

KAMRON LABORATORIES LIMITED

[CIN : L24231GJ1988PLC010956]

Regd. Office & Factory: 737, Rakanpur, Sola-Santej Road, Tal. Kalol (N. G.) Dist. Gandhinagar,
Gujarat-382 721, INDIA Phones: (02764) 286549/ 286559 Fax : (02764) 286038
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KAMRON

29th September, 2017

BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400 001. Company Code: 524604	Ahmedabad Stock Exchange Limited Kamdhenu Complex, 1st Floor, Opp. Sahajanand College, Panjara Pole, Ambawadi, Ahmedabad- 380 015. Company Code: 29630
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Dear Sirs;

Sub: Submission of Adopted Annual Report 2016-17

Please note that the members in their 29th Annual General Meeting held on 29th September, 2017 have approved and adopted the Annual Report 2016-17.

We are sending herewith approved and adopted Annual Report 2016-17 pursuant to Regulation 34 of SEBI (LODR) Regulations, 2015.

Kindly take the same in on records.

Thanking you,

Yours faithfully,
for **KAMRON LABORATORIES LIMITED,**

Kamlesh J. Laskari
KAMLESH J. LASKARI
MANAGING DIRECTOR



Encl: As above.

PS.: Scanned copy of approved & adopted Annual Report 2015-16 is uploaded as corporate announcement on website of BSE Limited.



LABORATORIES LIMITED

[CIN: L24231GJ1988PLC010956]

**29TH ANNUAL REPORT
2016-17**



29TH ANNUAL REPORT 2016-17

BOARD OF DIRECTORS	Dr. Mahendra P. Shah - Chairman Mr. Kamlesh J. Laskari - Managing Director Mr. Rohan K. Laskari - Executive Director Mr. Sohan K. Laskari - Executive Director & CFO Ms. Ranak K. Laskari - Director Mr. Devarshi D. Patel - Director
REGISTERED OFFICE & FACTORY	737, Rakanpur Village, Sola-Santej Road, Ta. Kalol (N.G.), Dist. Gandhinagar - 382 721
STATUTORY AUDITORS	M/s. Deepak Soni & Associates, Chartered Accountants, Ahmedabad
SECRETARIAL AUDITORS	M/s. Kashyap R. Mehta & Associates, Company Secretaries, Ahmedabad
BANKERS	Bank of Baroda Sola Road Branch, Ahmedabad
REGISTRAR AND SHARE TRANSFER AGENTS	Link Intime India Private Limited 506-508, Amarnath Business Centre-1(ABC-1), Besides Gala Business Centre, Near St. Xavier's College Corner, Off C G Road, Ahmedabad - 380 006
WEBSITE	www.kamronlabs.com

CONTENTS	PAGE NO.
Notice	1-11
Directors' Report including Corporate Governance Report & Secretarial Audit Report	12-36
Independent Auditors' Report	37-43
Balance Sheet	44
Statement of Profit and Loss	45
Cash Flow Statement	46-47
Notes to Financial Statement	48-62

NOTICE

NOTICE is hereby given that the **29TH ANNUAL GENERAL MEETING** of the members of **KAMRON LABORATORIES LIMITED** will be held as scheduled below:

Date : 29th September, 2017
 Day : Friday
 Time : 11.00 a. m.
 Place : Registered Office of the Company at:
 737, Rakanpur Village, Sola - Santej Road,
 Taluka: Kalol (N. Guj.), Dist: Gandhinagar - 382 721.

to transact the following business:

ORDINARY BUSINESS :

1. To consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2017, the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Ms. Ranak K. Laskari (DIN –00461265), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and, being eligible, offers herself for re-appointment.
3. To consider and if thought fit to pass with or without modification(s) the following resolution as an **Ordinary Resolution:**

“RESOLVED that pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, M/s. Rangwala & Co., Chartered Accountants (Firm Registration No. 115833W) be and are hereby appointed as Auditors of the Company to hold office for 5 years from the conclusion of this 29th Annual General Meeting (AGM) till the conclusion of the 34th AGM of the Company to be held in the year 2022, at such remuneration as shall be fixed by the Board of Directors of the Company.”

SPECIAL BUSINESS:

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

“RESOLVED THAT pursuant to Regulation 31A and other relevant provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the applicable provisions of the Companies Act, 2013 ('Act') read with the Rules framed there under (including any statutory modification(s) or re-enactment thereof), the approval of the Company be and is hereby accorded for re-classification of the following promoter group entities /members' shareholdings in the Company (part of the existing promoters of the Company), from promoter group category to non-promoter group category i.e. public:

Sr. No.	Name of Promoter Group	Share holding as on 30 th June, 2017	
		No. of Shares	% of total Shares of the Company
1	Jagdish D. Laskari	4400	0.08
2	Shri Dinesh Mills Ltd	120000	2.05
3	Urmila Laskari	57000	0.97
4	Urmila Bhaghubhai	56100	0.96
5	Jagruti J. Laskari	53900	0.92
6	Balkrishna B. Patel	53900	0.92
7	Gaurav B. Patel	53500	0.91
8	Priyanka A. Patel	51500	0.88
9	Upendrabhai M. Patel	50000	0.85
10	Om Neelkanth Drugs & Chemicals Pvt. Ltd	16410	0.28
11	Narendraprasad C. Patel	5000	0.09
12	Paulomy Laskari	5000	0.09
13	Dineshchandra B. Patel	1000	0.02
14	Kalavati B. Patel	1000	0.02
15	Rajendraprasad D. Laskari	500	0.01
16	Laxmikant Bhaghubhai	100	Negligible
	Total	529310	9.04

“RESOLVED FURTHER THAT the above promoters’ group entities and person acting in concert do not / will not:

- have any special rights through formal or informal agreements.
- hold more than 10% of the paid-up equity capital of the Company.
- act as a Key Managerial Person for a period of more than three years from the date of Shareholders approval.”

“RESOLVED FURTHER THAT consent of the Company be and is here by granted pursuant to Regulation 31A(5)(c) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to Mr. Kamlesh J. Laskari, Managing Director, Mr. Sohan K. Laskari, Executive Director & CFO and Mr. Rohan K. Laskari Executive Director of the Company who are relatives of persons named at serial No. 1 & 3 to 5 in the above list to act as Key Managerial Person for a period of more than three years from the date of Shareholders approval for reclassification.”

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

“RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers conferred on it by or under this Resolution to any Committee of Directors of the Company or to any Director of the Company or any other officer(s) or employee(s) of the Company as it may consider appropriate in order to give effect to this Resolution including filing of necessary forms / returns with the Ministry of Corporate Affairs / Stock Exchanges / other authorities concerned.”

5. To consider and if thought fit, to pass with or without modification[s], the following resolution as a **Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 188, 196, 197, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, the Company do hereby accord its approval to the re-appointment of Mr. Kamlesh J. Laskari as Managing Director of the Company, not liable to retire by rotation, for a period of 3 years with effect from 1st December, 2017 to 31st November, 2020 on the terms and conditions and the remuneration (which have been approved by Nomination and Remuneration Committee) and that he be paid remuneration (even in the year of losses or inadequacy of profit) by way of Salary, perquisites and Commission not exceeding the amount thereof as set out in the Explanatory Statement which is permissible under Section II of Part II of Schedule V of the Companies Act, 2013.”

“RESOLVED FURTHER THAT the extent and scope of Salary and Perquisites as specified in the Explanatory Statement be altered, enhanced, widened or varied by the Board of Directors in accordance with the relevant provisions of the Companies Act, 2013 for the payment of managerial remuneration in force during the tenure of the Managing Director without the matter being referred to the Company in General Meeting again.”

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

“RESOLVED THAT pursuant to Section 94 and such other applicable provisions of the Companies Act, 2013 (‘the Act’) and the relevant rules, circulars and notifications made there under (including any statutory modification(s), enactment(s) or re-enactment(s) thereof for the time being in force), the consent of the Members of the Company, be and is hereby accorded to maintain the Register of Members together with the Index of members of the Company under Section 88 of the Act and copies of the Annual Returns under Section 92 of the Act at the office premises of Link Intime India Private Limited, Registrar and Transfer Agent (RTA), 506-508, Amarnath Business Centre-1 (ABC-1), Beside Gala Business Centre, Near St. Xavier’s College Corner, Off C. G. Road, Ahmedabad – 380 006, and such other places as the RTA, shift its office from time to time.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all such things, deeds, matters and take all such actions as may be required from time to time for giving effect to the above resolution and matters related thereto.”

REGISTERED OFFICE

737, Rakanpur Village,
Sola-Santej Road, Ta. Kalol (N.G.),
Dist. Gandhinagar - 382 721.
Date : 20th July, 2017

By order of the Board,

Kamlesh J. Laskari
Managing Director

NOTES :

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of Special Business in the Notice is annexed hereto.
2. The Register of Members and Share Transfer Books will remain closed **from 8th September, 2017 to 29th September, 2017** (both days inclusive) for the purpose of Annual General Meeting (AGM).
3. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY OR PROXIES TO ATTEND AND, TO VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING 50 (FIFTY) AND HOLDING IN THE AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER SHAREHOLDER.

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

4. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company, a certified copy of Board Resolution/ Authorisation document authorising their representative to attend and vote on their behalf at the AGM.
5. Members holding shares in the dematerialized mode are requested to intimate all changes with respect to their bank details, ECS mandate, nomination, power of attorney, change of address, change in name, etc, to their Depository Participant (DP). These changes will be automatically reflected in the Company's records, which will help the Company to provide efficient and better service to the Members. Members holding shares in physical form are requested to intimate the changes to the Registrar & Share Transfer Agents of the Company (RTA).
6. Details under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 issued by The Institute of Company Secretaries of India in respect of Directors seeking re-appointment/appointment/ confirmation at the ensuing Annual General Meeting is provided in the Corporate Governance Report forming part of the Annual Report. The Directors have furnished the requisite declarations for their appointment / re-appointment.
7. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their DPs with whom they are maintaining their demat accounts and members holding shares in physical form to the Company / RTA.
8. The members are requested to intimate to the Company, queries, if any, at least 10 days before the date of the meeting to enable the management to keep the required information available at the meeting.
9. The Shareholders holding Shares in Physical form are advised to seek their shareholding changed to dematerialized form since in terms of SEBI and Stock Exchange guidelines no physical shares can be traded in the Stock Exchanges.
10. Pursuant to Section 72 of the Companies Act, 2013, members holding shares in physical form may file nomination in the prescribed Form SH-13 and for cancellation / variation in nomination in the prescribed Form SH-14 with the Company's RTA. In respect of shares held in electronic / demat form, the nomination form may be filed with the respective Depository Participant.
11. Members/Proxies are requested to bring duly filled Attendance Form along with their copy of Annual Report at the Meeting. Copies of Annual Report will not be distributed at the Meeting.
12. All documents referred to in the Notice and Explanatory Statement shall be available for inspection by members at the Registered Office of the Company during the business hours between 11.00 a.m. to 1.00 p.m. on all working days of the Company up to the date of the Annual General Meeting.

13. To support the “Green Initiative”, Members who have not registered their e-mail addresses so far, are requested to register their e-mail address with the Registrar & Share Transfer Agents of the Company for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
14. In support of the ‘Green Initiative’ announced by the Government of India, electronic copies of the Annual Report for 2016-17 and this Notice inter alia indicating the process and manner of e-voting along with Attendance Form and Proxy Form are being sent by email to all the Members whose email IDs are registered with the Company / Depository Participant(s) for communication purposes, unless any Member has requested only for a hard copy of the same. For Members who have not registered their email address, physical copies will be sent to them in the permitted mode. The Notice of AGM will also be available on the Company’s website www.kamronlabs.com and that of Central Depository Services (India) Limited (“CDSL”), www.evotingindia.com

15. VOTING THROUGH ELECTRONIC MEANS:

- (a) In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other applicable provisions, the Company is pleased to offer the facility of voting through electronic means and the business set out in the Notice above may be transacted through such electronic voting. The facility of casting the votes by the Members using an electronic voting system from a place other than venue of the AGM (‘remote e-voting’) is provided by Central Depository Services (India) Limited.
- (b) The facility for voting through ballot paper shall be made 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. **E-voting facility will not be made available at the AGM venue.**
- (c) The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- (d) The remote e-voting period commences at **9.00 a.m. on Tuesday, 26th September, 2017 and ends at 5:00 p.m. on Thursday, 28th September, 2017**. During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the **cut-off date i.e. 22nd September, 2017**, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for e-voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently or cast the vote again.
- (e) The voting rights of shareholders shall be in proportion to their shares in the paid up equity share capital of the Company as on the cut-off date.

The procedure and instructions for remote e-voting are, as follows:

- (i) Open your web browser during the voting period and log on to the e-voting website www.evotingindia.com.
- (ii) Now click on “Shareholders” to cast your votes.
- (iii) Now, fill up the following details in the appropriate boxes:

User ID	<p>a. For CDSL: 16 digits Beneficiary ID</p> <p>b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID</p> <p>c. Members holding shares in Physical Form should enter Folio Number registered with the Company</p>
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- (iv) Next, enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vi) If you are holding shares in demat form and has forgotten the existing password, then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(vii) If you are a first time user, follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <p>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</p> <p>Members who have not updated their PAN with the Company/Depository Participant are requested to use the ten digit sequence number which is printed on Postal Ballot / Address Slip.</p> <p>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</p>
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <p>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (ii).</p>

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on Electronic Voting Sequence Number (EVSN) of KAMRON LABORATORIES LIMITED.

(xii) On the voting page, you will see 'Resolution Description' and against the same, the option 'YES/NO' for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the 'RESOLUTIONS FILE LINK' if you wish to view the entire Resolution details.

(xiv) After selecting the Resolution, you have decided to vote on, click on 'SUBMIT'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'OK', else to change your vote, click on 'CANCEL' and accordingly modify your vote.

(xv) Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take out print of the voting done by you by clicking on 'Click here to print' option on the Voting page.

(xvii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xviii) Note for Non – Individual Members and Custodians:

- Non-Individual Members (i.e. other than Individuals, HUF, NRI etc.) and Custodian are

required to log on to www.evotingindia.com and register themselves as Corporates.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details, a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (f) In case you have any queries or issues regarding remote e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
- (g) **Mr. Kashyap R. Mehta, Proprietor, M/s. Kashyap R. Mehta & Associates, Company Secretaries, Ahmedabad** has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- (h) The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of Scrutinizer, by use of ‘Ballot Paper’ for all those Members who are present at the AGM but have not cast their votes by availing the remote e-voting facility. **E-voting facility will not be made available at the AGM venue.**
- (i) The Scrutinizer shall, immediately after the conclusion of voting at AGM, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in employment of the Company and make, not later than three days from the conclusion of meeting, a consolidated Scrutiniser’s Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same. Thereafter, the Chairman or the person authorised by him in writing shall declare the result of the voting forthwith.
- (j) The Results declared along with the Scrutinizer’s Report shall be placed on the Company’s website www.kamronlabs.com and on the website of CDSL www.evotingindia.com immediately after the result is declared by the Chairman; and results shall also be communicated to the Stock Exchanges.

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 IN RESPECT OF SPECIAL BUSINESSES MENTIONED IN THE NOTICE OF 29TH ANNUAL GENERAL MEETING DATED 20TH JULY, 2017.

In respect of Item No. 4:

The members may note that the Company has decided to re-classify the promoter group category members as mentioned in the text of the resolution as non promoters group category as there is no role of those so called promoter group entity in the management / affairs of the Company. The Company has not entered into any shareholding agreement granting any special rights to them. They have no role to play in decision making in the company and therefore, it has been decided to re classify them as non promoters. The present promoter holding is of 19,44,250 Equity Shares of the Company amounting to 33.24 % which will reduce to 24.18%.

Upon re classification as mentioned in the resolution, the promoters holding would stand at 14,14,940 Equity Shares amounting to 24.18 % as under:

Sr. No.	Name of promoters	No. of Shares held	% of shareholding
1	Kamlesh J Laskari - HUF	12,55,440	21.46
2	Ranak Laskari	55,000	0.94
3	Sohan Laskari	52,800	0.90
4	Rohan Laskari	51,700	0.88
	Total	14,14,940	24.18

Pursuant to Regulation 31A and other relevant provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the applicable provisions of the Companies Act, 2013 ('Act') read with the Rules framed there under (including any statutory modification(s) or re-enactment thereof), the approval of the members of the Company by way of special resolution is required to be accorded for re-classification of certain promoter group entities/ members' shareholdings in the Company into non-promoter group category as mentioned in the resolution.

