

***Zenith Healthcare Limited***

# **23rd Annual Report**

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**2016-17**

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# Zenith Healthcare Limited

## TWENTY THIRD ANNUAL GENERAL MEETING PROGRAMME

DATE : 27th SEPTEMBER, 2017  
DAY : Wednesday  
TIME : 10.00 AM  
VENUE : ATMA Conference Hall,  
Ahmedabad Textile Mills'  
Association,  
Ashram Road, Navrangpura,  
Ahmedabad - 380 009

### NOTE TO SHAREHOLDERS:

As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting Shareholders are requested to kindly bring their copy at the meetings.

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### BOARD OF DIRECTORS

Shri Mahendra C. Raycha	Chairman & Managing Director
Shri Akshit Raycha	Joint Managing Director
Smt. Neela Raycha	Non Executive Director
Shri Atul Thakker	Non Executive Director
Shri Gaurang Vora	Independent Director
Shri Tejas Thakker	Independent Director
Shri Rajesh Thakker	Independent Director

### COMPANY SECRETARY COMPANY LAW CONSULTANT

<b>Shri Mihir S. Shah</b>	<b>M/s. Kamlesh M. Shah &amp; Co.,</b>
174, Sunset Row	Practicing Company, Secretaries,
House, Opp. Navneet	801-A, Mahalay Complex,
Press, Gurukul Road,	C.G. Road, Navarangpura,
Ahmedabad- 380052	Ahmedabad - 380 009

### BANKERS OF THE COMPANY

Punjab National Bank  
State Bank of India  
Union Bank of India

### STATUTORY AUDITORS

M/s. Jayesh R. Mor & Co.  
Chartered Accountants  
Ahmedabad

### INTERNAL AUDITORS

M/s. Tejas Somaiya & Associates.  
Chartered Accountants  
Ahmedabad

### REGISTERED AND CORPORATE OFFICE

504, Iscon Elegance, Near Ananddham Jain Derasar,  
Prahladnagar Cross Road, S. G. Road, Ahmedabad-380051.

### REGISTRAR & SHARE TRANSFER AGENT

BIGSHARE SERVICES PVT. LTD.  
E-2/3, ANSA INDUSTRIAL ESTATE,  
SAKIVIHAR ROAD, SAKINAKA,  
ANDHERI (E), MUMBAI - 400 072

### WORKS

388/34, Changodar Industrial Estate,  
Sarkhej - Bavla Highway,  
Changodar - 382 210

### LISTING AT

### Bombay Stock Exchange Ltd.

25th floor,  
P.J. Towers,  
Dalal Street, Fort,  
Mumbai - 400 001

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## NOTICE

NOTICE is hereby given to the Members of Zenith Healthcare Limited that **23<sup>rd</sup> Annual General Meeting** of the Members of the Company will be held on **Wednesday, the 27<sup>th</sup> September, 2017 at 10.00 A.M. at ATMA Conference Hall, Ahmadabad Textile Mills' Association, Ashram Road, Ahmadabad- 380 009** to transact the following Business:

### ORDINARY BUSINESS:

- (1) To receive, consider, approve and adopt the Financial Statement of Accounts including Audited Balance Sheet as at 31/3/2017 and the statement of Profit & Loss for the year ended on that date and the Report of the Board of Directors and Auditors thereon.
- (2) To appoint a Director in place of Mr. Atul Thakkar (DIN: 01157384), who retires by rotation and being eligible offers himself for re-appointment.
- (3) To appoint Messrs. J.K. Parmar & Co., Chartered Accountants (Firm Regn. No. 107599W), as a Statutory Auditor of the Company, to hold office for a period of 5 (Five) consecutive financial years, from the conclusion of the 23rd Annual General Meeting of the Company until the conclusion of the 28th Annual General Meeting of the Company (subject to ratification of the appointment at every Annual General Meeting, if required by law) and to authorize the Board of Directors of the Company to fix their remuneration.

**"RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including the any statutory modification(s) or re-enactment(s) thereof for the time being in force), M/s J.K. Parmar & Co., Chartered Accountants (firm registration no.107599W be and is hereby appointed as the Statutory Auditors of the Company (in place of M/s Jayesh R. Mor & Co., Chartered Accountants, Ahmedabad, the retiring Auditors) for a term of five (5) years commencing from the Company's financial year 2017-18 to hold from the conclusion of 23rd Annual General Meeting till the Conclusion of 28th Annual General Meeting of the Company, subject to ratification of their appointment by the members at intervening Annual general meeting on such remuneration, excluding taxes, other applicable levies and out of pocket expenses etc. as may be mutually agreed upon by the Board of Directors and the Auditors.

**RESOLVED FURTHER THAT** the Board of directors of the Company (including its Committee thereof) be and is hereby authorized to do all acts and take all such steps as may be considered necessary, proper or expedient to give effect to this resolution."

### SPECIAL BUSINESS:

- (4) Regularization of Mr. Akshit M. Raycha (DIN: 03039859) who was re-appointed in the capacity of Joint Managing Director of the Company and, in this regard, pass the following resolution as Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act 2013 and the Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014 (including statutory modifications or re-enactment thereof for the time being in force) and Article No. 66 (2) of Articles of Association of the Company,

approval of the Company be and is hereby accorded to the re-appointment of Mr. Akshit M. Raycha (DIN 03039859) as Joint Managing Director of the Company and his receiving of remuneration including minimum remuneration for a period of five years effective April 1, 2017, as per the draft Agreement submitted to this meeting and for identification initiated by the Chairman.

**FURTHER RESOLVED** That the Board of Directors ("Board" which term shall include any committee constituted or to be constituted by the Board)) be and is hereby authorized to alter and vary any or all of the terms and conditions and the draft of Agreement as may be deemed fit from time to time which may have the effect of increasing the remuneration and for considering modifications, if any, by the Central Government in regard to the policy / guidelines pertaining to managerial remuneration and for the purpose of giving effect to this, the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deem expedient, necessary, proper or in the best interest of the Company.

**Dated: August 11, 2017**

**Registered Office :**  
504, Iscon Elegance,  
Nr. Ananddham Jain Derasar,  
Prahladnagar Cross Road,  
S.G. Road,  
Ahmedabad – 380 015  
CIN No. : L2431GJ1994PLC023574  
Tel. No. : (91 079) 66168889/90/40095550  
Fax No. : (91 079) 66168891  
Email : [mahendrazenith@hotmail.com](mailto:mahendrazenith@hotmail.com)  
Website : [www.zenithhealthcare.com](http://www.zenithhealthcare.com)

By Order of the Board  
**For, Zenith Healthcare Ltd**

Mihir Satishkumar Shah,  
Company Secretary

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND PROXY NEED NOT BE A MEMBER OF THE COMPANY.

Proxies, in order to be effective, must be received by the Company, duly filled, stamped and signed, at its Registered Office not less than 48 hours before the Meeting.

Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/ authority, as applicable, issued on behalf of the nominating organization.

A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or Member.

2. Corporate Members intending to send their authorised representatives to attend the AGM are requested to send a duly certified copy of their Board Resolution authorising their representatives to attend and vote at the AGM.
3. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.

4. Members / Proxies / Authorised Representatives should bring the enclosed Attendance Slip, duly filled in, for attending the Meeting. Copies of the Annual Report or Attendance Slips will not be distributed at the Meeting.
5. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.
6. Profile of the Directors seeking appointment / re-appointment as required in terms of Regulation 36 of the SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015, is annexed to this Notice.
7. A route map providing directions to reach the venue of the 23<sup>rd</sup> AGM is provided in the Notice.
8. Pursuant to the provisions of Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company will remain closed from **Thursday September 21, 2017 to Wednesday, September 27, 2017** (both days inclusive).
9. SEBI has mandated the submission of Permanent Account Number (PAN) for participating in the securities market, deletion of name of deceased holder, transmission / transposition of shares. Members are requested to submit the PAN details to their Depository Participant (DP) in case of holdings in dematerialised form or to M/s. Bigshare Services Pvt. Ltd. at E-2/3, Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri (E), Mumbai: 400 072 in case of holdings in physical form, mentioning your correct reference folio number.
10. Members holding shares in physical form are requested to consider, converting their holding to dematerialised form to eliminate all risks associated with physical shares and for ease in portfolio management. Members can contact M/s. Bigshare Services Private Limited E-2/3, Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri (E), Mumbai: 400 072 for assistance in this regard.
11. Shareholders holding old share certificate(s) of Rs.10/- each, are requested to return the Original old share certificate(s) [which is / are no longer tradable] directly to the Company's Registrar & Share Transfer Agent - Bigshare Services Pvt. Ltd., for cancellation alongwith Application duly signed by all the holders, to enable to issue New Share Certificate(s) in physical form after effecting Reduction, if any, and Sub-division in to Re.1/- each in lieu thereof.
12. Pursuant to the provisions of Section 72 of the Companies Act, 2013, Members holding shares in physical form and desirous of making a nomination in respect their shareholding in the Company are requested to submit details to the Registrar and Transfer Agent of the Company in the prescribed Form SH-13. Members holding shares in demat form may contact their respective Depository Participant ('DP') for recording of nomination.
13. The Annual Report 2016-17 of the Company circulated to the Members of the Company, will be made available on the Company's website at [www.zenithhealthcare.com](http://www.zenithhealthcare.com). and also on the website of the Bombay Stock Exchange at [www.bseindia.com](http://www.bseindia.com).

14. Members desirous of getting any information about the Accounts of the Company are requested to write to the Company at least seven days in advance of the Meeting, so that the information can be kept ready at the Meeting.

**Process and manner for members opting for voting through Electronic means:**

- (i) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means. The members may cast their votes using an electronic voting system through remote e-voting services provided by Central Depository Services Limited (CDSL) from a place other than the venue of the Meeting.
- (ii) The Members whose names appear in the Register of Members / List of Beneficial Owners as on **September 20, 2017** (cut – off date) are entitled to avail the facility of remote e-voting as well as voting at the AGM. Any recipient of the Notice, who has no voting rights as on the Cut-off date, shall treat this Notice as intimation only.
- (iii) his/her vote either electronically i.e. remote e-voting or through the Poll Paper at the AGM by following the procedure mentioned in this part.
- (iv) A person who has acquired the shares and has become a member of the Company after the dispatch of the Notice of the AGM and prior to the Cut-off date i.e. **September 20, 2017**, shall be entitled to exercise
- (v) The remote e-voting will commence on **September 24, 2017 at 10.00 a.m. and ends on September 26, 2017 at 5.00 p.m.** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date **September 20, 2017**, may cast their vote electronically. The members will not be able to cast their vote electronically beyond the date and time mentioned above and the remote e-voting module shall be disabled for voting by CDSL thereafter. The e-voting module shall be disabled by CDSL for voting thereafter.
- (vi) Once the vote on a resolution is cast by the member, he/she shall not be allowed to change it subsequently or cast the vote again.
- (vii) The facility for voting through Poll Paper would be made available at the AGM and the members attending the meeting who have not already cast their votes by remote e-voting shall be able to exercise their right at the meeting through Poll Paper. The members who have already cast their vote by remote e-voting prior to the meeting, may also attend the meeting, but shall not be entitled to cast their vote again.
- (viii) The voting rights of the members shall be in proportion to their share in the paid up equity share capital of the Company as on the Cut-off date i.e. **September 20, 2017**.

- (ix) The Company has appointed Mr. Devesh Khandelwal, Proprietor of Khandelwal Devesh & Associates, Practising Company Secretary (Membership No. FCS: 6897; CP No: 4202), to act as the Scrutinizer for conducting the remote e-voting process in a fair and transparent manner.

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

Step 1 : Open your web browser during the voting period and log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)

Step 2 : Now click on "Shareholders" to cast your votes.

Step 3 : Now, fill up the following details in the appropriate boxes:

- User-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 the Folio Number registered with the Company.

Step 4 : Next, enter the Image Verification as displayed and Click on Login.

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.

Step 5: If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number in the PAN field. The Sequence Number will be intimated to such member by way of a letter. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
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.

Please enter the DOB or Dividend Bank Details in order to login.

Step: 6: After entering these details appropriately, click on "SUBMIT" tab.

Step 7: Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

- Step 8: For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- Step 9: Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- Step 10: 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.
- Step 11: Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- Step 12: 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. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- Step 13: You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- Step 14: Note for Non – Individual Shareholders and Custodians
- Non-Individual 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.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed 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 the accounts they would be able to cast their vote.

- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and 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).

#### **EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 102 OF THE COMPANIES ACT, 2013**

##### **Item No. 3**

The term of Mr. Akshit M. Raycha as a Joint Managing Director of the Company was expiring on March, 31, 2017 and hence the Board of Directors of the Company (the 'Board'), at its meeting held on March 29, 2017 has subject to the approval of members in General Meeting, re-appointed Mr. Akshit M. Raycha as a Joint Managing Director of the Company for a period of 5 (five) years with effect from April 1, 2017 as recommended by Nomination and Remuneration Committee of the Board.

Mr. Akshit M. Raycha satisfies all the conditions as set out in Part I of Schedule V to the Act as also conditions set out under sub section (3) of Section 196 of the Companies Act, 2013 (the Act) for being eligible for his re-appointment.

Mr. Akshit M. Raycha is not disqualified from being appointed as a Director in terms of Section 164 of the Act and his appointment will be subject to the retirement by rotation in terms of Section 152 of the Act.

Mr. Akshit M. Raycha is a Commerce Graduate and M.B.A.. He has been with the Company since 2010.

The terms and conditions of the appointment of Mr. Akshit M. Raycha are set out in the draft Agreement, which is placed before the meeting.

