

MESCO PHARMACEUTICALS LIMITED

Corporate Identity No. L24111UR1986PLC015895

Regd. Office: Upper Kesalton, Tallital, Nainital-263 001, Uttarakhand,

W: www.mescopharma.com E-mail: nsparameswaran@mescosteel.com, Tel: 9871862796

11.10.2017

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai-400 001

Sub: Submission of Annual Report for the Financial Year 2016-17

Dear Sir,

Please find enclosed Annual report for the financial year 2016-17 as per regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 as approved and adopted by the shareholders at the 31st Annual General Meeting of the company held on 30th September, 2017 at Upper Kesalton, Tallital, Nainital-263001, Uttarakhand Commenced on 10.00 AM and Concluded at 12.15 PM.

This is for your information and records.

Thanking you
Yours faithfully,
For **Mesco Pharmaceuticals Ltd**

N.S. Parameswaran
Managing Director
DIN: 00091097



Encl.: as above.



MESCO PHARMACEUTICALS LIMITED

31st Annual Report 2016-2017

Mesco Pharmaceuticals Limited

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. N.S. Parameswaran	Managing Director
Mr. Jitendra Kumar Singh	Director
Mr. Dushyant Kumar Singh	Director
Mr. Rajeev Moudgil	Independent Director
Mr. Subhash Chander Seth	Independent Director
Mrs. Savita Sethi	Independent Director

COMPANY INFORMATION

CIN: L24111UR1986PLC015895
Upper Kesalton, Tallital,
Nainital-263001, Uttarakhand
Tel: 9871862796
Website: www.mescopharma.com

STATUTORY AUDITORS

M/s N. Dhawan & Co.
Chartered Accountants
411, Bhera Enclave, Paschim Vihar
Outer Ring Road, Delhi-110 087
Ph: 011-42342154

REGISTRAR AND SHARE TRANSFER AGENT

Skyline Financial Services Private Limited
Address: D-153A,
Okhla Industrial Area, Phase-I
New Delhi- 110 020
Tel: 011-26812682
E-mail: admin@skylinerta.com

INVESTOR RELATION CENTRE

H-1, Zamrudpur Community Centre,
Kailash Colony, New Delhi-110 048
Tel: 011-41587085
E-mail: nsparameswaran@mescosteel.com
Website: www.mescopharma.com

ALL CORRESPONDENCE RELATING TO TRANSFER OF SHARES, CHANGE IN ADDRESS ETC. SHOULD BE SENT TO THE REGISTRAR AND SHARE TRANSFER AGENT OR INVESTORS RELATION CENTRE

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NOTICE

MESCO PHARMACEUTICALS LIMITED

CIN: L24111UR1986PLC015895

Registered Office: Upper Kesalton, Tallital, Nainital-263 001, Uttarakhand

Website: www.mesopharma.com, E-mail: nsparameswaran@mescosteel.com, Tel No. +91-9871862796

Notice is hereby given that the Thirty First Annual General Meeting of the shareholders of Mesco Pharmaceuticals Limited will be held on Saturday, 30th September, 2017 at 10:00 A.M. at Upper Kesalton, Tallital, Nainital-263 001, Uttarakhand to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statements for the Financial Year ended on 31st March, 2017 together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Dushyant Kumar Singh (DIN: 00091193), who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s Sangram Paul & Co., Chartered Accountants, Bhubaneswar (Registration No. 111009W) be and is hereby appointed as Statutory Auditor of the Company in place of M/s. N. Dhawan & Co., Chartered Accountants, Delhi (Registration No.: 007095N), the retiring Statutory Auditor, to hold office from the conclusion of this Annual General Meeting until the conclusion of the 36th Annual General Meeting of the Company, subject to ratification by the Members at every Annual General Meeting, at such remuneration plus Goods and Service Tax as applicable and reimbursement of out-of pocket expenses in connection with the audit as the Board of Directors may fix in this behalf."

SPECIAL BUSINESS

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

"RESOLVED THAT pursuant to Section 94 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of members be and is hereby accorded to keep and maintain the Register of Members, the Index of Members, at Skyline Financial Services Pvt Ltd, Registrar and Share Transfer Agent of the company at D-153A, 1st Floor, Okhla Industrial Area, Phase - I, New Delhi-110 020 and other statutory registers and the copies of all annual returns and copies of certificates and documents required to be annexed thereto at corporate office situated at New Delhi instead of the Registered Office of the Company.

RESOLVED FURTHER THAT the Board of Directors or any Committee thereof of the Company be and are hereby authorized to do all such things and take all such actions as may be required from time to time for giving effect to the above resolution and matters related thereto."

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

"RESOLVED THAT pursuant to the provisions of Sections 5, 14 and all other applicable provisions, if any, of the Companies Act, 2013 (the 'Act') read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof), and subject to the necessary registrations, approvals, consents, permissions and sanctions required, if any, from the jurisdictional Registrar of Companies, and any other appropriate authority and subject to such terms, conditions, amendments or modifications as may be required or suggested by any such appropriate authorities, consent of the members of the Company be and is hereby accorded for adoption of the new set of

Articles of Association (Table F of Schedule I of the Act) in place and entire exclusion and substitution of the existing Articles of Association of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do or cause to be done all such acts, deeds, matters and things and execute and sign all such documents and papers, as may be necessary in this regard, including but not limited to:

- i. to sign and submit the various Forms / E-Forms and other papers/documents to be filed with the Registrar of Companies, Ministry of Corporate Affairs, Government of India or any other Competent Authority.
- ii. delegation of all or any of the authorities conferred above, to any other director(s) or executive(s) / officer(s) of the Company as may be necessary to give effect to the aforesaid resolution."

By order of the board
For Mesco Pharmaceuticals Ltd

Nurani Shankar Parameswaran
DIN: 00091097
Managing Director
N-1/152, I.R.C. Village, Bhubaneswar-
751 015, Orissa

Date: 14th August, 2017
Place: New Delhi

NOTES

1. An explanatory statement pursuant to Section 102 of the Companies Act, 2013 in respect of item no. 4 to 5 of the notice set out above is annexed herewith.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. A BLANK FORM OF PROXY IS ENCLOSED HERewith AND, IF INTENDED TO BE USED, IT SHOULD BE RETURNED DULY COMPLETED AT THE REGISTERED OFFICE OF THE COMPANY OR AT SKYLINE FINANCIAL SERVICES PRIVATE LIMITED, AT D-153A, 1ST FLOOR, OKHLA INDUSTRIAL AREA, PHASE-1, NEW DELHI-110 020 NOT LESS THAN FORTY EIGHT HOURS BEFORE THE SCHEDULED TIME OF THE COMMENCEMENT OF ANNUAL GENERAL MEETING.
3. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY IN NUMBER AND HOLDING IN THE AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. HOWEVER, A MEMBER HOLDING MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.
4. Every member entitled to vote at the meeting, or on any resolution to be moved thereat, shall be entitled during the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, to inspect the proxies lodged, at any time during the business hours of the company, provided not less than three days' notice in writing of the intention so to inspect is given to the company.
5. The Share Transfer Books and Register of Members of the Company will remain closed from Monday, 25th September, 2017 to Saturday, 30th September, 2017 (both days inclusive).
6. In accordance with section 20 of the Companies Act, 2013 service of documents on members by a company is allowed through electronic mode. Accordingly, as a part of Green Initiative, soft copy of the Annual Report for the year ended 31st March, 2017 has been sent to all the members whose email address(es) are registered with the Company unless any member has requested for a hard

copy of the same. Further, in terms of SEBI Circular No. CIR/CFD/DIL/7/2011 dated 5th October, 2011 the hard copies of Annual Report have been sent to all other members who have not registered their email address(es). Members, who have not yet registered their email address with the Company/RTA, are requested to do the same at the earliest by to the Company/RTA. Members can also submit their form along with Attendance Slip at the Registration Counter at AGM.

7. The Shareholders/Proxies are requested to produce at the Registration Counter(s) the attendance slip duly completed and signed, for admission to the meeting hall. However, in case of non-receipt of Notice of Annual General Meeting, members are requested to write to the Company at its registered office for issuing the duplicate of the same or download the same from Company's website www.mescopharma.com
8. In case you have any query relating to the enclosed Annual Accounts you are requested to send the same to the Company Secretary at the Registered Office of the Company at least 10 days before the date of Annual General Meeting so as to enable the management to keep the information ready for replying at the meeting.
9. Pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards-2 issued by ICSI the brief profile of Director eligible for re-appointment vide item no. 2 is as follows: -

Particulars	Mr. Dushyant Kumar Singh
DIN	00091193
Age	66 Years
Date of appointment	12 th August, 1986
Qualifications	Law Graduate
Expertise in specific functional areas	Mr. D.K. Singh aged 66 years is a law graduate and possesses nearly a decade's experience in the Leather and Pharmaceutical Industry.
Directorships in other Companies	Mesco Steels Ltd Mesco Laboratories Ltd. Twenty First Century Finance Ltd. Mesco Logistics Ltd. Mesco Hotels Ltd. Mesco India Ltd. Chhindwara Energy Limited Mesco Aerospace Ltd Forrester Foods Private Limited
Memberships / Chairmanships of committees of other public companies (includes only Audit Committee and Stakeholders' Relationship Committee.)	Mesco Aerospace Ltd – Member in Audit Committee
Number of shares held in the Company	87,100 Shares

Relationship with any Director(s) of the Company	Brother of Mr. Jitendra Kumar Singh, Director of the Company
Terms & Conditions of Appointment/Re-appointment	Re-appointment pursuant to Section 152 of Companies Act, 2013
Remuneration Details	NIL
No. of Board meetings attended out of 6 meetings held during the year	6

10. All the documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company on all working days between 11.00 am to 1.00 pm up to the date of Annual General Meeting. The Register of Directors' and Key Managerial Personnel & their Shareholding and the Register of Contracts & Arrangements in which directors are interested shall be open for inspection at the meeting to any person having right to attend the meeting.

EXPLANATORY STATEMENT IN RESPECT OF SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4

Under the provisions of the Companies Act, 2013 (the "Act") certain documents such as the register of members and index of members – separately for each class of equity and preference shares, register and index of debenture holders, register and index of any other Security holders, Register of Renewed and Duplicate Shares/Debentures/Securities Certificates, Register of Sweat Equity Shares, Register of ESOP, and copies of all annual returns prepared, together with the copies of certificates and documents required to be annexed thereto under Section 92 of the Act, and other related books, are required to be maintained at the registered office of the company unless a special resolution is passed in a general meeting authorizing the keeping of the register at any other place within the city, town or village in which the registered office is situated or any other place in India in which more than one-tenth of the total members entered in the register of members reside.

More than One-tenth of the total members of company resides at Delhi, so in the interest of operational and administrative convenience, it is proposed to maintain Register of Members, the Index of Members, at Skyline Financial Services Pvt Ltd, Registrar and Share Transfer Agent of the company at D-153A, 1st Floor, Okhla Industrial Area, Phase - I, New Delhi-110 020 and other statutory registers and the copies of all annual returns and copies of certificates and documents required to be annexed thereto at corporate office situated at H-1, Zamrudpur Community Centre, Kailash Colony, New Delhi-110048 instead of the Registered Office of the Company.

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

Approval of Shareholders is required under Section 94 of the Companies Act, 2013 for effecting the change in place at which the Register and Index of Members etc. are to be kept. The Board recommends the special resolution set out under Item No. 4 of the Notice for approval by the shareholders. None of the Directors and Key Managerial Personnel of the Company and their relatives is in any way concerned or interested, financially or otherwise in the special resolution set out under Item No. 4 of the Notice.

