






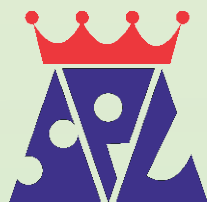


Samrat Pharmachem Limited

Manufacturers, Importers & Exporters of Pharmaceutical Chemicals

Form A (Pursuant to Clause 31(a) of the Listing Agreement)

No.	Particulars	Details
1	Name of the Company	Samrat Pharmachem Limited
2	Annual standalone financial statements for the year ended	31st March, 2016
3	Type of Audit Observation	Nil
4	Frequency of Observation	-
5	To be Signed by: <ul style="list-style-type: none">• Managing Director• CFO• Audit Committee Chairman• Auditors of the Company	<p>Mr. Lalit Mehta </p> <p>Mr. Rajesh Mehta </p> <p>Mr. Mahendra Pipalia </p> <p>Refer our Audit Report dated 30th May, 2016 On the Standalone financial statements of the Company For Shah, Shah & Shah Chartered Accountants (Firm Registration no. 116457W)</p> <p> Mehul Shah (Partner) Membership No. 049361</p> <p>Mumbai, 10-Aug-2016</p> 



Samrat Pharmachem Limited

24th Annual Report
2015-2016

Board of Directors



Sitting (L To R) : Mr. Rajesh Mehta, Mr. Lalit Mehta, Mr. Megh Mehta
Standing (L To R) : Mr. Mahendra Pipalia, Ms. Renu Dharod, Mr. Samir Kothary

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BOARD OF DIRECTORS

Mr. Lalit Mehta	Chairman & Managing Director
Mr. Rajesh Mehta	Executive Director
Mr. Megh Mehta	Executive Director
Mr. Mahendra Pipalia	Director
Mr. Samir Kothary	Director
Ms. Renu Dharod	Director

REGISTERED OFFICE & FACTORY

Plot No. A2/3445, GIDC, Phase 4, Ankleshwar - 393 002, Gujarat

CORPORATE OFFICE

701/702, Business Square, M. A. Road, Andheri (West), Mumbai - 400058

STATUTORY AUDITORS

Shah, Shah & Shah

Chartered Accountants

502, Damji Shamji Trade Centre, Vidyavihar (West), Mumbai – 400086

PRINCIPAL BANKER

ICICI Bank Ltd.

Sagar Avenue, S. V. Road, Andheri (West), Mumbai – 400 058

CO-BANKERS

HDFC Bank Ltd.

Jamuna Apts, S. V. Road, Andheri (West), Mumbai - 400 058

State Bank of India

Rahul Apartments, S. V. Road, Andheri (West), Mumbai - 400 058

UCO Bank

FCC Branch, D. N. Road, Fort, Mumbai - 400 001

REGISTRARS & SHARE TRANSFER AGENTS

Link Intime India Pvt Ltd.

C/13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (West), Mumbai - 400 078

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the **TWENTY-FOURTH** ANNUAL GENERAL MEETING of the Members of the Company will be held on Saturday, the 24th September, 2016 at 1.00 p.m. at the Registered Office of the Company at Plot No. A2/3445, GIDC, Phase 4, Ankleshwar - 393 002, Gujarat to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31 March 2016 and the Profit and Loss Account of the company for the year ended as on that date, together with Directors' and Auditors' Reports thereon.
2. To appoint a Director in place of Mr. Rajesh Mehta (DIN 00216731), who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint M/s. Shah, Shah & Shah, Chartered Accountants (Firm Registration No. 116457W; Membership No. 049361), as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting to be held after this meeting, and to fix their remuneration for the financial year ending 31st March, 2017.

SPECIAL BUSINESS**4. Appointment of Mr. Megh Mehta as a Director retiring by rotation of the Company**

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

"RESOLVED that Mr. Megh Mehta (DIN 07287394) who was appointed by the Board of Directors as an Additional Director of the Company with effect from October 1, 2015 to hold office upto the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 ("Act") and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing her candidature for the office of Director of the Company, be and is hereby appointed a Director of the Company."

5. Appointment of Mr. Megh Mehta as an Executive Director of the Company

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

"RESOLVED that pursuant to the provisions of Sections 196, 197 and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), as amended or re-enacted from time to time, read with Schedule V to the Act, the Company hereby approves the appointment and terms of remuneration of Mr. Megh Mehta (DIN 07287394) as an Executive Director of the Company for a period of 1.5 years with effect from October 1, 2015 upon the terms and conditions set out in the Explanatory Statement annexed to the Notice convening this Annual General Meeting, (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of her appointment), with authority to the Board of Directors to alter and vary the terms and conditions of the said appointment in such manner as may be agreed to between the Board of Directors and Mr. Megh Mehta."

"RESOLVED FURTHER that the Board or a Committee thereof be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this resolution."

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY SO APPOINTED NEED NOT BE A MEMBER OR MEMBERS, AS THE CASE MAY BE, OF THE COMPANY.
2. Proxy, if any, in order to be effective, must be received at the Registered Office of the Company at Plot No. A2/3445, GIDC, Phase 4, Ankleshwar - 393 002, Gujarat, not less than 48 hours before the commencement of the meeting. Proxies shall not have any right to speak at the meeting.
3. An explanatory statement as required U/s. 102 of the Companies Act, 2013, is annexed to the notice in respect of Item No. 4 & 5 of agenda of notice.
4. The Register of Members and the Share Transfer Books of the Company will remain closed for a period of 15 days from Saturday, 10th September, 2016 to Saturday, 24th September, 2016 (both days inclusive).
5. Members are requested to kindly notify to the Registrar and Transfer Agent of the company M/s. Link Intime India Pvt. Ltd. (Kind Attn: Ms. Tanushree Rauth), C/13 Pannalal Silk Mills Compound, LBS Marg, Bhandup (West), Mumbai - 400 078, immediately of any change in their addresses.
6. Information pursuant to Clause 49 of the Listing Agreement for re-appointment of Directors.

Name of the Director	Date of Birth	Date of Appointment	Qualification	Expertise in specific functional areas	No. of shares held in the company	Directorship in Other companies in India	Chairman/ Member of other committees of other companies
Mr. Rajesh Mehta	25/6/1964	6/16/1992	B.Com, CA	Finance	379,542	Nil	No
Mr. Megh Mehta	1/8/1992	10/1/2015	M.Com, PGPM	Marketing	5,333	Nil	No

7. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers etc., to their Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agents, M/s Link Intime India Pvt. Ltd. to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to M/s. Link Intime India Pvt. Ltd.
8. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or Registrar and Transfer Agent of the company M/s. Link Intime India Pvt. Ltd. for assistance in this regard.
9. Members holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or M/s., the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be returned to such Members after making requisite changes thereon.
10. In case of joint holders attending the Meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
11. Members are requested to quote their Folio / DP Id No. in all their correspondence.
12. Members desirous of having any information regarding Accounts, are requested to write to the Company at least 7 days in advance of the date of Annual General Meeting so as to enable the Management to keep the information ready at the meeting.
13. The Notice of the AGM along with the 24th Annual Report (2015-16) is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories, unless any Member has requested for a physical copy of the same. For members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode. Members may note that this Notice and the Annual Report 2015-16 will also be available on the Company's website viz. www.samratpharmachem.com

14. Members are requested to bring their copies of the Annual Report to the Meeting.
15. Members/ proxies are requested to bring with them the duly filled in attendance slip for attending the meeting.
16. To support the 'Green Initiative', members who have not registered their e-mail addresses are requested to register the same with M/s. Link Intime India Pvt. Ltd. / Depositories.
17. In accordance with the applicable provisions of the Listing Agreement and Companies Act, 2013, read with Companies (Management and Administration) Rules, 2014 (the Rules), the Company is pleased to provide facility to its members, to cast their vote electronically for all the resolutions proposed at the 24th Annual General Meeting of the Company. The Company has appointed Central Depository Services (India) Ltd. (CDSL) to provide remote e-voting facility to its members.
18. Mr. Aqueel A Mulla of M/s A. A. Mulla & Associates, Practicing Company Secretary (Membership No. FCS 2973), has been appointed as the Scrutinizer to scrutinize the remote e-voting process (including the Ballot Form received from the Members who do not have access to the remote e-voting process) in a fair and transparent manner.
19. A Member can opt for only one mode of voting i.e. either through remote e-voting or by Ballot. If a Member casts votes by both modes, then voting done through remote e-voting shall prevail and Ballot shall be treated as invalid.
20. Members who do not have access to remote e-voting facility may send duly completed Ballot Form (enclosed with the Annual Report) so as to reach the Scrutinizer appointed by the Board of Directors of the Company, Mr. A. A. Mulla, Practicing Company Secretary, (Membership No. FCS 2973), at the Registered Office of the Company not later than Friday, September 23, 2016 (6.00 p.m. IST).

A. The Procedure and Instructions for remote e-voting are as under:

The shareholders should log on to remote e-voting website

- (i) www.evotingindia.com
- (ii) Click on Shareholders
- (iii) Now enter your User Id
 - a. For CDSL: 16 digits beneficiary ID
 - For NSDL: 8 character DP ID followed by 8 digits
 - b. Client ID
 - Members holding shares in Physical Form should enter Folio Number registered with the
 - c. Company
- Next enter the Image Verification as displayed and Click on
- (iv) 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 a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.

* Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Attendance Slip. Any person who becomes a member of the company after dispatch of the Notice and holds shares of the Company as on the cut-off date i.e. Saturday, September 17, 2016 and whose PAN is not registered with the Company may obtain the sequence number detail by writing to the Company at samrat@bom4.vsnl.net.in or contact the Compliance Officer.

Please enter any one of the details relating to DOB or Dividend Bank Details in order to login. In case both the details are not recorded with the depository or company, please enter the number of shares held by you as on the cut-off date in the dividend details field

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

- (viii) 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 the 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 remote 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.
 - (ix) For Members holding shares in physical form, the details can be used only for remote e-voting on the resolutions contained in this Notice.
 - (x) Click on the EVSN for **Samrat Pharmachem Limited** to vote.
 - (xi) 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.
 - (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
 - (xiii) 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.
 - (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
 - (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the voting page.
 - (xvi) If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
 - (xvii) Note for Non-Individual Shareholders and Custodians
 - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - They should also submit a scanned copy of the Registration Form bearing the stamp and sign of the entity 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 accounts they would be able to cast their vote.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same and send the scan copy of the Board resolution/ POA to scrutinizer@samratpharmachem.com
 - (xviii) In case you have any queries or issues regarding remote e-voting, you may refer the Frequently Asked Questions ("FAQs") and remote e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.
 - (xix) Any person having any grievances in connection to remote e-voting may write to Mr. Rajesh Mehta, (Compliance Officer of the company) at the Corporate Office of the company at 701/702, Business Square, M. A. Road, Andheri (West), Mumbai - 400 058., Email: samrat@bom4.vsnl.net.in; Tel: 022-26701050/1/2; Fax: 022-26701053
- B. In case a Member receives physical copy of the Notice of the AGM (for Members whose email addresses are not registered with the Company/Depositories):
- i. Initial password is provided in the enclosed ballot form: EVEN (e-voting Event Number), user ID and password.
 - ii. Please follow all steps from Sl. No. (i) to Sl. No. (xv) above, to cast vote.

C. Other instructions:

- i. The remote e-voting period commences on Wednesday, September 21, 2016 (9.00 a.m. IST) and ends on Friday, September 23, 2016 (6.00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or dematerialized form, as on Saturday, September 17, 2016, i.e. cut-off date, may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the Member, he / she shall not be allowed to change it subsequently.

- ii. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on cut-off date i.e. September 17, 2016.
- iii. The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the voting, would 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 the employment of the Company and make a consolidated Scrutinizer's Report of the total votes cast in favor or against, if any, to the Chairman of the Company who shall countersign the same.
- iv. Members have the option to request for physical copy of the Ballot Form by sending an e-mail to samrat@bom4.vsnl.net.in by mentioning their Folio/ DP ID and Client ID No. However, the duly completed Ballot Form should reach the Registered Office of the Company not later than Friday, September 23, 2016 (6.00 p.m. IST)
- v. Ballot Form received after this date will be treated as invalid.
- vi. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.samratpharmachem.com and on the website of CDSL www.evotingindia.com within two days of the passing of the resolutions at the 24th AGM of the Company on September 24, 2016 and shall be communicated to BSE Limited ("BSE"), where the shares of the Company are listed.

Place: Mumbai
Date : 30 May 2016

**By order of the Board of Directors
For Samrat Pharmachem Limited**

Lalit Mehta
Chairman & Managing Director
DIN: 00216681

Explanatory Statement

Pursuant to section 102 of the Companies Act

As required by Section 102 of the Companies Act, 2013 (Act), the following explanatory statements set out all material facts relating to the business mentioned under Item Nos. 4 & 5 of the accompanying Notice:

Item No. 4. & 5.

The Board appointed Mr. Megh Mehta, as Additional Director with effect from October 1, 2015. The Board has also appointed him as an Executive Director (ED) effective the same date, for a period of 1.5 years, subject to the approval of the Members.

As per the provisions of Section 161(1) of the Act, he holds office of Additional Director only up to the date of the forthcoming Annual General Meeting of the Company, and is eligible for appointment as a Director. The Company has received a notice under Section 160 of the Act proposing his candidature for the office of Director of the Company, along with the requisite deposit.

Profile of Mr. Megh Mehta is given below:

Mr. Megh Mehta holds a post graduate degree from University of Mumbai. He also holds a PGPM in Marketing.

The main terms and conditions of appointment of Mr. Megh Mehta (hereinafter referred to as an "Executive Director") are given below:

A. Tenure of Appointment:

The appointment of the Executive Director is for a period of 1.5 years with effect from October 1, 2015.

B. Nature of Duties:

The Executive Director shall devote his whole time and attention to the business of the Company and shall perform such duties as may be entrusted to him by the Board from time to time and separately communicated to him and exercise such powers as may be assigned to him, subject to the superintendence, control and directions of the Board in connection with and in the best interests of the business of the company, including performing duties as assigned to the Executive Director from time to time.

C. Remuneration:

- | | | |
|-------------------------|---|---|
| (i) Salary | : | Salary of Mr. Megh Rajesh Mehta, Executive Director shall be Rs. 35,000 p.m. |
| (ii) Perquisites | : | Perquisites shall be restricted to an amount equal to annual salary. The perquisites payable to the Executive Director is categorized as under. |

The Company shall provide a car with driver and telephone facility at the residence of the Executive Director. Provision of a car for use on the Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of the car for private purposes shall be billed by the Company to the Executive Director.

D. Minimum Remuneration:

Where in any financial year, the Company has no profits or its profits are inadequate, the remuneration payable will be in accordance with the provisions of Section II of Part II of Schedule V to the Companies Act, 2013, as may be amended from time to time.

In the event of any increase in the limits of the emoluments, benefits and perquisites payable in accordance with the laws, policies, rules, regulations or guidelines in force from time to time, the Company may, in its discretion, increase the remuneration payable to him, subject to obtaining such approvals as may be required.

E. Other Terms:

- (a) He shall not become interested or otherwise be concerned directly or through his spouse and/or minor children in any selling agency of the Company without the prior approval of the Central Government.
- (b) He shall be entitled to re-imbursement of all actual travelling, lodging & boarding expenses and entertainment expenses reasonably incurred in connection with the business of the Company.
- (c) He shall be entitled to 30 days fully paid leave for every 11 months completed service.
- (d) He shall observe secrecy with regard to information acquired by him in the course of his appointment and shall not use the same for his own purpose either during the currency of this agreement or thereafter.
- (e) Either party to the agreement shall give a month notice in writing to terminate this agreement.
- (f) The terms and conditions of appointment of the Executive Director also include clauses pertaining to adherence with the company's Code of Conduct, non-solicitation and maintenance of confidentiality.

The Board commends the Resolution at Item No. 4 & 5 for approval by the Members.

Besides Mr. Megh Mehta; Mr. Lalit Mehta & Mr. Rajesh Mehta being relatives of Mr. Megh Mehta are concerned and interested in the resolutions at Item No.4 and 5 of the Notice relating to his appointment.

**By order of the Board of Directors
For Samrat Pharmachem Limited**

**Place : Mumbai
Date : 30 May 2016**

**Lalit Mehta
Chairman & Managing Director
DIN : 00216681**

DIRECTORS' REPORT

To,
The Members
 Samrat Pharmachem Limited

The Directors are pleased to present the Twenty-Fourth Annual Report on the business and operations of the company and the financial accounts for the year ended 31 March 2016

FINANCIAL PERFORMANCE

<i>Particulars</i>	31 March 2016 Rs.	31 March 2015 Rs.
<i>Turnover</i>	618,551,697	473,944,268
<i>Profit before tax (PBT)</i>	4,487,188	4,790,643
<i>Provision for tax</i>	-1,488,304	-950,011
<i>Other tax adjustments</i>	-12,000	-121,813
<i>Net Deferred Tax Liability for current year</i>	26,274	-558,880
<i>Profit after tax (PAT)</i>	3,013,158	3,159,939
<u><i>Profit & Loss account</i></u>		
<i>Opening Balance</i>	103,650,793	100,490,854
<i>Profit of the current year after tax</i>	3,013,158	3,159,939
<i>Balance carried forward to Balance Sheet</i>	106,663,951	103,650,793

OPERATIONS

Your company has performed reasonably well during the year. In a highly competitive business environment, your Company achieved a turnover of Rs. 6185.51 Lakhs as against Rs. 4739.44 Lakhs achieved last year - an increase of around 30.51%. Production of 348.82 tons of pharmaceutical chemicals was achieved during the year.

DIVIDEND

In order to conserve the resources, your Directors do not recommend payment of Dividend for the financial year ended 31st March, 2016.

EXPORTS

During the year 2015-2016 your company's export division registered FOB sales of Rs. 1179.83 Lacs, up from Rs. 855.38 Lacs last year. Your Company has initiated several export promotion measures to increase exports. The products of your Company have been well accepted in the international market and the Company expects better export turnover in the coming years.

DEMATERIALISATION

The equity shares of the Company have been dematerialized by joining the depository's viz. National Securities Depository Limited (NSDL) & Central Depository Services (India) Limited (CDSL). The ISIN (International Securities Identification Number) No. allotted to the Company is INE103E01016.

LISTING OF SHARES

The Company's shares are listed on the Bombay Stock Exchange Ltd, Ahmedabad Stock Exchange Ltd and Vadodara Stock Exchange Ltd. It has paid the listing fees of all the exchanges for the period upto 31st March, 2017 from whom the payment notices were received. Your Company has not been delisted on any of these exchanges for non-payment of listing fees.

INSURANCE

The assets of the company have been adequately insured against all possible risks with ICICI Lombard General Insurance Co Ltd & United India Insurance Co. Ltd.