The material terms of the draft Agreement are as under:

- (1) Mr. Akshit M. Raycha shall unless prevented by ill health, throughout the said term devote his entire time and attention to the business of the company perform such duties and exercise such powers as shall from time to time be assigned to and vested him by the Board of Directors and shall comply with such orders, directions and regulations from time to time by the Board of Directors of the Company and shall faithfully serve the Company and use his utmost endeavors to promote the interest thereof.
- (2) Period of office of Mr. Akshit M. Raycha is five years effective April 1, 2017
- (3) Remuneration payable to Mr. Akshit M. Raycha:
  - a) Basic Salary of Rs.1,00,000/- per month which annual increments as may be decided by the Board of Directors.
  - b) Commission as may be decided by the Board of Directors as at the end of the financial year in accordance with the provisions of the Act.
  - c. Variable pay as per policy of the Company.
  - d. Perquisites
    - (i) Housing: the Company will provide residential accommodation with water, electricity, or pay House Rent Allowance as per its policy.
    - (ii) Furnishing: the Company will provide furniture and fixtures as per its policy.
    - (iii) Medical reimbursement: the Company will reimburse medical expenses incurred as per its policy.
    - (iv) Leave travel assistance: the Company will provide leave travel assistance for self and family once in a year as per its policy.
    - (v) Personal accident insurance | Medical insurance: the Company will provide personal accident insurance and medical insurance as per its policy.
    - (vi) Car: the Company will provide a car at its entire cost as per its policy.
    - (vii) Car driver wages | Fuel | Maintenance: the Company will reimburse for car driver wages, fuel and maintenance as per its policy.
    - (viii) Communication devices: the Company will provide a landline telephone at his residence and mobile telephone as per its policy.
  - e. Retirals
    - (i) The Company will contribute towards Provident Fund and Superannuation Fund as per its policy.

(iii) The Company will allow encashment of leaves | grant leaves as per its policy.

(4) Mr. Akshit M.Raycha will not be entitled to sitting fees for attending meetings of the Board and | or Committees thereof. He will, however, be reimbursed the actual travelling, lodging, boarding and out of pocket expenses incurred by him for attending meetings of the Board or Committees thereof.

(5) The remuneration referred in Clause 3 and any alteration thereof from time to time is subject to the overall limit of 5% of the annual net profit of the Company and subject further to the overall limit of

10% of the annual net profit of the Company as computed under the applicable provisions of the Companies Act, 2013. Provided, however, that in the event of absence or inadequacy of profit, Mr. Akshit M.Raycha will be paid remuneration within the limit of minimum remuneration specified in Schedule V to the Companies Act, 2013.

(6) Mr. Akshit M.Raycha will be entitled to reimbursement of expenses incurred by him in connection with the business of the Company.

(7) Mr. Akshit M.Raycha may resign office subject to six months' notice.

(8) Mr. Akshit M.Raycha will be entitled to compensation in accordance with the applicable provisions of the Companies Act, 2013, in the event of termination of office.

Considering the background, competence and experience of Mr. Akshit M.Raycha and also his association with the Company for the last several years and compared to the remuneration packages of similarly placed personnel of other corporate bodies in the country, the terms of his remuneration as set out in the Resolution are considered to be fair, just and reasonable.

Save & Except Mr. Akshit M. Raycha and his relatives viz Mr. Mahendra C. Raycha and Mrs. Neela Raycha to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the Notice.

The Board considers that his association will be of immense benefit to the Company, the Board recommends the Resolution in relation to appointment of Mr. Akshit M.Raycha as Joint Managing Director of the Company for five years set out at Item No. 3 of the Notice for approval by the shareholders.



**BRIEF RESUME OF THE DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE 23<sup>rd</sup> ANNUAL GENERAL MEETING**

(Pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

NAME OF DIRECTOR	Mr. Akshit M. Raycha (Joint Managing Director)	Mr. Atul Thakkar
Age /Date of Birth	05/05/1989	02.10.1966
Date of Appointment	29.10.2010	01.04.2003
Qualification and experience in specific functional area	He is Commerce Graduate and M.B.A. from Cambridge University	He is Commerce Graduate and having Experience of Production & Marketing more than 10 years.
Directorship held in other companies*	Zenith Lifecare Pvt. Ltd. & Zenith Medicine Pvt. Ltd.	-
Membership / Chairmanships of Committee in other Public Companies	NIL	NIL
Relationships between directors <i>inter se</i>	Son of CMD (Mahendra C. Raycha) & Director (Neela M. Raycha)	Brother in Law of CMD (Mahendra C. Raycha)
Shareholding of director	189817	500

Dated: August 11, 2017

Registered Office :  
504, Iscon Elegance,  
Nr. Ananddham Jain Derasar,  
Prahlnadnagar Cross Road,  
S.G. Road,  
Ahmedabad – 380 015

By Order of the Board  
For, Zenith Healthcare Ltd

Mihir Satishkumar Shah,  
Company Secretary

CIN No. : L2431GJ1994PLC023574  
Tel. No. : (91 079) 66168889/90/40095550  
Fax No. : (91 079) 66168891  
Email : [mahendrazenith@hotmail.com](mailto:mahendrazenith@hotmail.com)  
Website : [www.zenithhealthcare.com](http://www.zenithhealthcare.com)

**BOARD'S REPORT**

To  
The Members,

Your Directors are pleased to present 23<sup>rd</sup> Annual Report and the company's audited financial statement for the financial year e March 31, 2017.

**FINANCIAL RESULTS:**

The company's financial performance for the year ended March 31, 2017 is summarized below:

(Amount in Rs.)

	Year ended on 31st March 2017	Year ended on 31st March 2016
<b>Particulars</b>		
Revenue from Operations	50278292	36420241
Less : Central Excise Duty	2057342	1768000
Net Revenue from Operations	48220950	34652241
<b>Provision for Depreciation</b>	<b>3043087</b>	<b>3536109</b>
Profit /(Loss) before Exceptional Item & Tax	(1721334)	(4776770)
Less: Exceptional Items	-	33240
Profit/(Loss) Before Tax	(1721334)	(4743530)
Less: Prior Period Items	-	(27091)
Profit Before Tax	(1721334)	(4770621)
Less: Provision for Tax	-	--
Add: Deferred Tax Assets/(liabilities)	199949	1664966
Net Profit/(Loss) after Tax	(1721334)	(4770621)
Net Profit/(Loss) carried to Balance Sheet	(1521385)	(3105655)

**(1) YEAR UNDER REVIEW :**

During the year under review Company has obtained its plant registered at Nigeria, Cambodia, Uzbekistan and got few products Registered in Nigeria and other Products are in process for Registration. The Company has achieved revenue from operations to the tune of Rs. 50278292 against Rs. 36420241 in the previous year. The Loss of the Company is Rs. (1721334) for the current year as against the Loss of Rs. (4770621) of the previous year.

**Material Changes and Commitments:**

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of this report.

**Disclosure of Orders Passed By Regulators or Courts or Tribunal:**

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

**Dividend**

Due to loss, your Directors do not recommend any dividend on equity shares of the Company.

**Conservation of energy, technology absorptions and foreign exchange earnings and outgo :**

Information required under Section 134 (3) (m) of the Companies Act, 2013, read with Rule 8 (3) of the Companies (Accounts) Rules, 2014, as amended from time to time, forms a part of this Report which is given as per **Annexure A** to this report.

**Insurance**

The Company has taken adequate insurance to cover the risks to its people, plants and machineries, buildings and other assets, profit and third parties.

**Risk Management**

Your company has Risk Management Framework as approved by the Board of Directors which provides mechanism to identify, evaluate business risk and opportunities. The risk associated with the business of the Company, its root causes are reviewed and steps are taken to mitigate the same. The Audit Committee and Board of Directors also reviews the key risk associated with the business of the Company, the procedure adopted to assess the risk, efficacy and mitigation measures.

**Internal Financial Control:**

The Company has a good system of internal controls in all spheres of its activity. The internal control system is supplemented by effective internal audit being carried out by an external firm of Chartered Accountants. The Audit committee regularly reviews the findings of the internal auditors and effective steps to implement the suggestion / observation of the Auditors are taken and monitored regularly. In the opinion of the Board, an effective internal control system adequate to the size of the Company exists.

**Deposits:**

Your Company has not accepted any deposits which fall under Chapter V and Section 73 to Section 76 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

**Loans, Guarantee, Investments and Security**

Particulars of loans, guarantee, investments and security are given in the Notes to accounts (Please refer to Note 14, 16 and 22 to financial statement).

**Subsidiaries/ Joint Venture/ Associate Companies:**

Company has no subsidiary/joint ventures/associate companies. As there are no subsidiaries, associates and joint ventures companies, no consolidated financial statements required to be given.

**ISO 9001:2008 CERTIFICATION:**

Your Directors have pleasure informing you that the company has got renewed ISO-9001: 2008 certification from the world renowned institution for its Pharma Division. Your Company is enjoying coveted and prestigious ISO 9001:2008 Status. Company has successfully met all the stringent and rigorous revaluation and surveillance measures.

**Directors' Responsibility Statement:**

Pursuant to Section 134(5) of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) for the time being in force), the Directors of our Company confirm that:

- i) In the preparation of the annual accounts for the financial year ended 31st March, 2017, the applicable Accounting Standards and Schedule III of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) for the time being in force), have been followed and there are no material departures from the same;
- ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company as at 31<sup>st</sup> March, 2017 and of the profit and loss of the Company for the financial year ended 31st March, 2017;
- iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) for the time being in force) for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv) The directors had prepared the annual accounts on a going concern basis;
- v) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;
- vi) The directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

**Corporate Governance:**

As per Regulation 15(2) of SEBI (Listing Obligation and Disclosures requirement) Regulation, 2015, Report on Corporate Governance is not applicable on the Company as the Company is not having the paid up share capital exceeding Rs. 10 crores and Net worth is exceeding Rs. 25 crores as on the last date of previous Financial Year.

Further, Company has obtained a Certificate from a Practicing Company Secretaries certifying the same.

**Corporate Social Responsibilities:**

As the Company's net worth, turnover or net profits are below the limit prescribed under section 135 of the Companies Act 2013 and hence CSR is not applicable to your Company.

**Related Parties Transactions**

All the related party transactions are being entered on arm's length basis, in ordinary course of business and in compliance with the applicable provisions of the Companies Act, 2013 and relevant Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. There were no materially significant related party transactions made by the Company with Promoters, Directors or Key Managerial Personnel etc. which may have potential conflict with the interest of the Company at large.

All the related party transactions are presented to the Audit Committee and the Board. Omnibus approval has been obtained from Audit Committee, Board of Directors and members for the transactions with the related parties.

Moreover your Directors draw your attention to Note to the financial statement which sets out related party disclosures.

**Form AOC-2 (For Related Party Transactions)**

Form for disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred in Section 188(1) of the Companies Act, 2013 is enclosed herewith as **Annexure – C**.

**Directors and Key Managerial Personnel:**

In accordance with the provisions of the Act and the Articles of Association of the Company, Mr. Atul M. Thakkar, Non executive & Non independent director, (DIN 01157384) will retire by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment.

Mr. Mittal Shah, has been appointed as Chief Financial Officer of the Company by the Board with effect from May 16, 2014.

Mr. Mihir S. Shah, has been appointed as Company Secretary and Compliance Officer of the Company by the Board with effect from February 09, 2016.

**COMPOSITION OF BOARD OF DIRECTORS AND ITS COMMITTEES:****Composition of Board**

The Board of Directors has an optimum combination of Executive and Non-Executive Directors and Independent directors in accordance with the provisions of the Act. The composition of the Board of Directors of the company as on 31<sup>st</sup> March, 2017 is as under:

Sl. No.	Name	Designation	Executive/ Non Executive
1.	Mr. Mahendra C. Raycha	Chairman & Managing Director	Executive
2.	Mr. Akshit Raycha	Joint Managing Director	Executive
3.	Mrs. Neela Raycha	Non Independent	Non Executive
4.	Mr. Atul Thakkar	Non Independent	Non Executive
5.	Mr. Gaurang Vora	Independent Director	Non Executive
6.	Mr. Rajesh Thakkar	Independent Director	Non Executive
7.	Mr. Tejas Thakkar	Independent Director	Non Executive

05 (Five) Board meetings and AGM were held during the year. The details of Board Meetings are given below:

Date of meeting	No. of directors present
27/05/2016	7
09/08/2016	5
28/09/2016 (AGM)	4
12/11/2016	5
10/02/2017	6
29/03/2017	6

**Audit Committee:**

During the year the company has reconstituted its Audit Committee. The Composition of Committee is as under:

Sl. No.	Name	Designation	Position in Committee
01	Mr. Gaurang Vora	Independent Director	Chairman
02	Mr. Tejas Thakkar	Independent Director	Member
03	Mr. Atul Thakkar	Non Executive Director	Member

The composition of committee inter alia meets with the requirement of Section 177 of the Companies Act, 2013

**Functions and Powers of Audit Committee:**

The Committee shall have discussions with the auditors periodically about internal control systems, the scope of audit including observation of the auditors and review of financial statement before their submission to the Board and discuss any related issue with internal and statutory auditors and the management of the company.

In discharging the function of the Audit Committee, the committee shall have the authority to investigate into any matter relating to any terms specified in Section 177 or referred to it by the Board.

**Responsibility of the Committee :**

The Committee may assign any matter of importance nature relating to the accounts, finance, taxation, inspection and investigation from time to time and may require submitting a report to the Board on such matters within the stipulated time

The committee on any matter relating to financial management including audit report shall submit a report to the Board from time to time.

The Board has accepted all the recommendation made by the Audit Committee.

**Nomination and Remuneration Committee:**

During the year the Company has renamed and reconstituted its Remuneration Committee as the Nomination and Remuneration Committee:

The Composition of Committee is as under:

Sl. No.	Name	Designation	Position in Committee
01	Mr. Rajesh Thakkar	Independent Director	Chairman
02	Mr. Gaurang Vora	Independent Director	Member
03	Mr. Atul Thakkar	Non Executive Director	Member

The Committee has been reconstituted in terms of Section 178 of the Companies Act, 2013. The Committee shall have least the following basic responsibilities:

- To identify persons who are qualified to become directors and who may be appointed in senior management accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.
- To formulate and review criteria that must be followed for determining qualification for determining qualification positive attributes and independence of director.
- To recommend the Board a policy relating to the remuneration for the directors, key managerial personnel and other employees and to ensure compliance with the remuneration policy set forth by the Company.
- To propose to the Board the members that must form part of the Committee.
- To report on the systems and on the amount of the annual remuneration of directors and senior management.

The Remuneration Policy has been posted on the website of the Company.

**Stakeholders Relationship Committee**

The existing Investor Grievance Committee has been reconstituted and re-named as Stakeholders Relationship Committee. The composition of the Committee is in accordance with the Companies Act, 2013. The Composition of the Committee is as under:

Sl. No.	Name	Designation	Position in Committee
01	Mr. Tejas Thakkar	Independent Director	Chairman
02	Mr. Gaurang Vora	Independent Director	Member
03	Mr. Atul Thakkar	Non Executive Director	Member
04	Mr. Akshit Raycha	Executive Director	Member

Basic Responsibilities of the Committee:

- Considering and resolving the grievance of shareholders of the Company with respect to transfer of shares, non receipt of annual report etc.
- Ensuring expeditious share transfer process in line with the proceedings of the Share Transfer Committee.
- Evaluating performance and service standards of the Registrar & Share Transfer Agent of the Company.
- Providing guidance and making recommendation to improve service levels for investors.