None of the Directors, Key Managerial Personnel or their relatives except Mr. Kamlesh J Laskari, Ms. Ranak J Laskahri, Mr. Rohan K Laskari and Mr. Sohan K Laskari are in any way concerned or interested, financially or otherwise in this resolution.

The Board recommends the resolution for your approval as a Special Resolution.

In respect of Item No. 5:

Shareholders may recall that in the 26th Annual General Meeting held on 30th September, 2014, Mr. Kamlesh J. Laskari was re-appointed as Managing Director of the Company for a period of three years from 1st December, 2014.

The Board of Directors, on the recommendation on Nomination and Remuneration Committee, in their meeting held on 20th July, 2017 have re-appointed Mr. Kamlesh J. Laskari as Managing Director for a period of 3 years i.e. from 1st December, 2017 to 31st November, 2020.

The major terms of the remuneration of Managing Director are as under:

I. PERIOD:

The term of the Managing Director shall be for a period of three years from 1st December, 2017 to 31st November, 2020.

II. REMUNERATION:

A. SALARY:

The Managing Director shall be entitled to salary of Rs. 2,10,000/- per month.

B. PERQUISITES:

1. Medical reimbursement:
Medical reimbursement expenses incurred for the Managing Director and family subject to a ceiling of Rs. 50,000/- per year.
2. Contribution to Provident Fund, Super annuation Fund and Annuity Fund to the extent these either singly or put together are not taxable under the Income tax Act, 1961.
3. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.
4. Encashment of leave at the end of the tenure.
5. Free use of Company's car with driver for Company's business and free telephone facility at residence.
6. Leave Travel Concession for self and family of Rs. 50,000/- per year or Rs. 1,50,000/- in a block of 3 years.

C. COMMISSION:

The Managing Director shall be entitled to commission of 1 % of the net profits of the Company so that for any year of aggregate of salary, perquisites and commission shall not exceed the overall ceilings laid down under Section 197 of the Companies Act, 2013.

- III. The Managing Director shall be entitled to reimbursement of expenses incurred by him in connection with the business of the Company.
- IV. The Managing Director shall not, so long as he functions as such, become interested or otherwise concerned directly or through his wife and/or minor children in any selling agency of the Company without the prior approval of the Central Government.

V. DUTIES:

Subject to the superintendence, direction and control of the Board of Directors of the Company, the Managing Director Shall be entrusted with substantial powers of management and also such other duties and responsibilities as may be entrusted to him by the Board of Directors from time to time. The headquarter of the Managing Director shall be at Ahmedabad or at such place as the Board of Directors may decided from time to time.

VI. TERMINATION:

The Managing Director may be removed from his office for gross negligence, breach of duty or trust if the Company in its General Meeting to that effect passes a Special Resolution. The Managing Director may resign from his office by giving 90 days' notice to the Company.

VII. COMPENSATION:

In the event of termination of office of Managing Director takes place before the expiration of tenure thereof, Managing Director shall be entitled to receive compensation from the Company for loss of office to the extent and subject to limitation as provided under section 202 of the Companies Act, 2013.

As per the provisions of Sections 188, 196, 197, 203 and all other applicable provisions, if any, of the Companies Act, 2013, Special Resolution is necessary for holding office as Managing Director of the Company on remuneration.

The following are the details of interest of Directors/ Key Managerial Personnel/ Relative of Director/ Relative of Key Managerial Personnel:

Annual Report 2016-17

Sr. Category No	Name of Interested Director / KMP	Financial Interest	Non- Financial Interest
1. Director	Kamlesh J. Laskari	Relates to his reappointment as Managing Director, he may be deemed to be concerned or interested in the business	
2. Key Managerial Personnel	Sohan K. Laskari	Relates to re-appointment of Mr. Kamlesh J. Laskari as Managing Director, relative of Key Managerial Personnel and, therefore, he may be deemed to be concerned or interested in the business	
3. Relative of Director	Ranak K. Laskari Rohan K. Laskari	Relates to reappointment of Kamlesh J. Laskari as Managing Director, who is relative of Directors and, therefore, they may be deemed to be concerned or interested in the business	
4. Relative of Key Managerial Personnel	-	-	

The following are the information required under Section II of Part II of Schedule V of the Companies Act, 2013:

Sr. No	Particulars	Information
I GENERAL INFORMATION		
1	Nature of industry	Manufacturing of Pharmaceuticals Formulations.
2	Date or expected date of commencement of commercial production	Existing
3	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	N.A.
4	Financial performance based on given indicators	Rs. 17.18 Crore turnover (2016-17)
5	Exports performance and net foreign exchange collaborations	Rs. 95.29 Lakh turnover (2016-17)
6	Foreign investments or collaborations, if any.	N.A.
II INFORMATION ABOUT THE APPOINTEE		
1	Background details	M.B.A Finance with More than 30 years' experience.
2	Past remuneration	2,10,000/- Per Month + Perquisites
3	Recognition or awards	-
4	Job profile and his suitability	The management of the entire affairs of the Company. He has sufficient experience and academic background which suits to his job.
5	Remuneration proposed	Upto Rs.2.10 Lakh per Month + Perquisites
6	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w. r. t the country of his origin.)	Remuneration is in commensurate with experience & qualifications. It is lower compared to industry standard formula.

- | | | |
|---|--|---|
| 7 | Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any | Mr. Kamlesh J. Laskari is Managing Director of the Company. |
|---|--|---|

III OTHER INFORMATION

- | | | |
|---|---|---|
| 1 | Reasons of loss or inadequate profits | High Interest Cost High Market competition |
| 2 | Steps taken or proposed to be taken for improvement | Rationalisation of existing product Range and Opening new Markets |
| 3 | Expected increase in productivity and profits in measurable terms | Turnover expected to increase in future |

IV DISCLOSURES

- | | | |
|--------|--|--|
| 1 | The shareholders of the Company shall be informed of the remunerations package of the managerial person | The shareholders have been informed in the notice of 29 th Annual General Meeting. |
| 2 | The following disclosure shall be mentioned in the Board of Director's report under the heading "Corporate Governance", if any, attached to the annual report: | Necessary disclosures have been made in the report of Corporate Governance. |
| 2(i) | All elements of remuneration package such as salary, benefits, bonuses, stock, stock options, pension, etc, of all the directors; | Mr. Rohan K Laskari, Executive Director is entitled to remuneration of Rs. 50,000/- per month
Mr. Sohan K Laskari, Executive Director & CFO is entitled to remuneration of ` 50,000/- per month
No other Director except above is entitled for any remuneration. |
| 2(ii) | Details of fixed component and performance linked incentives along with the performance criteria; | No performance linked incentives. |
| 2(iii) | Service contracts, notice period, severance fees; | 90 days' Notice. |
| 2(iv) | Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable; | No stock options have been offered. |

None of the Directors, Key Managerial Personnel or their relatives except Mr. Kamlesh J Laskari, Ms. Ranak J Laskari, Mr. Rohan K Laskari and Mr. Sohan K Laskari are in any way concerned or interested, financially or otherwise in this resolution.

The Board recommends the resolution for your approval as a Special Resolution.

In respect of Item No. 6:

As required under the provisions of Section 94 the Companies Act, 2013, certain documents such as the Register of Members, Index of Members and certain other registers, certificates, documents etc., are required to be kept at the registered office of the Company. However, these documents can be kept at any other place within the city, town or village in which the registered office is situated or any other place in India in which more than one-tenth of the total members entered in the register of members reside, if approved by a Special Resolution passed at a general meeting of the Company.

Accordingly, the approval of the members is sought in terms of Section 94(1) of the Companies Act, 2013, for keeping the aforementioned registers and documents at the office of the Registrar and Transfer Agent

("RTA"), viz. Link Intime India Private Limited, 506-508, Amarnath Business Centre-1 (ABC-1), Beside Gala Business Centre, Near St. Xavier's College Corner, Off C. G. Road, Ahmedabad – 380 006, and such other places as the RTA, shift its office from time to time.

A copy of the proposed resolution is being forwarded in advance to the Registrar of Companies, Gujarat, Ahmedabad, as required under the said Section 94 (1) of the Companies Act, 2013.

None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise in this resolution.

The Directors recommend the said resolution proposed to be passed as Special Resolution by the members.

REGISTERED OFFICE

737, Rakanpur Village,
Sola-Santej Road, Ta. Kalol (N.G.),
Dist. Gandhinagar - 382 721.
Date : 20th July, 2017

By order of the Board,

Kamlesh J. Laskari
Managing Director

DIRECTORS' REPORT

Dear Members,

Your Directors present the 29th ANNUAL REPORT together with the Audited Financial Statements for the Financial Year 2016-17 ended 31st March, 2017.

(Rs. in lakh)

1. FINANCIAL RESULTS :

Particulars	2016-17	2015-16
Profit before Interest, Depreciation & Taxation	129.50	53.95
Less : Interest/ Finance Cost	32.20	43.59
Profit Before Depreciation & Taxation	97.30	10.36
Less : Depreciation	95.94	8.81
Profit before tax	1.36	1.55
Less : Provision for Taxation	0.49	0.52
Profit after Tax	0.87	1.03
Add : Opening Balance of Profit & Loss Account	90.89	89.86
Balance carried to Balance Sheet	91.75	90.89

There are no material changes and commitment affecting the financial position of the Company which have occurred between 1st April, 2017 and date of this report.

2. DIVIDEND :

In view of insufficient profits and with a view to conserve the resources for the working capital requirement, the Directors are unable to recommend any dividend on the Equity Shares for the year under review.

3. OPERATIONS :

The Sales and Operating Income of the Company during the year under review have been increased to Rs.1726 lakh compared to Rs. 1705 lakh during 2015-16. The Company has commenced vigorous efforts to increase sales in domestic as well as export markets. The management is hopeful of better results in the year 2017-18.

The Company earned Profit before Interest, Depreciation & Taxation of Rs. 129.50 lakh during the year under review compared to Rs. 53.95 lakh during 2015-16. The Profit before Depreciation & Taxation for the year was Rs. 97.30 lakh during the year under review compared to Rs. 10.36 lakh during 2015-16. The Net Profit during the year under review was Rs. 0.87 lakh compared to Net Profit of Rs. 1.03 lakh during 2015-16.

4. LISTING & REVOCATION OF SUSPENSION OF TRADING BY BSE:

The Equity Shares of the Company are listed on BSE Limited and Ahmedabad Stock Exchange Limited. The Company is generally regular in payment of Annual Listing Fees.

BSE Limited has granted Revocation of Suspension in trading of Equity Shares of the Company vide its Notice No. 20161019-15 dated 19th October, 2016 and the trading in the securities of the Company has been resumed in "P" group w.e.f. 27th October, 2016.

5. APPOINTMENT OF REGISTRAR AND SHARE TRANSFER AGENTS:

The Company has appointed Link Intime India Private Limited as Registrar & Share Transfer Agents of the Company.

6. DIRECTORS :

6.1 One of your Directors viz. Ms. Ranak K. Laskari (DIN -00461265) retires by rotation in terms of the Articles of Association of the Company. However, being eligible offers herself for reappointment.

6.2 Dr. Shantilal D. Chopra, Independent Director resigned from the office of the Director w.e.f. 13th June, 2017.

6.3 The Board of Directors duly met 11 times during the financial year under review.

6.4 The Company has received necessary declaration from each Independent Director of the Company under Section 149(7) of the Companies Act, 2013 (the Act) that they meet with the criteria of their independence laid down in Section 149(6) of the Act.

6.5 FORMAL ANNUAL EVALUATION:

The Nomination and Remuneration Committee adopted a formal mechanism for evaluating the performance of the Board of Directors as well as that of its Committees and individual Directors, including Chairman of the Board, Key Managerial Personnel/ Senior Management etc. The exercise was carried out through an evaluation process covering aspects such as composition of the Board, experience, competencies, governance issues etc.

6.6 DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement of Section 134 of the Companies Act, 2013, it is hereby confirmed:

- (i) that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) that the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at 31st March, 2017 being end of the financial year 2016-17 and of the profit of the Company for the year;
- (iii) that the Directors had taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) that the Directors had prepared the annual accounts on a going concern basis.
- (v) the Directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- (vi) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

7. INTERNAL FINANCIAL CONTROL AND ITS ADEQUACY:

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and the timely preparation of reliable financial disclosures.

8. MANAGERIAL REMUNERATION:

REMUNERATION OF DIRECTORS:

Sr. No.	Name of the Director & Designation	Remuneration for the financial year 2016-17 (Rs.)	% Increase/ (decrease) over last year	Parameters	Median of Employees Remuneration (Rs.)	Ratio	Commission received from Holding/ Subsidiary
1.	Kamlesh J. Laskari, Managing Director	17,59,524/-	537	N.A.	1,45,000	12.14	N.A.
2.	Rohan K. Laskari, Executive Director	6,82,800/-	315	N.A.	1,45,000	4.71	N.A.
3.	Sohan K. Laskari, Executive Director	2,16,600/-	1	N.A.	1,45,000	1.49	N.A.

The Board of Directors has framed a Remuneration Policy that assures the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors, Key Managerial Personnel and Senior Management to enhance the quality required to run the Company successfully. All the Board Members and Senior Management personnel have affirmed time to time implementation of the said Remuneration policy.

The Nomination and Remuneration Policy are available on the Company's website- www.kamronlabs.com.

9. KEY MANAGERIAL PERSONNEL:

% INCREASE IN REMUNERATION OF DIRECTORS AND KMP:

Sr. No.	Name of the Director & KMP	Designation	Percentage Increase (If any)
1.	Kamlesh J. Laskari	Managing Director	433
2.	Rohan K. Laskari	Executive Director	192
3.	Sohan K. Laskari	Executive Director	N.A.
4.	Harshad M. Nasit#	CFO	N.A.
5.	Dhaval Patel@	Company Secretary	N.A.

Resigned w.e.f. 17th April, 2017. @ Resigned w.e.f. 30th November, 2016.

10. PERSONNEL AND H. R. D.:

10.1 INDUSTRIAL RELATIONS:

The industrial relations continued to remain cordial and peaceful and your Company continued to give ever increasing importance to training at all levels and other aspects of H. R. D.

The Number of permanent Employees of the Company are 46. The relationship between average increase in remuneration and Company's performance is as per the appropriate performance benchmarks and reflects short and long term performance objectives appropriate to the working of the Company and its goals.

10.2 PARTICULARS OF EMPLOYEES:

There is no Employee drawing remuneration requiring disclosure under Rule 5(2) of Companies Appointment & Remuneration of Managerial personnel) Rules, 2014.

11. RELATED PARTY TRANSACTION AND DETAILS OF LOANS, GUARANTEES, INVESTMENT & SECURITIES PROVIDED:

Details of Related Party Transactions and Details of Loans, Guarantees and Investments covered under the provisions of Section 188 and 186 of the Companies Act, 2013 respectively are given in the notes to the Financial Statements attached to the Directors' Report.

All transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any transactions with related parties which could be considered as material in accordance with the policy of the Company on materiality of related party transactions.

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website at www.kamronlabs.com

12. RE-CONSTITUTION OF AUDIT COMMITTEE:

The Board of Directors have re-constituted Audit Committee consisting of the following:

1.	Dr. Mahendra P. Shah	Chairman	Non Executive Independent
2.	Mr. Devarshi D. Patel	Member	Non Executive Independent
3.	Ms. Ranak K. Laskari	Member	Non Executive

13. RE-CONSTITUTION OF NOMINATION AND REMUNERATION COMMITTEE:

The Board of Directors have re-constituted Nomination and Remuneration Committee consisting of the following:

1.	Mr. Devarshi D. Patel	Chairman	Non Executive Independent
2.	Dr. Mahendra P. Shah	Member	Non Executive Independent
3.	Ms. Ranak K. Laskari	Member	Non Executive

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

The information required under Section 134(3)(m) of the Companies Act, 2013 and rule 8(3) of Companies (Accounts) Rules, 2014, relating to the conservation of Energy and Technology Absorption forms part of this report and is given by way of **Annexure- A**.

15. CORPORATE GOVERNANCE AND MDA:

As per Regulation 34 (3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Report on Corporate Governance and Management Discussion and Analysis (MDA) and a certificate regarding compliance with the conditions of Corporate Governance are appended to the Annual Report as **Annexure - B**.

