



# VASUNDHARA RASAYANS LTD.

Regd. Office : Shed No. 42, Phase II, IDA Mallapur, Hyderabad - 500076. T.S., INDIA,  
Tel : +91 40 23437617/27 CIN No.: L24110TG1987PLC007242 e-mail : info@vrlindia.in  
Mumbai Off. : Hem Prakash Building, 1st Flr., Room No.4, 90/92 Kazi Sayed Street,  
Mandvi, Mumbai - 400003. Maharashtra Tel : +91 22 65806423, 23402924  
Factory : C-104, MIDC, Mahad, Raigad, Maharashtra - 402 309, Tel : +91 2145 232220/1

29.08.2017

The Executive Director,  
The Stock Exchange, Mumbai  
1<sup>st</sup> Floor, Rotunda Building,  
B.S.Marg, Fort,  
Mumbai-400 001

Dear Sir/Madam,

**Sub: Notice of Annual General Meeting, Remote E-Voting information and Book Closure.**


**Ref: Compliance of Regulation 34 of SEBI (LODR) Regulations,2015-Reg.**

This is to inform you that the Annual General Meeting of the Company will be held on 11:30 A.M. on Friday, 29<sup>th</sup> September 2017. Pursuant to the provisions of Section 91 of the Companies Act, 2013, the Registrar of Members and the Share transfer books of the Company will remain closed from Saturday, 23<sup>rd</sup> September, 2017 to Friday, 29<sup>th</sup> September, 2017 (both days inclusive). The e-voting period commences on 26<sup>th</sup> September, 2017 at 10:00 am and ends on 28<sup>th</sup> September, 2017 at 05:00 pm.

This is for your information and records.

Regards

For Vasundhara Rasayans Limited

  
SUNIL KUMAR JAIN  
Director  
Din no:00117331



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**VASUNDHARA RASAYANS LIMITED**

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**BOARD OF DIRECTORS**

Prakash Chand Jain	-	Director
Rajesh Pokerna	-	Managing Director
Sunil Kumar Jain	-	Whole-time Director
Sanjay Kumar Jain	-	Whole-time Director
Pravichandra Majumdar Popatlal	-	Director
Parag Ashok Sharma	-	Director
Rajiv Pritidas Kakodkar	-	Director
Rajesh Kumar Jain	-	Director
Seema Jain	-	Women Director
Pradeep Kumar Jain	-	Independent Director
Khivraj Naresh Kumar	-	Independent Director

**STATUTORY COMMITTEES****AUDIT COMMITTEE**

Pradeep Kumar Jain	-	Chairman
Khivraj Naresh Kumar	-	Member
Rajesh Kumar Jain	-	Member

**NOMINATION & REMUNERATION COMMITTEE:**

Pradeep Kumar Jain	-	Chairman
Khivraj Naresh Kumar	-	Member
Rajesh Kumar Jain	-	Member

**STAKEHOLDERS RELATIONSHIP COMMITTEE:**

Pradeep Kumar Jain	-	Chairman
Prakash Chand Jain	-	Member
Sunil Kumar Jain	-	Member
Rajesh Pokerna	-	Member

**RISK MANAGEMENT COMMITTEE:**

Prakash Chand Jain	-	Chairman
Sunil Kumar Jain	-	Member
Rajesh Pokerna	-	Member

**CHIEF FINANCIAL OFFICER**

Sunil Kumar Jain

**COMPANY SECRETARY**

Siddhartha Agarwal

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**VASUNDHARA RASAYANS LIMITED**

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**AUDITORS**

M/s. Agarwal Gupta Nokari & Rustagi Associates,  
Chartered Accountants  
12, Waterloo Street,  
Kolkata– 700 069.  
Phone no.: 033-22487696, 033-32962308  
Fax no.: 033-30245549

**INTERNAL AUDITOR**

M/s.S.B.Kabra & Co.  
Chartered Accountant  
3-5-378/1, Metro Towers  
Vithawadi,Narayanaguda  
Hyderabad-500029.

**SECRETARIAL AUDITOR**

Mrs. Rakhi Agarwal  
6-3-660, Flat 520, Block 4,  
Amrit Apartments, Kapadia Lane,  
Somajiguda, Hyderabad -500 082

**COMPLIANCE OFFICER**

Shri. Prakash Chand Jain

**REGISTRAR & TRANSFER AGENT**

CIL SECURITIES LIMITED  
214, Raghavaratna Towers,  
Chiragali Lane, Abids  
Hyderabad,500001  
Phone # +91-040-2320 2465  
Email ID: [advisors@cilsecurities.com](mailto:advisors@cilsecurities.com)  
Website: [www.cilsecurities.com](http://www.cilsecurities.com)

**FACTORY**

C-104, MIDC Industrial Area,  
Mahad (Dist, Raigad),  
Maharashtra.

**REGISTERED OFFICE:**

Shed no. 42, Phase II,  
IDA, Mallapur,  
Hyderabad – 500076  
Phone no.: 040-23437617, 040-23437623  
Fax no.: 040-23437627  
Email: [info@vasundhararasayans.in](mailto:info@vasundhararasayans.in)

**=====  
VASUNDHARA RASAYANS LIMITED  
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**NOTICE OF 30<sup>th</sup> ANNUAL GENERAL MEETING**

NOTICE is hereby given that the **30<sup>th</sup> Annual General Meeting** of the members of **VASUNDHARA RASAYANS LIMITED** will be held on 11.30 A.M. on Friday, 29<sup>th</sup> September, 2017 at Shed No.42, Phase II, IDA, Mallapur, Hyderabad – 500 076 to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2017 and the Statement of Profit & Loss for the year ended 31<sup>st</sup> March, 2017 along with the Auditors' Report & Directors' Report thereon.
2. To appoint a Director in place of Shri. Rajiv Pritidas Kakodkar (Din: 01519590) who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Shri. Parag Ashok Sharma (Din: 01682643) who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Shri. Rajesh Kumar Jain (Din: 01408526) who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** in terms of the provisions of Sections 139-142 and other applicable provisions, if any, of the Companies Act, 2013, read with Companies (Audit and Auditors) Rules, 2014 as may be applicable, M/s. Agarwal Gupta Nokari & Rustagi Associates, Chartered Accountants (Firm Regn No: 310041E) be and is hereby appointed as Auditors of the Company to hold office for a period of 5 years from financial year 2017-2018 until financial year 2021-2022, on such remuneration as may be agreed upon by the Board of Directors and Auditors in addition to reimbursement of all out of pocket expenses in connection with the audit of the accounts of the Company for the financial years subject to ratification at every Annual General Meeting held by the Company.”

**REGISTERED OFFICE**

Shed No. 42, Phase II, IDA,  
Mallapur, Hyderabad-500 076.  
Telangana State.

**BY ORDER OF THE BOARD OF DIRECTORS**

Sd/-  
**(PRAKASH CHAND JAIN)**  
DIRECTOR  
DIN NO: 00117348

Sd/-  
**(RAJESH POKERNA)**  
MANAGING DIRECTOR  
DIN NO: 00117365

Dated this 11<sup>th</sup> AUGUST, 2017

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**VASUNDHARA RASAYANS LIMITED**

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**NOTES :**

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and, on a poll, to vote instead of himself and such proxy need not be a member of the company. Proxies, in order to be valid and effective, must be delivered at the registered office of the company not later than forty-eight hours before the commencement of the meeting.  
Pursuant to provisions of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014 a person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights.
2. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing such representative to attend and vote on their behalf at the Meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 23<sup>rd</sup> September, 2017 to 29<sup>th</sup> September, 2017 (both days inclusive).
4. Explanatory Statement as required under section 102 of the companies is not applicable in respect there is no special business to be considered.
5. Members holding shares in electronic form are hereby informed that bank particulars registered against respective depository accounts will be used by the company for payment of dividend. The company or its Registrars cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Particulars of the Members. Members holding shares in physical form and desirous of either registering bank particulars or changing bank particulars already registered against their respective folios for payment of dividend are requested to write to the Company's RTA Viz, CIL Securities Ltd, Regd. Office: 214, Raghava Ratna Towers, Chiragali Lane, Hyderabad-500001 by enclosing a photocopy of blank cancelled cheque of your bank account.
6. M/s.CIL Securities Limited, Regd. Office: 214, Raghava Ratna Towers, Chirag Ali Lane, Hyderabad-500001, is the Share Transfer Agent (STA) of the Company. All communications in respect of share transfers and change in the address of members may be communicated to them
7. Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such Folios and send the relevant share certificates to the Share Transfer Agent/ Company.
8. Pursuant to Section 124 of the Companies Act, 2013, dividend for the financial years ended 2010, 2011, 2012, 2013, 2014, 2015, 2016 which remain unclaimed for a period of seven years will be transferred to the Investor Education and Protection Fund Established by the Central Government.

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**VASUNDHARA RASAYANS LIMITED**

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The members who have not en-cashed the Dividend Warrants so far the financial years ended 31.3.2010, 31.3.2011, 31.3.2012, 31.3.2013, 31.03.2014, 31.03.2015 and 31.03.2016 are requested to make their claim to the company at its Registered office. It may also be noted that once the Unclaimed Dividend is transferred to the Investor Education and Protection Fund, no claim lie in respect thereof.”

9. Electronically copy of the Annual Report for 2017 is being sent to all the members whose email ids are registered with the company/Depository participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2017 is being sent in the permitted mode.
10. Members may also note that the Notice of the 30<sup>th</sup> Annual General Meeting and Annual Report for 2017 will also be available on the Company’s **website: [www.vasundhararasayans.in](http://www.vasundhararasayans.in)** their download. The physical copies of the aforesaid documents will also be available at the Company’s Registered office in Hyderabad for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send request to the Company’s investor email id: [info@vrlindia.in](mailto:info@vrlindia.in).
11. All documents referred to in the accompanying Notice and Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (10.00 am to 5.00 pm) on all working days except Sunday, up to and including the date of the Annual General Meeting of the Company.
12. Voting through electronic means:  
In compliance with provisions of Sections 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rule 2014, the Company is pleased to provide members facility to exercise their right to vote at the 30<sup>th</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through e- Voting Services provided by Central Depository services (India) Limited (CDSL).
13. The Company has appointed Mrs. Rakhi Agarwal, Practising Company Secretary as scrutinizer for conducting the e-voting process for the Annual General Meeting in a fair and transparent manner.

**REGISTERED OFFICE**  
Shed No. 42, Phase II, IDA,  
Mallapur, Hyderabad-500 076.  
Telangana State.

**BY ORDER OF THE BOARD OF DIRECTORS**

Sd/-  
**(PRAKASH CHAND JAIN)**  
DIRECTOR  
DIN NO: 00117348

Sd/-  
**(RAJESH POKERNA)**  
MANAGING DIRECTOR  
DIN NO: 00117365

Dated this 11<sup>th</sup> AUGUST, 2017

## =====**VASUNDHARA RASAYANS LIMITED**=====

### **In case of members receiving e-mail:**

- (i) The voting period begins on Tuesday, 26<sup>th</sup> September, 2017 at 10:00 am and ends on Thursday, 28<sup>th</sup> September, 2017 at 5:00 pm.
- (ii) During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off-date 22<sup>nd</sup> September, 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (iii) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (iv) Click on "Shareholders" tab.
- (v) Now, select the "**VASUNDHARA RASAYANS LIMITED**" from the drop down menu and click on "SUBMIT"
- (vi) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vii) Next enter the Image Verification as displayed and Click on Login.
- (viii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (ix) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
<b>PAN*</b>	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
<b>DOB#</b>	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in Details#.

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**VASUNDHARA RASAYANS LIMITED**

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Dividend Bank Details#	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"><li>• Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.</li></ul>
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- (x) After entering these details appropriately, click on “SUBMIT” tab.
- (xi) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach
- ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xiii) Click on the EVSN for the relevant <VASUNDHARA RASAYANS LIMITED> on which you choose to vote.
- (xiv) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xvi) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xvii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xviii) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.



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**VASUNDHARA RASAYANS LIMITED**

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- (xix) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xx) Note for Non-Individual Shareholders and Custodians
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
  - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

**In case of members receiving the physical copy:**

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- (B) The voting period begins on <Date and Time> and ends on <Date and Time>.

During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of <Record Date>, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**REGISTERED OFFICE**

Shed No. 42, Phase II, IDA,  
Mallapur, Hyderabad-500 076.  
Telangana State.

**BY ORDER OF THE BOARD OF DIRECTORS**

Sd/-  
**(PRAKASH CHAND JAIN)**  
DIRECTOR  
DIN NO: 00117348

Sd/-  
**(RAJESH POKERNA)**  
MANAGING DIRECTOR  
DIN NO: 00117365

Dated this 11<sup>th</sup> AUGUST, 2017

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**VASUNDHARA RASAYANS LIMITED**

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**DIRECTOR'S REPORT**

To The Members of  
Vasundhara Rasayans Limited

The Directors have pleasure in presenting the 30<sup>th</sup> Annual Report of your Company and the Audited financial statements for the financial year ended 31<sup>st</sup> March 2017 together with Auditors' Report thereon.

**FINANCIAL RESULTS**

The performance of the Company during the year has been as under:

	(Amount in Rs.)	
	<b>CURRENT YEAR ENDED 31.03.2017</b>	<b>PREVIOUS YEAR ENDED 31.03.2016</b>
Turnover	<b>154447620</b>	153368705
Other Income	<b>4420303</b>	2452120
Profit/(Loss) before exceptional, items	<b>11440838</b>	4260596
Profit/(Loss) before taxation	<b>11440838</b>	4260596
Net Profit after Taxation	<b>4617207</b>	2361825

**PERFORMANCE**

During the year under review the turnover of the Company Rs.15.44 Crores in comparison to the previous year's figure at Rs.15.33 Crores.

The company has achieved net profit after tax which is reported at Rs.46.17 lacs in comparison to profit of Rs.23.61 lacs in the previous year. The company has been trying hard to reduce the interest and other costs and to get more profits. In future after adopting all cost cutting measures and by improving its overall sales the company is hopeful of performing much better and improves its profitability accordingly.

**DIVIDENDS**

Your directors are recommend 10% dividend on equity shares for the financial year ended 31<sup>st</sup> March, 2017.

**RESERVES**

During the year under review, no amount is allocated or transferred to Reserves.

**FIXED DEPOSITS**

The Company has not accepted or invited any Deposits and consequently no deposit has matured/ become due for re-payment as on 31<sup>st</sup> March 2017.

**DIRECTORS**

Shri. Rajiv Pritidas Kakodkar, Shri.Parag Ashok Sharma and Shri. Rajesh Kumar Jain, Directors of the Company will retire by rotation at the ensuing Annual General Meeting and being eligible, offers themselves for re-appointment.

The brief particulars of the Directors seeking re-appointment at this Annual General Meeting are being annexed to the Corporate Governance Report.

**BOARD EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 the Board has carried out performance evaluation taking into consideration of various aspects of the Board's functioning, composition of Board, and its Committees, execution, and performance of specific duties, obligations and governance. The Performance of evaluation of Independent Directors was completed. The Performance evaluation of Chairman and the Non-Independent Directors was carried out by the Independent Directors. The Board of Directors expressed their satisfaction with evaluation process.

**STATEMENT ON DECLARATION GIVEN BY INDEPENDENT**

The independent directors have submitted the declaration of independence, as required pursuant to sub-section (7) of section 149 of the Companies Act, 2013 stating that they meet the criteria of independence as provided in sub - section(6) of Section 149.

**NOMINATION AND REMUNERATION POLICY**

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy which lays down a framework in relation to selection, appointment and remuneration to Directors, Key Managerial Personnel and Senior Management of the Company. The Remuneration Policy is stated in the Corporate Governance Report.