Details of the Meeting and its attendance are given as under:

	Audit Committee	Nomination & Remuneration Committee	Stakeholders Relationship Committee
No. of Meetings held			
Attendance			
Mr. Gaurang Vora	4	1	5
Mr. Rajesh Thakkar	-	1	-
Mr. Tejas Thakkar	4	-	5
Mr. Atul Thakkar	4	1	5
Mr. Akshit Raycha	-	-	5

#### BOARD EVALUATION:

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and Stakeholders Relationship Committee.

Various aspects of the Board's functioning were evaluated such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

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

#### Declaration by Independent Directors:

The Independent directors have submitted their disclosure to the Board that they fulfill all the requirements as to qualify for their appointment as an Independent Director under the provisions of the Companies Act, 2013 and under the Listing Agreement with the Stock Exchanges.

#### Extract of Annual Return:

Extract of the Annual Return of the Company in **MGT-9** is enclosed herewith as an **Annexure B** to this Report.

#### Remuneration to Directors:

The remuneration paid to Directors, Non Executive Directors and Independent Directors are disclosed in the Extract to the Annual Return i.e. **MGT - 9** as **Annexure B** to the Board Report.

General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Secretarial Department at the Regd. Office of the Company.

**General Shareholder Information**

<b>23<sup>rd</sup> Annual General Meeting</b>	
<b>Venue</b>	ATMA Conference Hall, Ahmedabad Textile Mills Association, Ashram Road, Ahmedabad: 380009
<b>Date</b>	<b>September 27, 2017</b>
<b>Time</b>	10 A.M.
<b>Book Closure</b>	From 21/09/2017 to 27/09/2017 (both days inclusive)
<b>Registrar &amp; Share Transfer Agent</b>	M/s. Bigshare Services Private Limited E-2/3, Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri (E), Mumbai: 400 072 Telephone No. (022) 40430200, 284470652 Fax No. (022) 28475207 E-Mail ID - <a href="mailto:info@bigshareonline.com">info@bigshareonline.com</a>
<b>E voting Period</b>	24/09/2017 (10.00 a.m) to 26/09/2017 (5.00 p.m)

**Listing of Shares:**

The Company's Equity Shares are at present listed at Bombay Stock Exchange Limited. The Equity Shares of the Company are freely tradable on at BSEs and trading thereof have not been suspended at any time during the year under review. The Company has been regularly and timely making all compliances of the various clauses of the Listing Agreement and SEBI Regulations from time to time. The Company has duly paid the annual Listing Fees of the Stock Exchange for and up to the financial year ending on 31.03.2018.

ISIN of the Company : INE812B01026

**Share Transfer System**

Share transfers are registered and returned within a period of 15 days from the date of receipt, provided documents are correct and valid in all respect. Thereby the average time taken in transfer of shares is 15 days. The depositories directly transfer the dematerialized shares to the beneficiaries.

**Post-employment benefit plans:**

Gratuity for employees in India is as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for the number of years of service. The gratuity plan is a funded plan and the Company will make contributions to recognised funds in India.

**Acknowledgment:**

Your Directors wish to place on record their deep sense of gratitude to Banks for their continued support and cooperation. Our sincere thanks are also due to our esteemed customers, suppliers and finally to employees of the Company for their untiring efforts and commitment to their duties.

Place: Ahmedabad

Date: 11/08/2017

By Order of the Board  
For, Zenith Healthcare Ltd

Akshit M. Raycha  
Joint Managing Director  
DIN 03039859

Mahendra C. Raycha  
Chairman & Managing Director  
DIN 00577647

**Annexure A to Board Report –****CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUT GO**

Information regarding conservation of energy, technologies absorption and foreign exchange earnings and outgo are given as under:-

**Vigil Mechanism/ Whistle Blower**

Company has vigil mechanism in force to deal with instances of fraud and mismanagement if any. The mechanism ensures that strict confidentiality is maintained whilst dealing with the concern and also that no discrimination will be meted to any person for a genuinely raised concern. The Chairman of the Audit Committee may also be contacted by employees to report any suspected or concerned incident of fraud / misconduct.

The detail of the Policy has been posted on the website of the Company.

**Share Capital & Employee Stock Option etc:**

The paid up share Capital of the Company is Rs.537.39 Lacs. During the year there are no issue of equity shares with differential rights, no issue of sweat equity shares, no issue of employee stock options and no provision of money by company for purchase of its own shares by employees or by trustees for the benefit of the employees, the details required to be given under various rules issued under the Companies Act 2013 is NIL.

**Reconciliation of Share Capital Audit :**

As stipulated by the SEBI, a qualified Practicing Company Secretary carries out the Reconciliation of Share Capital Audit to reconcile the total admitted share capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and total Issued and Paid-Up Share Capital of the Company. This audit is carried out every quarter. The audit, inter alia, confirms that the Listed and Paid-Up Share Capital of the Company is in agreement with the aggregate of the total number of shares in dematerialized form held with NSDL and CDSL and the total number of shares in physical form.

**Secretarial Auditor:**

In terms of Section 204 of the Companies Act, 2013, the Board of Directors of your Company has appointed M/s. Kamlesh M. Shah & Co., Practicing Company Secretaries, Ahmedabad as a Secretarial Auditor to conduct an Audit of secretarial records and compliances, for the financial year ending on March 31, 2018.

The Secretarial Audit Report for the financial year ended on March 31, 2017 is annexed herewith as **Annexure-D** to this report and the same does not contain any qualification, reservation or adverse remarks.

**Auditors and Auditors Report:**

M/s. Jayesh R. Mor & Co., Chartered Accountants, Ahmedabad (FRN: 122056W) are the statutory auditors of the Company for the year as per the Section 139 of the Companies Act, 2013 read with Rule 6 of the Companies (Audit & Auditor) Rules, 2013 Implement the rotation of Statutory Auditor new firm of Chartered Accountant to act as Statutory Auditor of the Company, hence existing Auditor M/S. Jayesh R. Mor & Co. is not eligible for reappointment.

There are no specific qualifications, reservation or adverse remark or disclaimer made by the statutory auditors in their auditor's report.

In place of Jayesh R. Mor & Co. new auditor is proposed to be appointed Ahmedabad Retiring Auditors by Board of Directors, M/s. J.K. Parmar & Co., Chartered Accountants (Firm Regn. No. 107599W), as a Statutory Auditor of the Company, to hold office for a period of 5 (Five) consecutive financial years, from the conclusion of the 23rd Annual General Meeting of the Company until the conclusion of the 28th Annual General Meeting of the Company (subject to ratification of the appointment at every Annual General Meeting, if required by law) and to authorize the Board of Directors of the Company to fix their remuneration.

**Particulars of Employees and Other Related disclosures:**

The Company has no employee drawing the remuneration of Rs.5 Lacs p.m or Rs.60 Lacs p.a.

However the information required pursuant to Section 197 read with Rule, 5 (1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request.

In terms of Section 136 of the Act, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual

**POWER AND FUEL CONSUMPTION**

	CURRENT 2016-2017	PREVIOUS 2015-2016
[A] ELECTRICITY		
Purchased		
Total Units	83500	84526
Total Amount Rs.	689150	692118
Rate per Unit Rs.	8.25	8.19
Through Diesel Generation		
Total Units	6080	5635
Total Amount Rs.	89457	71857
Rate per Unit Rs.	14.71	12.75
[B] Technology Absorption, Adaption & Innovation	Nil	Nil

**CONSERVATION OF ENERGY:**

The Company continued to accord high priority to the conservation of energy through reduction of consumption, the company will continue to endeavor to conserve energy and use it more efficiently.

**FOREIGN EXCHANGE, EARNINGS AND OUTGO**

Description	Amount in Rs.
<b>Foreign Exchange Earned</b>	
Sale of Finished Goods	5455503
Services	39642
<b>Total</b>	<b>5495145</b>
<b>Foreign Exchange Outgo</b>	
Foreign Travelling Expenses	-
Inspection & Product Registration Fees	404580
Others-Return of USD	422140
<b>Total</b>	<b>826720</b>

**Annexure B to Board Report –**

**Form No. MGT -9**  
Extract of Annual Return –  
as on Financial Year ended 31<sup>st</sup> March, 2016.

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

**I. REGISTRATION AND OTHER DETAILS :**

i)	CIN	L24231GJ1994PLC023574
ii)	Registration Date	November 15, 1994
iii)	Name of the Company	Zenith Healthcare Limited
iv)	Category / sub Category of the Company	Company Limited by shares / Indian Non-Government Company
v)	Address of Regd. Office and Contact details	Registered Address :- 504, Iscon Elegance, Prahladnagar Cross Road, Nr. Ananddham Jain Derasar, S. G. Road, Ahmedabad: 380051  Tel: (91 079) 66168889/90/40095550 Fax No. : (91 079) 66168891 Email: mahendrazenith@hotmail.com website: www.zenithhealthcare.com
vi)	Whether listed Company	Yes
vii)	Details of Stock Exchange where Shares are Listed :	Script Code
	Bombay Stock Exchange	530665
viii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s. Bigshare Services Private Limited  E-2/3, Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri (E), Mumbai: 400 072. Tel No : +91 2228470652/40430200 Fax: + 91 22 28475207 Email Id : info@bigshareonline.com Website : <a href="http://www.bigshareonline.com">www.bigshareonline.com</a>

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY :**

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1.	Tablets	3000310	85.90

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

Sl. No.	Name and Address of the Company.	CIN / GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
	NIL	NIL	NIL	NIL	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-April 1, 2016				No. of Shares held at the end of the year – March 31, 2017				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	Promoter and Promoter Group <sup>2</sup>									
(1)	Indian									
(a)	Individuals / Hindu Undivided Family	13001529	189500	13191029	24.55	13001529	189500	13191029	24.55	-
(b)	Central Government / State Government (s)	-	-	-	-	-	-	-	-	-
(c)	Bodies Corporate	2252550	-	2252550	4.19	2252550	-	2252550	4.19	-
(d)	Financial Institutions / Banks	-	-	-	-	-	-	-	-	-
(e)	Any Other (specify)	-	-	-	-	-	-	-	-	-
	<b>Sub-Total (A) (1)</b>	<b>15254079</b>	<b>189500</b>	<b>15443579</b>	<b>28.74</b>	<b>15254079</b>	<b>189500</b>	<b>15443579</b>	<b>28.74</b>	<b>-</b>
(2)	Foreign									
(a)	Non-Resident Individuals /	-	-	-	-	-	-	-	-	-
(b)	Other-Individuals	-	-	-	-	-	-	-	-	-
(c)	Bodies Corporate	-	-	-	-	-	-	-	-	-
(d)	Banks/ FI	-	-	-	-	-	-	-	-	-
(e)	Any other	-	-	-	-	-	-	-	-	-
	<b>Sub-Total (A) (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total Shareholding of Promoter (A)= (A) (1) + (A) (2)</b>	<b>15254079</b>	<b>189500</b>	<b>15443579</b>	<b>28.74</b>	<b>15254079</b>	<b>189500</b>	<b>15443579</b>	<b>28.74</b>	<b>-</b>
(B)	Public Shareholding									
(1)	Institutions									
(a)	Mutual Funds	-	211000	211000	0.39	-	211000	211000	0.39	0
(b)	Bank/ Financial Institutions	-	-	-	-	-	-	-	-	-

**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-April 1, 2016				No. of Shares held at the end of the year – March 31, 2017				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	Promoter and Promoter Group <sup>2</sup>									
(1)	Indian									
(a)	Individuals / Hindu Undivided Family	13001529	189500	13191029	24.55	13001529	189500	13191029	24.55	-
(b)	Central Government / State Government (s)	-	-	-	-	-	-	-	-	-
(c)	Bodies Corporate	2252550	-	2252550	4.19	2252550	-	2252550	4.19	-
(d)	Financial Institutions / Banks	-	-	-	-	-	-	-	-	-
(e)	Any Other (specify)	-	-	-	-	-	-	-	-	-
	<b>Sub-Total (A) (1)</b>	<b>15254079</b>	<b>189500</b>	<b>15443579</b>	<b>28.74</b>	<b>15254079</b>	<b>189500</b>	<b>15443579</b>	<b>28.74</b>	<b>-</b>
(2)	Foreign									
(a)	Non-Resident Individuals /	-	-	-	-	-	-	-	-	-
(b)	Other-Individuals	-	-	-	-	-	-	-	-	-
(c)	Bodies Corporate	-	-	-	-	-	-	-	-	-
(d)	Banks/ FI	-	-	-	-	-	-	-	-	-
(e)	Any other	-	-	-	-	-	-	-	-	-
	<b>Sub-Total (A) (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total Shareholding of Promoter (A)= (A) (1) + (A) (2)</b>	<b>15254079</b>	<b>189500</b>	<b>15443579</b>	<b>28.74</b>	<b>15254079</b>	<b>189500</b>	<b>15443579</b>	<b>28.74</b>	<b>-</b>
(B)	Public Shareholding									
(1)	Institutions									
(a)	Mutual Funds	-	211000	211000	0.39	-	211000	211000	0.39	0