16. SECRETARIAL AUDIT REPORT:

Your Company has obtained Secretarial Audit Report as required under Section 204(1) of the Companies Act, 2013 from M/s. Kashyap R. Mehta & Associates, Company Secretaries, Ahmedabad. The said Report is attached with this Report as **Annexure – C**. The remarks of Auditors have been explained at para 20.1 below.

17. EXTRACT OF ANNUAL RETURN:

The extract of Annual return in Form – MGT-9 has been attached herewith as **Annexure – D**.

18. RESEARCH & DEVELOPMENT:

The Quality Control and R & D Department of your Company has shown satisfactory performance during the year under review.

19. AUDIT COMMITTEE/ NOMINATION AND REMUNERATION COMMITTEE/ STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The details of various committees and their functions are part of Corporate Governance Report.

20. GENERAL:

20.1 STATUTORY AUDITORS:

The present Auditors of the Company M/s. Deepak Soni & Associates, Chartered Accounts, Ahmedabad, will retire at the ensuing 29th Annual General Meeting.

As regards, the remarks and observation of the Auditors, the following explanations have been submitted which are also explained in Notes on Accounts:

- i. Reasons for non provision of doubtful debts has been explained in Note No. 16.1 to the Accounts
- ii. The stock has been valued at actual cost basis
- iii. On the basis of the oral opinion, the company has not recomputed w.d.v. on 01-04-2014
- iv. As the present market value of certain fixed assets are in excess of w.d.v., no provision on those assets have been made as explained in Note No. 12.3 to the Accounts
- v. As the expenses referred by the auditors are in the nature of deferred revenue, the same has been treated accordingly as explained in Note No. 20.1, 20.2 and 20.4 to the Accounts
- vi. As the interest referred in the remarks of the Auditors, is on acquiring of fixed assets, the same has been capitalised as explained in Note No. 12.2 to the Accounts

In terms of Section 139 of the Companies Act, 2013 read with Companies (Audit & Auditors) Rules, 2014, the Board of Directors has recommended the appointment of M/s. Rangwala & Co., Chartered Accountants, Ahmedabad as Statutory Auditors of the Company for a period of 5 years to hold office from the conclusion of the ensuing 29th AGM till the conclusion of 34th AGM on remuneration to be decided by the Board or Committee thereof.

The Company has obtained consent from M/s. Rangwala & Co., Chartered Accountants, Ahmedabad to the effect that their appointment as Auditors of the Company for period of 5 years commencing from the Financial Year 2017-18 to 2021-22, if made, will be in accordance with the provisions of Section 139 and 141 of the Companies Act, 2013.

The Shareholders are requested to consider and approve the appointment of the Statutory Auditors of the Company.

20.2 INSURANCE:

The properties of the Company have been adequately insured against the risks of fire, riot, strike, malicious damage etc. as per the consistent policy of the Company.

20.3 DEPOSITS:

The Company has not accepted any Deposits and there were no overdue deposits during the year under review.

20.4 RISKS MANAGEMENT POLICY:

The Company has a risk management policy, which from time to time, is reviewed by the Audit Committee of Directors as well as by the Board of Directors. The Policy is reviewed quarterly by assessing the threats and opportunities that will impact the objectives set for the Company as a whole. The Policy is designed to provide the categorization of risk into threat and its cause, impact, treatment and control measures. As part of the Risk Management policy, the relevant parameters for protection of environment, safety of operations and health of people at work and monitored regularly with reference to statutory regulations and guidelines defined by the Company.

20.5 SUBSIDIARIES/ ASSOCIATES/ JVS:

The Company does not have any Subsidiaries/ Associate Companies / JVs.

20.6 CODE OF CONDUCT:

The Board of Directors has laid down a Code of Conduct applicable to the Board of Directors and Senior Management. All the Board Members and Senior Management personnel have affirmed compliance with the code of conduct.

20.7 SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS:

There has been no significant and material order passed by any regulators or courts or tribunals, impacting the going concern status of the Company and its future operations.

20.8 ENVIRONMENT AND SAFETY:

The Company is conscious of the importance of environmentally clean and safe operations. The Company's policy requires conduct of operations in such a manner, so as to ensure safety of all concerned, compliances of environmental regulations and preservation of natural resources.

20.9 DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & 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 Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year under review, the Company did not receive any complaint.

20.10 INSTANCES OF FRAUD, IF ANY REPORTED BY THE AUDITORS:

There have been no instances of fraud reported by the Auditors under Section 143(12) of the Companies Act, 2013.

21. DISCLOSURE OF ACCOUNTING TREATMENT:

In the preparation of the financial statements, the Company has followed the Accounting Standards referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.

22. DEMATERIALISATION OF EQUITY SHARES:

Shareholders have an option to dematerialise their shares with Central Depository Services (India) Limited (CDSL) and National Securities Depository Limited (NSDL). The ISIN is INE276T01018.

23. FINANCE:

The Company is enjoying Working Capital facilities, Corporate Loan/ Term Loan facilities from Bank of Baroda. The Company is regular in payment of interest and principal.

24. ACKNOWLEDGMENT:

Your Directors express their sincere thanks and appreciation to Promoters and Shareholders for their constant support and co-operation. Your Directors also place on record their grateful appreciation and co-operation received from Bankers, Financial Institutions, Government Agencies and employees of the Company.

For and on behalf of the Board,

Place : Ahmedabad
Date : 20th July, 2017

Dr. Mahendra P. Shah
Chairman

Disclosure of particulars with respect to Conservation of Energy
(A) CONSERVATION OF ENERGY:

Steps taken or impact on conservation of energy	In line with the Company's commitment towards conservation of energy, all units continue with their efforts aimed at improving energy efficiency through innovative measures to reduce wastage and optimize consumption
Steps taken by the Company for utilising alternate sources of energy	No significant steps have been taken during the year under review
Capital investment on energy conservation equipments	No investment has been made during the year under review

(B) TECHNOLOGY ABSORPTION:

Efforts made in Research and Development and Technology Absorption as per Form B prescribed in the Rules is as under:

1.	Research & Development (R & D)		
	(a)	Specific areas in which R&D carried out by the Company.	: Improvement in Quality.
	(b)	Benefits derived as a result of the above R&D	: Increase in the range of products in its volume of contribution in increased sales turnover.
	(c)	Future plan of action	: To maintain improved quality of products through quality control.
	(d)	Expenditure on R&D	: Marginal
2.	Technology absorption, adoption and innovation		: The Company does not envisage any technology absorption.

(C) FOREIGN EXCHANGE EARNINGS & OUTGO:

	2016-17	2015-16
Total Foreign exchange earnings	Rs. 95.29 Lakh	Rs. 112.77 Lakh
Total Foreign Exchange used	Rs. 1.69 Lakh	Rs. 1.67 Lakh

For and on behalf of the Board,

Place : Ahmedabad
Date : 20th July, 2017

Dr. Mahendra P. Shah
Chairman

REPORT ON CORPORATE GOVERNANCE

INTRODUCTION :

Corporate Governance is important to build confidence and trust which leads to strong and stable partnership with the Investors and all other Stakeholders. The Directors, hereunder, present the Company's Report on Corporate Governance for the year ended 31st March, 2017 and also up to the date of this Report.

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE :

The Company's philosophy on Corporate Governance lays strong emphasis on transparency, accountability and ability.

Effective Corporate Governance is the key element ensuring investor's protection; providing finest work environment leading to highest standards of management and maximization of everlasting long-term values. Your Company believes in the philosophy on practicing Code of Corporate Governance that provides a structure by which the rights and responsibility of different constituents such as the board, employees and shareholders are carved out.

A Report on compliance with the principles of Corporate Governance as prescribed by SEBI in Chapter IV read with Schedule V of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (Listing Regulation) is given below:

2. BOARD OF DIRECTORS

a) Composition and Category of Directors as on 31st March, 2017 and on the date of report is:

Name of Directors	Category of Directorship	No. of other Director Ships@	No. of Committee position in other Companies**		No. of Board Meetings attended during 2016-17	Attendance at the AGM held on 30 th September, 2016 Yes(Y)/No(N)
			Member	Chairman		
Mr. Kamlesh J. Laskari Managing Director	Promoter – Executive	-	-	-	11	Y
Mr. Rohan K. Laskari Executive Director	Promoter – Executive	-	-	-	11	Y
Mr. Sohan K. Laskari Executive Director	Promoter – Executive	-	-	-	11	Y
Ms. Ranak K. Laskari	Promoter – Non-Executive	-	-	-	11	Y
Dr. Mahendra P. Shah, Chairman	Independent Non-executive	-	-	-	11	Y
Dr. S.L. Chopra (resigned w.e.f. 13 th June, 2017)	Independent Non-executive	1	1	-	11	N
Mr. Devarshi D. Patel	Independent Non-executive	-	-	-	11	Y

@ Private Companies, foreign companies and companies under Section 8 of the Companies Act, 2013 are excluded

** for the purpose of reckoning the limit of committees, only chairmanship/membership of the Audit Committee and Stakeholders' Relationship Committee has been considered.

- Mr. Kamlesh J. Laskari, Mr. Sohan K. Laskari, Mr. Rohan K. Laskari and Ms. Ranak K Laskari are related to each other.

b) Details of the Directors seeking Appointment/Reappointment in forthcoming Annual General Meeting:

Name of the Director	Ms. Ranak K. Laskari	Mr. Kamlesh J. Laskari
Date of Birth	30-09-1962	05-07-1959
Date of Appointment	06-07-1988	06-07-1988
Qualifications	B.com	MBA (Finance)
Expertise in specific functional areas	Management and Marketing	Marketing and Management
List of Public Limited Companies in which Directorships held	NIL	NIL
List of Private Limited Companies in which Directorships held	Centis Lifecare Private Limited	Centis Lifecare Private Limited
Chairman/Member of the Committees of the Board of Directors of the Company	1. Audit Committee 2. Stakeholders' Relationship Committee 3. Nomination & Remuneration Committee	Stakeholders' Relationship Committee
Chairman/Member of the Committees of Directors of other Companies	NIL	NIL
Shareholding in the Company	55,000 Equity Shares	12,55,440 Equity Shares

c) Board Procedures :

The Board of Directors meets once a quarter to review the performance and Financial Results. A detailed Agenda File is sent to all the Directors well in time of the Board Meetings. The Chairman/Managing Director briefs the Directors at every Board Meeting, overall performance of the Company. All major decisions/approvals are taken at the Meeting of the Board of Directors such as policy formation, business plans, budgets, and investment opportunities, Statutory Compliance etc. The meeting of the Board of Directors for a period from 1st April, 2016 to 31st March, 2017 were held 11 times on 07-04-2016, 30-05-2016, 20-07-2016, 12-08-2016, 22-08-2016, 11-11-2016, 12-11-2016, 12-12-2016, 23-01-2017, 14-02-2017 & 22-03-2017.

d) Shareholding of Non- Executive Directors as on 31st March, 2017 and as on date of the report:

Name of the Non- Executive Director	No. of Shares held	% of Shareholding
Ms. Ranak K. Laskari	55,000	0.94

No other Non-Executive Directors hold any Equity Share or convertible securities in the Company.

e) Familiarisation Program for Independent Directors:

The details of the familiarization program are available on the Company's website – www.kamronlabs.com

3. AUDIT COMMITTEE :

The Audit Committee consists of the following Directors:

Name of the Directors	Expertise	Terms of reference & functions of the Committee	No. of Meetings Attended during 2016-17
Dr. Mahendra P. Shah Chairman	All members are Non executive. Chairman is Independent Director and majority are Independent. One member has thorough financial and accounting knowledge.	The functions of the Audit Committee are as per Company Law and Listing Regulations prescribed by SEBI which include approving and implementing the audit procedures, review of financial reporting system, internal control procedures and risk management policies.	4 of 4
Ms. Ranak K. Laskari			4 of 4
Dr. Shantilal D. Chopra (resigned w.e.f. 13 th June, 2017)			4 of 4
Mr. Devarshi D. Patel (appointed w.e.f. 13 th June, 2017)			N.A.

The Audit Committee met 4 times during the Financial Year 2016-17. The maximum gap between two meetings was not more than 120 days. The Committee met on 30-05-2016; 12-08-2016; 12-11-2016 & 14-02-2017. The necessary quorum was present for all Meetings. The Chairperson of the Audit Committee was present at the last Annual General Meeting of the Company.

4. NOMINATION AND REMUNERATION COMMITTEE:

The Nomination & Remuneration Committee consists of the following Directors as on the date of the Report:

Name of the Directors	Functions of the Committee	No. of Meetings Attended during 2016-17
Mr. Devarshi D. Patel, Chairman (appointed w.e.f. 13 th June, 2017)	All members are Non executive and majority of the committee members are Independent. The Committee is vested with the responsibilities to function as per SEBI Guidelines and recommends to the Board Compensation Package for the Managing Director. It also reviews from time to time the overall Compensation structure and related policies with a view to attract, motivate and retain employees.	During the year under review, no meeting of Nomination & Remuneration Committee was held.
Dr. Mahendra P. Shah		
Ms. Ranak K. Laskari		
Dr. Shantilal D. Chopra (resigned w.e.f. 13 th June, 2017)		

Term of reference and Nomination & Remuneration Policy:

The Committee identifies and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.

The Committee fixes remuneration of the Directors on the basis of their performance and also practice in the industry. The terms of reference of the Nomination & Remuneration Committee include review and recommendation to the Board of Directors of the remuneration paid to the Directors. The Committee meets as and when required to consider remuneration of Directors.

Performance Evaluation Criteria for Independent Directors:

The Board evaluates the performance of independent directors (excluding the director being evaluated) on the basis of the contributions and suggestions made to the Board with respect to financial strategy, business operations etc.

5. REMUNERATION OF DIRECTORS:

1. The Company paid total Managerial Remuneration of Rs. 25.94 lakh to the Managing Director / Executive Directors during the year 2016-17.
2. The Non Executive Directors were paid total Rs.16,000/- as Sitting Fees during the financial year 2016-17.
3. No Commission or Stock Option has been offered to the Directors.
4. The terms of appointment of Managing Director / Whole-time Director are governed by the resolutions of the members and applicable rules of the Company. None of the Directors are entitled to severance fees.
5. Commission based on performance criteria, if any, as approved by the Board and subject to maximum limit specified in the Act.
6. The Nomination and Remuneration Policy of the Company is given in Directors' Report which specifies the criteria of making payments to Non Executive Directors.
7. Service contract and notice period are as per the terms and conditions mentioned in their Letter of Appointments.
8. There are no materially significant related party transactions, pecuniary transactions or relationships between the Company and its Non-Executive Directors except those disclosed in the financial statements for the financial year ended on 31st March, 2017.

6. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The Board has constituted a Stakeholders' Relationship Committee for the purpose of effective Redressal of the complaints and concerns of the shareholders and other stakeholders of the Company.

The Committee comprises the following Directors as members as on the date of the Report:

1. Ms. Ranak K. Laskari Chairperson
2. Mr. Kamlesh J. Laskari Member

The Company had received six complaints during the year which were resolved and there is no complaint pending as on date. There was no valid request for transfer of shares pending as on 31st March, 2017.

Mr. Kamlesh J. Laskari is the Compliance Officer for the above purpose.

7. GENERAL BODY MEETINGS :

Details of last three Annual General Meetings of the Company are given below:

Financial Year	Date	Time	Venue
2013-14	30-09-2014	11.00 a.m.	737, Rakanpur Village, Sola Santej Road, Taluka: Kalol (N.G.), Dist. Gandhinagar 382 721 Special Resolution: 1. Borrowing Limit under Section 180(1)(c) of the Companies Act, 2013 2. Creation of charge/mortgage under Section 180(1)(a) of the Companies Act, 2013 3. Reappointment of Mr. Kamlesh J. Laskari as Managing Director under Sections 188, 196, 197, 203 of the Companies Act, 2013.
2014-15	30-09-2015	11.00 a.m.	737, Rakanpur Village, Sola Santej Road, Taluka: Kalol (N.G.), Dist. Gandhinagar 382 721 No Special Resolution was passed.
2015-16	30-09-2016	11.00 a.m.	737, Rakanpur Village, Sola Santej Road, Taluka: Kalol (N.G.), Dist. Gandhinagar 382 721 Special Resolution: 1. Authority to Board of Directors to make Investment under Section 186 of the Companies Act, 2013 2. Consent for re-classification of shareholding of Promoters Group under Regulation 31A and other provisions of the SEBI (LODR) Regulations, 2015

Pursuant to the relevant provisions of the Companies Act, 2013, there was no matter required to be dealt by the Company to be passed through postal ballot during 2016-17.

