :

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

vi) Inventory valuation :

- Stock of raw materials/packing materials are valued at cost (net of modvat credit) on FIFO basis or net realisable value whichever is lower.
- Stores & Spares and gift articles are valued at cost or net realisable value whichever is lower.
- Semi finished goods are valued at approximate cost of input, depending on the stage of completion or net realisable value whichever is lower.
- Finished goods are valued at cost or net realisable value which ever is lower. Cost for this purpose is determined by reducing the estimated gross margin from the billing price.

vii) Foreign Currency Transaction :

- Transactions denominated in foreign currencies are normally recorded on exchange rate prevailing at the time of the transaction. Current liabilities related to foreign currency transaction are being converted at the year end at the closing rates for revenue transactions & exchange gains/losses in fluctuations of exchange rate are being dealt in the profit & loss account.
- Monetary items denominated in foreign currencies and covered by forward exchange contracts are translated at the rate ruling on the date of transaction as increased or decreased by the proportionate difference between the forward rate and exchange rate on the date of transaction, such difference is being recognised over the life of the contract.

viii) Investments :

The Investments are long term & stated at cost. Provision for diminution in the value of long term investment is made only if such a decline is other than

temporary in the opinion of the management.

ix) Sales :

The company recognises sales at the point of dispatch of goods to the customer.

x) Modvat/cenvat :

Modvat/cenvat credit is accounted on accrual basis on purchase of materials and capital goods and appropriated against payment of excise duty on clearance of the finished goods.

xi) Excise Duty :

Excise duty has been accounted on the basis of both, payments made in respect of goods cleared as also provision made for goods lying in bonded warehouses.

xii) Treatment of retirement benefit :

Retirement benefit to employees viz., gratuity is being accounted for on actuarial basis.

xiii) Borrowing cost :

Borrowing cost 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 intended use. All other borrowing costs are charged to revenue.

xiv) Earning per share :

Basic EPS is computed using the weighted average number of equity shares outstanding during the year. Diluted EPS is computed using the weighted average number of equity and diluted equity outstanding during the year except where the results would be anti-dilutive.

xv) Provision for Current and Deferred Tax :

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income tax Act, 1961. Deferred tax resulting from "timing differences" between book and taxable profits is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognised and carried forward only to the extent that there is a reasonable certainty that the assets will be realised in future.

xvi) Contingent liabilities :

Contingent liabilities are not provided for. These are being disclosed by way of a note in Notes to Accounts.

xvii) Miscellaneous expenditure :

Miscellaneous expenditure is written off to the profit & loss account over a period of up to five years, depending upon the nature and expected future benefits of such expenditure. The management reviews the amortization period on a regular basis and if expected future benefits from such expenditure are significantly lower from previous estimates, the amortization period is accordingly changed.

**As per our report of even date annexed
For S.P. MOONDRA & CO.
Chartered Accountants
F.R. No.: 004879C**

**S.P. Moondra
Proprietor
M. No.: 073747**

**Place : Indore
Dated: 30th May, 2017**

**For and on behalf of the
Board of Directors**

**Kedarmal Bankda
Chairman & Whole Time Director
DIN : 00023050**

**Vijay Bankda
Managing Director
DIN : 00023027**

**CS Prachi Rathore
Company Secretary
A45273**

**Ankit Bankda
Chief Financial Officer**



**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF M/S. SYNCOM FORMULATIONS (INDIA) LIMITED
REPORTS ON THE CONSOLIDATED FINANCIAL STATEMENTS.**

We have audited the accompanying consolidated financial statements of Syncom Formulation (I) Ltd. (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred as "the Group") and its associates comprising of the Consolidated Balance Sheet as at 31st March, 2017, the Consolidated statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

Management's responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associates 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. The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated 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 Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 consolidated state of affairs of the Group and its associates as at 31st March, 2017, and their consolidated profit/loss and their consolidated cash flows for the year ended on that date.

Other Matters

We did not audit the financial statements of **Trade Services FZE**, subsidiary, whose financial statements reflect total assets (net) of **Rs. 11,24,554** as at 31st March, 2017, and total revenues (including other income) of Rs. Nil and net cash flow amounting to Rs. Nil for the year ended on that date, as considered in the consolidated financial statement. These financial statement have been audited by other auditors who's

report have been furnished to us by Management and our opinion on the consolidated financial statement, in so far it relates to the other disclosures included in respect of these subsidiaries is based solely on the reports of the other auditors. In respect of wholly owned subsidiaries, since they are not incorporated in India. In our view, reports in terms of sub-section (3) and (11) of Section 143 of the Act are not applicable.

Our opinion on the consolidated financial statements, and our reports on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and reports of the other auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by sub-section 3 of Section 143 of the Act, we report, to the extent applicable, that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- (c) The Consolidated Balance Sheet and the Consolidated Statement of Profit and Loss dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2017 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies incorporated in India, none of the directors of the Group companies and its associate companies incorporated in India is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) The company does not have subsidiaries in India, Hence, no reporting is to be done for these entities. Accordingly, we refer Annexure B of our report of even date on the standalone of the holding company with respect to the adequacy of the internal financial controls over financial reporting and effectiveness of such controls and
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. There were no pending litigations which would impact the consolidated financial position of the Group, and its associates.
 - ii. The Group, and its associates did not have any material foreseeable losses on long-term contracts including derivative contracts
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies and associate companies incorporated in India.
 - iv. The company had provided requisite disclosures in its financial statements as to holding as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the company.

**FOR, S.P. MOONDRA & CO.
CHARTERED ACCOUNTANTS
F.R. NO. 004879C**

**Place: Indore
Date : 30th May, 2017**

**S.P. MOONDRA
PROPRIETOR
M.NO. 073747**



Consolidated Balance Sheet as at 31st March, 2017

(Amount in ₹)

Particulars	Note	As at 31-03-2017	As at 31-03-2016
EQUITY AND LIABILITIES			
Share holders' funds			
Share capital	1	78,06,52,180	78,06,52,180
Reserves and surplus	2	39,28,93,833	30,63,44,317
		1,17,35,46,013	1,08,69,96,497
Non-Current Liabilities			
Deferred Tax Liability (Net)	3	7,15,64,633	5,84,57,255
Other long-term liabilities	4	57,63,580	42,12,580
Current Liabilities			
Short Term Borrowings	5	12,45,14,420	5,62,19,916
Trade Payables	6	32,26,70,631	46,94,06,880
Other Current Liabilities	7	5,84,31,792	3,66,78,805
Short Term Provisions	8	4,52,33,592	4,20,90,476
		55,08,50,435	60,43,96,077
GRAND TOTAL		1,80,17,24,661	1,75,40,62,409
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	9	54,91,51,795	45,76,57,088
Intangible Assets	9	12,62,107	8,34,669
Capital Work in Progress	9	24,61,068	4,71,94,703
Non-Current Investments	10	35,91,29,525	23,36,74,782
Long Term Loans and Advances	11	6,18,42,955	15,05,42,200
		97,38,47,450	88,99,03,442
Current Assets			
Inventories	12	10,00,92,854	15,46,80,764
Trade Receivables	13	45,99,46,250	45,99,69,058
Cash and Bank Balances	14	6,51,95,168	5,69,41,230
Short-Term Loans and Advances	15	19,24,51,727	18,69,86,642
Other Current Assets	16	1,01,91,213	55,81,273
		82,78,77,212	86,41,58,967
GRAND TOTAL		1,80,17,24,662	1,75,40,62,409
Notes & significant accounting policies, forming part of financial statements	1 to 27		

As per our report of even date annexed

For S.P. MOONDRA & CO.
Chartered Accountants
F.R. No.: 004879C

S.P. Moondra
Proprietor
M. No.: 073747

Place : Indore
Dated: 30th May, 2017

For and on behalf of the Board of Directors

Kedarmal Bankda
Chairman & Whole Time Director
DIN : 00023050

Vijay Bankda
Managing Director
DIN : 00023027

CS Prachi Rathore
Company Secretary
A45273

Ankit Bankda
Chief Financial Officer



Consolidated Statement Of Profit And Loss for the year ended 31st March, 2017 (Amount in ₹)

