



# **Samrat Pharmachem Limited**

**25th Annual Report  
2016-2017**

## Photo



1. Mr. Lalit Mehta (Chairman & Managing Director),
2. Mr. Megh Mehta (Executive Director),
3. Mr. Rajesh Mehta (Executive Director)

## CONTENTS

Sr. No.	Particulars	Page No.
1.	Contents	1
2.	Board of Directors & General Information	2
3.	Notice of Annual General Meeting	3
4.	Explanatory Statement	9
5.	Directors' Report	16
6.	Management Discussion & Analysis	36
7.	Corporate Governance Report	38
8.	Certification by MD	52
9.	Certification by CFO	53
10.	Independent Auditors' Report	55
11.	Balance Sheet	61
12.	Profit & Loss Account	63
13.	Schedules to Accounts & Notes forming part of the accounts	65
14.	Cash Flow Statement	99
15.	Route Map to AGM Venue	101
16.	Attendance Slip & Proxy Form	103

**BOARD OF DIRECTORS**

<b>Mr. Lalit Mehta</b>	Chairman & Managing Director
<b>Mr. Rajesh Mehta</b>	Executive Director
<b>Mr. Megh Mehta</b>	Executive Director
<b>Mr. Mahendra Pipalia</b>	Independent Director
<b>Mr. Samir Kothary</b>	Independent Director
<b>Ms. Renu Dharod</b>	Independent 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 - 400 058

**STATUTORY AUDITORS****Shah & Savla LLP**

*Chartered Accountants*

RNJ Corporate, Jawahar Road, Ghatkopar (East), Mumbai - 400 077

**PRINCIPAL BANKER****ICICI Bank Ltd**

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

**CO-BANKERS****HDFC Bank Ltd**

Jamuna Apartments, 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 101, 247 Park, LBS Marg, Vikhroli (West), Mumbai - 400 083

## **NOTICE OF ANNUAL GENERAL MEETING**

NOTICE is hereby given that the **TWENTY-FIFTH ANNUAL GENERAL MEETING of SAMRAT PHARMACHEM LIMITED** will be held on Saturday, the September 23, 2017 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 businesses:

### **ORDINARY BUSINESS**

1. **To receive, consider and adopt the Audited Financial Statements of the company for the year ended 31 March 2017, together with Directors' and Auditors' Reports thereon.**
2. **To appoint a Director in place of Mr. Megh Rajesh Mehta (DIN: 07287394), who retires by rotation and, being eligible, offers himself for re-appointment.**
3. **Ratification of Appointment of Statutory Auditors.**

“RESOLVED THAT pursuant to the provisions of sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder M/s. Shah & Savla LLP, Chartered Accountants (Firm Registration No. 109364W), who were appointed as Statutory Auditors for a period of 5 years from the conclusion of 24th AGM till the conclusion of 29th AGM to be held in the Calendar Year 2021, subject to ratification by the members at every Annual General Meeting of the Company, their appointment as Statutory Auditors be and is hereby ratified at such remuneration and out of pocket expenses, as may be decided by the Board of Directors of the Company.”

### **SPECIAL BUSINESS**

4. **Re-appointment of Mr. Lalit Damodar Mehta as Chairman & Managing Director of the Company.**

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

“RESOLVED THAT pursuant to the provisions of Sections 196, 197 and other applicable provisions, if any, of the Companies Act, 2013, (“Act”), read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, the Company hereby approves the appointment and terms of remuneration of Mr. Lalit Damodar Mehta (DIN: 00216681), as the Chairman and Managing Director of the Company for a period of three years with effect from April 1, 2017 to March 31, 2020, 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 his 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. Lalit Damodar Mehta.”

“RESOLVED FURTHER THAT the Board of Directors of the Company (which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

5. **Re-appointment of Mr. Rajesh Lalit Mehta as 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”), read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, the Company hereby approves the appointment and terms of remuneration of Mr. Rajesh Lalit Mehta (DIN: 00216731) as

Executive Director of the Company for a period of three years with effect from April 1, 2017 to March 31, 2020, 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 his 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. Rajesh Lalit Mehta.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company (which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

**6. Re-appointment of Mr. Megh Rajesh Mehta as 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”), read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, the Company hereby approves the appointment and terms of remuneration of Mr. Megh Rajesh Mehta (DIN: 07287394) as Executive Director of the Company for a period of three years with effect from April 1, 2017 to March 31, 2020, 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 his 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 Rajesh Mehta.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company (which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

**7. Service of documents to members**

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

**RESOLVED THAT** pursuant to the provisions of Section 20 of the Companies Act, 2013 and relevant rules framed thereunder and other applicable provisions, if any, whereby, a document may be served on any member by the Company by sending it to him/her by post, by registered post, by speed post, by electronic mode, or any other modes as may be prescribed, consent of the members be and is hereby accorded to charge from the member such fees in advance equivalent to estimated actual expenses of delivery of the documents delivered through registered post or speed post or by courier service or such other mode of delivery of documents pursuant to any request by the shareholder for delivery of documents, through a particular mode of service mentioned above provided such request along with requisite fees has been duly received by the Company at least 10 days in advance of dispatch of documents by the Company to the shareholder;

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution the Board of Directors or Key Managerial Personnel of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be necessary, proper or desirable to give effect to the 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 Nos. 4 to 7 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, 9th September, 2017 to Saturday, 23rd September, 2017 (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. Samantha Fernanades) C 101, 247 Park, LBS Marg, Vikhroli (West), Mumbai - 400 083, immediately of any change in their addresses.
6. Information pursuant to Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 is attached herewith and shown as Annexure A
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.  
The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to 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. Link Intime India Pvt Ltd., 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. As per the provisions of Section 72 of the Companies Act, 2013, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The said form can be downloaded from the Company's website [www.samratpharmachem.com](http://www.samratpharmachem.com) (under 'Investors' section). Members holding shares in physical form may submit the same to M/s. Link Intime India Pvt Ltd. Members holding shares in electronic form may submit the same to their respective depository participant.
14. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified.

15. The Notice of the AGM along with the 25<sup>th</sup> Annual Report (2016-17) 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 2016-17 will also be available on the Company's website viz. [www.samratpharmachem.com](http://www.samratpharmachem.com)
16. Members are requested to bring their copies of the Annual Report to the Meeting.
17. Members/ proxies are requested to bring with them the duly filled in attendance slip for attending the meeting.
18. 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.
19. The route map showing directions to reach the venue of the twenty-fifth AGM is annexed.
20. In compliance with the provisions of Section 108 of the Act and the Rules framed thereunder, as amended from time to time, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by CDSL, on all the resolutions set forth in this Notice. The instructions for e-voting are given herein below. Resolution(s) passed by Members through e-voting is/are deemed to have been passed as if they have been passed at the AGM.
21. 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.
22. 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.
23. 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 22, 2017 (6.00 p.m. IST).

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](http://www.evotingindia.com)
- (ii) Click on Shareholders  
Now enter your User
- (iii) Id
  - a. For CDSL: 16 digits beneficiary ID
  - b. For NSDL: 8 character DP ID followed by 8 digits Client ID
  - c. Members holding shares in Physical Form should enter Folio Number registered with the 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](http://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:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PA N	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 16, 2017 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](http://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](mailto: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](mailto: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 favour 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](mailto: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](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto: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](mailto: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 20, 2017 (9.00 a.m. IST) and ends on Friday, September 22, 2017 (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 16, 2017, 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 16, 2017.
  - 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 favour 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](mailto: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 22, 2017 (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](http://www.samratpharmachem.com) and on the website of CDSL [www.evotingindia.com](http://www.evotingindia.com) within two days of the passing of the resolutions at the 25th AGM of the Company on September 23, 2017 and shall be communicated to BSE Limited ("BSE"), where the shares of the Company are listed.

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

**Place : Mumbai  
Date : 30 May 2017**

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

**ANNEXURE TO THE NOTICE**  
**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 to 7 of the accompanying Notice:

**Item No. 4**

The remuneration committee at its meeting held on 31st March, 2017, recommended the re-appointment of Mr. Lalit Mehta, as Managing Director of the Company for the period of 3 years from 1st April, 2017 till 31st March, 2020.

In pursuance of the recommendations of the remuneration committee, the Board of Directors at its meeting held on 31st March, 2017, re-appointed Mr. Lalit Mehta as Managing Director for the period of three years with effect from 1st April, 2017 to 31st March, 2020:

As per the provisions of Section 196(3) of the Companies Act, 2013 & Schedule V, any Managing Director of the Company attaining the age of 70 years cannot continue on the post unless shareholders pass a special resolution confirming the appointment at their duly convened general meeting. Mr. Lalit Mehta has attained 80 years of age and therefore his continuation in office as a Managing Director should be approved by the shareholders of the Company by passing a special resolution.

This explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013

The details of remuneration payable to Mr. Lalit Mehta and terms & condition of his re-appointment are given below.

Nature of Duties

Mr. Lalit Mehta, Managing Director, shall look after the overall business, administrative, commercial, marketing, technical, financial matters and such other related functions of the Company.

Remuneration

The Managing Director shall be entitled to the following emoluments, benefits and perquisites during the period of his employment subject to the ceiling limits laid down in Section 196, 197, 203 and Schedule V of the Companies Act, 2013.

Period

3 years from 1st April, 2017 to 31st March, 2020.

Salary

Name of the Director	Salary Scale
Mr. Lalit Mehta	Rs. 150,000 p.m.

### Perquisites

Perquisites shall be restricted to an amount equal to annual salary. The perquisites payable to the Managing Director are as under:

The Company shall provide for, or pay the expenses for, a car with driver and telephone facility at the residence of the Managing Director. Provision of, or payment of expenses 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 Managing Director.

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.

### Sitting Fees

No sitting fees will be paid to the Managing Director for attending the meeting of the Board of Directors or Committee thereof of the Company.

### Other Terms

- a. He will 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 will be entitled to re-imbursement of all actual traveling, lodging & boarding expenses and entertainment expenses reasonably incurred in connection with the business of the Company.
- c. He must 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.

As regard to re-appointment of Mr. Lalit Mehta as Managing Director of the Company in compliance with the applicable provisions of the Companies Act, 2013, Special Resolution in terms as set out in item no 4 of the accompanying Notice is now being placed before the members in the General Meeting for their approval.

The Agreement entered into between the company and the Managing Director is kept for inspection of the members at the Registered Office of the company between 11.00 am to 1.00 pm on all working days.

The Board commends the Resolution at Item No. 4 for approval by the members.

Except Mr. Lalit Damodar Mehta, Mr. Rajesh Lalit Mehta & Mr. Megh Rajesh Mehta, none of other Directors or Key Managerial Personnel (KMP) or their relatives are concerned or interested in the Resolution as set out in Item No. 4 of the accompanying Notice.

### **Item No. 5**

The remuneration committee at its meeting held on 31st March, 2017, recommended the re-appointment of Mr. Rajesh Mehta, as Executive Director of the Company for the period of 3 years from 1st April, 2017 till 31st March, 2020.

In pursuance of the recommendations of the remuneration committee, the Board of Directors at its meeting held on 31st March, 2017, re-appointed Mr. Rajesh Mehta as Executive Director for the period of three years with effect from 1st April, 2017 to 31st March, 2020:

This explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013

The details of remuneration payable to Mr. Rajesh Mehta and terms & condition of his re-appointment are given below.

**Nature of Duties**

Mr. Rajesh Mehta, Executive Director, shall look after the finance, corporate affairs, MIS and such other related functions of the Company.

**Remuneration**

The Executive Director shall be entitled to the following emoluments, benefits and perquisites during the period of his employment subject to the ceiling limits laid down in Section 196, 197, 203 and Schedule V of the Companies Act, 2013.

**Period**

3 years from 1st April, 2017 to 31st March, 2020.

**Salary**

<b>Name of the Director</b>	<b>Salary Scale</b>
Mr. Rajesh Mehta	Rs. 145,000 p.m.

**Perquisites**

Perquisites shall be restricted to an amount equal to annual salary. The perquisites payable to the Executive Director are as under:

The Company shall provide for, or pay the expenses for, a car with driver and telephone facility at the residence of the Executive Director. Provision of, or payment of expenses 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.

**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.

Sitting Fees

No sitting fees will be paid to the Executive Director for attending the meeting of the Board of Directors or Committee thereof of the Company.

Other Terms

- a. He will 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 will be entitled to re-imbursement of all actual traveling, lodging & boarding expenses and entertainment expenses reasonably incurred in connection with the business of the Company.
- c. He must 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.

As regard to re-appointment of Mr. Rajesh Mehta as Executive Director of the Company in compliance with the applicable provisions of the Companies Act, 2013, Special Resolution in terms as set out in item no 5 of the accompanying Notice is now being placed before the members in the General Meeting for their approval.

The Agreement entered into between the company and the Executive Director is kept for inspection of the members at the Registered Office of the company between 11.00 am to 1.00 pm on all working days.

The Board commends the Resolution at Item No. 5 for approval by the members.

Except Mr. Rajesh Lalit Mehta, Mr. Lalit Damodar Mehta & Mr. Megh Rajesh Mehta, none of other Directors or Key Managerial Personnel (KMP) or their relatives are concerned or interested in the Resolution as set out in Item No. 5 of the accompanying Notice.

**Item No. 6**

The remuneration committee at its meeting held on 31st March, 2017, recommended the re-appointment of Mr. Megh Mehta, as Executive Director of the Company for the period of 3 years from 1st April, 2017 till 31st March, 2020.

In pursuance of the recommendations of the remuneration committee, the Board of Directors at its meeting held on 31st March, 2017, re-appointed Mr. Megh Mehta as Executive Director for the period of three years with effect from 1st April, 2017 to 31st March, 2020:

This explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013

The details of remuneration payable to Mr. Megh Mehta and terms & condition of his re-appointment are given below.

Nature of Duties

Mr. Megh Mehta, Executive Director, shall look after marketing, administration and such other related functions of the Company.