8. MEANS OF COMMUNICATION :

In compliance with the requirements of the Listing Agreement and SEBI (LODR) Regulations, the Company regularly intimates Unaudited / Audited Financial Results to the Stock Exchanges immediately after they are taken on record by the Board of Directors. These Financial Results are normally published in 'Western Times' (English and Gujarati). Results are also displayed on Company's website www.kamronlabs.com.

The reports, statements, documents, filings and any other information is electronically submitted to the recognized stock exchanges, unless there are any technical difficulties while filing the same. All important information and official press releases are displayed on the website for the benefit of the public at large.

During the year ended on 31st March, 2017, no presentations were made to Institutional Investors or analyst or any other enterprise.

9. GENERAL SHAREHOLDERS' INFORMATION :

- a) Registered Office : 737, Rakanpur Village, Sola-Santej Road,
Taluka : Kalol (N.Guj.), Dist. : Gandhinagar - 382 721.
- b) Annual General Meeting : Day : Friday
Date : 29th September, 2017
Time : 11.00 a.m.
Venue : 737, Rakanpur Village, Sola-Santej Road,
Taluka:Kalol(N. Guj.), Dist. : Gandhinagar - 382 721.
- c) Financial Calendar : 1st Quarter Results : Mid - September, 2017.*
Half-yearly Results : Mid - December, 2017.*
3rd Quarter Results : Mid - February, 2018.
Audited yearly Results : End May, 2018.
*Extended timeline for Ind AS implementation
- d) Book Closure Dates : From : Friday, The 8th September, 2017.
To : Friday, The 29th September, 2017.
(Both days inclusive).
- e) Dividend Payment Date : Not applicable.
- f) Listing of Shares on Stock Exchanges : **1. Ahmedabad Stock Exchange Limited**
Kamdhenu Complex, 1st Floor,
Opp. Sahajanand College, Panjara Pole,
Ambawadi, Ahmedabad - 380 015.
2. BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort Mumbai - 400 001.
The Company has paid the annual listing fees for the
financial year 2016-17 to the Stock Exchange.
- g) Stock Exchange Code
- | Stock Exchange | Code |
|----------------|--------|
| ASE | 29630 |
| BSE | 524604 |
- h) Registrar and Share Transfer Agents : Registrar and Share Transfer Agents (RTA) for both
Physical and Demat Segment of Equity Shares of the
Company:
Link Intime India Private Limited
506-508, Amarnath Business Centre-1 (ABC-1),
Besides Gala Business Centre,
Near St. Xavier's College Corner,
Off C G Road, Ahmedabad 380006
Tele. No. : (079) 2646 5179
e-mail : ahmedabad@linkintime.co.in
- i) ISIN No. : INE276T01018

j) Share Transfer System :

The transfer of shares in physical form is processed and completed by Link Intime India Private Limited within a period of 15 days from the date of receipt thereof.

In case of shares in electronic form, the transfers are processed by NSDL/ CDSL through the respective Depository Participants.

k) Stock Price Data:

BSE Limited has granted Revocation of Suspension in trading of Equity Shares of the Company vide its Notice No. 20161019-15 dated 19th October, 2016 and the trading in the securities of the Company is resumed in "P" group w.e.f. 27th October, 2016.

The information on stock price data, BSE Sensex details are as under:

Month	BSE			BSE Sensex
	High (Rs.)	Low (Rs.)	Shares Traded (No.)	
October, 2016	12.50	12.50	200	27,930.21
November, 2016	16.25	13.00	900	26,652.81
December, 2016	21.10	15.35	3,800	26,626.46
January, 2017	16.50	13.90	3,000	27,655.96
February, 2017	13.50	11.65	1,500	28,743.32
March, 2017	16.50	13.90	600	29,620.50

l) Distribution of Shareholding as on 31st March, 2017:

No. of Equity Shares held	No. of Shareholders	% of share-holders	No. of Shares held	% of Shareholding
Up to 500	17595	93.75	2660050	45.47
501 to 1000	873	4.65	685250	11.71
1001 to 2000	238	1.27	344400	5.89
2001 to 3000	24	0.13	57200	0.98
3001 to 4000	8	0.04	27550	0.47
4001 to 5000	9	0.05	44000	0.75
5001 to 10000	4	0.02	25800	0.44
10001 and above	16	0.09	2005750	34.29
Grand Total	18767	100.00	5850000	100.00

m) Category of Shareholders as on 31st March, 2017:

Category	No. of Shares held	% of Shareholding
Promoters	1944250	33.24
Financial Institutions / Banks	—	—
Mutual Funds	—	—
Bodies Corporate	8000	0.14
NRIs	602900	10.31
Public	3294850	56.31
Grand Total	5850000	100.00

n) Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, Conversion Date and likely impact on Equity: The Company has not issued any GDRs/ADRs.

o) Dematerialisation of Shares and liquidity:

The Company's Equity Shares are traded compulsorily in dematerialised form. The ISIN of Equity Shares of the Company is: INE276T01018. Approximately 20% of the Equity Shares have been dematerialised.

p) Commodity Price Risks and Commodity Hedging Activities:

Business risk evaluation and management is an ongoing process within the Company. The assessment is periodically examined by the Board. The Company is exposed to the risk of price fluctuation of raw materials as well as finished goods. The Company proactively manages these risks through forward booking Inventory management and proactive vendor development practices.

q) Plant Location:

737, Rakanpur Village,
Sola-Santej Road,
Taluka : Kalol (N. Guj.)
Dist. : Gandhinagar - 382 721.

r) Address For Correspondence:

For both Physical and Electronic Form and for any assistance regarding correspondence, dematerialisation of shares, share transfers, transactions, change of address, non receipt of dividend or any other query, relating to shares, shareholders may contact to the Company's Registrar and Share Transfer Agent at:

Link Intime India Pvt. Ltd.,
506-508, Amarnath Business Centre-1 (ABC-1),
Besides Gala Business Centre, Near St. Xavier's College Corner,
Off C G Road, Ahmedabad - 380006
Tel. No. 079-26465179
Fax No. 079-26465179
Email Address: ahmedabad@linkintime.co.in

Compliance Officer : Mr. Kamlesh J. Laskari

10. MANAGEMENT DISCUSSION AND ANALYSIS:

a. Industry Structure and Developments:

The pharmaceutical industry is growing with the expectation of revival of the economy, the management is hopeful of brighter future.

b. Opportunities and Threats:

With GATT provisions coming into effect, the pharmaceutical industry has been directly influenced by certain provisions. At the same time, the opportunities in healthcare industry are many. Even today, only less than 50% of the Country's population has access to proper medical facilities. With the development of hospitals, the growth opportunities of pharmaceutical industry are large.

c. Segment wise Performance:

The Company is operating in single segment. Hence, there is no need of reporting segment wise performance.

d. Recent Trend and Future Outlook:

With the increase in availability of healthcare facilities, there will be an increase in demand for medicines and thus, the future looks promising.

e. Risks and Concerns:

The increase in market size may lead to increase in number of companies/competitors leading to increase in the competition.

f. Internal Control Systems and their Adequacy:

The Company has adequate systems of Internal Controls commensurate with its size and operations to ensure orderly and efficient conduct of business. These controls ensure safeguarding of assets, reduction and detection of fraud and error, adequacy and completeness of the accounting records and timely preparation of reliable financial information.

g. Financial Performance with respect to Operational Performance:

The financial performance of the Company for the year 2016-17 is described in the Directors' Report.

h. Material Developments in Human Resources and Industrial Relations Front:

Your Company has undertaken certain employees' development initiatives, which have very positive impact on the morale and team spirit of the employees. The Company has continued to give special attention to Human Resources/Industrial Relations development. Industrial relations remained cordial throughout the year.

i. Cautionary Statement:

Statement in this Management Discussion and Analysis Report, describing the Company's objectives, estimates and expectations may constitute 'Forward Looking Statements' within the meaning of applicable laws or regulations. Actual results might differ materially from those either expressed or implied.

11. DISCLOSURES:

- a. The Company has not entered into any transaction of material nature with the Promoters, the Directors or the Management that may have any potential conflict with the interest of the Company. The Company has no subsidiary.
- b. There has neither been any non compliance of any legal provision of applicable law, nor any penalty, stricture imposed by the Stock Exchange/s or SEBI or any other authorities, on any matters related to Capital Market during the last three years.
- c. The Company has implemented Vigil Mechanism and Whistle Blower Policy and it is hereby affirmed that no personnel have been denied access to the Audit Committee.
- d. The Company is in compliance with all mandatory requirements under Listing Regulations. Adoption of non-mandatory requirements of Listing Regulations is being reviewed by the Board from time to time.
- e. The policy on related party transactions is disclosed on the Company's website viz. www.kamronlabs.com

12. DETAILS OF NON COMPLIANCE CORPORATE GOVERNANCE REQUIREMENT:

There was no non-compliance during the year and no penalties were imposed or strictures passed on the Company by the Stock Exchanges, SEBI or any other statutory authority.

13. NON-MANDATORY REQUIREMENTS OF REGULATION 27 (1) & PART E OF SCHEDULE II OF THE LISTING REGULATIONS:

- i. The Company has a Non – Executive Independent Chairman.
- ii. The quarterly / half yearly results are not sent to the shareholders. However, the same are published in the newspapers and also posted on the Company's website.
- iii. The Company's financial statements for the financial year 2016-17 contain audit qualification which have been explained in the Directors' Report and Notes on Accounts.
- iv. The internal auditors report to the Audit Committee.

14. The Company, on voluntary basis, is in compliance with the corporate governance requirements specified in Regulation 17 to 27 and Clause (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI Regulations.

For and on behalf of the Board,

Place : Ahmedabad
Date : 20th July, 2017

Dr. Mahendra P. Shah
Chairman

DECLARATION

All the Board Members and Senior Management Personnel of the Company have affirmed the compliance with the provisions of the code of conduct of Board of Directors and Senior Management for the year ended on 31st March, 2017.

For Kamron Laboratories Limited,

Place : Ahmedabad
Date : 20th July, 2017

Kamlesh Laskari **Sohan K. Laskari**
Managing Director **Executive Director & CFO**

CERTIFICATE

To
The Members of
Kamron Laboratories Limited

We have examined the compliance of conditions of Corporate Governance by Kamron Laboratories Limited, for the year ended on 31st March, 2017 and also up to the date of this report as stipulated in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR).

The compliance of conditions of corporate governance is the responsibility of the management. Our examination has been limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of conditions of Corporate Governance as stipulated in LODR. 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 the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 & Part E of Schedule II of LODR.

As per representation received from the Registrars of the Company, we state that as per records maintained by the Stakeholders' Relationship Committee, no investor grievance remaining unattended/ pending for more than 30 days.

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

For DEEPAK SONI & ASSOCIATES
Chartered Accountants
FRN: 102250W

Place: Ahmedabad
Date : 20th July, 2017

Deepak Soni
Proprietor
Membership No. 31138

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

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

To,
The Members,
Kamron Laboratories Limited

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Kamron Laboratories Limited** [CIN: L24231GJ1988PLC010956] ('hereinafter called the Company') having Registered Office at 737, Rakanpur Village, Sola – Santej Road, Ta. Kalol (N.G.), Dist. Gandhinagar – 382 721. 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, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **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) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not Applicable during the audit period)
 - (d) Securities and Exchange Board of India (Share Based Employee Benefits) Requirements, 2014 (Not Applicable during the audit period)
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not Applicable during the audit period)
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not Applicable during the audit period)
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not Applicable during the audit period); and
- (vi) Various common laws applicable to the manufacturing and other activities of the Company such as Labour Laws, Pollution Control Laws, Land Laws, Patents Act, 1970, The Trade Marks Act, 1999 etc. and various Sectoral specific acts such as Pharmacy Act, 1948, Drugs and Cosmetics Act, 1940, Narcotic Drugs and Psychotropic Substances Act, 1985 for which we have relied on Certificates/ Reports/ Declarations/ Consents/ Confirmations obtained by the Company from the experts of the relevant field such as Advocate, Labour Law Consultants, Engineers, Occupier of the Factories, Registered Valuers, Chartered Engineers, Factory Manager, Chief Technology Officer of the Company, Local Authorities, Effluent Treatment Adviser etc. and have found that the Company is generally regular in complying with the provisions of various applicable Acts.

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

- (i) Secretarial Standards (SS – 1 & SS – 2) issued by The Institute of Company Secretaries of India.
- (ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Listing Agreement entered into by the Company with Stock Exchange.

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

The following are our observations during the Audit:

1. The Company :

- has not provided for doubtful debts of Rs. 11.20 lakh in violation of Section 133 of the Act.
- has valued inventory on cost basis only in departure of Accounting Standards resulting in overstatement of profit by Rs. 50.59 lakh.
- has not adopted method/computation of depreciation as per Schedule II of the Act resulting in overstatement of profit by Rs. 88.70 lakh.
- has treated certain revenue expenses of Rs. 123.37 lakh as deferred revenue expenditure and capitalisation of interest expenses of Rs. 31.81 lakh are against accounting principles.
- has not amortised the expenses of Rs. 27.19 lakh during the year under review hence the profit is overstated by the same amount.

2. There was delay in submitting Audited Financial Results for the financial year 2015-16 and 2016-17 to the Stock Exchange.
3. There was delay in submitting the limited review report for the quarter ended on 30th September, 2016 to the Stock Exchange.
4. The Company does not have a whole time Company Secretary pursuant to Section 203 of the Companies Act, 2013 and Rule 8 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 since 1st December, 2016.

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. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

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 during the audit period the Company has duly passed Special Resolutions at the Annual General Meeting held on 30th September, 2016

- under Section 186 of the Act authorising Board of Directors of the Company to make investment upto Rs. 25 Crores and have complied with relevant provisions of the Companies Act, 2013 and rules made there under; and
- for re-classification of shareholding of Promoters Group under Regulation 31A and other provisions of SEBI (LODR) Regulations, 2015 and Companies Act, 2013 respectively.

For KASHYAP R. MEHTA & ASSOCIATES

Company Secretaries

KASHYAP R. MEHTA

Proprietor

COP No. 2052

FCS No. 1821

FRN: S2011GJ166500

Place : Ahmedabad
Date : 20th July, 2017

Note: This report is to be read with our letter of even date which is annexed as **Annexure – 1** and forms an integral part of this report.

To,
The Members,
Kamron Laboratories Limited

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

1. 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.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices followed by us provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For KASHYAP R. MEHTA & ASSOCIATES

Company Secretaries

KASHYAP R. MEHTA

Proprietor

COP No. 2052

FCS No. 1821

FRN: S2011GJ166500

Place : Ahmedabad
Date : 20th July, 2017

Form No. MGT – 9

EXTRACT OF ANNUAL RETURN AS 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:

(1)	CIN	L24231GJ1988PLC010956
(2)	Registration Date	6 th July, 1988
(3)	Name of the Company	Kamron Laboratories Limited
(4)	Category / Sub-Category of the Company	Public Company Limited by Shares
(5)	Address of the registered Office and Contact Details	737, Rakanpur Village, Sola – Santej Road, Taluka: Kalol, Gandhinagar, Gujarat. Tel No.- (02764) 286549
(6)	Whether Listed Company	Yes
(7)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Private Limited, 506-508, Amarnath Business Centre-1 (ABC-1), Besides Gala Business Centre, Near St. Xavier's College Corner, Off C G Road, Ahmedabad - 380006 Tel no : (079) 2646 5179 Fax: (079) 2646 5179 Email Address : ahmedabad@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

Sr. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover
1	Manufacturing & Trading of pharmaceutical products	21001	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

The Company has no Holding/ Subsidiary/ Associate Company.