**MEETINGS**

During the year (14) Board Meetings and (5) Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the meetings was within the period of 120 days as prescribed

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**VASUNDHARA RASAYANS LIMITED**

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under the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 of the Listing Agreement.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

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

**RELATED PARTY TRANSACTIONS**

All transactions entered with Related Parties for the year under review were on arm's length basis and in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. All Related Party Transactions are placed before the Audit Committee as also the Board for approval, where ever required. Prior omnibus approval of the Audit Committee is obtained for the transactions which are of a foreseeable and repetitive nature. A statement giving details of all related party transactions entered into pursuant to the omnibus approval so granted are placed before the Audit Committee and the Board of Directors on a quarterly basis. The Company has developed a Policy on Related Party Transactions for the purpose of identification and monitoring of such transactions. The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website.

The particulars of contracts and arrangements with related parties referred to in sub-section (1) of section 188 is prepared in Form AOC-2 pursuant to clause (h) of the Companies (Accounts) Rules, 2014 and the same is annexed herewith as "Annexure-I" to this Report.

**SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURT**

There are no significant and material orders passed by the Regulators/ Courts that would impact the going concern status of the Company and its future operations.

**AUDITORS****Statutory Auditors**

Pursuant to the provisions of Section 139 of the Act and the rules framed thereunder, M/s. Agarwal Gupta Nokari & Rustagi Associates, Chartered Accountants (Firm Regn No: 310041E) of the Company were appointed as auditors in the Board Meeting held on 24.05.2017 subject to ratification on approval of shareholders in the ensuing general

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**VASUNDHARA RASAYANS LIMITED**

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meeting, to hold office for a period of 5 years from financial year 2017-2018 until financial year 2021-2022, on such remuneration as may be agreed upon by the Board of Directors and the Auditors in addition to reimbursement of all out of pocket expenses in connection with the audit of the accounts of the Company for the financial years. Hence the resolution put for the approval of shareholders.

**Secretarial Auditors**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mrs. Rakhi Agarwal, Company Secretary in Practice to undertake the Secretarial Audit of the Company for the Financial Year 2016-17. The Report of the Secretarial Audit Report is annexed herewith as “Annexure-II”.

**Internal Auditors**

M/s. S.B. Kabra & Co., Chartered Accountants performs the duties of internal auditors of the Company and their report is reviewed by the Audit Committee from time to time.

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Management Discussion and Analysis Report for the year under review as stipulated under SEBI (LODR) Regulations, 2015 with the stock exchanges, is presented in a separate section forms part of the Annual Report.

**CORPORATE GOVERNANCE**

The Company has implemented the procedures and adopted practices in conformity with the Code of Corporate Governance enunciated Regulation 27(2) of SEBI (LODR) Regulation with the Stock Exchanges.

A separate report on corporate governance practices followed by the Company together with a Certificate from the Company’s Auditors confirming compliances forms an integral part of this Report.

**EXTRACT OF ANNUAL RETURN**

The details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith as “Annexure-III”.

**INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company and its subsidiaries. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

### **INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY**

The Board of your company has laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and operating effectively. Your Company has adopted policies and procedures for ensuring the orderly and effectively. Your company has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures.

### **RISK MANAGEMENT**

The Board of the Company has formed a Risk Management Committee to frame, implement and monitor the risk management policy/plan for the Company and ensuring its effectiveness. The Risk Management Committee oversees the Risk Management process including risk identification, impact assessment, effective implementation of the mitigation plans and risk reporting. The Audit Committee has additional oversight in the area of financial risks and controls. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. The development and implementation of risk management policy has been covered in the management discussion and analysis, which forms part of this report.

### **VIGIL MECHANISM / WHISTLE BLOWER POLICY**

In order to ensure that the activities of the Company and its employees are conducted in a fair and transparent manner by adoption of highest standards of professionalism, honesty, integrity and ethical behaviour the company has adopted a vigil mechanism policy.

**HUMAN RESOURCES**

Many initiatives have been taken to support business through organizational efficiency, process change support and various employee engagement programmes which has helped the Organization achieve higher productivity levels. A significant effort has also been undertaken to develop leadership as well as technical/ functional capabilities in order to meet future talent requirement.

**DIRECTORS' RESPONSIBILITY STATEMENT**

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- a) That in the preparation of the accounts for the financial year ended 31<sup>st</sup> March, 2017, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the State of Affairs of the Company at the end of the Financial Year and of the Profit or Loss of the Company for the year under review;
- c) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) That the Directors have prepared the accounts for the financial year ended 31<sup>st</sup> March 2017 on a 'going concern' basis;
- e) That proper internal financial controls were in place and that the financial controls were adequate and were operating effectively; and
- f) That devised proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

**PARTICULARS IN RESPECT OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The information on Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and outgo required to be disclosed under Section 134(3)(m) of the Companies

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**VASUNDHARA RASAYANS LIMITED**

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Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014 are provided in the Annexure forming part of this Report.

**DISCLOSURE AS PER SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed there under.

During the financial year 2016-17, the Company received no complaints on sexual harassment.

**PARTICULARS OF EMPLOYEES:**

The Company has not employed any individual whose remuneration falls within the purview of the limits prescribed under the provisions of Section 197 of the Companies Act, 2013, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**PARTICULARS OF REMUNERATION:**

Disclosures with respect to the remuneration of Directors and employees as required under Section 197(12) of Companies Act, 2013 and Rule 5 (1) Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided as follows:

- (i) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;

<b>Name of the Director</b>	<b>Ratio to Median Remuneration</b>
Sanjay Kumar Jain, WTD	6.74
Prakash Chand Jain, Director	5.05
Sunil Kumar Jain, CFO/WTD	6.74
Rajesh Pokerna , MD	10.11
Seema Jain, Women Director	5.05

- (ii) The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;



**=====  
VASUNDHARA RASAYANS LIMITED  
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<b>Name of Person</b>	<b>% increase in remuneration</b>
Sanjay Kumar Jain, WTD	<b>33</b>
Prakash Chand Jain, MD	<b>—</b>
Sunil Kumar Jain, CFO/WTD	<b>33</b>
Rajesh Pokerna , WTD	<b>33</b>
Seema Jain, Women Director	<b>100</b>

- (iii) The percentage increase in the median remuneration of employees in the financial year Nil
- (iv) The number of permanent employees on the rolls of company is 96.
- (v) The explanation on the relationship between average increase in remuneration and company performance; On an average, employees received an increase of Nil.
- (vi) Comparison of the remuneration of the Key Managerial Personnel against the performance of the company;

<b>Particulars</b>	<b>Rs</b>
Remuneration of Key Managerial Personnel (KMP) during financial year 2016-17 (aggregated)	40,00,000
Total Revenue	154,447,620
Remuneration (as % of Total Revenue)	2.59%

- (vii) Variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year;

<b>Particulars</b>	<b>Unit</b>	<b>As at 31.03.2017</b>	<b>As at 31.03.2016</b>
Closing rate of share at BSE	Rs.	Rs.35.00	Rs.21.00
EPS (Consolidated)	Rs.	1.45	0.74
Market Capitalization	Rs	11,12,37,000	6,67,42,200
Price Earnings ratio	Ratio	24.14	28.37

- (viii) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;

**=====  
VASUNDHARA RASAYANS LIMITED  
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- (ix) Comparison of the each remuneration of the Key Managerial Personnel against the performance of the company;

Name of Person	Remuneration Per Annum (Rs.)	Total Revenue (Rs.)	Remuneration as % of Total Revenue
Sanjay Kumar Jain, WTD	8,00,000	154,447,620	0.52
Prakash Chand Jain, Director	6,00,000	154,447,620	0.39
Sunil Kumar Jain, CFO/WTD	8,00,000	154,447,620	0.52
Rajesh Pokerna , MD	12,00,000	154,447,620	0.78
Seema Jain, Women Director	6,00,000	154,447,620	0.39

- (x) The key parameters for any variable component of remuneration availed by the directors - No.
- (x) The key parameters for any variable component of remuneration availed by the directors - No.
- (xi) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year - Nil.
- (xii) Affirmation that the remuneration is as per the remuneration policy of the company - Yes.

Your Directors wish to place on record their appreciation to employees at all levels for their hard work, dedication and commitment. The enthusiasm and unstinting efforts of the employees have enabled the Company to remain at the forefront of the industry, despite increased competition from several existing and new players.

**CAUTIONARY STATEMENT:**

Statements in the Board's Report and the Management Discussion & Analysis describing the Company's objectives, expectations or forecasts may be forward-looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include global and domestic demand and supply conditions affecting selling prices of finished goods, input availability and prices, changes in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

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**VASUNDHARA RASAYANS LIMITED**

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**ACKNOWLEDGEMENTS:**

The Board desires to place on record its sincere appreciation for the support and co-operation that the Company received from the suppliers, customers, strategic partners, Bankers, Auditors, Registrar and Transfer Agents and all others associated with the Company. The Company has always looked upon them as partners in its progress and has happily shared with them rewards of growth. It will be the Company's endeavor to build and nurture strong links with trade based on mutuality, respect and co-operation with each other.

**REGISTERED OFFICE**

Shed No. 42, Phase II, IDA,  
Mallapur, Hyderabad-500 076.  
Telangana State.

**BY ORDER OF THE BOARD OF DIRECTORS  
VASUNDHARA RASAYANS LIMITED**

Sd/-

**(PRAKASH CHAND JAIN)**

DIRECTOR

DIN NO: 00117348

Sd/-

**(RAJESH POKERNA)**

MANAGING DIRECTOR

DIN NO: 00117365

Dated this 11<sup>th</sup> AUGUST, 2017

**VASUNDHARA RASAYANS LIMITED**

**ANNEXURE TO THE DIRECTOR'S REPORT**

Information Under Section 134(3)(m) of The Companies Act, 2013, Read with Rules 8(3) of the Companies (Accounts) Rules, 2014:

**FORM A**

**1. CONSERVATION OF ENERGY:**

- (i) Energy Conservation measures :  
(ii) Total energy consumption : N.A.

**2. TECHNOLOGY ABSORPTION :**

**FORM B**

(Disclosure of particulars with respect to Technology Absorption)

**A. Research and Development (R & D) :**

1. Specific areas in which R & D : NIL  
is carried out by the Company
2. Benefits derived as a result of the : NIL  
above R & D
3. Future plan of action :  
4. Expenditure on R & D :

**B. Technology absorption, adaptation and innovation :**

The Company is making all its efforts for improving productivity, product quality and reducing consumption of scarce raw materials and fuels.

**3. FOREIGN EXCHANGE EARNINGS AND OUTGO:**

Total Foreign Exchange used and earned:

- Used : Rs. 6.55 (Rs. In Lacs)  
Earned : Rs. 4,43,49,270

For and on behalf of the Board of Directors  
VASUNDHARA RASAYANS LIMITED

Sd/-

Place: Hyderabad

PRAKASH CHAND JAIN

Date: 11.08.2017

DIRECTOR

00117348

Sd/-

RAJESH POKERNA

MANAGING DIRECTOR

00117365

**=====  
VASUNDHARA RASAYANS LIMITED  
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**ANNEXURE-I**

**FORM NO. AOC-2**

*(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)*

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

No transactions.

**2. Details of material contracts or arrangement or transactions at arm's length basis:**

Sl.No.	(a) Name(s) of the related party and nature of relationship	(b) Nature of contracts/ arrangements/ transactions	(c) Duration of the contracts/ arrangements/ transactions	(d) Salient terms of the contracts or arrangements or Transactions including the value, if any:	(e) Date(s) of approval by the Board, if any:	(f) Amount paid as advances, if any:
1	P & J Cretechem Private Limited Holding Company	Purchase of Goods	01-04-2016-31-03-2017	Purchase of Goods of Rs. 1,93,800/-	25/05/2016	—
2	Taurus Chemicals Private Limited	Purchase of Goods	01-04-2016-31-03-2017	Purchase of Goods of Rs. 3,53,734/-	25/05/2016	—
3	P & J Cretechem Private Limited Holding Company	Sale of Goods	01-04-2016-31-03-2017	Sale of Goods of Rs. 99,14,519/-	25/05/2016	—
4	Taurus Chemicals Private Limited	Sale of Goods	01-04-2016-31-03-2017	Sale of Goods of Rs. 27,78,313/-	25/05/2016	—
5	P & J Cretechem Private Limited Holding Company	Loans & Advances taken	01-04-2016-31-03-2017	Loans & Advances Taken - Rs. 60,00,000/-	25/05/2016	—
6	P & J Cretechem Private Limited Holding Company	Loans & Advances taken Returned	01-04-2016-31-03-2017	Loans & Advances Taken Returned - Rs. 1,60,041/-	25/05/2016	—
7	P & J Cretechem Private Limited Holding Company	Interest on Loans & Advances taken	01-04-2016-31-03-2017	Interest on Loans & Advances taken Rs. 30,90,536/-	25/05/2016	—

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VASUNDHARA RASAYANS LIMITED  
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**ANNEXURE II**

**FORM NO. MGT 9  
EXTRACT OF ANNUAL RETURN**

**As on financial year ended on 31.03.2017**

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

**I. REGISTRATION & OTHER DETAILS :**

CIN	L24110TG1987PLC007242
Registration Date	05/03/1987
Name of the Company	VASUNDHARA RASAYANS LIMITED
Category/Sub-category of the Company	Company Limited by Shares/ Indian Non-Government Company.
Address of the Registered office & contact details	Plot no. 42, Phase II, IDA, Mallapur, Hyderabad, Telangana – 500003.e-mail id:info@vrlindia.in
Whether listed company	Listed
Name, Address & contact details of the Registrar & Transfer Agent, if any.	CIL Securities Limited 214, Raghava Ratan Towers, Chirag Ali Lane, Abids, Hyderabad – 500001.

**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) – Manufacturing of Bulk Drugs:

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to Total turnover of the company
1	Dried Aluminum Hydroxide Gel	28180000	
2	Magaldrate	-	
3	Aluminum Hydroxide Pate	27203	

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

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

Name and address of the Company	CIN	Holding/ Subsidiary/ Associate	% shareholding	Applicable Section
P & J CRETECHEM PRIVATE LIMITED	U24222TG2002PTC040102	Holding	61.98%	2(46)

**==== VASUNDHARA RASAYANS LIMITED ====**

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**  
Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2016]				No. of Shares held at the end of the year[As on 31-March-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/HUF	—	—	—	—	—	—	—	—	—
b) Central Govt	—	—	—	—	—	—	—	—	—
c) State Govt(s)	—	—	—	—	—	—	—	—	—
d) Bodies Corp.	19,69,920	—	19,69,920	61.98	19,69,920	—	19,69,920	61.98	—
e) Banks / FI	—	—	—	—					—
f) Any other	—	—	—	—					—
<b>Total shareholding of Promoter (A)</b>	19,69,920	—	19,69,920	61.98	19,69,920	—	19,69,920	61.98	—
<b>B. Public Shareholding</b>									
1. Institutions	—	—	—	—	—	—	—	—	—
a) Mutual Funds	—	—	—	—	—	—	—	—	—
b) Banks / FI	—	—	—	—	—	—	—	—	—
c) Central Govt	—	—	—	—	—	—	—	—	—
d) State Govt(s)	—	—	—	—	—	—	—	—	—
e) Venture Capital Funds	—	—	—	—	—	—	—	—	—
f) Insurance Companies	—	—	—	—	—	—	—	—	—
g) FII's	—	—	—	—	—	—	—	—	—
h) Foreign Venture Capital Funds	—	—	—	—	—	—	—	—	—
i) Others (specify)	—	—	—	—	—	—	—	—	—
<b>Sub-total (B)(1):-</b>	—	—	—	—	—	—	—	—	—
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	92,731	1,21,900	2,14,631	6.75	87,475	1,21,900	2,09,375	6.59	0.16