Remuneration

The Executive Director shall be entitled to the following emoluments, benefits and perquisites during the period of his employment subject to the ceiling limits laid down in Section 196, 197, 203 and Schedule V of the Companies Act, 2013.

Period

3 years from 1st April, 2017 to 31st March, 2020.

Salary

Name of the Director	Salary Scale
Mr. Megh Mehta	Rs. 75,000 p.m.

Perquisites

Perquisites shall be restricted to an amount equal to annual salary. The perquisites payable to the Executive Director are as under:

The Company shall provide for, or pay the expenses for, a car with driver and telephone facility at the residence of the Executive Director. Provision of, or payment of expenses 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.

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.

Sitting Fees

No sitting fees will be paid to the Executive Director for attending the meeting of the Board of Directors or Committee thereof of the Company.

Other Terms

- He will 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.
- He will be entitled to re-imbursement of all actual traveling, lodging & boarding expenses and entertainment expenses reasonably incurred in connection with the business of the Company.
- He must 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.

As regard to re-appointment of Mr. Megh Mehta as Executive Director of the Company in compliance with the applicable provisions of the Companies Act, 2013, Special Resolution in terms as set out in item no 6 of the accompanying Notice is now being placed before the members in the General Meeting for their approval.

The Agreement entered into between the company and the Executive Director is kept for inspection of the members at the Registered Office of the company between 11.00 am to 1.00 pm on all working days.

The Board commends the Resolution at Item No. 6 for approval by the members.

Except Mr. Megh Rajesh Mehta, Mr. Lalit Damodar Mehta & Mr. Rajesh Lalit Mehta, none of other Directors or Key Managerial Personnel (KMP) or their relatives are concerned or interested in the Resolution as set out in Item No. 6 of the accompanying Notice.

**Item No. 7**

As per the provisions of Section 20 of the Companies Act, 2013, a document may be served on any member by sending it to him by registered post, by speed post, by electronic mode, or any other modes as may be prescribed. Further a member may request the delivery of document through any other mode by paying such fees as maybe determined by the members in the Annual General Meeting.

Accordingly, the Board recommends the passing of the Special Resolution at Item No. 7 of the accompanying Notice for members approval.

None of the Directors and the Key Managerial Personnel of the Company and their respective relatives are concerned or interested in the passing of the above resolution.

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

**Place : Mumbai  
Date : 30 May 2017**

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



**Annexure A****Details of Directors seeking re-appointment at the Annual General Meeting scheduled to be held on September 23, 2017**

[Pursuant to Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015].

Name of the Director	Lalit Mehta (DIN: 00216681)	Rajesh Mehta (DIN: 00216731)	Megh Mehta (DIN: 07287394)
Date of birth	08.08.1936	25.06.1964	01.08.1992
Age	80 years	52 years	24 years
Date of Appointment	16.06.1992	16.06.1992	01.10.2015
Relationship with Directors	Relative : Father of Mr. Rajesh Mehta & Grandfather of Mr. Megh Mehta	Relative : Son of Mr. Lalit Mehta & Father of Mr. Megh Mehta	Relative : Son of Mr. Rajesh Mehta & Grandson of Mr. Lalit Mehta
Expertise in specific functional area	Wide experience in Technical & Administration	Wide experience in Finance, Corporate Affairs & MIS	Marketing & Administration
Qualification(s)	<ul style="list-style-type: none"> <li>Bachelor's Degree in Science (BSc)</li> <li>Bachelor's Degree in Law (LLB)</li> </ul>	<ul style="list-style-type: none"> <li>Bachelor's Degree in Commerce (BCom)</li> <li>Chartered Accountant (CA)</li> </ul>	<ul style="list-style-type: none"> <li>Bachelor's Degree in Management Studies (BMS)</li> <li>Master's Degree in Commerce (MCom)</li> <li>Post Graduation in Professional Management (PGPM)</li> </ul>
Directorships held in other listed companies	Nil	Nil	Nil
Chairmanships/ Memberships of Committees of other public companies (includes only Audit Committee And Stakeholders Relationship Committee)	Nil	Nil	Nil
Number of shares held in the Company as on March 31, 2017	4,23,376	3,79,542	23,062

**Notes:**

1. The Directorship, Committee Memberships and Chairmanships do not include positions in foreign companies, unlisted companies and private companies, position as an Advisory Board Member and position in companies under Section 8 of the Companies Act, 2013.
2. The proposal for re-appointments of Directors has been approved by the Board pursuant to the recommendation of the Board Governance, Nomination and Compensation Committee considering their skills, experience and knowledge and positive outcome of performance evaluation.
3. Information pertaining to remuneration paid to the Directors who are being re-appointed and the number of Board Meetings attended by them during the year 2016-17 are provided in the Corporate Governance Report.
4. Detailed profiles of the Directors are given in the Annual Report.

**DIRECTORS' REPORT**

To,  
**The Members**  
 Samrat Pharmachem Limited

The Directors are pleased to present the 25th Annual Report on the business and operations of the company and the financial accounts for the year ended 31 March 2017

**FINANCIAL PERFORMANCE**

<i>Particulars</i>	<b>31 March 2017 Rs.</b>	<b>31 March 2016 Rs.</b>
<i>Turnover</i>	<b>710,650,378</b>	618,551,697
<i>Profit before tax (PBT)</i>	<b>24,933,322</b>	4,487,188
<i>Provision for tax</i>	<b>-10,094,608</b>	-1,488,304
<i>Other tax adjustments</i>	<b>-376,539</b>	-12,000
<i>Net Deferred Tax Liability for current year</i>	<b>1,193,562</b>	26,274
<i>Profit after tax (PAT)</i>	<b>15,655,737</b>	3,013,158
<u><i>Profit &amp; Loss account</i></u>		
<i>Opening Balance</i>	<b>106,663,951</b>	103,650,793
<i>Profit of the current year after tax</i>	<b>15,655,737</b>	3,013,158
<i>Balance carried forward to Balance Sheet</i>	<b>122,319,688</b>	106,663,951

**OPERATIONS**

Your company has performed reasonably well during the year. In a highly competitive business environment, your Company achieved a turnover of Rs. 7106.50 Lakhs as against Rs. 6185.51 Lakhs achieved last year - an increase of around 14.89%. Production of 514.07 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, 2017.

**EXPORTS**

During the year 2016-17 your company's export division registered FOB sales of Rs. 1034.48 Lacs from Rs. 1179.83 Lacs achieved 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 depositories 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. It has paid the listing fees of BSE Limited for the period upto 31st March, 2018. Your Company has not been delisted on this exchange 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](http://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 equipments 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 equipments and maintain cleanliness
- Conducting seminars to impart knowledge to employees on safe operations
- Organising 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 counselling 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 31<sup>st</sup> March 2017, the total number of employees on the payroll of the company were 30. 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. Megh Mehta, Director retires by rotation and being eligible has offered himself for re-appointment.

During the year Mr. Lalit Mehta, Mr. Rajesh Mehta and Mr. Megh Mehta were re-appointed as Executive Directors for a period of 3 years from 1st April, 2017 to 31st March, 2020 subject to approval of members at the ensuing Annual General Meeting of the Company.

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](http://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	<a href="http://www.samratpharmachem.com/archival-policy/">http://www.samratpharmachem.com/archival-policy/</a>
Appointment of Independent Directors Policy	<a href="http://www.samratpharmachem.com/independent-director-terms-and-conditions-of-appointment/">http://www.samratpharmachem.com/independent-director-terms-and-conditions-of-appointment/</a>
Related Party Transactions & its Materiality Policy	<a href="http://www.samratpharmachem.com/policy-on-related-party-transactions-and-its-materiality/">http://www.samratpharmachem.com/policy-on-related-party-transactions-and-its-materiality/</a>
Whistle-blower Policy	<a href="http://www.samratpharmachem.com/whistleblower-policy/">http://www.samratpharmachem.com/whistleblower-policy/</a>
Materiality of Events Policy	<a href="http://www.samratpharmachem.com/policies/materiality-of-events-policy/">http://www.samratpharmachem.com/policies/materiality-of-events-policy/</a>
Preservation of Documents Policy	<a href="http://www.samratpharmachem.com/policy-on-preservation-of-documents/">http://www.samratpharmachem.com/policy-on-preservation-of-documents/</a>
Insider Trading Policy	<a href="http://www.samratpharmachem.com/insider-trading-policy/">http://www.samratpharmachem.com/insider-trading-policy/</a>
Privacy Policy	<a href="http://www.samratpharmachem.com/policies/privacy-policy/">http://www.samratpharmachem.com/policies/privacy-policy/</a>
Quality Policy	<a href="http://www.samratpharmachem.com/quality-policy-2/">http://www.samratpharmachem.com/quality-policy-2/</a>
SHE Policy	<a href="http://www.samratpharmachem.com/policies/she-policy/">http://www.samratpharmachem.com/policies/she-policy/</a>
Corporate Social Policy	<a href="http://www.samratpharmachem.com/policies/corporate-social-policy/">http://www.samratpharmachem.com/policies/corporate-social-policy/</a>

**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 2016-17	Remuneration Paid FY 2015-16	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	10.73
2	Mr. Rajesh Mehta, ED	1,440,000	1,440,000	0	10.30
3	Mr. Megh Mehta, ED	420,000	210,000	210,000	3.01

**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 2017, 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 2017 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 2016-17.

**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 Agreement with the Stock Exchanges. Though the regulation nos. 17 to 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are not applicable to the Company due to its paid up capital & net worth remain below threshold limit, yet the company has provided corporate governance report voluntarily as a good corporate practice.

**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 & Savla LLP, Chartered Accountants, who are the Statutory Auditors of the Company to hold office till the conclusion of 29th AGM to be held in the Calender Year 2021 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 ratify appointment of M/s. Shah & Savla LLP as statutory auditors of the Company for the Financial year 2017-18.

**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 2016-17. 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 2017.

**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 economiser 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 equipments 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	<b>Rs. 103,448,091</b>
F.O.B. Value of export of finished goods	
(Previous year Rs. 11,79,83,540)	

Foreign exchange used	<b>Rs. 588,103,620</b>
Import of raw materials	
(Previous year Rs. 50,97,54,052)	



**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.

**Place : Mumbai**  
**Date : 30 May 2017**

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

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

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

For The Financial Year Ended March 31, 2017

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

To,  
**The Members,**  
**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 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, 2017, 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, 2017, according to the applicable provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder, as applicable;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the rules made thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under The Securities and Exchange Board of India Act, 1992 ('SEBI Act') :
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and takeovers) Regulation, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation 2009;  
**Not applicable to the company during the audit period**
  - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;  
**Not applicable to the company during the audit period**
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;  
**Not applicable to the company during the audit period**

- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.  
***Not applicable to the company during the audit period***
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009:  
***Not applicable to the company during the audit period***
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;  
***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. Hazardous Wastes (Management & Handling) Rules 1989 and Amendment Rules, 2003
  - iv. The Indian Boiler Act, 1923
  - v. Manufacture, storage and Import of Hazardous Chemicals Rules, 1989
  - vi. Food Safety & Standard Act 2006 & Food Safety And Standards Rules, 2011

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

- i. Secretarial Standards issued by the Institute of Company Secretaries of India with respect to Board and general meetings.
- ii. The Listing Agreement entered into by the Company with BSE Limited read with the 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.

Place : Mumbai  
Date : 30 May 2017

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

**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 2017**

**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.
Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

**Annexure III**

**FORM NO. MGT 9**  
**EXTRACT OF ANNUAL RETURN**  
**as on financial year ended on March 31, 2017**

[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-101, 247 Park,  
L. B. S. Marg, Vikhroli (West),  
Mumbai - 400 083.  
Tel # 91-22-49186270  
Fax # 91-22-49186060  
Email # rnt.helpdesk@linkintime.co.in  
Website # www.linkintime.co.in

**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%

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

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

## IV SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

## i. Category-wise Share Holding

	Category of Shareholders	No. of Shares held at the beginning of the year i.e. 01.04.2016				No. of Shares held at the end of the year i.e. 31.03.2017				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A.</b>	<b>Promoters</b>									
<b>1</b>	<b>Indian</b>									
a.	Individuals/ Hindu Undivided Family	1,461,418	0	1,461,418	47.30	1,479,147	0	1,479,147	47.87	0.57
b.	Central Government/ State Governments	0	0	0	0.00	0	0	0	0.00	0.00
c.	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
d.	Financial Institutions/ Banks	0	0	0	0.00	0	0	0	0.00	0.00
e.	Any Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-Total (A) (1)</b>		<b>1,461,418</b>	<b>0</b>	<b>1,461,418</b>	<b>47.30</b>	<b>1,479,147</b>	<b>0</b>	<b>1,479,147</b>	<b>47.87</b>	<b>0.57</b>
<b>2</b>	<b>Foreign</b>									
a.	Individuals (Non-Resident Individuals/ Foreign Individuals)	0	0	0	0.00	0	0	0	0.00	0.00
b.	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
c.	Institutions	0	0	0	0.00	0	0	0	0.00	0.00
d.	Qualified Foreign Investor - Corporate	0	0	0	0.00	0	0	0	0.00	0.00
e.	Qualified Foreign Investor - Ind	0	0	0	0.00	0	0	0	0.00	0.00
f.	Any Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-Total (A) (2)</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)</b>		<b>1,461,418</b>	<b>0</b>	<b>1,461,418</b>	<b>47.30</b>	<b>1,479,147</b>	<b>0</b>	<b>1,479,147</b>	<b>47.87</b>	<b>0.57</b>
<b>B.</b>	<b>Public Shareholding</b>									
<b>1</b>	<b>Institutions</b>									
a.	Mutual Funds/ UTI	0	0	0	0.00	0	0	0	0.00	0.00
b.	Financial Institutions/ Banks	0	0	0	0.00	0	0	0	0.00	0.00
c.	Central Government/ State Governments	0	0	0	0.00	0	0	0	0.00	0.00
d.	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
e.	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
f.	Foreign Institutional Investors	0	100,000	100,000	3.24	0	100,000	100,000	3.24	0.00
g.	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
h.	Qualified Foreign Investors (Corporate)	0	0	0	0.00	0	0	0	0.00	0.00