Item No. 5

The existing AoA are based on the Companies Act, 1956 and several regulations in the existing AoA contain references to specific sections of the Companies Act, 1956 and some regulations in the existing AoA are no longer in conformity with the New Companies Act, 2013. Hence, it is considered expedient to wholly replace the existing AoA by a new set of Articles. The proposed new draft AoA is being uploaded on the Company's website for perusal by the shareholders. The draft AOA shall be available for inspection during the meeting and can be inspected by members during the business hours at the registered office of the company.

None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 5 of the Notice.

The Board recommends the Special Resolution set out at Item No.5 of the Notice for approval by the shareholders.

By order of the board
For Mesco Pharmaceuticals Ltd

Nurani Shankar Parameswaran
DIN: 00091097
Managing Director
N-1/152, I.R.C. Village, Bhubaneswar-
751 015, Orissa

Date: 14th August, 2017
Place: New Delhi

DIRECTORS' REPORT

TO THE MEMBERS OF MESCO PHARMACEUTICALS LTD

Your Directors are pleased to present 31st Annual Report and the Statement of Accounts for the financial year ended on March 31, 2017

FINANCIAL HIGHLIGHTS

Particulars	(Amount in Rs.)	
	2016-17	2015-16
Revenue from operations	-	-
Other Income	-	3,75,000
Profit/(Loss) before Tax	(25,79,969)	3,13,951
Tax Expenses:		
Current Tax	-	1,05,785
Earlier Years	9,705	-
Profit/(Loss) after Tax	(25,89,674)	2,08,166
Transfer to General Reserve	-	10,79,15,000
Reserves and surpluses	(30,15,58,502)	(29,89,68,828)
Earnings per share	(0.13)	0.01

COMPANY PERFORMANCE/ STATEMENT OF COMPANY'S AFFAIR

During the year under review there is no operation of business. Your Directors are putting in their best efforts to find out various alternatives to revive the company.

CHANGE IN NATURE OF BUSINESS OF THE COMPANY

There has been no change in the nature of business of the Company.

MATERIAL CHANGES ETC.

Save as mentioned elsewhere in this Report, no material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year of the Company-31st March, 2017 and the date of this Report.

During the year under review, company has filed the application for revocation of suspension of its trading of its equity shares at Bombay Stock Exchange.

TRANSFER TO RESERVES

Your Board of Directors does not appropriate any amount to be transferred to General Reserves during the year under review.

DIVIDEND

Directors have not recommended any dividend for the financial year ended on 31st March, 2017.

MANAGEMENT DISCUSSION AND ANALYSIS

A detailed report on the Management Discussion and Analysis is provided as a separate Section in the Annual Report which forms part of the Directors Report.

SHARE CAPITAL

The paid up Equity Share Capital as on 31st March, 2017 was 19.73 Crores. During the year under review, the Company has not issued any shares. The Company has not issued shares with differential voting rights. It has neither issued employee stock options nor sweat equity shares and does not have any scheme to fund its employees to purchase the shares of the Company.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

Pursuant to Section 134(3)(g) of the Companies Act, 2013 details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are provided in Notes to the Financial Statements.

DISCLOSURE ON DEPOSIT UNDER CHAPTER V

The Company has neither accepted nor renewed any deposits during the Financial Year 2016-17 in terms of Chapter V of the Companies Act, 2013.

REPORT ON SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

The Company has no subsidiaries, associates and joint ventures companies.

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

- a) Conservation of Energy & Technology Absorption: Since the Company is not engaged in any manufacturing activity, issues relating to conservation of energy and technology absorption are not given.
- b) Export Activities: There was no export activity in the Company during the year under review.
- c) Foreign Exchange Earnings and Outgo: The Income & Expenditure in foreign exchange is as under during the year under review:

Foreign Exchange outgo	:	Rs. Nil (previous year Rs. Nil)
CIF Value of Imports	:	Rs. Nil (previous year Rs. Nil)
Foreign Exchange Earning	:	Rs. Nil (previous year Rs. Nil)

LISTING

At present, the equity shares of the Company are listed at Bombay Stock Exchange Ltd. (BSE), Calcutta Stock Exchange and Ahmedabad Stock Exchange but trading of shares of the Company is suspended on the exchange(s) due to non-resolution of investor complaints. However, the company has filed the application for revocation of suspension of its trading of its equity shares at Bombay Stock Exchange.

CORPORATE GOVERNANCE

In terms of Regulation 34 of the SEBI (LODR) Regulations, 2015, a Report on Corporate Governance along with Compliance Certificate issued by Statutory Auditors of the Company is provided as a separate Section in the Annual Report which forms integral part of this Report (hereinafter "Corporate Governance Report")

CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under review, Mrs. Vijaya Batth resigned from the Board w.e.f. 2nd July, 2016. The Board placed on record appreciation of the contribution made by Mrs. Batth during her tenure

Mr. Rajeev Moudgil and Mr. Subhash Chander Seth appointed as Additional Independent Director w.e.f. 19th April, 2016 and Mrs. Savita Sethi also appointed as Additional Independent Director w.e.f. 2nd July, 2016 and all of them are appointed as Independent Director in the Annual General Meeting held on 30th September, 2016.

RETIRE BY ROTATION OF DIRECTOR

Pursuant to Sections 149, 152 of the Companies Act, 2013 Mr. Dushyant Kumar Singh, (DIN: 00091193), Director will retire by rotation at the ensuing AGM, and being eligible, offer himself for re-appointment in accordance with the provisions of the Companies Act, 2013. The information on the particulars of Director eligible for appointment in terms of Regulation 36 of SEBI (LODR) Regulations, 2015 and Secretarial

Standard-2 issued by ICSI has been provide in the notes to the notice convening the Annual General Meeting. Your Directors recommend his re-appointment.

DECLARATION OF INDEPENDENCE

The Company has received declarations from all the Independent Directors under Section 149(7) of the Companies Act, 2013 that they meets the criteria of Independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of SEBI (LODR), Regulations, 2015.

POLICY ON DIRECTORS APPOINTMENT AND POLICY ON REMUNERATION

Pursuant to the requirement under Section 134(3)(e) and Section 178(3) of the Companies Act, 2013, the policy on appointment of Board members including criteria for determining qualifications, positive attributes, independence of a Director and the policy on remuneration of Directors, KMP and other employees is attached as Annexure-1 respectively, which forms part of this report.

PARTICULARS OF REMUNERATION OF DIRECTORS/ KMP/EMPLOYEES

Particulars to be given as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) and 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in Point No. VI in MGT-9, Extract on of Annual Return, which forms part of this report.

NUMBER OF MEETINGS OF THE BOARD

During the Financial Year 2016-17, the board of Directors of the Company met 6 (Six) times i.e. 19th April, 2016, 13th May, 2016, 2nd July, 2016, 13th August, 2016, 14th November, 2016 and 14th February, 2017. The gap between two consecutive meetings did not exceed 120 (One hundred Twenty) days. Further, a separate Meeting of the Independent Directors of the Company was also held on 14th February, 2017.

AUDIT COMMITTEE

The composition, terms of reference etc. of the Audit Committee is provided in Corporate Governance Report which forms part of this Annual Report. There have been no instances of non-acceptance of any recommendations of the Audit Committee by the Board during the Financial Year under review.

STAKEHOLDERS RELATIONSHIP COMMITTEE

The composition, terms of reference etc. of the Stakeholders Relationship Committee is provided in Corporate Governance Report which forms part of this Annual Report.

NOMINATION AND REMUNERATION COMMITTEE

The composition, terms of reference etc. of the Nomination and Remuneration Committee is provided in Corporate Governance Report which forms part of this Annual Report.

PERFORMANCE EVALUATION OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

In terms of Section 134 of the Companies Act, 2013 and Regulation 17(10) of SEBI (LODR), Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and Stakeholders Relationship Committee. More details on the same are given in the Corporate Governance Report.

STATUTORY AUDITORS AND THEIR REPORT

The term of M/s Naresh Dhawan & Co., Chartered Accountants, statutory auditors of the company will be expires in the conclusion of 31st AGM. Therefore, the Board, in terms of Section 139 of the Act, on the recommendation of the Audit Committee, has recommended the appointment of M/s Sangram Paul & Co., Chartered Accountants, Bhubaneswar (Registration No. 111009W) as Statutory Auditor of the Company in place of M/s. N. Dhawan & Co., Chartered Accountants, Delhi (Registration No.: 007095N), the retiring auditor, to hold office from the conclusion of this Annual General Meeting until the conclusion of the 36th Annual General Meeting of the Company, The certificate from the Auditors have been received to the

effect that their appointment, if made, would be within the prescribed limit under section 141 of the Companies Act, 2013.

There are no observations (including any qualification, reservation, adverse remark or disclaimer) of the Auditors in their Audit Report that may call for any explanation from the Directors. Further, the notes to accounts referred to in the Auditor's Report are self-explanatory.

COST AUDITORS AND THEIR REPORT

As per Section 148 of the Companies Act, 2013 read with Rules framed thereunder, Cost Audit is not applicable on the company during the year 2016-17.

SECRETARIAL AUDITORS

Your Board, during the year, appointed Mr. Robinderpal Singh Batth to conduct secretarial audit of the Company for the financial year ended 31st March, 2017. The Report of Mr. Robinderpal Singh Batth in terms of Section 204 of the Act is provided in the Annexure-2 forming part of this Report. Given below is the management reply on the observations made by the Secretarial Auditor in their report.

Observation:

- i. The company did not provided the e-voting facility to its shareholders in the General Meeting held by the company during the Audit Period as required under Section 108 of the Companies Act, 2013 read with rule 20 of the Companies (Management and Administration) Rules, 2014.
- ii. At present the company is suspended on BSE.

Management's Reply:

- i. Due to Financial constraints in the company, the company is not in the position of providing e-voting facility to its members.
- ii. The Company has already filed the application for revocation at BSE.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company does not come under the preview of Section 135 of the Companies Act, 2013 in relation to Corporate Social Responsibility for the financial year 2016-17.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT

The Statutory Auditors or Secretarial Auditors of the Company have not reported any frauds to the Audit Committee or to the Board of Directors under Section 143(12) of the Companies Act, 2013, including rules made thereunder.

INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

Details of internal financial control and its adequacy in compliance with the provisions of Rule 8 (5)(viii) of Companies (Accounts) Rules, 2014 are included in the Management Discussion and Analysis Report, which forms part of this Report.

RISK MANAGEMENT POLICY

In terms of the requirement of the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 the Company has developed and implemented a risk management policy which identifies major risks which may threaten the existence of the Company. The same has also been adopted by your Board. It establishes various levels of accountability and overview within the Company, while vesting identified managers with responsibility for each significant risk. The Company has laid down procedures to inform the Audit Committee as well as the Board of Directors about risk assessment and management procedures and status.

VIGIL MECHANISM POLICY

The Company has adopted a Vigil Mechanism Policy, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit Committee.

PREVENTION OF SEXUAL HARASSMENT

At Mesco, all employees are of equal value. There is no discrimination between individuals at any point on the basis of race, colour, gender, religion, political opinion, national extraction, social origin, sexual orientation or age.

As required by the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, the Company has formulated and implemented a policy on prevention of sexual harassment at workplace with a mechanism of lodging complaints. Its redressal is placed on the intranet for the benefit of its employees. During the year under review, no complaints were reported to the Board.

EXTRACT OF ANNUAL RETURN

Extract of Annual Return of the Company is annexed herewith as Annexure 3 to this Report.

CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES UNDER SECTION 188(1) OF THE COMPANIES ACT, 2013

With reference to Section 134(3)(h) of the Companies Act, 2013, no contracts and arrangements with related parties under Section 188(1) of the Act, entered by the Company during the financial year. Accordingly, there are no transactions that are required to be reported in form AOC-2.

Your attention is drawn to the Related Party disclosures set out in Note no. 20 of the Financial Statements.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERNS STATUS AND COMPANY'S OPERATIONS IN FUTURE

The Company has not received any significant or material orders passed by any regulatory Authority, Court or Tribunal which shall impact the going concern status and Company's operations in future.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions under Section 134(5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, the Directors confirm:

- a) That in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- b) That they had selected such accounting policies and applied them consistently, and made judgements and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- c) That they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) That they had prepared the annual accounts on a going concern basis;
- e) That they had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

- f) That they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENTS

Your Directors place on record their gratitude to the Central Government, State Governments and Company's Bankers for the assistance, co-operation and encouragement they extended to the Company. Your Directors also wish to place on record their sincere thanks and appreciation for the continuing support and unstinting efforts of investors, vendors, dealers, business associates and employees in ensuring an excellent all around operational performance.

By order of the board
For Mesco Pharmaceuticals Ltd

Date: 14 th August, 2017	Nurani Shankar Parameswaran	Jitendra Kumar Singh
Place: New Delhi	DIN: 00091097	DIN: 00090649
	Managing Director	Director
	N-1/152, I.R.C. Village,	D-3A, Ansal Villa, Satbari,
	Bhubaneswar-751 015, Odisha	New Delhi-110 030

Encl:

1. Company's Policy on Directors' appointment and remuneration-Annexure-1
2. Secretarial Audit Report-Annexure-2
3. Extract of Annual Return in MGT-9-Annexure-3

Company's Policy on Directors' appointment and remuneration

Our policy on the appointment and remuneration of directors and key managerial personnel provides a framework based on which our human resources management aligns their recruitment plans for the strategic growth of the Company. The nomination and remuneration policy is provided herewith pursuant to Section 178(4) of the Companies Act, 2013 and Rules made thereunder and Regulation 19(4) read with Part D of Schedule II of SEBI (LODR) Regulations, 2015. The policy is also available on our website www.mescopharma.com.

NOMINATION AND REMUNERATION POLICY

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Regulation 19(4) read with Part D of Schedule II of SEBI (LODR) Regulations, 2015, as amended from time to time. This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors.

Definitions:

"Remuneration" means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961;

"Key Managerial Personnel" means:

- (i) Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time Director;
- (ii) Chief Financial Officer;
- (iii) Company Secretary; and
- (iv) Such other officer as may be prescribed.

"Senior Managerial Personnel" mean the personnel of the company who are members of its core management team excluding Board of Directors. Normally, this would comprise all members of management, of rank equivalent to General Manager and above, including all functional heads.

Objective:

The objective of the policy is to ensure that

- the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

Role of the Committee:

The role of the NRC will be the following:

- To formulate criteria for determining qualifications, positive attributes and independence of a Director.
- To formulate criteria for evaluation of Independent Directors and the Board.
- To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
- To carry out evaluation of Director's performance.

- To recommend to the Board the appointment and removal of Directors and Senior Management.
- To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
- To devise a policy on Board diversity, composition, size.
- Succession planning for replacing Key Executives and overseeing.
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

APPOINTMENT AND REMOVAL OF DIRECTOR, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend his / her appointment, as per Company's Policy.
- b) A person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the position.
- c) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution.

TERM / TENURE

- a) Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Whole Time Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

- b) Independent Director:

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms of upto maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

EVALUATION

The Committee shall carry out evaluation of performance of Director, KMP and Senior Management Personnel yearly or at such intervals as may be considered necessary.

REMOVAL

The Committee may recommend with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the Companies Act, 2013, rules and regulations and the policy of the Company.

RETIREMENT

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

POLICY FOR REMUNERATION TO DIRECTORS/KMP/SENIOR MANAGEMENT PERSONNEL

1) Remuneration to Managing Director / Whole-time Directors:

- a) The Remuneration/ Commission etc. to be paid to Managing Director/ Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.
- b) The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director / Whole-time Directors.

2) Remuneration to Non- Executive / Independent Directors:

- a) The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.
- b) All the remuneration of the Non- Executive/Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.
- c) An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company.
- d) Any remuneration paid to Non- Executive/Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:
 - i. The Services are rendered by such Director in his capacity as the professional; and
 - ii. In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.
- e) The Compensation Committee of the Company, constituted for the purpose of administering the Employee Stock Option/ Purchase Schemes, shall determine the stock options and other share based payments to be made to Directors (other than Independent Directors).

3) Remuneration to Key Managerial Personnel and Senior Management:

- a) The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.

- b) The Compensation Committee of the Company, constituted for the purpose of administering the Employee Stock Option/ Purchase Schemes, shall determine the stock options and other share based payments to be made to Key Managerial Personnel and Senior Management.
- c) The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from to time.
- d) The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

IMPLEMENTATION

- The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.
- The Committee may Delegate any of its powers to one or more of its members.

Form No. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017

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

To,
The Members,
Mesco Pharmaceuticals Limited

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Mesco Pharmaceuticals Limited (CIN L24111UR1986PLC015895) (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2017 ("Audit Period") complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and Compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.
5. The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz. :-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
6. Other laws applicable to the company as per the representations made by the company.

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

- a. The Listing Agreements entered into by the Company with Stock Exchanges along with SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015;
- b. Secretarial Standards SS-1 and SS-2 issued by The Institute of Company Secretaries of India.

I further report that during the year under review there were no actions or events in pursuance of

the following:

- a. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- c. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- d. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- e. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

On the basis information provided by the Company and on the basis of representation and explanation made by the management I report that during the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned subject to following observations:

- a. The company did not provided the e-voting facility to its shareholders in the General Meeting held by the company during the Audit Period as required under Section 108 of the Companies Act, 2013 read with rule 20 of the Companies (Management and Administration) Rules, 2014.
- b. At present the company is suspended on BSE.

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

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

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 compliance with applicable laws, rules, regulations and guidelines.

Robinderpall Singh Batth
Practicing Company Secretary
FCS: 6586, CP No. 3836

Date :- 14th August, 2017
Place :- Bhubaneswar

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

To
The Members
Mesco Pharmaceuticals Limited

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

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

Robinderpall Singh Batth
Practicing Company Secretary
FCS: 6586, CP No. 3836

Date :- 14th August, 2017
Place :- Bhubaneswar

Form No. MGT-9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR
ENDED ON 31/03/2017

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

I. REGISTRATION AND OTHER DETAILS:

i.	CIN	L24111UR1986PLC015895
ii.	Registration Date	12/08/1986
iii.	Name of the Company	Mesco Pharmaceuticals Limited
iv.	Category/Sub-Category of the Company	Public/ Limited by Shares
v.	Address of the Registered office and contact details	Upper Kesalton, Tallital, Nainital-263 001 Uttarakhand Phone No. 09871862796 E-mail: nsparameswaran@mescosteel.com Website: www.mescopharma.com
vi.	Whether listed company	Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Skyline Financial Services Private Limited Registered office: D-153A, First Floor, Okhla Industrial Area, Phase-I, New Delhi – 110020 Phone No. – 011-26812682-83

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
NO BUSINESS DONE BY THE COMPANY DURING THE YEAR UNDER REVIEW			

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name And Address Of The Company	CIN/GLN	Holding/ Subsidiary /Associate	% of shares held	Applicable Section
NOT APPLICABLE					

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	No. of Shares held at the end of the year	% Change during

									The year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
1) Indian									
a) Individual/ HUF	0	1222400	1222400	6.02	0	1222400	1222400	6.02	-
b) Central Govt	0	0	0	0	0	0	0	0	-
c) State Govt(s)	0	0	0	0	0	0	0	0	-
d) Bodies Corp	0	6763700	6763700	33.28	0	6763700	6763700	33.28	-
e) Banks / FI	0	0	0	0	0	0	0	0	-
f) Any Other	0	0	0	0	0	0	0	0	-
Sub-total(A)(1):-	0	7986100	7986100	39.30	0	7986100	7986100	39.30	-
2) Foreign									
g) NRIs- Individuals	0	0	0	0	0	0	0	0	-
h) Other- Individuals	0	0	0	0	0	0	0	0	-
i) Bodies Corp.	0	0	0	0	0	0	0	0	-
j) Banks / FI	0	0	0	0	0	0	0	0	-
k) Any Other....	0	0	0	0	0	0	0	0	-
Sub-total(A)(2):-	0	0	0	0	0	0	0	0	-
Total Shareholding of Promoter (A) = (A)(1) + (A)(2)	0	7986100	7986100	39.30	0	7986100	7986100	39.30	-
B. Public Shareholding									
1. Institutions	0	0	0	0	0	0	0	0	
a) Mutual Funds	0	0	0	0	0	0	0	0	-
b) Banks / FI	0	500	500	0	0	500	500	0	-
c) Central Govt.	0	0	0	0	0	0	0	0	-
d) State Govt.(s)	0	0	0	0	0	0	0	0	-
e) Venture Capital Funds	0	0	0	0	0	0	0	0	-
f) Insurance Companies	0	0	0	0	0	0	0	0	-
g) FIIs	0	0	0	0	0	0	0	0	-
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	-
i) Others (specify)	0	0	0	0	0	0	0	0	-
Sub-total(B)(1)	0	500	500	0	0	500	500	0	-
2. Non Institutions									
a) Bodies Corp.									
1. Indian	0	513182	513182	2.53	0	513182	513182	2.53	-

(ii) Overseas	0	0	0	0	0	0	0	0	-
b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	0	10249803	10249803	50.44	0	10249903	10249903	50.44	-
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	120800	120800	0.59	0	120800	120800	0.59	-
c) Others (Specify) NRI	0	1448315	1448315	7.13	0	1448215	1448215	7.13	-
d) Others (Specify) OCBs	0	1900	1900	0.01	0	1900	1900	0.01	-
Sub-total(B)(2)	0	12334000	12334000	60.70	0	12334000	12334000	60.70	-
Total Public Shareholding (B) = (B) (1) + (B) (2)	0	12334500	12334500	60.70	0	12334500	12334500	60.70	-
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	-
Grand Total (A+B+C)	0	20320600	20320600	100	0	20320600	20320600	100	-

ii. Shareholding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	
1.	Ashoka Kumari	30000	0.15	-	30000	0.15	-	-
2.	Kusum Singh	30000	0.15	-	30000	0.15	-	-
3.	Shipra Singh	47000	0.23	-	47000	0.23	-	-
4.	Chitra Singh	50000	0.25	-	50000	0.25	-	-
5.	Natasha Singh	307800	1.52	-	307800	1.52	-	-
6.	D.K. Singh	87100	0.43	-	87100	0.43	-	-
7.	D.K. Singh (HUF)	97500	0.48	-	97500	0.48	-	-
8.	Rita Singh	171000	0.84	-	171000	0.84	-	-
9.	J.K. Singh	192000	0.94	-	192000	0.94	-	-
10	J.K. Singh (HUF)	210000	1.03	-	210000	1.03	-	-
11	Twenty First Century Finance Ltd	6763700	33.28	-	6763700	33.28	-	-
	Total	7986100	39.30	-	7986100	39.30	-	-

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

Sr. no	Shareholder's Name	Shareholding at the beginning of the year		Transaction Details			Cumulative Shareholding during the year		Reason
		No. of Shares	% of total Shares of the Company	Sale	Purchase	Date	No. of Shares	% of total Shares of the Company	
NO CHANGE IN SHARHOLDING									