WEBSITE

Your company's website address is www.samratpharmachem.com. The performance of the Company is regularly updated and made available on this website. The website provides other vital information about the Company.

SAFETY, HEALTH & ENVIRONMENT (SHE) POLICY

As a responsible corporate citizen, the Company is fully aware of its responsibilities for protection of the environment and to provide its employees a safe and hazard free work place. The Company has adopted a Safety, Health & Environment Policy that applies to all employees and activities. The work culture encourages total involvement and commitment of the employees to the SHE Policy.

Some of the activities carried out during the year are as follows.

Safety:

- Providing necessary equipment and apparatus required for the safe operation of the manufacturing activities
- Observing the rules and regulations with regard to safety & precaution
- Consulting emergency control management team to monitor the safety of the plant
- Conducting regular safety audit
- Encouraging the workforce to use protective equipment's and maintain cleanliness
- Conducting seminars to impart knowledge to employees on safe operations
- Organizing safety week to create safety awareness

Health:

- Conducting medical health check-up for all the employees of the Company periodically
- Conducting lecture meetings for providing guidance and counseling on matters of health, diet and exercise
- Conducting seminars to impart knowledge on meditation, yoga and anti-stress therapy

Environment:

- Ensuring smooth functioning of the effluent treatment plant with respect to air, water and solid waste.
- Updating the ETP plant to make it more nature friendly
- Proper monitoring of the pollution levels in and around the plants
- Planting trees in and around the factory
- Complying with the prescribed norms of pollution control

PERSONNEL

As on 31st March 2016, the total numbers of employees on the payroll of the company were 29. Industrial relations with employees at various levels continue to be cordial.

DIRECTORS & KEY MANAGERIAL PERSONNEL

In pursuance to the provisions of the Companies Act, 2013, and Articles of Association of the company Mr. Rajesh Mehta, Director retires by rotation and being eligible has offered himself for re-appointment.

During the year Mr. Megh Mehta was appointed as an Additional Director effective from October 1, 2015 to hold office up to the date of next Annual General Meeting of the company. It is proposed to appoint him as a Director retiring by rotation.

The company has received declaration from all the independent directors confirming that they meet the criteria of independence as prescribed under section 149(6) of the Companies Act, 2013.

The company has devised a policy for the performance evaluation of independent directors, Board committees and other individual directors which include criteria for performance evaluation of non-executive directors and executive directors. The manner in which the evaluation is carried out has been explained in the Corporate Governance Report.

SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES

Your company has no subsidiaries, joint ventures or any associate companies during the year.

MEETING OF THE BOARD

During the year under review seven (7) Board Meetings were held. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013. For further details please refer to the Corporate Governance Report attached to this Annual Report.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee comprises of the 3 Directors namely, Mr. Samir Kothary (Chairman), and Mr. Mahendra Pipalia and Ms. Renu Dharod as other members of the committee.

This committee recommends and reviews the appointment and remuneration of Directors. It has adopted a policy which deals with the appointment and remuneration of directors and key managerial personnel. The adopted policy decides about the manner of selection of executive directors, key managerial personnel, and independent directors. The policy also decides about the criteria to be followed for recommending the remuneration of directors and key managerial personnel.

BOARD EVALUATION

The Board of Directors have carried out an annual evaluation of its own performance, Board Committees and individual directors pursuant to the provision of Act and the Corporate Governance requirement as prescribed by Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements), Regulations 2015 ("SEBI Listing Regulations"). The performance of Board was evaluated by the Board of Directors after seeking inputs from all directors on the basis of criteria such as Board Composition & Structure, Effectiveness of Board Process, Information and functioning, etc.

In separate meeting of Independent directors' performance of Non-Independent Directors, performance of the Board as whole and performance of Chairman was evaluated, taking into account the views of executive directors and non-executive directors.

POLICIES

We seek to promote and follow the highest level of ethical standards in all our business transactions guided by our value system. The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandated the formulation of certain policies for all listed companies. All our corporate governance policies are available on our website (www.samratpharmachem.com). These policies are reviewed periodically by the Board and updated based on need and new compliance requirement.

Policies adopted by the Company:

Name of the policy	Web link
Archival Policy	http://www.samratpharmachem.com/archival-policy/
Appointment of Independent Directors Policy	http://www.samratpharmachem.com/independent-director-terms-and-conditions-of-appointment/
Related Party Transactions & its Materiality Policy	http://www.samratpharmachem.com/policy-on-related-party-transactions-and-its-materiality/
Whistleblower Policy	http://www.samratpharmachem.com/whistleblower-policy/
Materiality of Events Policy	http://www.samratpharmachem.com/policies/materiality-of-events-policy/
Preservation of Documents Policy	http://www.samratpharmachem.com/policy-on-preservation-of-documents/
Insider Trading Policy	http://www.samratpharmachem.com/insider-trading-policy/
Privacy Policy	http://www.samratpharmachem.com/policies/privacy-policy/
Quality Policy	http://www.samratpharmachem.com/quality-policy-2/
SHE Policy	http://www.samratpharmachem.com/policies/she-policy/
Corporate Social Policy	http://www.samratpharmachem.com/policies/corporate-social-policy/

REMUNERATION RATIO OF THE DIRECTORS / KEY MANAGERIAL PERSONNEL (KMP) / EMPLOYEES

The information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

(` lakh)

Sr. No.	Name & Designation	Remuneration Paid FY 2015-16	Remuneration Paid FY 2014-15	Increase in remuneration from previous year	Ratio/Times per Median of employee remuneration
1	Mr. Lalit Mehta, CMD	1,500,000	1,500,000	0	11.63
2	Mr. Rajesh Mehta, ED	1,440,000	1,440,000	0	11.17
3	Mr. Megh Mehta, ED	210,000	0	210,000	3.26

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors report that: -

1. That the preparation of accounts for the Financial Year ended 31st March 2016, the applicable accounting standards read with requirements set out under Schedule III of the Act, have been followed along-with proper explanation relating to material departures;
2. That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the Financial Year and the Profit or Loss of the Company for the year on that date;
3. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. That the Directors' have prepared the accounts for the financial year ended 31st March 2016 on a going concern basis.
5. That the Directors have laid down internal financial control to be followed by the company and that such internal financial controls are adequate and are operating effectively; and
6. That the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such system are adequate and operating effectively

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors and external consultants and the reviews performed by the management and the relevant board committees, including the audit committee the board is of the opinion that the company's internal financial controls were adequate and effective during the financial year 2015-16.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

As required under regulation 34 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the Management Discussion and Analysis Report is enclosed as a part of this report.

CORPORATE GOVERNANCE & SHAREHOLDERS INFORMATION

Pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") the Company has executed fresh Listing Agreements with the Stock Exchanges. The Company is in compliance with the requirements stipulated under Clause 49 of the Listing Agreements and regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI Listing Regulations, as applicable, with regard to corporate governance. A report on Corporate Governance is included as a part of this Annual Report.

SEXUAL HARASSMENT OF WOMEN AT WORK PLACE

During the year under review, there were no cases reported pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

AUDIT COMMITTEE

The Audit committee comprises 3 Directors namely Mr. Mahendra Pipalia (Chairman), Mr. Samir Kothary (Member) & Ms. Renu Dharod (Member). All the recommendations made by the Audit Committee was accepted by the Board.

AUDITORS

M/s. Shah, Shah & Shah, Chartered Accountants, who are the Statutory Auditors of the Company, hold office till the conclusion of the forthcoming AGM and are eligible for re-appointment. Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules framed thereunder, it is proposed to appoint M/s. Shah, Shah & Shah as statutory auditors of the Company from the conclusion of the forthcoming AGM till the conclusion of the Twenty-Fifth AGM to be held in the year 2017, subject to ratification of their appointment at every AGM.

AUDITORS REPORT

The report of auditors is self-explanatory and do not require any further elucidation.

SECRETARIAL AUDITOR

Pursuant to provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the company has appointed M/s. A. A. Mulla & Associates a firm of company Secretaries in practice to undertake the Secretarial Audit of the Company for the financial year 2015-16. The Secretarial Audit Report submitted by the Secretarial Auditor is enclosed herewith as a part of this report and shown as Annexure I.

RELATED PARTY TRANSACTION / DISCLOSURE

There are no related party transactions made by the company during the year. AOC 2 report is attached to this report as Annexure II.

EXTRACT OF ANNUAL RETURN

As provided under Section 92(3) of the Act, the extract of annual report is given in the Annexure III in the prescribed Form MGT-9, which forms part of this report.

LOANS, GUARANTEES AND INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

PARTICULARS OF EMPLOYEES

Under the provision of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel), 1956 read with Companies (Particulars of Employees) Rules, 2014, the particulars of the employees as required to be mentioned in the Annual Report is not applicable to the company.

SHARES ISSUED UNDER EMPLOYEE STOCK OPTION SCHEME (ESOS)

No shares have been issued to the employees under Employee Stock Option Scheme (ESOS) during the year.

PUBLIC DEPOSITS

The Company has not invited and accepted deposits from the public during the financial year ended 31st March 2016.

DISCLOSURE OF PARTICULARS RELATING TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNING & OUTGO

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed pursuant to the provisions of Section 134 of the Act read with Rule 8 of the Companies (Accounts Rules), 2014, is given hereunder.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

Your Company continues to explore & implement measures that will help in conservation and saving of energy.

Measures taken & benefits derived are as follows:

- Hot water coming from steam traps is recycled & used as boiler feed water.
- Using economizer effectively to pre-heat boiler feed water.
- Timely & routine preventive maintenance of boiler.
- Improvement in unit operations leading to reduction in processing time in reactor, centrifuge, drier & other equipment's to minimize use of electricity.
- Hot water coming from steam traps is recycled & used as boiler feed water.

TECHNOLOGY ABSORPTION

The management has focused on productivity and quality improvement in order to optimize manufacturing costs. This has helped in achieving optimum manufacturing costs, improved quality of products and consequently enhanced customer satisfaction. The company uses indigenous technology.

FOREIGN EXCHANGE EARNINGS AND OUTGO

Foreign exchange earned	Rs. 117,983,540
F.O.B. Value of export of finished goods	
(Previous year Rs. 85,538,479)	

Foreign exchange used	Rs. 421,103,332
Import of raw materials	
(Previous year Rs. 315,936,028)	

ACKNOWLEDGEMENTS

The Directors wish to place on record their appreciation towards all associates including customers, suppliers, financial institutions, bankers, employees, consultants, shareholders and to all those who have extended their committed support to the progress of the Company.

**By order of the Board of Directors
For Samrat Pharmachem Limited**

Place : Mumbai
Date : 30 May 2016

Lalit Mehta
Chairman & Managing Director
DIN : 00216681

Annexure I**Form MR-3****Secretarial Audit Report**

For the year ended March 31, 2016

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

To,
The Members,
Samrat Pharmachem Limited

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

Based on my verification of the Samrat Pharmachem Limited'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 and as per the explanation given to me and the representations made by the Management, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2016 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records made available to me and maintained by M/s. Samrat Pharmachem Limited for the financial year ended on 31st March, 2016, according to the applicable provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under, as applicable;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.
- v. The following Regulation and Guidelines prescribed under The Securities and Exchange Board of India Act, 1992 ('SEBI Act') :
 - a. The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 effective from 1st December, 2015
 - b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and takeovers) Regulation, 2011
 - c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and 2015
 - d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2009:
Not applicable to the company during the audit period
 - e. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999:
Not applicable to the company during the audit period
 - f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008:
Not applicable to the company during the audit period
 - g. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.
 - h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009:
Not applicable to the company during the audit period

vi. Other laws applicable to the Company are as under:

- i. The Factories Act, 1948
- ii. Environment Protection Act, 1986
- iii. Water (Prevention & Control of Pollution) Act 1974 and rules thereunder
- iv. Air (Prevention & Control of Pollution) Act 1974 and rules there under
- v. Hazardous Wastes (Management & Handling) Rules 1989 and Amendment Rules, 2003
- vi. The Petroleum Act, 2002
- vii. The Indian Boiler Act, 1973
- viii. Manufacture, storage and Import of Hazardous Chemicals Rules, 1989
- ix. The Payment of Wages Act, 1936
- x. Employees Provident Fund Miscellaneous Provisions Act, 1952

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

- i. Secretarial Standards issued by the Institute of Company Secretaries of India.
- ii. The Listing Agreements entered into by the Company with Stock Exchange(s) and SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015

During the period under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards etc. as mentioned above **except that company has not appointed Key Managerial Personnel (Company Secretary) as required under Section 203 of the Companies Act 2013 and rules made thereunder.**

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-executive Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all Directors at least seven days in advance to schedule the Board Meetings. Agenda and detailed notes on agenda were sent 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.

Decisions at the Board Meetings, as represented by the management, were taken unanimously.

I further report that as per the explanations given to me and the representations made by the Management and relied upon by me 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.

**For A.A. Mulla & Associates
Company Secretaries**

**Place : Mumbai
Date : 30 May 2016**

**Aqueel A. Mulla
Proprietor
FCS NO. 2973
C.P. No.3237**

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

'Annexure A'

To,
**The Members,
Samrat Pharmachem Limited**

My 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. My responsibility is to express an opinion on these secretarial records based on my audit.
- 2 I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. I believe that the process and practices I followed provide a reasonable basis for my opinion.
- 3 I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- 4 Where ever required, I have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
- 5 The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My 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 A.A. Mulla & Associates
Company Secretaries**

**Place : Mumbai
Date : 30 May 2016**

**Aqueel A. Mulla
Proprietor
FCS NO. 2973
C.P. No.3237**

Annexure II**AOC 2**

[Pursuant to Clause (h) of sub-section 3 of Section 134 of the Companies Act, 2013 and rule 8(2) of the Companies (Accounts) Rules, 2014.]

Form for disclosure of particulars of contracts / arrangements entered into by the company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013, including certain arm's length transactions under third proviso thereto.

Details of contracts or arrangements or transactions not at arm's length basis.

There were no contracts or arrangements or transaction entered into during the year.

Details of contracts or arrangements or transactions at arm's length basis.

No material transactions.

(a.) Name(s) of the related party and nature of relationship	(b.) Nature of contracts / arrangements / transactions	(c.) Duration of the contracts / arrangements / transactions	(d.) Salient terms of the contracts / arrangements / transactions, including the value, if any.	(e.) Date(s) of approval by the Board, if any.	(f.) Amount paid as advances, if any.
Nil	Nil	Nil	Nil	Nil	Nil

Annexure III

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
as on financial year ended on March 31, 2016

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

I REGISTRATION AND OTHER DETAILS

- i. CIN : L24230GJ1992PLC017820
- ii. Registration Date : June 16, 1992
- iii. Name of the Company : Samrat Pharmachem Limited
- iv. Category / Sub-Category of the Company : Public Company / Limited by shares
- v. Address of the Registered Office and contact details : Plot No. A2/3445,
GIDC, Phase 4,
Ankleshwar - 393 002,
Gujarat, India.
Tel # 02646-220774
Fax # 02646-251291
Email # samrat@bom4.vsnl.net.in
Website # www.samratpharmachem.com
- vi. Whether listed company : Yes
- vii. Name, Address and Contact details of Registrar and Transfer Agent, if any : Link Intime India Pvt.. Ltd
C-13, Pannalal Silk Mills Compound,
L. B. S. Marg, Bhandup (West),
Mumbai - 400 078.
Tel # 91-22-25963838
Fax # 91-22-25946969
Email # tanushree.rauth@linkintime.co.in
Website # www.linkintime.co.in

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated

Sr. No.	Name and Description of main products/ services	NIC Code of the product / service	% to total turnover of the company
1	Pharmaceuticals	210	100%

III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN / GLN	Holding/ Subsidiary/Associate	% of shares held	Applicable Section
1	Nil	-	-	-	-

ii. Shareholding of Promoters

C.	Shareholder's Name	Shareholding at the beginning of the year 01.04.2015			Shareholding at the end of the year 31.03.2016			
		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	% change in shareholding during the year
1	Lalit Damodar Mehta	423,176	13.70	0.00	423,376	13.70	0.00	0.01
2	Rajesh Lalit Mehta	379,542	12.28	0.00	379,542	12.28	0.00	0.00
3	Premal Lalit Mehta	174,281	5.64	0.00	174,281	5.64	0.00	0.00
4	Kaushal Lalit Mehta	150,586	4.87	0.00	150,586	4.87	0.00	0.00
5	Jaya Lalit Mehta	119,300	3.86	0.00	119,300	3.86	0.00	0.00
6	Rupal Rajesh Mehta	73,300	2.37	0.00	73,300	2.37	0.00	0.00
7	Kalpana Premal Mehta	69,300	2.24	0.00	69,300	2.24	0.00	0.00
8	Falguni Kaushal Mehta	66,400	2.15	0.00	66,400	2.15	0.00	0.00
9	Megh Rajesh Mehta	100	0.00	0.00	5,333	0.17	0.00	0.17
Total		1,455,985	47.12	0.00	1,461,418	47.30	0.00	0.18

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

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	1,455,985	47.12	1,461,418	47.30
2	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	*			
	1. Lalit Damodar Mehta	423,176	13.70	423,376	13.70
	2. Rajesh Lalit Mehta	379,542	12.28	379,542	12.28
	3. Premal Lalit Mehta	174,281	5.64	174,281	5.64
	4. Kaushal Lalit Mehta	150,586	4.87	150,586	4.87
	5. Jaya Lalit Mehta	119,300	3.86	119,300	3.86
	6. Rupal Rajesh Mehta	73,300	2.37	73,300	2.37
	7. Kalpana Premal Mehta	69,300	2.24	69,300	2.24
	8. Falguni Kaushal Mehta	66,400	2.15	66,400	2.15
	9. Megh Rajesh Mehta	100	0.00	5,333	0.17
3	At the end of the year	1,455,985	47.12	1,461,418	47.30

* Due to multiplicity of trades the date wise purchase & sales data is not given.

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

Sr. No.	Top 10 Shareholders*	Shareholding at the beginning of the year 01-04-2015		Cumulative Shareholding at the end of the year 31-03-2016	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mala R Bhavnani	160,701	5.20	160,701	5.20
2	Llyods Securities Overseas Limited	100,000	3.24	100,000	3.24
3	Celestial Tradechem Private Ltd.	-	-	72,486	2.35
4	Sangeeta S	53,890	1.74	52,090	1.69
5	Savitha S	50,200	1.62	50,200	1.62
6	Sathya S	45,700	1.48	45,700	1.48
7	Prakash Bhoorchand Shah	25,000	0.81	40,000	1.29
8	Eugene Napoleon Jacob	26,000	0.84	26,000	0.84
9	Bacil Pharma	21,367	0.69	21,367	0.69
10	Kishor Dhirajlal Sheth	18,750	0.61	18,750	0.61

* The shares of the company are traded on a daily basis and hence the date wise increase / decrease in shareholding is not indicated.