**==== VASUNDHARA RASAYANS LIMITED ====**

ii) Overseas	—	—	—						
b) Individuals	—	—	—						
i) Individual share holders holding nominal share capital upto Rs. 2 lakh	2,13,200	3,55,413	5,68,613	17.89	1,47,137	4,00,180	5,47,712	17.23	0.66
ii) Individual shareholders holding nominal share capital in excess of Rs. 2 lakh	2,13,200	81,100	2,94,300	9.26	2,13,200	81,100	2,94,300	9.26	—
c) Others (specify)									
Non Resident Indians	4,900	-	4,900	0.15	4,900	-	4,900	0.15	—
Overseas Corporate Bodies	—	—	—	—	—	—	—	—	—
Foreign Nationals	—	—	—	—	—	—	—	—	—
Clearing Members	1,25,836	—	1,25,836	3.96	1,51,993	-	1,51,993	4.78	0.82
Trusts	—	—	—	—	—	—	—	—	—
Foreign Bodies-D R	—	—	—	—	—	—	—	—	—
<b>Sub-total (B)(2):-</b>	<b>6,49,867</b>	<b>5,58,413</b>	<b>12,08,280</b>	<b>38.02</b>	<b>6,05,100</b>	<b>6,03,180</b>	<b>12,08,280</b>	<b>38.02</b>	<b>—</b>
Total Public Shareholding (B)=(B)(1)+(B)(2)	6,49,867	5,58,413	12,08,280	38.02	6,05,100	6,03,180	12,08,280	38.02	—
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>-</b>								<b>—</b>
<b>Grand Total(A+B+C)</b>	<b>26,19,787</b>	<b>5,58,413</b>	<b>31,78,200</b>	<b>100</b>	<b>25,75,020</b>	<b>6,03,180</b>	<b>31,78,200</b>	<b>100</b>	<b>—</b>

**B) Shareholding of Promoter-**

SNo.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	P&J CRETECHEM PRIVATE LIMITED	19,69,920	61.98	—	19,69,920	61.98	—	—



**==== VASUNDHARA RASAYANS LIMITED ====**

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

SN	Particulars	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	P & J CRETECHEM PRIVATE LIMITED	-	-	-	-
-	At the beginning of the year Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year	-	-	-	-

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

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Increase/(Decrease) Promoters Share-holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)		Cumulative Share-holding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	P.C.S SECURITIES LIMITED	125000	3.93	26893	0.85	151893	4.78
2	GARG LEASING & FINANCE PRIVATE LIMITED	120000	3.78	—	—	120000	3.78
3	AJAY KUMAR JAIN	118200	3.72	—	—	118200	3.72
4	PRADEEP KUMAR JAIN	95000	2.99	—	—	95000	2.99
5	RAMOLI DEALERS PRIVATE LIMITED	80000	2.52	—	—	80000	2.52
6	VINOD AGARWAL	50000	1.57	—	—	50000	1.57
7	VIKAS KAMAL JAIN	31100	0.98	—	—	31100	0.98
8	KHETBAI NARSHI GADA	12375	0.39	(5000)	(0.16)	7375	0.23
9	PARESH SHAH	10000	0.31	4002	0.13	14002	0.44
10	B. SRINIVAS	12100	0.38	—	—	12100	0.38

**==== VASUNDHARA RASAYANS LIMITED ====**

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

SN	Shareholding of each Directors and each Key Managerial Personnel	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	Prakash Chand Jain				
-	At the beginning of the year	500	0.02	500	0.02
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer/bonus/sweat equity etc.):				
	At the end of the year	500	0.02	500	0.02

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	92,17,585	409,39,937	-	501,57,522
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-
<b>Change in Indebtedness during the financial year</b>				
* Addition	-	-	-	-
* Reduction	92,17,585	99,39,937	-	-
<b>Net Change</b>	92,17,585	99,39,937	-	-
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	NIL	310,00,000	-	310,00,000
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	NIL	310,00,000	-	310,00,000

**==== VASUNDHARA RASAYANS LIMITED ====**

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-**

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

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager					Total Amount
		Prakash Chand Jain Director p.a	Rajesh Pokerna Managing Director p.a	Sanjay Kumar Jain Whole Time Director p.a	Seema Jain Women Director p.a	Sunil Kumar Jain Whole Time Director p.a	
1	Gross salary	6,00,000	12,00,000	8,00,000	6,00,000	8,00,000	40,00,000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	—	—	—	—	—	
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	—	—	—	—	—	
	(c) Profits in lieu of salary under section 17(3) Income- tax Act,1961	—	—	—	—	—	
2	Stock Option	—	—	—	—	—	
3	Sweat Equity	—	—	—	—	—	
4	Commission- as % of profit- others, specify...	—	—	—	—	—	
5	Others, please specify	—	—	—	—	—	
	<b>Total (A)</b>	<b>6,00,000</b>	<b>12,00,000</b>	<b>8,00,000</b>	<b>6,00,000</b>	<b>8,00,000</b>	<b>40,00,000</b>
	Ceiling as per the Act						

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VASUNDHARA RASAYANS LIMITED  
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**B. Remuneration to other directors:**

SN.	Particulars of Remuneration	Name of Directors				Total Amount
		Rajesh Kumar Jain Independent Director	Pravin P.Majmumdar Independent Director	Rajiv Paritidas Kakodkar Independent Director	Dr. Parag Ashok Sharma Independent Director	
1	Independent Directors	—	—	—	—	—
	Fee for attending board committee meetings	—	—	—	—	—
	Commission	—	—	—	—	—
	Others, please specify	—	—	—	—	—
	Total (1)	—	—	—	—	—
2	Other Non-Executive Directors	—	—	—	—	—
	Fee for attending board committee meetings	—	—	—	—	—
	Commission	—	—	—	—	—
	Others, please specify	—	—	—	—	—
	Total (2)	—	—	—	—	—
	Total (B)=(1+2)	—	—	—	—	—
	Total Managerial Remuneration	—	—	—	—	—
	Overall Ceiling as per the Act	—	—	—	—	—

**C. Remuneration Key Managerial Personnel other than MD/MANAGER/WTD**

SN.	Particulars of Remuneration	Key Managerial Personnel		Total
		Company Secretary	Sunil Kumar Jain Chief Financial Officer	
1	Gross salary		6,00,000	6,00,000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	—	—	—
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	—	—	—

**==== VASUNDHARA RASAYANS LIMITED ====**

	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	—	—	—
2	Stock Option	—	—	—
3	Sweat Equity	—	—	—
4	Commission	—	—	—
	- as % of profit	—	—	—
	others, specify...	—	—	—
5	Others, please specify	—	—	—
	Total	—	6,00,000	6,00,000

**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)
<b>A. COMPANY</b>					
Penalty	—	—	—	—	—
Punishment	—	—	—	—	—
Compounding	—	—	—	—	—
<b>B. DIRECTORS</b>					
Penalty	—	—	—	—	—
Punishment	—	—	—	—	—
Compounding	—	—	—	—	—
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	—	—	—	—	—
Punishment	—	—	—	—	—
Compounding	—	—	—	—	—

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**VASUNDHARA RASAYANS LIMITED**

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**RAKHI AGARWAL**  
Company Secretary

6-3-660, Flat 520, Block 4,  
Amrit Apartments,  
Kapadia Lane, Somajiguda,  
Hyderabad -500 082  
*Email: rakhiagarwal79@yahoo.com*

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**SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

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

To,  
The Members of  
**VASUNDHARA RASAYANS LIMITED.**

I have conducted the secretarial audit of the compliance of applicable statutory provisions of the Act, Rules and Regulations as mentioned below and the adherence to good corporate practices by **Vasundhara Rasayans Limited** (herein after 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 on 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 other authorised 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 **31<sup>st</sup> 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 ("Audit Period") according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made there-under;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there-under;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there-under;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there-under to the Extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (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 (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (e) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

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**VASUNDHARA RASAYANS LIMITED**

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- (f) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;  
I, further report that:
- (a) The Listing Agreement entered into by the Company with the Stock Exchanges and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (b) Secretarial Standards issued by the Institute of Company Secretaries of India in respect of Board and General Meetings of the Company.

I, further report that:

- (a) 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 year under review were carried out in compliance with the provisions of the Act.
- (b) Adequate Notice is given to all the Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least 7 days in advance.
- (c) It is also noted that the Company has an Internal Audit System to constantly monitor the process for efficient compliances.

I, further report that

In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished and representations made to us by the Company, its officers and agents, we report that the Company has complied with the provisions of the Act, the Rules made thereunder and the Memorandum and Articles of Association of the Company with regard to:

- a. maintenance of various statutory registers and documents and making necessary entries therein;
- b. closure of Register of Members;
- c. forms, returns, documents and resolutions required to be filed with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities;
- d. service of documents by the Company on its Members, Debenture holders, Stock Exchanges, Auditors and the Registrar of Companies;
- e. notice of Board and various Committee meetings of Directors;
- f. meetings of Directors and all the Committees of Directors and passing of circular resolutions;
- g. notice and convening of Annual General Meeting held on 30<sup>th</sup> September, 2016.
- h. minutes of the proceedings of the Board Meetings, Committee Meetings and General Meetings;
- i. approvals of the Board of Directors, Committee of Directors, Members and government authorities, wherever required;
- j. constitution of the Board of Directors, Committees of Directors and appointment, retirement and reappointment of Directors including Managing Directors and Executive Directors;
- k. payment of remuneration to Directors, Managing Director and Executive Directors;
- l. appointment and remuneration of Statutory Auditors and Cost Auditors;
- m. transfer and transmission of the Company's shares, issue and allotment of shares and issue and delivery of certificates of shares;

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**VASUNDHARA RASAYANS LIMITED**

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- n. declaration and payment of dividend;
- o. transfer of amounts as required under the Act to the Investor Education and Protection Fund;
- p. borrowings and registration of charges;
- q. report of the Board of Directors;
- r. investment of the Company's funds including inter corporate loans and investments;
- s. generally, all other applicable provisions of the Act and the Rules thereunder.

**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.

**I further report that**, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the specific industry related laws as applicable specifically:

- (a) Customs Act, 1962 and the rules made thereunder as applicable;
- (b) Central Excise Act, 1944 and the rules made thereunder as applicable.
- (c) Rule 3(4) A.P. Shops and Establishment Rule, 1990.
- (d) Labour Act, 1970 or Labour Act, 2015 and rule made thereunder applicable
- (e) A.P. Tax on Professional, Trades Calling and Employment, 1987 and the rules made thereunder as applicable.
- (f) Employees Provident Fund Scheme, 1952 and the rules made thereunder as applicable.
- (g) Employee Pension Scheme, 1995 and the rules made thereunder as applicable.
- (h) Employees Deposit Linked Insurance Scheme, 1976 and the rules made thereunder as applicable.
- (i) Industrial Dispute Act, 1947 and the rules made thereunder as applicable.
- (j) Factories Act, 1948 and its other related acts, and the rules made thereunder as applicable.
- (k) Payment of Gratuity Act, 1972 and the rules made thereunder as applicable.

**I further report that** during the audit period there were no specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

We have relied on the information supplied and representation made by the company and its officers, agents, for systems and mechanism followed by the company for compliance under the applicable Acts, Laws and Regulations to the Company

Place: Hyderabad

Date: 11.08.2017

**For RAKHI AGARWAL  
COMPANY SECRETARY  
FCS NO.7047  
CP NO.6270**

Note : 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.



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**VASUNDHARA RASAYANS LIMITED**

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**‘ANNEXURE A’**

To,  
The Members of  
**VASUNDHARA RASAYANS 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 processes 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 processes 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. Where ever 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 procedures 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.

Place: Hyderabad

Date: 11.08.2017

**RAKHI AGARWAL**

**COMPANY SECRETARY**

**FCS NO.7047  
CP NO.6270**

**REPORT ON CORPORATE GOVERNANCE**

**1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:**

Vasundhara Rasayans Limited to set the highest standards of Corporate Governance right from its inception benchmarked with the best class practices across the globe. Effective Corporate Governance is the manifestation of professional beliefs and values, which configures the organizational values, credo and actions of its employees. The aim of "Good Corporate Governance" is to ensure commitment of the board in managing the company in a transparent manner for maximizing long-term value of the company for its shareholders and all other partners. It integrates all the participants involved in a process, which is economic, and at the same time social.

Hence it harmonizes the need for a company to strike a balance at all times between the need to enhance shareholders' wealth whilst not in any way being detrimental to the interests of the other stakeholders in the company.

**2. BOARD OF DIRECTORS:**

**a) Composition and Category of Directors:**

In terms of compliance with the requirement of SEBI (LODR) Regulations, 2015, the Company endeavour to have an optimum combination of Executive and Non-Executive Directors to maintain the independence of the Board and separate the functions of Governance and Management through Board and Committees. As on 31<sup>st</sup> March, 2017, the Board consist of the following:

- \*. 5 Executive Directors;
- .& 6 Non-Executive Director out of which 2 Independent Directors .

**b) Attendance of each director at the Board meetings and the last Annual General Meeting:**

The particulars of attendance of Board Meetings and Annual General Meeting by Directors for the financial year ended 31.03.2017 has been set out here below:

<b>S. No</b>	<b>Name of Director</b>	<b>Category</b>	<b>Meetings attended</b>	<b>Attendance at lastAGM on 30.09.2016</b>
1	Prakash Chand Jain	Director	12	-
2	Sanjay Kumar Jain	Whole-Time Director	11	-
3	Sunil Kumar Jain	Whole-Time Director and Chief Financial Officer	14	Y
4	Rajesh Pokerna	Managing Director	14	Y
5	Rajesh Kumar Jain	Director	8	Y
6	Pravin P.Majmumdar	Director	2	-
7	Rajiv Paritidas Kakodkar	Director	2	-
8	Dr. Parag Ashok Sharma	Director	2	-
9	Smt. Seema Jain	Women Director	5	Y
10	Pradeep Kumar Jain	Independent Director	8	-
11	Khivraj Naresh Kumar	Independent Director	8	-

**=====  
VASUNDHARA RASAYANS LIMITED  
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**c) Number of other Directorships, Committee Membership(s) & Chairmanship(s):**

Sl. No.	Name of the Director	Other Directorships	Committee Membership	Committee Chairmanship
1	Prakash Chand Jain	9	—	—
2	Sanjay Kumar Jain	9	—	—
3	Sunil Kumar Jain	4	—	—
4	Rajesh Pokerna	1	—	—
5	Rajesh Kumar Jain	6	—	—
6	Pravin P.Majmumdar	0	—	—
7	Rajiv Paritidas Kakodkar	2	—	—
8	Dr. Parag Ashok Sharma	0	—	—
9	Seema Jain	0	—	—
10	Pradeep Kumar Jain	0	—	—
11	Khivraj Naresh Kumar	1	—	—

**d) Number of Board Meetings held and the date on which held:**

In terms of compliance with the requirement of SEBI (LODR) Regulations, 14 (FOURTEEN) Board Meetings were held during the financial year ended 31.03.2017. The maximum gap between any two Board Meetings was not more than 120 days at any time.

The dates on which the Board meetings were held are:

01.04.2016	25.05.2016	01.06.2016	12.08.2016
19.08.2016	30.09.2016	12.11.2016	16.11.2016
23.11.2016	20.01.2017	13.02.2017	15.03.2017
18.03.2017	30.03.2017	—	—

**BOARD COMMITTEES:**

Details of the Board Committees and other related information are provided hereunder:

**3. AUDIT COMMITTEE:**

**(i) Brief description of terms of reference:**

The terms of reference stipulated by the Board to the Audit Committee includes review of the following:

- \* Management Discussion and Analysis of financial condition and results of operations;
- \* Statement of significant related party transactions submitted by Management;
- \* Management letters / letters of internal control weaknesses issued by the Statutory Auditors;
- \* Internal Audit Reports relating to internal control weaknesses; and

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**VASUNDHARA RASAYANS LIMITED**

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- \* The appointment, removal and terms of remuneration of the Chief Internal Auditor.
- \* Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- \* Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the Statutory Auditor and the fixation of Audit fees.
- \* Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors.
- \* The annual financial statements before submission to the Board for approval, with particular reference to following with the Management:
  - i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Clause (3C) of Section 134 of the Companies Act, 2013
  - ii. Changes, if any, in accounting policies and practices and reasons for the same.
  - iii. Major accounting entries involving estimates based on the exercise of judgment by Management
  - iv. Significant adjustments made in the financial statements arising out of Audit findings
  - v. Compliance with listing and other legal requirements relating to financial statements
  - vi. Disclosure of any related party transactions
  - vii. Qualifications in the draft Audit Report.
- \* Reviewing, with the Management, the quarterly financial statements before submission to the Board for approval.
- \* Reviewing, with the Management, performance of Statutory and Internal Auditors, adequacy of the internal control systems.
- \* Reviewing the adequacy of internal audit function, if any, including the structure of the Internal Audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- \* Discussion with Internal Auditors any significant findings and follow up there on.
- \* Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- \* Discussion with Statutory Auditors before the Audit commences, about the nature and scope of Audit as well as post-Audit discussion to ascertain any area of concern.
- \* To review the functioning of the Whistle Blower Mechanism.
- \* To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.