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

Sr. no	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Radico Khaitan Finance Ltd	285700	1.41	285700	1.41
2.	Bank of India A/c BOI Mutual Fund	181600	0.89	181600	0.89
3.	T.S. Dhillon	30600	0.15	30600	0.15
4.	Deepak Singh	27400	0.13	27400	0.13
5.	Poonam Singh	27300	0.13	27300	0.13
6.	Kailash Khandelwal	14300	0.07	14300	0.07
7.	Ashok P Nanavati	12400	0.06	12400	0.06
8.	Om Prakash	10600	0.05	10600	0.05
9.	Mohanlal Daga	10600	0.05	10600	0.05
10.	Om Prakash	9600	0.05	9600	0.05

v. Shareholding of Directors and Key Managerial Personnel:

Sr. no	Name of the Director/KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	J.K. Singh	192000	0.94	192000	0.94
2.	D.K. Singh	87100	0.43	87100	0.43
3.	N.S. Parameswaran	-	-	-	-
4.	Rajeev Moudgil*	-	-	-	-
5.	Subhash Chander Seth**	-	-	-	-
6.	Savita Sethi***	-	-	-	-
7.	Mrs. Vijaya Batth****	-	-	-	-
8.	Santosh Kumar Jha	-	-	-	-
9.	Pawan Sharma	-	-	-	-

* Mr. Rajeev Moudgil appointed as Independent Director w.e.f. 19th April, 2016

** Mr. Subhash Chander Seth appointed as Independent Director w.e.f. 19th April, 2016

*** Mrs. Savita Sethi appointed as Independent Director w.e.f. 2nd July, 2016

**** Mrs. Vijaya Batth, resigned from the Board w.e.f. 2nd July, 2016

V. INDEBTEDNESS

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

Particulars	Secured Loans	Unsecured	Deposits	Amount (in Rs.)
				Total

	excluding deposits	Loans		Indebtedness
Indebtedness at the beginning of the financial year	-	10,39,37,978	-	10,39,37,978
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not				
Total(i+ii+iii)		10,39,37,978		10,39,37,978
Change in Indebtedness during the financial year				
- Addition	-	26,41,959	-	26,41,959
- Reduction	-	-	-	-
Net Change	-	26,41,959	-	26,41,959
Indebtedness at the end of the financial year				
i) Principal Amount	-	10,65,79,937	-	10,65,79,937
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	10,65,79,937	-	10,65,79,937

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration of Key Managerial Personnel

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		Mr. N.S. Parameswaran	Mr. Pawan Sharma	Mr. Santosh Kumar Jha	Total
1.	Gross salary (a)Salary as per provisions contained in section17(1)of the Income-tax Act,1961	NIL	3,19,065	55,440	3,74,505
	(b)Value of perquisites u/s 17(2)Income-tax Act,1961	NIL	NIL	NIL	NIL
	(c)Profits in lieu of salary under section 17(3)Income-tax Act,1961	NIL	NIL	NIL	NIL
2.	Stock Option	NIL	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL	NIL
4.	Commission - as % of profit -others specify...	NIL	NIL	NIL	NIL
5.	Others please specify	NIL	NIL	NIL	NIL
6.	Total	NIL	3,19,065	55,440	3,74,505

B. Remuneration to other directors:

Sl.	Particulars	Other Directors	Total
-----	-------------	-----------------	-------

No.	of Remuneration	Mr. Jitendra Kumar Singh	Mr. Dushyant Kumar Singh	Mrs. Vijaya Batth****	Mr. Rajeev Moudgil*	Mr. Subhash Chander Seth**	Mrs. Savita Sethi**	Amount
	<u>Independent Directors</u> · Fee for attending board committee meetings · Commission · Others, please specify	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Total(1)	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	<u>Other Non-Executive Directors</u> · Fee for attending board committee meetings · Commission · Others, please specify	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Total(2)	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Total(B) = (1 + 2)	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Total Managerial Remuneration	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Overall Ceiling as per the Act							

* Mr. Rajeev Moudgil appointed as Independent Director w.e.f. 19th April, 2016

** Mr. Subhash Chander Seth appointed as Independent Director w.e.f. 19th April, 2016

*** Mrs. Savita Sethi appointed as Independent Director w.e.f. 2nd July, 2016

**** Mrs. Vijaya Batth, resigned from the Board w.e.f. 2nd July, 2016

VII. 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)
A. Company					
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA
B. Directors					
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA
C. Other Officers In Default					
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA

MANAGEMENT DISCUSSION AND ANALYSIS

CAUTIONARY STATEMENT

This Management Discussion and Analysis statements of Annual Report has been included in adherence to the spirit enunciated in the code of corporate Governance approved by the Securities and Exchange Board of India, Statement in the Management Discussion and Analysis describing the Company's objectives, projections estimates expectation may be "Forward-Looking Statement" within the meaning of applicable securities laws and regulation. These statements are subject to certain risks and uncertainties. Actual result could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/ supply and price conditions in the Government policies, economic development, political factors and such other factors beyond the control of the Company.

BUSINESS ENVIRONMENT

Even though there is a global slowdown, Indian economy has recorded growth rate higher than the previous year although this is below expectation. Poor industrial growth is responsible for the below par performance of the company, though the situation has been salvaged to some extent by services and agriculture sector. Poor economic performance has been exacerbated by slippage on the fiscal point.

In such a scenario, low inflation is acting as a damper for creating demand. Lack of demand – both investment and consumption, has been identified as the root cause of the ills plaguing the economy.

MANAGING RISK AND TRANSFORMATION

While the economic outlook still looks uncertain, some signs of revival are visible. With most market participant expecting the coming of decade to represent after subbed environment for both, financial return and transaction activity, the industrial growth is positive on years of double digit returns/ volume.

THREATS & CONCERNS

The Company as being hit by financial crisis is unable to carry on any business activity during the year under review. Any slowdown in the growth of Indian economy or any volatility in global market, could also adversely affect the business. Moreover, the Company is also prone to risks pertaining to change in government regulations, tax regimes, and other statutes.

GROWTH & FUTURE PROSPECTS

The management continues to be positive on the revival of the Company and is trying their level best for the same. Due to economy slow down and closure of the factory of the Company and other obstacles, Company was under immense pressure and still trying to come out of the same and is positive on the revival of the Company.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS

Our people are our most important asset and we value their talent, integrity and dedication. Our responsibilities towards our people, who are instrumental to our success with their devotion and relentless support covers a quantum part of the company strategy. We believe that training is essential to build skill sets in growing organization. The focus has been to create an environment where performance is rewarded, individuals are respected and associates get opportunities to realize their potential.

INTERNAL CONTROL SYSTEMS AND ADEQUACY

The Company has established internal control systems for ensuring optimum use of resources and safeguarding the assets. The Internal Control Systems and procedure are adequate and commensurate with the size of the Company. These are routinely tested and certified and which covered all offices, and key business areas. The Internal audit team reviews the quality of planning and execution of all ongoing

projects and activities involving significant expenditure to ensure that management controls are adequate to yield "value for money". These business control procedures ensure efficient use and protection of the resources and compliance with the policies, procedures and status.

REPORT ON CORPORATE GOVERNANCE

PURSUANT TO REGULATION 34(3) READ WITH SECTION C OF SCHEDULE V TO SEBI
(LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

Corporate Governance refers to the set of systems, principles and processes by which a company is governed. They provide the guidelines as to how the company can be directed or controlled so as to fulfill its goal and objectives in a manner that adds to the value of the company and benefit to all stakeholders in the long term. Stakeholders in this case would include everyone ranging from the Board of Directors, management, shareholders to customers, suppliers, financiers, employees and society at large. Strong and improved Corporate Governance practices are indispensable in today's competitive world and complex economy.

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Mesco Pharmaceuticals Limited looks at Corporate Governance requirements as an integral part of business strategy which contributes to business growth in ethical perspective. The Company believes that Corporate Governance is about best practices of business to be imbibed into the culture of the organization and complying with value systems, ethical business practices, laws and regulations to achieve the main objectives of the Company.

The Company has strengthened its Corporate Governance practices and has set highest standards of Corporate Governance by implementing the code of Corporate Governance in accordance with regulations 34 (3) read with Schedule V of the SEBI (LODR) Regulations, 2015

2. BOARD OF DIRECTORS

The Company maintains an optimum combination of Executive, Non-Executive and Independent Directors. The Board consists of total Six (6) directors on 31st March 2017. Mr. Nurani Shankar Parameswaran (DIN: 00091097) is the Managing Director, Mr. Jitendra Kumar Singh (DIN: 00090649) and Mr. Dushyant Kumar Singh (DIN: 00091193) are other two (2) non-executive Promoter Director and Mr. Rajeev Moudgil (DIN: 05209327), Mr. Subhash Chander Seth (DIN: 07496990) and Mrs. Savita Sethi (DIN: 07558948) are three (3) Independent Directors including One (1) Woman Director.

None of the Directors on the Company's Board is a Member of more than ten Committees and Chairman of more than five Committees (Committees being, Audit Committee and Stakeholders Relationship Committee) across all companies in which he is a Director.

Following is the list of Directors and other details as on 31st March, 2017:

Name of Director	Category	Relationship with other Directors	No. of positions held in other Companies		
			Board	Committee	
				Membe- rship	Chairm- anship
Mr. N.S. Parameswaran (DIN: 00091097)	Managing Director	Father of Mrs. Vijaya Batth	4	Nil	Nil
Mr. Jitendra Kumar Singh (DIN: 00090649)	Promoter Non-Executive	Brother of Mr. Dushyant Kumar Singh	10	3	1
Mr. Dushyant Kumar Singh (DIN: 00091193)	Promoter Non-Executive	Brother of Mr. Jitendra Kumar Singh	9	1	Nil
Mr. Rajeev Moudgil ¹ (DIN: 05209327)	Independent Non- Executive	None	3	1	1
Mr. Subhash Chander Seth ² (DIN: 07496990)	Independent Non- Executive	None	1	Nil	Nil

Mrs. Vijaya Batth ³ (DIN: 07138528)	Professional Non-Executive	Daughter of Mr. N.S. Parameswaran	Nil	Nil	Nil
Mrs. Savita Sethi ⁴ (DIN: 07558948)	Independent Non- Executive	None	Nil	Nil	Nil

¹ Mr. Rajeev Moudgil appointed as Independent Director w.e.f. 19th April, 2016

² Mr. Subhash Chander Seth appointed as Independent Director w.e.f. 19th April, 2016

³ Mrs. Vijaya Batth resigned as Additional Director w.e.f. 2nd July, 2016

⁴ Mrs. Savita Sethi appointed as Independent Director w.e.f. 2nd July, 2016

During the year 2016-17, information as mentioned in Part A of Schedule II of the SEBI (LODR) Regulations, 2015 has been placed before the Board for its consideration.

The terms and conditions of appointment of the Independent Directors are disclosed on the website of the Company.

During the year, meeting of the Independent Directors was held on 14th February, 2017. The Independent Directors, inter-alia, reviewed the performance of non-independent directors, Chairman of the Company and the Board as a whole.

The Board periodically reviews the compliance reports of all laws applicable to the Company, prepared by the Company.

Your Company has in place a structured induction and familiarization programme for all its Directors including the Independent Directors. Details of the director familiarization programme are available on www.mescopharma.com.