Particulars	Note	2016-2017	2015-2016
INCOME			
Revenue from Operations (Gross)	17	1,84,84,03,192	1,85,56,80,963
Less : Excise Duty		1,78,947	1,67,11,270
Revenue from Operations (Net)		1,84,82,24,245	1,83,89,69,693
Other Income	18	2,79,08,381	2,66,83,198
Total Revenue		1,87,61,32,626	1,86,56,52,891
EXPENDITURE			
Cost of materials consumed	19	69,02,10,026	68,90,02,950
Purchase of Stock-in-Trade	20	54,12,19,174	66,30,17,266
Changes in inventories of Finished Goods, Stock-in-Process and Stock-in-Trade	21	4,96,70,853	(3,65,03,781)
Employee Benefits Expenses	22	14,61,68,407	13,61,36,808
Finance Costs	23	28,17,822	7,08,564
Depreciation and Amortisation Expenses	24	3,12,28,155	2,99,81,149
Other Expenses	25	25,59,53,924	22,12,82,066
Total Expenses		1,71,72,68,361	1,70,36,25,022
Profit / (Loss) before Extraordinary Items and Tax		15,88,64,265	16,20,27,869
Less : Extraordinary Item	26	90,030	10,19,363
Profit/(Loss) before Tax		15,87,74,235	16,10,08,506
Tax Expenses			
Current Tax		4,03,25,847	5,27,05,093
Income Tax (Earlier Years)		0	8,31,932
Deferred Tax		1,31,07,378	39,15,954
Profit for the year		10,53,41,010	10,35,55,527
Earning per equity share of Re. 1 each			
Basic & Diluted Before Extraordinary Activities (In Re.)		0.135	0.133
Basic & Diluted After Extraordinary Activities (In Re.)		0.135	0.133
Notes & significant accounting policies, forming part of financial statements	1 to 27		

As per our report of even date annexed

For S.P. MOONDRA & CO.
Chartered Accountants
F.R. No.: 004879C

S.P.Moondra
Proprietor
M. No.: 073747

Place : Indore
Dated: 30th May, 2017

For and on behalf of the Board of Directors

Kedarmal Bankda
Chairman & Whole Time Director
DIN : 000230 50

Vijay Bankda
Managing Director
DIN : 000230 27

CS Prachi Rathore
Company Secretary
A45273

Ankit Bankda
Chief Financial Officer



Consolidated Cash Flow Statement for the year ended 31st March, 2017

(₹ in Lacs)

Particulars	Year Ended 31-03-2017		Year Ended 31-03-2016	
A. CASH FLOW FROM OPERATING ACTIVITIES:				
Net profit before extraordinary items & tax		1587.74		1610.09
<u>Adjustments for:</u>				
Depreciation	312.28		299.81	
Amortisation of share issue expenses	0.00		0.00	
Finance costs	28.18		7.09	
Interest income	(59.76)		(122.74)	
Dividend income	(0.08)		(0.12)	
Loss on sale of Investments	0.00		0.00	
Loss on Sale of Machinery	0.90		10.19	
Rental income from investment properties	(210.46)	71.06	(80.61)	113.62
Operating profit before working capital changes		1658.80		1723.71
<u>Changes in working capital</u>				
Adjustments for (increase)/decrease in operating assets:				
Inventories	545.88		(452.93)	
Trade receivables	0.23		(1483.82)	
Short term loans and advances	(54.65)		1055.40	
Long term loans and advances	886.99		(830.03)	
Other current assets	(45.98)		1.89	
Adjustments for increase/(decrease) in operating liabilities:				
Trade payables	(1467.48)		2702.18	
Other current liabilities	217.53		203.91	
Other long-term liabilities	15.51		25.63	
Short-term provisions	31.43	129.46	6.61	1228.84
		1788.25		2952.55
Cash flow from extraordinary items	(0.90)	(0.90)	(10.19)	(10.19)
Cash generated from operations		1787.35		2942.36
Net income tax (paid)	(403.26)	(403.26)	(535.37)	(535.37)
Net cash flow from/ (used in) operating activities (A)		1384.09		2406.99
B. CASH FLOW FROM INVESTING ACTIVITIES				
Capital expenditure on fixed asset	(1290.05)		(327.12)	
Capital Work in Progress	447.34		(471.95)	
Purchase of long-term investments	(1254.55)		(1698.94)	
Process from sale of Machinery	58.54		20.11	
Interest received	59.76		122.74	
Dividend received	0.08		0.12	
Rental income from investment properties	210.46		80.61	
Net cash flow (used in) investing activities (B)		(1768.42)		(2274.43)



Consolidated Cash Flow Statement for the year ended 31st March, 2017

(₹ in Lacs)

<i>Particulars</i>	Year Ended 31-03-2017		Year Ended 31-03-2016	
C. CASH FLOW FROM FINANCING ACTIVITIES:				
Proceeds from issue of equity shares	0.00		0.00	
Proceeds from other short-term borrowings	682.95		(45.50)	
Repayment of other short-term borrowings	0.00		0.00	
Finance Cost	(28.18)		(7.09)	
Dividends Paid	(156.13)		(156.13)	
Tax on dividend	(31.78)		(31.78)	
Net cash flow from/(used in) financing activities (C)		466.86		(240.50)
Net increase/(decrease) in Cash and cash equivalents (A+B+C)		82.54		(107.94)
Cash and cash equivalents at the beginning of the year		569.41		677.36
Cash and cash equivalents at the end of the year		651.95		569.42

As per our report of even date annexed

For S.P. MOONDRA & CO.
Chartered Accountants
F.R. No.: 004879C

S.P. Moondra
Proprietor
M. No.: 073747

Place : Indore
Dated: 30th May, 2017

For and on behalf of the Board of Directors

Kedarmal Bankda
Chairman & Whole Time Director
DIN : 00023050

Vijay Bankda
Managing Director
DIN : 00023027

CS Prachi Rathore
Company Secretary
A45273

Ankit Bankda
Chief Financial Officer



Notes On Consolidated Financial Statements for the year ended 31st March, 2017 (Amount in ₹)

Particulars	2016-2017	2015-2016																																													
NOTE - 1: SHARE CAPITAL																																															
Authorized Share Capital																																															
80,00,00,000 equity shares of Re. 1 each (Previous Year 80,00,00,000 equity share of Re. 1 each)	80,00,00,000	80,00,00,000																																													
Issued, Subscribed & Paid up																																															
78,06,52,180 Equity shares of Re. 1 fully paid up (Previous year 78,06,52,180 Equity Shares of Re. 1 fully paid up.)	78,06,52,180	78,06,52,180																																													
<p>(The company has only one class of equity share. Each share holder is eligible for one vote per share. The dividend proposed by the board is subject to the approval of share holders except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the assets of the company after distribution of all preferential amounts in proportion to their shareholding.</p> <p>1.1 of the above shares 75,00,000 equity shares of Re 1 each were allotted as fully paid up bonus shares by capitalisation of General Reserve.</p> <p>1.2 of the above Share 4,92,40,000 shares of Re 1 each have been allotted for consideration other than cash</p> <p>1.3 of the above shares equity 55,76,08,700 equity shares of Re.1 were allotted as bonus shares fully paid up bonus shares by capitalisation of General Reserve, share Premium, share Forfeiture in the proportion of 5 share for every 2 share of Re 1/-</p> <p>The details of Shareholders holding more than 5% shares:</p> <table><tr><th rowspan="2">Name of the Shareholder</th><th colspan="2">As at 31.03.2017</th><th colspan="2">As at 31.03.2016</th></tr><tr><th>No. of shares(Re1)</th><th>% held</th><th>No. of shares(Re1)</th><th>% held</th></tr><tr><td>Mr. Kedarmal Bankda</td><td>9,01,94,650</td><td>11.55%</td><td>9,01,94,650</td><td>11.55%</td></tr><tr><td>Mr. Vijay Bankda</td><td>5,85,53,775</td><td>7.50%</td><td>5,85,53,775</td><td>7.50%</td></tr><tr><td>M/s. Paradise Vyapar Pvt. Ltd.</td><td>4,71,86,125</td><td>6.05%</td><td>4,71,86,125</td><td>6.05%</td></tr><tr><td>Mr. Ankit Bankda</td><td>4,68,86,420</td><td>6.01%</td><td>4,68,86,420</td><td>6.01%</td></tr><tr><td>Mrs. Asha Bankda</td><td>54,319</td><td>0.01%</td><td>4,16,23,400</td><td>5.33%</td></tr></table> <p>The reconciliation of the number of shares outstanding is set out below:</p> <table><tr><th rowspan="2">Particulars</th><th colspan="2">No. of shares</th></tr><tr><th>As at 31.03.2017</th><th>As at 31.03.2016</th></tr><tr><td>Equity shares at the beginning of the year</td><td>78,06,52,180</td><td>78,06,52,180</td></tr><tr><td>Equity shares at the end of the year</td><td>78,06,52,180</td><td>78,06,52,180</td></tr></table>			Name of the Shareholder	As at 31.03.2017		As at 31.03.2016		No. of shares(Re1)	% held	No. of shares(Re1)	% held	Mr. Kedarmal Bankda	9,01,94,650	11.55%	9,01,94,650	11.55%	Mr. Vijay Bankda	5,85,53,775	7.50%	5,85,53,775	7.50%	M/s. Paradise Vyapar Pvt. Ltd.	4,71,86,125	6.05%	4,71,86,125	6.05%	Mr. Ankit Bankda	4,68,86,420	6.01%	4,68,86,420	6.01%	Mrs. Asha Bankda	54,319	0.01%	4,16,23,400	5.33%	Particulars	No. of shares		As at 31.03.2017	As at 31.03.2016	Equity shares at the beginning of the year	78,06,52,180	78,06,52,180	Equity shares at the end of the year	78,06,52,180	78,06,52,180
Name of the Shareholder	As at 31.03.2017			As at 31.03.2016																																											
	No. of shares(Re1)	% held	No. of shares(Re1)	% held																																											
Mr. Kedarmal Bankda	9,01,94,650	11.55%	9,01,94,650	11.55%																																											
Mr. Vijay Bankda	5,85,53,775	7.50%	5,85,53,775	7.50%																																											
M/s. Paradise Vyapar Pvt. Ltd.	4,71,86,125	6.05%	4,71,86,125	6.05%																																											
Mr. Ankit Bankda	4,68,86,420	6.01%	4,68,86,420	6.01%																																											
Mrs. Asha Bankda	54,319	0.01%	4,16,23,400	5.33%																																											
Particulars	No. of shares																																														
	As at 31.03.2017	As at 31.03.2016																																													
Equity shares at the beginning of the year	78,06,52,180	78,06,52,180																																													
Equity shares at the end of the year	78,06,52,180	78,06,52,180																																													