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

Sr. No.	Folio/Beneficiary Account No.	Name of the Shareholder	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
					No of Shares	% of total shares of the company	No of Shares	% of total shares of the company
1	IN30267932162257	Lalit Damodar Mehta	1/Apr/2015	At the beginning of the year	423,176	13.70		
			31/Mar/2016	At the end of the year			423,376	13.70
2	IN30267932162257	Rajesh Lalit Mehta	1/Apr/2015	At the beginning of the year	379,542	12.28		
			31/Mar/2016	At the end of the year			379,542	12.28
3	1601430100025610	Megh Rajesh Mehta	1/Apr/2015	At the beginning of the year	0	0.00		
			31/Mar/2016	At the end of the year			5,333	0.17
				Total:	802,718	25.98	802,918	25.99
Key Managerial Personnel - Nil								

V. INDEBTEDNESS

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

	Secured Loans excluding deposits ¹	Unsecured Loans ²	Deposits ³	Total indebtedness
Indebtedness at the beginning of the financial year				
i. Principal Amount	28,621,898	0	0	28,621,898
ii. Interest due but not paid	0			0
iii. Interest accrued but not due	0			0
Total (i+ii+iii)	28,621,898	0	0	28,621,898
Change in indebtedness during the financial year				
• Addition	2,373,125	0	0	2,373,125
• Reduction	0	0	0	0
Net Change	2,373,125	0	0	2,373,125
Indebtedness at the end of the financial year				
i. Principal Amount	52,353,024	0	0	52,353,024
ii. Interest due but not paid	0			0
iii. Interest accrued but not due	0			0
Total (i+ii+iii)	52,353,024	0	0	52,353,024

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

(₹ lakh)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount
		Mr. Lalit Mehta Chairman & MD	Mr. Rajesh Mehta Executive Director	Mr. Megh Mehta Executive Director	
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	15.00	14.40	2.10	31.50
	(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	-	-	-	-
5	Others	-	-	-	-
	Total (A)	15.00	14.40	2.10	31.50
	Ceiling as per the Act @ 10% of the Profit calculated as per Section 198 of the Companies Act, 2013 ~				7.64

~ Due to inadequate profit, the remuneration paid to MD / WTD / ED is calculated as per Schedule V of the Companies Act, 2013.

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

(₹ lakh)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount
		Mr. Lalit Mehta Chairman & MD	Mr. Rajesh Mehta Executive Director	Mr. Megh Mehta Executive Director	
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	15.00	14.40	2.10	31.50
	(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	-	-	-	-
5	Others	-	-	-	-
	Total (A)	15.00	14.40	2.10	31.50
	Ceiling as per the Act @ 10% of the Profit calculated as per Section 198 of the Companies Act, 2013 ~				7.64

~ Due to inadequate profit, the remuneration paid to MD / WTD / ED is calculated as per Schedule V of the Companies Act, 2013.

B. Remuneration to other directors

(₹ lakh)

Sr. No.	Particulars of Remuneration	Fee for attending board/ committee meetings	Commission	Others, please	Total amount
1	Independent Directors				
	Mr. Mahendra Pipalia	0.38	-	-	0.38
	Mr. Samir Kothary	0.38	-	-	0.38
	Ms. Renu Dharod	0.38	-	-	0.38
	Total (1)	1.13	-	-	1.13
2	Other Non-Executive Directors	-	-	-	-
	Total (2)	-	-	-	-
	Total B=(1+2)	1.13	-	-	1.13
	Total Managerial Remuneration	1.13	-	-	1.13
	Ceiling as per the Act (@1% of Profit calculated u/s 198 of the Companies Act 2013) ***				

*** No Commission is paid to Non-executive Independent Directors.

C. Remuneration To Key Managerial Personnel Other Than MD / Manager / WTD

(₹ lakh)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil	Nil	Nil
	(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			
5	Others			
	Total (A)			

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties, punishment or compounding of offences during the year ended March 31, 2016.

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY STRUCTURE AND DEVELOPMENTS

Your Company is a producer of pharmaceutical chemicals. The intermediates produced are used in pharmaceutical and chemical industries. Your Company is amongst the manufacturers who produce for local and international needs of the pharmaceuticals and chemicals industry. The pharmaceutical and chemical industry is growing at a rapid pace every year. This results into growth of the support or intermediate industry like us.

OPPORTUNITIES AND THREATS

The company looks forward optimistically for all round growth in turnover & profitability in the ensuing years. Your company has taken effective steps to realize the dream performance in the years to come. The company intends to double its turnover in a short period of time. The company has taken effective measures to improve quality of products and its productivity to outwit competitor from domestic and international market.

The profit margin has come down drastically over the years and unless the quantitative volume of sales is increased it would be difficult to achieve the target of profitability set by the directors. The company should also plan to widen the product range by increasing the basket of products thereby enlarging the customer and sales base.

PRODUCT PERFORMANCE

The company has two plants producing varied items. The basic purpose of producing in two different plants is to improve efficiency and manageability. Your Company shall achieve sustainable growth in both plants by modernization and automation of operations. According to your Directors, these plants facilitate better division of labour, enable us to develop expertise in each plant and their respective items, and hence improve productivity and profitability of the Company.

OUTLOOK

By 2020 the pharmaceutical market is anticipated to be more than double to USD 1.3 trillion, with the E7 countries - Brazil, China, India, Indonesia, Mexico, Russia and Turkey - Accounting around for one fifth of the global pharmaceutical sales. Further, incidence of chronic conditions in the developing world will increasingly resemble the developed world.

RISKS AND CONCERNS

Currency Risk : The year 2015-16 saw some volatility on the currency exchange front. Imports constitute a major portion of our business activity. The company does selective hedging from time to time. However it is difficult to fully contain such adverse fluctuations, the management shall continue to take remedial steps to reduce its severity from time to time.

Competition Risk : We feel that the major business risks are the stiff competition due to low priced products from countries like China and also from domestic manufacturers for certain products. However the company is trying to expand its range of products to cater to different segment of customers and market in order to absorb fall in sales and margins.

Credit Risk : We have been able to reduce the irrecoverable amounts to a very negligible level, notwithstanding the inevitability of having some debts which are not recoverable. Due to strict monitoring and disciplined distribution channels, we do not foresee any material risk on this count.

Dead Stocks/Slow moving items/Rejections Risk : Sometimes the quality of finished product becomes bad or is rejected by a customer. The Company has taken every step in the raw material procurement stage, production stage, packing stage, testing stage and delivery stage to minimize the risk of rejection. If due to some unforeseen reasons the goods are rejected or are not as per our in-house standards, the company has made a system to reprocess all such failed material. Minimum cost is incurred to make them into acceptable standards again. Further the products that have irregular demand or are sold in lesser quantities round the year are manufactured as per customers order only. Thus the company is successful in handling dead stocks, slow moving items and rejections.

Fire, Theft & Explosion Risk : The Company has been quite conscious of the inherent risk in our business. A lot of measures to safeguard the fixed assets and stocks in the factory are taken. The management has been regularly updating the risk profile and take necessary corrective steps like educating workers, insisting workers to wear gum boots, gloves, eye goggles, helmets etc., installing firefighting equipment, putting sign boards, banning smoking in the premises, keeping hazardous materials in a safe and protected place etc. Apart from these measures, the company has also underwritten the various risks like fire, theft & burglary, earthquake, floods, riots, public liability, sale/purchase in transit etc. with ICICI Lombard General Insurance Co Ltd & United India Insurance Co. Ltd

INTERNAL CONTROL SYSTEM AND ITS ADEQUACY

The Company has instituted adequate internal controls, managed by professionals. The control mechanism duly supported by efficient integrated software ensures a proper documentation, accounting, reporting and safeguarding of assets. The Company has also well-defined and established system of internal audit, which is periodically reviewed by the audit committee and steps taken to strengthen the control measures. The management and audit committee of the Board periodically reviews the observations and findings of the statutory auditors and ensures adherence to the well laid down policies, guidelines and procedures forming part of the internal control system.

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

A satisfactory business performance with average volume growth in key products and business units, combined with productivity improvement, cost management and working capital management have contributed to the good operating results for the year. Also sharp focus on cost and margins has resulted in enhanced operational efficiency.

MATERIAL DEVELOPMENT IN HUMAN RESOURCES/INDUSTRIAL RELATIONS FRONTS

The industrial relations have been satisfactory in the Registered Office Cum Factory and at the Corporate Office. There was no loss of man-days during the year. A lot of initiatives have been undertaken by the Human Resource Department during the year. Apart from improvement in the system to align the compensation to the performance of the employees, steps are being taken by the management to provide training both in-house and at recognized institutes to enhance the effectiveness of the employees. Steps are also being taken to focus on managerial and behavioral competence across the organization. Information Technology has been a focused area for improving the operational efficiency and as a tool for decision-making.

CAUTIONARY STATEMENT

Statement in the report of Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning applicable securities laws or regulations. These statements are based on certain assumptions and expectations for future events. Actual results could differ materially from those of future events. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting global and domestic demand supply, finished goods prices in the domestic and overseas market in which the Company operates, raw materials cost and availability, changes in Government regulations, tax regimes, economic developments within India and other factors such as litigation and industrial relations. The Company assumes no responsibility to publicly amend, modify or revise and forward looking statements, on the basis of any subsequent development, information or events.

**By order of the Board of Directors
For Samrat Pharmachem Limited**

**Place : Mumbai
Date : 30 May 2016**

**Lalit Mehta
Chairman & Managing Director
DIN : 00216681**

CORPORATE GOVERNANCE REPORT

(As per Clause 49 of the Listing Agreement with the Stock Exchanges)

We at Samrat believe that for a Company to succeed it must maintain global standards of Corporate Conduct towards its customers, suppliers, employees, bankers, shareholders and the society at large. The Company believes that it is rewarding to be better managed and governed and to identify and align its activities with national interest. To that end we as a Company have always focused on Good Corporate Governance - which is a key driver of sustainable corporate growth and long term value & wealth creation.

Above all else, Corporate Governance must balance individual interest with Corporate Goals and operate within accepted norms of propriety, equity, fair play and a sense of justice. Achieving this balance depends upon how accountable and transparent companies are. Accountability improves decision-making and thereby builds stakeholders confidence.

Corporate Governance is not merely compliance - it is an ongoing measure of superior delivery of company's objects with a view to translate opportunities into reality. It involves leveraging its resources and aligning its activities to consumer need, shareholders benefit and employee growth, thereby delighting all its stakeholders while minimizing risks.

The Company is in compliance with the requirements stipulated under Clause 49 of the Listing Agreements and regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI Listing Regulations, as applicable, with regard to corporate governance.

COMPANY'S PHILOSOPHY

Samrat Pharmachem Limited is committed to the best practices in the area of Corporate Governance. The company believes that proper corporate governance facilitates effective management and control of business. This in turn, enables the company to maintain a high level of business ethics and to optimize the value of all its stakeholders. The objectives can be summarized as under:

- To enhance shareholders value.
- To protect interest of shareholders and other stakeholders including customers, suppliers, banks, employees and society at large.
- To ensure transparency and integrity in communication and to make available full, accurate and clear information to all concerned.
- To ensure accountability for performance and to achieve excellence at all levels.
- To provide corporate leadership of highest standards for other to follow.

Samrat Pharmachem Limited is committed to:

- Ensuring that the Board of Directors of the Company meet regularly, provide effective leadership, exercise control over management and monitor executive performance.
- Establishing a framework of strategic control and continuously reviewing its efficacy.
- Establishing clearly documented and transparent management processes for policy development, implementation and review, decision-making, monitoring, control and reporting.
- Providing free access to the Board to all relevant information, advices and resources as are necessary to enable it to carry out its role effectively.
- Ensuring that all employees are responsible for compliance issues with all applicable statutes, regulations, code of conduct, policies as laid down by the Board and report deviation or misconduct, if any, to the Board.

The concept of Corporate Governance hinges on the total transparency, integrity and accountability of the management team. Even before the code become mandatory, the Company has been following the Corporate Governance practices like striking out reasonable balance in the composition of Board of Directors and setting up business committees, adequate disclosure and business to be deliberated by the Board etc. Your Company is committed to follow good corporate governance practices and improve upon them year after year.

II. BOARD OF DIRECTORS

i. *Composition of the Board*

The composition of the board is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Act. As of March 31, 2016, the Company has six directors. Of the six Directors, three (i.e. 50%) are executive directors and 3 (i.e. 50%) are non-executive independent directors.

ii. *Independent Directors*

Independent directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act. The maximum tenure of the independent directors is in compliance with the Companies Act, 2013 ("Act"). All the Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act.

iii. *Directors' attendance record and Directorship held*

The names and categories of the directors on the board, their attendance at board meetings held during the year and the number of directorships and committee chairmanships / memberships held by them in other public companies as on March 31, 2016 are given herein below. Other directorships do not include directorships of private limited companies, Section 8 companies and of companies incorporated outside India. Chairmanships / memberships of board committees shall include only audit committee and stakeholders' relationship committee.

Name of the Director	Category	Number of Board meetings during the year 2015-16		Whether attended last AGM held on September 26, 2015	Number of directorships in other Public Companies		Number of committee positions held in other Public Companies	
		Held	Attended		Chairman	Member	Chairman	Member
Mr. Lalit Mehta (Chairman & MD) DIN 00216681	Non-Independent, Executive	7	7	Yes	-	-	-	-
Mr. Rajesh Mehta (CFO) DIN 00216731	Non-Independent, Executive	7	7	Yes	-	-	-	-
Mr. Megh Mehta* DIN 07287394	Non-Independent, Executive	7	4	N.A.	-	-	-	-
Mr. Mahendra Pipalia DIN 00216959	Independent, Non-Executive	7	5	Yes	-	-	-	-
Mr. Samir Kothary DIN 00216603	Independent, Non-Executive	7	5	Yes	-	-	-	-
Ms. Renu Dharod DIN 00216731	Independent, Non-Executive	7	5	Yes	-	-	-	-

* Appointed as an Additional Non-Independent, Executive Director w.e.f. October 1, 2015

None of the Directors is a member of more than 10 Board-level Committees, or a Chairman of more than 5 such committees, as required Under Clause 49 of the Listing Agreement.

iv. *Number of Board Meetings*

Seven (7) board meetings were held during the year and the maximum interval between 2 board meetings was not more than 4 calendar months. The dates on which the said meetings were held is as under :-

May 30, 2015; August 14, 2015; October 1, 2015; October 28, 2015; November 14, 2015; February 13, 2016 and March 31, 2016

The necessary quorum was present for all the meetings.

v. *Selection of Independent Directors*

The company has constituted Nomination and Remuneration Committee for appointment of independent directors on the Board of the company. The committee inter alia considers qualification, positive attributes, area of expertise and no. of directorship and membership held in various committees of other companies. The Board considers the committee's recommendation and take appropriate decision. Every independent Director at the first meeting of Board in which he / she participates as a Director and thereafter at every first meeting of the Board in every financial year gives a declaration that he meets with the criteria of independence as provided under law.

vi. *Independent Directors Meeting*

During the year a separate meeting of the independent directors was held inter-alia to review the performance of non-independent directors and the board as a whole.

vii. *Directors Induction and Familiarization program*

The Program aims to provide insights into the Company to enable the Independent Directors to understand its business in depth and contribute significantly to the Company. The provision of an appropriate induction program for new Directors and ongoing training for existing directors is a major contributor to the maintenance of high Corporate Governance standards of the Company. The Independent Directors, from time to time request management to provide detailed understanding of any specific project, activity or process of the Company. The management provides such information and training either at the meeting of Board of Directors or otherwise. The induction process is designed to:

- a. Familiarize with the nature of Business of the Company.
- b. Roles and Responsibilities.
- c. Nature of industry including competition/export potential.
- d. The business model and Corporate Plans [Long Term and Short Term] of the Company

viii. *Code of Conduct*

The company has in place a comprehensive Code of Conduct applicable to all the employees and on Executive Directors including Independent Directors. The code is applicable to Non- Executive Directors including Independent Directors to such an extent as may be applicable to them depending on their roles and responsibilities. The code gives guidance and support needed for ethical conduct of business and compliance of law. A copy of the Code has been posted on the website of the company www.samratpharmachem.com. The code is circulated to the Directors and management personnel and its compliance is affirmed by them annually.

ix. *Details of equity shares of the Company held by the Directors as on March 31, 2016 are given below:*

Name	Category	Number of equity shares
Mr. Lalit Mehta	Non-Independent, Executive	423,376
Mr. Rajesh Mehta	Non-Independent, Executive	379,542
Mr. Megh Mehta	Non-Independent, Executive	5,333

III. COMMITTEES OF THE BOARD**A Audit Committee**

- i. The audit committee of the Company is constituted in line with the provisions of Regulation 18 of SEBI Listing Regulations, read with Section 177 of the Act.
- ii. The audit committee performs the following functions:
 - Overseeing the company's financial reporting process and disclosure of financial information to ensure that the financial statement is correct, sufficient and credible;
 - Recommending the appointment of auditors of the Company, terms of appointment, fixation of audit fee and approval for payment of any other services;
 - Reviewing with the management, the annual financial statements and auditors' report thereon before submission to the board for approval, with particular reference to:
 - ⇒ Matters required to be included in the directors' responsibility statement to be included in the board's report in terms of clause (c) of sub-section 3 of section 134 of the Act
 - ⇒ Changes, if any, in accounting policies and practices and reasons for the same
 - ⇒ Major accounting entries involving estimates based on the exercise of judgment by management
 - ⇒ Significant adjustments made in the financial statements arising out of audit findings
 - ⇒ Compliance with listing and other legal requirements relating to financial statements
 - ⇒ Disclosure of any related party transactions
 - ⇒ Qualifications in the draft audit report
 - Reviewing with the management, the quarterly financial statements before submission to the board for approval;
 - Reviewing with the management and external and internal auditors, the adequacy of internal control system;
 - Reviewing the adequacy of internal audit system;
 - Discussing with internal auditors any significant finding and follow up on such issues;
 - Reviewing the findings of any internal investigation by internal auditors in matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and then reporting such matter to the Board;
 - Discussing with the statutory auditors before the audit commences on the nature and scope of audit as well as having post-audit discussion to ascertain any area of concerns;
 - Examining reasons for substantial default in the payment to depositors, bankers, shareholders (in case of non-payment of declared dividends) and creditors, if any;
 - Establish a vigil mechanism for directors and employees to report genuine concerns in such manner as may be prescribed;
 - To review the functioning of whistle blower mechanism
 - The audit committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the board and may also discuss any related issues with the internal and statutory auditors and the management of the Company;
 - Carrying out any other function as is mentioned in the terms of reference of the audit committee;
 - To mandatorily review the following information:
 - ⇒ Management discussion and analysis of financial condition and results of operations;
 - ⇒ Statement of significant related party transactions (as defined by the audit committee), submitted by management;
 - ⇒ Management letters / letters of internal control weaknesses issued by the statutory auditors;
 - ⇒ Internal audit reports relating to internal control weaknesses; and
 - ⇒ The appointment, removal and terms of remuneration of the chief internal auditor.
- iii. The previous annual general meeting (AGM) of the Company was held on September 26, 2015 and was attended by Mr. Mahendra Pipalia, Chairman of the audit committee.

iv. Composition of Audit Committee and details of meetings attended:

Name	Category	Number of meetings during the financial year 2015-16	
		Held	Attended
Mr. Mahendra Pipalia (Chairman)	Independent, Non-Executive	4	4
Mr. Samir Kothary (Member)	Independent, Non-Executive	4	4
Ms. Renu Dharod (Member)	Independent, Non-Executive	4	4

v. Four audit committee meetings were held during the year and the gap between two meetings did not exceed four months. The dates on which the said meetings were held are as follows:

May 30, 2015; August 14, 2015; November 14, 2015 and February 13, 2016

The necessary quorum was present for all the meetings.