i.	Qualified Foreign Investors (Ind)	0	0	0	0.00	0	0	0	0.00	0.00
j.	Any Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-Total (B) (1)</b>		<b>0</b>	<b>100,000</b>	<b>100,000</b>	<b>3.24</b>	<b>0</b>	<b>100,000</b>	<b>100,000</b>	<b>3.24</b>	<b>0.00</b>
<b>2</b>	<b>Non-Institutions</b>									
a.	Bodies Corporate	137,152	1,500	138,652	4.49	91,199	1,500	92,699	3.00	-1.49
b.	Individuals -									
i.	Individual shareholders holding nominal share capital up to Rs 2 lakh	634,562	293,810	928,372	30.05	647,758	290,510	938,268	30.37	0.32
ii.	Individual shareholders holding nominal share capital in excess of Rs. 2 lakh.	374,691	0	374,691	12.13	369,701	0	369,701	11.97	-0.16
c.	Qualified Foreign Investor - Corporate	0	0	0	0.00	0	0	0	0.00	0.00
d.	Qualified Foreign Investor - Ind	0	0	0	0.00	0	0	0	0.00	0.00
e.	Any Others (specify)									
i.	HUF	35,918	0	35,918	1.16	25,792	0	25,792	0.83	-0.33
ii.	Clearing member	5,876	0	5,876	0.19	26,385	0	26,385	0.85	0.66
iii.	NRIs (REPAT)	14,873	28,300	43,173	1.40	27,748	28,300	56,048	1.81	0.42
iv.	NRIs (NON-REPAT)	1,600	0	1,600	0.05	1,660	0	1,660	0.05	0.00
<b>Sub-Total (B) (2)</b>		<b>1,204,672</b>	<b>323,610</b>	<b>1,528,282</b>	<b>49.46</b>	<b>1,190,243</b>	<b>320,310</b>	<b>1,510,553</b>	<b>48.89</b>	<b>-0.57</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>		<b>1,204,672</b>	<b>423,610</b>	<b>1,628,282</b>	<b>52.70</b>	<b>1,190,243</b>	<b>420,310</b>	<b>1,610,553</b>	<b>52.13</b>	<b>-0.57</b>
<b>Total (A)+(B)</b>		<b>2,666,090</b>	<b>423,610</b>	<b>3,089,700</b>	<b>100.00</b>	<b>2,669,390</b>	<b>420,310</b>	<b>3,089,700</b>	<b>100.00</b>	<b>-0.00</b>
<b>C.</b>	Shares held by custodians and against which Depository receipts have been issued	0	0	0	0.00	0	0	0	0.00	0.00
<b>Grand Total (A)+(B)+(C)</b>		<b>2,666,090</b>	<b>423,610</b>	<b>3,089,700</b>	<b>100.00</b>	<b>2,669,390</b>	<b>420,310</b>	<b>3,089,700</b>	<b>100.00</b>	<b>-0.00</b>



**ii. Shareholding of Promoters**

C.	Shareholder's Name	Shareholding at the beginning of the year 01.04.2016			Shareholding at the end of the year 31.03.2017			% change in shareholding during the year
		No. of Shares	% of total shares of the company	% of shares Pledged /encumbered to total shares	No. of Shares	% of total shares of the company	% of shares Pledged/encumbered to total shares	
1	Lalit Damodar Mehta	423,376	13.70	0.00	423,376	13.70	0.00	0.00
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	5,333	0.17	0.00	23,062	0.75	0.00	0.57
		<b>1,461,418</b>	<b>47.30</b>	<b>0.00</b>	<b>1,479,147</b>	<b>47.87</b>	<b>0.00</b>	<b>0.57</b>

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

Sr. No.		Shareholding at the beginning of the year (01-04-2016)		Cumulative Shareholding during the year (31-03-2017)	
		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	1,461,418	47.30	1,479,147	47.87
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	423,376	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	5,333	0.17	23,062	0.75
3	At the end of the year	1,461,418	47.30	1,479,147	47.87

\* 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 01-04-2016	
		No. of shares	% of total shares of the company
1	Mala R Bhavnani	160,701	5.20
2	Llyods Securities Overseas Limited	100,000	3.24
3	Celestial Tradechem Pvt Ltd	72,486	2.35
4	Sangeeta S	52,090	1.69
5	Savitha S	50,200	1.62
6	Sathya S	45,700	1.48
7	Prakash Bhoorchand Shah	40,000	1.29
8	Eugene Napoleon Jacob	26,000	0.84
9	Bacil Pharma	21,367	0.69
10	Kishor Dhirajlal Sheth	18,750	0.61

Sr. No.	Top 10 Shareholders*	Cumulative Shareholding at the end of the year 31-03-2017	
		No. of shares	% of total shares of the company
1	Mala R Bhavnani	160,701	5.20
2	Subramanian P.	133,000	4.30
3	Llyods Securities Overseas Limited	100,000	3.24
4	Sharad Kanayalal Shah	50,000	1.62
5	Utkarsh Global Holdings Pvt Ltd	34,277	1.11
6	Eugene Napoleon Jacob	26,000	0.84
7	Parikshit K. Notaria	20,000	0.65
8	Kishor Dhirajlal Sheth	18,750	0.61
9	Celestial Tradechem Pvt Ltd	13,000	0.42
10	Divyanshu Jayaraj Kantol	12,500	0.40

\* 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/2016	At the beginning of the year	423,376	13.70		
			31/Mar/2017	At the end of the year			423,376	13.70
2	IN30267932162257	Rajesh Lalit Mehta	1/Apr/2016	At the beginning of the year	379,542	12.28		
			31/Mar/2017	At the end of the year			379,542	12.28
3	1601430100025610	Megh Rajesh Mehta	1/Apr/2016	At the beginning of the year	5,333	0.17		
			31/Mar/2017	At the end of the year			23,062	0.75
				Total:	802,918	25.99	802,918	25.99
<b>Key Managerial Personnel - Nil</b>								

V. **INDEBTEDNESS**

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

	Secured Loans excluding deposits <sup>1</sup>	Unsecured Loans <sup>2</sup>	Deposits <sup>3</sup>	Total indebtedness
Indebtedness at the beginning 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
<b>Total (i+ii+iii)</b>	52,353,024	0	0	52,353,024
Change in indebtedness during the financial year				
• Addition	13,529,312	0	0	13,529,312
• Reduction	0	0	0	0
Net Change	13,529,312	0	0	13,529,312
Indebtedness at the end of the financial year				
i. Principal Amount	65,882,336	0	0	65,882,336
ii. Interest due but not paid	0			0
iii. Interest accrued but not due	0			0
<b>Total (i+ii+iii)</b>	65,882,336	0	0	65,882,336

## Notes:

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

## 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	4.20	33.60
	(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	-	-	-	-
	<b>Total (A)</b>	15.00	14.40	4.20	33.60
	Ceiling as per the Act @ 10% of the Profit calculated as per Section 198 of the Companies Act, 2013 ~				28.29

~ 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	<b>Independent Directors</b>				
	Mr. Mahendra Pipalia	0.45000	-	-	0.45000
	Mr. Samir Kothary	0.45000	-	-	0.45000
	Ms. Renu Dharod	0.45000	-	-	0.45000
	Service tax under RCM	0.09450	-	-	0.09450
	<b>Total (1)</b>	1.44450	-	-	1.44450
2	<b>Other Non-Executive Directors</b>	-	-	-	-
	<b>Total (2)</b>	-	-	-	-
	<b>Total B=(1+2)</b>	1.44450	-	-	1.44450
	<b>Total Managerial Remuneration</b>	1.44450	-	-	1.44450
	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  (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	Nil	Nil	Nil
2	Stock Option			
3	Sweat Equity			
4	Commission - as % of profit			
5	Others			
	<b>Total (A)</b>			

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

There were no penalties, punishment or compounding of offences during the year ended March 31, 2017.

## **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 company has registered good sales growth & earned reasonable profit during the current financial year. The company has plans 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 2016-17 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 fire fighting equipments, 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 behavioural 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 2017**

**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 as a good corporate practice voluntarily complies with the requirements stipulated under regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI Listing Regulations, 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, 2017, the Company has 6 directors. of the 6 Directors, 3 (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, 2017 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 2016-17		Whether attended last AGM held on September 24, 2016	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	7	Yes	-	-	-	-
Mr. Mahendra Pipalia DIN 00216959	Independent, Non-Executive	7	6	Yes	-	-	-	-
Mr. Samir Kothary DIN 00216603	Independent, Non-Executive	7	6	Yes	-	-	-	-
Ms. Renu Dharod DIN 00216731	Independent, Non-Executive	7	6	Yes	-	-	-	-

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 SEBI (Listing obligations and disclosures Requirements)

iv. *Number of Board Meetings*

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 :-

Sr No	Date of Board Meeting
1	30 May 2016
2	12 August 2016
3	22 August 2016
4	24 October 2016
5	14 November 2016
6	14 February 2017
7	31 March 2017

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:

- Familiarize with the nature of Business of the Company.
- Roles and Responsibilities.
- Nature of industry including competition/export potential.
- 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](http://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, 2017 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	23,062

**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 2016-17 |          |
|---------------------------------|----------------------------|--|----------|
|                                 |                            | 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. 4 audit committee meetings were held during the year and the gap between two meetings did not exceed 4 months. The dates on which the said meetings were held are as follows:  
May 30, 2016; August 12, 2016; November 14, 2016 and February 14, 2017  
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 familiarisation programmes 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 2016-17	
		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 4 meetings of the nomination and remuneration committee were held. The dates on which the said meetings were held are as follows:

May 30, 2016; August 12, 2016; November 14, 2016 and February 14, 2017

## 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	4.20	-

b. **Independent Non-Executive Directors**

(` lakh)

Name	Commission	Sitting Fees
Mr. Mahendra Pipalia	-	0.45
Mr. Samir Kothary	-	0.45
Ms. Renu Dharod	-	0.45

**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.

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

Name	Category	Number of meetings during the financial year 2016-17	
		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

## iii. During the year 4 meetings of the Stakeholders' relationship committee were held. The dates on which the said meetings were held are as follows:

May 30, 2016; August 12, 2016; November 14, 2016 and February 14, 2017

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

- v. Investor complaints received and redressed during the year 2016-17

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

#### D Other Committees

i. 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.

Composition of Risk Management Committee and details of meetings attended:

Name	Category	Number of meetings during the financial year 2016-17	
		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

During the year 4 meetings of the Risk management committee were held. The dates on which the said meetings were held are as follows:

May 30, 2016; August 12, 2016; November 14, 2016 and February 14, 2017

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.

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

Name	Category	Number of meetings during the financial year 2016-17	
		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

During the year 4 meetings of the Health, Safety & Sustainability Committee were held. The dates on which the said meetings were held are as follows:

May 30, 2016; August 12, 2016; November 14, 2016 and February 14, 2017

## 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
2013-14	27/Sep/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	26/Sep/2015	1.00 p.m.	Plot No. A2/3445, GIDC, Phase 4, Ankleshwar - 393 002, Gujarat.	No Special Resolutions passed.
2015-16	24/Sep/2016	1.00 p.m.	Plot No. A2/3445, GIDC, Phase 4, Ankleshwar - 393 002, Gujarat.	Appointment of Mr. Megh Mehta as an Executive Director of the Company

## b. Extraordinary general Meeting:

No extraordinary general meeting of the members was held during the year 2016-17.

## 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 behaviour. 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 dematerialised 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, 2017. 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".

**VII. GENERAL SHAREHOLDER INFORMATION**

## i. Annual General Meeting

AGM No.	25th Annual General Meeting
Date	23 September 2017
Time	1.00 p.m.
Venue	Plot No. A2/3445, GIDC, Phase 4, Ankleshwar - 393 002, Gujarat, India.

## ii. Financial Calendar

Financial Year	<b>1 April 2016</b>	<b>To</b>	<b>31 March 2017</b>
----------------	---------------------	-----------	----------------------

## 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 9, 2017	Saturday, September 23, 2017

## iv. Listing on Stock Exchanges

Name of the Stock Exchange	Stock Code	Address
BSE Limited (BSE)	530125	25 <sup>th</sup> Floor, P. J. Towers, Dalal Street, Mumbai - 400 001, Maharashtra.

Listing fees as applicable have been paid.