Notes On Consolidated Financial Statements for the year ended 31st March, 2017 (Amount in ₹)

Particulars	2016-2017	2015-2016
NOTE - 2: RESERVES & SURPLUS		
Capital Reserve		
State capital subsidy		
As per last balance sheet a	7,50,000	7,50,000
General reserve		
(As per last balance sheet)	24,00,00,000	15,00,00,000
Add: Set aside during the year	7,00,00,000	9,00,00,000
b	31,00,00,000	24,00,00,000
Surplus - Balance in Statement of Profit & Loss		
As per last balance sheet	6,55,94,317	7,08,30,284
Add: Profit for the year	10,53,41,010	10,35,55,527
Less: Transfer to General Reserve	7,00,00,000	9,00,00,000
Less: Proposed Equity Dividend	1,56,13,044	1,56,13,044
Less: Tax on Proposed Equity Dividend	31,78,450	31,78,450
c	8,21,43,833	6,55,94,317
(a to c)	39,28,93,833	30,63,44,317
NOTE - 3: DEFERRED TAX LIABILITY (NET)		
Deferred Tax Liability on account of		
Depreciation	7,43,04,665	6,04,60,182
Less : Deferred Tax Assets on account of		
Provision for Gratuity	27,40,032	20,02,927
Net Deferred Tax liability / (Assets)	7,15,64,633	5,84,57,255
NOTE - 4: OTHER LONG-TERM LIABILITIES		
Trade Deposits	1,00,000	1,00,000
Deposit Against Property Let Out	56,63,580	41,12,580
	57,63,580	42,12,580
NOTE - 5: SHORT TERM BORROWINGS		
Loan repayable on demand		
Secured		
Working Capital Loans (Over Draft)		
From Dena Bank	5,65,97,825	5,25,79,986
From State Bank of India	55,04,595	36,39,930
Security:		
Overdrafts from banks are secured by the lien of fixed deposit receipts		
Unsecured		
From Directors (Refer Note No. 27.11)	6,24,12,000	0
	12,45,14,420	5,62,19,916
NOTE - 6: TRADE PAYABLE (Refer Note No. 27.09)		
Micro, Small and Medium Enterprises	69,58,659	98,22,149
Others	31,57,11,972	45,95,84,731
	32,26,70,631	46,94,06,880



Notes On Consolidated Financial Statements for the year ended 31st March, 2017 (Amount in ₹)

Particulars	2016-2017	2015-2016
NOTE - 7: OTHER CURRENT LIABILITIES		
Unclaimed dividend	10,47,636	12,26,037
Right issue Refund Payable A/c	1,717	1,717
Creditors - Capital Expenditure	2,98,33,885	1,54,69,964
Advance from Customers	2,36,91,663	1,28,59,491
Statutory Dues	38,56,891	71,21,596
	5,84,31,792	3,66,78,805
NOTE - 8: SHORT TERM PROVISIONS		
Provision for Bonus, Gratuity and leave encashment	1,62,73,275	98,23,821
Provision for Income Tax- Net of Advance. Tax Re 3,75,00,000 (Pre. Yr. Re. 5,24,74,199)	1,97,483	2,30,894
Provision for Expenses	99,71,340	1,32,44,267
Proposed dividend	1,56,13,044	1,56,13,044
Corporate Dividend Tax Payable	31,78,450	31,78,450
	4,52,33,592	4,20,90,476

NOTE - 9: FIXED ASSETS (AT COST)

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS AT 31/03/16	Additions	Sale / Transfer	AS AT 31/03/17	AS AT 31/03/16	For the Year	Written back due to sale / Transfer	AS AT 31/03/17	AS AT 31/03/17	AS AT 31/03/16
TANGIBLE ASSETS:										
Own Assets										
Lease hold land	1186605	0	0	1186605	204964	12587	0	217551	969054	981641
Free Hold Land	0	1741000	0	1741000	0	0	0	0	1741000	0
Building Factory	201014467	28525191	0	229539658	70939323	6814306	0	77753629	151786029	130075144
Building Others	146976660	2291264	0	149267924	12449035	2340829	0	14789864	134478060	134527625
Plant & Machineries	304975610	33087780	33247257	304816133	170222954	11740357	27392514	154570797	150245336	134752656
Solar Generation Plant	0	38428750	0	38428750	0	20004	0	20004	38408746	0
Electrical Installation	57049960	5707899	0	62757859	26248212	4070964	0	30319176	32438683	30801748
Furniture & Fixtures	50898754	8204858	0	59103612	38662155	2216984	0	40879139	18224473	12236599
Office Equipments	30970019	4286492	0	35256511	26630663	987899	0	27618562	7637949	4339356
Computers	11608998	281325	0	11890323	10435750	333133	0	10768883	1121440	1173248
Vehicles	15387136	5749370	0	21136506	6618065	2417416	0	9035481	12101025	8769071
TOTAL (A)	820068209	128303930	33247257	915124882	362411121	30954480	27392514	365973087	549151795	457657088
INTANGIBLE ASSETS										
Software	4007290	701113	0	4708403	3172621	273675	0	3446296	1262107	834669
TOTAL (B)	4007290	701113	0	4708403	3172621	273675	0	3446296	1262107	834669
TOTAL (A+B)	824075499	129005043	33247257	919833285	365583742	31228155	27392514	369419383	550413902	458491757
Prev. Year	804269340	32712088	12905928	824075500	346497221	29981149	10894628	365583742	458491758	457772119

Capital Work in Progress

Office Furniture	0	0	0	0	0	0	0	0	2461068	0
Plant & Machinery	0	0	0	0	0	0	0	0	0	25273113
Factory Building	0	0	0	0	0	0	0	0	0	19147917
Electric Installation	0	0	0	0	0	0	0	0	0	2773673
Total									2461068	47194703



Notes On Consolidated Financial Statements for the year ended 31st March, 2017 (Amount in ₹)

Particulars	2016-2017	2015-2016
NOTE - 10: NON CURRENT INVESTMENTS		
In equity shares - quoted, fully paid up		
M/s Ravi Kumar Distilleries Ltd. 5,11,000 shares of Rs. 10 each fully paid up (Previous Year 5,11,000) Market value Rs. 58,81,610 (Previous year 40,47,120)	1,79,26,033	1,79,26,033
Bil Energy Systems Ltd., 10,63,000 (Prev. Yr. 10,63,000) shares of Re 1 fully paid up - Mkt. Val. Re. 7,12,210 (Prev. Yr. Re 11,16,150)	68,68,519	68,68,519
PFL Infotech Ltd. 32,700 (Prev. yr. 32,700) shares of Re. 10 fully paid up - Market Value Re 3,53,160 (Prev. Yr. Re 6,99,780)	1,74,44,039	1,74,44,039
Risa International Ltd., 45,000 shares (Prev. Yr. 45,000) of Re 2 fully paid up Mkt Val. Re 64,350 (Prev. Yr. 40,950)	56,74,407	56,74,407
Rutron International Ltd. 5,50,000 (Prev. Yr. 5,50,000) shares of Re 1 fully paid up - Market Value (Trading Suspended)	39,43,231	39,43,231
Upsurge Investment & Finance Ltd. 2,74,000 (Prev. Yr. 274000) shares of Re 10 fully paid up Market Value Re. 40,41,500 (Prev. Yr. Re 66,44,500)	1,04,62,339	1,04,62,339
Lupin Limited 1000 Shares (Previous Year 1000) of Re 2 each fully paid up Market Value Re 0 (Prev. Yr. 1480250)	0	14,62,212
a	6,23,18,568	6,37,80,780
Investment in subsidiary		
Trade Services FZE 1 share of face Value AED 65000	0	0
b	0	0
Investment in Property		
Property at Thane, Mumbai	5,43,64,002	5,43,64,002
Property at Goregaon	24,24,46,955	11,55,30,000
c	29,68,10,957	16,98,94,002
(a+b+c)	35,91,29,525	23,36,74,782
NOTE - 11: LONG TERM LOANS & ADVANCES		
(Unsecured Considered Goods)		
Capital advances	1,91,50,779	10,77,74,916
Deposits	29,92,176	30,67,284
Deposit for Premises (Related parties) (Refer note 27.11)	3,97,00,000	3,97,00,000
	6,18,42,955	15,05,42,200
NOTE - 12: INVENTORIES		
(At lower of cost or net realizable value)		
Raw Materials	1,98,91,677	2,49,35,967
In Transit Raw Material	1,08,86,162	49,49,434
Stock in Process	2,40,17,989	3,24,88,354
Finished Goods	1,27,77,146	5,39,77,634
Packing Material	2,72,86,580	2,60,61,458
- In Transit Packing Material	28,24,536	4,20,354
Stock of Traded Goods - In Transit	0	94,55,160
Stores & spares and others	24,08,764	23,92,403
	10,00,92,854	15,46,80,764