(b)	Bank/ Financial Institutions	-	-	-	-	-	-	-	-	-
(c)	Central Government	-	-	-	-	-	-	-	-	-
(d)	State Government (s)	-	-	-	-	-	-	-	-	-
(e)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
(f)	Insurance Companies	-	-	-	-	-	-	-	-	-
(g)	Foreign Institutional Investors	-	-	-	-	-	-	-	-	-
(h)	Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
(i)	Other (specify)	-	-	-	-	-	-	-	-	-
	<b>Sub-Total (B) (1)</b>	<b>0</b>	<b>211000</b>	<b>211000</b>	<b>0.39</b>	<b>0</b>	<b>211000</b>	<b>211000</b>	<b>0.39</b>	<b>0</b>
<b>(2)</b>	<b>Non- institutions</b>									
(a)	Individual	-	-	-	-	-	-	-	-	-
	i. Individual share capital upto Rs. 2 Lacs	18740915	8237150	26978065	50.20	19562664	8590150	28152814	52.39	2.19
	ii. Individual shareholde rs holding nominal share capital in excess of Rs.1 lakh.	3343480	1971000	5314480	9.89	3302130	2640000	5942130	11.06	1.17
(b)	Others	-	-	-	-	-	-	-	-	-
	i) Hindu undivided Families	-	-	-	-	-	-	-	-	-
	ii) Non Resident Individual	220177	175000	395177	0.74	245653	175000	420653	0.78	0.04
	iii) Employee	-	13500	13500	0.025	-	13500	13500	0.025	-
	iii) Clearing Member	205363	0	205363	0.38	79393	0	79393	0.15	(0.23)
	Bodies Corporate	3517836	1660000	5177836	9.64	2854431	621500	3475931	6.47	(3.17)
	<b>Sub-Total (B)(2)</b>	<b>26027771</b>	<b>12056650</b>	<b>38084421</b>	<b>70.86</b>	<b>26044271</b>	<b>12040150</b>	<b>38084421</b>	<b>70.86</b>	<b>-</b>
	<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>26027771</b>	<b>12267650</b>	<b>38295421</b>	<b>68.85</b>	<b>26044271</b>	<b>12251150</b>	<b>38295421</b>	<b>71.26</b>	<b>-</b>
	<b>TOTAL (A)+(B)</b>	<b>41281850</b>	<b>12457150</b>	<b>53739000</b>	<b>100</b>	<b>41281850</b>	<b>12457150</b>	<b>53739000</b>	<b>100</b>	<b>0</b>

(C)	Shares held by Custodians for GDRs/ ADRs	-	-	-	-	-	-	-	-	-
	Promoter & Promoter Group	-	-	-	-	-	-	-	-	-
	Public	-	-	-	-	-	-	-	-	-
	<b>Grand Total (A)+(B)+(C)</b>	<b>41281850</b>	<b>12457150</b>	<b>53739000</b>	<b>100</b>	<b>41281850</b>	<b>12457150</b>	<b>53739000</b>	<b>100</b>	<b>0</b>

ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year – April 1, 2016			Shareholding at the end of the year – March 31, 2017			Change in Share holding During the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Mahendra Raycha C.	6604000	12.29	0	6604000	12.29	0	-
2	Mahendra Raycha HUF	5129500	9.55	0	5129500	9.55	0	-
3	Zenith Life Care Pvt. Ltd.	1996550	3.72	0	1996550	3.72	0	-
4	Neela Mahendra Raycha	1261712	2.35	0	1261712	2.35	0	-
5	Ray Remedies Pvt. Ltd.	256000	0.48	0	256000	0.48	0	-
6	Raycha Akshit Mahendra	189817	0.35	0	189817	0.35	0	-
7	Ashwin Thakker	4500	0.01	0	4500	0.01	0	-
8	Atul Cholera	500	0.00	0	500	0.00	0	-
9	Ashwin Cholera	500	0.00	0	500	0.00	0	-
10	Divyesh Shah	500	0.00	0	500	0.00	0	-
	<b>Total</b>	<b>15443579</b>	<b>28.74</b>	<b>0</b>	<b>15443579</b>	<b>28.74</b>	<b>0</b>	<b>0.34</b>

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

Sl. No.		Shareholding at the beginning of the year – April 1, 2016		Cumulative Shareholding during the Year – March 31, 2017	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
01	At the beginning of the year	15443579	28.74	15443579	28.74
02	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc)	-		-	
03	At the End of the year	15443579	28.74	15443579	28.74

**iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)(as on 31.03.2016) :**

Sl. No.	Name of the Shareholder	Shareholding at Beginning the Financial Year – April 1, 2016		Cumulative Shareholding During the Financial Year	
		No. of Shares	% of Total paid up Share Capital of the Company	No. of Shares	% of Total paid up Share Capital of the Company
1.	SHARPLINE TRADING CO. PVT. LTD. At the Beginning of the Year At the End of the Year	1766450	3.29%	1766450 1766450	3.29% 3.29%
2.	Harsha Jhaveri At the Beginning of the Year At the End of the Year	1182500	2.20%	1182500 1182500	2.20% 2.20%
3.	Praveen Jammula At the Beginning of the Year Purchased on September 23, 2016 Purchased on October 21, 2016 Purchased on December 2, 2016 At the End of the Year	661680 50 400 20000	1.23% 0.00009% 0.00074% 0.037%	661680 661730 662130 682130 682130	1.23% 1.23% 1.23% 1.27% 1.27%
4.	BDS SHARE BROKERS PRIVATE LTD. At the Beginning of the Year Sold on April 08, 2016 Purchased on April 15, 2016 Sold on April 22, 2016 Purchased on April 29, 2016 Purchased on May 06, 2016 Purchased on June 03, 2016 Purchased on June 10, 2016 Sold on June 17, 2016 Purchased on June, 2016 Sold on June 30, 2016 Sold on July 08, 2016 Sold on July 15, 2016 Purchased on July 22, 2016 Purchased on July 29, 2016 Sold on August 05, 2016 Sold on August 12, 2016 Sold on August 19, 2016 Purchased on September 02, 2016 Sold on September 09, 2016 Purchased on September 16, 2016	648428 (10020) 1335 (5459) 3875 16980 1075 8545 (12831) 13310 (5000) (7278) (2994) 63360 7250 (16361) (14211) (22775) 43 (1320) 3875	1.21% (0.019%) 0.0025% (0.010%) 0.007% 0.32% 0.002% 0.016% (0.024)% 0.025% (0.009%) (0.013%) (0.005%) 0.12% 0.014% (0.030)% (0.026)% (0.042)% (0.00008%) (0.0025%) 0.0072%	648428 638408 639743 634284 638159 655139 656214 664759 651928 665238 660238 652960 649966 713326 720872 704511 690300 667525 667568 666248 670123	1.21% 1.19% 1.19% 1.18% 1.19% 1.22% 1.22% 1.24% 1.21% 1.24% 1.23% 1.22% 1.21% 1.33% 1.34% 1.31% 1.28% 1.24% 1.24% 1.24% 1.25%

	Sold on September 21, 2016	(11475)	(0.021)%	658648	1.23
	Purchased on October 07, 2016	14599	0.027%	673247	1.25
	Sold on October 14, 2016	(1350)	(0.0025)%	671897	1.25
	Purchased on October 21, 2016	673	0.0013%	672570	1.25
	Purchased on October 28, 2016	4191	0.0078%	676761	1.26
	Sold on November 04, 2016	(16547)	(0.031)%	660214	1.23
	Purchased on November 11, 2016	10217	0.019%	670431	1.25
	Sold on November 18, 2016	(18775)	(0.035)%	651656	1.21
	Sold on November 25, 2016	(5125)	(0.0095)%	646531	1.20
	Sold on December 02, 2016	(44880)	(0.084)%	601651	1.12
	Sold on December 09, 2016	(25961)	(0.048)%	575690	1.07
	Sold on December 16, 2016	(69115)	(0.13)%	506575	0.94
	Sold on December 23, 2016	(62019)	(0.12)%	444556	0.83
	Sold on December 30, 2016	(6590)	(0.012)%	437966	0.82
	Sold on January 06, 2017	(137866)	(0.26)%	300100	0.56
	Sold on January 13, 2017	(162600)	(0.30)%	137500	0.26
	Purchased on January 20, 2017	13400	0.025%	150900	0.28
	Purchased on January 27, 2017	5149	(0.0096)%	156049	0.29
	Sold on February 03, 2017	(14709)	(0.027)%	141340	0.26
	Sold on February 10, 2017	(1025)	(0.0019)%	140315	0.26
	Sold on February 17, 2017	(12612)	(0.023)%	127703	0.24
	Sold on March 10, 2017	(24465)	(0.046)%	103238	0.19
	Purchased on March 31, 2017	5868	0.011%	109106	0.20
	At the End of the Year			109106	0.20
5.	NISHA ASHISH TEKWANI				
	At the Beginning of the Year	475000	0.88%	475000	0.88%
	At the End of the Year			475000	0.88%
6.	BHAVIKA TULSIRAM TEKWANI				
	At the Beginning of the Year	475000	0.88%	475000	0.88%
	At the End of the Year			475000	0.88%
7.	JAY JASH INV & FIN PVT LTD				
	At the Beginning of the Year	450000	0.84%	450000	0.84%
	At the End of the Year			450000	0.84%
8.	LALBHAI FINANCE LTD.				
	At the Beginning of the Year	437500	0.81%	437500	0.81%
	At the End of the Year			437500	0.81%
9.	ACHYUT SECURITIES PVT. LTD.				
	At the Beginning of the Year	418500	0.78%	418500	0.78%
	At the End of the Year			418500	0.78%
10.	CHANDA TULSIRAM TEKWANI				
	At the Beginning of the Year	375000	0.70%	375000	0.70%
	At the End of the Year			375000	0.70%
11.	T K TEKWANI				
	At the Beginning of the Year	375000	0.70%	375000	0.70%
	At the End of the Year			375000	0.70%

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

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Changes in shareholding			Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	Date	Increase/ Decrease in Shareholding	Reason	No. of Shares	% of total shares of the company
1	Mr. Mahendra C. Raycha	6604000	12.29	1.4.2016				
		No change during the year						
		6604000	12.29	31.3.2017			6604000	12.29

2	Mr. Atul Thakkar	500	0.00	1.4.2016			
		No change during the year					
		500	0.00	31.3.2017		500	0.00
3	Mr. Gaurang Vora	0	0	1.4.2016			
		No change during the year					
		0	0	31.3.2017		0	0
4	Mr. Tejash D. Thakkar	0	0	1.4.2016			
		No change during the year					
		0	0	31.3.2017		0	0
5	Mrs. Neela M. Raycha	1261712	2.35	01.04.2016			
		No change during the year					
		1261712	2.35	31.3.2017		1261712	2.35
6	Mr. Rajeshkumar M. Thakkar	0	0	1.4.2016			
		No change during the year					
		0	0	31.3.2017		0	0
7	Mr. Akshit M. Raycha	189817	0.35	1.4.2016			
		No change during the year					
		189817	0.35	31.3.2017		189817	0.35
10	Mr. Mihir Shah	0	0	1.4.2016			
		No change during the year					
		0	0	31.3.2017		0	0
11	Mr. Mittal Shah- CFO	0	0	1.4.2016			
		No change during the year					
		0	0	31.3.2017		0	0

**vi) INDEBTEDNESS**
**Indebtedness of the Company including interest outstanding/accrued but not due for payment**

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>	-	-	-	-
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-
<b>Change in Indebtedness during the financial year</b>	-	-	-	-
Addition	2429085	-	-	2429085
Reduction	(2429085)	-	-	(2429085)
<b>Net Change</b>	-	-	-	-
<b>Indebtedness at the end of the financial year</b>	-	-	-	-
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-

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

Sl. No.	Particulars of Remuneration	Managing Director Mr. Mahendra Raycha	Joint Managing Director Mr. Akshit Raycha	Total Amount
1	Gross salary			
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	600000	600000	1200000
(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	-	-	-
	-Other (Specify)	-	-	-
5	Others Please specify	-	-	-
	<b>Total (A)</b>	600000	600000	1200000
	<b>Ceiling as per the Act</b>			

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

Sl. No.	Particulars of Remuneration	Name of Directors					Total Amount
		Mrs. Neela Raycha	Mr. Gaurang Vora	Mr. Rajesh Thakkar	Mr. Atul Thakkar	Mr. Tejash Thakkar	
1.	<b>Independent Directors</b>	0	0	0	0	0	0
	For attending board / committee meetings	0	0	0	0	0	0
	Commission	0	0	0	0	0	0
	Other, please specify	0	0	0	0	0	0
	<b>Total (1)</b>	0	0	0	0	0	0
2.	<b>Other Non-Executive Directors</b>	0	0	0	0	0	0
	For attending board/ committee meetings	0	0	0	0	0	0
	Commission	0	0	0	0	0	0
	Other, please specify	0	0	0	0	0	0
	<b>Total (2)</b>	0	0	0	0	0	0
	<b>Total (B)=(1+2)</b>	0	0	0	0	0	0
	<b>Total Managerial Remuneration</b>	0	0	0	0	0	0

**C. Remuneration To Key Managerial Personnel Other Than MD / Manager / WTD**
*(Amount in Rs.)*

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		Mr. Mittal Shah – CFO	Mr. Mihir Shah- Company Secretary*	
1	Gross salary			
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	265596	166723	432319
(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	-		-
	-Other (Specify)	-		-
5	Others Please specify	-		-
	<b>Total (C)</b>	<b>265596</b>	<b>166723</b>	<b>432319</b>

**(viii) PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

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

**Annexure C to the Directors' Report**
**Form No. 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.**

1. Details of Contract or Arrangements of Transactions not at arm's length price: Nil
2. Details of Material Contracts or Arrangement or Transactions at Arm's Length Basis

Name(s) of the Related Party and Nature of Relationship (a)	Nature of Contracts /Arrangements /Transactions (b)	Duration of the Contracts /Arrangements /Transactions (c)	Salient Terms of the Contracts or Arrangements or Transactions including the Value (in ₹), if any (d)	Date(s) of Approval by the Board, (e)	Amount Paid as Advances, if any (f)
Ray Remedies Pvt. Ltd. (Common Director)	Job Charges Material Sale Expenses Sales Rent Paid Rent Income Purchase	NOT APPLICABLE	41628 211048 22743 120000 18000 29141	The transactions were considered, reviewed and approved by the Board in the immediately next Board Meeting subsequent to the transactions.	The Company has paid / received advances for the said transactions as & when deemed appropriate by both the parties mutually.
Raxin Healthcare (CMD is a Partner as Karta of HUF)	Job Charges Material Pur. Material Sales Expenses Sales	NOT APPLICABLE	92243 138137 1442298 82976	The transactions were considered, reviewed and approved by the Board in the immediately next Board Meeting subsequent to the transactions.	The Company has paid / received advances for the said transactions as & when deemed appropriate by both the parties mutually.
Neela M. Raycha (Non independent & Non Executive Director) of Zenith Health Care Ltd.	Office Rent paid	5 years	As per Agreement Rs. 6,00,000	The transactions were considered, reviewed and approved by the Board in the immediately next Board Meeting subsequent to the transactions.	The Company has not paid any advances as a rent paid during the year

**Annexure D to Board Report –****FORM NO. MR-3****SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2017**

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

To,  
The Members,  
**ZENITH HEALTHCARE LIMITED**  
**CIN: L24231GJ1994PLC023574**

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

Based on my verification of the records of **ZENITH HEALTHCARE LIMITED**, books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my/our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2017 complied with the statutory provisions listed hereunder and also that the company has proper Board-processes and compliances 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 record maintained by ZENITH HEALTHCARE LIMITED (CIN: L24231GJ1994PLC023574) for the financial year ended on 31.03.2017 according to the provisions of:

- (i) The Companies Act, 2013(the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulations) Act,1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act,1999 and the rules and regulation 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 (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - (b) The Securities and Exchange Board of India(Substantial Acquisition of Shares and Takeover) Regulations, 2011;
  - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations,1992;
  - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **Not Applicable**
  - (e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **Not Applicable**
  - (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not Applicable**

- (g) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **Not Applicable**
- (vi) In addition to various laws mentioned in **Annexure – A** – all the Following laws, rules, regulations are applicable specifically to the company.
  - 1. Pharmacy Act, 1948.
  - 2. Drugs and Cosmetics Act, 1940.
  - 3. Narcotic Drugs and Psychotropic Substances Act, 1985.
  - 4. Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974.
  - 5. The Medicinal & Toiled Preparations (Excise Duties) Act, 1955.
  - 6. Food Safety and Standards Act, 2006.
  - 7. Biological Diversity Act, 2002.
  - 8. The Indian Copyright Act, 1957. ( Company's Brand Name and Logo is registered under Copyright Act)
  - 9. The Patents Act, 1970. ( Company has not Infringed the rights of Patents Under Patents Act, 1970)
  - 10. The Trade Marks Act, 1999. ( Company's Various Products Registered Under Trade Marks Act, 1999)

However, the Above Said Laws are Specifically Applicable to the Company. Certificates/Licenses are registered under the above Stated Laws which are Valid during the Year. Further as confirmed by management there are no litigations filed by or against the company Under any of the above Stated Laws.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India though it is applicable Company has complied with secretarial standards in respect of Board meeting and General meeting.
- (ii) Uniform Listing Agreements Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into by the Company with Bombay Stock Exchange.