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

Corporate Identity Number	L24230GJ1992PLC017820
---------------------------	-----------------------

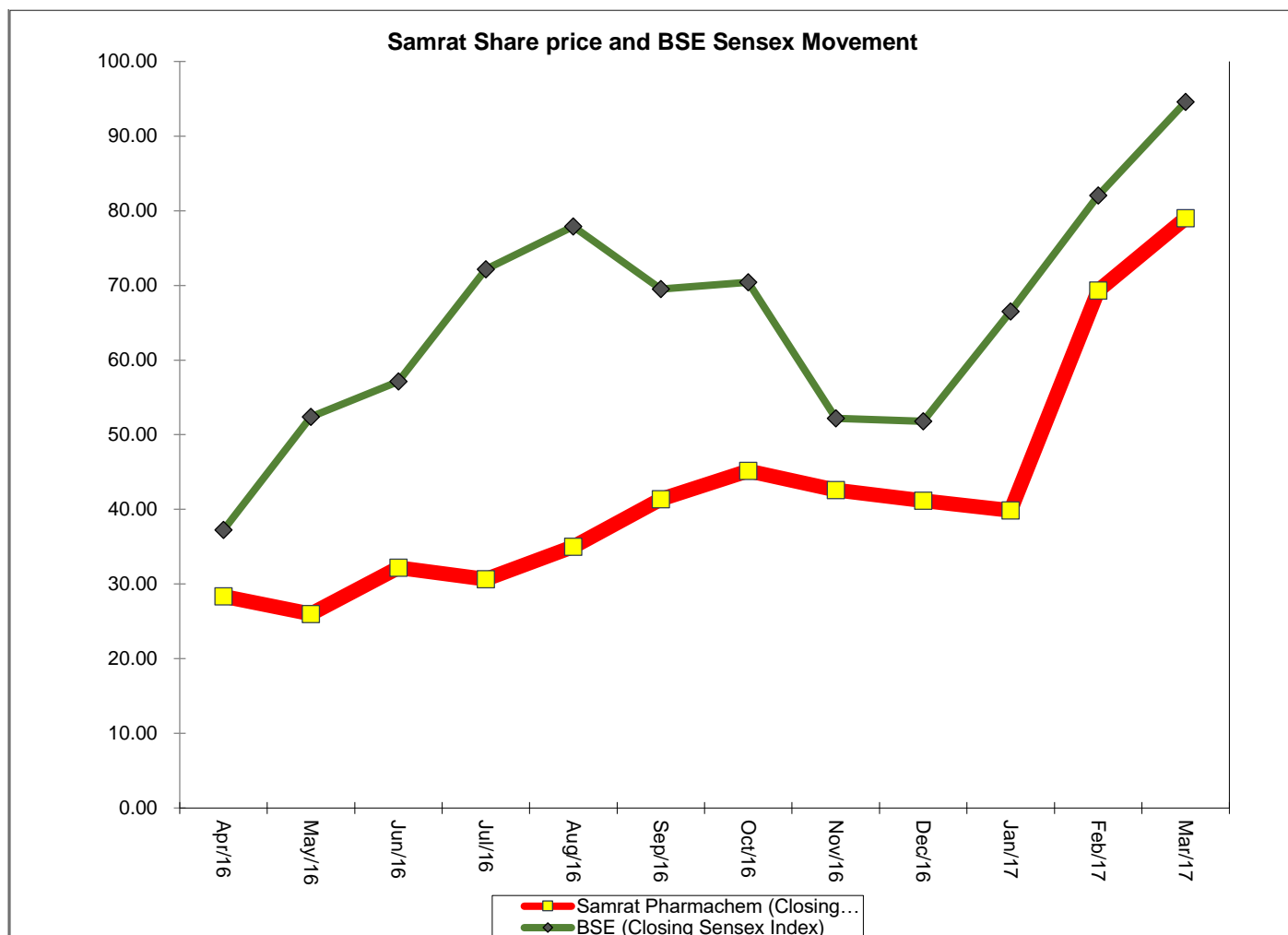
## vi. Market Price Data

Monthly high and low (based on daily closing prices) of Samrat Pharmachem Limited on BSE for the year ended 31st March, 2017

Month	High	Low	Total number of equity shares traded
April 2016	30.80	26.10	9,496
May 2016	30.70	25.00	18,992
June 2016	35.65	25.00	34,386
July 2016	37.00	25.20	41,419
August 2016	40.00	28.65	75,348
September 2016	43.90	32.00	56,196
October 2016	46.00	37.15	53,960
November 2016	48.65	34.00	34,606
December 2016	46.95	39.65	16,141
January 2017	47.00	35.60	41,568
February 2017	69.30	41.00	270,581
March 2017	81.50	61.10	335,124

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

Month	Samrat Pharmachem (Closing Price)	BSE (Closing Sensex Index)
Apr 2016	28.35	25606.62
May 2016	26.00	26667.96
Jun 2016	32.20	26999.72
Jul 2016	30.65	28051.86
Aug 2016	35.00	28452.17
Sep 2016	41.35	27865.96
Oct 2016	45.15	27930.21
Nov 2016	42.60	26652.81
Dec 2016	41.15	26626.46
Jan 2017	39.85	27655.96
Feb 2017	69.30	28743.32
Mar 2017	79.00	29620.50



viii. Registrars and share transfer agents :

Name	Link Intime India Private Limited
Address	C 101, 247 Park, LBS Marg, Vikhroli (West), Mumbai - 400 083.
Telephone	91-22-49186000
Fax	91-22-49186060
Contact Person (Client Relation Team)	Ms. Samantha Fernanades
Email	rnt.helpdesk@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, 2017

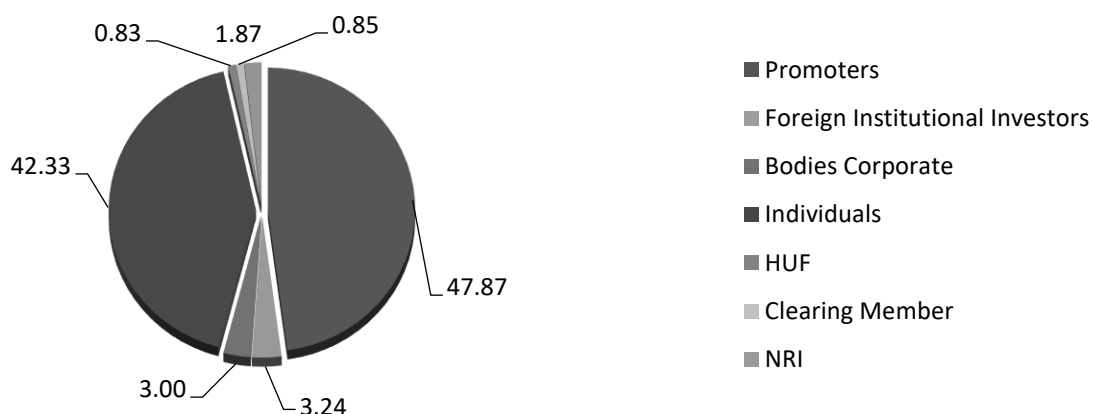
## a. Distribution of equity shareholding as on March 31, 2017

No. of Shares (From - To)	Number of Shareholders	Percentage of Shareholders	Number of Shares Held	Percentage of shares held
1 - 500	2,010	83.58	417,642	13.52
501 - 1000	216	8.98	172,696	5.59
1001 - 2000	83	3.45	124,846	4.04
2001 - 3000	39	1.62	99,933	3.23
3001 - 4000	10	0.42	34,444	1.11
4001 - 5000	9	0.37	43,193	1.40
5001 - 10000	18	0.75	138,771	4.49
10001 - *****	20	0.83	2,058,175	66.61
	2,405	100.00	3,089,700	100.00

## b. Categories of equity shareholders as on March 31, 2017

Category	Number of equity shares held	Percentage of holding
Promoters	1,479,147	47.87
Foreign Institutional Investors	100,000	3.24
Bodies Corporate	92,699	3.00
Individuals	1,307,969	42.33
HUF	25,792	0.83
Clearing Member	26,385	0.85
NRI	57,708	1.87
<b>GRAND TOTAL</b>	<b>3,089,700</b>	<b>100.00</b>

Categories of equity shareholders



c. Top ten equity shareholders of the Company as on March 31, 2017

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	Kalpana Premal Mehta	69,300	2.24
10	Falguni Kaushal Mehta	66,400	2.15

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 31/03/2017	No. of Shares	Percentage of Capital
Held in dematerialised form in National Securities Depository Ltd. (NSDL)	2318549	75.04
Held in dematerialised form in Central Depository Services (I) Ltd. (CDSL)	350841	11.36
Physical	420310	13.60
<b>Total</b>	<b>3089700</b>	<b>100.00</b>

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 - 393002,  
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**

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

**Place : Mumbai**  
**Date : 30 May 2017**

**CERTIFICATION BY MANAGING DIRECTOR****The Board of Directors  
Samrat Pharmachem Limited**

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

I, Mr. Lalit Mehta, Managing Director 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, 2017.

- 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**  
**Managing Director**

**Place : Mumbai**  
**Date : 30 May 2017**

**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 (Standalone) for the financial year ended 31st March, 2017 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 2017**

**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 Senior Management Team including the Managing Director, Executive Directors and Non-Executive Independent Directors.

I confirm that the Company has in respect of the year ended March 31, 2017, 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.

**Lalit Mehta**  
**Managing Director**

**Place : Mumbai**  
**Date : 30 May 2017**



**Independent Auditors' Report**

To the Members of,  
**Samrat Pharmachem Limited**

**Report on the Financial Statements**

We have audited the accompanying financial statements of Samrat Pharmachem Limited ('the Company'), which comprise the Balance Sheet as at 31st March 2017, the Statement of Profit & Loss and the Cash Flow Statement of the Company for the year then ended and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (the 'Act') with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and Cash Flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder.

This responsibility also includes the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these 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 issued by the Institute of Chartered Accountants of India 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 and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

**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, of the state of affairs of the Company as at 31st March 2017, and its profits and its cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, 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:
  - i. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - ii. 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;
  - iii. 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;
  - iv. in our opinion, the Balance Sheet and the Statement of Profit and Loss comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder;
  - v. on the basis of written representations received from the directors as on 31 March 2017, and taken on record by the Board of Directors, none of the directors are disqualified as on 31st March 2017, from being appointed as a director in terms of Section 164 (2) of the Act.
  - vi. 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
  - vii. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - a. the Company has disclosed the impact of pending litigations on its financial positions in its financial statements. Refer to Note 19 to the financial statements.
    - b. the Company has made provisions, as required under the applicable law or accounting standard, the material foreseeable losses, if any, on long - term contracts including derivative contracts.
    - c. Since the company has not declared any dividend in the recent past years, no amounts are required to be transferred by the company to Investor Education & Protection Fund.
    - d. the Company has provided requisite disclosures in the financial statements as regards its holding and dealings in Specified Bank Notes as defined in the Notification S.O.3407(E) dated the November 8, 2016 of the Ministry of Finance, during the period from November 8, 2016 to December 30, 2016. Based on audit procedures performed and the representations provided to us by the management, we report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us by the Management.

**For Shah & Savla LLP**  
**Chartered Accountants**

**Miral H. Nagda**  
**Partner**

**M. No. 108135**  
**FRN: 109364W**  
**Place : Mumbai**  
**Date : 30 May 2017**

**Annexure A to the Auditors' Report**

The Annexure referred to in our report to the members of Samrat Pharmachem Limited ('the Company') for the year ended on 31st March, 2017. We report that:

- (i) (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets on the basis of available information.
- (b) As explained to us all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable having regard to the size of the company and nature of its fixed assets. As informed to us no material discrepancies were noticed on such physical verification.
- (c) As per the information and explanation provided to us and as per the records presented before us the title deeds of immovable properties are held in the name of the company.
- (ii) In our opinion the inventories have been physically verified by the management during the year at reasonable intervals and as explained to us no material discrepancies were observed on physical verification.
- (iii) The company has not granted any amount as loan to person covered in the Register maintained under Section 189 of the Act and hence the sub-clauses dealing with the said reporting are not applicable.
- (iv) As per the information and explanation given to us, the company has not granted any loans to directors of the company and company has not made any investment through more than two layers of investment companies. Thus the said clause is not applicable to the company.
- (v) The Company has not accepted any deposits from the public.
- (vi) We have been informed by the management that the Central Government of India has not prescribed the method of maintenance of cost records under sub-section (1) of Section 148 of the Act and the rules framed there under.
- (vii) (a) According to the records of the company, undisputed statutory dues including income-tax, sales-tax, value added tax, service tax, custom duty, excise duty, cess and other material statutory dues applicable to it have generally been deposited with the appropriate authorities regularly. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding, as at 31st March 2017 for period of more than six months from the date they became payable.
- (b) Details of dues of Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, and Value Added Tax which have not been deposited as on March 31, 2017 on account of disputes are given below :-

Sr. No.	Name of the Statute	Nature of Dues	Amount (in Rs.)	Period to which relates	Forum where dispute is pending
1.	Income Tax Act, 1961	Income Tax	35,80,450/-	A.Y 2011-12	ITAT, Bharuch

- (viii) Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to financial institution, banks and there are no dues to debenture holders.
- (ix) We have been informed by the management that during the period covered by our audit report, the company did not raise any money by way of initial public offer or further public offer (including debt instruments) and Term Loans.

- (x) In our opinion and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to information and explanations given to us the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197, read with limits specified under Part II of Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Thus the said clause is not applicable.
- (xiii) As per the information and explanations given to us & represented by the management, we report that all the transactions with related parties are in compliance with Section 188 and 177 of Companies Act, 2013 where applicable and the details have been disclosed in the financial statements as required by the accounting standards.
- (xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and thus the said clause is not applicable.
- (xv) As per the information and explanations given to us & represented by the management, during the year the company has not entered into any non-cash transactions with its directors or persons connected with them. Thus the said clause is not applicable.
- (xvi) The Company is not required to be registered under Section 45– IA of the Reserve Bank of India Act, 1934.