Notes On Consolidated Financial Statements for the year ended 31st March, 2017 (Amount in ₹)

Particulars	2016-2017	2015-2016
Details of Inventories of Work in Progress		
Tablets	1,74,58,336	2,14,16,192
Capsules	25,91,112	25,36,642
Liquids	7,60,496	11,46,850
Others	32,08,045	73,88,670
	2,40,17,989	3,24,88,354
NOTE - 13: TRADE RECEIVABLE		
(Unsecured, Considered Goods)		
Within Six Months	36,78,44,468	45,97,42,184
Over Six Months	9,21,01,782	2,26,874
	45,99,46,250	45,99,69,058
NOTE - 14: CASH & BANK BALANCE		
Cash in hand (As certified)	4,66,483	6,29,642
Balance with Banks		
- In Current Account	2,70,830	83,833
- In Current accounts in respect of unclaimed dividend warrants	10,47,636	12,26,038
- In Current accounts in respect of Right issue refund orders	1,717	1,717
- In Fixed Deposit with Banks (given as lien to Bank/Govt. Dept.)	6,34,08,502	5,50,00,000
	6,51,95,168	5,69,41,230
NOTE - 15: SHORT TERM LOANS AND ADVANCES		
(Unsecured and considered good)		
Loans and Advance to employees	67,28,783	72,12,130
Loans and Advance to others	1,53,83,772	91,40,055
Prepaid Expenses	2,28,600	2,20,716
Balances with Govt. Authorities		
- Export incentives receivables	5,44,22,475	5,50,90,770
- Excise duty receivable	2,72,55,103	70,92,909
- Balance with Central Excise	7,55,45,950	9,21,51,068
- VAT receivable	1,28,87,044	1,60,78,994
	19,24,51,727	18,69,86,642
NOTE - 16: Other Current Assets		
a. Accruals		
Interest Accrued but not due on fixed deposits with bank	90,66,659	44,68,219
	90,66,659	44,68,219
b. Miscellaneous Expenditures		
Preliminary Expenses		
As per last balance sheet	10,67,896	10,67,896
Add: Incurred During the year	0	0
	10,67,896	10,67,896
c. Pre Operative Expenses		
As per last balance sheet	45,158	33,708
Add: Incurred During the year	11,500	11,450
	56,658	45,158
NOTE - 17: REVENUE FROM OPERATIONS		
Sales		
- Export Sales	1,43,23,29,679	1,08,76,51,752



Notes On Consolidated Financial Statements for the year ended 31st March, 2017 (Amount in ₹)

<i>Particulars</i>	2016-2017	2015-2016
Domestic Sales	36,23,58,047	71,85,79,766
Total	1,79,46,87,726	1,80,62,31,518
Export Incentives	5,37,15,466	4,94,49,445
Total	1,84,84,03,192	1,85,56,80,963
Less : Excise Duty	1,78,947	1,67,11,270
Total	1,84,82,24,245	1,83,89,69,693
NOTE - 17(a): REVENUE FROM OPERATIONS		
Sales of Product Comprises of Manufactured Goods		
- Tablets	74,14,84,518	70,55,62,866
- Capsules	12,74,38,395	14,93,01,235
- Liquids	9,20,92,527	8,27,12,664
- Injectable	10,82,23,865	8,14,34,541
- Ointment	1,05,38,843	1,20,98,862
- Dry Powder	1,24,75,250	95,02,168
- Inhaler	98,51,995	12,20,376
Total of Manufactured Goods (a)	1,10,21,05,393	1,04,18,32,712
Traded Goods		
- Mentha Oil	0	0
- Tablets	10,40,29,456	8,85,44,897
- Liquids	6,62,07,887	4,14,59,724
- Capsules	3,27,09,969	2,14,01,588
- Ointment	3,42,07,907	3,23,97,554
- Dry Powder	1,60,29,680	11,1,419
- Agro Commodity	27,40,83,237	12,09,00,641
- Soya DOC	0	3,60,40,549
- Basic Drug Formulations	13,24,44,712	39,28,97,318
- Others	3,28,69,485	2,95,65,116
Total of Traded Goods (b)	69,25,82,333	76,43,98,806
Grand Total (a+b)	1,79,46,87,726	1,80,62,31,518
NOTE - 18: OTHER INCOME		
Interest received		
Bank	51,08,447	61,38,081
Others	8,68,027	61,35,817
Gain from Invest in Mutual Fund	0	3,32,287
Commission	0	0
Compensation on Cancellation of Property Deal	0	46,27,726
Dividend Income		
From Investment (Others)	7,500	11,728
Other non operating income		
Rent	2,10,46,458	80,61,367
Miscellaneous Income	8,77,949	13,76,192
	2,79,08,381	2,66,83,198
NOTE - 19: PARTICULARS OF MATERIALS CONSUMED		
Paracetamol	11,08,16,901	13,58,82,342
Ibuprofen	2,52,79,461	3,15,84,497
Chloroquine Phosphate	2,10,44,568	2,61,54,110



Notes On Consolidated Financial Statements for the year ended 31st March, 2017 (Amount in ₹)

Packing Material					25,31,38,650	25,01,20,289
Others					27,99,30,446	24,52,61,712
					69,02,10,026	68,90,02,950
<i>Particulars</i>					<i>2016-2017</i>	<i>2015-2016</i>
NOTE - 19(a): COST OF MATERIALS CONSUMED						
		2016-17		2015-16		
Particulars	Amount	%	Amount	%		
Imported	0	0	0	0		
Indigenous	69,02,10,026	100	68,90,02,950	100	69,02,10,026	68,90,02,950
Total	69,02,10,026	100	68,90,02,950	100	69,02,10,026	68,90,02,950
NOTE - 20: PURCHASE OF STOCK-IN-TRADE						
Mentha Oil					0	0
Tablets					6,58,27,828	5,57,07,316
Liquids					3,03,75,329	2,01,54,127
Capsules					2,07,04,521	1,13,29,051
Raw Material					12,35,01,022	37,48,77,109
Soya DOC					0	3,59,95,025
Agro Comodity					24,27,84,944	11,92,17,745
Dry Powder					1,39,69,394	8,48,743
Others					4,40,56,136	4,48,88,150
					54,12,19,174	66,30,17,266
NOTE - 20(a): PURCHASE OF STOCK IN TRADE						
		2016-17		2015-16		
Particulars	Amount	%	Amount	%		
Imported	0	0.00	2206024	0.33		
Indigenous	54,12,19,174	100	66,08,11,242	99.67	54,12,19,174	66,30,17,266
Total	54,12,19,174	100	66,30,17,266	100	54,12,19,174	66,30,17,266
NOTE - 21: CHANGES IN INVENTORIES OF FINISHED GOODS,						
STOCK-IN-PROCESS AND STOCK- IN- TRADE						
Inventories (at close)						
Finished Goods					1,27,77,146	5,39,77,634
Stock in Process					2,40,17,989	3,24,88,354
Stock in Trade					0	0
				a	3,67,95,135	8,64,65,988
Inventories (at commencement)						
Finished Goods					5,39,77,634	2,09,78,408
Stock in Process					3,24,88,354	2,89,83,799
Stock in Trade					0	0
				b	8,64,65,988	4,99,62,207
(Increase) / Decrease in stock				(b-a)	4,96,70,853	(3,65,03,781)
NOTE - 22: EMPLOYEE BENEFITS EXPENSES						
Salary and Wages					13,16,57,662	12,22,20,878
Salaries and Allowances to Directors					16,20,000	13,20,000
Contribution to provident and other fund					53,24,825	52,93,615
Gratuity					26,82,518	12,79,607
Workmen and Staff welfare					48,83,402	60,22,708
					14,61,68,407	13,61,36,808



Notes On Consolidated Financial Statements for the year ended 31st March, 2017 (Amount in ₹)