IV. SHARE HOLDING PATTERN:

i) Category-wise Share Holding:

Category of Shareholders	No. of Shares held as on 1 st April, 2016				No. of Shares held as on 31 st March, 2017				% Change during 2016-17	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares		
A. Promoters										
(1) Indian										
a) Individual/ HUF	1105940	701900	1807840	30.90	1105940	701900	1807840	30.90	-	
b) Central Govt.	-	-	-	-	-	-	-	-	-	
c) State Govt.(s)	-	-	-	-	-	-	-	-	-	
d) Bodies Corp	-	136410	136410	2.34	-	136410	136410	2.34	-	
e) Banks / FI	-	-	-	-	-	-	-	-	-	
f) Any other	-	-	-	-	-	-	-	-	-	
Total shareholding of Promoter (A)	1105940	838310	1944250	33.24	1105940	838310	1944250	33.24	-	

B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) VCF	-	-	-	-	-	-	-	-	-
f) Ins. Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign VCF	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	-	6500	6500	0.11	4400	3600	8000	0.14	0.03
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individuals holding < = Rs.1,00,000	22250	3196800	3219050	55.02	40650	3176900	3216350	54.99	(0.03)
ii) Individuals holding > Rs. 1,00,000	-	77300	77300	1.32	-	77300	77300	1.32	-
c) Others (specify)									
NRIs	-	602900	602900	10.31	-	602900	602900	10.31	-
OCB	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	22250	3883500	3905750	66.76	45050	3860700	3905750	66.76	-
Total Public Shareholding (B)=(B)(1)+(B)(2)	22250	3883500	3905750	66.76	45050	3860700	3905750	66.76	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	1128190	4721810	5850000	100.00	1150990	4699010	5850000	100.00	-

ii) Shareholding of Promoters:

SN	Shareholder's Name	Shareholding as on 1 st April, 2016			Shareholding as on 31 st March, 2017			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Kamlesh J. Laskari-HUF	1255440	21.46	-	1255440	21.46	-	-
2	Jagdish D. Laskari	4400	0.08	-	4400	0.08	-	-
3	Shri Dinesh Mills Ltd	120000	2.05	-	120000	2.05	-	-
4	Urmila Laskari	57000	0.97	-	57000	0.97	-	-
5	Urmila Bhaghubhai	56100	0.96	-	56100	0.96	-	-
6	Ranak K. Laskari	55000	0.94	-	55000	0.94	-	-
7	Jagruti J. Laskari	53900	0.92	-	53900	0.92	-	-
8	Balkrishna B. Patel	53900	0.92	-	53900	0.92	-	-
9	Gaurav B. Patel	53500	0.91	-	53500	0.91	-	-
10	Sohan K. Laskari	52800	0.90	-	52800	0.90	-	-
11	Rohan K. Laskari	51700	0.88	-	51700	0.88	-	-
12	Priyanka A. Patel	51500	0.88	-	51500	0.88	-	-
13	Upendrabhai M. Patel	50000	0.85	-	50000	0.85	-	-
14	Om Neelkanth Drugs & Chemicals Pvt. Ltd	16410	0.28	-	16410	0.28	-	-
15	Narendraprasad C. Patel	5000	0.09	-	5000	0.09	-	-
16	Paulomy Laskari	5000	0.09	-	5000	0.09	-	-
17	Dineshchandra B. Patel	1000	0.02	-	1000	0.02	-	-
18	Kalavati B. Patel	1000	0.02	-	1000	0.02	-	-
19	Rajendraprasad D. Laskari	500	0.01	-	500	0.01	-	-
20	Laxmikant Bhaghubhai	100	0.00	-	100	0.00	-	-

iii) **Change in Promoters' Shareholding:**

There is no change in Promoters' Shareholding during the year 2016-17.

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

Sr. No.	For Each of the Top 10 Shareholders	Shareholding as on 1 st April, 2016		Changes during the Year	Shareholding as on 31 st March, 2017	
		No. of shares	% of total shares		No. of shares	% of total shares
Top 10 as on 01-04-2016						
1	Sonal R Bambhania	66800	1.14	-	66800	1.14
2	Natvarlal G. Kardani	10500	0.18	-	10500	0.18
3	Ashokkumar B.	7600	0.13	-	7600	0.13
4	Mangilal	6400	0.11	-	6400	0.11
5	Jayantilal H. Sanghvi	5900	0.10	-	5900	0.10
6	Vinita Wadhwa	5900	0.10	-	5900	0.10
7	Bhupendra B. Patel	5000	0.09	-	5000	0.09
8	Dipesh Jain	5000	0.09	-	5000	0.09
9	Maheshkumar K. Shah	5000	0.09	-	5000	0.09
10	Nandini K. Shah	5000	0.09	-	5000	0.09

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

Sr. No.	Shareholding, if any, of each Directors and each Key Managerial Personnel	Shareholding as on 1 st April, 2016		Changes during the Year no. of shares	Shareholding as on 31 st March, 2017	
		No. of shares	% of total shares of the Company		No. of shares	% of total shares of the Company
1	Ranak K. Laskari	55000	0.94	-	55000	0.94
2	Rohan K. Laskari	51700	0.88	-	51700	0.88
3	Sohan K. Laskari	52800	0.90	-	52800	0.90
	TOTAL	159500	2.72	-	159500	2.72

V. INDEBTEDNESS : (In Rs.)
Indebtedness of the Company including interest outstanding/accrued but not due for payment:

		Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
A.	Indebtedness as on 01-04-2016				
	i) Principal Amount	4,28,95,254	33,73,839	4,38,42,039	9,01,11,132
	ii) Interest due but not paid	-	-	-	-
	iii) Interest accrued but not due	-	-	-	-
	Total (i+ii+iii)	4,28,95,254	33,73,839	4,38,42,039	9,01,11,132
B.	Change in Indebtedness during 2016-17				
	* Addition	5,90,39,706	10,68,920	1,53,41,000	7,54,49,626
	* Reduction	6,03,86,441	14,27,571	43,05,033	6,61,19,045
	Net Change	(13,46,735)	(3,58,651)	1,10,35,967	93,30,581
C.	Indebtedness as on 31-03-2017				
	i) Principal Amount	4,15,48,519	30,15,188	5,48,78,006	9,94,41,713
	ii) Interest due but not paid	-	-	-	-
	iii) Interest accrued but not due	-	-	-	-
	Total (i+ii+iii)	4,15,48,519	30,15,188	5,48,78,006	9,94,41,713

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

Sr. No.	Particulars of Remuneration	Name of MD/ WTD/ Manger		
		Mr. Kamlesh J. Laskari Managing Director	Mr. Sohan K. Laskari Executive Director & CFO@	Mr. Rohan K.Laskari Executive Director
1.	Gross salary			
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	17,47,200	2,01,600	6,32,800
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	12,324	-	-
(c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission			
	- as % of Profit	-	-	-
	- others, specify...	-	-	-
5.	Others, Please specify	-	-	-
	Total (A)	17,59,524	2,01,600	6,32,800
	Ceiling as per the Companies Act	84,00,000	42,00,000	42,00,000

@ re-designated as Executive Director and CFO w.e.f. 17th April, 2017

B. Remuneration to other Directors: (In Rs.)

Particulars of Remuneration	Name of Directors				Total Amount
	Mr. Shantilal D. Chopra	Ms. Ranak K. Laskari	Mr. Mahendra P. Shah	Mr. Devarshi D. Patel	
1. Fee for attending Board/ Committee meetings	4,000	4,000	4,000	4,000	16,000
2. Commission	NIL				
3. Others, please specify					
Total Managerial Remuneration	4,000	4,000	4,000	4,000	16,000

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD (In Rs.)

Sr. No.	Particulars of Remuneration	@Harshad M. Nasit, CFO	*Dhaval Patel, Company Secretary
1.	Gross salary		
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	5,28,000	1,60,000
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
(c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission - as % of Profit - others, specify...	- - -	- - -
5.	Others, Please specify	-	-
	Total	5,28,000	1,60,000

* Resigned w.e.f. 30th November, 2016

@ Resigned w.e.f. 17th April, 2017

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

No disclosure is required as there are no such Penalties/ Punishment imposed on the Company and its Directors/KMP and no Compounding of Offences done by the Company and its Directors/ KMP.

INDEPENDENT AUDITORS' REPORT

To,
THE MEMBERS OF
KAMRON LABORATORIES LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **KAMRON LABORATORIES LTD** ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("The Act") with respect to the preparation of these 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 financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

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

BASIS FOR QUALIFIED REPORT:-

1. No provision has been made in the accounts for Sundry Debtors of Rs. 11,19,774/- considered Doubtful of recovery. In the opinion of the directors, sundry debtors considered doubtful, have the value at which they are stated in the Balance Sheet if realised in the ordinary course of business and therefore no provision has been made in respect of such debtors. In our opinion non-provision constitutes departure from the accounting standards referred to in Sec. 133 of the Companies Act, 2013. Attention is invited to note no. 16(1)..

2. The Company's inventories viz. work in progress and finished good are carried in the Balance Sheet at Rs. 36,74,427/- and Rs. 88,67,873/- . Management of the company has not stated the inventories at lower of cost and net reliable value but has stated them solely at cost. The management has adopted the cost on basis of cost statements prepared by the management of the company which however is departure from the Accounting Standard 2 referred to in Sec. 133 of the Companies Act, 2013.
3. The Company has not recomputed the written down value as on 1st April, 2014 on basis of method/computation of depreciation provided vide schedule II to the Companies Act, 2013. On basis of computation of depreciation in accordance with provisions of Schedule II to the Companies Act, 2013, the company ought to have made an adjustment of depreciation of Rs. 1,02,98,505/- in respect of the written down value as on 1st April, 2014. The balance in the statement of Profit and Loss /the balance in the Reserves and Surplus have accordingly been overstated by Rs. 1,02,98,505/- and accordingly the written down value of the fixed assets as on 1st April, 2014 have been overstated by Rs. 1,02,98,505/-.
4. The management of the company is of the view that present market value of certain fixed assets viz. the factory buildings, non-factory buildings, plant and machinery and vehicles are in excess of the written down value as on 31st March, 2016 and therefore the company has not provided for depreciation of Rs. 88,69,643/- on the said fixed assets for the financial year ended 31st March 2016. The non-provision of depreciation had effect of increasing profit by Rs. 88,69,643/- having corresponding effect of overstating the balance in Reserve and Surplus and the written down value of the said fixed assets. Attention is invited to note no. 12(3).
5. The Management of the Company during the financial year ended 31st March, 2014 and 31st March, 2016 had transferred expenses of Rs. 94,78,145/- and Rs. 90,11,859/- respectively and had decided to amortize the expenditure at the rate of 10% per annum. However, the company has not amortized any of the expenses during the financial year under review. The company in view of the decision and policy ought to have amortized Rs. 27,19,322/- and transferred to the Statement of Profit and Loss. In absence of the transfer, the profit in the Statement of Profit and Loss has been overstated by Rs. 27,19,322/- having corresponding effect on the balance stated in Reserve and Surplus. Attention in this connection is invited to notes no. 20(1), 20(2) and 20(4).

Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion Paragraph and Emphasis of Matter Paragraph, the 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:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2017;
- (b) In the case of Statement of Profit and Loss, of the profit for the year ended on that date ; and
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date

EMPHASIS OF MATTER

We draw attention to the following:-

- 1 Note no. 20(3) regarding treatment of expenses in aggregate Rs. 1,23,37,493/- as deferred revenue expenses and accordingly reflecting in the balance sheet as against considering the said expenses as of revenue nature and debiting to the statement of Profit and Loss account. The Profit for the year under consideration accordingly stand increased by Rs. 1,23,37,493/- Had the company debited the expenses to the statement of Profit and Loss account, the profit of the company would have been lesser by Rs. 1,23,37,493/- having corresponding effect on the Reserve and Surplus. Attention is also invited to notes no.20(1) and 20(2).
- 2 Note No.12(2) regarding capitalization of expenses in aggregate of Rs. 31,81,018/- out of interest on term loan/cash credit account and interest on deposits contending that expenses have been utilized for the purpose of acquiring the fixed assets Viz Plant and Machinery The profit for the year under consideration accordingly stand increased by Rs. 31,81,018/- Had the company not adopted the

accounting policy of capitalizing the above stated expenses and had it followed accounting policy of not capitalizing, the profit for the year under review would have been lower by Rs. 31,81,018/- having corresponding effect on balance in the Statement of Profit and Loss, Reserves and Surplus and the written down value of the fixed assets.

- 3 Note no.12 (4) regarding transfer of expenses of capital nature and advances relating to the factory building incurred and /or paid in the earlier years and which were reflected as capital work in progress and advances as on 31st March, 2016. Attention in this connection is invited to note no. 12(4).

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub section (11) of section 143 of the Act, we give in the Annexure A attached hereto our comments on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
 - a. We have Sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books ;
 - c. The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account,
 - d. in our opinion, the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report except for the effects of the matters described in the Basis for Qualified Opinion Paragraph and Emphasis of Matters Paragraph comply with the Accounting Standards notified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rule 2014.
 - e. On the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of of sub-section (2) of section 164 of the Companies Act, 2013.
 - f. We invite reference to separate report in Annexure B with respect to the adqucy of the internal financial controls over financial reporting of the company and the operating effectiveness of such control during the year under review:
 - g. With respect to other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules 2014, in our opinion:
 - a) The company, according to the explanations and information, given to us details of pending litigation which can have the impact on its financial position in its financial statement have been stated in note no. 33.
 - b) The company, according to explanations and information's given to us, did not have any long term contracts including derivatives contracts for which there were any material foreseeable losses.
 - c) The company did not have any amount which was required to be transferred to the Investor Education and Protection Fund by the company.
 - d) The Company has provided requisite disclosures in its financial statement (Note.39) in accordance with books of account as to holding as well as its dealings in specified bank notes during the period from 8th November, 2016 to 30th December, 2016.

For DEEPAK SONI & ASSOCIATES

Chartered Accountants

Firm Registration No. 102250W

Place: Ahmedabad
Date : 30th May, 2017

Deepak Soni
Proprietor
Membership No. 31138

(The Annexure A Referred to in Paragraph 1 of our report of even date)

1. In respect of its fixed assets :
 - a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
 - b. As explained to us, the fixed assets have been physically verified by the Management during the year in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
 - c. The Titles of immovable properties are held in name of the Company
2. In respect of its inventory :
 - a) As explained to us, inventories have been physically verified by the management at regular intervals during the year. In our opinion the frequency of verification is reasonable.
 - b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c) The Company has maintained proper records of inventories as explained to us, there were no material discrepancies noticed on physical verification of inventory as compared to the book records.
3. According to the information and explanation given to us, the company has not granted any loans secured/unsecured to any company, firm or other party covered in register maintained under section 189 of the Companies Act, 2013.
4. According to the information and explanation given to us the Company has not accepted any deposit from the public within the meaning of sections 73 and 74 of the Act and the rules framed thereunder during the year under review.
5. The Company has not accepted any deposit from the public within the meaning of sections 73 and 74 of the Act and the rules framed there under during the year under review.
6. The Central Government (Ministry of Corporate Affairs) has prescribed maintenance of Cost Records under section 148(1) of the Companies Act, 2013 in respect of certain manufacturing activities of the Company and the company has complied with the same. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records and Audit) Rules 2014 and are of the opinion that prima facie the prescribed records have been maintained. We have however, not made detailed examination of the cost records with a view to determining whether they are accurate or complete.
7. In respect of statutory dues:
 - a) According to the records of the Company, undisputed statutory viz. Investor Education and Protection Fund, Employees' State Insurance, Income tax, Sales tax, Wealth Tax, Customs Duty, Excise Duty, Cess and other statutory dues have been generally regularly deposited with the appropriate authorities.
 - b) According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2017 for a period of more than six months from the date of becoming payable.

- c) Details of dues of Income tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, and Cess, which have not been deposited on 31st March, 2017 on account of disputes are given below:-

Statue	Nature of Dues	Forum where the Dispute is pending	period	Amt. involved
The Central Excise Act, 1944	Excise Duty	Commissioner of Appeals	2006-07	Rs. 826339/-
The Value Added Tax	Sales Tax	Commissioner of Tax	2006-07	Rs.11032991/-

8. Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions and banks. The Company has not issued any debentures.
9. According to the informations and explanations given to us and on basis of verification conducted by us in our opinion the company has not availed any term loan and neither the company has raised money by way of initial public officer nor further public offer during the year under review. Money raised by way of initial public issue in the earlier years have been applied for acquiring the fixed assets which was the purpose of the issue as informed and explained to us by the management of the company.
10. In our opinion and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.
11. The Company has paid managerial remuneration in accordance with the requisite approvals mandated by provisions of section 197 read with Schedule V to the Companies Act, 2013.
12. The Company is not a Nidhi Company.
13. The Company has effected financial transactions by way of payment of managerial remuneration, directors' fees and accepting loans from the related parties which in our opinion are in compliance with sections 177 and 188 of the Companies Act, 2013 and details have been disclosed as required by the Accounting Standards.
14. The Company has not made any preferential allotment or private placement of the shares or the convertible debentures during the year under review.
15. The Company has not entered into any non cash transactions with directors or persons connected with them during the year under review.
16. The Company is not required to be registered u/s 451A of the Reserve Bank of India Act, 1934.