**For Shah & Savla LLP**  
**Chartered Accountants**

**Miral H. Nagda**  
**Partner**  
**M. No. 108135**  
**FRN: 109364W**  
**Place : Mumbai**  
**Date : 30 May 2017**

**Annexure B to the Auditors' Report****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Samrat Pharmachem Limited as at 31 March 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The 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 auditors' 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, to the best of our information and according to the explanations given to us, 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 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Shah & Savla LLP**  
**Chartered Accountants**

**Miral H. Nagda**  
**Partner**  
**M. No. 108135**  
**FRN: 109364W**  
**Place : Mumbai**  
**Date : 30 May 2017**

**BALANCE SHEET AS AT 31 MARCH, 2017**

	Particulars	Note No.	31/Mar/2017		31/Mar/2016	
			Rs.	Rs.	Rs.	Rs.
<b>A.</b>	<b><u>EQUITY AND LIABILITIES</u></b>					
<b>1</b>	<b>Shareholders' Funds</b>					
(a)	Share capital	1	30,897,000		30,897,000	
(b)	Reserves and surplus	2	122,319,688		106,663,951	
(c)	Money received against share warrants		0	153,216,688	0	137,560,951
<b>2</b>	<b>Share application money pending allotment</b>			0		0
<b>3</b>	<b>Non-current liabilities</b>					
(a)	Long-term borrowings	3	11,673,075		15,322,002	
(b)	Deferred tax liabilities (Net)	4	3,035,967		4,229,529	
(c)	Other Long term liabilities	5	1,962,760		0	
(d)	Long-term provisions		0	16,671,802	0	19,551,531
<b>4</b>	<b>Current liabilities</b>					
(a)	Short-term borrowings	6	54,209,260		37,031,022	
(b)	Trade payables	7	74,082,833		160,853,050	
(c)	Other current liabilities	8	8,553,288		5,745,671	
(d)	Short-term provisions	9	5,849,348	142,694,730	1,004,122	204,633,864
	Total			312,583,220		361,746,347
<b>B.</b>	<b><u>ASSETS</u></b>					
<b>1</b>	<b>Non-current assets</b>					
(a)	Fixed assets	10				
(i)	Tangible assets		69,688,133		72,247,876	
(ii)	Intangible assets		457,856		575,583	
(iii)	Capital work-in-progress		1,994,073		0	
(iv)	Intangible assets under development		0		0	
			72,140,061		72,823,459	
(b)	Non-current investments		0		0	
(c)	Deferred tax assets (net)		0		0	
(d)	Long-term loans and advances	11	1,660,000		1,188,500	
(e)	Other non-current assets	12	4,058,179	77,858,240	4,057,268	78,069,227
<b>2</b>	<b>Current assets</b>					
(a)	Current investments	13	10,000		20,010,000	
(b)	Inventories	14	70,214,140		56,781,571	
(c)	Trade receivables	15	118,422,017		161,046,512	
(d)	Cash and Bank Balances	16	24,579,804		34,960,157	
(e)	Short-term loans and advances	17	228,000		764,313	
(f)	Other current assets	18	21,271,019	234,724,980	10,114,568	283,677,120
	Total			312,583,220		361,746,347
	Contingent Liabilities & Commitments	19				
	NOTES ON ACCOUNT	27				

AS PER OUR REPORT OF EVEN DATE

For Shah & Savla LLP  
Chartered Accountants

Miral H. Nagda  
Partner  
Membership No.: 108135  
FRN: 109364W  
Place : Mumbai  
Date : 30 May 2017

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Lalit Mehta  
Managing Director

Rajesh Mehta  
Executive Director

Megh Mehta  
Executive Director

Mahendra Pipalia  
Director

Samir Kothary  
Director

Renu Dharod  
Director



## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH, 2017

	Particulars	Note No.	31/Mar/2017		31/Mar/2016	
			Rs.	Rs.	Rs.	Rs.
<b>A.</b>	<b>Revenue from operations</b>	20		710,650,378		618,551,697
<b>B.</b>	<b>Other income</b>	21		1,473,180		2,065,981
<b>C.</b>	<b>Total Revenue</b>			712,123,557		620,617,678
<b>D.</b>	<b>Expenses</b>					
	Cost of Material Consumed	22	607,457,301		506,547,150	
	Purchase of Traded Goods		21,459,984		58,012,428	
	Changes in the inventories of FG, WIP & Traded goods	23	-2,753,244		-1,534,443	
	Employee benefits expense	24	11,213,091		9,777,564	
	Finance costs	25	6,772,724		5,085,641	
	Depreciation and amortization expense	10	6,948,069		4,433,720	
	Other expenses	26	36,092,311		33,766,757	
	<b>Total expenses</b>			687,190,236		616,088,816
<b>E.</b>	<b>Profit before exceptional and extraordinary items and tax (III-IV)</b>			24,933,322		4,528,862
<b>F.</b>	<b>Exceptional items</b>			0		41,674
<b>G.</b>	<b>Profit before extraordinary items and tax (V - VI)</b>			24,933,322		4,487,188
<b>H.</b>	<b>Extraordinary Items</b>			0		0
<b>I.</b>	<b>Profit before tax (VII- VIII)</b>			24,933,322		4,487,188
<b>J.</b>	<b>Tax expense:</b>					
	Provision for Taxation					
	- Current Tax		10,455,434		1,500,304	
	- Taxation of Earlier Years		15,713		0	
	- Deferred Tax		-1,193,562		-26,274	
				9,277,585		1,474,030
<b>K.</b>	<b>Profit (Loss) for the period from continuing operations (VII-VIII)</b>			15,655,737		3,013,158
<b>L.</b>	<b>Profit/(loss) from discontinuing operations</b>			0		0
<b>M.</b>	<b>Tax expense of discontinuing operations</b>			0		0
<b>N.</b>	<b>Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)</b>			0		0
<b>O.</b>	<b>Profit (Loss) for the period (XI + XIV)</b>			15,655,737		3,013,158
<b>P.</b>	<b>Earnings per equity share:</b>					
	(1) Basic			5.07		0.97
	(2) Diluted			5.07		0.97
	NOTES ON ACCOUNT	27				

**AS PER OUR REPORT OF EVEN DATE**

For Shah & Savla LLP  
Chartered Accountants

Miral H. Nagda  
Partner  
Membership No.: 108135  
FRN: 109364W  
Place : Mumbai  
Date : 30 May 2017

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

Lalit Mehta  
Managing Director

Rajesh Mehta  
Executive Director

Megh Mehta  
Executive Director

Mahendra Pipalia  
Director

Samir Kothary  
Director

Renu Dharod  
Director

**Note 1 SHARE CAPITAL**

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

Share Capital	31 March 2017		31 March 2016	
	Number	Rs.	Number	Rs.
<b><u>Authorised</u></b>				
Equity Shares of Rs. 10 each	5,000,000	50,000,000	5,000,000	50,000,000
<b><u>Issued</u></b>				
Equity Shares of Rs. 10 each	3,089,700	30,897,000	3,089,700	30,897,000
<b><u>Subscribed &amp; Paid up</u></b>				
Equity Shares of Rs. 10 each fully paid	3,089,700	30,897,000	3,089,700	30,897,000
<b><u>Subscribed but not fully Paid up</u></b>				
Equity Shares of Rs. 10 each, not fully paid up	-	-	-	-
<b>Total</b>	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 2017		31 March 2016	
	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

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 2017		31 March 2016	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Lalit Mehta	423,376	13.70%	423,376	13.70%
Rajesh Mehta	379,542	12.28%	379,542	12.28%
Premal Mehta	174,281	5.64%	174,281	5.64%
Mala Bhavnani	160,701	5.20%	160,701	5.20%

**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)				
	2011-12	2012-13	2013-14	2014-15	2015-16
<b>Equity Shares :</b>					
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 Warrants	-	-	-	-	-

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

<b>Unpaid Calls</b>	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 2017		31 March 2016	
	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 2017		31 March 2016	
	Number	Description	Number	Description
<b>Equity Shares</b>	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

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

Particulars	31 March 2017		31 March 2016	
	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 2017		31 March 2016	
	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	31/03/2017	31/03/2016
	Rs.	Rs.
<b>a. Capital Reserves</b>		
Opening Balance	-	-
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	-	-
<b>b. Capital Redemption Reserve</b>		
Opening Balance	-	-
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	-	-
<b>c. Securities Premium Account</b>		
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	-	-
<b>d. Debenture Redemption Reserve</b>		
Opening Balance	-	-
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	-	-

<b>e. Revaluation Reserve</b>		
Opening Balance	-	-
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	-	-
<b>f. Share Options Outstanding Account</b>		
Opening Balance	-	-
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	-	-
<b>g. Other Reserves (Specify nature and purpose)</b>		
Opening Balance	-	-
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	-	-
<b>h. Surplus</b>		
Opening balance	106,663,951	103,650,793
(+) Net Profit/(Net Loss) for the current year	15,655,737	3,013,158
(+) Transfer from Reserves	-	-
(-) Proposed Dividends	-	-
(-) Interim Dividends	-	-
(-) Transfer to Reserves	-	-
Closing Balance	<b>122,319,688</b>	<b>106,663,951</b>
<b>Total Reserves &amp; Surplus</b>	<b>122,319,688</b>	<b>106,663,951</b>

**Note 3 LONG-TERM BORROWINGS**

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

Particulars	31/03/2017	31/03/2016
	Rs.	Rs.
<b><u>Secured</u></b>		
<b>(a) Bonds/debentures</b>		
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>(b) Term loans</b>		
<b><u>From Banks</u></b>		
HDFC Bank (Secured against mortgage of Office Premises) Terms of Repayment Repayable under EMI Period of Maturity Nov-20 Number and amount of balance EMI 44 11,673,075 Rate of Interest 10.55% Other significant terms - The above amount is due for repayment between 1 to 5 years.	11,673,075	15,322,002
<b><u>From other parties</u></b> (Secured against Not Applicable) (of the above, Rs. None is guaranteed by Directors and / or others) Terms of Repayment : Not Applicable	-	-
<b>(c) Deferred payment liabilities</b> (Secured by Not Applicable) (of the above, Rs. None is guaranteed by Directors and / or others)	-	-
<b>(d) Deposits</b> (Secured By Not Applicable) (of the above, Rs. None is guaranteed by Directors and / or others)	-	-
<b>(e) Loans and advances from related parties</b> (Secured By Not Applicable) (of the above, Rs. None is guaranteed by Directors and / or others) Terms of Repayment Not Applicable.	-	-
<b>(f) Long term maturities of finance lease obligations</b> (Secured By Not Applicable) (of the above, Rs. None is guaranteed by Directors and / or others)	-	-
<b>(g) Other loans and advances (Specify Nature if any)</b> (Secured By Not Applicable) (of the above, Rs. None is guaranteed by Directors and / or others)	-	-

Terms of Repayment Not Applicable.		
<b>Total Secured Long Term Borrowings</b>	<b>11,673,075</b>	<b>15,322,002</b>
<u>In case of continuing default as on the balance sheet date in repayment of loans and interest with respect to (b) (e) &amp; (g)</u>		
1. Period of default - None 2. Amount - NIL		
<b><u>Unsecured</u></b>		
<b>(a) Bonds/debentures</b> 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		
<b>(b) Term loans</b> From banks From other parties (of the above, Rs. None is guaranteed by Directors and / or others) Terms of Repayment Not Applicable	-	-
<b>(c) Deferred payment liabilities</b> (of the above, Rs. None is guaranteed by Directors and / or others)	-	-
<b>(d) Deposits</b> (of the above, Rs. None is guaranteed by Directors and / or others)	-	-
<b>(e) Loans and advances from related parties</b> (of the above, Rs. None is guaranteed by Directors) Terms of Repayment : Not Applicable	-	-
<b>(f) Long term maturities of finance lease obligations</b> (of the above, Rs. None is guaranteed by Directors and / or others)	-	-
<b>(g) Other loans and advances (specify nature if any)</b> (of the above, Rs. None is guaranteed by Directors and / or others) Terms of Repayment Not Applicable	-	-
<b>Total Unsecured Long Term Borrowings</b>	<b>-</b>	<b>-</b>
<u>In case of continuing default as on the balance sheet date in repayment of loans and interest with respect to (b) (e) &amp; (g)</u>		
1. Period of default - None 2. Amount - NIL		
<b>Total Long Term Borrowings</b>	<b>11,673,075</b>	<b>15,322,002</b>



**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	31/03/2017	31/03/2016
	Rs.	Rs.
<b>Deferred tax liability</b>		
Fixed Assets : Impact of Difference between tax depreciation and depreciation / amortisation charged for financial reporting	5,060,817	5,050,278
Others	-	-
Gross deferred tax liability	5,060,817	5,050,278
<b>Deferred tax asset</b>		
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	1,321,666	900,961
Reserve for doubtful debts	528,446	-80,212
Gratuity liability (not paid)	174,738	-
Gross deferred tax asset	2,024,850	820,749
<b>Net deferred tax liability / (asset)</b>	<b>3,035,967</b>	<b>4,229,529</b>

**Note 5 OTHER LONG TERM LIABILITIES**

Particulars	31/03/2017	31/03/2016
	Rs.	Rs.
Refund of Income Tax under appeal	1,962,760	0
<b>Other Long Term Liabilities</b>	<b>1,962,760</b>	<b>0</b>

**Note 6 SHORT-TERM BORROWINGS**

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

Particulars	31/03/2017	31/03/2016
	Rs.	Rs.
<b>Secured</b>		
<b>(a) Loans repayable on demand</b>		
From banks	-	-
from other parties		
(Secured By None)		
<b>(b) Loans and advances from related parties</b>	-	-
(Secured By Not Applicable)		
(of the above, Rs. NIL is guaranteed by Directors and / or others)		

<b>(c) Deposits</b> (Secured By Not Applicable) (of the above, Rs. NIL is guaranteed by Directors and / or others)	-	-
<b>(d) Other loans and advances</b> <b>Cash Credit from ICICI bank</b> (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 Instalments due Not Applicable Rate of Interest 12.30% Other significant terms -	54,209,260	37,031,022
<b>Total Secured Short Term Borrowings</b>	54,209,260	37,031,022
- <u>In case of continuing default as on the balance sheet date in repayment of loans and interest with respect to (a) (b) &amp; (d)</u> 1. Period of default - None 2. Amount - NIL -		
<b>Unsecured</b> <b>(a) Loans repayable on demand</b> from banks from other parties (of the above, Rs. NIL is guaranteed by Directors and / or others)	-	-
<b>(b) Loans and advances from related parties</b> (of the above, Rs. NIL is guaranteed by Directors and / or others)	-	-
<b>(c) Deposits</b> (of the above, Rs. NIL is guaranteed by Directors and / or others)	-	-
<b>(d) Other loans and advances (specify nature)</b> (of the above, Rs. NIL is guaranteed by Directors and / or others)	-	-
<b>Total Unsecured Short Term Borrowings</b>	-	-
<u>In case of continuing default as on the balance sheet date in repayment of loans and interest with respect to (a) (b) &amp; (d)</u> 1. Period of default - None 2. Amount - NIL	-	-
<b>Total Short Term Borrowings</b>	54,209,260	37,031,022

**Note 7 TRADE PAYABLES****Disclosure pursuant to Note no. 6(D) of Part I of Schedule III to the Companies Act 2013**

Particulars	31/03/2017	31/03/2016
	Rs.	Rs.
(a) Sundry Creditors For Goods	73,538,321	160,128,900
(b) Sundry Creditors For Expenses	544,512	724,150
<b>Total Trade Payables</b>	<b>74,082,833</b>	<b>160,853,050</b>

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated August 26, 2008, which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprises Development Act, 2006' ('the Act'). There are no dues to enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006 as at March 31, 2017 and March 31, 2016 respectively based on the information received and available with the Company.