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

**I further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non- Executives Directors, Independent Directors, Woman Director and Chief Financial Officer.

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

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

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

**I further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliances with applicable laws, rules, regulations and guidelines.

**I further report that** during the audit period the company has not make any

- (I) Public/ Right/Preferential issue of shares/ debentures/sweat equity, etc.
- (II) Redemption/ buy-back of securities
- (III) Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013
- (IV) Merger/ amalgamation/reconstruction etc.
- (V) Foreign technical collaborations

Place: Ahmedabad

Date: 29th May 2017

FOR KAMLESH M. SHAH & CO.,  
PRACTICING COMPANY SECRETARIES

(KAMLESH M. SHAH)  
PROPREITOR  
ACS: 8356, COP: 2072

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**ANNEXURE-A****Securities Laws**

1. All Price Sensitive Information was informed to the stock exchanges from time to time
2. All investors complaints directly received by the company are recorded on the same date of receipts.

**Labour Laws**

1. All the premises and establishments have been registered with the appropriate authorities.
2. The Company has not employed any child labour/ Bonded labour in any of its establishments.
3. The company is ensuring the compliances of PF/ESI and other social security measures to the contract employees. One of the responsible officers of the company carries out the survey regarding the compliance of this.
4. The company has not provided any provision for Gratuity during the year.

**Environmental Laws**

1. The Company is discharging the contaminated water at the public drains/rivers. The company has efficient water treatment plants at its factory premises.
2. The company has been disposing the hazardous waste as per applicable rules.

**Taxation Laws**

1. The company follows all the provisions of the taxation and Income Tax Act, 1961 and filing the returns at proper time with Income tax department and all other necessary departments.

**Place: Ahmedabad****Date: 29th May 2017****FOR KAMLESH M. SHAH & CO.,  
PRACTICING COMPANY SECRETARIES****(KAMLESH M. SHAH)  
PROPREITOR  
ACS: 8356, COP: 2072**

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**MANAGEMENT DISCUSSION & ANALYSIS REPORT:****(A) INDUSTRY STRUCTURE DEVELOPMENT AND OUTLOOK :**

The Company operates in the single Business Segment of Manufacturing of Pharmaceutical formulations in the forms of Tablets, Capsules, Oral liquid and Injectable. Industry is expected to achieve average annual growth.

**(B) OPPORTUNITIES, THREATS, RISKS & CONCERNS :**

Very high competition from large and small and new comers in the Pharma field it is very difficult to stand in stable position. As Government issued revised new DPCO and control the Prices of more than 650 products, many products of our Company are covered under DPCO so may affect the working of the Company. The management has added some products in the products mix and Company has also obtained their plant Registration in the Country Kenya, Nigeria and Uzbekistan and few products got registered and other products Registration process are pending hence management have confidence that in near future Company may achieve export revenues in addition to domestic revenues.

**(C) INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY :**

The Company has a good system of internal controls in all spheres of its activity. The internal control system is supplemented by effective internal audit being carried out by an external firm of Chartered Accountants. The Audit committee regularly reviews the findings of the internal auditors and effective steps to implement the suggestion / observation of the Auditors are taken and monitored regularly. In the opinion of the Board, an effective internal control system adequate to the size of the Company exists.

**(D) DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECTS TO OPERATIONAL PERFORMANCE :**

The management is very much hopeful for bright future of the company as the products of the company enjoys very good reputation in the market as well as with the doctors. The sales team of the company always updates the management and accordingly the management change the products mix as per trend of the market. Here, management would like to inform that due to heavy competition from the large pharma companies as well as new companies entry in the market, the sales and margin has been decreased substainally but few products are registered in Nigeria and export orders are started so in near future Company may get handsome export business.

**(E) CAUTIONARY STATEMENT :**

Statements in the Management Discussion and analysis describing the Company's position and expectation may be "Forward Looking Statements" within the meaning of applicable securities laws & regulations. Actual results could differ materially from those expressed or implied. Important factors that could make, among other, economic conditions affecting demand / supply and price conditions in the market in which the Company operates, in the Government regulations, Tax Laws and other statutes and incidental factors.

PLACE : AHMEDABAD  
DATE : 29.05.2017

On Behalf of Board of Directors  
of Zenith Healthcare Limited

(Mahendra Raycha)  
Chairman & Managing Director  
DIN 00577647

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## INDEPENDENT AUDITOR'S REPORT

TO  
THE MEMBERS OF ZENITH HEALTHCARE LIMITED

### Report on the Financial Statements

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

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit.
4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the rules made there under.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's directors, as well as evaluating the overall presentation of the financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 March 31, 2017, and its loss and its cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

9. As required by the Companies (Auditor's Report) Order, 2016 ("the order") issued by the Central Government of India in terms of Subsection (11) of Section 143 of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanation given to us, we give in the Annexure-B, a statement on the matters specified in paragraph 3 and paragraph 4 of the Order, to the extent applicable.

10. As required by Section 143(3) of the Act, we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c. The Balance Sheet, the Profit and Loss Statement, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e. On the basis of the written representations received from the directors as on March, 31, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on 31.03.2017 from being appointed as director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of the Internal Financial Controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **Annexure-A**;
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The company has not any pending litigations on its financial position in its financial statements.
  - ii. In our opinion and as per the information and explanations provided to us, the Company has not entered into any long term contracts including derivative contracts, requiring provisions, under the applicable law or Accounting Standards, for material foreseeable losses, and
  - iii. There has not been any occasion during the year under report to transfer any sums to the Investor Education and Protection Fund and thus the question of delay in transferring such sums does not arise.

For Jayesh R. Mor & Co.  
Chartered Accountants  
Firm No. 122056 W

PLACE : AHMEDABAD  
DATE : 29.05.2017

[Jayesh R. Mor]  
Proprietor  
Membership No. 37941

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**ANNEXURE-A TO THE INDEPENDENT AUDITOR'S REPORT**

Referred to in paragraph 10 (f) of the Independent Auditor's report of even date to the members of Zenith Healthcare Limited on the financial statements as of and for the year ended March 31, 2017.

**Report on the Internal Financial Controls under clause (i) of Sub-section 3 of Section 143 of the Act.**

1. We have audited the Internal Financial Controls over financial reporting of Zenith Healthcare Limited ("the Company") as on March 31, 2017 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

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

2. The Company's management is responsible for establishing and maintaining Internal Financial Controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over financial reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate Internal Financial Controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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 Act.

**Auditor's Responsibility**

3. 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 and the Standards on Auditing, deemed to be prescribed under Section 143(10) of the Act 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 the material respects.
4. Our audit involves performing procedure to obtain audit evidences about the adequacy of the Internal Financial Control Systems over financial reporting and their operating effectiveness. Our audit of Internal Financial Control Systems over financial reporting includes obtaining an understanding of Internal Financial Controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the Auditor's judgment, including the assessment of the risks of material misstatement, if any, of the Financial Statements, whether due to fraud or error.
5. We believe that the audit evidences we have obtained are sufficient and appropriate to provide a basis for our audit opinion on the Company's Internal Financial Control Systems over financial reporting.

**Meaning of Internal Financial Control Systems over Financial Reporting**

6. A Company's Internal Financial Control Systems 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 Systems over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (ii) provide reasonable assurance that the transactions are recorded as necessary to permit preparations of financial statements in accordance with the 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 (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisitions, use or disposition of the Company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Control Systems over Financial Reporting**

7. Because of the inherent limitations of Internal Financial Control Systems 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 to be detected. Also, projections of any evaluation of the Internal Financial Control Systems over financial reporting to future periods are subject to the risk that the Internal Financial Control Systems 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**

8. In our opinion, the Company has, in all material respects, an adequate Internal Financial Control Systems over financial reporting and such Internal Financial Controls over financial reporting were operating effectively as at March 31, 2017, based on the criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Control Systems over financial reporting issued by the Institute of Chartered Accountants of India.

For Jayesh R. Mor & Co.  
Chartered Accountants  
Firm No. 122056 W

PLACE : AHMEDABAD  
DATE : 29.05.2017

[Jayesh R. Mor]  
Proprietor  
Membership No. 37941

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**ANNEXURE-B TO THE INDEPENDENT AUDITOR'S REPORT**

Referred to in Paragraph 9 of the Independent Auditor's Report of even date to the members of Zenith Healthcare Limited on the Financial Statements for the year ended on March 31, 2017.

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.  
  
(b) As explained to us, the fixed assets have been physically verified by the management during the year according to a phased program designed by the Company to cover all the items, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, fixed assets have been physically verified by the management during the year and according to the information and explanations given to us, no material discrepancies have been noticed on such verification.  
  
(c) The title deeds of immovable properties as disclosed in Note No. 13 on in fixed assets to the Financial Statements, are held in the name of Company as at Balance sheet date.
- ii. In our opinion and according to the information and explanations given to us, physical verification of inventories has been conducted at reasonable intervals by the management during the year and discrepancies noticed on verification between the physical stocks and book records were not material having regard to the size of the Company.
- iii. The Company has not granted any secured or unsecured loans to Companies, Firms, LLP or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- iv. In our opinion and according to the information and explanations given to us, the Company has not granted any loans or given any guarantee or provided any security or made any investment to any parties covered under Section 185 of the Act. The Company has not advanced any loans or given guarantees or provided any security or made investments pursuant to the provisions of Section 186 of the Companies Act, 2013.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public and hence the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and Rules framed there under, with regard to the deposits accepted from the public are not applicable to the Company.
- vi. We have broadly reviewed the books of accounts maintained by the Company pursuant to the Rules prescribed by the Central Government for the maintenance of cost records under Sub-section (1) of Section 148 of the Companies Act, 2013 for the business activities carried out by the Company, and we are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however made a detailed examination for the same with a view to determine whether they are accurate or complete.
- vii. (a) According to the information and explanations given by the management and the records of the Company, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income tax, sales tax, wealth tax, custom duty, excise duty, cess and other statutory dues, if any.  
(b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, sales tax, customs duty and excise duty etc. were outstanding as at March 31, 2017 for a prior of more than six months from the date they became payable.  
  
(c) According to the information and explanations given to us, there are no dues of income tax, service tax, value added tax, wealth tax, excise duty and cess which have not been deposited on account of any dispute.
- viii. In our opinion and according to the information and explanations given to us, the Company has not taken any long term loan and borrowings from any banks or financial institutions or government. The Company has not issued any Debentures.

- ix. To the best of our knowledge and belief and according to the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments).
- x. To the best of our knowledge and belief, during the course of our examination of the books and records of the Company, carried out with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across of any instances of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year nor we have been informed of any such case by the management.
- xi. To the best of our knowledge and belief and according to the information and explanations given to us, managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. As the Company is not Nidhi Company and the Nidhi Rules, 2014 are not applicable to it; the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. To the best of our knowledge and belief and according to the information and explanations given to us, all the transactions with related parties are in compliance with the provisions of Section 177 and Section 188 of the Act, wherever applicable. The details of related party transactions have been disclosed in the Financial Statements, as required under Accounting Standard (AS) 18, Related Party Disclosures, specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014.
- xiv. The Company has not made any preferential allotment or Private placement of Shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the order are not applicable to the Company.
- xv. To the best of our knowledge and belief and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its Directors or persons connected with them. Consequently, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. According to the nature of business of the Company, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Consequently, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For Jayesh R. Mor & Co.  
Chartered Accountants  
Firm No. 122056W

PLACE : AHMEDABAD  
DATE : 29.05.2017

[Jayesh R. Mor]  
Proprietor  
Membership No. 37941

**BALANCE SHEET AS AT 31st MARCH 2017**
**(Amount in Rupees)**

PARTICULARS	NOTE NO.	AS AT 31-03-2017		AS AT 31-03-2016	
<b>I EQUITY AND LIABILITIES</b>					
(a) Share Capital	3	53739000		53739000	
(b) Reserves & Surplus	4	153900		1675286	
			<b>53892900</b>		<b>55414286</b>
<b>2. Non Current Liabilities</b>					
(a) Long Term Borrowings	5	-		-	
(b) Deferred Tax Liabilities(Net)	6	-		-	
(c) Other Long Term Liabilities	7	-		-	
(d) Long Term Provisions	8	-		-	
<b>3. Current Liabilities</b>					
(a) Short Term Borrowings	9	-		-	
(b) Trade payables	10	6128736		9242449	
(c) Other Current Liabilities	11	176978		-	
(d) Short term provisions	12	1123406		1171475	
			<b>7429120</b>		<b>10413924</b>
<b>TOTAL</b>			<b>61322020</b>		<b>65828210</b>
<b>II ASSETS</b>					
<b>1. Non-Current Assets</b>					
(a) Fixed assets	13				
(i) Tangible assets		17435518		19275528	
(ii) Intangible assets		19269		24538	
(iii) Capital Work In progress		-		-	
		<b>17454787</b>		<b>19300066</b>	
(b) Non-current investments	14	27541		27076	
(c) Deferred tax assets	15	4056977		3857028	
(d) Long-term loans and advances	16	4405876		5080876	
			<b>25945181</b>		<b>28265046</b>
<b>2. Current Assets</b>					
(a) Inventories	17	13933907		15436833	
(b) Trade receivables	18	11113720		12602810	
(c) Cash and Cash Equivalents	19	8395703		7312505	
(d) Short-term loans and advances	20	414925		760761	
(e) Other current assets	21	1518584		1450255	
			<b>35376839</b>		<b>37563164</b>
<b>TOTAL</b>			<b>61322020</b>		<b>65828210</b>

Refer Notes forming part of the Financial Statements in terms of our report attached.