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**VASUNDHARA RASAYANS LIMITED**

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**(ii) Composition:**

The Company's Audit Committee comprises of the following Directors all of whom are Non-Executive, the majority being Independent Directors:

<b>Sl.No</b>	<b>Name of Director</b>	<b>Designation</b>
1	Pradeep Kumar Jain	Chairman
2	Khivraj Naresh Kumar	Member
3	Rajesh Kumar Jain	Member

The Company continued to derive immense benefit from the deliberation of the Audit Committee comprising of three Non-Executive Independent Directors and two Non-Executive Director. As Shri Pradeep Kumar Jain who is heading the Audit Committee as Chairman having rich experience and professional knowledge in Finance, Accounts and Company Law, the members always added the value for the Company. Minutes of each Audit Committee are placed before the Board and discussed in the meeting.

**(iii) Meeting and attendance during the year:**

In terms of compliance with the requirement of Regulation 18 of SEBI (LODR) Regulations, 2015 the Audit Committee met 5 (Five) times during the financial year under review, on 25.05.2016, 12.08.2016, 12.11.2016, 13.02.2017 & 18.03.2017 and the attendance of the members of the Audit Committee as recorded is as under:

<b>SI No</b>	<b>Name of the Director</b>	<b>No. of Meetings Attended</b>
1	Pradeep Kumar Jain	5
2	Khivraj Naresh Kumar	5
3	Rajesh Kumar Jain	5

The Statutory Auditors and Internal Auditors of the Company have also attended the above meetings on invitation. The recommendations made by the Audit Committee from time to time have been followed by the Company. The Chairman of the Audit Committee has attended the Annual General Meeting to answer the queries raised by the Shareholders regarding Audit and Accounts.

**4. NOMINATION & REMUNERATION COMMITTEE:****Brief description of terms of reference:**

The brief terms of reference of the Nomination and Remuneration Committee, inter alia, include the following:

- Identifying and selection of persons for appointment as directors and senior management in accordance with the criteria laid down and to recommend to the Board their appointment.
- Formulate the criteria for determining qualifications, positive attributes and independence of a Director.
- Recommend/review remuneration of the Managing Director and Whole time Director(s) based on performance and defined assessment criteria.

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**VASUNDHARA RASAYANS LIMITED**

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- d. Recommend to the Board a policy for selection and appointment of Directors, Key Managerial Personnel and other senior management positions.
- e. Formulate and review criteria for evaluation of performance of the Board of Directors
- f. Devise a policy on Board diversity.
- g. Succession planning for the Board level and key management positions.
- h. Carry out any other function as mandated by the Board from time to time and/or enforced by any statutory notification/amendment.

**(ii) Composition:**

<b>Sl.No</b>	<b>Name of Director</b>	<b>Designation</b>
1	Pradeep Kumar Jain	Chairman
2	Khivraj Naresh Kumar	Member
3	Rajesh Kumar Jain	Member

**(iii) Attendance during the year:**

The Remuneration Committee met 3 (Three) times, during the financial year under review, 01.04.2016, 30.09.2016, 18.03.2017. The attendance of the meeting by the members of the Committee as recorded is as under:

<b>S. No</b>	<b>Name of the Director</b>	<b>No. of Meetings Attended</b>
1	Pradeep Kumar Jain	3
2	Khivraj Naresh Kumar	3
3	Rajesh Kumar Jain	3

**REMUNERATION POLICY:**

The nomination and remuneration committee has adopted a Nomination and Remuneration Policy which, interalia, deals with the manner of selection of Board of Directors, KMP & other senior management and their remuneration. The extract of the same is as follows:

**a) Remuneration to Executive Director and KMP:**

Executive Directors and KMP are eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The Executive Director and KMP remuneration is determined based on levels of responsibility and scales prevailing in the industry. The executive directors are not paid sitting fee for any Board/Committee meetings attended by them.

**b) Remuneration to Non-Executive Directors:**

The Non- Executive / Independent Director may receive remuneration by way of sitting fees for attending meetings of Board or Committees thereof.

**(i) Details of Remuneration of Non – Executive Directors:**

The Company is not paying Sitting fees to all the Non-executive Directors.

**(ii) Pecuniary relationship or transactions of Non-Executive Director:**

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**VASUNDHARA RASAYANS LIMITED**

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Apart from receiving sitting fees for attending the Board and Audit Committee Meetings, the Non-Executive Independent Directors do not have any other material pecuniary relationship or transactions with the Company, its promoters or its Management, which in the opinion of the Board may affect independence of judgment of such Directors.

**(iii) Details of Remuneration to Executive Directors:**

Name of Director	(Amount in Rs.)				
	Salary	H R A	Commission	Perks	Total
Prakash Chand Jain, Director	6,00,000	—	—	—	6,00,000
Sanjay Kumar Jain, WTD	8,00,000	—	—	—	8,00,000
Sunil Kumar Jain, CFO/WTD	8,00,000	—	—	—	8,00,000
Rajesh Pokerna , MD	12,00,000	—	—	—	12,00,000
Seema Jain, Women Director	6,00,000	—	—	—	6,00,000
<b>TOTAL</b>	<b>40,00,000</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>40,00,000</b>

**FAMILIARISATION PROGRAMMES FOR BOARD MEMBERS:**

Your Company follows a structured orientation and familiarisation programme through various reports/codes/internal policies for all the Directors with a view to update them on the Company's policies and procedures on a regular basis. Periodic presentations are made at the Board Meetings on business and performance, long term strategy, initiatives and risks involved. The framework on familiarisation programme have been posted in the website of the Company.

**CODE OF CONDUCT:**

The Company has in place a comprehensive Code of Conduct applicable to all the employees and Non-executive Directors including Independent Directors. The Code is applicable to Non-executive Directors including Independent Directors to such extent as may be applicable to them depending on their roles and responsibilities. The Code gives guidance and support needed for ethical conduct of business and compliance of law. A copy of the Code has been posted on the Company's website.

**INDEPENDENT DIRECTORS' MEETING:**

During the year, meeting of Independent Directors was held to review the performance of the Board as a whole on parameters of effectiveness and to assess the quality, quantity and timeliness of flow of information between the management and the Board.

**PERFORMANCE EVALUATION:**

Pursuant to the provisions of the Companies Act, 2013 and 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 Board Committees. A structured questionnaire was prepared after circulating the draft forms, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

The Performance evaluation of the Chairman and Managing Director and the Non-Independent Directors was carried out by the Independent Directors. The Directors express their satisfaction with the evaluation process.

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**VASUNDHARA RASAYANS LIMITED**

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**5. STAKEHOLDERS RELATIONSHIP COMMITTEE:****(i) Brief description of terms of reference:**

During the year at a meeting of the Board of Directors of the Company held on 30<sup>th</sup> March, 2017 in compliance with the provisions of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015, the Board has renamed its "Shareholders Grievance Committee" as the "Stakeholders Relationship Committee". The Stakeholders Relationship Committee constituted by the Board of Directors inter alia approves transfer of shares and redresses shareholders / investor's grievances and complaints regarding non-receipt of Dividends, Annual Reports, etc.

**(ii) Composition:**

<b>Sl.No.</b>	<b>Name of Director</b>	<b>Designation</b>
1.	Shri Pradeep Kumar Jain	Chairman
2.	Shri Prakash Chand Jain	Member
3.	Shri Sunil kumar Jain	Member
4.	Shri Rajesh Pokerna	Member

Shri Prakash Chand Jain, Director is acting as Compliance Officer of the Company.

The total number of complaints received and replied to the satisfaction of shareholder during the year was 0. There are no outstanding complaints as on 31.03.2017.

**6. RISK MANAGEMENT COMMITTEE:**

The Company has constituted a Risk Management Committee which has laid down procedures to inform the Board of Directors about the Risk Management and its minimization procedures. The Board of Directors review these procedures periodically.

**7. GENERAL BODY MEETINGS:****i) Location and time for the last 3 years General Meetings were:**

<b>Year</b>	<b>Locations</b>	<b>Date</b>	<b>Time</b>
2015-2016	Shed No.42, Phase II, IDA, Mallapur, Hyderabad-500 076	30.09.2016	11:30 A.M
2014-2015	Shed No.42, Phase II, IDA, Mallapur, Hyderabad-500 076	12.09.2015	11:30 A.M
2013-2014	Shed No.42, Phase II, IDA, Mallapur, Hyderabad-500 076	27.09.2014	11:30 A.M

**ii. Whether any special resolutions passed in the previous 3 AGMs**

**2015-16:** In the AGM held on 30<sup>th</sup> September, 2016 the company has passed one Special Resolution

**2014-15:** In the AGM held on 12<sup>th</sup> September, 2015 the company has passed no Special Resolutions

**2013-14:** In the AGM held on 27<sup>th</sup> September, 2014 the company has passed no Special Resolutions.



**9. DISCLOSURES:**

- (i) **Disclosures on materially significant related party transactions i.e., transactions of the company of material nature, with its promoter, the directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of company at large:**

Besides the transactions mentioned elsewhere in the Annual Report, there were no materially significant related party transactions during the year conflicting with the interest of the Company.

- (ii) **Details of non-compliance by the company, penalties, strictures imposed on the company by Stock Exchange, SEBI or any statutory authority, on any matter related to capital markets, during the last three years:**

None.

- (iii) **Whistle Blower policy:**

Pursuant to Section 177(9) and (10) of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 the Company has formulated Whistle Blower Policy for vigil mechanism for Directors and employees to report to the management about the unethical behavior, fraud or violation of Company's code of conduct. The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the Chairperson of the Audit Committee in exceptional cases. None of the personnel of the Company has been denied access to the Audit Committee. The policy is available on the Company website, [www.vasundhararasayans.in](http://www.vasundhararasayans.in)

- (iv) **Non Mandatory Requirements:**

Adoption of non-mandatory requirements of SEBI (LODR) Regulations, 2015 is being reviewed by the Board from time to time.

**10. MEANS OF COMMUNICATION:****i. Financial / Quarterly Results:**

The Company intimates un-audited as well as audited financial results to the Stock Exchanges, immediately after the Board meetings at which they are approved. The results of the Company are also published in at least one prominent national and one regional newspaper having wide circulation. Normally the results are published in Financial Express/Business Standard (English) and Nava Telangana (Telugu). The financial results are also displayed on the Company's website [www.vasundhararasayans.in](http://www.vasundhararasayans.in)

**ii. Newspapers wherein results normally published**

The official news releases are published in Financial Express /Business Standard and Nava Telangana (Telugu) Newspapers, Detailed presentations made to institutional investors, financial analyst, etc. are displayed on the Company's website [www.vasundhararasayans.in](http://www.vasundhararasayans.in).

**Website:**

The website [www.vasundhararasayans.in](http://www.vasundhararasayans.in) contains a separate dedicated section for the Company's "Investor Relations" where shareholders' information is available. The full Annual Report, shareholding pattern etc. is also available in the 'Investor Relations' sections on the website of the Company.

**CEO/ CFO Certification**

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**VASUNDHARA RASAYANS LIMITED**

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In line with the requirements of Regulation 17(8) of SEBI (LODR) Regulations, 2015, Shri. Sunil Kumar Jain, Whole Time Director/Chief Financial Officer have submitted a certificate to the Board, certifying inter-alia, that the Financial Statements and the Cash Flow Statement for the year ended March 31, 2017 were reviewed to the best of their knowledge and belief, that they do not contain any material untrue statement, do not omit any material facts, are not misleading statements, together present a true and fair view and are in compliance with the applicable laws and regulations. The certificate further confirms that the transactions entered into by the Company for establishing internal control, financial reporting, evaluation of the internal control systems and making of necessary disclosures to the Auditors and the Audit Committee have been complied with.

**Unclaimed Dividend:**

Pursuant to the provisions of Section 124 of the Companies Act, 2013, Dividends for the financial year ended 31<sup>st</sup> March, 2010 and thereafter, which remain unclaimed for a period of seven years, will be transferred to the Investor Education and Protection Fund established by the Central Government pursuant to Section 124 of the Companies Act, 2013, Information in respect of the due date for transfer of such unclaimed dividend to the said fund is given below:

<b>For the Financial Year</b>	<b>Date of Declaration</b>	<b>Due for transfer on</b>
2009-10	28.09.2010	29.10.2017
2010-11	30.09.2011	30.10.2018
2011-12	28.09.2012	28.10.2019
2012-13	28.09.2013	28.10.2020
2014-14	27.09.2014	27.10.2021
2014-15	24.09.2015	24.10.2022
2015-16	30.09.2016	30.10.2023

The members are advised to send all the un-encashed dividend warrants pertaining to the above years to our RTA for revalidation or issuance of Demand Draft in lieu thereof and encash them before the due dates for transfer to the IEPF. It may also be noted that once the Unclaimed Dividend is transferred to the Investor Education and Protection Fund, no claim shall lie in respect thereof.

**The Management Discussion and Analysis Report:**

A Report of the Management Discussion and Analysis is attached as part of the Annual Report.

**11. GENERAL SHAREHOLDER INFORMATION:**

<b>Annual General Meeting</b>	Date : 29 <sup>th</sup> September, 2017 Time : 11:30 A.M Venue : Shed No.42, Phase II, IDA, Mallapur, Hyderabad-500 076
<b>Financial Calendar</b>	1 <sup>st</sup> April, 2016 to 31 <sup>st</sup> March, 2017
<b>Date of Book Closure</b>	23 <sup>rd</sup> September- 29 <sup>th</sup> September,2017
<b>Listing on Stock Exchanges</b>	BSE Ltd
<b>Stock Code</b>	538634
<b>ISIN Number for NSDL &amp; CDSL</b>	INE406F01010

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**VASUNDHARA RASAYANS LIMITED**

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**i. Registrar and Transfer Agents**

Share Transfers & Communication regarding Share Certificates, Dividends & Change of Address may be sent to

**M/s. CIL SECURITIES LIMITED**

214, Raghava Ratna Tower, Chirag Ali Lane,  
Hyderabad, Telangana-500 001.  
Phone : +91-040-2320 2465  
Email ID : advisors@cilsecurities.com  
Website : www.cilsecurities.com

**ii. Share Transfer System**

The Transfer of shares in physical form is processed and completed by Registrar & Transfer Agents within a maximum period of 30 days from the date of receipt, provided all the documents are in order. In case of shares in electronic form, the transfers are processed by NSDL/CDSL through respective Depository Participants. In compliance with the Listing Agreement with the Stock Exchanges, a Practicing Company Secretary carries out audit of the system of transfer and a certificate to that effect is issued.

**iii. Reconciliation of share Capital Audit:**

As stipulated by the SEBI, a qualified Practicing Company Secretary carries out the Share Capital Audit to reconcile the total admitted Capital with NSDL and CDSL and the total issued and listed capital. The Audit is carried out every quarter and the Report thereon is submitted to the Stock Exchanges and is also placed before the Board of Directors. The Report inter-alia confirms the total listed and paid up share capital of the Company is in agreement with the aggregate of the total dematerialised shares and those in the physical mode.

**iv. Shareholding Pattern as on 31<sup>st</sup> March, 2017:**

<b>Category</b>	<b>No. of. Shares</b>	<b>% Holding</b>
Promoters	—	—
Promoters Bodies Corporate	1969920	61.98
Resident Individuals	842012	26.49
Bodies Corporate	209375	6.59
Indian Financial Institutions	—	—
Non Resident Indians	4900	0.15
Government	—	—
Trusts	—	—
Clearing Members	151993	4.98
Mutual Funds	—	—
Banks	—	—
HUF	—	—
<b>Total</b>	<b>3178200</b>	<b>100</b>

## =====**VASUNDHARA RASAYANS LIMITED**=====

### v. Dematerialisation of Shares & Liquidity

The trading in Company's shares is permitted only on dematerialized form. In order to enable the shareholders to hold their shares in electronic form and to facilitate scrip-less trading, the Company has enlisted its shares with NSDL and CDSL.