Particulars	31/03/2017	31/03/2016
	Rs.	Rs.
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year.	-	-
The amount of interest paid by the Company along with the amounts of the payment made to the supplier beyond the appointed day during the year;	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	-	-
The amount of interest accrued and remaining unpaid at the end of the year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	-	-

**Note 8 OTHER CURRENT LIABILITIES**

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

Particulars	31/03/2017	31/03/2016
	Rs.	Rs.
(a) Current maturities of long-term debt	3,645,882	3,235,897
(b) Current maturities of finance lease obligations	-	-
(c) Interest accrued but not due on borrowings	107,254	129,905
(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: _____		
<b>Amount of premium (if any):</b> _____		
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	106,700	-
- Amount Recovered Toward Sales Tax Liability (C Form)	779,584	-
- Advances Received Against Order/Goods	-	-
- Liability Towards Group Gratuity	528,500	-
- Service Tax Payable	3,376	16,894
- Notional Excise Liability On Finished Goods	3,272,892	2,196,365
- Tds / Tcs Payable	109,100	166,610
<b>Total Other Current Liabilities</b>	<b>8,553,288</b>	<b>5,745,671</b>

**Note 9 SHORT TERM PROVISIONS**

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

Particulars	31/03/2017	31/03/2016
	Rs.	Rs.
<b>(a) Provision for employee benefits</b>		
Salary & Reimbursements	-	-
Contribution to PF	-	83,291
Contribution to ESIC	-	10,480
Gratuity (Unfunded)	-	-
Leave Encashment (funded)	-	-
Superannuation (funded)	-	-
ESOP /ESOS	-	-
(b) Others	-	-
<b>(b) Others (Specify nature)</b>		
Provision for Taxation	5,849,348	910,351
<b>Total Short Term Provisions</b>	<b>5,849,348</b>	<b>1,004,122</b>

**Note 10 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	
		31/03/16	Additions	Deduction	31/03/17	31/03/16	for year	on disposal	31/03/17	31/03/16	31/03/17
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
a	<b><u>Tangible Assets</u></b>										
	Land	891,494	-	-	891,494	-	-	-	-	891,494	891,494
	Factory Building	19,255,490	34,932	-	19,290,422	4,643,719	644,026	-	5,287,745	14,611,771	14,002,677
	Office Premises	29,625,684	-	-	29,625,684	1,450,020	438,352	-	1,888,372	28,175,664	27,737,312
	Plant And Machinery	33,933,296	2,108,492	-	36,041,788	12,883,595	3,768,807	-	16,652,401	21,049,702	19,389,387
	Office Equipment	2,308,137	669,640	-	2,977,777	1,187,923	745,361	-	1,933,284	1,120,214	1,044,493
	Computer System Furniture And Fixtures	3,073,693	393,979	-	3,467,672	2,487,331	238,749	-	2,726,080	586,362	741,592
	Vehicles	7,889,843	1,063,555	-	8,953,398	2,127,975	989,518	-	3,117,492	5,761,869	5,835,906
	Others (specify nature)	256,040	-	-	256,040	205,240	5,530	-	210,769	50,800	45,271
	Assets under lease (specify nature)	-	-	-	-	-	-	-	-	-	-
	<b>Total (Current Year)</b>	97,233,678	4,270,598	-	101,504,276	24,985,802	6,830,342	-	31,816,144	72,247,876	69,688,133
	<b>Total (Previous Year)</b>	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
b	<b><u>Intangible Assets</u></b>										
	Goodwill	-	-	-	-	-	-	-	-	-	-
	Brands /trademarks	-	-	-	-	-	-	-	-	-	-
	Computer software	866,645	-	-	866,645	291,062	117,727	-	408,789	575,583	457,856
	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	-	-	-	-	-	-	-	-	-	-
	<b>Total (Current Year)</b>	866,645	-	-	866,645	291,062	117,727	-	408,789	575,583	457,856
	<b>Total (Previous Year)</b>	422,031	444,614	-	866,645	230,968	60,094	-	291,062	191,063	575,583
c	<b><u>Capital Work-in-progress</u></b>	-	1,994,073	-	1,994,073	-	-	-	-	-	1,994,073
	<b>Total (Current Year)</b>	-	1,994,073	-	1,994,073	-	-	-	-	-	1,994,073
	<b>Total (Previous Year)</b>	-	-	-	-	-	-	-	-	-	-
d	<b><u>Intangible assets under development</u></b>	-	-	-	-	-	-	-	-	-	-
	<b>Total</b>	-	-	-	-	-	-	-	-	-	-

**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				
	2012-13	2013-14	2014-15	2015-16	2016-17
	Rs.	Rs.	Rs.	Rs.	Rs.
<b>Asset details:</b>					
Balance as at 1st April	-	-	-	-	-
Impairment/ Revaluation	-	-	-	-	-
Balance as at 31st March	-	-	-	-	-

**Note 11 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 2017		31 March 2016	
	Rs.	Rs.	Rs.	Rs.
<b>a. Capital Advances</b>				
<b>Total (a)</b>		-		-
<b>b. Loans and advances to related parties</b>				
<b>Total (b)</b>		-		-
<b>c. Other loans and advances</b>				
Secured, considered good	-	-	-	-
Unsecured, considered good			-	
Staff Loans	1,660,000	1,660,000	1,188,500	1,188,500
Doubtful	-		-	
Less: Provision for _____	-	-	-	-
<b>Total (c)</b>		1,660,000		1,188,500
<b>Total Long Term Loans and Advances</b>		1,660,000		1,188,500

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 2017		31 March 2016	
	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 12 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 2017		31 March 2016	
	Rs.	Rs.	Rs.	Rs.
<b>a. Long term trade receivables</b>				
<b>Total (a)</b>		-		-
<b>b. Security Deposits</b>				
Unsecured, considered good				
Deposits with various authorities	2,267,954	2,267,954	1,437,954	1,437,954
<b>Total (b)</b>		2,267,954		1,437,954
<b>c. Income tax refund receivable</b>		-		829,089
<b>Income tax deposited under appeal</b>		1,790,225		1,790,225
<b>Total (c)</b>		1,790,225		2,619,314
<b>d. Debts due by related parties</b>				
<b>Total (d)</b>		-		-
<b>Total Other Non-Current Assets</b>		4,058,179		4,057,268

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	31/03/17	31/03/16
	Rs.	Rs.
Directors *	-	-
Other officers of the Company *	-	-
Firm in which director is a partner *	-	-
Private Company in which director is a member	-	-
<b>Total debts due by related parties</b>	-	-

\*Either severally or jointly



**13 CURRENT INVESTMENTS**

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

Particulars	31-03-2017	31-03-2016
	Rs.	Rs.
(a) Investment in Equity instruments	-	-
(b) Investments in preference shares	-	-
(c) Investments in Government or Trust securities	-	-
(d) Investments in Debentures or Bonds	-	-
(e) Investments in Mutual Funds	10,000	20,010,000
(f) Investments in partnership firms*	-	-
(g) Other non-current investments (specify nature)	-	-
<b>Gross Total</b>	<b>10,000</b>	<b>20,010,000.00</b>
<u>Less:</u> Provision for diminution in the value of Investments		
<b>Total Current Investments</b>	<b>10,000</b>	<b>20,010,000.00</b>

Particulars	31-03-2017	31-03-2016
	Rs.	Rs.
Aggregate amount of quoted investments (Market value Rs. 11,516.93) (Previous Year Rs. 2,00,27,558)	10,000	20,010,000
Aggregate amount of unquoted investments (Previous Year Rs. __)	-	-

**Details of Current Investments**

Sr. No	Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled Entity / Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	Extent of Holding (%)		Amount (Rs.)		Basis of Valuation
			31-03-2017	31-03-2016			31-03-2017	31-03-2016	31-03-2017	31-03-2016	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
(a)	Investment in Equity Instruments										
(b)	Investments in Preference Shares										
(c)	Investments in Government or Trust securities										
(d)	Investments in Debentures or Bonds										
(e)	Investments in Mutual Funds		48.051	90109	Quoted	Full paid			10,000	20,010,000	Cost
(f)	Investments in partnership firms*										
(g)	Other non-current investments (specify nature)										
	<b>Total Current Investments</b>								<b>10,000</b>	<b>20,010,000</b>	

\* G. Investment in NOT APPLICABLE (Name of the Firm)

Name of the Partners	Share of Capital
Partner 1	-
Partner 2	-
<b>Total Capital</b>	<b>-</b>

**Note 14 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 2017		31 March 2016	
	Rs.	Rs.	Rs.	Rs.
a. Raw Materials and components (Valued at lower of cost or net realisable value)	36,164,449		25,728,454	
Traded goods	-		-	
Goods-in transit	-	36,164,449	-	25,728,454
b. Work-in-progress (Valued at lower of cost or net realisable value)	234,582		8,910,811	
Goods-in transit	-	234,582	-	8,910,811
c. Finished goods (Valued at lower of cost or net realisable value)	33,368,447		21,938,973	
Goods-in transit	-	33,368,447	-	21,938,973
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)	446,662		203,332	
Goods-in transit	-	446,662	-	203,332
<b>Total Inventories</b>		<b>70,214,140</b>		<b>56,781,571</b>

**Note 15 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	31/03/17	31/03/16
	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	117,413,496	159,876,361
Unsecured, considered doubtful	-	-
	117,413,496	159,876,361
<u>Less:</u> Provision for doubtful debts	-	-
Sub Total (A)	117,413,496	159,876,361
B. Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Secured, considered good	-	-
Unsecured, considered good	1,008,521	1,170,151
Unsecured, considered doubtful	1,598,300	259,586
	2,606,821	1,429,737
<u>Less:</u> Provision for doubtful debts	1,598,300	259,586
Sub Total (B)	1,008,521	1,170,151
<b>Total Trade Receivables (A+B)</b>	<b>118,422,017</b>	<b>161,046,512</b>

Details of Debts Due from Related Parties		
Particulars	31/03/17	31/03/16
	Rs.	Rs.
Directors *	-	-
Other officers of the Company *	-	-
Firm in which director is a partner *	-	-
Private Company in which director is a member	-	-
<b>Total Debts Due by Related Parties</b>	<b>-</b>	<b>-</b>

\*Either severally or jointly

**Note 16 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 2017		31 March 2016	
	Rs.	Rs.	Rs.	Rs.
<b>CASH AND CASH EQUIVALENTS</b>				
<b>A. Balances with banks*</b>				
State Bank Of India	96,705		87,725	
Icici Bank A/C 001105023102	17,767,472		30,183,737	
Icici Bank Travel Card	184,246		-	
In-Transit	0		-	
Hdfc Bank	-1,767,116		-1,470,701	
Uco Bank	24,590	16,305,896	24,590	28,825,351
<b>B. Cash on hand</b>		400,158		458,828
<b>C. Cheques, drafts on hand</b>		-		-
		16,706,054		29,284,179
<b><u>D. OTHER BANK BALANCES</u></b>				
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	7,873,750		5,675,978	
Fixed Deposit With Citi Bank	-		-	
	-	7,873,750	-	5,675,978
<b>E. Others (specify nature)</b>		-		-
<b>Total Cash and cash equivalents (A+B+C+D)</b>		<b>24,579,804</b>		<b>34,960,157</b>

**Note 17 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 2017		31 March 2016	
	Rs.	Rs.	Rs.	Rs.
<b>A. Loans and advances to related parties (refer note 2)</b>				
Secured, considered good		-		-
Unsecured, considered good		-		-
Doubtful	-		-	
<u>Less:</u> Provision for doubtful loans and advances	-	-	-	-
<b>Sub Total (A)</b>		-		-
<b>B. Others</b>				
Secured, considered good		-		-
Unsecured, considered good		228,000		294,000
(Current portion of Staff Loans)				
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 _____	-	-	-	-
<b>Sub Total (B)</b>		228,000		764,313
<b>Total Short-term loans and advances (A+B)</b>		228,000		764,313

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 2017		31 March 2016	
	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		-		-
<b>Total Loans and advances to related parties</b>		-		-

\*Either severally or jointly

**Note 18 OTHER CURRENT ASSETS**

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

Particulars	31 March 2017		31 March 2016	
	Rs.	Rs.	Rs.	Rs.
<b><u>Taxation</u></b>	-		-	
<b><u>Non-Taxation</u></b>				
Central Excise Refund Receivable	2,843,639		1,296,985	
Cenvat Credit Balance	17,965,228		6,869,420	
Central Excise-Pla A/C	-		-	
Gujarat Vat Credit Balance	-		-	
Export Incentive Receivable	315,469		184,032	
Customs Duty Advance	-		1,727,031	
Insurance Refund Receivable	-		10,492	
Prepaid Expenses	146,684		26,608	
		21,271,019		10,114,568
<b>Total Other Current Assets</b>		21,271,019		10,114,568

**Note 19 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 2017		31 March 2016	
	Rs.	Rs.	Rs.	Rs.
<b>A. Contingent Liabilities</b>				
(1) Claims against the company not acknowledged as debt	3,580,450		3,580,450	
a. Income tax assessment dues for AY 2011-12 under appeal pending before first appellate authority				
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	-		-	
<b>Sub Total (A)</b>		3,730,450		3,730,450
<b>B. Commitments</b>				
(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)	-		-	
<b>Sub Total (B)</b>		-		-
<b>Total Contingent Liabilities and Commitments (A+B)</b>		3,730,450		3,730,450

**Note 20 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 2017		31 March 2016	
	Rs.	Rs.	Rs.	Rs.
Sale of products	785,860,668		681,731,178	
Sale of services	-		-	
Other operating revenues				
Foreign Exchange Fluctuation	-92,388		1,249,979	
<b>Gross Revenue</b>		785,768,280		682,981,157
<u>Less:</u>		-		
Excise duty	58,387,987		51,014,479	
Sales tax	16,729,915	75,117,902	13,414,981	64,429,460
<b>Net Revenue From Operations</b>		<b>710,650,378</b>		<b>618,551,697</b>