Particulars			2016-2017	2015-2016
As per Accounting standard 15 "Employee benefits" the disclosures as defined in the Accounting Standard are given below:				
Defined Contribution Plans	2016-17	2015-16		
Employer's Contribution to Provident Fund	3313773	3309881		
Employer's Contribution to E.S.I.	2011052	1983734		
	5324825	5293615		
NOTE-23: FINANCE COST				
Interest Expenses				
Bank			28,17,822	7,08,564
Other			0	0
			2,81,78,22	7,08,564
NOTE-24: DEPRECIATION AND AMORTISATION EXPENSES				
Depreciation (As per Note No. 9)			3,12,28,155	2,99,81,149
Amortisation of Share Issue Expenses			0	0
			3,12,28,155	2,99,81,149
NOTE-25: OTHER EXPENSES				
Manufacturing Expenses				
Power and Fuel			2,76,00,028	2,45,07,614
Repairs to Machineries			71,16,262	1,14,58,907
Vehicle Hire Charges			9,78,322	8,45,918
Factory Expenses			46,22,654	63,35,978
Insurance Expenses			10,07,229	7,85,555
Security Charges			15,83,485	13,03,405
	a		4,29,07,980	4,52,37,377
Selling & Distribution expenses				
Ocean Freight			6,96,56,470	4,70,65,218
Export Expenses			1,91,56,807	83,82,615
Selling Expenses			1,72,65,559	2,32,67,086
Sales Promotion Expenses			1,48,63,033	1,03,07,153
	b		12,09,41,869	8,90,22,072
Establishment expenses				
Traveling Expenses			6,03,29,282	6,55,29,473
Legal & Professional			67,39,887	44,62,880
Rent			18,96,000	18,96,000
Electricity & Water			25,32,236	23,43,908
Expenditure towards Corporate Social Responsibility (CSR)			31,00,000	25,51,000
Sundry Expenses			1,45,42,731	77,14,093
Telephone & Postage			23,04,212	17,36,125
Payment to Auditors				
- Audit Fee			97,750	97,750
- Tax Audit Fee			28,750	28,750



Notes On Consolidated Financial Statements for the year ended 31st March, 2017 (Amount in ₹)

Particulars		2016-2017	2015-2016
- Certification Fee		6,900	7,869
Bank Charges		5,26,328	6,54,770
c		9,21,04,076	8,70,22,617
(a+b+c)		25,59,53,925	22,12,82,066
NOTE - 26: EXTRAORDINARY ITEM			
Loss on Sale of Machinery		78,681	10,19,363
Loss on Sales of Investments		11,349	0
		90,030	10,19,363
NOTE - 27			
27.01	Derivative contracts entered into by the Company and outstanding as on 31st March, 2017		
	a) Nominal amounts of Forward contracts entered into by the Company and outstanding as on the date of balance sheet is Rs.337.36 lacs (Previous Year Rs. 1168.51 lac) category wise breakup is below: ₹ in Lacs)		
	Sr. No.	Particular	31.03.2017
	1	US \$	337.36
	b) Foreign currency exposures that are not hedged by forward cover Rs.2646.47 lacs (Previous Year 1052.11 lacs)		
27.02	Earning in Foreign Exchange: Export Sales (FOB Value) Rs. 13637.50 Re. Lacs (Prev. Year 10453.03 Lacs)		
	Expenditure in Foreign Exchange:		31.03.2017
	Capital Goods		31.03.2016
	Machines	30,03,750	22,70,894
	Others		
	Commission on sales	8,06,598	8,68,550
	Product Regd. Expenses	15,41,250	1,04,128
	Purchase Traded Goods	0	22,06,024
	Traveling Exp. (Foreign)	28,22,584	5,38,453
27.03	Details of Government grants		
	Particulars	31.03.2017	31.03.2016
	Government grants received by the Company during the Year towards		
	- Export incentive (DEPB) \ Duty Draw Back	5,37,15,466	4,94,49,445
		5,37,15,466	4,94,49,445
27.04	Borrowing costs capitalised during the year - Nil (Previous Year Nil)		
27.05	Contingent liabilities and commitments (to the extent not provided for)		
	Contingent liabilities		
	a) Claims against the Company not acknowledged as debt	(₹ in Lacs)	(₹ in Lacs)
	(i) Income Tax demand for A.Y. 2006-07	45.30	45.30
	(ii) Provident Fund demand	7.55	7.55
	(iii) Income Tax demand for A.Y. 2010-11	7.64	7.64
	(iv) Income Tax demand for A.Y. 2011-12	20.81	20.81
	(v) Income Tax demand for A.Y. 2014-15	106.78	0.00
	(vi) Appeal with D C Commercial Tax F.Y. 2010-11	0.42	0.42
	(vii) Appeal with D C Commercial Tax F.Y. 2011-12	0.97	0.97
	(vii) Appeal with D C Commercial Tax F.Y. 2013-14	1.02	0.00
	b) Capital commitments	270.65	1255.50
	c) Bank Guarantees	83.88	0.00



Notes On Consolidated Financial Statements for the year ended 31st March, 2017 (Amount in ₹)

27.06	Segment Information: The Company is operating in three segment. Details are as under		
	Particular	31.03.2017	31.03.2016
	A) Primary Segment Information		
1	Segment Revenue		
	Pharmaceutical Drugs & Formulations	15423.77	16862.49
	Trading of Commodities	3127.10	1713.43
	Renting of Property	210.46	80.61
	Unallocated	0.00	0.00
	Total	18761.33	18656.53
	Less Inter-Segment Revenue	0.00	0.00
	Net Sales/Income from Operations	18761.33	18656.53
2	Segment Result		
	Pharmaceutical Drugs & Formulations	1162.89	1463.91
	Trading of Commodities	243.47	82.84
	Renting of Property	210.46	80.61
	Unallocated	0.00	0.00
	Total	1616.82	1627.36
	Less : Finance Cost	28.18	7.09
	Other unallocable expenditure (Net of Unallocable Income)	0.90	10.19
	Profit Before Tax	1587.74	1610.09
	Less: Tax Expenses	534.3	574.53
	Profit After Tax	1053.41	1035.56
3	Other Information		
	<u>Segment Assets</u>		
	Pharmaceutical Drugs & Formulations	13833.83	14111.73
	Trading of Commodities	314.44	94.49
	Renting of Property	3868.41	3333.95
	Unallocated	0.00	0.00
	Total	18016.68	17540.17
	<u>Segment Liabilities</u>	0.00	0.00
	Pharmaceutical Drugs & Formulations	6064.59	6597.72
	Trading of Commodities	160.56	31.81
	Renting of Property	56.64	41.13
	Unallocated	0.00	0.00
	Total	6281.79	6670.66
4	Capital Expenditure (During the Year)		
	Pharmaceutical Drugs & Formulations	1290.05	327.12
	Trading of Commodities	0	0
	Renting of Property	536.41	2431.70
	Unallocated		
	Total	1826.46	2758.82
5	Depreciation and Amortisation		
	Pharmaceuticals Drugs & Formulations	296.44	284.29
	Trading of Commodities	0	0
	Renting of Property	15.84	15.52



Notes On Consolidated Financial Statements for the year ended 31st March, 2017 (Amount in ₹)

(B)	Unallocated		
	Total	312.28	299.81
	Secondary Segment Disclosures:		
	(1) Revenue from External Customers		
	(a) Indigenous	1053.56	1677.81
	(b) Exports (Including Export incentives)	2284.00	116.23
	Total	3337.56	1794.04
	(2) Carrying Amount of Assets		
	(a) In India	18006.00	17529.49
	(b) Outside India	10.68	10.68
	Total	18016.68	17540.17
	(3) Capital Expenditure (During the Year)		
	(a) In India	1826.46	2758.82
	(b) Outside India	0.00	0.00
	Total	1826.46	2758.82
27.07	Earning per share	31.03.2017	31.03.2016
	Weighted average number of equity shares outstanding during the year	78,06,52,180	78,06,52,180
	Net profit after tax available for equity shareholders	10,53,41,010	10,35,55,527
	Basic & Diluted Earnings (in Rupees) per share	0.13	0.13
	Face value per share (in Rupees)	1.00	1.00
27.08	Expenditure related to Corporate Social Responsibility as per Section 135 of the Companies Act 2013 read with Schedule VII thereof: Gross Amount to be spent by the company during the year Re 30.44 lacs (Prev. Yr. Re. 25.34). Amount Spend during the Year on:		
	1. Construction / acquisition on any Assets	Nil	Nil
	2. On purpose other than (I) above	31.00	25.51
27.09	The company has addressed letters to suppliers seeking confirmations as to registration under the "Micro, Small and Medium Enterprises Development Act, 2006". Based on the information available with the company, an amount of Rs.69.60 lacs is due to Micro, Small and Medium Enterprises as detailed below:		
	S.No.	Name of the Party	Current Year
	1	Ideal Cures Pvt. Ltd., Mumbai	0.11
	2	Lux Flavours	0.21
	3	PG Holographic Products, Indore	1.72
	4	Panna Flex Pack, Indore	15.92
	5	Shree Packers (MP) Pvt. Ltd.	51.64
		TOTAL	69.60
	All the amounts outstanding are due for a period less than that prescribed under the Act and all the payments during the year have been paid within the period less than that prescribed under the Act. Interest Paid / Payable is Rs. Nil.		
27.10	The outstanding balances of the debtors, creditors, advances and unsecured loans are as per books of accounts and subject to confirmation from respective parties.		
27.11	RELATED PARTY DISCLOSURES		
	As per Accounting Standard 18, the disclosures of transactions with the related parties are given below:		
	a) Details of related parties:		
	Description of relationship	Name of Related Parties	
	Parties with whom control exist	M/s Trade Services FZE- Subsidiary ARP Pharma Pvt. Ltd., Strand Developers Pvt. Ltd., Paradise Vyapaar Pvt. Ltd., Synmex Pharma, Vincit International	
	Key Management Personnel (KMP)	Mr. Kedarmal Bankda (Chairman & Whole Time Director) Mr. Vijay Bankda (Managing Director) CS Nafisa Vakil (Resigned on 13.02.2017), Ankit Bankda (CFO) CS Prachi Rathore (Joined from 13.02.2017)	