For DEEPAK SONI & ASSOCIATES

Chartered Accountants
Firm Registration No. 102250W

Deepak Soni

Proprietor

Membership No. 31138

Place : Ahmedabad
Date : 30th May, 2017

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **KAMRON LABORATORIES LIMITED** ("the Company") as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility of Internal Financial Control

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override controls, materials 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

We invite reference to our observations in paras Basis for Qualified Report and Emphasis of Matters and subject to the said observations and read with the said observation in our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

For DEEPAK SONI & ASSOCIATES

Chartered Accountants

Firm Registration No. 102250W

Deepak Soni

Proprietor

Membership No. 31138

Place : Ahmedabad

Date : 30th May, 2017

BALANCE SHEET AS AT 31ST MARCH, 2017

(in Rs.)

	Note No.	As at 31st March, 2017	As at 31st March, 2016
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	58500000	58500000
Reserves and surplus	4	11935706	12050768
		70435706	70550768
Non-current liabilities			
Deferred tax liabilities (net)	5	458774	458774
Long Term borrowings	6	41548520	42895253
Long Term Provisions	7	2455950	2280109
		44463244	45634136
Current liabilities			
Short-term borrowings	8	57893193	47215878
Trade payables	9	17235748	14820716
Other current liabilities	10	19510594	5876594
Short-term provisions	11	40000	52000
		94679535	67965188
	TOTAL	209578485	184150092
ASSETS			
Non-current assets			
Fixed assets	12		
Tangible assets		118799246	92604841
Intangible assets		7970219	10095139
Capital work-in-progress		—	2015000
		126769465	104714980
Non-current investments	13	—	—
Long-term loans and advances	14	732508	12208748
		732508	12208748
Current assets			
Inventories	15	19414740	16467488
Trade receivables	16	26543854	25004367
Cash and cash equivalents	17	1266099	2200983
Short-term loans and advances	18	1127722	2166922
Other current assets	19	—	—
Deferred Revenue Expenses	20	33724097	21386604
		82076512	67226364
	TOTAL	209578485	184150092

Significant accounting policies

2

The accompanying notes are an integral part of the financial statements

In terms of our report attached

For & on behalf of Board,

For DEEPAK SONI & ASSOCIATES
Mr.Kamlesh J. Laskari
Dr.Mahendra P.Shah

 Chartered Accountants
 Firm Reg. No. 102250W

 Managing Director
 (Din: 00461198)

 Chairman
 (Din:00461325)

Deepak Soni
Mr.Rohan K.Laskari
Sohan K Laskari

 Proprietor
 M. No.: 31138

 Executive Director
 (Din: 03382316)

 Executive Director/CFO
 Din: (06637203)

 Ahmedabad
 30th May, 2017

 Ahmedabad
 30th May, 2017

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2017

(in Rs.)

	Note No.	Year ended 31st March, 2017	Year ended 31st March, 2016
INCOME			
Revenue from operations (gross)	21	171849035	169438719
Less: excise duty(see note no 2-K)		<u>—</u>	<u>—</u>
Revenue from operations (net)		171849035	169438719
Other income	22	759117	1088407
Changes in inventories of finished goods, work-in-progress and stock-in-trade	23	3669108	4824296
TOTAL		<u>176277260</u>	<u>165702830</u>
EXPENSES			
Cost of materials consumed	24	35767432	36699607
Purchases of stock-in-trade	24	95472330	89021750
Employee benefits expense	25	13262818	14144105
Finance costs	26	3220434	4358691
Depreciation and amortization expense	27	9594425	881002
Other expenses	28	18824053	20442773
TOTAL		<u>176141492</u>	<u>165547928</u>
Profit before tax		135768	154902
Tax expense			
Current tax		40000	52000
Deferred tax		<u>—</u>	<u>—</u>
Earlier year tax		8870	<u>—</u>
		<u>86898</u>	<u>102902</u>
Profit for the year		86898	102902
Earnings per share (of face value of Rs. 10/- each):			
Basic	29	0.01	0.02
Diluted	29	0.01	0.02
Significant accounting policies	2		

The accompanying notes are an integral part of the financial statements

In terms of our report attached
For DEEPAK SONI & ASSOCIATES
Chartered Accountants
Firm Reg. No. 102250W
Deepak Soni
Proprietor
M. No.: 31138
Ahmedabad
30th May, 2017

For & on behalf of Board,
Mr.Kamlesh J. Laskari
Managing Director
(Din: 00461198)
Mr.Rohan K.Laskari
Executive Director
(Din: 03382316)
Ahmedabad
30th May, 2017
Dr.Mahendra P.Shah
Chairman
(Din:00461325)
Sohan K Laskari
Executive Director/CFO
Din: (06637203)

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2017

(in Rs.)

	Year ended 31st March, 2017	Year ended 31st March, 2016
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit after tax	86898	102902
Adjustments for,		
Depreciation / amortization	9594425	881002
Loss on sale / write off of fixed assets (net)	-	-
Depreciation on Sales of assets	-	(867096)
Provision for doubtful debts / advances written back	-	-
Adjustments to the carrying amount of investments - reversal of reduction in the carrying amount of non-current investments	-	-
Interest expense	3220434	4358691
Interest income	(36015)	(14033)
Net loss / (gain) on foreign currency transactions	-	-
Share of loss in the partnership firm where the Company is a partner	-	-
Dividend on long-term investments (non-trade)	-	-
Bad debts written off	-	-
Excess provision of earlier years written back	-	-
Provision for doubtful debts / advances	-	-
Operating profit before working capital changes Sub Total A	12778844	4358564
(Increase) / decrease in trade receivables	(1539487)	(731387)
(Increase) / decrease in inventories	(2947252)	7170589
(Increase) / decrease in loans and advances	12515440	3265996
Increase / (decrease) in trade and other payables	16049032	1376402
(Increase) / Decrease Pre Expenses	-	-
(Increase) / Decrease Deferred revenue exp	(12337493)	(7193726)
Sub Total B	11740240	3887874
Cash generated from operations (A-B)	1038604	470690
Direct taxes and fringe benefit tax paid	-	-
Net cash generated from operating activities-I	24605982	8349340
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(31850870)	(4057164)
Capital Work in Progress	-	-
Share of loss in the partnership firm where the Company is a partner	-	-
Amounts paid for acquiring debts from a bank on assignment basis	-	-
Purchase of investments	-	-
Sale of investment	-	-
Sales of assets	-	1983661
Dividend income	-	-
Interest income	36015	14033
Net cash (used in) investing activities -II Sub Total C	(31814855)	(2059470)
CASH FLOW FROM OPERATING AND INVESTING ACTIVITIES III (I +II)	(7208873)	6289870

Annual Report 2016-17

(in Rs.)

	Year ended 31st March, 2017	Year ended 31st March, 2016
C. CASH FLOW FROM FINANCING ACTIVITIES		
Calls in arrears received during the year (including securities premium)	-	-
Buyback of equity shares	-	-
Repayment of debenture	-	-
Repayments of other borrowings	-	-
Proceeds / (repayments) of other borrowings (net)	9330582	(2468225)
Gratuity Provision	175841	(37247)
Income tax Provision	(12000)	(939892)
Interest expense	(3220434)	(4358691)
Net cash (used in) / from financing activities Sub Total D	6273989	(7804055)
Net increase / (decrease) in cash and cash equivalents (III+D)	(934884)	(1514185)
Cash and cash equivalents at the beginning of the year	2200983	3715168
Cash and cash equivalents at the end of the year	1266099	2200983

In terms of our report attached
For DEEPAK SONI & ASSOCIATES

Chartered Accountants
Firm Reg. No. 102250W

Deepak Soni
Proprietor
M. No.: 31138
Ahmedabad
30th May, 2017

For & on behalf of Board,

Mr.Kamlesh J. Laskari
Managing Director
(Din: 00461198)

Mr.Rohan K.Laskari
Executive Director
(Din: 03382316)
Ahmedabad
30th May, 2017

Dr.Mahendra P.Shah
Chairman
(Din:00461325)
Sohan K Laskari
Executive Director/CFO
Din: (06637203)

Note 01 CORPORATE INFORMATION

Kamron Laboratories Limited (the Company) is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on BSE Limited, Ahmedabad Stock Exchange Limited and Delhi Stock Exchange Limited. The Company was established in 1988. Kamron Laboratories Ltd has a high-tech Pharmaceutical manufacturing Plant.

Note 02 SIGNIFICANT ACCOUNTING POLICIES**a. Basis of preparation of Financial Statements**

The financial statements are prepared under historical cost convention on accrual basis of accounting and in accordance with generally accepted accounting principles.

b. Use of estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results materialize or are known.

c. Tangible fixed assets

It is a practice of the Company to state the Fixed Assets at cost of acquisition/construction less accumulated depreciation. However, on revaluation of certain fixed assets viz the Plant & Machinery, Land, Factory Building and Non-factory Building such fixed assets have been stated at revalued amounts on the basis of their replacement value determined by the approved valuer. Increase resulting on revaluation of the fixed assets has been credited to Revaluation Reserve Account.

d. Depreciation on tangible fixed assets

Depreciation has been decided to be provided for on the fixed assets on straight-line basis in accordance with the provisions of the Companies Act, 2013, (the Act) at the rates and in the manner specified in Schedule II to the Act except some identified items of office equipment which are depreciated over a period of five years. Leasehold land is amortised over the period of lease.

e. Intangible assets

Intangible assets are stated at cost of acquisition less accumulated amortisation. Computer Software which are capitalised, are amortised over a period of ten years on straight-line basis.

f. Impairment of tangible and intangible assets

Impairment loss is provided to the extent that the carrying amount(s) of assets exceed their recoverable amount(s). Recoverable amount is the higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash-flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life. Net selling price is the amount obtainable from sale of the asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

g. Investments

Long-Term investments are carried at cost. Provision is made to recognize a diminution, other than temporary, in the carrying amount of Long-Term investments. Current investments are carried individually, at the lower of cost and fair value.

h. Retirement and other employee benefits

- i The Company has made provision in respect its liability by Gratuity in accordance with provisions of the Payments of Gratuity Act 1972. However no actuarial valuation ascertaining the liability at the end of the accounting year has been obtained by the company. Contribution to defined contribution schemes such as provident fund is charged to the Profit & Loss account. The provident fund contribution is made to government administered provident fund and therefore the report the company has no further obligation beyond this contribution charged in financial statement
- ii The company in terms of the agreement of employment does not pay any leave encashment and there fore in the opinion of the management no provision in respect of leave encashment is necessary.

i. Inventories:

Inventories are valued as under :

- | | |
|----------------------------|--|
| 1. Raw & Packing Materials | At lower of cost or Net realisable value |
| 2. Other Materials | At lower of cost or Net realisable value |
| 3. Work-In- Process | At Cost |
| 4. Finished Goods | At Cost |
| 5. Goods for resale | At lower of cost or Net realisable value |

j. Foreign Currency Transactions

Transactions in foreign exchange are accounted at exchange rates prevailing on the date on which the transaction has taken place.

k. Excise Duty :

The amount of CENVAT credit in respect of materials used during the year has been deducted from excise duty. The Invoices prepared by the company for sale of the products are inclusive of excise duty if any, and excise duty is not shown separately either in the invoices or in the books of account.

l. Research and Development :

Current revenue expenditure incurred on Research and Development is charged to the statement of Profit & Loss of the year, unless deferred. Capital expenditure on Research & Development is transferred to Fixed Assets.

m. Revenue Recognition :

Revenue is generally recognized on being reasonably certain of settlement and ultimate collection. The Invoices prepared by the company for sale of the products are inclusive of excise duty if any, and excise duty is not shown separately either in the invoices or in the books of accounts.

n. Contingent Liabilities

These are disclosed by way of Notes appended to the Balance Sheet. Provision is made in the Accounts in respect of items which are likely to fructify after the end of the year but before finalization of accounts to the extent such items have material effect on the position stated in the Balance Sheet.

o. Deferred Revenue Expenses

Product Launching/ Development Expenses, Process know-how Expenses, Amount paid towards voluntary Retirement Scheme and Debenture Issue Expenses are amortized over a period not exceeding 60 months.

p. Borrowing costs

Borrowing cost of working capital management is charged against the profit for the year in which it is incurred.

Borrowing cost attributable to acquisition of an asset which takes substantial period of time to get ready for its intended use is capitalized as part of the cost of such an asset.

q. Accounting for Taxes on Income

Current tax is determined as the amount of tax payable in respect of taxable income for the period. Deferred tax is recognized, subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the differences between taxable income and accounting income that originate in one period and are capable of reserval in one or more subsequent periods.

	As at 31st March, 2017	As at 31st March, 2016		
Note 03 : SHARE CAPITAL				
Authorised shares				
60,00,000 (Previous year-60,00,000) equity shares of Rs.10/- each	60000000	60000000		
50,000 (Previous year 50,000) 11% Cumulative Redeemable Preference shares each of Rs.10/-	500000	500000		
	60500000	60500000		
Issued, subscribed and fully paid shares				
58,50,000 (Previous Year-58,50,000) equity shares of Rs. 10/- each, fully paid-up	58500000	58500000		
Total	58500000	58500000		
a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period :				
Particulars	Opening balance	Buyback	Closing balance	
Equity shares with voting rights				
Year ended 31 st March, 2017				
– Number of shares	5850000	–	5850000	
– Amount (Rs.)	58500000	–	58500000	
Year ended 31 st March, 2016				
– Number of shares	5850000	–	5850000	
– Amount (Rs.)	58500000	–	58500000	
b. Terms / rights attached to equity shares:				
The Company has only one class of equity shares having a par value of Rs.10/- per share. Each equity shareholder is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend if any proposed by the Board of directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.				
During the year ended 31st March 2017, the amount of dividend, per share, recognized as distributions to equity shareholders is Rs. Nil (year ended 31st March, 2016, Rs. Nil).				
c. Details of shareholders holding more than 5% shares in the Company:				
Equity shares of Rs. 10/- each fully paid				
Name	31st March, 2017		31st March, 2016	
	Nos.	% holding	Nos.	% holding
Kamlesh J.Laskari	1255440	21.45	1255440	21.45
	As at 31st March, 2017		As at 31st March, 2016	
Note 04 RESERVES AND SURPLUS				
a) Capital reserve				
State Subsidy-Balance as per last Balance sheet				
As per last Balance sheet	1799000			1799000
b) General reserve				
As per last Balance sheet	16000			16000
c) Revaluation Reserve:				
Balance as per last Balance sheet	1147275			1349235
Less: depreciation on revalued Assets	201960			201960
	945315			1147275
Surplus in Statement of Profit and Loss				
Balance as per last Balance Sheet	9088493			8985591
Add : profit for the year	86898			102902
d) Balance in the Profit & Loss Account	9175391			9088493
	TOTAL			12050768