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

Particulars	31 March 2017		31 March 2016	
	Rs.	Rs.	Rs.	Rs.
Interest; and	-		-	
Other financial services	-		-	
<b>Net Revenue From Operations</b>		-		-

**Note 21 OTHER INCOME****Disclosure pursuant to Note no. 4 of Part II of Schedule III to the Companies Act 2013**

Particulars	31 March 2017		31 March 2016	
	Rs.	Rs.	Rs.	Rs.
Interest Income (in case of a company other than a finance company)				
Fdr & Other Interest Received	345,842		1,106,719	
Interest on Deposits	106,909	452,751	38,821	1,145,540
Export Incentives	770,463		756,730	
Income From Sale Of Scrap	21,000		12,000	
Licences Sale	-	791,463	-	768,730
Net gain / (loss) on sale of investments		228,965		151,711
Other non-operating income (net of expenses directly attributable to such income)		-		-
<b>Total Other Income</b>		<b>1,473,180</b>		<b>2,065,981</b>

**Note 22 Cost of Material Consumed**

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

Particulars	31 March 2017		31 March 2016	
	Rs.	Rs.	Rs.	Rs.
<u>Materials Consumed</u>				
<u>Opening Stock</u>				
Raw Materials	25,728,454		14,782,932	
Packing Materials	203,332		624,388	
Consumables including Spare Parts	-			
		<b>25,931,786</b>		<b>15,407,320</b>
Add : Cost of Purchases		618,136,626		517,071,617
<u>Less : Closing Stock</u>				
Raw Materials	36,164,449		25,728,454	
Packing Materials	446,662		203,332	
Consumables including Spare Parts	-		-	
		<b>36,611,111</b>		<b>25,931,786</b>
<b>Cost of Material consumed</b>		<b>607,457,301</b>		<b>506,547,150</b>

**Note 23 (INCREASE) / DECREASE IN INVENTORIES**

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

Particulars	31 March 2017		31 March 2016	
	Rs.	Rs.	Rs.	Rs.
<b>Inventories at the end of the year</b>				
Work-in-progress	234,582		8,910,811	
Finished Goods	33,368,447		21,938,973	
Traded Goods	-	33,603,028	-	30,849,784
<b>Inventories at the beginning of the year</b>				
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
<b>Net (Increase) / Decrease in Inventories</b>		<b>-2,753,244</b>		<b>-1,534,443</b>



**Note 24 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 2017		31 March 2016	
	Rs.	Rs.	Rs.	Rs.
(a) Salaries, Wages and bonus				
Other Employees		5,720,509		5,131,886
Directors' Remuneration		3,360,000		3,150,000
(b) Contributions to -				
Provident fund	497,206		542,354	
Employee State Insurance Corporation	100,240		94,675	
Employee Insurance	335		11,954	
(c) Gratuity fund contributions	528,500		-	
(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	1,006,301	2,132,582	846,695	1,495,678
<b>Total Employee Benefit Expenses</b>		<b>11,213,091</b>		<b>9,777,564</b>

**Note 25 FINANCE COST**

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

Particulars	31 March 2017		31 March 2016	
	Rs.	Rs.	Rs.	Rs.
<b><u>Interest Charges</u></b>				
Interest on term Loan	1,830,056		1,143,237	
Interest on other borrowings	2,626,955	4,457,011	1,447,137	2,590,374
-				
<b><u>Other borrowing costs</u></b>				
Bank Charges and commission incl L/c, others	2,315,713		2,495,267	
Car hire Purchase Finance charges	-	2,315,713	-	2,495,267
-				
Applicable net loss (gain) on foreign currency transactions and translation		-		-
<b>Total Finance Cost</b>		<b>6,772,724</b>		<b>5,085,641</b>

## Note 26 OTHER EXPENSES

Particulars	31 March 2017		31 March 2016	
	Rs.	Rs.	Rs.	Rs.
<b>1. Manufacturing Expenses</b>				
Contract Labour	6,421,389		4,901,419	
Job Work Charges	3,064,509		821,100	
Power Charges	2,140,472		2,203,378	
Fuel Consumed	124,762		-	
Gas Charges	3,920,658		4,789,945	
Water Charges	299,788		283,566	
Analytical & Testing Charges	785,210		892,814	
Insurance Charges	180,326		180,327	
Central Excise / Service Tax	15		7,419	
Notional Excise On Stock Of Finished Goods	1,076,527		588,550	
Repairs To Factory Building	720,514		218,933	
Repairs To Plant & Machinery	3,085,150		3,573,540	
Effluent Treatment & Pollution Control	822,301		956,786	
Other Manufacturing Expenses	92,290		-	
		<b>22,733,912</b>		<b>19,417,777</b>
<b>2. Other Expenses :</b>				
Directors' Sitting Fees	144,450		128,240	
Office Electricity	115,450		143,680	
Society Maintenance Charges	296,011		326,550	
Rates & Taxes	192,773		209,146	
Profession Tax	2,400		2,400	
Legal & Professional Charges	1,463,963		1,129,819	
Printing, Stationery & Periodicals	695,283		678,742	
Conveyance - Local	311,593		306,680	
Vehicle Expenses	126,470		152,344	
Travelling - Outdoor	468,310		180,677	
Telephone & Communication Expenses	319,504		430,914	
Postage & Courier Charges	371,400		408,216	
Auditor'S Remuneration	236,950		318,500	
Stock Exchange, Mca & Custodial Fees	293,532		271,180	
Software And Hardware Maintenance	353,302		205,416	
Office Maintenance, Repairs & Renewals	165,866		181,566	
Insurance	42,266		41,539	
Advertisement (Statutory)	147,956		160,650	
Agm Expenses	-		-	
Factory Security Charges	219,078		219,600	
Stipend	59,152		75,564	
Sundry Expenses	111,411		195,453	
Donation	54,000		12,500	
		<b>6,191,120</b>		<b>5,779,375</b>

Export Expenses	238,379		124,669	
Clearing & Forwarding	1,750,032		2,600,496	
Advertisement & Publicity	36,500		542,282	
Business Promotion	973,733		259,422	
Bad Debts Written Off	-		-	
Reserve For Doubtful Debts	1,338,714		-	
Discount	7,572		-9,927	
Commission & Brokerage	1,686,041		3,837,092	
Sales Tax	156,314		366,902	
Insurance - Goods-In-Transit (Sales)	99,733		255,394	
Octroi	-		-	
Delivery Charges	880,261		593,275	
		7,167,279		8,569,605
<b>Total Other Expenses</b>		<b>36,092,311</b>		<b>33,766,757</b>

## **SPECIFIC DISCLOSURES**

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

<b>Particulars</b>	<b>Total Rs.</b>	<b>Per share Rs.</b>
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.			
<b>Name of Assets</b>	<b>Realisable Value</b>	<b>Value in Balance Sheet</b>	<b>Opinion of Board</b>
		Not Applicable	

**NOTE 27. OTHER NOTES****1. SIGNIFICANT ACCOUNTING POLICIES:****a Basis of Preparation**

The Financial Statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles in India and the provisions of the Companies Act 2013.

**b Use of Estimates**

The preparation of financial statements requires management to make judgments, estimates and assumptions of some of the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities on the date of the financial statements and the amount of revenue and expenses during the period reported. However any revision to accounting estimates or difference between the actual results and estimates are recognized prospectively in the period in which the result are known/ materialized.

**c Fixed Assets**

Fixed Assets are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date. The Company has adopted the provisions of paragraph 46A of AS-11 "The Effects of Changes in Foreign Exchange Rates", accordingly, exchange differences arising on restatement / settlement of long-term foreign currency borrowings relating to acquisition of depreciable fixed assets are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such assets. Subsequent expenditure relating to fixed assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance. Capital work-in-progress in respect of assets which are not ready for their intended use are carried at cost, comprising of direct costs, related incidental expenses and attributable interest.

Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use. Expenditure on Research and development eligible for capitalisation are carried as Intangible assets under development where such assets are not yet ready for their intended use.

**d Depreciation**

Depreciation for assets is charged as per the provisions of Schedule II of Companies Act, 2013. Accordingly, the management has considered the useful life of assets for charging depreciation as provided in the Schedule:

Particulars	Estimated Useful life (in years)
<b>Tangible Assets</b>	
Air Conditioner	5
Factory Building	30
Motor Car	8
Computers & Printers	3
Office Equipment	5
Plant & Machinery	15
Furniture & Fixtures	10

For calculating depreciation for the asset as per above life, the Company has considered the scrap value at 5% of the cost of said asset.

**e Investments**

Current investments are carried at lower of cost or quoted / fair value, computed category wise. Long term investments are stated at cost. Provision for diminution in value of long term investments is made only if such decline is other than temporary in the opinion of the management.

**f Borrowing costs**

Borrowing cost that is attributable to the acquisition or construction of qualifying asset are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

**g Provision for Current Tax & Deferred Tax**

Provision for current tax is made after taking into considerations benefits admissible under the provisions of The Income Tax Act, 1961. Deferred Tax resulting from the timing differences between the taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on balance sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is reasonable/virtual certainty that the asset will be realized in future.

**h Provision Contingent Liabilities and Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the Notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

**i Earnings per share**

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year adjusted for the effects of all dilutive potential equity shares.

**j Foreign Currency Transactions**

i) Transactions denominated in foreign currencies are recorded at daily bank rate for Sales and Custom rates for Purchases as on date of the transaction.

ii) Monetary items denominated in foreign currencies at the year end are restated at year end rates, except in case of certain receivables/payables for which the company has entered into forward contracts, where the item is revalued at the forward rate .

iii) Non-monetary foreign currency items are carried at cost.

iv) Any income or expense on account of exchange difference either on settlement or on translation is recognized as revenue except in cases where they relate to acquisition of fixed assets in which case they are adjusted to the carrying cost of such asset.

**k 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.

**l 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.

**m Revenue Recognition**

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.

**n 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/Management Estimates. 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.

**o 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.

**p 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.

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.

**q Current assets, Loans & Advances have a value of realisation in the ordinary course of business at least equal to the amount at which they are stated****r Previous year figures have been re - grouped & re - arranged wherever necessary.**

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 2017	31 March 2016
As Statutory Auditors	150,000	150,000
As Tax Auditors	-	50,000
As VAT Auditors	-	25,000
As Cost Auditors	-	25,000
As Secretarial Auditors	-	-
Company Law Matters	-	-
Management Services	-	-
Other Services	86,950	68,500
Reimbursement of expenses	-	-
	<b>236,950</b>	<b>318,500</b>

5. Earning per share is calculated as under:

Particulars	31 March 2017	31 March 2016
<b>Basic earning per share</b>		
Net profit after Taxation	15,655,737	3,013,158
Number of shares issued (Nominal Value Rs.10)	3,089,700	3,089,700
Basic earning per share	5.07	0.98
<b>Diluted earning per share</b>		
Net profit after Taxation	15,655,737	3,013,158
Number of shares issued (Nominal Value Rs.10)	3,089,700	3,089,700
Diluted earning per share	5.07	0.98

6. Directors' Remuneration	31 March 2017	31 March 2016
Within the limits of Schedule V to the Companies Act 2013.	3,360,000	3,150,000

7. 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	910,351	10,455,434	5,516,437	5,849,348

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

The company has the following related parties :

- a) Holding Company  
Nil
- b) Fellow Subsidiaries with whom transactions have taken place  
Nil
- c) Enterprise where Key Mannegerial Personnel has Significant Influence  
Nil

**d) Key Management Personnel**

Mr. Lalit Mehta  
Mr. Rajesh Mehta  
Mr. Megh Mehta

**e) Entity that has significant influence**

Nil

**f) Transaction with related parties for the year ended 31 March 2017**

Sr. No.	Transaction	Enterprise where Key Management Personnel has Significant Influence	Key management personnel	Entity that has significant influence	Total
1	Issue of Shares	-	-	-	-
2	Expenses incurred	-	-	-	-
3	Expenses incurred on behalf of	-	-	-	-
4	Interest on unsecured loan	-	-	-	-
5	Interest received on unsecured loan	-	-	-	-
6	Unsecured loan paid to	-	-	-	-
7	Unsecured loan received from	-	-	-	-
8	Repayment of loan to	-	-	-	-
9	Managerial remuneration & Incentive	-	3,360,000	-	3,360,000

**g) Transaction with related parties for the year ended 31 March 2016**

Sr. No.	Transaction	Enterprise where Key Management Personnel has Significant Influence	Key management personnel	Entity that has significant influence	Total
1	Issue of Shares	-	-	-	-
2	Expenses incurred	-	-	-	-
3	Expenses incurred on behalf of	-	-	-	-
4	Interest on unsecured loan	-	-	-	-
5	Interest received on unsecured loan	-	-	-	-
6	Unsecured loan paid to	-	-	-	-



7	Unsecured loan received from	-	-	-	-
8	Repayment of loan to	-	-	-	-
9	Managerial remuneration & Incentive	-	3,150,000	-	3,150,000

**h) The balances receivable from and payable to related parties as at 31 March 2017**

Sr. No.	Transaction	Enterprise where Key Mannegerial Personnel has Significant Influence	Key management personnel	Entity that has significant influence	Total
1	Unsecured loan payable	-	-	-	-
2	Expense Payable	-	-	-	-
3	Rent Payable	-	-	-	-

**i) The balances receivable from and payable to related parties as at 31 March 2016**

Sr. No.	Transaction	Enterprise where Key Mannegerial Personnel has Significant Influence	Key management personnel	Entity that has significant influence	Total
1	Unsecured loan payable	-	-	-	-
2	Expense Payable	-	-	-	-
3	Rent Payable	-	-	-	-

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

Particulars	31 March 2017	31 March 2016
i Raw materials;	588,103,620	315,936,028
ii Components and spare parts	-	-
iii Capital goods	-	-
iv Trading Goods	-	-

## 10. Other Expenses in Foreign Currency:

Particulars	31 March 2017	31 March 2016
i Royalty, Know-how, Professional and Consultation fees, Interest, and Other matters	42,162	39,140
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	103,448,091	85,538,479
ii Royalty, know-how ,professional and consultation fees;	-	-
iii Interest and dividend	-	-
iv Other income, indicating the nature thereof	-	-

## 11. Information of major Raw Material Consumption

Particulars	31 March 2017		31 March 2016	
	Quantity	Rupees	Quantity	Rupees
Iodine Crude	382.27 MT	573,990,973	139.98 MT	311,702,229
<b>Grand Total</b>	382.27 MT	573,990,973	139.98 MT	311,702,229

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

13. 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. 497206

(ii) Contribution to ESIC (Employer's Contribution) Rs. 100240

(B) Defined Benefit Plans

**(i) Disclosure of Gratuity Liabilities**

Based on Management Estimates, the Company has accounted for provision for Gratuity of Rs. 528,500.