For and on behalf of the Board of Director

For JAYESH R. MOR & CO.  
Chartered Accountants  
Firm No.122056W  
Jayesh R. Mor  
Proprietor  
Membership No.37941

MITAL SHAH  
CFO

MIHIR SHAH  
Company Secretary

MAHENDRA RAYCHA  
Chairman & Managing Director

AKSHIT RAYCHA  
Joint Managing Director

PLACE : AHMEDABAD  
DATE : 29.05.2017

PLACE : AHMEDABAD  
DATE : 29.05.2017

Statement of PROFIT & LOSS for the year ended 31ST MARCH 2017 (Amount in Rupees)

PARTICULARS	NOTE NO	AS AT 31-03-2017	AS AT 31-03-2016
<b>I. Revenue</b>			
Revenue from operations	22	50278292	36420241
Less : Central Excise Duty/Services Tax		2057342	1768000
<b>Revenue from Operations (Net)</b>		<b>48220950</b>	<b>34652241</b>
<b>II. Other income</b>	23	462913	1190524
<b>III. Total revenue (I + II)</b>		<b>48683863</b>	<b>35842765</b>
<b>IV. Expenses</b>			
(a) Cost of raw and packing materials consumed	24	23284197	16291378
(b) Purchase of Stock-in-trade	25	4242745	3871307
(c) Change in Inventories	26	604768	(1308848)
(d) Employees benefit expense	27	8824904	7836713
(e) Finance Cost	28	60481	76916
(f) Depreciation	13	3043087	3536109
(g) Other Expenses	29	10345015	10315960
<b>Total Expenses</b>		<b>50405197</b>	<b>40619535</b>
<b>V. Profit/(Loss) for the year before Exceptional items and tax</b>		<b>(1721334)</b>	<b>(4776770)</b>
<b>VI. Exceptional items</b>		-	33240
<b>VII. Profit for the year before extraordinary items &amp; Tax (V-VI)</b>		<b>(1721334)</b>	<b>(4743530)</b>
<b>VIII. Less : Prior Period expenses</b>		-	(27091)
<b>IX Profit/(Loss) for the year before taxation (VII-VIII)</b>		<b>(1721334)</b>	<b>(4770621)</b>
<b>X Tax Expense</b>			
(i) Current Tax / Provision for tax		-	-
(ii) Deferred Tax Assets/(liabilities)		199949	1664966
<b>XI Profit (Loss) from continuing operations (IX-X)</b>		<b>(1521385)</b>	<b>(3105655)</b>
<b>XII. Earning per Equity Share :</b>	31		
Basic		(0.028)	(0.058)
Diluted		(0.028)	(0.058)

Refer Notes forming part of the Financial Statements in terms of our report attached.

For and on behalf of the Board of Director

**For JAYESH R. MOR & CO.**  
Chartered Accountants  
Firm No.122056W  
**Jayesh R. Mor**  
Proprietor  
Membership No.37941

**MITAL SHAH**  
CFO

**MAHENDRA RAYCHA**  
Chairman & Managing Director

**MIHIR SHAH**  
Company Secretary

**AKSHIT RAYCHA**  
Joint Managing Director

**PLACE : AHMEDABAD**  
**DATE : 29.05.2017**

**PLACE : AHMEDABAD**  
**DATE : 29.05.2017**

**CASH FLOW STATEMENT**
**For the Year Ended March 31, 2017**

PARTICULARS	AS AT 31.03.2017	AS AT 31.03.2016
<b>A. Cash Flow from Operating activities</b>		
Profit/(Loss) Before Tax from continuing operation	(1721334)	(4770621)
<b>Adjustment to reconcile Loss before tax to net cash flows</b>		
Transfer to reserve for depreciation written back	0.00	0.00
Depreciation & amortisation Expenses	3043087	3536109
Profit on sale of assets	-	(33240)
Other Operating Income	(462913)	(1190524)
<b>Operating profit before working capital charges (I)</b>	<b>858840</b>	<b>(2458276)</b>
<b>Movement in working Capital :</b>		
<b>I. Adjustments for Increase / (decrease ) in Current Assets</b>		
Inventory	1502926	(5112731)
Trade receivables	1489090	5684018
Short term Loans & Advances	345836	(263763)
Other Current assets	(68329)	83921
<b>II. Adjustments for Increase / (decrease ) in Current Assets</b>		
Trade Payables	(3113713)	4066061
Short term provision	(48069)	316286
<b>Cash generated from Operations before Exceptional Items (II)</b>	<b>107741</b>	<b>2315516</b>
Exceptional Item	-	33240
<b>Net Cash generated from operating activities</b>	<b>966581</b>	<b>2348756</b>
<b>B. Cash Flow from investing activities</b>		
Purchase of tangible/Intangible assets	(1197807)	(1153747.91)
(Purchase)/sale on Non current Investments	(465)	(5000.00)
Long term Loans & Advances	675000	25000.00
Other operating income	462913	1190524
Other Current Liabilities	176978	-
<b>Net Cash from/ (used in) investing activities</b>	<b>116619</b>	<b>56776</b>
<b>C. Cash Flow from Financing activities</b>		
<b>Net Cash from financing activities</b>	<b>0.00</b>	<b>0.00</b>
<b>Net decrease in Cash and Cash equivalents</b>	<b>1083198</b>	<b>2405532</b>
Cash and Cash equivalents at the beginning of the Year	7312505	4906973
<b>Cash and Cash equivalents at the End of the Year</b>	<b>8395703</b>	<b>7312505</b>

**Notes :**

- The above Cash Flow Statement has been prepared under the 'Indirect Method' Set out in Accounting Standard – 3.

For and on behalf of the Board of Directors

**For JAYESH R. MOR & CO.**

Chartered Accountants

Firm No.122056W

**Jayesh R. Mor**

Proprietor

Membership No.37941

**MITAL SHAH**

CFO

**MIHIR SHAH**

Company Secretary

**MAHENDRA RAYCHA**

Chairman &amp; Managing Director

**AKSHIT RAYCHA**

Joint Managing Director

**PLACE : AHMEDABAD**
**DATE : 29.05.2017**
**PLACE : AHMEDABAD**
**DATE : 29.05.2017**

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31st MARCH, 2017****Note 1 COMPANY INFORMATION**

The company is based in Ahmedabad and is primarily involved in trading and manufacturing of pharmaceutical products.

**Note 2 SIGNIFICANT ACCOUNTING POLICIES adopted by the Company in the preparation and presentation of the Accounts: -****(a) BASIS OF PREPARATION OF FINANCIAL STATEMENT**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) and the relevant provisions of the Companies Act, 2013. All Income and Expenditure having material bearing on the financial statements have been recognized on accrual basis.

**(b) USE OF ESTIMATES**

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known/ materialized.

**(c) INVENTORIES**

- i) Inventories are valued at lower of cost (FIFO Basis) or Net Realisable value.
- ii) Cost of inventories have been computed to include all costs of purchases, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

**(d) CASH AND CASH EQUIVALENTS (FOR PURPOSES OF CASH FLOW STATEMENT)**

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

**(e) CASH FLOW STATEMENT**

Cash flows are reported using the "Indirect Method" as set out in the Accounting Standard 3 and presents the cash flow by operating, investing and financial activities of the Company.

**(f) PRIOR PERIOD AND EXCEPTIONAL ITEMS**

- (i) All identifiable items of Income and Expenditure pertaining to prior period are accounted through "Prior Period Expense Account".
- (ii) Exceptional items are generally non-recurring items of income/profit and expenses/loss within profit and loss from Ordinary activities, which are of such nature or incident at these disclosures is relevant to explain the performance of the Company for the year.

**(g) DEPRECIATION**

Depreciation on Fixed Assets is calculated on the basis of written down value method using the rates arrived at based on the useful lives defined under Schedule II of the Companies Act, 2013.

**(h) REVENUE RECOGNITION**

- i) Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales inclusive of Excise duty but exclude Vat and CST.
- ii) Income from services rendered is accounted for when the work is performed.

- iii) Interest revenues are recognized on time proportion basis taking into account the amount outstanding and the rate applicable.
- (i) **FIXED ASSETS**
  - i) Fixed assets are stated at cost of acquisition or construction. They are stated at historical cost less accumulated depreciation.
  - ii) Expenditure on accounts of modification/alteration in plant and machinery, which increases the future benefit from the existing asset beyond its previous assessed standard of performance, is capitalized.
- (j) **FOREIGN CURRENCY TRANSACTIONS**

Foreign currency transactions are recorded at the exchange rate prevailing on the date of such transactions. Foreign currency monetary assets and liabilities are reported using the closing rate. Gains and losses arising on account of difference in foreign exchange rates on settlement / translation of monetary assets and liabilities on the closing date are recognized in the Statement of Profit and Loss.
- (k) **INVESTMENTS**
  - (j) Long-term Investments are stated at cost. Provision for diminution in the value of long-term Investments is made only if such a decline is other than temporary in the opinion of the management.
  - (iii) Current investment are carried at the lower of cost and quoted/fair value, computed category wise.
- (k) **EMPLOYEE BENEFITS**
  - a. **Provident Fund and Pension Fund:** Contribution to provident and pension fund maintained with the Provident fund authorities is charged to Profit & Loss account on accrual basis.
  - b. **Gratuity:** Gratuity liability as on 31st March, 2017 has not been determined by the actuarial valuation and so that such liability has not been provided for in these accounts. The gratuity expenses are to be debited to profit & loss account as and when paid to employees at the time of resignation.
  - c. **Leave Encashment:** The Company has policy to make payment of unutilised leaves every year as per rules of the applicable Act.
  - d. **Other Employee Benefits:** Other Employee Benefits such as bonus etc. are accounted for on accrual basis.
- (l) **BORROWING COSTS**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets 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.
- (m) **RELATED PARTY TRANSACTIONS**

Disclosure of transactions with Related Parties, as required by Accounting Standard 18 "Related Party disclosures" has been set out in a separate note forming part of this schedule. Related Parties as defined under clause 3 of the Accounting Standard 18 has been identified on the basis of representation made by key managerial personnel and information available with the Company.
- (n) **LEASES**

The Company's significant leasing arrangements are in respect of operating leases for office premises, stores & godown. The leasing arrangements ranging between 11 months and five years are generally, and are usually Renewable by mutual consent on agreed terms. The aggregate lease rentals payable are charged as rent including lease rentals.

**(P) EARNING PER SHARE**

Basic earnings per share is computed and disclosed using the weighted average number of common shares outstanding during the year. Dilutive earnings per share is computed and disclosed using the weighted average number of common and dilutive common equivalent shares outstanding during the year, except when the results would be anti-dilutive.

**(q) TAXES ON INCOME****i) Deferred Taxation**

In accordance with the Accounting Standard 22 – Accounting for Taxes on Income, prescribed under The Companies Accounting Standards Rules, 2006, the deferred tax for timing differences between the book and tax profits for the year is accounted for by using the tax rates and laws that have been enacted or substantively enacted as of the Balance Sheet Date.

Deferred tax assets arising from timing differences are recognised to the extent there is virtual certainty that the assets can be realized in future.

Net outstanding balance in Deferred Tax account is recognized as deferred tax liability/asset. The deferred tax account is used solely for reversing timing difference as and when crystallized.

**ii) Current Taxation**

Provision for taxation has been made in accordance with the income tax laws prevailing for the relevant assessment years.

**(r) IMPAIRMENT OF FIXED ASSETS**

The carrying amount of assets, other than inventories, is reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the assets recoverable amount is estimated.

The impairment loss is recognized whenever the carrying amount of an asset or its cash generation unit exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in the uses, which is determined, based on the estimated future cash flow discounted to their present values. All impairment losses are recognized in the profit and loss account.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount and is recognized in the profit and loss account.

**(s) PROVISION, CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

Provisions involving substantial degree of estimation in measurements 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 notes. Contingent assets are neither recognized nor disclosed in the financial statements.

**(t) ACCOUNTING OF CLAIMS**

- i) Claims received are accounted at the time of received return goods and damaged and expiry goods.
- ii) Claims raised by Government authorities regarding taxes and duties, which are disputed by the Company, are accounted based on legality of each claim. Adjustments, if any, are made in the

(u) **Miscellaneous Expenditure**

Preliminary expenses and pre-operative expenses are amortized over a period of 10 years.

(v) **Expenses**

Material known liabilities are provided for and on the basis of available information / estimates with the Management. Whenever external evidences for expenses are not available, the management has taken care of proper authorization of such expenses.

(x) The Company has one branch at Kolkata for that the Company maintains separate books of accounts which are being kept at the registered office. At the end of the year, the accounts are merged with the H.O. accounts. The same have been audited by the Statutory Auditors of the Company.

(y) The details of Specified Bank Notes (as defined in the MCA notification GSR 308(E) dated March 31, 2017) held and transacted during the period from November 8, 2016 to December 30, 2016 are as follows:

(Amount in Rs.)

Particulars	Specified Bank Notes (SBN)	Other Notes	Denomination	Total
Closing Cash In Hand as on 08.11.2016	130,000		50,894	180,894
(+) Permitted Receipts	-		436,500	436,500
(-) Permitted Payments	-		412,286	412,286
(-) Amount Deposited In Banks	130,000		-	130,000
Closing Cash In Hand as on 30.12.2016	NIL		75,108	75,108

**NOTE NO. : 3 SHARE CAPITAL**

(Amount in Rs.)