B Nomination and Remuneration Committee

- i. The nomination and remuneration committee of the Company is constituted in line with the provisions of Regulation 19 of SEBI Listing Regulations, read with Section 178 of the Act.
- ii. The nomination and remuneration committee performs the following functions:
 - Recommend to the board the appointment or reappointment of directors.
 - Devise a policy on board diversity.
 - Carry out evaluation of every director's performance and support the board and independent directors in evaluation of the performance of the board, its committees and individual directors. This shall include "formulation of criteria for evaluation of independent directors and the board".
 - Recommend to the board the remuneration policy for directors, executive team or key managerial personnel as well as the rest of the employees.
 - On an annual basis, recommend to the board the remuneration payable to the directors and oversee the remuneration to executive team or key managerial personnel of the Company.
 - Oversee familiarization programs for directors.
 - Performing such other duties and responsibilities as may be consistent with the provisions of the committee charter.
- iii. Composition of Nomination and Remuneration Committee and details of meetings attended:

Name	Category	Number of meetings during the financial year 2015-16	
		Held	Attended
Mr. Samir Kothary (Chairman)	Independent, Non-Executive	4	4
Mr. Mahendra Pipalia (Member)	Independent, Non-Executive	4	4
Ms. Renu Dharod (Member)	Independent, Non-Executive	4	4

iv. During the year four meetings of the nomination and remuneration committee The dates on which the said meetings were held are as follows:

May 30, 2015; August 14, 2015; November 14, 2015 and February 13, 2016

v. The Company does not have any employee stock option scheme.

vi. **Remuneration to Directors: sitting fees, salary, perquisites and commissions**a. **Executive Directors**

(` lakh)

Name	Salary	Perquisites
Mr. Lalit Mehta	15.00	-
Mr. Rajesh Mehta	14.40	-
Mr. Megh Mehta (w.e.f. October 1, 2016)	2.10	-

b. **Independent Non-Executive Directors**

(₹ lakh)

Name	Commission	Sitting Fees
Mr. Mahendra Pipalia	-	0.38
Mr. Samir Kothary	-	0.38
Ms. Renu Dharod	-	0.38

C Stakeholders' relationship committee

- i. The Company had a shareholders / investors grievance committee of directors to look into the redressal of complaints of investors such as transfer or credit of shares, non-receipt of dividend / notices / annual reports, etc. The nomenclature of the said committee was changed to stakeholders' relationship committee in the light of provisions of the Act and revised clause 49 of the Listing Agreement.
- ii. Four (4) meetings of the stakeholders' relationship committee was held during the year on March 31, 2016.

iii. Composition of Stakeholders' Relationship Committee and details of meetings attended:

Name	Category	Number of meetings during the financial year 2015-16	
		Held	Attended
Ms. Renu Dharod (Chairman)	Independent, Non-Executive	4	4
Mr. Samir Kothary (Member)	Independent, Non-Executive	4	4
Ms. Mahendra Pipalia (Member)	Independent, Non-Executive	4	4

Meetings held on May 30, 2015; August 14, 2015; November 14, 2015 and February 13, 2016

- iv. Mr. Rajesh Mehta acts as compliance officer of the company.

v. Investor complaints received and redressed during the year 2015-16

Opening balance	Received during the year	Resolved during the year	Closing balance
0	2	2	0

D Other committeesi. Risk management committee

The board of the Company has formed a risk management committee to frame, implement and monitor the risk management plan for the Company. The committee is responsible for reviewing the risk management plan and ensuring its effectiveness. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

Meetings held on May 30, 2015; August 14, 2015; November 14, 2015 and February 13, 2016

Composition of Risk Management Committee and details of meetings attended:

Name	Category	Number of meetings during the financial year 2015-16	
		Held	Attended
Ms. Renu Dharod (Chairman)	Independent, Non-Executive	4	4
Mr. Samir Kothary (Member)	Independent, Non-Executive	4	4
Mr. Mahendra Pipalia (Member)	Independent, Non-Executive	4	4

ii. Health, safety and sustainability committee:

The Health, safety and sustainability committee of directors is responsible for framing and implementation of broad guidelines / policies with regard to the health, safety and sustainability activities of the Company review the policies, processes and systems periodically and recommend measures for improvements from time to time.

During the year, one meeting of the Health, safety and sustainability committee was held on November 14, 2015.

Composition of Health, Safety and Sustainability Committee and details of meetings attended:

Name	Category	Number of meetings during the financial year 2015-16	
		Held	Attended
Mr. Samir Kothary (Chairman)	Independent, Non-Executive	1	1
Mr. Mahendra Pipalia (Member)	Independent, Non-Executive	1	1
Ms. Renu Dharod (Member)	Independent, Non-Executive	1	1

IV. GENERAL BODY MEETINGS

i. General meeting

a. Annual General Meeting:

Details of the last three Annual General Meetings (AGMs) along with special resolutions passed:

Financial Year	Date	Time	Venue	Special Resolutions Passed
2012-13	Sept 28, 2013	1.00 p.m.	Plot No. A2/3445, GIDC, Phase 4, Ankleshwar - 393 002, Gujarat.	No Special Resolutions passed.
2013-14	Sept 27, 2014	1.00 p.m.	Plot No. A2/3445, GIDC, Phase 4, Ankleshwar - 393 002, Gujarat.	1. Re-appointment of Mr. Lalit Mehta as a Managing Director of the Company 2. Re-appointment of Mr. Rajesh Mehta as an Executive Director of the Company
2014-15	Sept 26, 2015	1.00 p.m.	Plot No. A2/3445, GIDC, Phase 4, Ankleshwar - 393 002, Gujarat.	No Special Resolutions passed.

b. Extraordinary general Meeting:

No extraordinary general meeting of the members was held during the year 2015-16.

ii. Postal Ballot

Details of special resolution passed through postal ballot, the persons who conducted the postal ballot exercise and details of the voting pattern

During the year under review, no special resolution has been passed through the exercise of postal ballot.

Details of special resolution proposed to be conducted through postal ballot:

Nil

V. DISCLOSURES**i. Related Party transactions**

The company has not entered into any transaction of a material nature with the Promoters, Directors or the Management, their relatives etc. that may have any potential conflict with the interests of the company. The Board has approved a policy for related party transactions which has been uploaded on the Company's website at the following link-

<http://www.samratpharmachem.com/policy-on-related-party-transactions-and-its-materiality/>

ii. Stock Exchange/ SEBI Compliances

The company has complied with the requirements of the stock exchanges, SEBI and other statutory authorities on all matters related to capital markets during the last three years. No penalties were imposed nor any strictures issued on the Company by the Stock Exchanges, SEBI or any other statutory authority relating to the above.

iii. Whistle Blower Policy

The Company has adopted a whistle blower policy and has established the necessary vigil mechanism as defined under Regulation 22 of SEBI Listing Regulations for employees and directors to report concerns about unethical behavior. No person has been denied access to the chairman of the audit committee. The said policy has been also put on the website of the company at the following link-

<http://www.samratpharmachem.com/whistleblower-policy/>

iv. Materiality of Events Policy

The Company has also adopted Policy on Determination of Materiality of Events as per below link

<http://www.samratpharmachem.com/policies/materiality-of-events-policy/>

v. Archival Policy

The Company has adopted Policy for archival of documents as required under the Listing Agreement.

<http://www.samratpharmachem.com/archival-policy/>

vi. Code Of Conduct For Prevention Of Insider Trading

The Company has adopted revised Code of Conduct pursuant to the provisions of the SEBI (Prohibition of Insider Trading] Regulations, 2015, for prevention of insider trading in the shares of the Company. The comprehensive Code has been disseminated on the intranet and strictly implemented aiming at maintaining the highest ethical standards. The Code which is applicable to promoters, directors, auditors, employees of the Company and their immediate relatives, prescribes the procedures to be followed while dealing in the shares of the Company. The Code prohibits the said persons to deal in the shares of the Company on the basis of any unpublished price sensitive information available to them by virtue of their position in the Company.

The transactions in the shares of the Company are also subjected to the trading window closure periods announced by the Company, from time to time.

vii. Reconciliation of share capital audit

A qualified practicing Company Secretary carried out a share capital audit to reconcile the total admitted equity share capital with the National securities depository limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed equity share capital. The audit report confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

viii. Code of Conduct

The members of the board and senior management personnel have affirmed the compliance with the Code applicable to them during the year ended March 31, 2016. The Annual Report of the Company contains a Certificate by the CEO and Managing Director in terms of SEBI Listing Regulations on the compliance declarations received from Independent Directors, Non-executive Directors and Senior Management.

VI. MEANS OF COMMUNICATION

The quarterly, half-yearly and annual results of the Company are published in leading newspapers in India immediately after they are approved by the Board which include The Indian Express and Vadodara Samachar. The results are also displayed on the Company's website "www.samratpharmachem.com". Press Releases made by the Company from time to time are also displayed on the Company's website.

VII. GENERAL SHAREHOLDER INFORMATION**i. Annual General Meeting**

AGM No.	24th Annual General Meeting
Date	September 24, 2016
Time	1.00 p.m.
Venue	Plot No. A2/3445, GIDC, Phase 4, Ankleshwar - 393 002, Gujarat, India.

ii. Financial Calendar

Financial Year	April 1, 2015	To	March 31, 2016
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iii. Book Closure

The annual book closure period is from & to following dates, inclusive of both days.

Book Closure Date (From)	Book Closure Date (To)
Saturday, September 10, 2016	Saturday, September 24, 2016

iv. Listing on Stock Exchanges

Name of the Stock Exchange	Stock Code	Address
BSE Limited (BSE)	530125	25 th Floor, P. J. Towers, Dalal Street, Mumbai - 400 001, Maharashtra.
Vadodara Stock Exchange Limited (VSE)	374	3 rd Floor, Fortune Tower, Jetalpur Rd, Opposite Parsi Agiary, Sayajigunj, Vadodara - 390 005, Gujarat.
Ahmedabad Stock Exchange Limited (ASE)	-	A-2, Kamdhenu Complex, Opp. Sahajanand College, 120 Feet Ring Rd, Panjara Pol, Ambawadi, Ahmedabad - 380 015, Gujarat.

Listing fees as applicable have been paid

- v. Corporate Identity number (CIN) of the Company

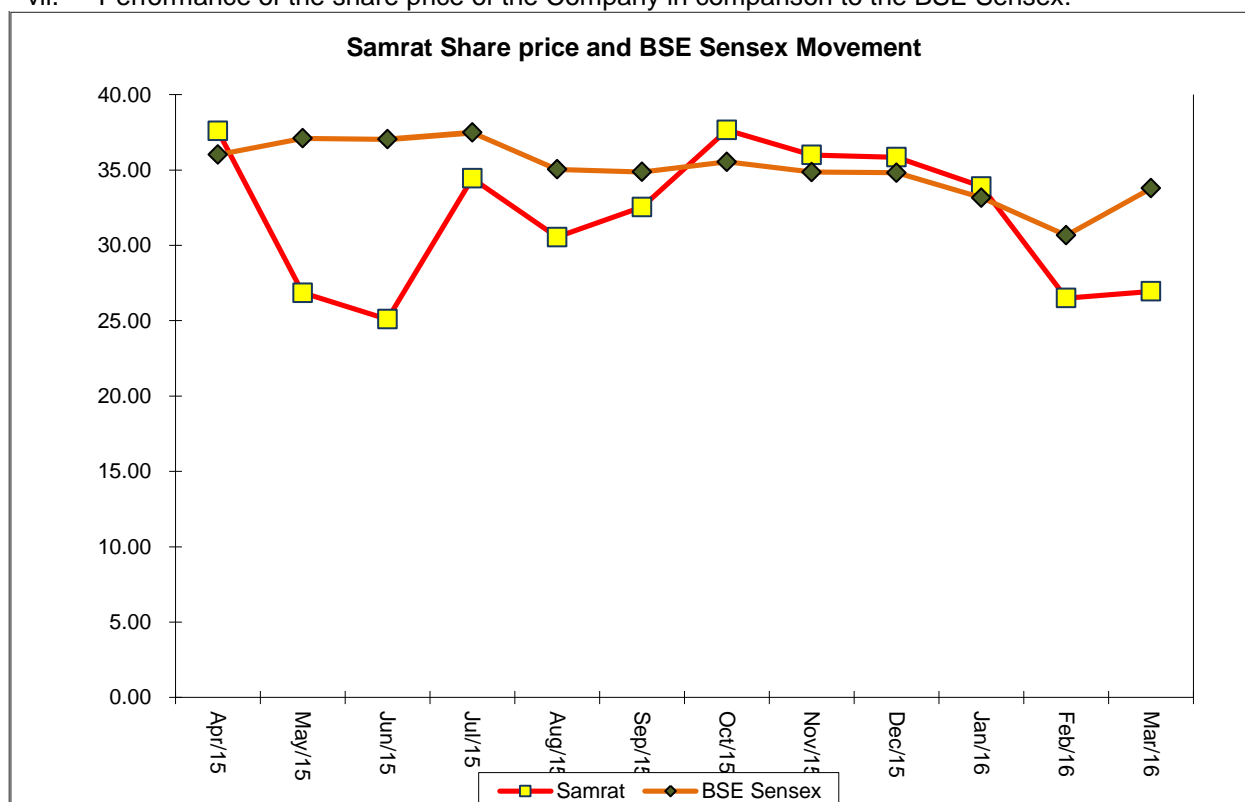
Corporate Identity Number	L24230GJ1992PLC017820
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- vi. Market Price Data

Monthly high and low (based on daily closing prices) of Samrat Pharmachem Limited on BSE for the year ended 31st March, 2016

Month	High	Low	Total number of equity shares traded
April 2015	42.00	34.05	52,003
May 2015	41.90	26.75	79,288
June 2015	28.95	23.60	36,107
July 2015	42.70	23.50	121,760
August 2015	39.65	27.95	36,147
September 2015	37.70	28.15	31,175
October 2015	45.70	31.75	171,126
November 2015	38.95	30.00	35,591
December 2015	40.90	32.15	54,500
January 2016	39.40	26.60	67,809
February 2016	33.50	22.60	12,907
March 2016	32.00	26.00	11,430

- vii. Performance of the share price of the Company in comparison to the BSE Sensex:



viii. Registrars and transfer agents:

Name and address	Link Intime India Private Limited C-13, Pannalal Silk Mills Compound, L. B. S. Marg, Bhandup (West), Mumbai - 400 078.
Telephone	91-22-25963838
Fax	91-22-25946969
Contact Person (Client Relation Team)	Ms. Tanushree Rauth
Email	tanushree.rauth@linkintime.co.in
Website	www.linkintime.co.in

ix. Share transfer system:

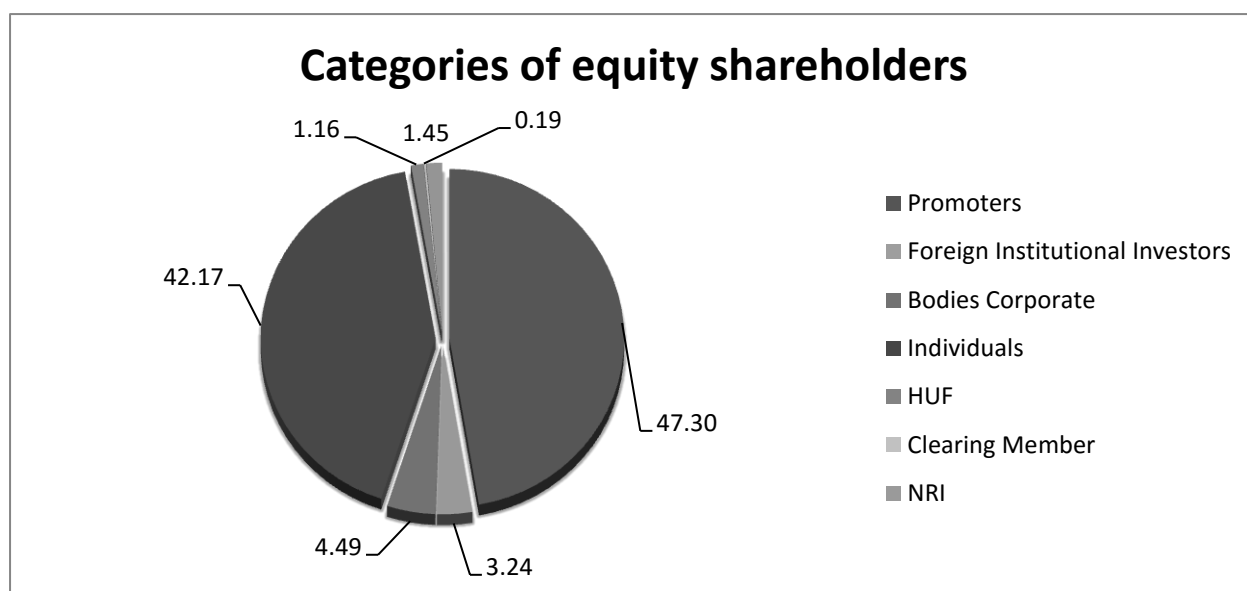
86% of the equity shares of the Company are in electronic form. Transfers of these shares are done through the depositories with no involvement of the Company. Shares in physical form are processed by Registrar and Transfer Agent, M/s. Link Intime India Pvt.. Ltd. The share transfers are processed within a period of 15 days from the date of receipt of the transfer documents by M/s Link Intime India Private Limited.

x. Shareholding as on March 31, 2016
a. Distribution of equity shareholding as on March 31, 2016

	Number of Shareholders	Percentage of Shareholders	Number of Shares Held	Percentage of shares held
1 - 500	1,920	83.73	406,617	13.16
501 - 1000	200	8.72	155,059	5.02
1001 - 2000	74	3.23	113,327	3.67
2001 - 3000	32	1.40	80,915	2.62
3001 - 4000	19	0.83	67,909	2.20
4001 - 5000	12	0.52	55,283	1.79
5001 - 10000	12	0.52	87,137	2.82
10001 - *Infinity*	24	1.05	2,123,453	68.73
	2,293	100.00	3,089,700	100.00

b. Categories of equity shareholders as on March 31, 2016

Category	Number of equity shares held	Percentage of holding
Promoters	1,461,418	47.30
Foreign Institutional Investors	100,000	3.24
Bodies Corporate	138,652	4.49
Individuals	1,303,063	42.17
HUF	35,918	1.16
Clearing Member	5,876	0.19
NRI	44,773	1.45
GRAND TOTAL	3,089,700	100.00



c. Top ten equity shareholders of the Company as on March 31, 2016

Sr. No.	Name of the Shareholder	Number of equity shares held	Percentage of holding
1	Lalit Damodar Mehta	423,376	13.70
2	Rajesh Lalit Mehta	379,542	12.28
3	Premal Lalit Mehta	174,281	5.64
4	Mala R Bhavnani	160,701	5.20
5	Kaushal Lalit Mehta	150,586	4.87
6	Jaya Lalit Mehta	119,300	3.86
7	Llyods Securities Overseas Limited	100,000	3.24
8	Rupal Rajesh Mehta	73,300	2.37
9	Celestial Tradechem Private Limited	72,486	2.35
10	Kalpana Premal Mehta	69,300	2.24

xi. Dematerialisation of shares and liquidity

The Company has arrangement with National Securities Depository Ltd. (NSDL) and Central Depository Services [India] Ltd. (CDSL) for demat facility.