Directors' Attendance Record

During the Financial Year 2016-17, the Board of Directors of the Company met 6 (Six) times i.e. 19th April, 2016, 13th May, 2016, 2nd July, 2016, 13th August, 2016, 14th November, 2016 and 14th February, 2017. The Board was duly supplied with the agenda of the meetings incorporating all material information for facilitating meaningful and focused discussions at the meeting. The intervening period between the Board Meetings was well within the maximum time gap of one hundred and twenty days as stipulated under Companies Act, 2013, Regulation 17 of SEBI (LODR) Regulations, 2015 and Secretarial Standard.

The necessary quorum was present for all the meetings.

Details of attendance of Directors in the Board meeting during the financial year 2016-17 are as under:

Name of the Director	No. of Board Meeting Held	No. of Board Meeting Attended	Whether attended Last AGM
Mr. N.S. Parameswaran	6	6	Yes
Mr. Dushyant Kumar Singh	6	6	Yes
Mr. Jitendra Kumar Singh	6	6	No
Mr. Rajeev Moudgil ¹	6	5	Yes
Mr. Subhash Chander Seth ²	6	5	Yes
Mrs. Savita Sethi ³	6	3	Yes
Mrs. Vijaya Batth ⁴	6	0	NA

¹ Mr. Rajeev Moudgil appointed as Independent Director w.e.f. 19th April, 2016

² Mr. Subhash Chander Seth appointed as Independent Director w.e.f. 19th April, 2016

³ Mrs. Vijaya Batth resigned as Additional Director w.e.f. 2nd July, 2016

⁴ Mrs. Savita Sethi appointed as Independent Director w.e.f. 2nd July, 2016

3. COMMITTEES OF BOARD OF DIRECTORS

Mesco Pharmaceuticals Ltd has Three Board level Committees as on 31st March, 2017:

- a) Audit Committee
- b) Nomination and Remuneration Committee
- c) Stakeholders Relationship Committee

The Board is responsible for constituting, assigning, co-opting and fixing the terms of reference for members of various Committees. Details on the role and composition of these Committees, including the number of meetings held during the financial year and the related attendance, are provided below.

A. AUDIT COMMITTEE

The Company had constituted an Audit Committee, which monitors and provides re-assurance to the Board on the existence of an effective internal control environment by supervising the financial reporting process, timely and proper disclosures and transparency, integrity and quality of financial reporting.

The Audit Committee shall have the authority to investigate into any matter that may be prescribed and the matters listed below and for this purpose the Audit Committee shall have full access to information contained in the records of the Company and external professional advice, if necessary:

- a. To review the Company's financial reporting process and ensure that the financial statements give a true and fair view of the affairs of the Company.
- b. To review the Company's audit procedures and techniques.
- c. To review with the management, external and internal procedures and the adequacy of internal control systems.
- d. To review the quarterly and annual financial statements and submit the same to the Board.
- e. Any other matter that may be delegated by the Board from time to time.

Composition

As on 31st March, 2017 the Audit Committee of the Company comprises of two Non-Executive Independent Directors and one Promoter Director i.e. Mr Rajeev Moudgil – as Chairman; Mr. Subhash Chander Seth and Mr. Jitendra Kumar Singh as the Members of the Committee.

The Company Secretary of the Company is act as Secretary of the Committee.

Meetings & Attendance

The Committee met four (4) times during the Financial Year 2016-2017 on the following dates: 13th May, 2016, 13th August, 2016, 14th November, 2016 and 14th February, 2017. Details of attendance of Directors in the Audit Committee meeting are as under:

Name of the Director*	Category	Number of Meetings held	No. of Meetings Attended
Mr. Rajeev Moudgil Chairman	Non-Executive Independent Director	4	4
Mr. Subhash Chander Seth Member	Non-Executive Independent Director	4	4
Mr. Jitendra Kumar Singh Member	Non-Executive Promoter Director	4	4
Mr. Dushyant Kumar Singh Member	Non-Executive Promoter Director	-	-
Mr. N.S. Parameswaran Member	Executive-Professional Director	-	-

* Mr. Rajeev Moudgil and Mr. Subhash Chander Seth appointed as member by Board in its meeting held on 19th April, 2016 and Mr. Dushyant Kumar Singh and Mr. N.S. Parameswaran ceased to be member of the committee w.e.f. 19th April, 2016

B. NOMINATION AND REMUNERATION COMMITTEE

Terms of Reference

The Remuneration Committee has been constituted to recommend/ review and approve the remuneration payable to Managing Director, Whole Time Director or other directors of the Company based on their performance.

Composition

The Company has a Remuneration Committee of the Board of Directors. As on 31st March, 2017, it comprises of two Non-Executive Independent Director and One Promoter Director i.e. Mr Rajeev Moudgil – as Chairman; Mr. Subhash Chander Seth and Mr. Jitendra Kumar Singh as the Members of the Committee.

The Company Secretary of the Company is act as Secretary of the Committee.

Meetings & Attendance

The Committee met two (2) times during the Financial Year 2016-2017 on the following dates: 19th April, 2016, and 2nd July, 2016. Details of attendance of Directors in the Nomination and Remuneration Committee meeting are as under:

Name of the Director*	Category	Number of Meetings held	No. of Meetings Attended
Mr. Rajeev Moudgil Chairman	Non-Executive Independent Director	2	1
Mr. Subhash Chander Seth Member	Non-Executive Independent Director	2	1
Mr. Jitendra Kumar Singh Member	Non-Executive Promoter Director	2	2
Mr. Dushyant Kumar Singh Member	Non-Executive Promoter Director	2	1
Mr. N.S. Parameswaran Member	Executive Professional Director	2	1

* Mr. Rajeev Moudgil and Mr. Subhash Chander Seth appointed as member by Board in its meeting held on 19th April, 2016 and Mr. Dushyant Kumar Singh and Mr. N.S. Parameswaran ceased to be member of the committee w.e.f. 19th April, 2016

Remuneration Policy of the Company

The remuneration policy of the Company is directed towards rewarding performance. The Managing Director and the Whole Time Director of the Company are entitled for payment of Remuneration as decided by the Board and approved by the members as per the provisions of the Companies Act, 2013. Directors are also entitled for the sitting fee for attending Board/ Committee Meeting except the Managing Director and Whole Time Director. However, all the Non-executive Directors of the Company have waived the sitting fee payable to them for attending Board/ Committee Meeting of the Company.

Details of the Directors' Remuneration for the financial year ended 31st March, 2017

Name of Director	Sitting fees	Salaries & Perquisites (In Rs.)	Commission, Bonus Ex-gratia	Total Amount (In Rs.)	No. of Shares held & %
Mr. N.S. Parameswaran	Nil	Nil	Nil	Nil	Nil
Mr. Jitendra Kumar Singh	Nil	Nil	Nil	Nil	192000 (0.94)

Mr. Dushyant Kumar Singh	Nil	Nil	Nil	Nil	87100 (0.43)
Mrs. Vijaya Batth	Nil	Nil	Nil	Nil	Nil
Mr. Rajeev Moudgil	Nil	Nil	Nil	Nil	Nil
Mr. Subhash Chander Seth	Nil	Nil	Nil	Nil	Nil
Mrs. Savita Sethi	Nil	Nil	Nil	Nil	Nil

C. STAKEHOLDERS RELATIONSHIP COMMITTEE

Terms of Reference

The Company has constituted a "Stakeholders Relationship Committee" to look into redressal of Shareholder's / investors' complaints, to approve share transfer, share transmission etc. and to oversee all matters connected with the Shareholders.

Composition

As on 31st March, 2017, Committee comprises of two Non-Executive Independent Director and one Executive Director i.e. Mr. Subhash Chander Seth – as Chairman; Mr. Rajeev Moudgil and Mr N.S. Parameswaran as the Members of the Committee.

The Company Secretary of the Company is act as Secretary of the Committee.

The Committee met four (4) times during the Financial Year 2016-2017 on the following dates: 13th May, 2016, 13th August, 2016, 14th November, 2016 and 14th February, 2017.

Name of the Director*	Category	Number of Meetings held	No. of Meetings Attended
Mr. Subhash Chander Seth Chairman	Non-Executive Independent Director	4	4
Mr. Rajeev Moudgil Member	Non-Executive Independent Director	4	4
Mr. N.S. Parameswaran Member	Executive Professional Director	4	4
Mr. Jitendra Kumar Singh Member	Non-Executive Promoter Director	-	-
Mr. Dushyant Kumar Singh Member	Non-Executive Promoter Director	-	-

* Mr. Rajeev Moudgil and Mr. Subhash Chander Seth appointed as member by Board in its meeting held on 19th April, 2016 and Mr. Dushyant Kumar Singh and Mr. Jitendra Kumar Singh ceased to be member of the committee w.e.f. 19th April, 2016

Investor Grievance Redressal

During the year, the Company received 2 (Two) complaints from the shareholders. All the complaints were resolved. There were no pending complaints from any shareholder as on 31st March 2017.

4. GENERAL BODY MEETINGS

a) Annual General Meetings: Particulars of past three Annual General Meetings of the Company:

Year	Venue	Date	Time	Special Resolution
2015-16	Hotel Coronation, Opposite Nainital	30 th September,	11:30 A.M.	• Authorisation to Board u/s 180(1)(c) of the Companies

	club, (near high court), Mallital, Nainital-263 001, Uttarakhand	2016		Act, 2013
2014-15	271, Nashvilla Road, Dehradun-248 001, Uttarakhand	30 th September, 2015	10.00 A.M.	<ul style="list-style-type: none"> Appointment of Mr. N.S. Parameswaran as Managing Director of the Company
2013-14	Old Grove, Middle China Mall, Birla Road, Tallital, Nainital-263 001, Uttarakhand	27 th September, 2014	10.00 A.M.	No Special Resolution was passed

b) During Financial Year ended March 31, 2017, no resolution was passed through Postal Ballot.

During the previous year ended March 31, 2016 1 (One) Resolution was passed through Postal Ballot procedures on 24th November, 2015. The details of voting pattern in respect of Special Resolutions is mentioned below:

Sr. No.	Particulars	No. of Postal Ballot forms	No. of shares	% to the total shares representing valid votes
(a)	Total postal ballot forms received	32	8048100	
	Total E-voting options received	-	-	
	Total (1+2)	32	8048100	
(b)	Less: Invalid postal ballot Forms	-	-	
(c)	Net valid postal Ballot Forms	32	8048100	
	Net E-voting options	-	-	
	Total (1+2)	32	8048100	100%
(d)	postal ballot forms with assent for the resolution	29	8047800	
	E-voting options with assent for the resolution			
	Total (1+2)	29	8047800	99.99%
(e)	1. postal ballot forms with dissent for the resolution	3	300	
	2. E-voting options with dissent for the resolution.	-	-	
	Total (1+2)	3	300	0.02
(f)	Postal ballot forms with not voted for / against the resolution.	-	-	

c) No special resolution is proposed to be conducted through postal ballot at the ensuing AGM.

5. MEANS OF COMMUNICATION

The quarterly financial results were published in the Financial Express and Rozana. The results were also displayed on the Company's website www.mescopharma.com. The shareholders can access the Company's website for financial information etc. No presentations have been made to institutional investors/analysts during the financial year.

6. GENERAL SHAREHOLDERS INFORMATION

i) Annual General Meeting

Day & Date
Saturday, 30th September, 2017

Time
10 A.M.