### vi. Plant Locations:

C-104, MIDC, Mahad, Raigad, Maharashtra - 402309

### vii. Address for correspondence

Sl. No.	Shareholders Correspondence for	Address
	Transfer/Dematerialization/Consolidation / Split of shares, Issue of Duplicate Share Certificates, Non-receipt of dividend/ Bonus shares, etc., change of address of Members and Beneficial Owners and any other query relating to the shares of the Company.	<b>M/s CIL SECURITIES LIMITED</b> 214, Raghava Ratna Tower, Chirag Ali Lane, Chirag Ali Lane, Hyderabad, Telangana 500001 Phone # +91-040-2320 2465 Email ID: <a href="mailto:advisors@cilsecurities.com">advisors@cilsecurities.com</a> Website: <a href="http://www.cilsecurities.com">www.cilsecurities.com</a>
	Investor Correspondence / Queries on Annual Report, Revalidation of Dividend Warrants, Sub-Division, etc.	Shri Prakash Chand Jain Shed No. 42, Phase II, IDA, Mallapur, Hyderabad – 500076 Phone No.: 040-23437617, 040-23437623 Fax No.: 040-23437627 Email: <a href="mailto:info@vrlindia.in">info@vrlindia.in</a>

### 12. Depository Services:

For guidance on Depository Services, Shareholders may write to the Company or to the respective Depositories:

<p><b>National Securities Depository Ltd</b> Trade World, 4<sup>th</sup> Floor, Kamala Mills Compound, Lower Parel, Mumbai – 400 013 Tel : 091-022-24972964-70 Fax : 091-022-24972993 / 24976351 Email :<a href="mailto:info@nsdl.co.in">info@nsdl.co.in</a></p>	<p><b>Central Depository Services (India) Ltd</b> Phiroze Jeejeebhoy Towers, 17<sup>th</sup> Floor, Dalal Street, Mumbai – 400 023 Tel : 091-022-22723333/22723224 Fax: 091-022-22723199 Email : <a href="mailto:investors@cdslindia.com">investors@cdslindia.com</a></p>
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### 13. Company's Policy on prevention of insider trading:

Pursuant to the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015, and in continuation with your Company's efforts to enhance the standards of corporate governance in the Company, and to strictly monitor and prevent insider trading within the company, your company has in place a Code of Conduct which is approved by the Board.

**==== VASUNDHARA RASAYANS LIMITED ====**

The Chief Financial Officer is acting as Compliance Officer for the said purpose. The code is applicable to all such employees, officers, Directors and Promoters of the Company who are expected to have access to the unpublished price sensitive information relating to the Company and the same is being implemented as a self-regulatory mechanism. The code has been circulated to all the members of the Board and Senior Management and others concerned the compliance of the same has been affirmed by them.

**14. Particulars of Directors, who are retiring by rotation, seeking re-appointment at the forthcoming Annual General Meeting pursuant to Regulation 36(3) of SEBI (LODR) Regulations, 2015 and Secretarial Standard-2:**

<b>Name of Director</b>	<b>Shri. Rajiv Pritidas Kakodkar</b>	<b>Shri. Parag Ashok Sharma</b>	<b>Shri. Rajesh Kumar Jain</b>
<b>Expertise in specific functional areas</b>	Sourcing of Active Pharmaceutical Ingredients into and from India on behalf of Global Companies.	Highly Qualified and Well Acquainted in handling and developing analytical techniques Using instruments such as HPTLC, HPLC, MPLC etc.	Having rich experience and professional, knowledge in Finance, Accounts and Company Law, adding to the value for the Company.
<b>Date of Birth</b>	23/12/1956	25/07/1965	23/03/1964
<b>Qualification</b>	B. Pharma & MBA	PG, PH.D.	B.Com, FCA
<b>List of Other Companies in which Directorship is held as on 31<sup>st</sup> March, 2017.</b>	2	—	6
<b>Chairman/ Member of the Committees of the Board of other Companies in which he is a Director as on 31<sup>st</sup> March, 2017</b>	—	—	—

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**VASUNDHARA RASAYANS LIMITED**

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**DECLARATION OF COMPLIANCE OF CODE OF CONDUCT**

Pursuant to the Circular No. SEBI/CFD/DIL/CG/1/2004/12/10 dated 29<sup>th</sup> October 2004, it is hereby declared that the Company has obtained confirmation from all the Board Members and Senior Management Personnel of the Company for the compliance of the Code of Conduct of the Company for the year 2016-17.

**By Order of the Board  
For VASUNDHARA RASAYANS LIMITED**

**Place: Hyderabad  
Date: 11.08.2017**

**Sd/-  
PRAKASH CHAND JAIN  
DIRECTOR/COMPLIANCE OFFICER**

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**VASUNDHARA RASAYANS LIMITED**

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**AUDITORS' CERTIFICATE REGARDING CORPORATE GOVERNANCE**

To

The Members of

**Vasundhara Rasayans Limited**

We have examined the compliance of conditions of Corporate Governance by **M/s Vasundhara Rasayans Limited** for the year ended 31<sup>st</sup> March 2017, as stipulated in SEBI (LODR) Regulations, 2015 with BSE Limited.

The compliance of these conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an Audit nor an expression of opinion on the Financial Statements of the Company.

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

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

**For Agarwal Gupta Nokari & Rustagi Associates  
Chartered Accountants  
(FRN- 310041E)**

Sd/-  
Bhal Chandra Khaitan  
Partner  
M. No.017387

Date : 11.08.2017

Place: Kolkata

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

### **OUTLOOK**

The Government have taken some very strong decisions like demonetisation and continuing with the reforms which has immediate negative impact on business but for a better future for organised business as well as ease of business. Lot of paper works and hassles are getting reduced which would help to concentrate and improve the core business. There has been also strong pressure on pharmaceutical companies on the pricing and even that has negative impact on the overall pharma companies which is being seen in the market in general. We are continuing with our consolidation of our operation and improving the efficiency which are started giving results. We are also consolidating the supply to non-pharma business and that is supporting the business very well in the adverse pharma market condition.

### **OPPORTUNITIES**

We have also added a new product Sucralfate, in Spray Dried form, first time in India. In the pharmaceutical market, it takes about 6 to 18 months for approval of a new source hence the results of the same would be seen from coming years.

After consolidating the non-pharma business in domestic market now the company is exploring exports of the product which would help to have better margins. Also trying to expand the market share of such product in domestic market as well.

The company has got an opportunity to find a customer for its existing plant which has become very old and is becoming too difficult to modernize without stoppage of business. If the deal concludes then the company would use the proceeds to put up or acquire a new plant meeting the regulations of the FDA both domestic as well as international market which is must for the business to continue. This would also help to bring in automation which has become also very important for consistent quality as well as to improve the manufacturing cost which is also under pressure with the increased in the manpower cost.

### **THREAT & CONCERNS**

The Government is very keen to work on the reduction in the pricing of the health care and this would have negative impact on the pharmaceutical companies which would have price pressure back on to the API business. Technologies has been changing much faster and out of box solutions are being seen shaking established businesses more than in the past. Need to be alert and to keep updating the requirement of customer and constantly upgrading the business both technically and commercially to survive.



**=====  
VASUNDHARA RASAYANS LIMITED  
=====**

**CEO/CFO CERTIFICATION TO THE BOARD  
(Under Regulation 17(8) of SEBI (Listing Obligations and Disclosure requirements)  
Regulations, 2015)**

**Date: 11.08.2017**

I Certify that —

a. I have reviewed the financial statements and the cash flow statement for the year 2016-17 and that to the best of our knowledge and belief:

- These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- 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. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year 2016-17 which are fraudulent, illegal or violative of the Company's code of conduct;

c. We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of the internal control, if any, of which we are aware of and the steps we have taken or propose to take to rectify these deficiencies.

d. We have indicated to the Auditors and the Audit Committee -

- Significant changes in internal control over the financial reporting during the year 2016-17;
- Significant changes in accounting policies during the year 2016-17 and that the same have been disclosed in the notes to the financial statements; and
- Instances of significant fraud of which we 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 the financial reporting.

**By Order of the Board  
For VASUNDHARA RASAYANS LIMITED**

**Sd/-  
SUNIL KUMAR JAIN  
CHIEF FINANCIAL OFFICER  
DIN NO: 00117331**

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**VASUNDHARA RASAYANS LIMITED**

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**Compliance with Code of Business Conduct and Ethics**

As provided under regulation 17(5) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 entered with the Stock Exchange, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct and the Ethics for the financial year ended 31st March, 2017.

**Date: 11.08.2017**

**CERTIFICATE ON CORPORATE GOVERNANCE**

We have examined the compliance of conditions of corporate governance, by VASUNDHARA RASAYANS LIMITED, for the year ended 31.03.2017 as stipulated in Regulation 27(2) of (Listing Obligations & Disclosure Requirements) of the said Company with stock exchange.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of corporate governance as stipulated in the above mentioned listing agreement.

We state that as the records maintained, no investor grievances against the Company are pending for a period exceeding one month before Shareholders/Investors Grievance Committee.

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

**For RAKHI AGARWAL**  
COMPANY SECRETARY

Sd/-

**RAKHI AGARWAL**  
PROPRIETOR  
FCS NO.7047, CP NO.6270  
Place: Hyderabad  
Date: 11.08.2017.

## **INDEPENDENT AUDITOR'S REPORT**

**TO THE MEMBERS OF VASUNDHARA RASAYANS LIMITED**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of **VASUNDHARA RASAYANS LIMITED** ("the company") which comprise the Balance Sheet as at 31<sup>st</sup> March, 2017, the Statement of Profit and Loss for the year then ended, Cash Flow statement and a summary of significant accounting policies and other explanatory information.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company 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 responsibilities also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of assets of the Company and for preventing and detecting frauds and other irregularities; making judgements 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 rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of

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**VASUNDHARA RASAYANS LIMITED**

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the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

***Opinion***

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

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

**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, 2016, 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 obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c) the Balance Sheet, and the Statement of Profit and Loss and Cash flow statement dealt with by this Report are in agreement with the books of account;

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**VASUNDHARA RASAYANS LIMITED**

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- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) on the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of Section 164(2) of the Companies Act, 2013.
- f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'; and
- g) In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014: :
  - (i) The Company does not have any pending litigations which would impact its financial position.
  - (ii) The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.
  - (iii) there are no amounts that are due to be transferred to the Investor Education and Protection Fund by the Company
  - (iv) The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management.

**For AGARWAL GUPTA NOKARI &  
RUSTAGI ASSOCIATES**  
Chartered Accountants  
Firm Reg. No.310041E

Place : Kolkata  
Dated : 24th day of May, 2017

**Bhal Chandra Khaitan**  
(Partner)  
Membership No.017387

**Annexure- A****ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT**

The Annexure referred to in paragraph 1 under the "Report on other Legal and Regulatory requirements" our report to the members of **VASUNDHARA RASAYANS LIMITED** ('the Company') on the financial statement for the year ended 31<sup>st</sup> March, 2017, we report that :

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to us, the Company has a system of verifying all its major fixed assets at a reasonable intervals. The fixed assets so scheduled for verification during this year have been physically verified by the management. The discrepancies noticed on such verification were not material and have been properly dealt with in the books of account.
- (c) The title deeds of immovable properties are held in the name of the company.
- (ii) (a) The management has conducted the physical verification of inventory at reasonable intervals.
- (b) The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.
- (iii) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.
- (v) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- (vi) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- (vii) (a) According to the information and explanations given to us and records examined by us, the company is generally depositing with appropriate authorities undisputed statutory dues including provident fund, investors education and protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and any other statutory dues wherever applicable. According to the information and explanations given to us, no undisputed arrears of statutory dues were outstanding as at 31<sup>st</sup> March, 2017 for a period of more than six months from the date they became payable;

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**VASUNDHARA RASAYANS LIMITED**

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- (b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- (ix) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- (x) Based upon the audit procedures performed by us for expressing our opinion on these financial statements and information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during course of our audit.
- (xi) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- (xii) The Paragraph 3(xii) of the order is not applicable since the Company is not the Nidhi Company.
- (xiii) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- (xiv) Based on the information and explanations given to us by the management, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- (xv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- (xvi) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

**For AGARWAL GUPTA NOKARI &  
RUSTAGI ASSOCIATES**

Chartered Accountants  
Firm Reg. No.310041E

Place : Kolkata

Dated : 24th day of May, 2017

**Bhal Chandra Khaitan**

(Partner)

Membership No.017387



***Annexure-B*****Report on the Internal Financial Controls under clause (i) of sub-section 3 of the Companies Act, 2013 ('the Act')**

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

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

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

**Auditor's 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 the 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 were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the frequency of the internal financial controls system over financial reporting and their 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.



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**VASUNDHARA RASAYANS LIMITED**

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

**Meaning of Internal Financial Controls over Financial Reporting**

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

**Inherent Limitations of Internal Controls over Financial Reporting**

Because of inherent limitations of internal 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 financial controls system over financial reporting and such internal financial controls system over financial reporting were operating effectively as at 31<sup>st</sup> March 2017, based on the internal financial 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.

Place : Kolkata

*Dated : 24th day of May, 2017*

**For AGARWAL GUPTA NOKARI &  
RUSTAGI ASSOCIATES**

Chartered Accountants

Firm Reg. No.310041E

**Bhal Chandra Khaitan**  
(Partner)

Membership No.017387

**VASUNDHARA RASAYANS LIMITED**

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

PARTICULARS	Note No.	AS AT 31.03.2017 Rs.	AS AT 31.03.2016 Rs.
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
(a) Share capital	2	31,782,000	31,782,000
(b) Reserves and surplus	3	40,383,529	39,609,554
		<b>72,165,529</b>	71,391,554
<b>Non-current liabilities</b>			
(a) Long-term borrowings	4	-	4,113,225
(b) Deferred tax liabilities (Net)	5	6,648,817	6,274,391
(c) Other Long term liabilities	6	414,889	47,975
		<b>7,063,706</b>	10,435,591
<b>Current liabilities</b>			
(a) Short-term borrowings	7	31,000,000	46,044,297
(b) Trade payables	8	9,769,148	6,746,390
(c) Other current liabilities	9	8,289,967	6,076,911
(d) Short-term provisions	10	6,224,339	12,929,155
		<b>55,283,454</b>	71,796,753
<b>TOTAL</b>		<b>134,512,689</b>	<b>153,623,898</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Fixed assets	11		
(i) Tangible assets		67,842,159	72,837,336
(b) Long-term loans and advances	12	602,250	602,250
(c) Non - Current investments	13	-	1,120,994
		<b>68,444,409</b>	74,560,580
<b>Current assets</b>			
(a) Current investments	14	695,600	695,600
(b) Inventories	15	12,805,358	11,382,811
(c) Trade receivables	16	37,759,190	39,007,713
(d) Cash and cash equivalents	17	3,865,535	1,422,620
(e) Short-term loans and advances	18	10,652,195	25,667,854
(f) Other current assets	19	290,402	886,720
		<b>66,068,280</b>	79,063,318
<b>TOTAL</b>		<b>134,512,689</b>	<b>153,623,898</b>