Dematerialisation Status as on 31/03/2016	No. of Shares	Percentage of Capital
Held in dematerialised form in National Securities Depository Ltd. (NSDL)	2314983	74.93
Held in dematerialised form in Central Depository Services (I) Ltd. (CDSL)	351107	11.36
Physical	423610	13.71
Total	3089700	100.00

xii. Plant Locations

- 1) Plot No. A2/3445, GIDC, Phase 4, Ankleshwar-393 002, Gujarat, India.
- 2) Plot No. A2/3444, GIDC, Phase 4, Ankleshwar-393 002, Gujarat, India.

xii. Address for correspondence

Samrat Pharmachem Limited

Plot No. A2/3445,

GIDC, Phase 4,

Ankleshwar - 393 002,

Gujarat, India.

Tel : 02646-220774

Fax : 02646-251291

Email : samrat@bom4.vsnl.net.in

Website: www.samratpharmachem.com

**By order of the Board of Directors
For Samrat Pharmachem Limited**

Place : Mumbai**Date : 30 May 2016**

**Lalit Mehta
Chairman & Managing Director
DIN : 00216681**

CERTIFICATION BY CHIEF EXECUTIVE OFFICER (CEO)**The Board of Directors****Samrat Pharmachem Limited**

Plot No. A2/3445,
GIDC, Phase 4,
Ankleshwar - 393 002,
Gujarat.

I, Mr. Lalit Mehta, Chief Executive Officer (CEO) of Samrat Pharmachem Limited certify to the Board, that I have reviewed the financial statement and cash flow statement of the company for the financial year ended 31st March, 2016.

- 1 To the best of my knowledge, I certify that:
 - a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that are misleading
 - b) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations, and
 - c) there are no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct
- 2 For the purposes of financial reporting, I accept the responsibility for establishing and maintaining internal controls and that I have evaluated the effectiveness of the internal control systems of the company pertaining to financial reporting and I accept the responsibility to the auditors and the audit committee, and further state that there were no deficiencies in the design or operation such internal control.
- 3 I do further certify that there has been:
 - a) no significant changes in internal controls during the year
 - b) no significant changes in accounting policies during the year, and
 - c) no instances of fraud, of which I am aware during the period
- 4 I further declare that all Board members and senior managerial personnel have affirmed compliance with the code of conduct for the current year.

Lalit Mehta

Chief Executive Officer

Place : Mumbai

Date : 30 May 2016

CERTIFICATION BY CHIEF FINANCIAL OFFICER (CFO)

I, Mr. Rajesh Mehta, Chief Financial Officer (CFO), of Samrat Pharmachem Limited, to the best of my knowledge and belief, certify that:-

1. I have reviewed the Balance Sheet and Profit and Loss account (both consolidated and unconsolidated), and all its schedules and notes on accounts, as well as the Cash Flow Statements and the Directors' Report and annexure thereto.
2. Based on my knowledge and information, these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
3. Based on my knowledge and information, these statements together present true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
4. To the best of my knowledge and belief, no transactions entered into by the Company during the year are fraudulent, illegal or violative of the Company's Code of Conduct.
5. The Company's other certifying officers and I, are responsible for establishing and maintaining disclosure controls and procedures for the Company, and we have:-
 - a) Designed such disclosure controls and procedures to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared; and
 - b) Evaluated the effectiveness of the Company's disclosure, controls and procedure.
6. The Company's other certifying officers and I, have disclosed based on our most recent evaluation, wherever applicable, to the Company's auditors and audit committee of the Company's Board of Directors (and persons performing the equivalent functions):
 - a) All significant deficiencies in the design or operation of internal controls;
 - b) All significant changes in internal control during the year;
 - c) All significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements; and
 - d) Instances of significant fraud, if any, of which we are aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system.
7. I further declare that all Board members and senior management personnel have affirmed Compliance with the Code of Conduct for Board and Senior Management Personnel for the current year.

Rajesh Mehta
Chief Financial Officer

Place : Mumbai
Date : 30 May 2016

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

This is to confirm that the Company has adopted a Code of Conduct for its employees including the Managing Director and Executive Directors. In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors and Independent Directors.

I confirm that the Company has in respect of the year ended March 31, 2016, received from the Senior Management Team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management Team means the Chief Financial Officer and the Company Secretary as on March 31, 2016.

Lalit Mehta
Chief Executive Officer and Managing Director

Place : Mumbai
Date : 30 May 2016

Auditor's Certificate on Corporate Governance**To the Members of Samrat Pharmachem Limited**

We have examined the compliance of conditions of corporate governance by **Samrat Pharmachem Limited** for the year ended **31st March 2016**, as stipulated in: clause 49 of the Listing Agreement of the said Company with Stock Exchange in India.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. 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 explanation given to us, we certify that the Company has complied in all material respects with the conditions of Corporate Governance as stipulated in the clause 49 of the above-mentioned Listing Agreement except the following:

- a) The Company Secretary did not act as Secretary to the Audit Committee Meetings held during the year.
(Para II (A) of Clause 49)

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 SHAH, SHAH & SHAH
CHARTERED ACCOUNTANTS

(Mehul Shah)
PARTNER

M. No. 049361
FRN: 116457W
Mumbai: 30 May 2016

Independent Auditors' Report

To
The Members,
Samrat Pharmachem Limited

We have audited the accompanying financial statements of **Samrat Pharmachem Limited** ("the Company"), which comprise of the Balance Sheet as at **March 31, 2016**, and the Statement of Profit and Loss, and Cash Flow Statement of the Company for the year ended on that date, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 thereunder. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, and to the best of our information, and according to the explanations given to us, 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:

- (i) in case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2016;
- (ii) in case of Statement of Profit and Loss, of the Profit of the Company for the year ended on that date.
- (iii) in case of cash flow statement, of cash flow of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- 1 As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure A", a statement on the matters specified in the paragraph 3 and 4 of the order.
- 2 As required by Section 143 (3) of the Act, we report that:
 - (a) we have sought and obtained all the information and explanation, 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 and Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) on the basis of written representations received from the Directors, as on the date of balance sheet, and taken on record by the board of directors, we report that none of the directors is disqualified as on the said date from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
 - (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements – Refer Note 25 (20) to the Financial Statements
 - ii. The Company has made provisions, as required under the applicable law or accounting standard, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For SHAH, SHAH & SHAH
CHARTERED ACCOUNTANTS**

**(Mehul Shah)
PARTNER**

**M. No. 049361
FRN: 116457W
Mumbai: 30 May 2016**

ANNEXURE "A" REFERRED TO IN REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS OF OUR REPORT OF EVEN DATE

In Case of **Samrat Pharmachem Limited**

- (i) (a) The Company is maintaining proper records showing full particulars of, including quantitative details and situation, of fixed assets.
- (b) The management at reasonable intervals has verified the fixed assets. We have been informed that, no material discrepancies on such verification have been noticed.
- (c) As per records presented before us, the title deeds of immovable properties are held in the name of the Company.
- (ii) As per the records maintained, physical verification of inventory has been conducted verification of inventory at reasonable intervals by the management and material discrepancies noticed have been properly dealt with in the books of accounts;.
- (iii) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
 - (a) Since no loans are granted, the sub-clause dealing with terms and conditions being prejudicial to the company's interest is not applicable.
 - (b) Since no loans are granted, the sub-clause dealing with receipt of the principal amount and interest on regular basis is not applicable.
 - (c) Since no loans are granted, the sub-clause dealing with overdue amount more than ninety days is not applicable.
- (iv) As per records maintained and explanation given to us, the Company has not granted Loans to directors and other parties listed under section 185 of the Companies Act, 2013 or for that matter given loans and made investments or given guarantees and securities in excess of limits prescribed by Section 186 of the Companies Act, 2013.
- (v) The Company has not accepted any deposits from public within the meaning of the provisions of section 73 or any other provisions of the Companies Act, 2013 and the rules made there under. We have been informed by the management that there has been no order passed by the Company law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal on the Company with respect to compliance of the provisions of section 73 or any other provisions of the Companies Act, 2013.
- (vi) We have been informed by the management that, the Central Government has not prescribed the method of maintenance of cost records u/s. 148 (1) of the Companies Act, 2013 in relation to the Company.
- (vii) (a) We have been informed by the management that, the Company is generally regular in depositing all undisputed statutory dues with the appropriate authorities and there have been no material arrears of outstanding dues as at the last day of this financial year for more than six months from the date they became payable .

- (b) In our opinion and according to the information and explanation given to us, there are no undisputed dues of Income tax, Sales tax, Wealth Tax, and Service tax, Custom Duty, Excise Duty or Cess, or Value Added Tax as applicable to it which have not been deposited on account of any dispute except given hereunder:

Assessment Year	Type of Demand	Amount in Dispute	Forum where dispute is pending
2011-12	Income-tax	Rs. 35,80,450/-	ITAT

- (viii) As informed to us by the management, the Company has not defaulted in repayment of any dues to financial institution or banks; whereas there are no debenture holders
- (ix) We have been informed by the management that no money was raised by way of Initial Public offer or Further Public offer (including debt instrument), and in case of Term Loans the amount was applied for the purpose for which they are taken.
- (x) As informed by the management, there has not been noticed or reported any fraud on or by the Company or its officers or employees during the year.
- (xi) We have been informed by the Management that managerial remuneration has been paid or provided in accordance with the requisite approval mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.
- (xii) Since the Company is not a Nidhi Company, the provisions of this clause are not applicable to the Company.
- (xiii) In our view, and as per the explanation given to us by the management, transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 wherever applicable, and details have been disclosed in the Financial statements as required by the applicable accounting standard.
- (xiv) We have been informed by the management that Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) As per the explanation given to us by the management, and as per records maintained, the Company has not entered into any non-cash transactions with directors or any persons connected with him as prescribed by section 192 of the Companies Act, 2013.
- (xvi) In our view, the Company has not carried out any activities in nature of activities carried out by non-banking financial companies, and thus is not required to get registered under section 45-IA of the Reserve Bank of India Act, 1934.

AS PER OUR REPORT OF EVEN DATE
For SHAH, SHAH & SHAH
CHARTERED ACCOUNTANTS

(Mehul Shah)
PARTNER
M. No. 049361
FRN: 116457W
Mumbai: 30 May 2016

ANNEXURE "B:" REFERRED TO IN REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS OF OUR REPORT OF EVEN DATE

In Case of **Samrat Pharmachem Limited**

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

We have audited the internal financial controls over financial reporting of Samrat Pharmachem Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, 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 SHAH, SHAH & SHAH
CHARTERED ACCOUNTANTS**

(Mehul Shah)

PARTNER

M. No. 049361

FRN: 116457W

Mumbai: 30 May 2016

BALANCE SHEET AS AT 31 MARCH, 2016

	Particulars	Note No.	31/Mar/2016		31/Mar/2015	
			Rs.	Rs.	Rs.	Rs.
A.	<u>EQUITY AND LIABILITIES</u>					
1	Shareholders' Funds					
(a)	Share capital	1	30,897,000		30,897,000	
(b)	Reserves and surplus	2	106,663,951		103,650,793	
(c)	Money received against share warrants		0	137,560,951	0	134,547,793
2	Share application money pending allotment			0		0
3	Non-current liabilities					
(a)	Long-term borrowings	3	15,322,002		2,569,083	
(b)	Deferred tax liabilities (Net)	4	4,229,529		4,255,803	
(c)	Other Long term liabilities		0		0	
(d)	Long-term provisions		0	19,551,531	0	6,824,886
4	Current liabilities					
(a)	Short-term borrowings	5	37,031,022		26,052,816	
(b)	Trade payables	6	160,853,050		89,342,920	
(c)	Other current liabilities	7	5,745,671		5,794,371	
(d)	Short-term provisions	8	1,004,122	204,633,864	0	121,190,107
	Total			361,746,347		262,562,785
B.	<u>ASSETS</u>					
1	Non-current assets					
(a)	Fixed assets	9				
(i)	Tangible assets		72,247,876		72,021,903	
(ii)	Intangible assets		575,583		191,063	
(iii)	Capital work-in-progress		0		0	
(iv)	Intangible assets under development		0		0	
			72,823,459		72,212,966	
(b)	Non-current investments		0		0	
(c)	Deferred tax assets (net)		0		0	
(d)	Long-term loans and advances	10	1,188,500		1,309,500	
(e)	Other non-current assets	11	4,057,268	78,069,227	4,196,673	77,719,139
2	Current assets					
(a)	Current investments	12	20,010,000		0	
(b)	Inventories	13	56,781,571		44,722,661	
(c)	Trade receivables	14	161,046,512		96,232,151	
(d)	Cash and Bank Balances	15	34,960,157		39,391,747	
(e)	Short-term loans and advances	16	764,313		258,000	
(f)	Other current assets	17	10,114,568	283,677,120	4,239,087	184,843,646
	Total			361,746,347		262,562,785
	Contingent Liabilities & Commitments	18				
	NOTES ON ACCOUNT	26				

AS PER OUR REPORT OF EVEN DATE

For Shah, Shah & Shah
Chartered Accountants

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Lalit Mehta
Managing Director

Rajesh Mehta
Executive Director

Megh Mehta
Executive Director

Mehul Shah
Partner
Membership No.: 49361
FRN: 116457W

Mahendra Pipalia
Director

Samir Kothary
Director

Renu Dharod
Director

PLACE : Mumbai

DATED : 30 May 2016

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH, 2016

	Particulars	Note No.	31/Mar/2016		31/Mar/2015	
			Rs.	Rs.	Rs.	Rs.
A.	Revenue from operations	19		618,551,697		473,944,268
B.	Other income	20		2,065,981		3,476,916
C.	Total Revenue			620,617,678		477,421,185
D.	Expenses					
	Cost of Material Consumed	21		506,547,150		384,960,263
	Purchase of Traded Goods			58,012,428		21,673,076
	Changes in the inventories of FG, WIP & Traded goods	22		-3,142,258		20,457,655
	Employee benefits expense	23		9,777,564		9,117,968
	Finance costs	24		5,085,641		5,854,574
	Depreciation and amortization expense	9		4,433,720		4,375,527
	Other expenses	25		35,374,572		26,035,287
	Total expenses			616,088,816		472,474,350
E.	Profit before exceptional and extraordinary items and tax (III-IV)			4,528,862		4,946,835
F.	Exceptional items			41,674		156,192
G.	Profit before extraordinary items and tax (V - VI)			4,487,188		4,790,643
H.	Extraordinary Items			0		0
I.	Profit before tax (VII- VIII)			4,487,188		4,790,643
J.	Tax expense:					
	Provision for Taxation					
	- Current Tax			1,500,304		968,326
	- Taxation of Earlier Years			0		103,498
	- Deferred Tax			-26,274		558,880
				1,474,030		1,630,704
K.	Profit (Loss) for the period from continuing operations (VII-VIII)			3,013,158		3,159,939
L.	Profit/(loss) from discontinuing operations			0		0
M.	Tax expense of discontinuing operations			0		0
N.	Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)			0		0
O.	Profit (Loss) for the period (XI + XIV)			3,013,158		3,159,939
P.	Earnings per equity share:					
	(1) Basic			0.97		1.02
	(2) Diluted			0.97		1.02
	NOTES ON ACCOUNT	26				

AS PER OUR REPORT OF EVEN DATE

For Shah, Shah & Shah
Chartered Accountants

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Lalit Mehta
Managing Director

Rajesh Mehta
Executive Director

Megh Mehta
Executive Director

Mehul Shah
Partner
Membership No.: 49361
FRN: 116457W

Mahendra Pipalia
Director

Samir Kothary
Director

Renu Dharod
Director

PLACE : Mumbai
DATED : 30 May 2016

Note1 SHARE CAPITAL

Disclosure pursuant to Note no. 6(A)(a,b & c) of Part I of Schedule III to the Companies Act 2013

Share Capital	31 March 2016		31 March 2015	
	Number	Rs.	Number	Rs.
<u>Authorised</u>				
Equity Shares of Rs. 10 each	5,000,000	50,000,000	5,000,000	50,000,000
<u>Issued</u>				
Equity Shares of Rs. 10 each	3,089,700	30,897,000	3,089,700	30,897,000
<u>Subscribed & Paid up</u>				
Equity Shares of Rs. 10 each fully paid	3,089,700	30,897,000	3,089,700	30,897,000
<u>Subscribed but not fully Paid up</u>				
Equity Shares of Rs. 10 each, not fully paid up	-	-	-	-
Total	3,089,700	30,897,000	3,089,700	30,897,000

Disclosure pursuant to Note no. 6(A)(d) of Part I of Schedule III to the Companies Act 2013

Particulars - Equity Shares	31 March 2016		31 March 2015	
	Number	Rs.	Number	Rs.
Shares outstanding at the beginning of the year	3,089,700	30,897,000	3,089,700	30,897,000
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	3,089,700	30,897,000	3,089,700	30,897,000

Particulars - Preference Shares	31 March 2016		31 March 2015	
	Number	Rs.	Number	Rs.
Shares outstanding at the beginning of the year	-	-	-	-
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	-	-	-	-

Disclosure pursuant to Note no. 6(A)(f) of Part I of Schedule III to the Companies Act 2013

NIL Equity Shares (NIL Previous year) are held by None, the holding company.