Notes On Consolidated Financial Statements for the year ended 31st March, 2017 (₹ in Lacs)

Independent/Non Executive Directors		Mrs. Rinki Bankda (Women Director) Mr. Vinod Kabra, Mr. K.D. Neema, Mr. Praveen Jindal					
Relatives of Director		Mrs. Vimla Bankda, Mr. Ankit Bankda, Kedarmal Bankda HUF, Mrs. Asha Bankda, Mrs. Sulabh Bankda, Mr. Ankur Bankda, Ankur Bankda HUF, Vijay Bankda HUF, Mrs. Payal Bankda, Shankarlal Bankda HUF, Rahul Bankda HUF, Mr. Rahul Bankda, Ankit Bankda HUF					
Other related parties		Nil					
b) Transactions during the year with `related parties: (Rs. in Lacs)							
Sr. No.	Nature of Transactions (Excluding reimbursements)	Employee Benefits Expenses		Rent		Sitting Fee	
		Current Yr.	Prev. Yr.	Current Yr.	Prev. Yr.	Current Yr.	Prev. Yr.
A	Key Managerial Personnel						
	Mr. Kedarmal Bankda	10.81	9.12	2.16	2.16	0.00	0.00
	Mr. Vijay Bankda	9.95	9.24	2.16	2.16	0.00	0.00
	Mr. Ankit Bankda (CFO)	7.20	6.60	0.00	0.00	0.00	0.00
	CS Nafisa Vakil (Resign on 13.02.2017)	2.37	0.98	0.00	0.00	0.00	0.00
	CS Prachi Rathore (Joined on 13.02.17)	0.48	0.00	0.00	0.00	0.00	0.00
B	Independent/Non Executive Directors						
	Mrs. Rinki Bankda	0.00	0.00	0.00	0.00	0.10	0.10
	Mr. Praveen Jindal	0.00	0.00	0.00	0.00	0.05	0.05
	Mr. Vinod Kabra	0.00	0.00	0.00	0.00	0.13	0.13
	Mr. Krishna Das Neema	0.00	0.00	0.00	0.00	0.13	0.13
C	Relative of Director						
	Mrs. Vimla Bankda	5.28	4.80	2.16	2.16	0.00	0.00
	Mrs. Asha Bankda	4.80	4.20	4.32	4.32	0.00	0.00
	Mr. Rahul Bankda	7.20	6.60	2.16	2.16	0.00	0.00
	Mrs. Sulabh Bankda	5.52	5.04	0.00	0.00	0.00	0.00
	Mr. Ankur Bankda	5.10	4.20	0.00	0.00	0.00	0.00
	Mrs. Payal Bankda	4.80	3.60	0.00	0.00	0.00	0.00
	Shankarlal Bankda (HUF)	0.00	0.00	2.40	2.40	0.00	0.00
	Vijay Bankda (HUF)	0.00	0.00	3.60	3.60	0.00	0.00
		Nature of Transactions	Key Managerial Personnel		Relatives of Director		Parties with whom control exist.
A	Sale						
	Synmax Pharma	0.00	0.00	0.00	0.00	8.39	0.00
	Vincit International	0.00	0.00	0.00	0.00	22.54	0.00
B	Unsecured Loan received						
	Paradise Vyapaar Pvt. Ltd.	0.00	0.00	0.00	0.00	0.00	0.00
	ARP Pharma Pvt. Ltd.	0.00	0.00	0.00	0.00	0.00	1.60
	Kedarmal Bankda	53.95	97.97	0.00	0.00	0.00	0.00
	Vijay Bankda	582.29	120.14	0.00	0.00	0.00	0.00
C	Unsecured Loan repaid						
	ARP Pharma Pvt. Ltd.	0.00	0.00	0.00	0.00	0.00	1.60
	Paradise Vyapaar Pvt. Ltd.	0.00	0.00	0.00	0.00	0.00	14.09
	Kedarmal Bankda	5.87	97.97	0.00	0.00	0.00	0.00
	Vijay Bankda	6.25	120.14	0.00	0.00	0.00	0.00



Notes On Consolidated Financial Statements for the year ended 31st March, 2017 (₹ in Lacs)

c) Balances outstanding as at 31st March, 2017							(Rs. in Lacs)
Sr. No.	Nature of Transactions	Key Managerial Personnel		Relatives of Director		Parties with whom control exist	
		Current Yr.	Prev. Yr.	Current Yr.	Prev. Yr.	Current Yr.	Prev. Yr.
A	Assets						
	Long Term Loan & Advances	118.00	118.00	0.00	0.00	0.00	0.00
	(Deposit Against Property)						
	Mr. Kedarmal Bankda	103.00	103.00	0.00	0.00	0.00	0.00
	Mr. Vijay Bankda	0.00	0.00	88.00	88.00	0.00	0.00
	Mrs. Asha Bankda	0.00	0.00	88.00	88.00	0.00	0.00
	Mrs. Vimla Bankda	0.00	0.00	0.00	0.00	0.00	0.00
	Short Term Loans & Advances						
	Trade Services FZE, Rakia	0.00	0.00	0.00	0.00	0.00	0.00
	Long Term Investment						
B	Investment with Trade Services FZE	0.00	0.00	0.00	0.00	10.68	10.68
	Liabilities						
	Short Term Borrowings (Unsecured Loan)						
	Paradise Vyapar Pvt. Ltd.	0.00	0.00	0.00	0.00	0.00	0.00
	ARP Pharma Pvt. Ltd.	0.00	0.00	0.00	0.00	0.00	0.00
	Mr. Kedarmal Bankda	48.08	0.00	0.00	0.00	0.00	0.00
	Mr. Vijay Bankda	576.04	0.00	0.00	0.00	0.00	0.00
	M/s. Vincit International	5.76	0.00	0.00	0.00	0.00	0.00
Note : No amount has been provided as doubtful debts or advances/written off or written back in the year in respect of debts due from or to above related parties.							
27.12	DEFERRED TAX LIABILITY (Net) Tax effect of items constituting deferred tax liability					31.03.2017	31.03.2016
	Related to Fixed Assets						
	Opening Balance					6,04,60,182	5,61,25,230
	Timing differences on account of :- Difference between book & tax depreciation.					1,38,44,483	43,34,952
	Deferred tax liability as on 31/03/2017					7,43,04,665	6,04,60,182
	Less: Tax effect of items constituting deferred tax assets						
	Unabsorbed Depreciation					0	0
	Provision for Gratuity					27,40,032	20,02,927
	Net Deferred Tax Liabilities					7,15,64,633	5,84,57,255
27.13	The subsidiary considered in the consolidated financial statement is:						
	Sr. No.	Name	Country of Incorporation		Proportion of Ownership		
					2016- 17	2015-16	
	1	Trade Services FZE	United Arab Emirates		100%	100%	
27.14	The Company does not have any pending litigation which would have material impact on its financial position.						
27.15	The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.						
27.16	There has been no delay in transferring amounts, required to be transferred, to the Investor Education & Protection Fund by the company.						
27.17	Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification/ disclosure.						
27.18	Income Tax, Sales Tax and Purchase Tax Assessment are at various stages. According to company's management the provision for the same is sufficient.						
27.19	Excise duty is net of Excise duty refund received against export under the Central Excise Rules amounting to Rs.9,15,87,069 (Previous Year Rs.4,14,74,419)						



Notes On Consolidated Financial Statements for the year ended 31st March, 2017 (₹ in Lacs)

27.20	During the year the company has specified bank notes (SBNS) or other denomination notes as defined in the MCA notification, G.S.R. 308(E), dated March 31, 2017. The details of SBNS transacted during the period from November 8, 2016 to December 30, 2016, the denomination-wise SBNS and other notes as per notification are as follows:
-------	--

Particulars	Specified Bank Notes (SBN) (INR)	Other Denomination Notes (INR)	Total (INR)
Closing cash in hand as on 08-11-2016	1150000	367917	1517917
AddL: Permitted Receipts	0	589529	589529
Less: Permitted Payments	0	583794	583794
Less: Amount deposited into Banks	1150000	0	1150000
Closing cash in hand as on 30-12-2016	0	373652	373652

For the purpose of this clause the term 'Specified Bank Notes' shall have the same meaning provided provided in the notification of the government of India, in the ministry of Finance, Department of Economic Affairs S.O. 3407(E), dated November 8, 2016.