Venue
Upper Kesalton, Tallital
Nainital-263 001, Uttarakhand

ii) Financial Calendar

Events	Tentative time frame
Financial Reporting for the first quarter ended 30 th June, 2017	On or before 14 th August, 2017
Financial Reporting for the second quarter ending 30 th September, 2017	On or before 14 th November 2017
Financial Reporting for the third quarter ending 31 st December, 2017	On or before By 14 th February 2018
Financial Reporting for the fourth quarter ending 31 st March, 2018	On or before 30 th May 2018 (Audited)

iii) Dividend Payment Date: The Company has not declared any dividend during the financial year ended March 31, 2017.

iv) Listing on Stock Exchanges: The Equity Shares of the Company are listed on following Stock Exchange namely:

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai- 400001

The Calcutta Stock Exchange Limited
7, Lyons Range,
Kolkata-700

v) Stock Code/ Symbol: 500274 at the Bombay Stock Exchange.

vi) Market Price Data: No Market Price is available as the trading of the company is suspended.

vii) Registrar and Share Transfer Agent & Share Transfer System

The company has appointed M/s Skyline Financial Services Pvt Ltd, as its Registrar and Share Transfer Agent to carry out the process of share transfer in physical form. All correspondence with regard to share transfers and matters related therewith may directly be addressed to the Registrar and Share Transfer Agents at the address given below:

Particulars	Skyline Financial Services Pvt Ltd
Contact Person	Mr V K Rana
Address	D-153 A, 1st Floor, Okhla Industrial Area, Phase – I New Delhi-110 020
Telephone No.	011-64732681
Fax No.	Fax: 011-64732681
E mail	admin@skylinerta.com
Website	www.skylinerta.com

viii) Distribution of Shareholding as on 31st March 2017:

No. of Equity Share held	No. of Equity Shareholders	% of Equity Shareholders	Total No. of Equity Shares held	% of Equity Shareholding
Up to 500	38032	93.17	9080576	44.69
501 - 1000	2226	5.45	1571806	7.73
1001 - 2000	400	0.98	571022	2.81
2001 - 3000	81	0.2	204236	1.01
3001 - 4000	25	0.06	88500	0.43

4001	5000	15	0.04	71010	0.35
5001	10000	21	0.05	146850	0.72
10001 and Above		20	0.05	8586600	42.26
Total		40820	100	20320600	100

CATEGORY-WISE SUMMARY OF SHAREHOLDING AS ON 31ST MARCH, 2017

Category	No of Shares	% of Holding
Promoters Shareholding	7986100	39.30
Non-promoters holding		
Mutual funds and UTI	0	0.00
Banks, Financial Institutions, Insurance Companies, Clearing Member	500	0.00
Overseas Corporate Bodies	1900	0.01
Foreign Venture Capital Investor/FII	0	0.00
Bodies Corporate	513182	2.53
India Public	10370703	51.03
Non-resident Indians	1448215	7.13
Trusts	0	0.00
Others	0	0
Grand Total	20320600	100

- ix) Dematerialization of shares and liquidity: As on 31st March 2017 none of the Company's equity paid-up capital had been dematerialized.
- x) There are no outstanding GDRs/ ADRs/ Warrants or any Convertible other Instruments as on the date.
- xi) Address for Correspondence: The shareholders may send their communication grievances/ queries to the Registrar and Share Transfer Agents at their Address mentioned above or to the Company at:

Investor Relation Centre
Mesco Pharmaceuticals Ltd
H-1, Zamrudpur Community Centre,
Kailash Colony, New Delhi-110 048
Ph: 011-41587085
e-mail: nsparameswaran@mescosteel.com

7. DISCLOSURES

a) Related Party Transactions

There are no materially significant related party transactions with its Promoters, the Directors or the Management, their Subsidiaries or Relatives etc., which may have potential conflict with the interest of the company at large. The other related party transactions are given in Point no. 20 of Notes on Accounts, annexed to and forming the part of Balance Sheet and Profit and Loss Account of the Company

The policy has been disclosed on the website of the Company at www.mescopharma.com Web link for the same is <http://mescosteel.in/assets2/mpl-docs/Policies/Related%20Party%20Transaction%20Policy.pdf>

b) Non-compliance by the Company, Penalties, Structures

At present the company is suspended on Bombay Stock Exchange due to non-resolution of investor complaints and listing agreements. However, after all compliances of the listing regulations, company has filed the application for revocation of its suspension in trading of its equity shares.

- c) Details of establishment of vigil mechanism, whistle blower policy and affirmation that no personnel has been denied access to the Audit Committee:

The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism as defined under Regulation 22 of SEBI (LODR) Regulations, 2015 for directors and employees to report concerns about unethical behaviour. Further no person has been denied access to the Chairman of the audit committee. The said policy has been also put up on the website of the Company.

- d) Compliance with Mandatory Requirements and adoption of the non-mandatory requirements:

The Company has fully complied with the mandatory requirements of SEBI (LODR) Regulations, 2015.

- e) Disclosure of the extent to which the discretionary requirements as specified in Part E of Schedule II have been adopted.

- i. Maintenance of the Chairman's Office

The Company has not appointed any Chairman of the Company. The present board appoints Chairman for conducting board meeting and general meeting.

- ii. Shareholders Rights

The half-yearly financial results are not sent to the shareholders as the same are posted on the website of the Company.

- iii. Modified opinion(s) in Audit Report

The Auditors have raised no qualifications on the financial statements of the Company.

- iv. Separate posts of Chairman and CEO

The Company had not appointed any Chairman and CEO of the Company. Mr. N.S. Parameswaran is Managing Director of the Company.

- v. Reporting of Internal Auditors

The Internal Auditor reports directly to the Audit Committee

8. There has been no instance of non-compliance of any requirement of Corporate Governance Report.
9. Disclosure of compliance of regulation 17 to 27 and clauses (b) to (i) of sub regulation (2) of regulation 46

As on 31st March, 2017 the Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI (LODR) Regulations, 2015.

Annual Compliance with the Code of Conduct for the Financial Year 2016-17

Pursuant to the Schedule V (Part D) of SEBI (LODR) Regulations, 2015, I hereby confirm that the Company has received affirmations on compliance with the Code of Conduct for the financial year ended March 31, 2017 from all the Board Members and Senior Management Personnel.

By order of the board
For Mesco Pharmaceuticals Ltd

Date: 30th May, 2017
Place: New Delhi

Nurani Shankar Parameswaran
DIN: 00091097
Managing Director

CERTIFICATE BY MANAGING DIRECTOR (MD) AND CHIEF FINANCIAL OFFICER (CFO) UNDER REGULATION 17(8) OF SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

We, N.S. Parameswaran, Managing Director and Santosh Kumar Jha, Chief Financial Officer, responsible for the finance function certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year ended 31st March 2017 and that to the best of our knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) To the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violating of the company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and they have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit committee
 - (i) significant changes in internal control over financial reporting during the year;
 - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

For Mesco Pharmaceuticals Ltd

Date : 30th May, 2017
Place: New Delhi

N.S. Parameswaran
Managing Director

Santosh Kumar Jha
Chief Financial Officer

CORPORATE GOVERNANCE CERTIFICATE

TO THE MEMBERS OF
MESCO PHARMACEUTICALS LTD

We have examined the compliance of the conditions of Corporate Governance by Mesco Pharmaceuticals Ltd for the year ended 31st March 2017, as stipulated in Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations, as applicable

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

For N. Dhawan & Co.
Chartered Accountants
Firm Registration No.: 007095N

Place: New Delhi
Dated: 14th August, 2017

(Naresh Dhawan)
Proprietor
M. No. : 85968

Independent Auditor's Report

To the Members of
M/s MESCO PHARMACEUTICALS LIMITED

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

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

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

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 31st March, 2017, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books of accounts;
 - (c) There is no branch office of the company;
 - (d) The Balance sheet, the Profit and loss statement and Cash Flow Statement dealt with this report are in agreement with the books of account;
 - (e) 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;
 - (f) In our opinion, there are no adverse observations and comments on the financial transactions or matters which have any adverse effect on the functioning of the company;
 - (g) On the basis of the written representations received from the directors as on 31st March, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017, from being appointed as a director in terms of sub-section (2) of section 164;
 - (h) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B";
 - (i) In our opinion, there are no qualifications, reservation or adverse remark relating to the maintenance of accounts and other matters connected therewith;
 - (j) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit & Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact, if any, of pending litigations as at 31st March, 2017 on its financial position in its financial statements, refer note no. 16
 - ii. The Company did not have any long-term contracts including derivative contracts.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The Company has disclose the required details of Specified Bank Notes (SBN) held and transacted during the period from 8 November 2016 to 30 December 2016 in the Financial Statement.

For N. Dhawan & Co.
Chartered Accountants
FRN: 007095N

Naresh Dhawan
(Proprietor)
Membership No. 085968

Place: New Delhi
Date: 30.05.2017

The Annexure referred to in paragraph 1 of Our Report on "Other Legal and Regulatory Requirements".

We report that:

- (i) (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) These fixed assets have been physically verified by the management at reasonable intervals; and no material discrepancies were noticed on such verification.
- c) The title deeds of immovable properties are held in the name of the company.
- (ii) The Company does not have any inventory, consequently clause (ii) of paragraph 3 of the Order is not applicable to the Company.
- (iii) The Company has not granted any secured or unsecured loans, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Consequently clause (iii) of paragraph 3 of the Order is not applicable.
- (iv) In respect of loans, investments, guarantees, and security, provisions of section 185 and 186 of the companies Act, 2013 have been complied with.
- (v) The company has not accepted any deposits, consequently clause (v) of paragraph 3 of the Order is not applicable.
- (vi) The company is not required to maintain cost records under sub-section (1) of section 148 of the Companies Act;
- (vii) (a) The company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales- tax, services tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities and there are no arrears of outstanding statutory dues as on 31st of March, 2017 for a period of more than six months from the date they became payable;
- (b) There are no dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax which have not been deposited on account of any dispute.
- (viii) The company has no dues to a financial institution or bank or Government or debenture holders. Hence Lender wise details of banks and financial institutions are not necessary consequently clause (viii) of paragraph 3 of the Order is not applicable.
- (ix) The company has not raised money either from public offer or from further public offer or from any term loan during the year; hence, clause (ix) of Para 3 of the Order is not applicable to the Company.
- (x) No fraud by the company or any fraud on the company by its officers or employees has been noticed or reported during the year
- (xi) The company has not paid any managerial remuneration during the year. Hence the provisions of clause xi) of the order are not applicable to the company.

- (xii) The provisions of clause (xii) of the para 3 of the Order are not applicable to the company as the company is not a Nidhi Company.
- (xiii) All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards; Refer Note No 20.
- (xiv) The Company has not made any preferential allotment/ private placement of shares or fully or partly paid convertible debentures during the year under review. Consequently Clause xiv of Para 3 of order is not applicable.
- (xv) The Company has not entered into any non-cash transactions with the directors or persons connected with the director. Hence Section 192 of the Companies Act, 2013 is not applicable to the Company. Consequently clause (xv) of the Order is not applicable.
- (xvi) The company is not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934 and consequently clause (xvi) of Para 3 of Companies(Auditor's Report) Order is not applicable.