**Disclosure pursuant to Note no. 6(A)(g) of Part I of Schedule III to the Companies Act 2013
(more than 5%)**

Name of Shareholder	31 March 2016		31 March 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Lalit Mehta	423,376	13.70%	423,176	13.70%
Rajesh Mehta	379,542	12.28%	379,542	12.28%
Premal Mehta	174,281	5.64%	174,281	5.64%

**Disclosure pursuant to Note no. 6(A)(i) of Part I of Schedule III to the Companies Act 2013
(Following disclosure should be made for each class of Shares)**

Particulars	Year (Aggregate No. of Shares)				
	2010-11	2011-12	2012-13	2013-14	2014-15
Equity Shares :					
Fully paid up pursuant to contract(s) without payment being received in cash	-	-	-	-	-
Fully paid up by way of bonus shares	-	-	-	-	-
Shares bought back	-	-	-	-	-
Convertible Shares	-	-	-	-	-
Warrents	-	-	-	-	-
Preference Shares :					
Fully paid up pursuant to contract(s) without payment being received in cash	-	-	-	-	-
Fully paid up by way of bonus shares	-	-	-	-	-
Shares bought back	-	-	-	-	-

Disclosure pursuant to Note no. 6(A)(k) of Part I of Schedule III to the Companies Act 2013

Unpaid Calls	Rs.
By Directors	-
By Officers	-
Others	-

Disclosure pursuant to Note no. 6(A)(l) of Part I of Schedule III to the Companies Act 2013

Particulars - Equity Shares	31 March 2016		31 March 2015	
	Number	Rs.	Number	Rs.
Forfeited shares (amount originally paid up)	-	-	-	-

Particulars - Preference Shares	31 March 2016		31 March 2015	
	Number	Rs.	Number	Rs.
Forfeited shares (amount originally paid up)	-	-	-	-

Disclosure pursuant to Note no. 6 (A) (e, h, j) of Part I of Schedule III to the Companies Act 2013

Rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital.

Particulars	31 March 2016		31 March 2015	
	Number	Description	Number	Description
Equity Shares	3,089,700	Parri Pasu	3,089,700	Parri Pasu
Restrictions on the distribution of dividends		None		None
Voting rights or with differential voting rights as to dividend		All shares have equal Voting Rights		All shares have equal Voting Rights

Particulars	Number	Description	Number	Description
Preference Shares	-		-	
Preferential rights in respect of payments of fixed dividend and repayment of capital.	-	Not Applicable	-	Not Applicable
Voting rights or with differential voting rights as to dividend		Not Applicable		Not Applicable
Full or partial participating rights in surplus profits or surplus capital		Not Applicable		Not Applicable
Cumulative, noncumulative, redeemable, convertible, non-convertible		Not Applicable		Not Applicable

Shares reserved for issue under options and contracts / commitments for the sale of shares / disinvestment, including the terms and amounts

Particulars	31 March 2016		31 March 2015	
	Number	Description	Number	Description
Equity Shares	-	-	-	-
Preference Shares	-	-	-	-

Terms of any securities convertible into equity / preference shares issued along with the earliest date of conversion in descending order starting from the farthest such date.

Particulars	31 March 2016		31 March 2015	
	Number	Description	Number	Description
Equity Shares	-	-	-	-
Preference Shares	-	-	-	-
Warrants / Bonds	-	-	-	-
Debentures	-	-	-	-

Note 2 RESERVES AND SURPLUS

Disclosure pursuant to Note no. 6(B) of Part I of Schedule III to the Companies Act 2013

Particulars	31/03/2016	31/03/2015
	Rs.	Rs.
a. Capital Reserves		
Opening Balance	-	-
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	-	-
b. Capital Redemption Reserve		
Opening Balance	-	-
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	-	-
c. Securities Premium Account		
Opening Balance	-	-
Add: Securities premium credited on Share issue	-	-
<u>Less: Premium Utilised for various reasons</u>	-	-
Premium on Redemption of Debentures	-	-
For Issuing Bonus Shares	-	-
For Other Reasons (Please indicate)	-	-
Closing Balance	-	-
d. Debenture Redemption Reserve		
Opening Balance	-	-
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	-	-
e. Revaluation Reserve		
Opening Balance	-	-
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	-	-
f. Share Options Outstanding Account		
Opening Balance	-	-
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	-	-
g. Other Reserves (Specify nature and purpose)		
Opening Balance	-	-
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	-	-

h. Surplus		
Opening balance	103,650,793	100,490,854
(+) Net Profit/(Net Loss) for the current year	3,013,158	3,159,939
(+) Transfer from Reserves	-	-
(-) Proposed Dividends	-	-
(-) Interim Dividends	-	-
(-) Transfer to Reserves	-	-
Closing Balance	106,663,951	103,650,793
Total Reserves & Surplus	106,663,951	103,650,793

Note 3 LONG-TERM BORROWINGS

Disclosure pursuant to Note no. 6(C) of Part I of Schedule III to the Companies Act 2013

Particulars	31/03/2016	31/03/2015
	Rs.	Rs.
<u>Secured</u>		
(a) Bonds/debentures		
NIL (Previous Year: NIL) NIL % Debentures of Rs. NIL each	-	-
redeemable at Par on N.A.(secured by N. A.)		
(of the above, Rs. NIL is guaranteed by Directors and / or others)		
Details of redeemed bonds/debentures which the company has power to reissue: None		
(b) Term loans		
<u>From Banks</u>		
HDFC Bank	15,322,002	2,569,083
(Secured against mortgage of Office Premises)		
Terms of Repayment	Repayable under EMI	
Period of Maturity	Nov-20	
Number and amount of balance emi (incl interest)	56 23,761,024	
Rate of Interest	10.85%	
Other significant terms	-	
<u>From other parties</u>	-	-
(Secured against Not Applicable)		
(of the above, Rs. None is guaranteed by Directors and / or others)		
Terms of Repayment : Not Applicable		
(c) Deferred payment liabilities	-	-
(Secured by Not Applicable)		
(of the above, Rs. None is guaranteed by Directors and / or others)		
(d) Deposits	-	-
(Secured By Not Applicable)		
(of the above, Rs. None is guaranteed by Directors and / or others)		
(e) Loans and advances from related parties	-	-

(Secured By Not Applicable) (of the above, Rs. None is guaranteed by Directors and / or others) Terms of Repayment Not Applicable. (f) Long term maturities of finance lease obligations (Secured By Not Applicable) (of the above, Rs. None is guaranteed by Directors and / or others) (g) Other loans and advances (Specify Nature if any) (Secured By Not Applicable) (of the above, Rs. None is guaranteed by Directors and / or others) Terms of Repayment Not Applicable.	-	-
Total Secured Long Term Borrowings <u>In case of continuing default as on the balance sheet date in repayment of loans and interest with respect to (b) (e) & (g)</u> 1. Period of default - None 2. Amount - NIL Unsecured (a) Bonds/debentures NIL (Previous Year: NIL) NIL % Debentures of Rs. NIL each redeemable at Par on N.A. (of the above, Rs. NIL is guaranteed by Directors and / or others) Details of redeemed bonds/debentures which the company has power to reissue: None	15,322,002	2,569,083
(b) Term loans From banks From other parties (of the above, Rs. None is guaranteed by Directors and / or others) Terms of Repayment Not Applicable	-	-
(c) Deferred payment liabilities (of the above, Rs. None is guaranteed by Directors and / or others)	-	-
(d) Deposits (of the above, Rs. None is guaranteed by Directors and / or others)	-	-
(e) Loans and advances from related parties (of the above, Rs. None is guaranteed by Directors) Terms of Repayment : Not Applicable	-	-
(f) Long term maturities of finance lease obligations (of the above, Rs. None is guaranteed by Directors and / or others)	-	-
(g) Other loans and advances (specify nature if any) (of the above, Rs. None is guaranteed by Directors and / or others) Terms of Repayment Not Applicable	-	-

Total Unsecured Long Term Borrowings	-	-
<u>In case of continuing default as on the balance sheet date in repayment of loans and interest with respect to (b) (e) & (g)</u>		
1. Period of default - None		
2. Amount - NIL		
Total Long Term Borrowings	15,322,002	2,569,083

Note 4 DEFERRED TAX LIABILITY (NET)

The Company has accounted for taxes on income in accordance with AS-22 – Accounting for Taxes on Income issued by the Ministry of Corporate Affairs. Consequently, the net incremental deferred tax (liability) / asset is charged / credited to Profit and Loss Account. The year end position of taxes on income is as under:

Particulars	31/03/2016	31/03/2015
	Rs.	Rs.
Deferred tax liability		
Fixed Assets : Impact of Difference between tax depreciation and depreciation / amortisation charged for financial reporting	5,050,278	4,694,094
Others	-	-
Gross deferred tax liability	5,050,278	4,694,094
Deferred tax asset		
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	-	-
Unabsorbed Depreciation as per Tax	-	-
Difference in stock value as per accounts and as per tax	900,961	518,503
Reserve for doubtful debts	80,212	-80,212
Gross deferred tax asset	820,749	438,291
Net deferred tax liability / (asset)	4,229,529	4,255,803

Note 5 SHORT-TERM BORROWINGS

Disclosure pursuant to Note no. 6(F) of Part I of Schedule III to the Companies Act 2013

Particulars	31/03/2016	31/03/2015
	Rs.	Rs.
<u>Secured</u>		
(a) Loans repayable on demand		
From banks	-	-
from other parties		
(Secured By None)		
(b) Loans and advances from related parties	-	-
(Secured By Not Applicable)		
(of the above, Rs. NIL is guaranteed by Directors and / or others)		
(c) Deposits	-	-
(Secured By Not Applicable)		
(of the above, Rs. NIL is guaranteed by Directors and / or others)		
(d) Other loans and advances		
Cash Credit from ICICI bank	37,031,022	26,052,816
(Secured by hypothecation of Stock, Book Debts, and first charge over Fixed Assets. As a collateral security, the promoter directors Mr. Lalit Mehta and Mr. Rajesh Mehta have given their personal guarantee)		
Period of Maturity	Cash Credit Account	
Number and amount of Installments due	Not Applicable	
Rate of Interest	13.85%	
Other significant terms	-	
Total Secured Short Term Borrowings	37,031,022	26,052,816
-		
<u>In case of continuing default as on the balance sheet date in repayment of loans and interest with respect to (a) (b) & (d)</u>		
1. Period of default - None		
2. Amount - NIL		
-		
<u>Unsecured</u>		
(a) Loans repayable on demand	-	-
from banks		
from other parties		
(of the above, Rs. NIL is guaranteed by Directors and / or others)		
(b) Loans and advances from related parties	-	-
(of the above, Rs. NIL is guaranteed by Directors and / or others)		

(c) Deposits (of the above, Rs. NIL is guaranteed by Directors and / or others)	-	-
(d) Other loans and advances (specify nature) (of the above, Rs. NIL is guaranteed by Directors and / or others)	-	-
Total Unsecured Short Term Borrowings	-	-
<u>In case of continuing default as on the balance sheet date in repayment of loans and interest with respect to (a) (b) & (d)</u>		
1. Period of default - None	-	-
2. Amount - NIL	-	-
Total Short Term Borrowings	37,031,022	26,052,816

Note 6 TRADE PAYABLES

Disclosure pursuant to Note no. 6(D) of Part I of Schedule III to the Companies Act 2013

Particulars	31/03/2016	31/03/2015
	Rs.	Rs.
(a) Trade Payables	160,853,050	89,342,920
(b) Others	-	-
Total Trade Payables	160,853,050	89,342,920

Note 7 OTHER CURRENT LIABILITIES

Disclosure pursuant to Note no. 6(G) of Part I of Schedule III to the Companies Act 2013

Particulars	31/03/2016	31/03/2015
	Rs.	Rs.
(a) Current maturities of long-term debt	3,235,897	3,992,954
(b) Current maturities of finance lease obligations	-	-
(c) Interest accrued but not due on borrowings	129,905	52,920
(d) Interest accrued and due on borrowings	-	-
(e) Income received in advance	-	-
(f) Unpaid dividends	-	-
(g) Application money received for allotment of securities and due for refund	-	-
interest accrued on (g) above		
Number of shares proposed to be issued:		
Amount of premium (if any): ___ - _____		
Terms and conditions of shares proposed to be issued:		
Date by which shares shall be allotted: _____		
Whether the company has sufficient authorized capital to cover the share capital amount resulting from allotment of shares out of such share application money		
The period overdue from the last date of allotment is _____; reason being _____		

(h) Unpaid matured deposits and interest accrued thereon		
(i) Unpaid matured debentures and interest accrued thereon	-	-
(j) Other payables (specify nature)	-	-
- Sundry Creditors For Fixed Assets		
- Advances Received Against Order/Goods	-	23,954
- Service Tax Payable	-	-
- Excise Liability On Finished Goods	16,894	928
- Tds / Tcs Payable	2,196,365	1,607,815
	166,610	115,800
Total Other Current Liabilities	5,745,671	5,794,371

SHORT TERM PROVISIONS**Note 8 Disclosure pursuant to Note no. 6(H) of Part I of Schedule III to the Companies Act 2013**

Particulars	31/03/2016	31/03/2015
	Rs.	Rs.
(a) Provision for employee benefits		
Salary & Reimbursements		
Contribution to PF	-	-
Contribution to ESIC	83,291	-
Gratuity (Unfunded)	10,480	-
Leave Encashment (funded)	-	-
Superannuation (funded)	-	-
ESOP /ESOS	-	-
(b) Others	-	-
	-	-
(b) Others (Specify nature)		
Provision for Taxation		
Total Short Term Provisions	910,351	-
	1,004,122	-

Note 9 FIXED ASSETS

Disclosure pursuant to Note no. I (i), (ii), (iii); Note no. J (i),(ii); Note no. J and Note no. L of Part of Schedule III to the Companies Act 2013

Particulars		Gross Block				Accumulated Depreciation				Net Block	
		31/03/15	Additions	Deduction	31/03/16	31/03/15	for year	on disposal	31/03/16	31/03/15	31/03/16
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
a	<u>Tangible Assets</u>										
	Land	891,494	-	-	891,494	-	-	-	-	891,494	891,494
	Factory Building	18,977,238	278,252	-	19,255,490	4,000,457	643,262	-	4,643,719	14,976,781	14,611,771
	Office Premises	29,625,684	-	-	29,625,684	965,798	484,222	-	1,450,020	28,659,886	28,175,664
	Plant And Machinery	31,010,484	3,907,806	984,994	33,933,296	12,036,003	1,710,643	863,051	12,883,595	18,974,482	21,049,702
	Office Equipment	2,188,622	177,222	57,707	2,308,137	819,938	407,361	39,376	1,187,923	1,368,684	1,120,214
	Computer System	2,947,643	126,050	-	3,073,693	2,115,569	371,762	-	2,487,331	832,074	586,362
	Furniture And Fixtures	7,639,301	250,542	-	7,889,843	1,390,394	737,581	-	2,127,975	6,248,908	5,761,869
	Vehicles	256,040	-	-	256,040	186,446	18,794	-	205,240	69,594	50,800
	Others (specify nature)	-	-	-	-	-	-	-	-	-	-
	Assets under lease (specify nature)	-	-	-	-	-	-	-	-	-	-
	Total (Current Year)	93,536,507	4,739,872	1,042,701	97,233,678	21,514,604	4,373,626	902,427	24,985,802	72,021,903	72,247,876
	Total (Previous Year)	92,942,909	1,745,087	1,151,489	93,536,507	18,094,666	4,322,686	902,747	21,514,604	74,848,244	72,021,903
b	<u>Intangible Assets</u>										
	Goodwill	-	-	-	-	-	-	-	-	-	-
	Brands /trademarks	-	-	-	-	-	-	-	-	-	-
	Computer software	422,031	444,614	-	866,645	230,968	60,094	-	291,062	191,063	575,583
	Mastheads and publishing titles	-	-	-	-	-	-	-	-	-	-
	Mining rights	-	-	-	-	-	-	-	-	-	-
	Copyrights, and patents and other intellectual property rights, services and operating rights	-	-	-	-	-	-	-	-	-	-
	Recipes, formulae, models, designs and prototypes	-	-	-	-	-	-	-	-	-	-
	Licenses and franchise	-	-	-	-	-	-	-	-	-	-
	Total (Current Year)	422,031	444,614	-	866,645	230,968	60,094	-	291,062	191,063	575,583
	Total (Previous Year)	422,031	-	-	422,031	178,127	52,841	-	230,968	243,904	191,063
c	<u>Capital Work-in-progress</u>										
	Total (Current Year)	-	-	-	-	-	-	-	-	-	-
	Total (Previous Year)	-	-	-	-	-	-	-	-	-	-
d	<u>Intangible assets under development</u>										
	Total	-	-	-	-	-	-	-	-	-	-

Disclosure pursuant to Note no.I (iv) and J (iii) of Part I of Schedule III to the Companies Act 2013

Where sums have been written off on a reduction of capital or revaluation of assets or where sums have been added on revaluation of assets

Particulars	Year				
	2011-12	2012-13	2013-14	2014-15	2015-16
	Rs.	Rs.	Rs.	Rs.	Rs.
Asset details:					
Balance as at 1st April	-	-	-	-	-
Impairment/ Revaluation	-	-	-	-	-
Balance as at 31st March	-	-	-	-	-

Note 10 LONG TERM LOANS AND ADVANCES

Disclosure pursuant to Note no. L (i),(ii) and (iii) of Part I of Schedule III to the Companies Act 2013

Particulars	31 March 2016		31 March 2015	
	Rs.	Rs.	Rs.	Rs.
a. Capital Advances				
Total (a)		-		-
b. Loans and advances to related parties				
Total (b)		-		-
c. Other loans and advances	-			-
Secured, considered good	-	-	-	-
Unsecured, considered good			-	
Staff Loans	1,188,500	1,188,500	1,309,500	1,309,500
Doubtful	-		-	
Less: Provision for _____	-	-	-	-
Total (c)		1,188,500		1,309,500
		-	-	-
Total Long Term Loans and Advances		1,188,500		1,309,500

Disclosure pursuant to Note no. L (iv) of Part I of Schedule III to the Companies Act 2013

Loans and advances to related parties	31 March 2016		31 March 2015	
	Rs.	Rs.	Rs.	Rs.
Directors *		-		-
Other officers of the Company *		-		-
Firm in which director is a partner *		-		-
Private Company in which director is a member		-		-
		-		-