27.21 In the opinion of the Board, Current Assets, Loans & Advances have a value on realisation in the ordinary course of business at least equal to the amount at which these are stated in the Balance Sheet & that the provisions for known liabilities is adequate and not in excess of amount reasonably necessary.

27.22 Figures have been rounded off to the nearest rupee.

27.23 Significant Accounting Policies followed by the Company are as stated in the statement annexed as Annexure-I.

27.24 Disclosure under clause 32 of the listing agreement
Amount of loans and advances in nature of loan outstanding from subsidiaries as at March 31st 2017.

Sr. No.	Subsidiary Company	Outstanding as at 31/03/17	Maximum Outstanding during the year
1	Trade Services FZE	0	0

AOC-1

Statement containing salient features of the financial statement of subsidiaries

Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014

Sr. No.	Name of the subsidiary	Trade Services FZE
1	Reporting period for the subsidiary	1st April to 31st March
2	Reporting Currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR (Indian Rupees)
3	Share Capital	Rs. 10,67,896
4	Reserves & Surplus	Nil
5	Total Liabilities	Rs. 11,24,554
6	Total Assets	Rs. 11,24,554
7	Investments	Nil
	Turnover	Nil
	Profit before taxation	Nil
	Provision for taxation	Nil
	Profit after taxation	Nil
	Proposed Dividend	Nil
	% of shareholding	100%

Note: Subsidiary is yet to commence business activities.

Part 'B' Asspcoates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Venture

Name of associates/Joit Venture	Nil
Latest audited Balance Sheet Date	Nil
Shares of Associate/Joit Ventures held by the company on the year ended	Nil
Amount of investment in associates / Joint Venture	Nil
Extent of Holding %	Nil
Net worth attributable to shareholding as per latest audited Balance Sheet	Nil
Profit / Loss for the year	Nil
Considered in Consolidation	Nil
Not Considered in Consolidation	Nil

**ANNEXURE - I**

Statement referred to in Note No. 27.22 to the Financial Statements for the year ended 31st March, 2017.

A. SIGNIFICANT ACCOUNTING POLICIES :**i) Basis of Accounting :**

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India. To comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013, the financial statements have been prepared under the historical cost convention on accrual basis.

ii) Use of estimates :

The presentation of financial statements is in conformity with generally accepted accounting principles requires estimates and assumptions to be made, that affect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the period.

Differences between the actual result and estimates are recognised in the period in which the results are known/materialised.

iii) Fixed Assets :

Fixed assets are stated at cost net of modvat/cenvat on construction and includes proportionate financial cost till commencement of production less accumulated depreciation.

iv) Depreciation :

Depreciation / Amortisation In respect of fixed assets acquired during the year, depreciation/ amortisation is charged on a straight line basis so as to write off the cost of the assets over the useful lives and for the assets acquired prior to April 1, 2014, the carrying amount as on April 1, 2014 is depreciated over the remaining useful life, as per schedule II of the Companies Act, 2013.

v) Impairment of Assets:

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

vi) Inventory valuation :

- Stock of raw materials/packing materials are valued at cost (net of modvat credit) on FIFO basis or net realisable value whichever is lower.
- Stores & Spares and gift articles are valued at cost or net realisable value whichever is lower.
- Semi finished goods are valued at approximate cost of input, depending on the stage of completion or net realisable value whichever is lower.
- Finished goods are valued at cost or net realisable value which ever is lower. Cost for this purpose is determined by reducing the estimated gross margin from the billing price.

vii) Foreign Currency Transaction :

- Transactions denominated in foreign currencies are normally recorded on exchange rate prevailing at the time of the transaction. Current liabilities related to foreign currency transaction are being converted at the year end at the closing rates for revenue transactions & exchange gains/ losses in fluctuations of exchange rate are being dealt in the profit & loss account.
- Monetary items denominated in foreign currencies and covered by forward exchange contracts are translated at the rate ruling on the date of transaction as increased or decreased by the proportionate difference between the forward rate and exchange rate on the date of transaction, such difference is being recognised over the life of the contract.

viii) Investments :

The Investments are long term & stated at cost. Provision for diminution in the value of long term investment is made only if such a decline is other than temporary in the opinion of the management.

ix) Sales :

The company recognises sales at the point of dispatch of goods to the customer.

x) Modvat/cenvat :

Modvat/cenvat credit is accounted on accrual basis on purchase of materials and capital goods and appropriated against payment of excise duty on clearance of the finished goods.

xi) Excise Duty :

Excise duty has been accounted on the basis of both, payments made in respect of

goods cleared as also provision made for goods lying in bonded warehouses.

xii) Treatment of retirement benefit:

Retirement benefit to employees viz, gratuity is being accounted for on actuarial basis.

xiii) Borrowing cost:

Borrowing cost 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 intended use. All other borrowing costs are charged to revenue.

xiv) Earning per share:

Basic EPS is computed using the weighted average number of equity shares outstanding during the year. Diluted EPS is computed using the weighted average number of equity and diluted equity outstanding during the year except where the results would be anti-dilutive.

xv) Provision for Current and Deferred Tax :

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income tax Act, 1961. Deferred tax resulting from "timing differences" between book and taxable profits is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognised and carried forward only to the extent that there is a reasonable certainty that the assets will be realised in future.

xvi) Contingent liabilities:

Contingent liabilities are not provided for. These are being disclosed by way of a note in Notes to Accounts.

xvii) Miscellaneous expenditure:

Miscellaneous expenditure is written off to the profit & loss account over a period of up to five years, depending upon the nature and expected future benefits of such expenditure. The management reviews the amortization period on a regular basis and if expected future benefits from such expenditure are significantly lower from previous estimates, the amortization period is accordingly changed.

As per our report of even date annexed
For S.P. MOONDRA & CO.
Chartered Accountants
F.R. No.: 004879C

S.P. Moondra
Proprietor
M. No.: 073747

Place : Indore
Dated: 30th May, 2017

For and on behalf of the
Board of Directors

Kedarmal Bankda
Chairman & Whole Time Director
DIN : 00023050

Vijay Bankda
Managing Director
DIN : 00023027

CS Prachi Rathore
Company Secretary
A45273

Ankit Bankda
Chief Financial Officer

INTENTIONALLY KEPT BLANK

**PROXY FORM
FORM MGT- 11**

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

Name : SYNCOM FORMULATIONS (INDIA) LIMITED
 CIN : L24239MH1988PLC047759
 Regd. office : 7, Niraj Industrial Estate, Off Mahakali Caves Road,
 Andheri (E), Mumbai (MS) 400093

Name of the member (s) : _____
 Registered address : _____
 E-mail Id : _____
 Folio No/Client Id/DPID : _____

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 29th Annual General Meeting of the company, to be held on the 29th September, 2017 at The Supremo Activity Centre & Matoshri Sports Complex, Jogeshwari Vikhroli Link Road, Andheri (E), MUMBAI-400 093 at 12.30 P.M. and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolutions	
1.	Consider and adopt Audited Financial Statement, reports of the Board of directors and Auditor for the year ended 31st March, 2017.
2.	Approval of dividend on the equity shares
3.	Re-Appointment of Shri Kedarmal Bankda who is liable to retire by rotation
4.	Appointment of Sanjay Mehta & Associates as the statutory auditor and fixing their remuneration.
5.	Appointment of Cost Auditors of the Company
6.	Approval of the shareholders under Section 20 of the Companies Act, 2013 to change a sum equivalent to the estimated actual expenses of delivery of the documents through a particular mode if any request has been made by such member for delivery of such document to him.

Signed this _____ day of _____ 2017

Signature of shareholder

Signature of Proxy holder(s)

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





ATTENDANCE SLIP

29th Annual General Meeting of Syncom Formulations (India) Ltd. - CIN : L24239MH1988PLC047759

held on 29th Sept., 2017 held at The Supremo Activity Centre & Matoshri Sports Complex, Jogeshwari Vikhroli Link Road, Andheri (E), MUMBAI-400 093

Folio No /DPID/Client ID :

Mr./Mrs./Miss _____

(Shareholders' name in block letters)

I/We certify that I/We am/are registered shareholder / proxy for the registered shareholder of the company.