For N. Dhawan & Co.
Chartered Accountants
FRN: 007095N

Naresh Dhawan
(Proprietor)
Membership No. 085968

Place: New Delhi
Date: 30.05.2017

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

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

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

3. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For N. Dhawan & Co.
Chartered Accountants
FRN: 007095N

Naresh Dhawan
(Proprietor)
Membership No. 085968

Place: New Delhi
Date: 30.05.2017

Mesco Pharmaceuticals Limited Balance Sheet as at 31st March, 2017				
	Particulars	Note no.	As at 31st March, 2017	As at 31st March, 2016
			(Rs.)	(Rs.)
I.	Equity and Liabilities			
	Shareholders' funds			
	(a) Share Capital	2	197,381,000	197,381,000
	(b) Reserves and surplus	3	(301,558,502)	(298,968,828)
	Non-Current Liabilities			
	(a) Long-term borrowings	4	106,579,937	103,937,978
	Current liabilities			
	(a) Trade Payables	5	73,595	22,595
	(b) Short-term provisions	6	2,500	105,785
	Total		2,478,529	2,478,529
II.	Assets			
	Non-current assets			
	(a) Fixed assets	7		
	(i) Tangible assets		1,798,761	1,798,761
	(ii) Intangible assets		-	-
	(iii) Capital work-in-progress		-	-
	(b) Non-current Investment	8	285,000	285,000
	(c) Long Term Loans and Advances	9	-	-
	Current Assets			
	(a) Trade receivables	10	-	-
	(b) Cash and cash equivalents	11	394,768	394,768
	(c) Short-term loans and advances	12	-	-
	(d) Other current assets		-	-
	Total		2,478,529	2,478,529
III.	Notes forming part of the Financial Statements	1-29		

As per our Audit Report of even date attached
For N. Dhawan & Co.
Chartered Accountants
Firm Registration No. 007095N

(Naresh Dhawan)
Proprietor
M. No. 85968

For and on behalf of the board

(D.K. Singh) (N S Parameswaran)
Director Managing Director
DIN 00091193 DIN 00091097

Place: Delhi
Dated: 30th May, 2017

(Pawan Sharma) (Santosh Kumar Jha)
Company Secretary CFO

Mesco Pharmaceuticals Limited				
Statement of Profit and Loss for the year ended 31st March, 2017				
S.No.	Particulars	Note no.	For the year ended 31st March, 2017 (Rs.)	For the year ended 31st March, 2016 (Rs.)
I.	Revenue from operations	13	-	-
II.	Other income		-	375,000.00
III.	Total Revenue (I + II)		-	375,000.00
IV.	Expenses:			
	Employee benefits expense	14	374,505	21,344
	Finanace Cost		-	-
	Other expenses	15	2,205,464	39,705
	Total Expenses		2,579,969	61,049
V.	Profit before tax (III - IV)		(2,579,969)	313,951
VI	Tax expenses:			
	Current tax		-	105,785
	Earlier years		9,705	-
	Deferred tax		-	-
VII	Profit/ (Loss) for the period (V-VI)		(2,589,674)	208,166
VIII	Earnings per Equity share:			
	Basic & Diluted	22	(0.13)	0.01
IX	Notes forming part of the Financial Statements	1-29		

As per our Audit Report of even date attached hereto
For N. Dhawan & Co.
Chartered Accountants
Firm Registration No. 007095N

For and on behalf of the board

(Naresh Dhawan)
Proprietor
M. No. 85968

(D.K. Singh) (N S Parameswaran)
Director Managing Director
DIN 00091193 DIN 00091097

Place: Delhi
Dated: 30th May, 2017

(Pawan Sharma) (Santosh Kumar Jha)
Company Secretary CFO

Mesco Pharmaceuticals Limited				
Cash Flow Statement for the year ended 31st March, 2017				
	Particulars	Note no.	For the year ended 31st March, 2017	For the year ended 31st March, 2016
			(Rs.)	(Rs.)
A.	<u>Cash Flow from Operating Activities</u>			
	Net Profit (Loss) before Tax & extra ordinary Item		(2,579,969)	313,951
	Adjustments for:			
	Provision for Income tax reversal		-	-
	Amortisation and Write off		-	-
	Operating profit before working capital changes		(2,579,969)	313,951
	Working Capital changes:			
	Trade receivables		-	-
	Short term loans and advances		-	-
	Short Term Provisions		(103,285)	105,785
	Trade payable		51,000	20,000
	Other current assets		-	-
	Cash generated from operations		(2,632,254)	439,736
	Direct Taxes Paid		9,705	105,785
	Net Cash from operating activities		(2,641,959)	333,951
B.	<u>Cash Flow from Investing Activities</u>			
	Change in Fixed Asset		-	(205,647)
	Loans & Advances			
	Interest on deposits		-	-
	Net Cash from investing activities		-	(205,647)
C.	<u>Cash Flow from Financing Activities</u>			
	Proceeds from issue of Share Capital		-	-
	Payment to Borrowings		-	(7,877,165)
	Proceeds from Loans and advances		2,641,959	8,123,576
	Net cash from financing activities		2,641,959	246,411
	Net change in cash & cash equivalent (A+B+C)		(0)	374,715
	Cash & Cash equivalents opening balance		394,768	20,053
	Cash & Cash equivalents closing balance	11	394,768	394,768
	Notes forming part of the Financial Statements	1-29		

As per our Audit Report of even date attached hereto
For N. Dhawan & Co.
Chartered Accountants
Firm Registration No. 007095N

(Naresh Dhawan)
Proprietor
M. No. 85968

For and on behalf of the board

(D.K. Singh) (N S Parameswaran)
Director Managing Director
DIN 00091193 DIN 00091097

Place: Delhi
Dated: 30th May, 2017

(Pawan Sharma) (Santosh Kumar Jha)
Company Secretary CFO

1) SIGNIFICANT ACCOUNTING POLICIES

a. System of Accounting:

The financial statements have been prepared and presented under the historical cost convention and in accordance to Generally Accepted Accounting Principles in India, including Accounting Standards notified under the relevant provisions of the Companies Act, 2013.

b. Use of Estimates

The preparation of financial statements requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the year. The management believes that the estimates made in the preparation of financial statements are prudent and reasonable. Actual results could differ from those estimates. Any revision of accounting estimates is recognized prospectively in current and future periods.

c. Revenue Recognition:

Revenue from sale of goods is recognized when of all significant risk and rewards of ownership are transferred to buyer, it can be reliably measured and it is reasonable to expect ultimate collection. The amount recognized as sale excludes sales tax and trade and quantity discounts.

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

Dividend income is recognised when the right to receive payment is established.

d. Property, Plant and Equipment and Depreciation:

Tangible Assets

Tangible assets are carried at cost of acquisition net of recoverable taxes and discounts less accumulated depreciation and impairment loss, if any. Cost is inclusive of all expenses directly attributable to bring the assets to their working condition for intended use.

Subsequent expenditures related to an item of Tangible Asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Intangible Assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation/depletion and impairment loss, if any. Cost is inclusive of all expenses directly attributable to bringing the asset to its working condition for the intended use and net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

Depreciation and Amortisation

Company is following Straight Line Method for calculation of depreciation. Depreciation on the assets has been provided on the basis of useful life of the assets as prescribed in Schedule II to Companies Act, 2013 after retaining 5% residual value of Gross.

e. Leases:

Operating Leases: Rentals are expensed on a straight line basis with reference to the lease terms and other considerations.

Finance leases: The lower of the fair value of the assets and present value of the minimum lease rentals is capitalised as Fixed Assets with corresponding amount disclosed as lease liability. The principal component in the lease rental is adjusted against the lease liability and the interest component is charged to Profit and Loss Statement.

f. Investments:

Current investments are carried at lower of cost and quoted/fair value, computed category-wise. Non-Current investments are stated at cost. Provision for diminution in the value of Non-Current investments is made only if such a decline is other than temporary.

g. Inventories:

Inventories are valued at lower of cost or estimated net realizable value. Cost of raw material is determined on first in first out (FIFO) basis.

h. Impairment:

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

i. Foreign Currency Transactions:

- (i) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction.
- (ii) At the Balance sheet date all monetary assets & liabilities denominated in foreign currency are reported at the exchange rate prevailing at the Balance sheet date.
- (iii) The difference between the exchange rate of the balance sheet date and transaction date is recognized as income/expenses.

j. Retirement Benefits:

Employee benefits are charged to Statement of Profit and loss as and when paid.

k. Borrowing Costs

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalized, till the date on which the asset is put to use, as part of the cost of that asset. 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.

l. Taxation:

Current Tax: Provision of current income tax is recognized based on the estimated tax liability computed after taking credit for allowances and exemptions in accordance with the provisions of the Income Tax Act, 1961.

Deferred Tax: Deferred Tax assets and liabilities are recognized for the future tax attributable to timing difference that result between the profit/loss offered for income taxes and the profit/loss as per the financial statements. Deferred tax assets and liabilities are measured using the tax rates and the tax laws that have been enacted at the Balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in the future.

m. Contingent Liabilities:

Contingent liabilities are disclosed separately in the Notes to Accounts. Provisions are made on all present obligations on which reliable estimates are possible and for which there is probability of outflow of cash.

	As at 31st March, 2017 (Rs.)	As at 31st March, 2016 (Rs.)
2) SHARE CAPITAL		
Authorised		
i) 30000000 (Previous Year: 30000000) equity shares of Rs. 10/- each	300,000,000	300,000,000
	<u>300,000,000</u>	<u>300,000,000</u>
Issued, Subscribed & Paid up		
20320600 (Previous Year: 20320600) equity shares of Rs. 10/- each fully paid up	203,206,000.00	203,206,000.00
Less: Allotment money in arrears- by others	5,825,000.00	5,825,000.00
	<u>197,381,000.00</u>	<u>197,381,000.00</u>
A) Reconciliation of number of shares		
	As at 31st March, 2017 No. of shares	As at 31st March, 2016 No. of shares
Equity Shares		
Opening Balance	20320600	20,320,600
Changes during the year	-	-
Closing Balance	<u>20320600</u>	<u>20320600</u>
B) Rights, preferences and restrictions attached to shares		
Equity Shares		
The company has one class of equity shares having a par value of Rs. 10 each, rank pari passu in all respects including voting rights and entitlement to dividend.		
C) Shareholders holding more than 5% of the ordinary shares in the company		
	As at 31st March, 2017 No. of shares	As at 31st March, 2016 No. of shares
Equity Shares:		
Twenty First Century Finance Ltd.	6763700	6763700
	33.28	33.28
3) RESERVES AND SURPLUS		
Share Premium Account		
Opening Balance	378,347,000	378,347,000
Add: Adjustment during the year	-	-
Closing Balance	<u>378,347,000</u>	<u>378,347,000</u>
General Reserve		
Opening Balance	211,417,034	211,417,034
Add: Adjustment during the year	-	-
Closing Balance	<u>211,417,034</u>	<u>211,417,034</u>
Debenture Redemption Reserve		
Opening Balance	-	-
Add: Adjustment during the year	-	-
Closing Balance	<u>-</u>	<u>-</u>
Surplus to the Profit & Loss A/c		
Opening Balance	(888,732,862)	(888,941,028)
Add: Profit/(Loss) during the year	(2,589,674)	208,166
Closing Balance	<u>(891,322,536)</u>	<u>(888,732,862)</u>
	<u>(301,558,502)</u>	<u>(298,968,828)</u>