*Either severally or jointly

Note 11 OTHER NON CURRENT ASSETS

Disclosure pursuant to Note no.M (i),(ii) and (iii) of Part I of Schedule III to the Companies Act 2013

Particulars	31 March 2016		31 March 2015	
	Rs.	Rs.	Rs.	Rs.
a. Long term trade receivables				
Total (a)		-		-
b. Security Deposits				
Unsecured, considered good				
Deposits with various authorities	1,437,954	1,437,954	1,577,359	1,577,359
Total (b)		1,437,954		1,577,359
c. Income tax refund receivable		829,089		829,089
Income tax deposited under appeal		1,790,225		1,790,225
Total (c)		2,619,314		2,619,314
d. Debts due by related parties				
Total (d)		-		-
Total Other Non-Current Assets		4,057,268		4,196,673

Disclosure pursuant to Note no. M (iii) (iii) of Part I of Schedule III to the Companies Act 2013**Details of debts due by related parties**

Particulars	31/03/16	31/03/15
	Rs.	Rs.
Directors *	-	-
Other officers of the Company *	-	-
Firm in which director is a partner *	-	-
Private Company in which director is a member	-	-
Total debts due by related parties	-	-

*Either severally or jointly

Note 12 INVENTORIES**Disclosure pursuant to Note no.O (i), (ii) and (ii) of Part I of Schedule III to the Companies Act 2013**

Particulars	31 March 2016		31 March 2015	
	Rs.	Rs.	Rs.	Rs.
a. Raw Materials and components (Valued at lower of cost or net realisable value)	25,728,454		14,782,932	
Traded goods	-		-	
Goods-in transit	-	25,728,454	-	14,782,932
b. Work-in-progress (Valued at lower of cost or net realisable value)	8,910,811		12,755,554	
Goods-in transit	-	8,910,811	-	12,755,554
c. Finished goods (Valued at lower of cost or net realisable value)	21,938,973		16,559,787	
Goods-in transit	-	21,938,973	-	16,559,787
d. Stores and spares (Valued at lower of cost or net realisable value)	-		-	
Goods-in transit	-	-	-	-
e. Loose Tools (Valued at Not Applicable)	-		-	

Goods-in transit	-	-	-	-
f. Packing Material (Valued at lower of cost or net realisable value)	203,332		624,388	
Goods-in transit	-	203,332	-	624,388
Total Inventories		56,781,571		44,722,661

Note 13 TRADE RECEIVABLES

Disclosure pursuant to Note no.P (i), (ii), (iii) and (iv) of Part I of Schedule III to the Companies Act 2013

Particulars	31/03/16	31/03/15
	Rs.	Rs.
A. Trade receivables outstanding for a period less than six months from the date they are due for payment		
Secured, considered good	-	-
Unsecured, considered good	159,876,361	91,807,870
Unsecured, considered doubtful	-	-
	159,876,361	91,807,870
<u>Less: Provision for doubtful debts</u>	-	-
Sub Total (A)	159,876,361	91,807,870
B. Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Secured, considered good	-	-
Unsecured, considered good	1,170,151	4,424,281
Unsecured, considered doubtful	259,586	259,586
	1,429,737	4,683,867
<u>Less: Provision for doubtful debts</u>	259,586	259,586
	-	-
Sub Total (B)	1,170,151	4,424,281
Total Trade Receivables (A+B)	161,046,512	96,232,151

Details of Debts Due from Related Parties		
Particulars	31/03/16	31/03/15
	Rs.	Rs.
Directors *	-	-
Other officers of the Company *	-	-
Firm in which director is a partner *	-	-
Private Company in which director is a member	-	-
Total Debts Due by Related Parties	-	-

*Either severally or jointly

Note 14 CASH AND BANK BALANCES

Disclosure pursuant to Note no.Q (i), (ii), (iii), (iv) and (v) of Part I of Schedule III to the Companies Act 2013

Particulars	31 March 2016		31 March 2015	
	Rs.	Rs.	Rs.	Rs.
CASH AND CASH EQUIVALENTS				
A. Balances with banks*				
State Bank Of India	87,725		94,575	
Icici Bank A/C 102	30,183,737		17,650,367	
Hdfc Bank	-		-	
	1,470,701		120,787	
Uco Bank	24,590	28,825,351	24,847	17,649,002
B. Cash on hand		458,828		798,751
C. Cheques, drafts on hand		-		-
		29,284,179		18,447,752
<u>D. OTHER BANK BALANCES</u>				
Earmarked Balances (eg unpaid dividend a/c)	-		-	
Margin money	-		-	
Security against borrowings	-		-	
Guarantees	-		-	
Fixed deposit with banks (Maturity with less than 12 months)		-		-
Fixed deposit with banks (Maturity with more than 12 months)				
Fixed Deposit With Icici Bank	5,675,978		20,943,995	

Fixed Deposit With Citi Bank	-		-	
	-	5,675,978	-	20,943,995
E. Others (specify nature)	-	-	-	-
Total Cash and cash equivalents (A+B+C+D)		34,960,157		39,391,747

Note 15 SHORT TERM LOANS AND ADVANCES

Disclosure pursuant to Note no.R (i), (ii) & (iii) of Part I of Schedule III to the Companies Act 2013

Particulars	31 March 2016		31 March 2015	
	Rs.	Rs.	Rs.	Rs.
A. Loans and advances to related parties (refer note 2)				
Secured, considered good		-		-
Unsecured, considered good		-		-
Doubtful	-		-	
<u>Less:</u> Provision for doubtful loans and advances	-	-	-	-
Sub Total (A)	-	-	-	-
B. Others				
Secured, considered good		-		-
Unsecured, considered good (Current portion of Staff Loans)		294,000		258,000
Sundry Creditors For Fixed Assets		470,313		-
To be recoverable in cash or in kind for the value to be received.		-		-
Doubtful	-	-	-	-
<u>Less:</u> Provision for doubtful _____	-	-	-	-
Sub Total (B)	-	764,313	-	258,000
Total Short-term loans and advances (A+B)		764,313		258,000

Disclosure pursuant to Note no.R (iv) of Part I of Schedule III to the Companies Act 2013
Details of Loans and advances to related parties

Particulars	31 March 2016		31 March 2015	
	Rs.	Rs.	Rs.	Rs.
Directors *		-		-
Other officers of the Company *		-		-
Firm in which director is a partner *		-		-
Private Company in which director is a member		-		-
Total Loans and advances to related parties		-		-

*Either severally or jointly

Note 16 OTHER CURRENT ASSETS

Disclosure pursuant to Note no.R (i), (ii) & (iii) of Part I of Schedule III to the Companies Act 2013

Particulars	31 March 2016		31 March 2015	
	Rs.	Rs.	Rs.	Rs.
<u>Taxation</u>				
	-		-	
<u>Non-Taxation</u>				
Central Excise Refund Receivable	1,296,985		634,766	
Cenvat Credit Balance	6,869,420		3,148,611	
Central Excise-Pla A/C	-		-	
Gujarat Vat Credit Balance	-		-	
Export Incentive Receivable	184,032		248,457	
Customs Duty Advance	1,727,031		-	
Insurance Refund Receivable	10,492		-	
Prepaid Expenses	26,608		207,254	
		10,114,568		4,239,087
Total Other Current Assets		10,114,568		4,239,087

Note 17 CONTINGENT LIABILITIES AND COMMITMENTS

Disclosure pursuant to Note no. 6(T) of Part I of Schedule III to the Companies Act 2013

Particulars	31 March 2016		31 March 2015	
	Rs.	Rs.	Rs.	Rs.
A. Contingent Liabilities				
(1) Claims against the company not acknowledged as debt				
a. Income tax assessment dues for AY 2011-12 under appeal pending before first appellate authority	3,580,450		3,580,450	
b. Contract labour claim	150,000		150,000	
(2) Guarantees	-		-	
(3) Other money for which the company is contingently liable				
LC issued by Company's bankers	-		31,195,255	
Sub Total (A)		3,730,450		34,925,705
B. Commitments				
(1) Estimated amount of contracts remaining to be executed on capital account and not provided for	-		-	
(2) Uncalled liability on shares and other investments partly paid	-		-	
(3) Other commitments (specify nature)	-		-	
Sub Total (B)		-		-
Total Contingent Liabilities and Commitments (A+B)		3,730,450		34,925,705

Note 18 REVENUE FROM OPERATIONS**Disclosure pursuant to Note no. 2 of Part II of Schedule III to the Companies Act 2013**In respect of a company **other than a finance company** revenue from operations shall disclose separately in the notes revenue from

Particulars	31 March 2016		31 March 2015	
	Rs.	Rs.	Rs.	Rs.
Sale of products	681,731,178		524,902,644	
Sale of services	-		-	
Other operating revenues				
Foreign Exchange Fluctuation	1,249,979		528,262	
Gross Revenue		682,981,157		525,430,906
<u>Less:</u>		-		
Excise duty	51,014,479		40,685,108	
Sales tax	13,414,981	64,429,460	10,801,529	51,486,637
Net Revenue From Operations		618,551,697		473,944,268

In respect of a **finance company**, revenue from operations shall include revenue from

Particulars	31 March 2016		31 March 2015	
	Rs.	Rs.	Rs.	Rs.
Interest; and	-		-	
Other financial services	-		-	
Net Revenue From Operations		-		-

Note 19 OTHER INCOME**Disclosure pursuant to Note no. 4 of Part II of Schedule III to the Companies Act 2013**

Particulars	31 March 2016		31 March 2015	
	Rs.	Rs.	Rs.	Rs.
Interest Income (in case of a company other than a finance company)				
Fdr & Other Interest Received	1,106,719		1,740,681	
Interest on Deposits	38,821	1,145,540	-	1,740,681
Export Incentives	756,730		1,724,235	
Income From Sale Of Scrap	12,000		12,000	
Licences Sale	-	768,730	-	1,736,235
Net gain / (loss) on sale of investments		151,711		-
Other non-operating income (net of expenses directly attributable to such income)		-		-
Total Other Income		2,065,981		3,476,916

Note 20 Cost of Material Consumed

Disclosure pursuant to Note no. 3 of Part II of Schedule III to the Companies Act 2013

Particulars	31 March 2016		31 March 2015	
	Rs.	Rs.	Rs.	Rs.
<u>Materials Consumed</u>				
<u>Opening Stock</u>				
Raw Materials	14,782,932		22,055,611	
Packing Materials	624,388		503,704	
Consumables including Spare Parts	-			
		15,407,320		22,559,315
 Add : Cost of Purchases		517,071,617		377,808,268
<u>Less : Closing Stock</u>				
Raw Materials	25,728,454		14,782,932	
Packing Materials	203,332		624,388	
Consumables including Spare Parts	-		-	
		25,931,786		15,407,320
Cost of Material consumed		506,547,150		384,960,263

Note 21 (INCREASE) / DECREASE IN INVENTORIES

Disclosure pursuant to Note no. 3 of Part II of Schedule III to the Companies Act 2013

Particulars	31 March 2016		31 March 2015	
	Rs.	Rs.	Rs.	Rs.
Inventories at the end of the year				
Work-in-progress	8,910,811		12,755,554	
Finished Goods	21,938,973		16,559,787	
Traded Goods	-	30,849,784	-	29,315,341
Inventories at the beginning of the year				
Work-in-progress	12,755,554		15,995,538	
Finished Goods	14,951,972		27,403,771	
Traded Goods	-	27,707,526	6,373,688	49,772,996
Net (Increase) / Decrease in Inventories		(3,142,258)		20,457,655

Note 22 EMPLOYEE BENEFIT EXPENSES

Disclosure pursuant to Note no. 5(1)(a) of Part II of Schedule III to the Companies Act 2013

Particulars	31 March 2016		31 March 2015	
	Rs.	Rs.	Rs.	Rs.
(a) Salaries, Wages and bonus				
Other Employees		5,131,886		4,695,486
Directors' Remuneration		3,150,000		2,940,000
(b) Contributions to -				
Provident fund	542,354		489,012	
Employee State Insurance Corporation	94,675		95,778	
Employee Insurance	11,954		13,273	
(c) Gratuity fund contributions	-		-	
(d) Social security and other benefit plans for overseas employees	-		-	
(e) Expense on Employee Stock Option Scheme (ESOP) and Employee Stock Purchase Plan (ESPP)	-		-	
(f) Staff welfare expenses	846,695	1,495,678	884,419	1,482,482
Total Employee Benefit Expenses		9,777,564		9,117,968

Note 24 FINANCE COST

Disclosure pursuant to Note no. 3 of Part II of Schedule III to the Companies Act 2013

Particulars	31 March 2016		31 March 2015	
	Rs.	Rs.	Rs.	Rs.
<u>Interest Charges</u>				
Interest on term Loan	1,143,237		1,035,095	
Interest on other borrowings	1,447,137	2,590,374	1,509,807	2,544,902
<u>Other borrowing costs</u>				
Bank Charges and commission incl L/c, others	2,495,267		3,309,672	
Car hire Purchase Finance charges	-	2,495,267	-	3,309,672
Applicable net loss (gain) on foreign currency transactions and translation		-		-
Total Finance Cost		5,085,641		5,854,574

Note 25 OTHER EXPENSES

Particulars	31 March 2016		31 March 2015	
	Rs.	Rs.	Rs.	Rs.
1. Manufacturing Expenses				
Contract Labour	4,901,419		3,170,465	
Job Work Charges	821,100		-	
Power Charges	2,203,378		1,954,628	
Gas Charges	4,789,945		5,139,197	
Water Charges	283,566		240,053	
Analytical & Testing Charges	892,814		609,251	
Insurance Charges	180,327		189,131	
Central Excise / Service Tax	7,419		18,153	
Notional Excise On Stock Of Finished Goods	2,196,365		1,607,815	
Repairs To Factory Building	218,933		125,390	
Repairs To Plant & Machinery	3,573,540		2,156,188	
Effluent Treatment & Pollution Control	956,786		515,617	
Other Manufacturing Expenses	-		2,000	
		21,025,592		15,727,888
2. Administrative & Other Expenses :				
Directors' Sitting Fees	128,240		67,416	
Office Electricity	143,680		128,600	
Society Maintenance Charges	326,550		248,215	
Rates & Taxes	209,146		64,566	
Profession Tax	2,400		2,400	
Legal & Professional Charges	1,129,819		2,020,432	
Printing, Stationery & Periodicals	678,742		649,781	
Conveyance - Local	306,680		310,165	
Vehicle Expenses	152,344		151,162	
Travelling - Outdoor	180,677		191,115	
Telephone & Communication Expenses	430,914		399,013	
Postage & Courier Charges	408,216		320,371	
Auditor'S Remuneration	318,500		170,000	
Stock Exchange, Mca & Custodial Fees	271,180		239,085	
Software And Hardware Maintenance	205,416		-	
Office Maintenance, Repairs & Renewals	181,566		120,603	
Insurance	41,539		48,490	
Advertisement (Statutory)	160,650		94,604	
Agm Expenses	-		-	
Factory Security Charges	219,600		219,000	
Stipend	75,564		-	
Sundry Expenses	195,453		273,967	
Donation	12,500	5,779,375	92,500	5,811,487

3. Selling & Distribution Expenses				
Export Expenses	124,669		107,647	
Clearing & Forwarding	2,600,496		2,039,279	
Advertisement & Publicity	542,282		249,425	
Business Promotion	259,422		414,925	
Bad Debts Written Off	-		-	
Reserve For Doubtful Debts	-		-	
Discount	-9,927		-20,459	
Commission & Brokerage	3,837,092		1,115,841	
Sales Tax	366,902		-	
Insurance - Goods-In-Transit (Sales)	255,394		251,808	
Octroi	-		-120,458	
Delivery Charges	593,275		457,904	
		8,569,605		4,495,913
Total Other Expenses		35,374,572		26,035,287

SPECIFIC DISCLOSURES

1 Disclosure pursuant to Note no. 6(U) of Part I of Schedule III to the Companies Act 2013

Particulars	Total Rs.	Per share Rs.
-		
Dividends proposed to be distributed to equity shareholders	-	-
Dividends proposed to be distributed to preference shareholders	-	-
Arrears of fixed cumulative dividends on preference shares	-	-

2 Disclosure pursuant to Note no. 6(V) of Part I of Schedule III to the Companies Act 2013

Where in respect of an issue of securities made for a specific purpose, the whole or part of the amount has not been used for the specific purpose at the balance sheet date, Indicate below how such unutilized amounts have been used or invested.

Not Applicable

3 Disclosure pursuant to Note no. 6(W) of Part I of Schedule III to the Companies Act 2013

If, in the opinion of the Board, any of the assets other than fixed assets and non-current investments do not have a value on realization in the ordinary course of business at least equal to the amount at which they are stated, the fact that the Board is of that opinion, shall be stated.

Name of Assets	Realisable Value	Value in Balance Sheet	Opinion of Board
		Not Applicable	

NOTE 26. OTHER NOTES**1. SIGNIFICANT ACCOUNTING POLICIES:****ACCOUNTING CONCEPTS:**

The Company follows mercantile system of accounting, and recognises income and expenses on accrual basis that are of significant nature. The financial statement have been prepared to comply in all material respect with the mandatory Accounting standards issued by the Institute of Chartered Accountants of India, in accordance with Indian Generally Accepted Accounting Policies and as per the provision of the Companies A 2013.

FIXED ASSETS:

Fixed Assets are stated at cost (net of Cenvat & VAT Credit) of acquisition/construction less accumulated depreciation and impairment loss. Cost includes direct expenses as well as clearly identifiable indirect expenses incurred to bring the assets to their working condition for its intended use, net of CENVAT and VAT recoverable.

DEPRECIATION:

- Depreciation on the Fixed assets has been provided on Straight Line basis as per the provision of Section 123 of the Companies Act 2013, at the rates and in the manner specified in Schedule II to the Companies Act 2013.
- Individual assets of value less than Rs.5000 are depreciated in the year of purchase.

INVESTMENTS:

A current investment is an investment that is by its nature readily realizable and is intended to be held for not more than one year from the date on which such investment is made. A long term investment is an investment other than a current investment. An investment property is an investment in land or buildings that are not intended to be occupied substantially for use by, or in the operations of, the investing enterprise. Long term investments and are stated at cost. The carrying amount for current investments is the lower of cost and fair value.

BORROWING COSTS:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets, the assets that take substantial period of time to get ready for intended use, are capitalised as part of the cost of such assets.

INTANGIBLE ASSET:

An intangible asset is an identifiable non-monetary asset, without physical substance, held for use in the production or supply of goods or services, for rental to others, or for administrative purposes. Intangible Assets are stated at cost of acquisition less accumulated depreciation. All costs, including financing costs till commencement of commercial operations are capitalised.