Annual Report 2016-17

	As at 31st March, 2017	As at 31st March, 2016
Note 05 DEFERRED TAX LIABILITIES (NET)		
Difference between book and tax written down values of fixed assets	<u>458774</u>	<u>458774</u>
Gross deferred tax liability	<u>458774</u>	<u>458774</u>
Deferred tax asset		
Adjustment to the carrying amount of investment	-	-
Provision for doubtful debts / advances	-	-
Others	-	-
Gross deferred tax asset	-	-
 Net deferred tax liability	 <u>458774</u>	 <u>458774</u>
<p>1. In compliance with the Accounting Standard relating to Accounting for Taxes on Income - AS 22' issued by the Institute of Chartered Accountants of India(ICAI), the Company has provided deferred tax Rs.Nil (Previous Year Rs. Nil) in the statement of Profit & Loss towards deferred tax liabilities for the year ended 31st March 2017.The Company is in process of appraising the deferred tax asset/liability and final entry shall be made in the accounts on ascertaining the amount in respect of deferred tax liability / asset.</p>		
Note 06 LONG-TERM BORROWINGS		
Secured Loans		
Long Term Loans i	6560831	9030353
Cash credit from banks ii	34987689	33864900
TOTAL:	<u>41548520</u>	<u>42895253</u>
<p>i. Long term loans from Bank of Baroda are secured by mortgage and/ or hypothecation of all present and future assets both movable and Immovable including Land, Building, Plant & Machinery, Spare Parts etc. by way of first charge and guaranteed by Shri Kamlesh J. Laskari, Managing Director and Smt. Ranak K. Laskari, Director of the Company.</p>		
<p>ii. Cash Credit from Bank of Baroda are secured against hyothecation of inventory and book debts and futher secured by second charge on the Fixed assets of the company and guaranteed by Shri Kamlesh J. Laskari, Managing Director and Smt. Ranak K. Laskari, Director of the Company.</p>		
Note 07 LONG-TERM PROVISIONS		
Provision for Gratuity	2455950	2280109
Provision for employee benefits	-	-
Provision for compensated absences	-	-
TOTAL:	<u>2455950</u>	<u>2280109</u>
Note 08 SHORT-TERM BORROWINGS		
Un Secured Loans		
Form the Managing Director	47204388	35922921
Other Short Term Loans	10688805	11292957
TOTAL:	<u>57893193</u>	<u>47215878</u>
Note 09 TRADE PAYABLES		
Trade payables	17235748	14820716
TOTAL:	<u>17235748</u>	<u>14820716</u>

	As at 31st March, 2017	As at 31st March, 2016
Note 10 OTHER CURRENT LIABILITIES		
Debentures	-	-
Unpaid dividend	-	-
TDS payable	113648	158008
Statutory dues payable	1071758	731538
Trade / security deposits	-	-
Advance from customers	620191	145719
Other Trade Payable	17704997	4841329
TOTAL:	19510594	5876594

Note 11 SHORT-TERM PROVISIONS

Provision for Income tax	40000	52000
TOTAL:	40000	52000

Note 12 FIXED ASSETS

Tangible assets	Gross block			Depreciation/amortisation			Impairment		Net Block			
	As at 1st April, 2016	Additions/ adjust- ments	Deductions/ adjust- ments	As at 31st March, 2017	As at 1st April 2016	For the year	Deductions/ adjust- ments	Upto 31st March, 2017	As at 1st April 2016	Adjustments during the year	As at 31st March, 2017	As at 31st March, 2016
Owned Assets												
Freehold land	9010210	-	-	9010210	-	-	-	-	-	-	9010210	9010210
Factory Buildings	25542044	30068168	-	55610212	8035207	812294	-	8847501	-	-	46762711	17506837
Non Factory Buildings	8758753	-	-	8758753	2908280	277652	-	3185932	-	-	5572821	5850473
Plant and machinery	91832820	3702488	-	95535308	32839130	5844652	-	38683782	-	-	56851526	58993690
Furniture and fixtures	1145037	-	-	1145037	925108	108779	-	1033887	-	-	1111150	219929
Vehicles	-	-	-	-	-	-	-	-	-	-	-	-
Office equipment	4249738	65167	-	4314905	3859453	455452	-	4314905	-	-	-	390285
Computer Software	878565	30047	-	908612	245148	172636	-	417784	-	-	490828	633417
Total	141417167	33865870	-	175283037	48812326	7671465	-	56483791	-	-	118799246	92604841
As at and for the year ended 31st March, 2016	139343664	4057164	1983661	141417167	48596460	1082962	867096	48812326	-	-	-	-
Capital work-in-progress												- 2015000
Intangible assets												
Technical know How and Commercial Rights	11183789	-	-	11183789	1168850	2124920	-	3293770	-	-	7890019	10014939
Trademarks	80200	-	-	80200	-	-	-	-	-	-	80200	80200
Total	11263989	-	-	11263989	1168850	2124920	-	3293770	-	-	7970219	10095139
As at and for the year ended 31st March, 2016	11263989	-	-	11263989	1168850	-	-	1168850	-	-	-	-

1. Certain Fixed Assets of the Company viz the Plant & Machinery, Land, Factory Building and Non-factory Building were revalued during the year ended 31st March, 1998 on the basis of their replacement value as of 31st March,1998 determined by the approved valuer and the surplus arising on such revaluation amounting to Rs.1,43,62,580/- in the accounts of the Company have been credited to the revaluation reserve and the said fixed assets have been shown at revalued figures.
2. The company has capitalized in aggregate Rs. 31,81,018/- (previous year Rs.31,47,136/-) out of interest on term loan and interest on cash credit contending that expenses have been utilized for the purpose of acquiring the fixed assets Viz Plant and Machinery.
3. The Management of the company is of the view that market value of the factory buildings ,non-factory buildings, Plant and machinery and vehicles, as on 31st March,2016 are in excess of the written down value as on 31st

Annual Report 2016-17

March, 2016 and therefore the company had not provided for depreciation for the financial year ended 31st March, 2016 to the extent of Rs.88,69,643/- However the company has provided depreciation amounting to Rs.97,96,385/- for the financial year under review.

4. The company had incurred expenses of capital nature and had also made advances for capital expenditure in the earlier years relating to the factory building. The expenses and advances in absence of invoices/bills etc. were shown as advances/work in progress. However, the company in view of having received the materials and having incurred the expenses transferred the expenses/advances to the factory building during the financial year under the review.

	As at 31st March, 2017			As at 31st March, 2016						
	Quoted	Unquoted	Total	Quoted	Unquoted	Total				
Note 13 NON-CURRENT INVESTMENTS										
(a) Non-trade investments										
(valued at cost unless stated otherwise)										
Investment in equity instruments										
(i) of subsidiaries	-	Nil	Nil	-	Nil	Nil				
(ii) of subsidiaries	-	Nil	Nil	-	Nil	Nil				
(ii) other companies	-	Nil	Nil	-	Nil	Nil				
Aggregate amount of unquoted investments										
TOTAL	-	Nil	Nil	-	Nil	Nil				
<table style="width: 100%; border: none;"> <tr> <td style="text-align: center;">As at</td> <td style="text-align: center;">As at</td> </tr> <tr> <td style="text-align: center;">31st March, 2017</td> <td style="text-align: center;">31st March, 2016</td> </tr> </table>							As at	As at	31st March, 2017	31st March, 2016
As at	As at									
31st March, 2017	31st March, 2016									

Note 14 LONG-TERM LOANS AND ADVANCES

Capital advances	-	-
Unsecured, considered good	-	-
Secured considered good		
Unsecured, considered good		
Doubtful		
Provision for doubtful advances		
Security deposits	484374	461998
Unsecured, considered good	-	-
Loans and advances to related parties (refer note)	-	-
Secured considered good	-	-
Unsecured, considered good	-	-
Doubtful	-	-
Provision for doubtful advances	-	-
Loans and advances to employees (unsecured, considered good)	-	-
Prepaid expenses (unsecured, considered good)	-	-
Advance income-tax	114934	150853
Other loans and advances (unsecured, considered good)	133200	11595897
TOTAL	732508	12208748

1. Balances of sundry debtors, sundry creditors, loans and advances are subject to confirmation and reconciliation. On receipt of confirmation and after making the reconciliation the necessary entries shall be made.

Note 15 INVENTORIES

Raw and Packing materials		
(at cost or net realizable value whichever is less)	6608491	7339957
Work-in-progress (at cost)	3674427	1514000
Finished goods (at cost)	8867873	7359192
Stores and spares (at lower of cost of net realizable value)	18000	15050
Other stock (at lower of cost or net realizable value)	245949	239289
TOTAL	19414740	16467488

	As at 31st March, 2017	As at 31st March, 2016
Note 16 TRADE RECEIVABLES		
Unsecured		
Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	207326	207232
Doubtful	<u>1119774</u>	<u>1769482</u>
	1327100	1976714
less: provision for doubtful trade receivables	-	-
Sub Total	<u>1327100</u>	<u>1976714</u>
Other receivables		
Unsecured, considered good	25216754	23027653
Doubtful	-	-
less: provision for doubtful trade receivables	-	-
TOTAL	<u>26543854</u>	<u>25004367</u>

- No provision has been made in the accounts for Sundry Debtors of Rs.11,19,774/- (previous year Rs.17,69,482/-) and Loans & Advances of Rs.Nil (previous year Rs.Nil/-) considered Doubtful of recovery. However in the opinion of the directors, current assets including sundry debtors considered doubtful, loans and advances including considered doubtful have the value at which they are stated in the Balance Sheet if realised in the ordinary course of business and therefore no provision has been made in respect of such debtors and loans and advances The provision for all known liabilities is adequate and not in excess of amount reasonably necessary.
- Balance of sundry debtors, sundry creditors, loans and advances are subject to confirmation and reconciliation. On receipt of confirmation and after making the reconciliation the necessary entries shall be made.

Note 17 CASH AND CASH EQUIVALENTS

Cash and Cash equivalents		
Cash on hand	889716	1419222
Cheques on hand	-	-
Balances with banks		
in current accounts	293155	716370
in deposits accounts	<u>83228</u>	<u>65391</u>
Total	<u>1266099</u>	<u>2200983</u>

Annual Report 2016-17

	As at 31st March, 2017	As at 31st March, 2016
Note 18 SHORT-TERM LOANS AND ADVANCES		
Loan and advances to related parties (refer note 35)		
Unsecured, considered good	-	-
Security deposits		
Unsecured, considered good		
Doubtful	-	-
	-	-
less, provision for doubtful deposits	-	-
	-	-
Loans to employees (unsecured, considered good)	-	-
Prepaid expenses Recoverable (unsecured, considered good)	121040	-
Balances with statutory / government authorities (unsecured, considered good)		
CENVAT credit receivable	-	427123
CENVAT Credit PLA Balance	6422	6422
Service tax credit receivable	154097	63998
Vat tax credit receivable	397597	572641
Modvat Capital Balance	7719	15830
Excise Credit Receivable	367488	572691
Duty Drawback	73359	0
Sales Tax Receivable	-	508217
Inter- corporate deposits (including interest accrued) (unsecured, considered good)	-	-
TOTAL	<u>1127722</u>	<u>2166922</u>
Note 19 OTHER CURRENT ASSETS		
Interest accrued on fixed deposits with banks	-	-
Rent receivable	-	-
Pre-paid Expenses	-	-
Previous Year Balance	-	-
Less, Write off Revenue exp during the year	-	-
TOTAL	<u>-</u>	<u>-</u>
Note 20 DEFERRED REVENUE EXPENSES		
Deferred Revenue Exp		
Balance at the commencement	21386604	14192878
Current year Deferred Revenue exp	<u>12337493</u>	<u>9011859</u>
Sub Total	33724097	23204773
Less, Write off Revenue exp during the year @10%	-	1818133
Total	<u>33724097</u>	<u>21386604</u>
1. The company during the year ended 31st March 2014 had adopted programme of substantial expansion of marketing. The company had introduced certain new products and had also entered into certain new regional areas. The company with a view to expanding the regional market and with a view to introducing new products had expended substantially on salary of marketing staff, allowances of marketing staff, commission, traveling of marketing staff. The management of the company is of the view that the company shall continue to enjoy benefits of the expenses for the subsequent years and therefore on basis of appraisal of the expenses and considering the enduring nature of the expenses the company had transferred the aggregate expenses i.e. Rs. 94,78,145/- (Previous Year Rs. Nil) to Deferred Revenue Expenditure. The management of the company is of the opinion that the company shall be able to enjoy the benefits for the next ten years and therefore the company has decided to amortize expenditure at the rate of 10% per annum commencing from financial year 2014-15.		
2. The company during the year ended 31st March 2016 had adopted programme of substantial expansion of marketing. The company had introduced certain new products and had also entered into certain new regional areas. The company with a view to expanding the regional market and with a view to introducing new products had expended substantially on salary of marketing staff, allowances of marketing staff, commission, traveling of marketing staff. The management of the company is of the view that the company shall continue to enjoy benefits of the expenses for the subsequent years and therefore on basis of appraisal of the expenses and considering the enduring nature of the expenses the company had transferred the aggregate expenses i.e. Rs. 90,11,859/- to Deferred Revenue Expenditure. The management of the company is of the opinion that the company shall be able to enjoy the benefits for the next ten years and therefore the company has decided to amortize expenditure at the rate of 10% per annum commencing from financial year 2016-17.		

3. The company during the year ended 31st March 2017 had adopted programme of substantial expansion of marketing. The company had introduced certain new products and had also entered into certain new regional areas. The company with a view to expanding the regional market and with a view to introducing new products had expended substantially on salary of marketing staff, allowances of marketing staff, commission, traveling of marketing staff. The management of the company is of the view that the company shall continue to enjoy benefits of the expenses for the subsequent years and therefore on basis of appraisal of the expenses and considering the enduring nature of the expenses the company had transferred the aggregate expenses i.e. Rs. 1,23,37,493/- to Deferred Revenue Expenditure. The management of the company is of the opinion that the company shall be able to enjoy the benefits for the next ten years and therefore the company has decided to amortize expenditure at the rate of 10% per annum commencing from financial year 2017-18.
4. The company in absence of adequate profit has not amortized any of the expenses referred to in note no.1, note no. 2 and note no. 3 hereinabove. The company in view of its decision and policy ought to have amortized Rs. 27,19,322/- out of Deferred Revenue Expenses and transferred to the statement of Profit and Loss. The profit of the company accordingly has been overstated by Rs. 27,19,322/- having corresponding effect on the balance in the Reserve and Surplus. The company had amortized Rs. 18,18,133/- out of Deferred Revenue Expenses during financial year ended 31st March, 2016.

	Year ended 31st March, 2017	Year ended 31st March, 2016
Note 21 REVENUE FROM OPERATIONS		
Revenue from operations		
Sale of products		
Finished goods Pharmaceuticals	73372000	80121076
Traded goods - Chemicals Pharmaceuticals	98477035	89317643
	<u>171849035</u>	<u>169438719</u>
Other operating revenue		
Scrap sales	-	-
Revenue from operations (gross)	171849035	169438719
Less: Excise Duty *(see note 2-K)	-	-
	<u>171849035</u>	<u>169438719</u>
Revenue from operations (net)		
*Excise duty shown under 'expenditure' (note 28) represents the aggregate of excise duty borne by the Company and difference between excise duty on opening and closing stock of finished goods.		
Details of products sold		
Finished goods		
Tablet	63094215	63552412
Capsule	6064177	3555097
Ointment	688017	1061704
Liquid	1999070	6656804
Injectable	920891	3935231
Other Jobwork Charges	605630	1359828
	<u>73372000</u>	<u>80121076</u>
Traded goods		
Chemicals Pharmaceuticals	98477035	89317643
	<u>98477035</u>	<u>89317643</u>
TOTAL	<u>171849035</u>	<u>169438719</u>
Note 22 OTHER INCOME		
Interest income (Refer note 1, below)	36015	14033
Dividend income:		
Current investments	-	-
Other investments	-	-
Net gain on foreign currency transaction and translation	-	-
Other non-operating income (Refer note 2, below)	723102	1074374
	<u>723102</u>	<u>1074374</u>
TOTAL	<u>759117</u>	<u>1088407</u>
Notes:		
1. Interest income comprises:		
a. Interest from banks on deposits	36015	14033
b. Interest on loans & advances	-	-
c. Other interest	-	-
	<u>36015</u>	<u>14033</u>

Annual Report 2016-17

	Year ended 31st March, 2017	Year ended 31st March, 2016
2. Other non-operating income:		
Rental income from investment property	-	600000
Provision for doubtful debts / advances written back / credit balances written back	-	-
Excess provision of earlier years written back (net)	-	-
Insurance claims	-	-
Miscellaneous income	723102	474374
	723102	1074374

Note 23 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

Inventories at the beginning of the year		
Finished goods	7359192	7268443
Work-in-process	1514000	6429045
Stock-in-trade	-	-
Total	8873192	13697488
Inventories at the end of the year		
Finished goods	8867873	7359192
Work-in-process	3674427	1514000
Stock-in-trade	-	-
Total	12542300	8873192
Net increase/Decrease	3669108	4824296

Note 24 COST OF RAW MATERIALS CONSUMED

Inventories at the beginning of the year	7339957	9529437
Add: Purchases Pharmaceuticals	34742371	34375662
Add: Freight, Cartage, on Raw Material	293596	134465
	42375924	44039564
Less: Inventories at the end of the year Pharmaceuticals	6608492	7339957
Cost of raw-packing materials consumed	35767432	36699607
Details of Raw Material consumed		
Purchases of stock-in-trade-Chemicals Pharmaceuticals	95472330	89021750
TOTAL	95472330	89021750

Note 25 EMPLOYEE BENEFITS EXPENSES

Salaries, wages and bonus	12258242	13382883
Contribution to provident and other funds	633488	448080
Staff welfare expenses	371088	313142
TOTAL	13262818	14144105

1) Salaries, Wages and Bonus include payments to and provisions for Managing Director.