PARTICULARS	AS AT 31-03-2017		AS AT 31-03-2016	
	Number of Shares		Number of Shares	
<b>AUTHORISED SHARES</b>				
110000000 Equity Shares of Re. 1/- each	110000000	110000000	110000000	110000000
	110000000	110000000	110000000	110000000
<b>ISSUED, SUBSCRIBED &amp; FULLY PAID-UP SHARES</b>				
53739000 Equity Share of Rs. 1/- each Fully paid	53739000	53739000	53739000	53739000
unpaid by directors and officers)				
<b>Total</b>	<b>53739000</b>	<b>53739000</b>	<b>53739000</b>	<b>53739000</b>

a. The Reconciliation of the Number of Shares Outstanding as at March 31, 2017 and March 31, 2016 is Set out Below

PARTICULARS	AS AT 31-03-2017		AS AT 31-03-2016	
	Number of Shares	Amount in Rs.	Number of Shares	Amount in Rs.
<b>Equity Shares</b>				
Shares Outstanding at the Beginning of the Year	53739000	53739000	53739000	53739000
Add. : NIL	0.00	0.00	0.00	0.00
Less : NIL	0.00	0.00	0.00	0.00
<b>Shares Outstanding at the End of the year</b>	<b>53739000</b>	<b>53739000</b>	<b>53739000</b>	<b>53739000</b>

(b) **Terms/ Rights attached to Equity Shares**

The company has only one class of equity shares having par value of Rs. 1/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company.

(c) Details of shareholders holding more than 5% shares in the company

	AS AT 31-03-2017		AS AT 31-03-2016	
	Number of Shares	% holding	Number of Shares	% holding
Mahendra Chatrabhuj Raycha	6604000	12.29	6604000	12.29
Mahendra Chatrabhuj Raycha H.U.F.	5129500	9.55	5129500	9.55

**Note 4 RESERVES & SURPLUS**

Name of Shareholder	AS AT 31-03-2017		AS AT 31-03-2016	
1 (a) Capital Reserve	137089	163541	137089	163541
(b) General Reserve	10215		10215	
(c) Amalgamation Reserve	16237		16237	
2 SURPLUS IN STATEMENT OF PROFIT AND LOSS				
As per last balance sheet	1511745	(9641)	4617400	1511745
Add : Net Depreciation reversed	-		-	
Add : (Loss)/Profit for the Year	(1521386)		(3105655)	
<b>TOTAL</b>		<b>153900</b>		<b>1675286</b>

**NOTE NO. 5 LONG TERM BORROWINGS**

Particulars	AS AT 31-03-2017	AS AT 31-03-2016
Long Term Borrowing	NIL	NIL

**NOTE NO. 6 DEFERRED TAX LIABILITIES**

Particulars	AS AT 31-03-2017	AS AT 31-03-2016
Deferred Tax Liabilities	NIL	NIL

**NOTE NO. 7 OTHER LONG TERM LIABILITIES**

Particulars	AS AT 31-03-2017	AS AT 31-03-2016
Other Long Term Liabilities	NIL	NIL

**NOTE NO. 8 LONG TERM PROVISIONS**

Particulars	AS AT 31-03-2017	AS AT 31-03-2016
Long Term Provisions	NIL	NIL

**NOTE NO. 9 SHORT TERM BORROWINGS**

Particulars	AS AT 31-03-2017	AS AT 31-03-2016
Short Term Borrowings	NIL	NIL

**NOTE NO. 10 TRADE PAYABLE**

Particulars	AS AT 31-03-2017	AS AT 31-03-2016
(i) Trade Payable for Goods	4197679	5659604
(ii) Trade Payable for Expenses	1929190	3582845
(iii) Trade Payable for Capital Goods	-	-
<b>TOTAL</b>	<b>6126869</b>	<b>9242449</b>

The Company has circulated letters to all its suppliers requesting them to confirm whether they are covered under the Micro, Small and Medium Enterprises Act, 2006 ('MSMED'). However from the majority of the suppliers these confirmations are still awaited. Hence disclosure relating to amount unpaid as at the year end together with interest paid/payable as required under the said act has not been made.

**NOTE NO. 11 OTHER CURRENT LIABILITIES**

Particulars	AS AT 31-03-2017	AS AT 31-03-2016
<b>Other Current Liabilities</b>	<b>176978</b>	<b>NIL</b>
<b>Total</b>	<b>176978</b>	<b>NIL</b>

**NOTE NO. 12 SHORT TERM PROVISION**

Particulars	AS AT 31-03-2017		AS AT 31-03-2016	
<b>(b) Short terms provisions</b>				
(i) Provision for Salary	404505		353526	
(ii) Provision for Bonus	451899		458891	
(iii) Provision for Professional Tax	42227		47660	
(iv) Provision for E.S.I. & P.F.	103749		91456	
(v) TDS Payable	63726		128311	
(vi) Provision for Expense	41150		75481	
(vii) Provision For Income Tax 2010 - 2011	16150	1123406	16150	1171475
<b>TOTAL</b>		<b>1123406</b>		<b>1171475</b>

**NOTE NO. 13 FIXED ASSETS**

S r . N o .	DESCRIPTION	GROSS BLOCK				DEPRECIATION			NET BLOCK		
		As at 01.04.2016	Addition Dur. Year	Deduction Dur. Year	As at 31.03.2017	As at 01.04.2016	Addition Dur. Year	Deductio n Dur. Year	As at 31.03.017	As at 31.03.2017	As at 31.03.2016
	I. TANGIBLE ASSET										
	Land	800900	-	-	800900	-	-	-	-	800900	800900
	Building	16494213	-	-	16494213	10492546	569855	-	11062401	5431814	6001667
	Plant & Machinery	22670500	945375	-	23615875	14282913	1244418	-	15527331	8088544	8387587
	Electrification	3054050			3054050	2455159	128411	6570	2577000	477050	598891
	Electrification Kolkata	20901	-	-	20901	5738	4163	-	9901	11000	15163
	R & D Equipment	1034932	-	-	1034932	814618	52630	-	867248	167684	220314
	Furniture & Dead Stock	4280510	-	-	4280510	2911485	351611	3907	3259189	1021321	1369025
	Furniture (Kolkata)	82930			82930	21607	15977	-	37584	45346	61323
	Vehicles	3604923	81932	-	3686855	2153893	482522	6703	2629712	1057143	1451030
	Office Equipments	1986127	156500	-	2142627	1714850	155934	-	1870784	271843	271277
	Furniture (Branch)	79800	-	-	79800	6764	27055	-	33819	45981	73036
	Office Equipments (Branch)	26300	14000	-	40300	966	22423	-	23409	16891	25314
	Total - I	54136086	1197807	-	55333893	34860559	3054998	17180	37898377	17435518	19275528

II. INTANGIBLE ASSET										
Computer Software	157500	-	-	157500	132962	5269	-	138231	19269	24538
Total - II	157500	-	-	157500	132962	5269	-	138231	19269	24538
III. CAPITAL WORK IN PROGRESS										
Total-I+II+III	54293586	1197807	-	55491393	34993521	3060267	17180	38036607	17454787	19300066

\* Depreciation on Furniture and Office Equipment (Branch) charged in the Profit & Loss Account of Branch.

#### NOTE 14 NON CURRENT INVESTMENT

PARTICULARS			AS AT 31-03-2017		AS AT 31-03-2016	
(a) Quoted Investment						
	No. of Shares	Face Value				
(i) HDFC Bank Ltd.	35	2	576		576	
(iii) IDBI Bank Ltd.	1440	10	16500		16500	
(ii) Devika Proteins Ltd.	1200	10	5000	22076	5000	22076
UNQUOTED INVESTMENT						
N.S.C.				5465		5000
Market Value of Quoted Shares Rs. 162765/-				27541		27076
TOTAL						

#### NOTE 15 DEFERRED TAX ASSETS

Sr. No.	Description	As Per Companies Act	As Per Income Tax Act	Difference	Remarks	Applicable Tax Rate	DTA (DTL) Rs.
A.	Depreciable Assets Excluding Land	3043087	2437843	605244	As a result of accelerated depreciation claimed under Tax Act on own assets	30.90%	187020
B.	Carry forward Loss	-	11446817	11446817	WDV as per IT and books is different. Tax saved on account of Accelerated depreciation is now to be	30.90%	3537066
C.	Current Year Loss/Dep.	-	1077314	1077314	provided as Deferred Tax Assets	30.90%	332890
Net Deferred Tax Assets (Liabilities) as at 31st March, 2016							3857028
DTA							4056977
Net Deferred Tax Asset / (Liability)							199949

- (a) In accordance with "Accounting Standard 22", the Deferred Tax Assets of Rs.4056977/- (Previous year deferred tax assets Rs 3857028/-) for the year has been recognized in the Profit & Loss Account.

**NOTE 16 LONG TERM LOANS & ADVANCES**

Particulars	AS AT 31-03-2017		AS AT 31-03-2016	
Advances recoverable in Cash or in Kind		4405876		5080876
<b>TOTAL</b>		<b>4405876</b>		<b>5080876</b>

**NOTE 17 INVENTORIES (VALUED AT LOWER OF COST OR NET REALIZABLE VALUE)**

Particulars	AS AT 31-03-2017		AS AT 31-03-2016	
(As certified by the Management)				
(a) Raw materials	3491416		4962643	
(b) Packing materials	2615315		2675958	
(c) Finished Goods	3320875		3682613	
(d) Stock in Trade (Trading/Transit/Branch Stock)	2726530		1400438	
(e) Work in process	206708		1523500	
(f) Finish Goods at Kolkata Branch	1548063		1166681	
(g) Laboratory Chemicals	25000	13933907	25000	15436833
<b>TOTAL</b>		<b>13933907</b>		<b>15436833</b>

**NOTE 18 TRADE RECEIVABLES**

(a) Outstanding for a period exceeding six months from the date they are due for payment				
(i) Secured considered good	-		-	
(ii) Unsecured Considered Good	2641887		3753397	
(iii) Others Considered Doubtful	1219294		1607959	
		3861181		5361356
(b) Outstanding for Less than Six Months				
(i) Secured considered good	-		-	
(ii) Unsecured Considered Good	7252539		7241454	
(iii) Others Considered Doubtful		7252539	-	7241454
<b>TOTAL</b>		<b>11113720</b>		<b>12602810</b>

**NOTE 19 CASH AND CASH EQUIVALENTS**
**(Amount in Rupees)**

PARTICULARS	AS AT 31-03-2017		AS AT 31-03-2016	
<b>1. Balance with Banks</b>				
(i) In Current accounts	3974404		3483528	
(ii) Fixed Deposits with Maturing More than 12 months	4334238	8308642	3361607	6845135
<b>2. Cash on Hand</b>				
(a) Cash	10890		23306	
(b) Petty Cash	3740		20272	
(c) Cash (Kolkata Branch)	72431	87061	423792	467370
<b>TOTAL</b>		<b>8395703</b>		<b>7312505</b>

**NOTE 20 SHORT TERM LOANS AND ADVANCES**

PARTICULARS	AS AT 31-03-2017		AS AT 31-03-2016	
(a) Advance to related parties	-		-	
(b) Loans & Advances to Employees	157013		132894	
(c) Security Deposits	243312		243312	
(d) Advance against Capital Goods	14600		100000	
(e) Advance For Goods	-	414925	284555	760761
<b>TOTAL</b>		<b>414925</b>		<b>760761</b>

**NOTE 21 OTHER CURRENT ASSETS**

Excise PLA/Cenvat & Other Balance	1126236		1134664	
Income Tax Refund Receivable	268188		298257	
VAT Receivable	124160	1518584	17334	1450255
<b>TOTAL</b>		<b>1518584</b>		<b>1450255</b>

**NOTE 22 REVENUE FROM OPERATIONS**

PARTICULARS	AS AT 31-03-2017		AS AT 31-03-2016	
(a) Sale of products				
Domestic Sales	35827042		34839500	
Export Sales	14144131		1151345	
(b) Sale of Services	133871		561764	
(c) Profit From Kolkata Branch	160123		14218	
(d) Return Goods	-		(146586)	
(e) Duty Draw Back	13125		-	
		50278292		36420241
Less : Excise Duty	1808000		1768000	
Services Tax	249342			1768000
		2057342		
<b>TOTAL</b>		<b>48220950</b>		<b>34652241</b>

**NOTE 23 OTHER INCOME**

PARTICULARS	AS AT 31-03-2017		AS AT 31-03-2016	
(a) Interest on Income Tax Refund	7047		121894	
(b) Term Deposit with Bank	286432		297424	
(c) Loans & Investments	-		-	
(d) Kasar & Discounts	26407		38747	
(e) Dividend Income	333		1360	
(f) Rent	18000		18000	
(g) Gain on Exchange Rate Fluctuation	21452		16564	
(h) Other Misc. Income	102777		696535	
(i) NSC Interest	465	462913	-	1190524
<b>TOTAL</b>		<b>462913</b>		<b>1190524</b>

**NOTE 24 COST OF RAW AND PACKING MATERIALS**

PARTICULARS	AS AT 31-03-2017		AS AT 31-03-2016	
Consumed				
Opening Stock	7979948		5342746	
Add: Purchase	22004658		18928580	
Less: Closing Stock	6700409	23284197	7979948	16291378
<b>TOTAL</b>		<b>23284197</b>		<b>16291378</b>

**NOTE 25 PURCHASE OF STOCK-IN-TRADE**

PARTICULARS	AS AT 31-03-2017		AS AT 31-03-2016	
Finished Goods purchase				
Net Purchase of trading Stock		4242745		3871307

**NOTE 26 CHANGES IN INVENTORIES**

PARTICULARS	AS AT 31-03-2017		AS AT 31-03-2016	
<b>(a) CLOSING STOCK</b>				
Work-in-Process	206708		1523500	
Finished Goods	3320875		3682613	
Stock-in-trade	2157853	5685436	1084091	6290204
<b>(b) Less : OPENING STOCKS :</b>				
Work-in-Process	1523500		181301	
Finished Goods	3682613		3215599	
Stock-in-trade	1084091	6290204	1584456	4981356
<b>(Increase)/ Decrease in Stock TOTAL</b>		<b>604768</b>		<b>(1308848)</b>