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON FINANCIAL STATEMENTS**

1 to 41

As per our report of even date attached

**FOR AGARWAL GUPTA NOKARI & RUSTAGI ASSOCIATES**

Chartered Accountants.  
Firm Reg. No.: 310041E

**(Bhal Chandra Khaitan)**

Partner

Membership No. :017387

12, Waterloo Street, Kolkata - 700 069

Dated this 24th day of May, 2017

**1. Rajesh Pokerna**  
**(Managing Director)**

**2. Prakash Chand Jain**  
**(Whole Time Director)**

**==== VASUNDHARA RASAYANS LIMITED ====**

**Statement of Profit and loss for the year ended 31.03.2017**

Particulars	Note No.	As at 31st March,2017	As at 31st March,2016
<b>Income</b>			
Revenue from operations	20	154,447,620	153,368,705
Other income	21	4,420,303	2,452,120
<b>Total Revenue</b>		<b>158,867,923</b>	<b>155,820,825</b>
<b>Expenses</b>			
Cost of materials consumed	22	69,239,296	77,817,370
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	23	(1,593,865)	(612,571)
Employee benefits expense	24	30,695,727	21,880,586
Finance costs	25	3,621,565	5,269,984
Depreciation and amortization expense	26	5,581,656	5,579,686
Other expenses	27	39,882,706	41,625,174
<b>Total expenses</b>		<b>147,427,085</b>	<b>151,560,229</b>
<b>Profit before exceptional items and tax</b>		<b>11,440,838</b>	<b>4,260,596</b>
Exceptional items	28	-	-
<b>Profit before tax</b>		<b>11,440,838</b>	<b>4,260,596</b>
Tax expense:	29		
(1) Current tax		2,381,107	811,857
(2) Income tax Adjustment		4,068,099	115,930
(3) Deferred tax Adjustment		374,425	970,985
<b>Profit for the period</b>		<b>4,617,207</b>	<b>2,361,824</b>
Earnings per equity share :	30		
(1) Basic		1.45	0.74
(2) Diluted		1.45	0.74

**SIGNIFICANT ACCOUNTING POLICIES AND  
NOTES ON FINANCIAL STATEMENTS**

**1 to 41**

**As per our report of even date attached**

**DIRECTORS**

**FOR AGARWAL GUPTA NOKARI &  
RUSTAGI ASSOCIATES**

Chartered Accountants.  
Firm Reg. No.: 310041E

**(Bhal Chandra Khaitan)**  
Partner

Membership No. :017387  
12, Waterloo Street, Kolkata - 700 069  
Dated this 24th day of May, 2017

**1. Rajesh Pokerna**  
**(Managing Director)**

DIN NO: 00117365

**2. Prakash Chand Jain**  
**(Whole Time Director)**

DIN NO: 00117348

**==== VASUNDHARA RASAYANS LIMITED ====**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2017**

PARTICULARS	At at 31.03.2017 Rs.		At at 31.03.2016 Rs.	
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net Profit Before Tax		11,440,838		4,260,596
<b>ADJUSTMENT FOR:</b>				
Depreciation	5,581,656		5,579,686	
Interest Received	(14,626)		(268,039)	
Profit on sale of Mutual Fund	-		(945,373)	
Profit on sale of Vehicle	(154,348)		(7,904)	
Interest Paid	3,621,565	9,034,247	5,269,984	9,628,354
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>				
		20,475,085		13,888,950
<b>ADJUSTED FOR:</b>				
Trade And Other Receivable	1,248,523		(1,525,040)	
Inventories	(1,422,547)		1,644,430	
Loans & Advances	3,648,598		10,240,332	
Trade Payables and others	3,022,758	6,497,332	(9,439,389)	920,333
<b>CASH GENERATED FROM OPERATIONS</b>				
		26,972,418		14,809,284
<b>CASH FLOW BEFORE EXTRA ORDINARY ITEMS</b>				
		26,972,418		14,809,284
<b>Extra Ordinary Items</b>				
Expense Of earlier Years.		-		-
<b>NET CASH FROM OPERATING ACTIVITIES BEFORE TAXES PAID</b>				
		26,972,418		14,809,284
Taxes Paid During The Year	2,820,819	(2,820,819)	1,610,276	(1,610,276)
<b>NET CASH FROM OPERATING ACTIVITIES (A)</b>				
		24,151,599		13,199,008
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase Of Fixed Assets	(682,131)		(2,249,801)	
Sale of Current Investment	-		2,025,373	
Acquisition of non current Investment	1,120,994		(603,164)	
Sale of Vehicle	250,000		-	
Interest Received	14,626		268,039	
		703,489		(559,553)
<b>NET CASH USED IN INVESTING ACTIVITIES (B)</b>				
		703,489		(559,553)

**=====  
VASUNDHARA RASAYANS LIMITED  
=====**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2017**

PARTICULARS	At at 31.03.2017 Rs.		At at 31.03.2016 Rs.	
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Repayment of Long Term Borrowings	(4,113,225)		(8,134,453)	
Proceeds From/(Repayment of) Short Term Borrowings	(14,677,383)		2,542,091	
Interest Paid	(3,621,565)		(5,269,984)	
Dividend Paid	-	(22,412,173)	(1,914,463)	(12,776,808)
<b>NET CASH USED IN FINANCING ACTIVITIES ( C )</b>		<b>(22,412,173)</b>		<b>(12,776,808)</b>
<b>D. NET (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)</b>		<b>2,442,915</b>		<b>(137,354)</b>
<b>NET INCREASED / (DECREASED) IN CASH AND CASH EQUIVALENTS</b>				
CASH AND CASH EQUIVALENTS AS AT 1-04-2016 (01-04-2015)	1,422,620		1,559,974	
LESS: CASH AND CASH EQUIVALENTS AS AT 31-03-2017 (31-03-2016)	3,865,535		1,422,620	
		<b>2,442,915</b>		<b>(137,354)</b>

**Note:-**

- i) Figures in brackets represents cash outflow from respective activities.
- ii) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard - 3 on Cash Flow Statement notified under the Companies (Accounting Standard) Rules, 2006.
- iii) Previous year figures have been regrouped/rearranged wherever found necessary to make them comparable with those of the current year.

The Schedules Referred to above Form an integral Part of the Balance Sheet referred to in our report of even date.

**FOR AGARWAL GUPTA NOKARI & RUSTAGI ASSOCIATES**

Chartered Accountants.  
Firm Reg. No.: 310041E

**(Bhal Chandra Khaitan)**  
Partner

Membership No. :017387  
12, Waterloo Street, Kolkata - 700 069  
Dated this 24th day of May, 2017

**DIRECTORS**

1. **Rajesh Pokerna**  
**(Managing Director)**

DIN NO: 00117365

2. **Prakash Chand Jain**  
**(Whole Time Director)**

DIN NO: 00117348

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR  
ENDED 31<sup>ST</sup> MARCH, 2017**

**NOTE - 1**

**A) ACCOUNTING CONVENTION:**

These financial statements have been prepared to comply with Generally Accepted Accounting Principles India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act 2013.

The financial statements are prepared on accrual basis under the historical cost convention method.

**B) USE OF ESTIMATES:**

The preparation of financial statements in conformity with indian GAAP requires judgement, estimates and assumption to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/materialised.

**C) FIXED ASSETS:**

Fixed Assets are stated at cost less accumulated depreciation. Cost of acquisition is inclusive of inward freight, taxes and other incidental expenses incurred to bring the assets to their working condition for intended use.

**D) USE OF ESTIMATES:**

The preparation of financial statements in conformity with the accounting standards requires judgments, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of financial statements and the reported amount revenues and expenses during the reporting period. Difference between the actual result and the estimates are recognized in the period in which the result is known.

**E) DEPRECIATION:**

Depreciation is provided to the extent of depreciable value on the straight line method. Depreciation is provided on useful life of the asset as per prescribed in Schedule II of the Companies Act, 2013.

In respect of additions or extensions forming an integral part of existing assets, depreciation is provided as aforesaid over the residual life of the respective assets.

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**VASUNDHARA RASAYANS LIMITED**

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**F) PURCHASES:**

Purchase includes the materials issued for production which has also been shown under raw materials consumption.

**G) REVENUE RECOGNITION:**

Sale of goods and services are recognized on despatch of goods or when services are rendered.

**H) INVENTORIES:**

(1) Raw materials are valued at cost.

(2) Work in Progress is valued raw material cost and proportion of process cost.

(3) Finished goods are valued at lower of cost of sales exclusive of excise duty and net realisable value.

**I) FOREIGN CURRENCY TRANSACTIONS:**

(i) Foreign Currency Transactions are recorded at the exchange rate prevailing on the date of transaction with overseas clients.

(ii) Exchange difference arising on Foreign Currency Transactions are recognized as income or expenses in the period in which they arise.

**J) EMPLOYEES BENEFITS :****I) Short term Employee Benefits**

The short term employee benefits are expected to be paid in exchange for the services rendered by the employees when the employees render services and are recognized as an expense during the same period .these benefits include performance bonus and other incentives .

**II) Defined Benefit Obligations :**

The liability in respect of defined benefit plans and other post employment benefits is calculated using projected unit credit method and spread over the period during which the benefit is expected to be derived from the employees services .

Actuarial Gain or Loss in respect of post employment and other long term benefits are charged to the Profit and Loss Statement.

**K) INCOME TAX:**

Income Taxes are computed using the tax effect accounting method, where taxes are accrued in the same period the related revenue and expenses arises. A provision is made for income tax annually based on the tax liability computed after Considering tax allowance and exemptions.

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**VASUNDHARA RASAYANS LIMITED**

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The differences that result between the profit offered for income taxes and profit as per financial statements are identified and thereafter a deferred tax asset or deferred tax liability is recorded for timing differences, namely the differences that originate in one accounting period and reverse in another, based on the tax effect of the aggregate amount being considered. The tax effect is calculated on the accumulated timing differences at the end of an accounting period based on prevailing enacted or substantially enacted regulations. Deferred tax assets are recognised only if there is reasonable certainty that they will be realised and are reviewed for the appropriateness of their respective carrying value at each balance sheet date.

**L) EARNINGS PER SHARE:**

In determining earnings per share the company considers the net profit after tax and includes post tax effect of any extra ordinary items. The number of shares used in computing basic earning per share is the weighted average number of shares outstanding during the period. The company does not have any dilutive potential equity shares



## VASUNDHARA RASAYANS LIMITED

### NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

#### NOTE 2

<b>Share Capital</b>	<b>As at 31st March,2017 Rs.</b>	<b>As at 31st March,2016 Rs.</b>
<b>Authorised</b> 45,00,000 Equity Shares of Rs.10/- each	45,000,000	45,000,000
<b>Issued, Subscribed &amp; Paid up</b> 31,78,200 Equity Shares of Rs.10/- each fully paid in cash	31,782,000	31,782,000
<b>Total</b>	<b>31,782,000</b>	<b>31,782,000</b>

#### NOTE 2.1

The reconciliation of the Number of Shares Outstanding and the amount of Share Capital.:

<b>Particulars</b>	<b>Equity Shares (31.03.2017)</b>		<b>Equity Shares (31.03.2016)</b>	
	<b>Number</b>	<b>Amount</b>	<b>Number</b>	<b>Amount</b>
Shares outstanding at the beginning of the year	<b>3,178,200</b>	<b>31,782,000</b>	3,178,200	31,782,000
Shares Issued during the year	-	-	-	-
Shares outstanding at the end of the year	<b>3,178,200</b>	<b>31,782,000</b>	3,178,200	31,782,000

#### NOTE 2.2

All the equity shares carry equal rights and obligations including for dividend and with respect to voting.

#### NOTE 2.3

<b>Share held by holding company</b>	<b>As at 31st March,2017</b>		<b>As at 31st March,2016</b>	
	<b>Numbers</b>	<b>Rs.</b>	<b>Numbers</b>	<b>Rs.</b>
P & J Cretechem Private Limited	<b>1,879,920</b>	<b>18,799,200</b>	1,879,920	18,799,200

#### NOTE 2.4

The details of Shareholders holding more than 5% shares:

<b>SR NO</b>	<b>Name of Shareholder</b>	<b>As at 31st March,2017</b>		<b>As at 31st March,2016</b>	
		<b>No. of Shares held</b>	<b>%of Holding</b>	<b>No. of Shares held</b>	<b>% of Holding</b>
1	P & J Cretechem Private Limited	<b>1,879,920</b>	<b>59.15</b>	1,879,920	59.15
2	Prashant Shrimal	<b>250,000</b>	<b>7.87</b>	250,000	7.87
	<b>TOTAL</b>		<b>67.02</b>		67.02

**2.5** The Company has not issued any securities convertible into equity / preference shares.

**2.6** During any of the last years from year ended 31st March, 2017

- a) No shares were allotted as fully paid up pursuant to contract(s) without payment being received in cash.
- b) No shares were allotted as fully paid up by way of bonus shares.
- c) No shares were bought back.

**2.7** Each holder of equity shares is entitled to one vote per share.

**==== VASUNDHARA RASAYANS LIMITED ====**

**NOTES ON FINANCIAL STATEMENTS FOR YEAR ENDED 31ST MARCH 2017**

**NOTE 3**

<b>Reserves &amp; Surplus</b>	As at 31st March,2017	As at 31st March,2016
<b>a. Capital Reserves</b>		
Balance as per last financial statement	<b>2,125,000</b>	2,125,000
Closing Balance (A)	<b>2,125,000</b>	2,125,000
<b>b. Surplus in the statement of profit &amp; loss</b>		
Balance as per last financial statement	<b>37,484,554</b>	35,122,730
Add: Profit for the year	<b>4,617,207</b>	2,361,824
Less: Appropriations		
Proposed final equity dividend (amount Rs.1.00 per shares)	<b>3,178,200</b>	-
(Previous year - NIL)		
Tax on proposed equity dividend	<b>665,032</b>	-
<b>Net surplus in the statement of profit and loss (B)</b>	<b>38,258,529</b>	37,484,554
<b>Total(A +B)</b>	<b>40,383,529</b>	39,609,554

**NOTE 4**

<b>Long Term Borrowings</b>	As at 31st March,2017	As at 31st March,2016
<b>Secured</b>		
SBI - Export Packing Credit	-	4,113,225
<b>Total</b>	-	4,113,225

**NOTE 5**

<b>Deferred tax Liabilities</b>	As at 31st March,2017	As at 31st March,2016
Deferred tax liabilities (Net)	<b>6,648,817</b>	6,274,391
<b>Total</b>	<b>6,648,817</b>	6,274,391

**NOTE 6**

<b>Other Non-current Liabilities</b>	As at 31st March,2017	As at 31st March,2016
Deposit & Public Issue Refund	-	47,975
Plan Assets - Gratuity (Net of PVDBO)	<b>414,889</b>	-
<b>Total</b>	<b>414,889</b>	47,975

**==== VASUNDHARA RASAYANS LIMITED ====**

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017**

**NOTE 7**

(In Rupees)

<b>Short Term Borrowings</b>	As at 31st March,2017	As at 31st March,2016
<b>Secured</b>		
<b>a) Working Capital Loans</b>		
SBI - Cash Credit	-	5,104,360
<b>(A)</b>	-	5,104,360
<b>Unsecured</b>		
<b>(a) Loans and advances from related parties</b>		
	<b>31,000,000</b>	40,939,937
<b>(B)</b>	<b>31,000,000</b>	40,939,937
<b>Total (A+B)</b>	<b>31,000,000</b>	46,044,297

**NOTE 8**

(In Rupees)

<b>Trade payable</b>	As at 31st March,2017	As at 31st March,2016
Sundry Creditors for Goods	<b>5,813,443</b>	6,031,854
Sundry Creditors for Expense	<b>3,955,705</b>	714,536
<b>Total</b>	<b>9,769,148</b>	6,746,390

**NOTE 9**

(In Rupees)

<b>Other Current Liabilities</b>	As at 31st March,2017	As at 31st March,2016
Advances from Customers	-	15,224
Liabilities for Expenses	<b>8,289,967</b>	5,937,862
Apna Sahakari Bank	-	123,825
<b>Total</b>	<b>8,289,967</b>	<b>6,076,911</b>

**NOTE 10**

<b>Short Term Provisions</b>	As at 31st March,2017	As at 31st March,2016
Proposed dividend on equity shares capital	<b>3,178,200</b>	-
Tax on proposed equity dividend	<b>665,032</b>	-
Provision for taxation Earlier Years	-	12,929,155
Provision for taxation F.Y. (2016-17)	<b>2,381,107</b>	-
<b>Total</b>	<b>6,224,339</b>	12,929,155