14. Since the company has only one primary product line and its operations are restricted to only one geographical area, the financial statements itself may be considered to be the segment results as per the disclosure requirements of AS - 17 issued by The Institute of Chartered Accountants of India.

## 15. Disclosure of Deferred Taxes

Particulars	31/03/2017	31/03/2016
Due to Accumulated Depreciation	-	-
Addition / Disallowance under the Income-tax creating timing difference	1,321,666	900,961
Reserve for doubtful debts	528,446	(80,212)
Gratuity liability (not paid)	174,738	-
Total Deferred Tax Asset Sub-total	2,024,850	820,749
Due to Difference between tax Depreciation and book depreciation	5,060,817	5,050,278
Total Deferred Tax Liability Sub-total	5,060,817	5,050,278
<b>Net Deferred Tax Liability</b>	<b>3,035,967</b>	<b>4,229,529</b>

16. 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.

## 17. 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	31/03/2017	31/03/2016
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	31/03/2017	31/03/2016
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	-	-

18. 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.

19. 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 19.

20. The Depreciation provided in the current year includes depreciation of Rs. 26,43,314 pertaining to prior years and provision for Gratuity made in current year includes the gratuity provision for the past 2 years.

#### 21. Disclosure on Specified Bank Notes

During the year, the Company had Specified Bank Notes (SBNs) or other denomination notes as defined in the MCA notification, G.S.R. 308 (E), dated March 31, 2017. The details of the SBNs held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination-wise SBNs and other notes as per the notification are as follows:

Particulars	SBNs	Other denomination notes	Total (Rs.)
Closing Cash in Hand as on November 8, 2016	-	407,742.64	407,742.64
Add: Permitted receipts	-	6,500.00	6,500.00
Less: Permitted payments	-	5,500.00	5,500.00
Less: Amount deposited in Banks	-	-	-
Add : Amount withdrawn from Banks	-	-	-
Closing Cash in Hand as on December 30, 2016	-	408,742.64	408,742.64

22. Notes 1 to 27 form an integral part of the accounts and have been duly authenticated.

#### AS PER OUR REPORT OF EVEN DATE

For Shah & Savla LLP  
Chartered Accountants

Miral H. Nagda  
Partner  
Membership No.: 108135  
FRN: 109364W  
Place : Mumbai  
Date : 30 May 2017

#### FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

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, 2017**

Particulars	31/Mar/2017 Rs.	31/Mar/2016 Rs.
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
NET PROFIT BEFORE TAX AND EXTRAORDINARY ITEMS	24,933,322	4,487,188
ADJUSTMENTS FOR :		
DEPRECIATION	6,948,069	4,433,720
DEPRECIATION - EXCESS PROVISION REVERSED	0	0
PROFIT/LOSS ON SALE OF ASSETS	0	41,674
PROFIT/LOSS ON SALE OF INVESTMENTS	-228,965	-151,711
PRELIMINARY EXPENSES	0	0
BAD DEBTS, RESERVE FOR DOUBTFUL DEBTS & DISCOUNT	1,346,286	-9,927
NET INTEREST/DIVIDEND	6,319,973	3,940,101
	14,385,362	8,253,856
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	39,318,684	12,741,044
ADJUSTMENTS FOR :		
TRADE AND OTHER RECEIVABLES	29,715,347	-70,455,510
INVENTORIES	-13,432,569	-12,058,910
TRADE PAYABLES	-82,033,283	71,841,946
	-65,750,505	-10,672,474
CASH GENERATED FROM OPERATIONS	-26,431,822	2,068,571
INTEREST & FINANCE CHARGES PAID	-6,772,724	-5,085,641
DIRECT TAXES PAID	-5,532,150	-589,953
	-12,304,873	-5,675,594
CASH FLOW BEFORE EXTRAORDINARY ITEMS	-38,736,695	-3,607,023
EXTRAORDINARY ITEMS	0	0
NET CASH FROM OPERATING ACTIVITIES	-38,736,695	-3,607,023
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
PURCHASE OF FIXED ASSETS	-4,270,598	-5,184,486
SALE/REALIZATION OF FIXED ASSETS	0	98,600
CAPITAL WORK-IN-PROGRESS	-1,994,073	0
SALE/REALIZATION OF INVESTMENTS	20,228,965	-19,858,289
INTEREST/DIVIDEND RECEIVED	452,751	1,145,540
NET CASH USED IN INVESTING ACTIVITIES	14,417,045	-23,798,636
Continued ...		

		Continued ...	
Particulars		31/03/2017 Rs.	31/03/2016 Rs.
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>			
PROCEEDS FROM ISSUE OF SHARE CAPITAL		0	0
SUBSIDY FROM GOVERNMENT		0	0
PROCEEDS FROM LONG TERM BORROWINGS		-3,238,941	11,995,862
SHORT TERM BORROWINGS		17,178,238	10,978,206
NET CASH USED IN FINANCING ACTIVITIES		13,939,297	22,974,068
NET INCREASE IN CASH AND CASH EQUIVALENTS		-10,380,352	-4,431,591
CASH AND CASH EQUIVALENTS AT (Opening Balance)	1/Apr	34,960,157	39,391,747
CASH AND CASH EQUIVALENTS AT (Closing Balance)	31/Mar	24,579,804	34,960,157

For Shah & Savla LLP  
Chartered Accountants

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

Miral H. Nagda  
Partner  
M. No. 108135  
FRN: 109364W  
Place : Mumbai  
Date : 30 May 2017

Lalit Mehta  
Managing Director

Mahendra Pipalia  
Director

Rajesh Mehta  
Executive Director

Samir Kothary  
Director

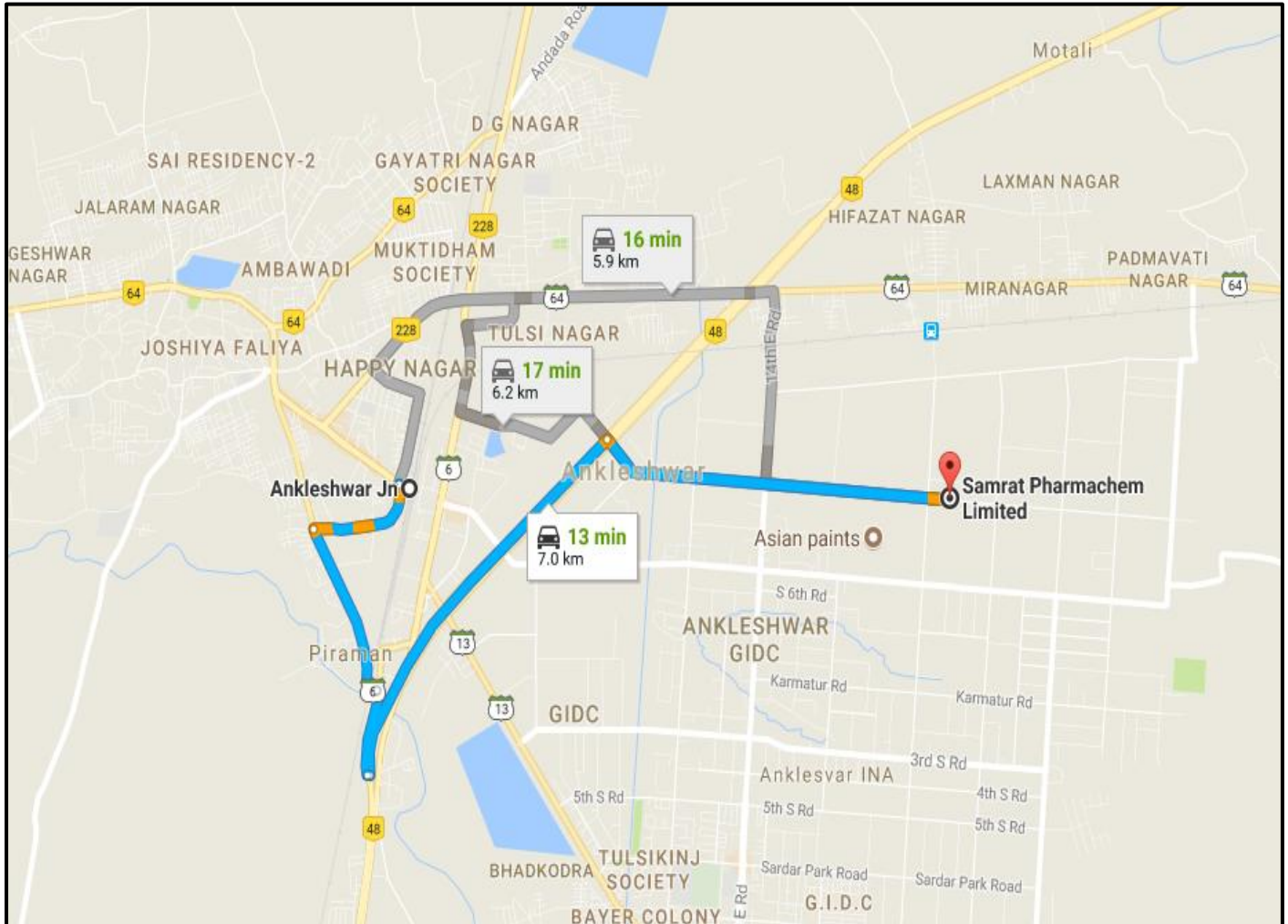
Megh Mehta  
Executive Director

Renu Dharod  
Director

**ROUTE MAP TO THE AGM VENUE**

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

**From:** Ankleshwar Railway Station



**[www.samratpharmachem.com](http://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.

Tel: 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)

**25<sup>TH</sup> ANNUAL GENERAL MEETING ON SATURDAY, SEPTEMBER 23, 2017 AT 1.00 P.M.**

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

Name of Member	
Registered Address	
Folio No.	
DP ID	
Client ID	
No. of shares held	

I certify that I am the member/proxy of the Company.

I hereby record my presence at the 25th Annual General Meeting of the Company to be held on Saturday, September 23, 2017 at 1.00 p.m. at Plot No. A2/3445, GIDC, Phase 4, Ankleshwar - 393 002, Gujarat, India.

Signature of the Member/Proxy

Note: Members are requested to bring their copies of the Annual Report to the AGM.

**Samrat Pharmachem Limited**

Corporate Identification No. (CIN) - L24230GJ1992PLC017820

Registered Office : 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


**E-VOTING**  
**ELECTRONIC VOTING PARTICULARS**

EVEN (E Voting Event Number)	USER ID	PASSWORD

Note: 1. Please read the instructions given in the Notice of the 25th Annual General Meeting carefully before voting electronically.

2. Each equity share of the Company carries one vote.

**Samrat Pharmachem Limited**

Corporate Identification No. (CIN) - L24230GJ1992PLC017820

Registered Office: 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

**PROXY FORM****Form MGT-11**

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

**25<sup>TH</sup> ANNUAL GENERAL MEETING ON SATURDAY, SEPTEMBER 23, 2017 AT 1.00 P.M.**

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

Name of the member (s)	
Registered Address	
Email id	
Folio No	
Client ID	
DP ID	

I/We, being the member(s) of \_\_\_\_\_ shares of Samrat Pharmachem Limited, hereby appoint:

- Name \_\_\_\_\_  
 Address \_\_\_\_\_  
 Email Id \_\_\_\_\_ Signature \_\_\_\_\_  
 or failing him
- Name \_\_\_\_\_  
 Address \_\_\_\_\_  
 Email Id \_\_\_\_\_ Signature \_\_\_\_\_  
 or failing him
- Name \_\_\_\_\_  
 Address \_\_\_\_\_  
 Email Id \_\_\_\_\_ Signature \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Twenty-fifth Annual General Meeting of the Company to be held on **Saturday, September 23, 2017 at 1.00 p.m.** at Plot No. A2/3445, GIDC, Phase 4, Ankleshwar - 393 002, Gujarat, India and at any adjournment(s) thereof in respect of such resolutions as are indicated below:

No.	Resolution	For	Against
<b>ORDINARY BUSINESS</b>			
1.	To receive, consider and adopt the Audited Financial Statements of the company for the year ended 31 March 2017, together with Directors' and Auditors' Reports thereon.		
2.	To appoint a Director in place of Mr. Megh Mehta (DIN: 07287394), who retires by rotation and, being eligible, offers himself for re-appointment.		
3.	Ratification of Appointment of Statutory Auditors.		
<b>SPECIAL BUSINESS: SPECIAL RESOLUTION</b>			
4.	Re-appointment of Mr. Lalit Damodar Mehta as Chairman & Managing Director of the Company.		
5.	Re-appointment of Mr. Rajesh Lalit Mehta as Executive Director of the Company.		
6.	Re-appointment of Mr. Megh Rajesh Mehta as Executive Director of the Company.		
7.	Service of documents to members.		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2017

Signature of shareholder \_\_\_\_\_

Signature of Proxyholder(s) \_\_\_\_\_

Please Affix Revenue Stamp
-------------------------------------

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



**Book-Post**



**If undelivered please return to :**

**Samrat Pharmachem Limited**

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

Shree Sai Corporation  
Mob : 98200 70123