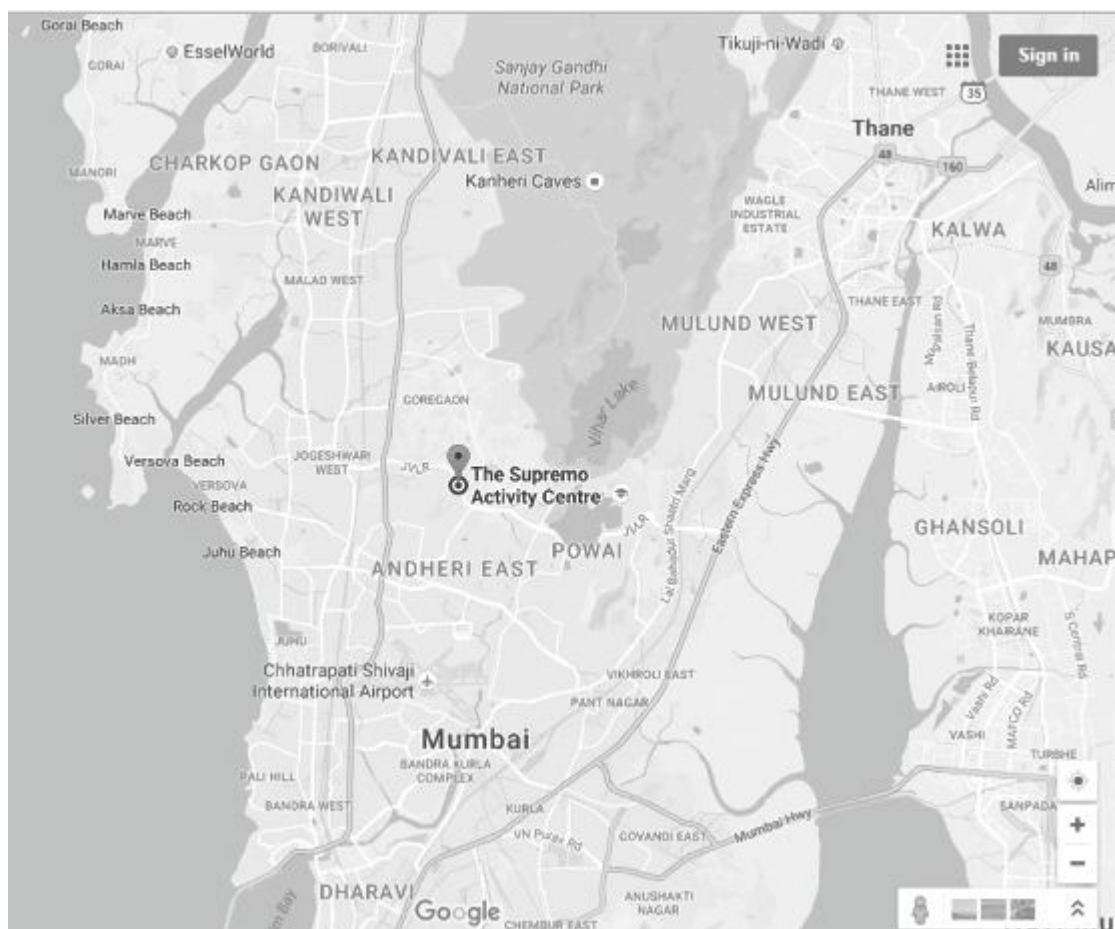
I/We hereby record my/our presence at the 29th Annual General meeting of the company at The Supremo Activity Centre & Matoshri Sports Complex, Jogeshwari Vikhroli Link Road, Andheri (E), MUMBAI-400 093 on 29th September, 2017 at 12.30 pm.

(If signed by proxy, his name should be written in block letters)

(Shareholders/proxy's Signature)

Note:

1. Shareholders/proxy holders are requested to bring the attendance slips with them when they come to the meeting and hand over them at the entrance after affixing their signatures on them.
2. If it is intended to appoint a proxy, the form of proxy should be completed and deposited at the Registered Office of the Company at least 48 hours before the Meeting.



xyCRAT

Suspension/Capsules
Lycopene, Minerals & Vitamins

Pure
Lycopene

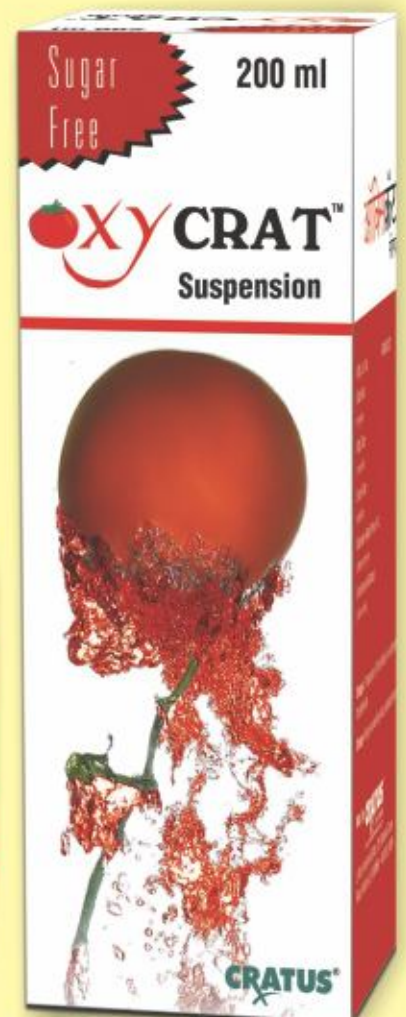
Beneficial as co-therapy in,

- Pregnancy Induced Hypertension
- Intrauterine Growth Retardation
- Breast Cancer
- Cervical Cancer
- Osteoporosis

xyCRAT

Suspension/Capsules
Lycopene, Minerals & Vitamins

Amazing phyto-nutrient &
powerful anti-oxidant



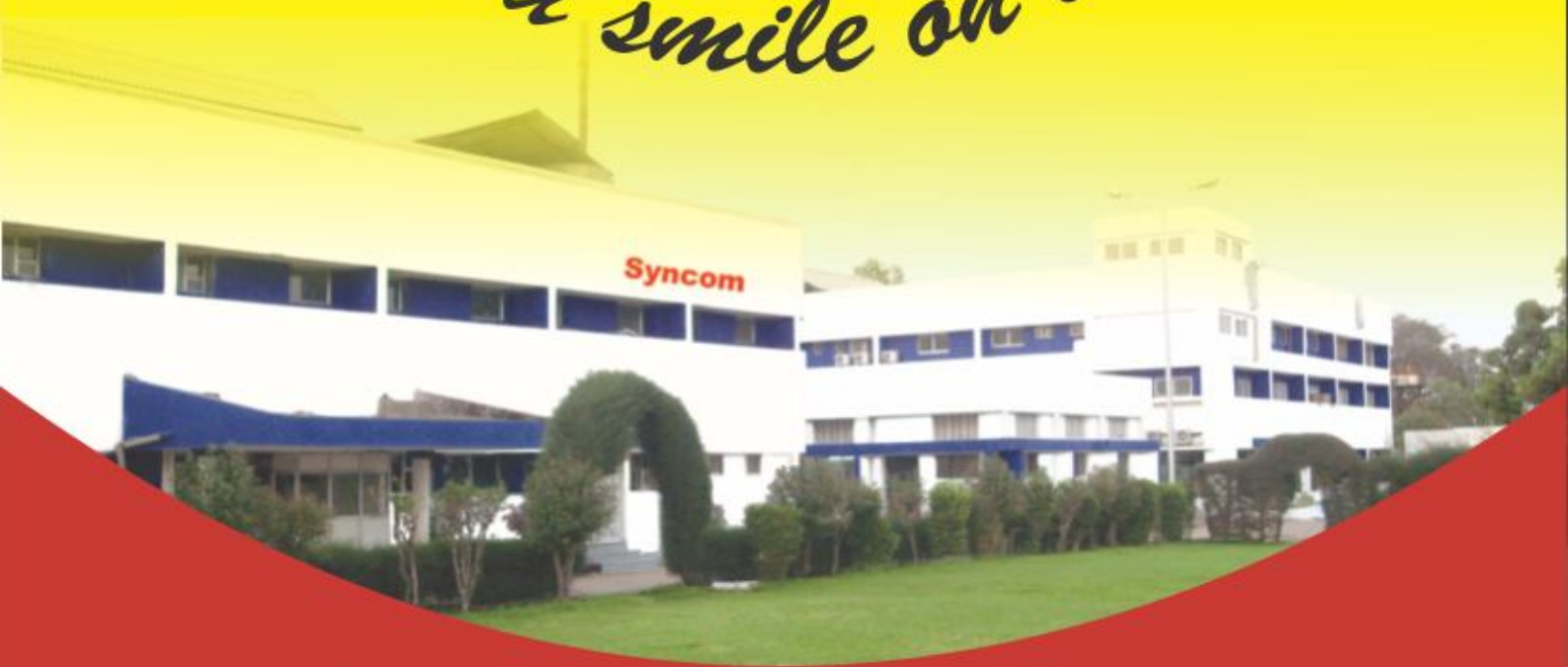
Book-Post

To,

Presence in Domestic Market as

Bringing a smile on every face

CRATUS
LIFE CARE



If Undelivered please return to

SYNCOM FORMULATIONS (INDIA) LTD.

7, Niraj Industrial Estate, Off Mahakali Caves Road, Andheri (East)

MUMBAI - 400 093, Tel.: +91-22-30887744-54, Fax: +91-22-30887755

Email: info@sfil.in - www.sfil.in - CIN: L24239MH1988PLC047759