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR 31ST MARCH 2017**

**NOTE - 11**

S. No.	FIXED ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		Value at the beginning	Addition during the year	Deduction during the year	Value at the end	Value at the beginning	Addition during the year	Deduction/adjustment during the year	Value at the end	WDV as on 31.03.2017	WDV as on 31.03.2016
<b>I</b>	<b>Tangible Assets</b>										
1.	<b>LAND</b>	676,446	-	-	676,446	-	-	-	-	676,446	676,446
2.	<b>PLANT &amp; MACHINERY</b>										
	[A] UNIT-1 PLANT & MACHINERY	77,935,009	570,483	-	78,505,492	1,201,342	-	62,888,340	15,617,152	16,283,003	16,283,003
	[B] UNIT-2 PLANT & MACHINERY	32,281,496	-	-	32,281,496	2,072,566	-	15,526,825	16,754,671	18,827,237	18,827,237
3.	<b>FACTORY BUILDINGS</b>										
	[A] UNIT-1 FACTORY BUILDING	30,299,893	-	-	30,299,893	734,676	-	11,637,713	18,662,181	19,396,857	19,396,857
	[B] UNIT-2 IBAP FACTORY BUILDING	13,117,019	-	-	13,117,019	431,478	-	2,968,645	10,148,374	10,579,852	10,579,852
	[C] VRL COLONY	3,575,994	-	-	3,575,994	127,258	-	979,284	2,596,710	2,723,968	2,723,968
4.	<b>LAB &amp; FIRE FIGHTING EQUIPMENT</b>	492,192	26,500	-	518,692	7,474	-	393,071	125,621	106,595	106,595
5.	<b>FURNITURE &amp; FIXTURES</b>	924,135	-	-	924,135	16,353	-	833,134	91,001	107,354	107,354
6.	<b>OFFICE EQUIPMENT</b>	1,618,315	85,148	-	1,703,463	74,971	-	1,474,179	229,284	219,107	219,107
7.	<b>COMPUTER</b>	1,102,341	-	-	1,102,341	-	-	1,102,341	-	-	-
8.	<b>ELECTRICAL INSTALLATION</b>										
	[A] UNIT-1 ELECTRICAL INSTALLATION	2,434,186	-	-	2,434,186	-	-	2,434,186	-	-	-
	[B] UNIT-2 ELECTRICAL INSTALLATION	3,573,635	-	-	3,573,635	471,395	-	2,292,718	1,280,917	1,752,312	1,752,312
9.	<b>TOOLS &amp; EQUIPMENT</b>	54,264	-	-	54,264	3,473	-	45,222	9,042	12,515	12,515
10.	<b>VEHICLES</b>	4,736,086	-	1,129,566	3,606,520	389,386	1,033,914	2,331,919	1,274,601	1,759,639	1,759,639
11.	<b>FORKLIFT</b>	680,350	-	-	680,350	16,292	-	304,190	376,160	392,452	392,452
	<b>Total (I)</b>	<b>173,501,361</b>	<b>682,131</b>	<b>1,129,566</b>	<b>173,053,926</b>	<b>5,581,656</b>	<b>1,033,914</b>	<b>105,211,767</b>	<b>67,842,159</b>	<b>72,837,336</b>	<b>72,837,336</b>
	<b>(Previous Year)</b>	<b>171,263,470</b>	<b>2,660,306</b>	<b>442,415</b>	<b>173,501,361</b>	<b>95,124,153</b>	<b>39,814</b>	<b>100,664,025</b>	<b>72,837,336</b>	<b>-</b>	<b>-</b>

11.1 Pursuant to the enactment of the Companies Act 2013, the company has applied the estimated useful life as specified in Schedule II. Accordingly the unamortised carrying value is being depreciated / amortised over the revised / remaining useful lives.

**==== VASUNDHARA RASAYANS LIMITED ====**

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017**

**NOTE 12**

**(In Rupees)**

<b>Long Term Loans and Advances</b>	<b>As at 31st March,2017</b>	<b>As at 31st March,2016</b>
<b><u>Other loans and advances</u></b>		
Advance against Residential Flat	<b>602,250</b>	602,250
<b>Total</b>	<b>602,250</b>	602,250

**NOTE 13**

**(In Rupees)**

<b><u>Non-Current Investments</u></b>	<b>As at 31st March,2017</b>	<b>As at 31st March,2016</b>
Plan Assets - Gratuity (Net of PVDBO)	-	1,120,994
<b>Total</b>	-	1,120,994

**NOTE 14**

**(In Rupees)**

<b><u>Current Investments</u></b>	<b>As at 31st March,2017</b>	<b>As at 31st March,2016</b>
(a) <i>Investments in Shares</i> MMA CEPT Co. Operative Society Ltd. (No. of Equity Shares 6956 @ 100/- each)	<b>695,600</b>	695,600
<b>Total</b>	<b>695,600</b>	695,600

**NOTE 15**

**(In Rupees)**

<b><u>Inventories</u></b>	<b>As at 31st March,2017</b>	<b>As at 31st March,2016</b>
a. Raw Materials and components (Valued at Cost)	<b>3,884,987</b>	3,684,139
b. Work-in-progress (Valued at Estimated Cost)	<b>189,010</b>	375,520
c. Stock-in-trade.	<b>7,187,500</b>	5,407,125
d. Consumable Stores (Valued at Cost)	<b>697,125</b>	1,058,165
e. Packing Materials (Valued at Cost)	<b>846,736</b>	857,862
<b>Total</b>	<b>12,805,358</b>	11,382,811

**=====  
VASUNDHARA RASAYANS LIMITED  
=====**

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017**

**NOTE 16**

(In Rupees)

<b>Trade Receivables</b>	<b>As at 31st March,2017</b>	<b>As at 31st March,2016</b>
<b>Unsecured, considered good</b>		
Outstanding for a period exceeding six month	37,759,190	36,481,293
Others	-	2,526,420
<b>Total</b>	<b>37,759,190</b>	<b>39,007,713</b>

**NOTE 17**

<b>Cash and cash equivalents</b>	<b>As at 31st March,2017</b>	<b>As at 31st March,2016</b>
a. Balances with Scheduled Banks * Current Accounts*	3,750,678	1,330,018
b. Cash in hand	114,857	92,602
<b>Total</b>	<b>3,865,535</b>	<b>1,422,620</b>

\* Balances with Banks includes Unclaimed Dividend of Rs. 1,76,080 in Previous Year

**NOTE 18**

<b>Short-term loans and advances</b>	<b>As at 31st March,2017</b>	<b>As at 31st March,2016</b>
<b>Others</b>		
Advance to Suppliers and Others	1,683,725	982,568
Advance to Staff	539,310	438,330
Deposits	2,118,144	2,018,144
<b>Balance with Revenue Authorities</b>		
Balance with Sales Tax Authority	2,694,835	5,136,926
Balance with Excise Authority	1,251,134	550,403
Income Tax paid of previous years	-	16,541,483
Advance Income Tax (F. Y. 2016-17)	2,300,000	-
TDS Rec. - (F. Y. 2016-17)	62,601	-
TDS Rec. - (F. Y. 2016-17)	2,447	-
<b>Total</b>	<b>10,652,195</b>	<b>25,667,854</b>

**NOTE 19**

<b>Other Current Assets</b>	<b>As at 31st March,2017</b>	<b>As at 31st March,2016</b>
Prepaid Expenses	177,236	700,525
Interest on FD Receivable	113,166	186,195
<b>Total</b>	<b>290,402</b>	<b>886,720</b>

**==== VASUNDHARA RASAYANS LIMITED ====**

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016**

(In Rupees)

**NOTE 20**

<b>Revenue from operation</b>	<b>For the year ended 31st March 2017</b>	<b>For the year ended 31st March 2016</b>
Sale of products	159,589,645	146,230,111
Income from services - Job Work	2,003,610	18,429,355
	<b>161,593,255</b>	<b>164,659,466</b>
Less: Excise duty	7,145,635	11,290,761
<b>Total</b>	<b>154,447,620</b>	<b>153,368,705</b>

**NOTE 21**

<b>Other Income</b>	<b>For the year ended 31st March 2017</b>	<b>For the year ended 31st March 2016</b>
Duty Drawback	2,556,449	6,157
Interest Received (Gross)	14,626	268,039
Misc. Income	1,694,880	645,369
Foreign exchange Fluctuation Gain	-	574,491
Profit on sale of Mutual Fund	-	945,373
Profit on sale of Car	154,348	7,904
Liability no longer required Written back	-	4,787
<b>Total</b>	<b>4,420,303</b>	<b>2,452,120</b>

**NOTE 22**

<b>Particulars</b>	<b>For the year ended 31st March 2017</b>	<b>For the year ended 31st March 2016</b>
<b>COST OF MATERIALS CONSUMED</b>		
Inventory at the beginning of the year	5,600,166	7,857,167
Add: Purchases of Raw Material, Consumables, Packing Materials & Utilities during the year	69,067,977	75,560,368
	<b>74,668,143</b>	<b>83,417,535</b>
Less: Inventory at the end of the year	5,428,847	5,600,166
Cost of raw materials consumed	<b>69,239,296</b>	<b>77,817,370</b>
<b>Details of raw materials consumed</b>		
Aluminium Chloride Solution	4,757,492	1,362,528
Aluminium Hydroxide	3,479,595	3,855,500
Aluminium Sulphate	61,061	6,453,215
Furnace Oil	4,328,319	3,828,378
Magnesium Hydroxide	8,233,740	10,220,711
Soda Ash Light	12,319,233	10,344,124
Coal	6,763,072	9,925,787
Others	29,296,785	31,815,265
	<b>69,239,296</b>	<b>77,805,508</b>
<b>Details of raw materials inventory</b>		
Furnace Oil	552,400	202,285
Steam Coal	408,965	132,072
Soda Ash Light	334,950	161,200
Aluminium Chloride Solution	439,041	212,850
Alumina Tri Hydrate	458,468	525,344
Magnesite	-	1,333,800
Others	3,235,022	3,032,615
	<b>5,428,846</b>	<b>5,600,166</b>

**==== VASUNDHARA RASAYANS LIMITED ====**

**NOTE 23**

<u>Particulars</u>	For the year ended 31st March 2017	For the year ended 31st March 2016
<b>CHANGES IN INVENTORIES FINISHED GOODS</b>		
At the beginning of the Period	3,527,125	3,169,250
At the end of the Period	6,899,500	3,527,125
	<b>(3,372,375)</b>	<b>(357,875)</b>
<b>WORK-IN-PROGRESS</b>		
At the beginning of the Period	375,520	494,674
At the end of the Period	189,010	375,520
	<b>186,510</b>	<b>119,154</b>
<b>FINISHED GOODS FOR FURTHER PROCESSING</b>		
At the beginning of the Period	1,880,000	1,506,150
At the end of the Period	288,000	1,880,000
	<b>1,592,000</b>	<b>(373,850)</b>
<b>Total</b>	<b>(1,593,865)</b>	<b>(612,571)</b>
<b>Details of inventory</b>		
<u>Finished goods</u>		
Dried Aluminium Hydroxide Gel	1,320,000	1,500,000
Magnesium Hydroxide	617,500	577,125
Aluminium Phosphate gel	210,000	60,000
Aluminium Hydroxide Paste	1,800,000	400,000
Magnesium Tri Silicate	-	270,000
Magaldrate	2,952,000	720,000
	<b>6,899,500</b>	<b>3,527,125</b>
<u>Work-in-progress</u>		
Dried Aluminium Hydroxide Gel	67,000	-
MgSo4 Soln.	31,900	107,300
Soda Soln.	22,656	21,240
Sodium Aluminate	33,534	62,100
Amonia Gas Process	22,400	-
Aluminium Soln. (PAC)	11,520	8,880
Aluminium Hydroxide Powder	-	176,000
	<b>189,010</b>	<b>375,520</b>
<u>Finished goods for further processing</u>		
Aluminium Hydroxide Dried Over	-	1,320,000
Magnesium Tri Silicate	-	200,000
Aluminium Phosphate (Final Stage)	288,000	360,000
	<b>288,000</b>	<b>1,880,000</b>

**NOTE 24**

<u>Employee Benefits Expense</u>	For the year ended 31st March 2017	For the year ended 31st March 2016
(a) Salaries, Wages and Bonus	24,598,096	19,137,035
(b) Contributions to EPF and Other Funds.	1,131,985	999,271
(c) Staff Welfare Expenses	2,915,465	2,371,967
(d) Gratuity and Workmen Compensation	2,014,101	(642,687)
(e) Exgratia	-	15,000
(f) Leave Encashment	36,080	-
<b>Total</b>	<b>30,695,727</b>	<b>21,880,586</b>



**==== VASUNDHARA RASAYANS LIMITED ====**

**NOTE 25**

<b>Finance Costs</b>	<b>For the year ended 31st March 2017</b>	<b>For the year ended 31st March 2016</b>
To Bank	299,797	1,240,360
To Others	3,321,768	4,029,624
<b>Total</b>	<b>3,621,565</b>	<b>5,269,984</b>

**NOTE 26**

<b>Depreciation &amp; Amortization</b>	<b>For the year ended 31st March, 2017</b>	<b>For the year ended 31st March,2016</b>
Depriciation	5,581,656	5,579,686
<b>Total</b>	<b>5,581,656</b>	<b>5,579,686</b>

**Note 27**

<b>Other Expenses</b>	<b>For the year ended 31st March 2017</b>	<b>For the year ended 31st March 2016</b>
<b>Manufacturing Expenses</b>		
Analytical/Testing/Processing Charges	159,468	118,410
Boiler Operation Charges	1,105,000	1,314,499
Carriage in Ward	225,561	532,754
Electricity Charges	7,385,030	13,541,510
Export Expenses	3,052,785	1,845,805
Generator Maintenance	34,392	674,837
Packing & Forwarding Charges	174,726	44,736
Repairs and Maintenance of Factory Buildings	834,289	873,865
Repairs and Maintenance of Plant & Machinery	1,388,491	1,868,717
Repairs and Maintenance of Others	1,322,086	2,219,123
Waste Effluent Expenses	2,705,668	3,096,712
Water Charges	705,852	1,509,146
<b>Total (A)</b>	<b>19,093,348</b>	<b>27,640,114</b>
<b>Administrative, selling and other expenses</b>		
Advertiesment Expenses	63,281	57,504
AGM Expenses	4,370	4,750
Bank Charges	253,964	389,318
Books, Subscriptions & Periodicals	58,000	1,500
Business Promotion Expenses	980,515	59,542
Carriage Outward	1,999,457	1,880,724
Can Hire Charges	702,669	-
Commission on Sales	1,895,490	2,290,699
Conveyance Expenses	326,364	553,860
Directors Remuneration	4,000,000	2,460,000
Discounts	14,803	477,414
E-Voting Charges	8,980	8,306
Exchange Flutuation	1,835	-
Filing Fees	20,975	57,500

**VASUNDHARA RASAYANS LIMITED**

Fork Lift Maintenance	39,715	63,934
Fumigation/Pest Control Expenses	27,300	43,500
Garden Maintenance	7,048	6,000
General Expenses	408,376	411,290
Guest Houses Maintenance	64,860	65,159
Insurance Expenses	351,750	395,256
Labour Welfare Fund	3,504	27,312
Listing and Registration Charges	200,000	200,000
Loan Processing Fees	301,500	-
Membership Fee	36,100	29,500
Office Maintenance	129,087	106,022
Postage & Courier Charges	396,687	319,137
Printing & Stationery Expenses	459,008	329,650
Professional Charges	1,278,550	665,297
Rates & Taxes	614,104	734,460
Rent Paid	201,000	315,520
Security Service Charges	289,255	-
Service Tax paid on Outwards	365,403	156,467
Shortage a/c	2,834,335	-
Swachh Bharat Cess	117,715	18,937
Sundry Balance written off	318,883	-
Telephone & Cellphone Expenses	250,651	327,660
Travelling Expenses	880,293	633,341
Vehicle Maintenance	404,601	407,455
VRL Colony Maintenance	56,512	48,539
Weighment, Hamali, Loading & Unloading Expenses	225,625	278,452
<b>Remuneration to Auditors:</b>		
Audit Fee	196,792	161,056
<b>Total (B)</b>	<b>20,789,358</b>	<b>13,985,060</b>
<b>Total(A+B)</b>	<b>39,882,706</b>	<b>41,625,174</b>