**NOTE 27 EMPLOYEE BENEFIT EXPENSE**

PARTICULARS	AS AT 31-03-2017		AS AT 31-03-2016	
(a) Salaries, Wages and Bonus	6764802		5733026	
(b) Director Remuneration	1200000		1200000	
(c) Contribution to P.F./ESIC/Gratuity/Welfare Fund	753284		815451	
(d) Staff Welfare Expenses	106818	8824904	88236	7836713
<b>TOTAL</b>		<b>8824904</b>		<b>7836713</b>

**NOTE 28 FINANCE COST**

PARTICULARS	AS AT 31-03-2017		AS AT 31-03-2016	
(a) Interest on Borrowings (against FDR )	23012		45520	
(d) Bank Commission & Charges	37469	60481	31396	76916
<b>TOTAL</b>		<b>60481</b>		<b>76916</b>

**NOTE 29 OTHER EXPENSES**

PARTICULARS	AS AT 31-03-2017		AS AT 31-03-2016	
<b>A. MANUFACTURING EXPENSES</b>				
(a) Packing Material Expenses	23385		19804	
(b) Power and fuel (Factory)	743278		667609	
(c) Manufacturing Expenses	1002218		902739	
(d) Water Charges	60098		43400	
(e) Repairs and Maintenance – Machinery	275634		69948	
(f) Inward Freight	115925		131404	
<b>TOTAL</b>		<b>2220538</b>		<b>1834904</b>
<b>B. ADMINI. &amp; SELLING &amp; DISTRIBUTION EXPS.</b>				
(a) Insurance	192052		248813	
(b) Power & Fuel ( Office )	54810		62835	
(c) Rent Including Lease Rentals	720000		720000	

(Amount in Rupees)				
(d) Repairs & Maintenance	433174		375396	
(e) Rate & Taxes	528634		649708	
(f) Communication Expenses	117272		107572	
(g) Printing & Stationery Expenses	222981		266270	
(h) Travelling Expenses	231400		602390	
(i) Freight & Forwarding Expenses	662633		555145	
(j) Sales Commission	684324		217352	
(k) Breakage & Expiry	1387219		1823292	
(l) Business Promotion Expenses	488173		459416	
(m) Legal & Professional Expenses	346800		1140493	
(n) Payment to Auditors	65838		57250	
(o) Miscellaneous Expenses	1761499		1195124	
(p) Bad Debts Provision	227668	8124477	-	8481056
<b>TOTAL</b>		<b>10345015</b>		<b>10315960</b>

**NOTE 30 EXPENDITURE IN FOREIGN CURRENCY**

PARTICULARS	AS AT 31.03.2017	AS AT 31.03.2016
Travelling Expenses	-	118592
Inspection & Plant Registration Fees	404580	632797
Others Expenses	-	4356
<b>Total</b>	<b>404580</b>	<b>755745</b>

**NOTE 31 EARNINGS PER SHARE (EPS)**

(a) Pursuant to the Accounting Standard (As-20) Earning Per Share is disclosed as under :

PARTICULARS	31.03.2017	31.03.2016
Profit/(loss) for calculation of basic and diluted EPS	(1521385)	(3105655)
Weighted average number of equity shares in calculating basic EPS	53739000	53739000
Face value of equity shares	1	1
Basic Earnings per share (In Rupees)	(0.028)	(0.058)
Diluted Earnings per share (In Rupees)	(0.028)	(0.058)

(b) The Company does not have any outstanding dilutive potential equity shares. Consequently the basic and diluted earning per share of the Company remain the same.

**NOTE 32 RELATED PARTY DISCLOSURES**

(a) Related Parties with whom transactions have taken place during the year:

1. Associate Entities	-
2. Entities in which Key Management Personnel have a significant influence	Ray Remedies Pvt. Ltd., Raxin Healthcare
3. Key Management Personnel and their relatives	1. Mahendra C. Raycha 2. Akshit M. Raycha 3. Neela M. Raycha

(b) Related Party Transactions

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

Sr. No.	Nature of Payments	Key Management Personnel	Relative of Key Management Personnel	Entities in which Key Management personnel have influence
1.	Remuneration	1200000		-
2.	Office Rent	-	600000	-
3.	Material Purchase	-	-	167278
4.	Material Sales/Expenses	-	-	1759065
5.	Job Charges	-	-	133871
6.	Godown Rent	-	-	138000

**NOTE 34 OTHER DISCLOSURES**

- (a) Sundry Creditors, Receivables, Loans and Advances and liabilities etc. for which confirmations are yet to be received. Provision for doubtful debts, if any, in respect of above and the consequential adjustments, arising out of reconciliation will be made at the appropriate time.
- (b) In the opinion of the Management and to the best of their knowledge and belief the value under the head of Current and Non Current Assets (other than fixed assets and non current investments) are approximately of the value stated, if realized in ordinary course of business, except unless stated otherwise. The provision for all the known liabilities is adequate and not in excess of amount considered reasonably necessary.
- (c) Disclosure as required by Accounting Standard 19, "Leases" issued by the Institute of Chartered Accountants of India are given below:
- (d) The Company's significant leasing arrangements are in respect of office and factory premises. The aggregate lease rental payable is charged to Profit and Loss Account as Rent in Schedule 5.
- (e) The Leasing arrangements, which are cancelable at any time between 11 months to 5 years and usually Renewable by mutual consent on mutually agreeable terms.
- (f) Prior period adjustments expenses include: NIL
- (g) Balance Confirmations/ Statements for some of the inactive Bank Accounts have not been received. Request of the same have been placed with the bank and consequential adjustment if any on account of the same will be made as and when the statements are received.
- (h) Provision for likely sales returns, date expiry and damaged products are debited to profit & loss account as and when actual returns/claims received by the Company.
- (i) Previous years figures regrouped, rearranged whenever it necessary.

**ZENITH HEALTHCARE LIMITED**

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Prahladnagar Cross Road, S. G. Road, Ahmedabad: 380015

Tel. No. : (91 079) 66168889/90, Fax No. : (91 079) 66168891

Email: [mahendrazenith@hotmail.com](mailto:mahendrazenith@hotmail.com), website: [zenithhealthcare.com](http://zenithhealthcare.com)

D.P.ID

Client ID/ Regd. Folio No.

No. Of Shares Held

**ATTENDANCE SLIP**

(To be presented at the entrance)

I/we hereby record my/our presence at the Annual General Meeting of the Company to be held on Wednesday, September 27, 2017 at 10 a.m. at ATMA Conference Hall, Ahmedabad Textile Mills Association, Ashram Road, Ahmedabad: 380009.

<b>NAME OF THE SHARE HOLDER (IN BLOCK LETTERS)</b>	
<b>SIGNATURE OF THE SHARE HOLDER</b>	
<b>NAME OF THE PROXY (IN BLOCK LETTERS)</b>	
<b>SIGNATURE OF THE PROXY</b>	

## Notes:

1. You are requested to sign and hand over this at the entrance. If you intend to appoint a proxy to attend the meeting instead of yourself, the proxy form must be deposited at the Regd. Office at 504, Iscon Elegance, Near Ananddham Jain Derasar, Prahladnagar Cross Road, S. G. Road, Ahmedabad: 380051 not less than 48 hours before the time for holding the meeting.
2. If you are attending the meeting in person or by proxy. You/your proxy for reference at the meeting may please bring your copy of the Balance Sheet.

**ZENITH HEALTHCARE LIMITED**

(CIN: L24231GJ1994PLC023574)

Regd Office: 504, Iscon Elegance, Near Ananddham Jain Derasar, Prahladnagar Cross Road, S. G. Road, Ahmedabad: 380015, Tel. No. : (91 079) 66168889/90, Fax No. : (91 079) 66168891

Email: [mahendrazenith@hotmail.com](mailto:mahendrazenith@hotmail.com), website: [zenithhealthcare.com](http://zenithhealthcare.com)
**FORM OF PROXY**
**FORM NO. MGT-11**

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

Name of Member (s)	
Regd. Address	
Email id	
Folio No./ Client id	
DP id	

I/We, being holder (s) of \_\_\_\_\_ shares of above named company, hereby appoint

1. \_\_\_\_\_ of \_\_\_\_\_ having email id \_\_\_\_\_  
or failing him

2. \_\_\_\_\_ of \_\_\_\_\_ having email id \_\_\_\_\_  
or failing him

3. \_\_\_\_\_ of \_\_\_\_\_ having email id \_\_\_\_\_  
or failing him

as my/our proxy to attend and vote (on a poll) for me/us and my/our behalf at the annual general meeting to be held on Wednesday, September 27, 2017 at 10 a.m. at ATMA Conference Hall, Ahmedabad Textile Mills Association, Ashram Road, Ahmedabad: 380009 and at any adjournment thereof in respect of such resolutions as are indicated below;

Resolution No.	Resolution	Option	
		For	Against
	<b>ORDINARY BUSINESS</b>		
1.	To receive, consider, approve and adopt the Financial Statement of Accounts including Audited Balance Sheet as at 31/3/2017 and the statement of Profit & Loss Account for the year ended on that date and the Report of the Board of Directors and Auditors thereon.		
2.	To appoint a Director in place of Mr. Atul Thakkar (DIN: 01157384), who retires by rotation and being eligible offers himself for re-appointment		
3.	To appoint M/s. J.K. Parmar & Co., Chartered Accountants (Firm Regn. No. 107599W) as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting.		
	<b>SPECIAL BUSINESS</b>		
4.	Regularization of Mr. Akshit M. Raycha (DIN: 03039859) who was re-appointed in the capacity of Joint Managing Director of the Company.		

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

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

Affix Rupee 1  
Revenue  
Stamp

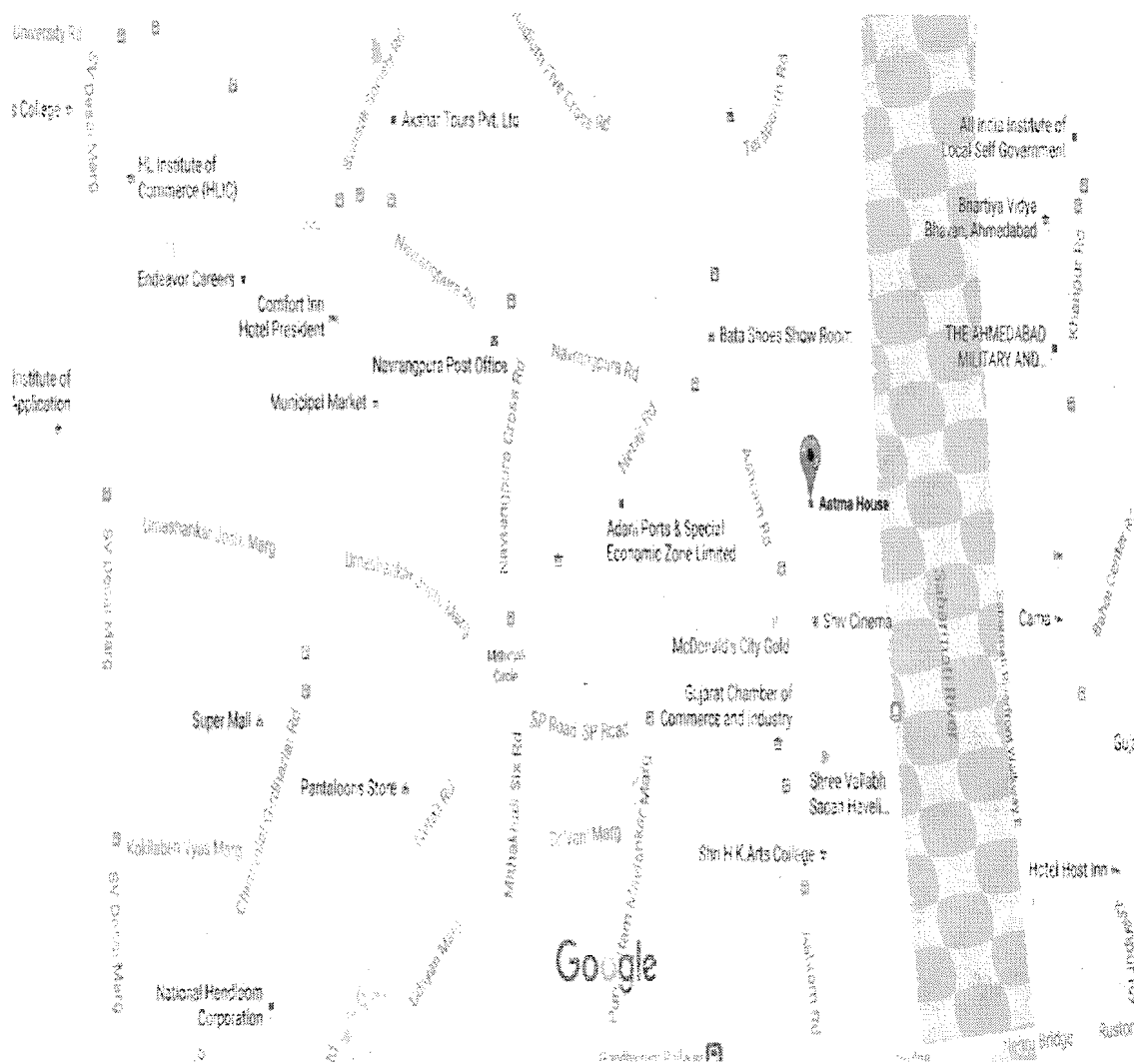
Signature of Proxy holder; \_\_\_\_\_

**Note**

1. This form of proxy in order to be effective should be duly completed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the Meeting and proxy need not be a member of the Company.
2. It is optional to put a ✓ in the appropriate column against the Resolution indicated in the Box. If you leave the 'For' or 'against' column blank against the Resolutions, your Proxy will be entitled to vote in the manner as He/She thinks appropriate.

Please complete all details including details of member(s) in above box before submission.

**Route Map to the Venue of 23<sup>rd</sup> Annual General Meeting**



ATMA Conference Hall,  
Ahmadabad Textile Mills' Association,  
Ashram Road, Ahmadabad- 380 009

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**Book-Post**

TO,

*If undelivered, please return to :*

**Zenith Healthcare Limited**

CIN No. : L2431GJ1994PLC023574

REGISTERED AND CORPORATE OFFICE

504, Iscon Elegance, Near Ananddham Jain Derasar,  
Prahladnagar Cross Road, S. G. Road, Ahmedabad-380 015