Particulars	2016-2017	2015-2016
Salaries	1560000	240000
House Rent Allowance & Other Allowance	12324	38897
Contributions to and Provisions for Provident Fund and Family Pension superannuation	187200	28800
TOTAL	1759524	307697

	Year ended 31st March, 2017	Year ended 31st March, 2016
Notes 26 FINANCE COSTS		
Interest on borrowings	3194430	3226004
Interest on others	26004	1132687
TOTAL	<u>3220434</u>	<u>4358691</u>
1) Interest includes interest of Rs.Nil (2015-2016 Rs.Nil) on Fixed Deposit paid / payable to Managing Director.		
Notes 27 DEPRECIATION AND AMORTISATION EXPENSE		
Depreciation and amortisation for the year on tangible assets	9796385	1082962
Less: Transfer from Revaluation Reserve	201960	201960
TOTAL	<u>9594425</u>	<u>881002</u>
Note 28 OTHER EXPENSES		
Consumption of stores and spares	255811	188226
Excise duty	3225608	2787195
Power and fuel	1587998	1557988
Rent	132825	138000
Repairs to buildings	66945	277980
Repairs to machinery	244377	299836
Insurance	212540	280127
Rates and taxes	12072	15600
Commission and discounts	1501896	2667381
Transport and freight charges (net)	1283920	1077575
Loss on sale / write off of fixed assets (net)	-	89851
Provision for doubtful debts / advances	-	-
Bad debts/ advances written off	-	-
Net loss on foreign currency transactions and translations	-	-
Donations	-	-
Legal and professional fees	1206888	1371345
Deferred revenue expenses	-	-
Miscellaneous expenses	9093174	9691669
TOTAL	<u>18824053</u>	<u>20442773</u>
Payments to auditors		
As auditors - statutory audit	300000	300000
For taxation matters	50000	50000
For other services	125000	100000
Reimbursement of expenses	17500	11000
TOTAL	<u>492500</u>	<u>461000</u>

Note 29 EARNINGS PER SHARE (EPS):

Earnings per share is calculated by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year, as under:

	Current year	Previous year
Profit attributable to equity shareholders – Rupees in lakh	86898	102902
Weighted average number of equity shares outstanding during the year	5850000	5850000
Basic earnings per share – Rupees	0.01	0.02
Diluted earnings per share – Rupees	0.01	0.02
Nominal value per share – Rupees	10.00	10.00

Note 30 EMPLOYEE BENEFITS:

Contributions are made to Recognized Provident Fund / Government Provident Fund and Family Pension Fund which covers all regular employees. Contribution is also made in respect of executives to a Recognized Superannuation Fund. While both the employees and the Company make predetermined contributions to the Provident Fund, contribution to the Family Pension Fund and Superannuation Fund are made only by the Company. The contributions are normally based on a certain proportion of the employee's salary. Amount recognized as expense in respect of these defined contribution plans, aggregate to Rs.6,33,488/- (previous year, Rs.4,48,080/-).

Provisions are made to in respect of gratuity based upon actuarial valuation done at the end of every financial year by the management of the company. Major drivers in actuarial assumptions, typically, are years of service and employee compensation. Gains and losses on changes in actuarial assumptions are accounted for in the Statement of Profit and Loss.

The charge on account of provision for gratuity and leave encashment has been included in 'Contribution to provident fund and other funds' and 'Salaries, wages and bonus' respectively.

In respect of gratuity (funded) :

	Current year	Previous year
Reconciliation of liability recognized in the Balance Sheet		
Present value of commitments	2455950	2280109
Fair value of plan assets	-	-
Net liability in the Balance Sheet	2455950	2280109
Movement in net liability recognized in the Balance Sheet	175841	(37247)
Net liability as at beginning of the year	2280109	2317356
Net expense recognized in the Statement of Profit and Loss (including actual payment of of Rs.Nil/- Pre.year Rs.Nil/-)	260976	121378
Contribution during the year	(85135)	(158625)
Net liability as at end of the year	<u>2455950</u>	<u>2280109</u>

Note 31 LEASES

(a) The Company has not taken any premise under non – cancellable lease rental agreement. Details of minimum lease payments for non-cancelable lease are as under:

Particulars	As at 31st March, 2017	As at 31st March, 2016
Not later than one year	Nil	Nil
Later than one year and not later than five years	Nil	Nil
Later than five years	Nil	Nil
Total	<u>Nil</u>	<u>Nil</u>

(b) The Company has given godown premises under lease/ rental agreement. Details of rent income are as under:

Not later than one year	Nil	6,00,000
Later than one year and not later than five years	Nil	Nil
Later than five years	Nil	6,00,000
Total	<u>Nil</u>	<u>Nil</u>

Operating lease rentals credited to the Statement of Profit and Loss

(c) Other details of premises which have been given on operating lease for a period of upto sixty months are as under:

Gross block as at the year end	Not Ascertained	Not Ascertained
Accumulated depreciation as at the year end	Not Ascertained	Not Ascertained
Depreciation charged during the year	Nil	Nil

Note 32 SEGMENT INFORMATION
Primary

The Company is engaged primarily in business of manufacturing pharmaceutical products. However during the year under review the company has also traded in grey fabrics. Accordingly there are two separate reportable segments as per Accounting Standard 17 dealing with segment reporting. Details of the segments are as under;

Revenue	Pharmaceuticals	Chemicals- Pharmaceuticals	Total
Sales	72766370	98477035	171243405
Jobwork Charges	605630	0	605630
Total Revenue from Operation	73372000	98777035	171849035
Other Income	759117	0	759117
Cost of Goods	38993040	95472330	134465370
Others Expenses(Net)	41676122	0	41676122
Increase/(Decrease) in Stock	3669108	0	3669108
Profit/(Loss) Before Tax	(2868937)	3004705	135768
Less Provision of Income Tax	40000	0	40000
Earlier year Income Tax	8870	0	8870
Profit/ (Loss) After Tax	(2917807)	3004705	86898

As at
31st March, 2017 As at
31st March, 2016

Note 33 CONTINGENT LIABILITIES

In respect of:

a. Excise matters disputed in appeal: These relate to the availed value based exemption up to clearance value of Rs.100 Lakh (pending before the Commissioner (Appeals-III) central excise. Commissioner) and permit fee on purchase of alcohol	826339	826339
b. Claims against the Company not acknowledged as debts Labour matters involving issues like regularization of employment, termination of employment, compensation against severance, etc.	-	-
c. Sales-tax matters disputed in appeal. These relate to classification of goods and consequent dispute ex parte order 2006-07 (pending before the Commercial Tax Commissioner Gandhinagar)	11032991	11032991

Note 34
Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006.

(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management. This has been relied upon by the auditors.

Note 35 RELATED PARTY TRANSACTIONS

Names of the related party and nature of relationship where control exists:-

- I. Subsidiary Company Nil
- II. Associated Company/ Enterprise where common control exists. Nil
- III. Key management personnel
 - 1. Kamlesh J. Laskari
 - 2. Rohan K. Laskari
 - 3. Sohan K. Laskari
- IV. Relatives of Key management Personnel and their Enterprise.
 - 1. Kamlesh J. Laskari (HUF)
 - 2. Ranak K.laskari
 - 3. Jagdish D.Laskari (HUF)
- V Directors.

1. Kamlesh J. Laskari	2. Ranak K. Laskari
3. Dr.Mahendra P. Shah	4. Dr.S. L. Chopra
5 Mr.Devarshi D. Patel	6. Rohan K. Laskari
7. Sohan K. Laskari	

In accordance with accounting standard 18' related party Disclosures' issued by the institute of Chartered Accountants of India, the Company has complied the required information in the attached table. The following transactions were carried out with the related parties in the ordinary course of business.

(Rupees in Thousands)

Sr.No.	Nature of transactions	Associates	Key Mangt. Personnel	Relatives of KeyMangt. Personnel	Total
1.	Sale of finished goods	-	-	-	-
2.	Remuneration	-	2593	-	2593
3.	Sitting Fees to Directors	-	-	4	4
4.	Lease rent/Shed Rent Receipt	-	-	-	-
5.	Conversion Charges	-	-	-	-
6.	Deposits taken during the year	-	15341	-	15341
7.	Repayment of Deposits during the year	-	4260	45	4305
8.	Outstanding fixed deposit payable	-	50426	2077	52503
9.	Interest paid	-	-	-	-
10.	Rent Paid Office	-	-	-	-
	Total	-	72,620	2126	74,746

Notes :

There are no amounts written off or written back during the year in respect of debts due from or to related parties.

Note 36 VALUE OF IMPORTS AND VALUE OF RAW MATERIALS, STORES, SPARES AND PACKING MATERIALS CONSUMED

	<u>Year ended</u> <u>31st March, 2017</u>		<u>Year ended</u> <u>31st March, 2016</u>	
(a) CIF Value of Imports				
Raw materials	-	-	-	-
Stores, spares and packing materials	-	-	-	-
Capital goods	-	-	-	-
(b) Consumption of raw materials and stores, spares and packing materials				
	<u>Year ended 31st March, 2017</u>		<u>Year ended 31st March, 2016</u>	
	<u>Rupees</u> <u>in lakh</u>	<u>Percentage of</u> <u>consumption</u>	<u>Rupees</u> <u>in lakh</u>	<u>Percentage of</u> <u>consumption</u>
Raw materials and Packing Materials	-	-	-	-
Imported	-	-	-	-
Indigenous	35767432	100%	36699607	100%
Total	35767432		36699607	
Stores and spares				
Imported	-	-	-	-
Indigenous	255811	100%	188226	100%
Total	255811		188226	
	<u>Year ended</u> <u>31st March, 2017</u>		<u>Year ended</u> <u>31st March, 2016</u>	

Note 37 EXPENDITURE IN FOREIGN CURRENCY

(a) Travelling expenses	Nil	Nil
(b) Commission	Nil	Nil
(c) Legal and professional fees	Nil	Nil
(d) Others	168715	166675

Note 38 EARNINGS IN FOREIGN EXCHANGE

(a) FOB value of exports	9529353	11277521
(b) FOB value of carbon credits	Nil	Nil
(c) Contract Research Income	Nil	Nil

Notes 39 Details of specified bank Notes (SBN) held and transacted during the period from 8th November,2016 to 30th December,2016

Particulars	Amount in Rs.		
	SBNs	Other demonination notes	Total
Closing cash in hand as on 08.11.2016	25,55,000	6,99,210	32,54,210
(+) Permitted receipts	Nil	3,84,000	3,84,000
(-) Permitted Payments	36,500	1,72,320	2,08,820
(-) Amount deposited in banks	25,18,500	10,000	25,28,500
Closing cash in hand as on 30.12.2016	Nil	9,00,890	9,00,890

In terms of our report attached
For DEEPAK SONI & ASSOCIATES

Chartered Accountants
 Firm Reg. No. 102250W

Deepak Soni
 Proprietor
 M. No.: 31138
 Ahmedabad
 30th May, 2017

For & on behalf of Board,

Mr.Kamlesh J. Laskari
 Managing Director
 (Din: 00461198)

Mr.Rohan K.Laskari
 Executive Director
 (Din: 03382316)

Ahmedabad
 30th May, 2017

Dr.Mahendra P.Shah
 Chairman
 (Din:00461325)

Sohan K Laskari
 Executive Director/CFO
 (Din: (06637203)

KAMRON LABORATORIES LIMITED

[CIN: L24231GJ1988PLC010956]

Registered Office: 737, Rakanpur, Sola-Santej Road,
Tal. Kalol (N. G.) Dist. Gandhinagar, Gujarat-382 721

FORM MGT-11 PROXY FORM

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

Name of the member (s):	
Registered Address:	
Email Id:	
Folio No./ DPID-Client ID:	

I/We, being the member (s) of Shares of the above named Company, hereby appoint:

1. Name:.....
Address:.....
.....
Email Id: Signature: or failing him
2. Name:.....
Address:.....
.....
Email Id: Signature:

as my/ our proxy to attend and vote for me as me/us and on my/ our behalf at the 29th Annual General Meeting of the Company, to be held on Friday, the 29th September, 2017 at 11 a.m. at the Registered Office of the Company at, 737, Rakanpur, Sola-Santej Road, Tal. Kalol (N. G.) Dist. Gandhinagar, Gujarat-382 721, and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution	Optional	
		For	Against
Ordinary Business			
1	Ordinary Resolution for adoption of the Audited Financial Statements of the Company for the financial year ended 31 st March, 2017, the reports of the Board of Directors and Auditors thereon.		
2	Ordinary Resolution for Re-appointment of Ms. Ranak K. Laskari (DIN –00461265), liable to retire by rotation and being eligible, offers herself for re-appointment.		
3	Ordinary Resolution for appointment of Statutory Auditors of the Company.		
Special Business			
4	Special Resolution for obtaining consent for re-classification of shareholding of Promoters Group under Regulation 31A and other relevant provisions of the SEBI (LODR) Regulations, 2015		
5	Special Resolution for re-appointment of Mr. Kamlesh J. Laskari as the Managing Director of the Company for a period of three years		
6	Special Resolution under Section 94 of the Companies Act, 2013 for authority to Link Intime India Private Limited (RTA) for maintaining Register of Members together with the Index of members of the Company and copies of Annual Returns.		

Signed this day of 2017

Signature of Shareholder

Signature of Proxy Holder (1).....(2).....

Affix Revenue Stamp here

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.

Route Map for Annual General Meeting



KAMRON LABORAOTIES LIMITED

[CIN: L24231GJ1988PLC010956]

Registered Office: 737, Rakanpur, Sola-Santej Road,
Tal. Kalol (N. G.) Dist. Gandhinagar, Gujarat-382 721

FORM MGT-12 ATTENDANCE FORM / BALLOT FORM

(TO BE USED BY SHAREHOLDERS PERSONALLY PRESENT/THROUGH PROXY AT THE MEETING AND HAVE NOT OBTAINED FOR E-VOTING)

1	Name and address of the Sole/ First named Shareholder	
2	Name(s) of the Joint Holder(s) (if any)	
3	Registered Folio No./ DPID-Client ID	
4	Number of Shares(s) held	
5	I/We hereby exercise my/our attendance/ vote(s) in respect of the resolutions set out in the Notice of 29 th Annual General Meeting (AGM) of the Company to be held on Friday, 29 th September, 2017, by sending my/our assent or dissent to the said Resolutions by placing the tick (✓) mark at the appropriate box below:	

Resolution No.	Resolutions	No. of Shares	(FOR) I/We assent to the resolution	(AGAINST) I/We dissent the resolution
Ordinary Business				
1	Ordinary Resolution for adoption of the Audited Financial Statements of the Company for the financial year ended 31 st March, 2017, the reports of the Board of Directors and Auditors thereon.			
2	Ordinary Resolution for re-Appointment of Ms. Ranak K. Laskari (DIN –00461265), liable to retire by rotation and being eligible, offers herself for re-appointment.			
3	Ordinary Resolution for appointment of Statutory Auditors of the Company.			
Special Business				
4	Special Resolution for obtaining consent for re-classification of shareholding of Promoters Group under Regulation 31A and other relevant provisions of the SEBI (LODR) Regulations, 2015			
5	Special Resolution for re-appointment of Mr. Kamlesh J. Laskari as the Managing Director of the Company for a period of three years			
6	Special Resolution under Section 94 of the Companies Act, 2013 for authority to Link Intime India Private Limited (RTA) for maintaining Register of Members together with the Index of members of the Company and copies of Annual Returns.			

Place :

Date :

(Signature of the Shareholder/Proxy)

Note: This Form is to be used for exercising attendance/ voting at the time of 29th Annual General Meeting to be held on Friday, the 29th September, 2017 by shareholders/proxy. Duly filled in and signed ballot form should be dropped in the Ballot box kept at the venue of AGM.

**BOOK-POST
PRINTED MATTER**

To,

If undelivered, please return to :

KAMRON LABORATORIES LIMITED

Regd. Office : 737, Rakanpur Village, Sola-Santej Road,
Ta. Kalol (N.G.),
Dist. Gandhinagar - 382 721.