4) LONG TERM BORROWINGS		
Unsecured Loan		
From Companies (related parties) (refer note no. 20)	106,579,937	103,937,978
	<u>106,579,937</u>	<u>103,937,978</u>
5) TRADE PAYABLE		
Trade payables	67,595	22,595
Staff Security	6,000	-
	<u>73,595</u>	<u>22,595</u>
6) SHORT TERM PROVISIONS		
Income tax	-	105,785
TDS Payable	2,500	-
	<u>2,500</u>	<u>105,785</u>
8) NON- CURRENT INVESTMENT		
Quoted		
Mideast (India) Limited		
150000 (150000) equity shares of Rs. 10 each fully paid up*	285,000	285,000
(*Market value not available as trading of the security was suspended)		
Unquoted		
Dhana Pharmaceutical Private Limited		
5000 (5000) equity shares of Rs. 10 each fully paid up	-	-
	<u>285,000</u>	<u>285,000</u>
Aggregate amount of Quoted investments	285,000	285,000
Aggregate amount of Unquoted investments	-	-
9) LONG TERM LOANS AND ADVANCES		
(Unsecured, Considered good)		
To Companies (related parties) (refer note no. 20)	-	-
	<u>-</u>	<u>-</u>
10) TRADE RECEIVABLES		
Trade Receivables	-	-
	<u>-</u>	<u>-</u>
11) CASH AND CASH EQUIVALENTS		
Balances with banks	379,567	379,567
Cash in hand	15,201	15,201
	<u>394,768</u>	<u>394,768</u>
12) SHORT TERM LOANS AND ADVANCES		
(Unsecured, Considered good)		
Deposits and Securities	-	-
Other Advances	-	-
	<u>-</u>	<u>-</u>
	For the year ended 31st March, 2017 (Rs.)	For the year ended 31st March, 2016 (Rs.)
13) OTHER INCOME		
Misc. Income	-	375,000
	<u>-</u>	<u>375,000</u>
14) FINANCE COST		
Interest Charges	-	-
	<u>-</u>	<u>-</u>
15) OTHER EXPENSES		
Payment to Auditors as:		
a) Auditor	20,000	20,000
b) Others	-	-
Advertisement Expenses	29,449	285
Travelling & Conveyance	47,520	-
Postage and Telegram	-	-
Fees & subscription	2,005,955	-
Rent, Rates and Taxes	83,430	19,420
Miscellaneous	19,110	-
	<u>2,205,464</u>	<u>39,705</u>

7) FIXED ASSETS

		(Amount in `)											
		GROSS BLOCK					DEPRECIATION/AMORTISATION					NET BLOCK	
Description		Total as at 01.04.2016	Addition/ Adjustment during the year	Deductions/ Adjustments during the year	Impairment/(reversal) during the year	Total as at 31.03.2017	Total as at 01.04.2016	Provided during the year	Amortisation during the year	Deductions/ Adjustments during the year	Total as at 31.03.2017	Total as at 31.03.2017	Total as at 01.04.2016
i)	Tangible assets												
	Land at Site Development	1,459,195				1,459,195	-	-	-	-	-	1,459,195	1,459,195
	Land at Kalol (Gujrat)	339,565	-			339,565	-		-		-	339,565	339,565
	Factory Building	80,121,635				80,121,635	80,121,635		-		80,121,635	-	-
	Plant & Machinery	44,925,196				44,925,196	44,925,196		-		44,925,196	-	-
	Electrical Insulation	994,700				994,700	994,700		-		994,700	-	-
	Air Conditioner	1,758,000				1,758,000	1,758,000		-		1,758,000	-	-
	Office Equipment	3,554,000				3,554,000	3,554,000		-		3,554,000	-	-
	Generator	1,545,000				1,545,000	1,545,000		-		1,545,000	-	-
Road & Building	7,536,000				7,536,000	7,536,000		-		7,536,000	-	-	
	Total	142,233,291	-	-	-	142,233,291	140,434,531	-	-	-	140,434,531	1,798,760	1,798,760
	Previous year	142,027,645	205,646	-	-	142,233,291	140,434,531	-	-	-	140,434,531	1,798,760	1,593,114
ii)	Intangible assets												
	Total	53,344,000	-	-	-	53,344,000	53,344,000		-		53,344,000	-	-
	Previous year	53,344,000	-	-	-	53,344,000	53,344,000	-	-	-	53,344,000	-	-
iii)	Capital work in Progress												
	Total	281,335,095	-	-	-	281,335,095	281,335,095		-		281,335,095	-	-
	Previous year	281,335,095	-	-	-	281,335,095	281,335,095	-	-	-	281,335,095	-	-
	Grand Total	476,912,386	-	-	-	476,912,386	475,113,626	-	-	-	475,113,626	1,798,760	1,798,760

16) Contingent Liabilities not provided for in respect of:

Particulars	31 st March'17	(Rs. In Lacs) 31 st March'16
Contingent Liabilities:		
a) Guarantee given to the bank on behalf of the Company	Nil	Nil
b) Letter of Credit opened by bank	Nil	Nil
c) Claim against the company not acknowledge as debt	Nil	Nil

17) Deferred Tax

No Provision of deferred tax is made as there is no timing difference in terms of Accounting Standard-22 issued by the Institute of Chartered Accountants of India.

18) Breakup of Director's Remuneration:

Particulars	2016-17	(Rs.) 2015-16
i) Remuneration to Directors	Nil	Nil

19) Balances outstanding in Trade Receivables, Loans & Advances and Trade Payables are subject to their confirmation from respective parties.

20) Related Party transactions disclosure as Accounting Standard-18:

a. Related parties:

Name	Relationship
Mr. J.K. Singh	Key Management Personnel (KMP)
Mr. D.K. Singh	
Mr. Nurani Shankar Parameswaran (MD)	
Mr. Santosh Kumar Jha (CFO)	
M/s Mesco Aerospace Ltd.	
M/s Mesco Logistics Ltd.	Entities in which KMP can exercise significant influence
M/s Mesco Steel Ltd.	
M/s Mesco Kalinga Steel Ltd.	
M/s Mideast (India) Ltd.	

b. Details of transactions with related parties:

Name	2016-17	2015-16	Nature	Relationship
M/s Mesco Logistics Ltd.	Nil	(6,25,29,129)	Net Loan taken/ (Repaid)	Entities in which KMP can exercise significant influence
M/s Mesco Steels Ltd.	2,01,378	5,46,61,964	Net Loan taken/ (Repaid)	
M/s Mesco Kalinga Steel Ltd.	Nil	(5,15,998)	Net Loan given/ (Repaid)	
M/s Mideast Integrated Steels Ltd.	2,79,827	Nil	Net Loan taken/ (Repaid)	
M/s Mideast (India) Ltd.	21,60,754	(76,07,577)	Net Loan taken/ (Repaid)	

c. Balances Outstanding:

Name	2016-17	2015-16	Nature	Relationship
M/s Mesco Aerospace Ltd.	37,88,360	37,88,360	Loan taken	Entities in which KMP can exercise significant influence
M/s Mesco Logistics Ltd.	Nil	Nil	Loan taken	
M/s Mesco Steels Ltd.	10,03,50,996	10,01,49,618	Loan taken	
M/s Mideast Integrated Steels Ltd.	2,79,827	Nil	Loan taken	
M/s Mideast (India) Ltd.	21,60,754	Nil	Loan taken	

21) In the opinion of the board and to the best of the knowledge and belief, the value of realization in respect of current assets, loans and advances in the ordinary course of business would not be less than the amount of which they are stated in the Balance sheet, the provision for all known determined liabilities is adequate and is not in excess of amount reasonably required.

22) Earnings per Share

The computation of basic/diluted earnings per share is set out below:

	2016-17	(Rs.) 2015-16
Profit as per Statement of Profit & Loss	(25,89,674)	2,08,166
Net Profit/(Loss) attributable to Equity Shareholders – (A)	(25,89,674)	2,08,166
Basic/Weighted average number of Equity Shares outstanding during the year – (B)	2,03,20,600	2,03,20,600
Nominal Value of Equity Share	10	10
Basic/Diluted Earnings per Share	(0.13)	0.01

23) Payment to Auditors:

	2016-17	(Rs.) 2015-16
(a) Statutory Audit Fee and Limited review	20,000	20,000

24)

	2016-17	(Rs.) 2015-16
a. Expenditure in foreign currency:		
Particulars		
Travelling	0	0
Technical Know How	0	0
b. Earning in foreign currency (on accrual basis):		
Particulars		
FOB Value of Export	0	0
c. Value of Imports on CIF Basis:		
Particulars		
Purchase of Raw Material	0	0
Capital Goods	0	0

25) Employee's Benefit

Gratuity and other terminal benefits are provided on payment basis.

26) Segment reporting

Company is operating in only one segment 'Pharmaceuticals', therefore separate segment reporting is not given.

27) Details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016:

	SBN'S	Other Denomination Notes	Total
Closing cash in hand as on 08.11.2016	-	15,201	15,201
(+) Permitted Receipts	-	-	-
(-) Permitted Payments	-	-	-
(-) Amount deposited in Banks	-	-	-
Closing cash in hand as on 30.12.2016	-	15,201	-

- 28) Sundry Creditors (Due to Micro and Small Enterprises):
The company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the end of the year together with the interest paid/payable as required under the Act have not been furnished.
- 29) Previous year figures have been regrouped / recast whenever considered necessary to make these comparable with those of the current year.

For N Dhawan & Co.
Chartered Accountants
Firm Registration no.: 007095N

For and on behalf of the board

(Naresh Dhawan)
Proprietor
Membership No.: 85968

(D.K. Singh)
Director
DIN: 00091193

(N S Parameswaran)
Managing Director
DIN: 00091097

Place: Delhi
Dated: 30th May, 2017

(Pawan Sharma)
Company Secretary

(Santosh Kumar Jha)
CFO

ATTENDANCE SLIP

(To be presented at the entrance)

31st Annual General Meeting of the Company held on Saturday, 30th September, 2017 at
10:00 A.M. at Upper Kesalton, Tallital, Nainital-263 001, Uttarakhand

DP ID*		Folio No.	
Client ID*		No. of Shares	

Name of the Shareholder:

Address of the Shareholder:

.....
.....

I hereby record my presence at the 31st Annual General Meeting of the Company held on Saturday, 30th September, 2017 at 10:00 A.M. at Upper Kesalton, Tallital, Nainital-263 001, Uttarakhand and at any adjournment thereof.

*Applicable for investors holding shares in electronic form.

Signature of Shareholder/Proxy

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

MESCO PHARMACEUTICALS LIMITED

CIN: L24111UR1986PLC015895

Registered Office: Upper Kesalton, Tallital, Nainital-263 001, Uttarakhand

Website: www.mesopharma.com, E-mail: nsparameswaran@mescosteel.com, Tel No. +91-9871862796

PROXY FORM

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

Name of the Shareholder		Folio No:	
		Client ID*	
		DP ID*	
Registered address		E-mail id:	

I/We, being the member(s) of _____ Shares of Mesco Pharmaceuticals Ltd, hereby appoint:

- | | | | |
|---------|----|------------------|----------------|
| 1. | of | having e-mail id | or failing him |
| 2. | of | having e-mail id | or failing him |
| 3. | of | having e-mail id | or failing him |

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me /us and on my/our behalf at the 31st Annual General Meeting of the Company held on Saturday, 30th September, 2017 at 10:00 A.M. at Upper Kesalton, Tallital, Nainital-263 001, Uttarakhand

S. No.	Resolutions	For	Against
1.	To receive, consider and adopt the Audited financial statements of the Company for the financial year ended March 31, 2017 together with the reports of the Board of Directors and Auditors thereon		
2.	To appoint director in the place of Mr. Dushyant Kumar Singh (DIN 00091193), Director of the Company, who retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment		
3.	To appoint M/s Sangram Paul & co. (Firm Reg. No. 111009W) as Statutory Auditors of the Company.		
4.	To Keep book of accounts and Register of Members at place other than the Registered Office of the Company		
5.	Adoption of New Articles of Association as per Companies Act, 2013		

Affix
Revenue
Stamp
of
Re. 1

Signed this..... day of2017

Signature of
Shareholder

Signature of the 1st Proxy Holder Signature of 2nd Proxy holder Signature of 3rd Proxy holder

Notes:

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.
2. A Proxy need not be a member of the Company.
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for other person or share-holder.
4. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
5. In case of joint holders, the signatures of any holder will be sufficient, but names of all joint holders should be stated.

Route Map as per Secretarial Standard-2