INVENTORIES

Inventories of finished goods, raw materials, and work in progress are carried at lower of cost or net realisable value. The cost of inventories of items that are not ordinarily interchangeable are assigned by specific identification of their individual costs. Other inventory items are recorded using first-in-first-out cost formula. The inventories include the relevant duties, taxes, and cess other than those subsequently recoverable by the enterprise from the taxing authorities that were incurred to bring the inventory to their present location and conditions.

FOREIGN EXCHANGE TRANSACTIONS

- Initial Recognition: Transactions denominated in foreign currencies are recorded at daily bank rate for Sales and Custom rates for Purchases as on date of the transaction.
- Conversion: At the year-end, monetary items denominated in foreign currencies are converted into rupee equivalents at the year-end exchange rates.
- Exchange Differences: Any exchange gain or losses arising out of fluctuations are accounted for in the books of the account as per Accounting Standard -11 "The Effects of Changes in Foreign Exchange Rates".

CASH FLOW STATEMENT

Cash flows are reported using the indirect method, whereby the net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of the past or future cash receipts or payments. The cash flows from regular revenue generating, investing & financing activities of the company are segregated.

REVENUE RECONGNITION:

Sales turnover for the year includes sales value of goods and other recoveries such as Octroi, Transportation Charges etc, but excludes excise duty and VAT. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue from sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer.

RETIREMENT BENEFITS:

The Company's contribution to Provident Fund and ESIC is accounted on accrual basis and charged to Profit and Loss Account. The Company accounts for liability for Gratuity of employees on the basis of Actuarial Valuation. Gratuity is payable to Employees after Retirement or Resignation of Employees; whereas there is no defined policy enabling the employees to avail encashment of leave.

IMPAIRMENT OF ASSETS

An asset is treated as impaired when the carrying cost of the Asset exceeds its recoverable value. An impairment loss is charged to the Profit & Loss account in the year in which an asset is identified as impaired. The Impairment loss recognized in prior accounting periods is increased / reversed where there has been change in the estimate of recoverable amount. The recoverable value is the higher of the net selling price and value in use.

USE OF ESTIMATES

The preparation of financial statements requires management to make estimates and assumption that affect the reported amounts of assets and liabilities on the date of financial statements, the reported amount of revenues and expenses and the disclosures relating to contingent liabilities as on the date of financial statements. Actual results could differ from those of estimates. Any revision in accounting estimates is recognized in accordance with the respective accounting standard.

EARNINGS PER SHARE

The Company reports basic and diluted earnings per share in accordance with AS-20 "Earnings Per Share". Basic earnings per share are computed by dividing the net profit or loss for the period by the weighted average number of Equity Shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit or loss for the period by the weighted average number of Equity Shares outstanding during the period as adjusted for the effects of all dilutive potential equity shares.

PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Contingent liabilities as defined in AS-29 "Provisions, Contingent Liabilities and Contingent Assets" are disclosed by way of notes to accounts. Provision is made if it becomes probable that an outflow of future economic benefits will be required for an item previously dealt with as a contingent liability.

TAXES ON INCOME:

Tax expenses comprise both current & deferred taxes.

Current tax is determined as the tax payable in respect of taxable income for the year.

Deferred tax for the year is recognised on timing difference; being difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

Deferred tax assets and liabilities are measured assuming the tax rates and tax laws that have been enacted or substantially enacted by the Balance Sheet date. Deferred tax assets are recognised and carried forward only if there is a reasonable / virtual certainty of realisation.

LEASES

Assets leased by the Company in its capacity as lessee, where the Company has substantially all the risks and rewards of ownership are classified as finance lease. Such a lease is capitalized at the inception of the lease at lower of the fair value or the present value of the minimum lease payments and a liability is recognized for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

1. Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor, are recognized as operating leases. Lease rentals under operating leases are recognized in the statement of profit and loss on a straight-line basis.
2. The value on realization of current assets in the ordinary course of business would not be less than the amount at which they are stated in the Balance Sheet. According to the management, provision for all the known liabilities is adequate.
3. Balances in Debtors, Creditors, loans, advances, and other current assets are subject to confirmation and reconciliation.
4. Auditors' remuneration in accordance with paragraph 4B of part II of Schedule III to the Companies Act 2013 is as under:

Particulars	31 March 2016	31 March 2015
As Statutory Auditors	150,000	75,000
As Tax Auditors	50,000	25,000
As VAT Auditors	25,000	25,000
As Cost Auditors	25,000	25,000
As Secretarial Auditors	-	-
Company Law Matters	-	-
Management Services	-	-
Other Services	68,500	20,000
Reimbursement of expenses	-	-
	318,500	170,000

5. Earning per share is calculated as under:

Particulars	31 March 2016	31 March 2015
Basic earning per share		
Net profit after Taxation	3,013,158	3,159,939
Number of shares issued (Nominal Value Rs.10)	3,089,700	3,089,700
Basic earning per share	0.98	1.02

<i>Diluted earning per share</i>		
Net profit after Taxation	3,013,158	3,159,939
Number of shares issued (Nominal Value Rs.10)	3,089,700	3,089,700
Diluted earning per share	0.98	1.02

6. Directors' Remuneration	31 March 2016	31 March 2015
Within the limits of Schedule V to the Companies Act 2013.	3,150,000	2,940,000

7. "The Micro, Small and Medium Enterprise Development Act, 2006" has repealed the provision of interest on delayed payment to small scale and ancillary industrial undertaking Act, 1993. The management does not find it necessary to provide for interest on delayed payments to the suppliers covered by the said Act in view of insignificant amount and probability of its outgo.

8. Disclosure of Provisions as required by AS-29 is as under:

Particulars	Opening Balance	Additional provisions during the year	Amount Used & Unused amount reversed during the year	Closing Balance
		Rs.	Rs.	Rs.
Income tax provision	0	1,500,304	589,953	910,350.76

9. Related Party Disclosures, as required by AS-18 are given below:

A. Relationships:
Category I: Holding Company NIL

Category II: Key management Personnel

Managing Director

Remuneration Rs. 1500000

Executive Director

Remuneration Rs. 1650000

Independent Directors

Directors' Sitting Fees Rs. 128240

Category III: Others (Relatives of Key Management Personnel and Entities in which the Key Management Personnel have control or significant influence)

B. Transactions with related Parties:

TRANSACTIONS DURING THE YEAR	Relationship	Current Year Rs.	Previous Year Rs.
Opening Balances	Key Managerial Persons	-	-
	Others	-	-
Loans & Advances received during the year	Key Managerial Persons	-	-
	Others	-	-
Amounts repaid during the year	Key Managerial Persons	-	-
	Others	-	-
Interest paid on loans and advances	Key Managerial Persons	-	-
	Others	-	-
Remuneration & Reimbursements	Key Managerial Persons	3,150,000	2,940,000
	Others	-	-
Closing Balances	Key Managerial Persons	-	-
	Others	-	-

10. Value of imports calculated on C.I.F basis by the company during the financial year in respect of –

Particulars	31 March 2016	31 March 2015
i Raw materials	421,103,332	315,936,028
ii Components and spare parts	-	-
iii Capital goods	-	-
iv Trading Goods	-	-

11. Other Expenses in Foreign Currency:

Particulars	31 March 2016	31 March 2015
i Royalty, Know-how, Professional and Consultation fees, Interest, and Other matters	890,052	41,623
ii Total value of all imported / indigenous raw materials, spare parts and components consumed and the percentage of each to the total consumption	-	-

iii	Amount remitted in foreign currencies on account of dividends with a specific mention of the total number of non-resident shareholders, the total number of shares held by them on which the dividends were due and the year to which the dividends related;	-	-
iv	Earnings in foreign exchange classified under the following heads, namely		
i	Export of goods calculated on F.O.B. basis	117,983,540	85,538,479
ii	Royalty, know-how ,professional and consultation fees;	-	-
iii	Interest and dividend	-	-
iv	Other income, indicating the nature thereof	-	-

12. Information of major Raw Material Consumption

Particulars	31 March 2016		31 March 2015	
	Quantity	Rupees	Quantity	Rupees
Iodine Crude	252.24 MT	456,433,755	139.98 MT	311,702,229
Grand Total	252.24 MT	456,433,755	139.98 MT	311,702,229

13. The excise duty and sales tax, shown as deduction from turnover, are total tax on sale of goods for the year.

14. The disclosure of "Employee Benefits" as per Accounting Standard 15 are as follows;

(A) Defined contribution plans:**Provident fund, ESIC:**

The Company has recognized the following amounts in the Profit and Loss Account for the year:

(i) Contribution to Provident Fund (Employer's Contribution) Rs. 542354

(ii) Contribution to ESIC (Employer's Contribution) Rs. 94675

(B) Defined Benefit Plans**(i) Disclosure of Gratuity Liabilities**

The Company has accounted for provision of gratuity based on actuarial valuation done by Life Insurance Corporation of India amounting to total liability till date of Rs. NIL.

15. The Company has only one reportable business segment hence no further disclosure is required under Accounting Standard-17 on "Segment reporting".

16. Disclosure of Deferred Taxes

Deferred Tax Asset	31-03-16	31-03-15
Due to Accumulated Depreciation	-	-
Addition / Disallowance under the Income-tax creating timing difference	(900,961)	(518,503)
Sub-total	(900,961)	(518,503)
Due to Difference between tax Depreciation and book depreciation	5,050,278	4,694,094
Reserve for doubtful debts	80,212	80,212
Sub-total	5,130,490	4,774,306
Net Deferred Tax Liability	4,229,529	4,255,803

17. The management has made full inquiries and is of the view that assets of the Company in form of fixed assets and Inventories are good in nature, and are stated at appropriate value of the respective assets; and there is no necessity as to impairment / write down provision in the accounts.

18. Disclosures required under Accounting Standard-19 on "Leases".

Finance Lease - Assets Given on Lease

The Company has not given any of its assets on lease.

Operating Lease - Assets Taken on Lease	31-03-16	31-03-15
Total of future minimum lease payments under non-cancellable operating leases for each of the following periods:	-	-
- Not later than one year,	-	-
- Later than one year and not later than five years;	-	-
- Later than five years;	-	-
Total of future minimum sublease payments expected to be received under non-cancellable subleases at the balance sheet date	-	-
Lease payments recognized in the statement of profit and loss for the period, with separate amounts for minimum lease payments and contingent rents	-	-
sub-lease payments received (or receivable) recognized in the statement of profit and loss for the period	0	0
General description of the lessee's significant leasing arrangements including, but not limited to, the following: Basis on which contingent rent payments are determined; Existence and terms of renewal or purchase options and escalation clauses; and Restrictions imposed by lease arrangements, such as those concerning dividends, additional debt, and further leasing.	Not Applicable	Not Applicable

Operating Lease - Assets Given on Lease	31-03-16	31-03-15
Gross carrying amount	-	-
Accumulated depreciation	-	-
Accumulated impairment losses	-	-
the depreciation recognized in the statement of profit and loss for the period	-	-
Impairment losses recognized in the statement of profit and loss for the period	-	-
impairment losses reversed in the statement of profit and loss for the period;	-	-
Future minimum lease payments under non-cancellable operating leases in the aggregate and for each of the following periods	-	-
Not later than one year;	-	-
Later than one year and not later than five years;	-	-
Later than five years;	-	-
Total contingent rents recognized as income in the statement of profit and loss for the period	-	-

19. The Company has a process whereby periodically all long term contracts are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provision as required under any law / accounting standards for material foreseeable losses on such long term contracts has been made in the books of account.

20. The Company has a system of reviewing its pending litigations and proceedings, if any, and provide for where Provisions are required and disclose the contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial results. In respect of litigations, where the management assessment of a financial outflow is probable, the Company has made adequate provision in the financial statements and the contingent liabilities are disclosed in Note 17.

21. The previous year's figures have been regrouped / rearranged / reclassified wherever considered necessary to correspond with the figures of current year.

22. Notes 1 to 26 forms an integral part of the accounts and have been duly authenticated.

AS PER OUR REPORT OF EVEN DATE

For Shah, Shah & Shah
Chartered Accountants

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
For Samrat Pharmachem Limited

Mehul Shah
Partner
Membership No.: 49361
FRN: 116457W
Mumbai 30 May 2016

Lalit Mehta
Managing Director

Mahendra Pipalia
Director

Rajesh Mehta
Executive Director

Samir Kothary
Director

Megh Mehta
Executive Director

Renu Dharod
Director

CASH FLOW STATEMENT FOR THE YEAR ENDED

31 MARCH, 2016

Particulars	31/Mar/2016 Rs.	31/Mar/2015 Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES		
NET PROFIT BEFORE TAX AND EXTRAORDINARY ITEMS	4,487,188	4,790,643
ADJUSTMENTS FOR :		
DEPRECIATION	4,433,720	4,375,527
DEPRECIATION - EXCESS PROVISION REVERSED	0	0
PROFIT/LOSS ON SALE OF ASSETS	41,674	156,192
PROFIT/LOSS ON SALE OF INVESTMENTS	0	0
PRELIMINARY EXPENSES	0	0
INTEREST/DIVIDEND	3,978,922	4,113,892
	8,454,315	8,645,611
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	12,941,503	13,436,254
ADJUSTMENTS FOR :		
TRADE AND OTHER RECEIVABLES	-55,197,420	14,566,979
INVENTORIES	-12,058,910	30,082,238
TRADE PAYABLES	71,841,946	-55,615,711
	4,585,616	-10,966,494
CASH GENERATED FROM OPERATIONS	17,527,120	2,469,760
INTEREST & FINANCE CHARGES PAID	-5,085,641	-5,854,574
DIRECT TAXES PAID	-589,953	-2,191,099
	-5,675,594	-8,045,673
CASH FLOW BEFORE EXTRAORDINARY ITEMS	11,851,525	-5,575,913
EXTRAORDINARY ITEMS	0	0
NET CASH FROM OPERATING ACTIVITIES	11,851,525	-5,575,913
B. CASH FLOW FROM INVESTING ACTIVITIES		
PURCHASE OF FIXED ASSETS	-5,184,486	-1,745,087
SALE/REALIZATION OF FIXED ASSETS	98,600	92,550
CAPITAL WORK-IN-PROGRESS	0	0
SALE/REALIZATION OF INVESTMENTS	-20,010,000	0
INTEREST/DIVIDEND RECEIVED	1,106,719	1,740,681
NET CASH USED IN INVESTING ACTIVITIES	-23,989,167	88,145
	Continued ...	

		<i>Continued ...</i>	
Particulars		3/31/2016 Rs.	3/31/2015 Rs.
C. CASH FLOW FROM FINANCING ACTIVITIES			
PROCEEDS FROM ISSUE OF SHARE CAPITAL		0	0
SUBSIDY FROM GOVERNMENT		0	0
PROCEEDS FROM LONG TERM BORROWINGS		11,995,862	-3,526,050
SHORT TERM BORROWINGS		10,978,206	4,690,465
NET CASH USED IN FINANCING ACTIVITIES		22,974,068	1,164,415
NET INCREASE IN CASH AND CASH EQUIVALENTS		10,836,426	-4,323,353
CASH AND CASH EQUIVALENTS AT (Opening Balance)	1/Apr	18,447,752	22,771,105
CASH AND CASH EQUIVALENTS AT (Closing Balance)	31/Mar	29,284,179	18,447,752

For Shah, Shah & Shah
Chartered Accountants

Mehul Shah
Partner

PLACE : Mumbai
DATED : 30 May 2016

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
For Samrat Pharmachem Limited

Lalit Mehta
Managing Director

Mahendra Pipalia
Director

Rajesh Mehta
Executive Director

Samir Kothary
Director

Megh Mehta
Executive Director

Renu Dharod
Director

www.samratpharmachem.com

Samrat Pharmachem Limited

Corporate Identification No. (CIN) - L24230GJ1992PLC017820

Registered Office : Plot No. A2/3445, GIDC, Phase 4, Ankleshwar - 393 002, Gujarat, India.

Phone: 02646-220774 Fax: 02646-251291 Email: samrat@bom4.vsnl.net.in Website: www.samratpharmachem.com

ATTENDANCE SLIP

(Please complete this attendance slip and hand it over at the entrance of the Meeting Hall.)

24TH ANNUAL GENERAL MEETING ON SATURDAY, SEPTEMBER 24, 2016 AT 1.00 P.M.

at Plot No. A2/3445, GIDC, Phase 4, Ankleshwar - 393 002, Gujarat, India.

Folio No. _____ DP ID No. _____ Client ID No. _____

Name of the Member _____ Signature _____

Name of the Proxyholder _____ Signature _____

1. Only Member/Proxyholder can attend the Meeting.
2. Member/Proxyholder should bring his/her copy of the Annual Report for reference at the Meeting.

Samrat Pharmachem Limited

Corporate Identification No. (CIN) - L24230GJ1992PLC017820

Registered Office : Plot No. A2/3445, GIDC, Phase 4, Ankleshwar - 393 002, Gujarat, India.

Phone: 02646-220774 Fax: 02646-251291 Email: samrat@bom4.vsnl.net.in Website: www.samratpharmachem.com

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 : _____

E-mail Id : _____

Folio No./ Client ID No. : _____

I/We, being the member(s) of _____ Shares of Samrat Pharmachem Limited, hereby appoint

1. Name _____ Email ID _____
 Address _____ Signature _____

or failing him

2. Name _____ Email ID _____
 Address _____ Signature _____

or failing him

3. Name _____ Email ID _____
 Address _____ Signature _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Twenty-fourth Annual General Meeting of the Company to be held on Saturday, September 24, 2016 at 1.00 p.m. at Plot No. A2/3445, GIDC, Phase 4, Ankleshwar - 393 002, Gujarat, India and at any adjournment thereof in respect of such resolutions as are indicated below:

1. Adoption of Statement of Profit and Loss, Balance Sheet, Report of Board of Directors and Auditors.
2. Re-appointment of Mr. Rajesh Mehta as a Director of the Company.
3. Ratification of Appointment of Statutory Auditors.
4. Appointment of Mr. Megh Mehta as a Director retiring by rotation of the Company.
5. Appointment of Mr. Megh Mehta as an Executive Director of the Company.

Signed this _____ day of _____ 2016

Please
Affix
Revenue
Stamp

Signature of shareholder _____

Signature of Proxyholder(s) _____

- Note:
1. This form 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.
 2. Those Members who have multiple folios with different joint holders may use copies of this Attendance Slip/Proxy.

www.samratpharmachem.com



स्वच्छ

भारत

एक कदम स्वच्छता की ओर

Book-Post



If undelivered please return to :

Samrat Pharmachem Limited

Plot No. A2/3445,
GIDC, Phase 4,
Ankleshwar - 393 002,
Gujarat.