**Note 28**

<u>Exceptional Items</u>	For the year ended 31st March 2017	For the year ended 31st March 2016
Prior Period Expenses	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**Note 29**

<u>Tax Expense</u>	For the year ended 31 March, 2017	For the year ended 31 March 2016
(a) Current Tax		
Provision for Income Tax	3,382,049	1,125,203
Balance debited to P/L A/c	3,382,049	1,125,203
(b) Deferred Tax Liability Adjustment	374,425	1,288,587

**==== VASUNDHARA RASAYANS LIMITED ====**

**Note 30**

<u>Earning per share</u>	For the year ended 31st March 2017	For the year ended 31st March 2016
Numerator used for Calculating basic and diluted Earning Per Share - Profit After Taxation	4,617,207	2,361,824
Weighted average no. of Shares used as denominator for Calculating EPS.	3,178,200	3,178,200
Nominal Value Per Share	10	10
<b>Basic and Diluted Earning Per Share</b>	<b>1.45</b>	<b>0.74</b>

<u>Payment to Auditor as</u>	For the year ended 31st March 2017	For the year ended 31st March 2016
a. Statutory audit fee	52,500	52,500
b. Internal audit fee	80,000	60,000
c. Tax audit fee	15,000	15,000
d. Reimbursement of expenses	49,292	33,556
<b>Total</b>	<b>196,792</b>	<b>161,056</b>

**==== VASUNDHARA RASAYANS LIMITED ====**

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**

**NOTE : 31 - AS Per AS- 18 Related Party Disclosures:**

***List of related parties with whom transactions have taken place during the year***

<b>STATUS</b>	<b>NAME OF THE RELATED PARTY</b>
<b><i>Holding Company:</i></b>	<b><i>P &amp; J Cretechem Pvt. Ltd.</i></b>
<b><i>Entities having Common Control (Others):</i></b>	<b><i>Taurus Chemicals Pvt.Ltd.</i></b>
<b><i>Key Managerial Personnel</i></b>	<b><i>Prakash Chand Jain Rajesh Pokerna Sunil Kumar Jain Sanjay kumar Jain Seema Jain</i></b>

**ii) Transactions during the year with related parties :**

S.No	Nature of Transaction	Holding Company	Key Managerial Personnel	Relatives	Others	Total
1.	Purchase of Goods	<b>193,800</b> <i>268,770</i>	-	-	<b>353,734</b> -	<b>547,534</b> <i>268,770</i>
2.	Sale of goods	<b>9,914,519</b> <i>1,129,805</i>	-	-	<b>2,778,313</b> <i>9,344,793</i>	<b>12,692,832</b> <i>10,474,598</i>
3.	Remuneration	-	<b>4,000,000</b> <i>2,460,000</i>	-	-	<b>4,000,000</b> <i>2,460,000</i>
4.	Loan and advances taken	<b>6,000,000</b> <i>13,200,000</i>	-	-	-	<b>6,000,000</b> <i>13,200,000</i>
5.	Loan and advances taken Returned	<b>15,000,000</b> -	-	-	-	<b>15,000,000</b> -
6.	Interest On Loans and Advances Taken	<b>3,090,536</b> <i>3,301,041</i>	-	-	-	<b>3,090,536</b> <i>3,301,041</i>
<b>Balance as at 31st March, 2017</b>						-
7.	Unsecured Borrowings	<b>31,000,000</b> <i>40,939,937</i>	-	-	-	<b>31,000,000</b> <i>40,939,937</i>
8.	Trade Receivables	<b>5,062,583</b> <i>230,265</i>	-	-	-	<b>5,062,583</b> <i>230,265</i>

**Note :-**

Figures in Italic represents Previous Year's amount.

**==== VASUNDHARA RASAYANS LIMITED ====**

**Disclosure in Respect of Material Related Party Transaction during the year :-**

<b>Particulars</b>	<b>Relationship</b>	<b>2016-17</b>	<b>2015-16</b>
<b>1. Purchase of Goods</b>			
P&J Cretechem Pvt. Ltd	Holding Company	<b>193,800</b>	268,770
Taurus Chemicals Pvt.Ltd.	Others	<b>353,734</b>	-
<b>2.Sale of goods</b>			
P&J Cretechem Pvt. Ltd	Holding Company	<b>9,914,519</b>	1,129,805
Taurus Chemicals Pvt.Ltd.	Others	<b>2,778,313</b>	9,344,793
<b>3. Remuneration</b>			
Prakash Chand Jain	Key Managerial	<b>600,000</b>	600,000
Sunil Kumar Jain	Key Managerial	<b>800,000</b>	600,000
Rajesh Pokerna	Key Managerial	<b>1,200,000</b>	900,000
Sanjay Kumar Jain	Key Managerial	<b>800,000</b>	360,000
Seema Jain	Key Managerial	<b>600,000</b>	-
<b>4. Loan and advances taken.</b>			
P&J Cretechem Pvt. Ltd	Holding Company	<b>6,000,000</b>	13,200,000
<b>5. Loan and advances taken Returned.</b>			
P&J Cretechem Pvt. Ltd	Holding Company	<b>15,000,000</b>	-
<b>6. Interest on Loans &amp; Advances Taken</b>			
P&J Cretechem Pvt. Ltd	Holding Company	<b>3,090,536</b>	3,301,041
<b>Balance as at 31st March, 2017</b>			
<b>Unsecured Borrowings</b>			
P&J Cretechem Pvt. Ltd	Holding Company	<b>31,000,000</b>	40,939,937
<b>Trade Receivables</b>			
P&J Cretechem Pvt. Ltd	Holding Company	<b>5,062,583</b>	230,265

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED  
31ST MARCH, 2017**

**32** Contingent liabilities provided for Rs. Nil. (Previous Year: Rs. Nil).

**33 DEFERRED TAX LIABILITIES:**

i) Deferred Tax Assets and Liabilities have been considered in Accordance with AS- 22, issued by the ICAI.

**ii) Computation of Deferred Tax Liabilities (Net)**

Particulars	Upto 31.03.2016	For the Current year	As on 31.03.2017
<b>DEFERRED TAX LIABILITIES</b>			
a) Tax impact of difference between carrying amount of fixed assets in Finanacial statement and Income Tax	6,274,391	374,425	6,648,817
	<b>6,274,391</b>	<b>374,425</b>	<b>6,648,817</b>

**34 Retirement Benefit - Gratuity**

The company has an unfunded defined contribution gratuity plan. Every employee who has completed 5 years or more of service is eligible for a gratuity on departure at 15 days salary (last drawn salary) per each completed year of service.

Consequent to the adoption of revised AS- 15 Employee Benefits issued under Companies (Accounting Standards) Amendment Rules 2008, the following disclosures have been made as required by the standard.

The following tables summaries the component of the net employee benefit expenses recongnised in the profit and loss account, and the fund status and amount recognised in the balance sheet for the gratuity benefit plan.

**34.1 Statement of Profit and Loss**

Net Employee Benefit Expenses (recognized in employee cost)

Particulars	2016-17	2015-16
Current Service Cost	118,400	153,442
Interest on defined benefit obligation	157,656	202,414
Expected return on plan assets	(259,064)	(244,900)
Net actuarial losses/(gains) recognized in the year	1,997,109	(714,120)
<b>Total included in employee benefit expense</b>	<b>2,014,101</b>	<b>(603,164)</b>

**==== VASUNDHARA RASAYANS LIMITED ====**

**34.2 Balance Sheet**

Details of Provision for Gratuity as per Actuary Report

<b>Particulars</b>	<b>2016-17</b>	<b>2015-16</b>
Liability at the end of the Year	<b>4,243,859</b>	<b>1,970,694</b>
Fair Value of plan assets at the end of the year	<b>3,828,970</b>	<b>3,091,688</b>
Difference	<b>414,889</b>	<b>(1,120,994)</b>
Unrecognised past service cost	-	-
Unrecognised transition liability	-	-
<b>Amount in Balance Sheet</b>	<b>414,889</b>	<b>(1,120,994)</b>

**34.3 Changes in the present value of the defined benefit obligation are as follows:**

<b>Particulars</b>	<b>2016-17</b>	<b>2015-16</b>
Liability at the beginning of the Year	<b>1,970,694</b>	2,530,170
Interest Cost	<b>157,656</b>	<b>202,414</b>
Current Service Cost	<b>118,400</b>	<b>153,442</b>
Past Service Cost (non vested benefit)	-	-
Past Service Cost (vested benefit)	-	-
Benefits paid	-	<b>201,212</b>
Actuarial (Gain)/Loss	<b>1,997,109</b>	<b>(714,120)</b>
<b>Liability at the end of the Year</b>	<b>4,243,859</b>	1,970,694

**34.4 Table Showing Fair Value of Plan Assets**

	<b>2016-17</b>	<b>2015-16</b>
Fair Value of Plan Assets at the beginning of the Year	<b>3,091,688</b>	<b>3,048,000</b>
Actual Return on Plan Assets	<b>259,064</b>	<b>244,900</b>
Contributions	<b>478,218</b>	-
Benefits paid	-	<b>201,212</b>
Fair Value of Plan Assets at the end of the Year	<b>3,828,970</b>	<b>3,091,688</b>
Funded Status	<b>(414,889)</b>	<b>1,120,994</b>

**34.5 Actuarial (Gain)/Loss Recognised**

	<b>2016-17</b>	<b>2015-16</b>
Actuarial (Gain)/Loss on obligations	<b>1,997,109</b>	<b>714,120</b>
Actuarial (Gain)/Loss for the year on plan assets	-	-
Net Actuarial (Gain)/Loss	<b>1,997,109</b>	<b>714,120</b>

**34.6** The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

<b>Particulars</b>	<b>2016-17</b>
<b>Investments with insurer</b>	<b>100%</b>

**Principal actuarial assumptions as at the balance sheet date:**

**==== VASUNDHARA RASAYANS LIMITED ====**

<b>Particulars</b>	<b>2015-16</b>
<b>Discount Rate</b>	<b>8%</b>
<b>Salary Escalation</b>	<b>6%</b>
<b>Employee Attrition Rate</b>	<b>2%</b>

34.7 The Company has also made provision for Liability related to their employees who are not covered under the above scheme. The balance of this Non-Funded Liability as on 31.03.2017 is Rs.9,05,865/- (Previous year Rs.9,05,860/-).

35 The Company's significant leasing arrangements are in respect of operating lease for premises (Residential for Directors & Employees, Guest House, Offices etc). The leasing arrangements, which are not non-cancelable, range between 11 months and 3 years generally or longer and are usually renewable by mutual consent between the parties. The amount of lease rent paid is debited to Rent Account.

**36 Reporting Segment (Geographical Segment):**

*(Figures in Lakhs)*

	<u>Export</u>	<u>Domestic</u>	<u>Total</u>
Sales	443.49	1,080.95	<b>1,524.44</b>
Less: Direct Expenses (Freight)	30.53	5.77	<b>36.30</b>
Less: Allocated Mfg. Exp (RM + Mfg. Exp.)	247.44	603.10	<b>850.54</b>
Add: Increase in Stock	-	15.94	<b>15.94</b>
<b>Segment Result</b>			<b>653.53</b>
Less: Unallocated Overheads (Employee Cost + Admn.Exp + Interest + Depreciation - Freight)			<b>603.37</b>
Add: Other Income			<b>64.24</b>
<b>NET PROFIT BEFORE TAX</b>			<b>114.41</b>
Less: Provision for Income Tax			23.81
Less: Income Tax Adjustment			40.68
Less: Deferred Tax Liabilites			3.74
<b>PROFIT FOR THE PERIOD</b>			<b>46.17</b>



**=====  
VASUNDHARA RASAYANS LIMITED  
=====**

**37 Consumption of Raw Material**

Raw Material type	2016-2017		2015-2016	
	% (Rs in lacs)		% (Rs in lacs)	
Imported	1.06%	<b>6.55</b>	15.83%	<b>123.21</b>
Indigeneous	98.94%	<b>613.10</b>	84.17%	<b>654.85</b>
		<b>619.65</b>		<b>778.06</b>

**38. Earning in foreign exchange during the year**

	2016-2017	2015-2016
	Rs	Rs
Export Sale	44,349,270	27,869,274
	<b>44,349,270</b>	<b>27,869,274</b>

**39** The Company has not received the required information from suppliers regarding their status under the Micro, Small and Medium Enterprise Development Act, 2006. Hence, disclosures if any, relating to amounts unpaid as at the year-end together with interest paid/payable as required under the said Act have not been made.

**40** Details of Specified Bank Notes(SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 as per the table given below : -

Particulars	SBNs	Other Denomination notes	Total
Closing cash in hand as on 08.11.2016	115,000	166,619	281,619
(+) permitted receipts	-	245,000	245,000
(-) permitted payments	-	217,283	217,283
(-) amount deposited in Banks	115,000	-	115,000
Closing cash in hand as on 30.12.2016	-	194,336	194,336

**41** Previous Year's figures have been regrouped/ reclassified wherever necessary to correspond with current year's classification / disclosure.

The figures have been rounded off to nearest rupee.

**Signature to Schedule 1 to 41**

**FOR AGARWAL GUPTA NOKARI & RUSTAGI ASSOCIATES**

Chartered Accountants.  
Firm Reg. No.: 310041E

**(Bhal Chandra Khaitan)**

Partner  
Membership No. :017387  
12, Waterloo Street, Kolkata - 700 069  
Dated this 24th day of May, 2017

**1. Rajesh Pokerna  
(Managing Director)  
DIN NO: 00117365**

**2. Prakash Chand Jain  
(Whole Time Director)  
DIN NO: 00117348**

**=====      VASUNDHARA RASAYANS LIMITED      =====**

**VASUNDHARA RASAYANS LIMITED**

SHED NO,42, PHASE-II IDA, MALLAPUR, HYDERABAD-500 076

Form No. MGT - 11

**PROXY FORM**

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

CIN : L24110TG1987PLC007242

Name of the company : VASUNDHARA RASAYANS LIMITED

Registered Office : SHED NO,42, PHASE-II IDA, MALLAPUR, HYDERABAD-500076

Name of the Member (s) :

Registered address :

E-mail Id :

Folio No./ Client Id & DP ID :

Affix  
1 Rupee  
Revenue  
Stamp

I/We, being the Member(s) of.....shares of the above named company, hereby  
appoint :

1. Name : .....

Address : .....

E-mail Id : .....

Signature : ....., or failing him

2. Name : .....

Address : .....

E-mail Id : .....

Signature : ....., or failing him

3. Name : .....

Address : .....

E-mail Id : .....

Signature : ....., or failing him

as my/our proxy to attend and vote (on a poll ) for me/us and on my/our behalf at the 30th Annual  
General Meeting of the Company, to be held on Friday 29th Day of September, 2017 at 11.30 A.M. at  
SHED NO,42, PHASE-II IDA, MALLAPUR, HYDERABAD-500 076 and at any adjournment thereof in  
respect of such resolutions as are indicated below:

Resolution Nos.

1. Adoption of Accounts and Reports.
2. Re-Appointment of Shri. Rajiv Pritidas Kakodkar, Director retiring by rotation.
3. Re-Appointment of Shri. Parag Ashok Sharma, Director retiring by rotation.
4. Re-Appointment of Shri. Rajesh Kumar Jain, Director retiring by rotation
5. Appointment of Statutory Auditors for a Period of 5 years from 2017-2018 to 2021-2022

Signed this ..... day of ..... 2017

Signature of shareholder / Proxy holder(s)

Note : This form of proxy in order to be effective should be duly completed and deposited at the  
Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

## **ATTENDANCE SLIP**

Attendance by

(Please tick the appropriate)

1.Member

2.Proxy

3. Authorised Representative

I hereby record my presence at the 30th Annual General Meeting of the Company being held on Friday, 29th Day of September, 2017 at SHED NO,42, PHASE-II IDA, MALLAPUR, HYDERABAD-500 076

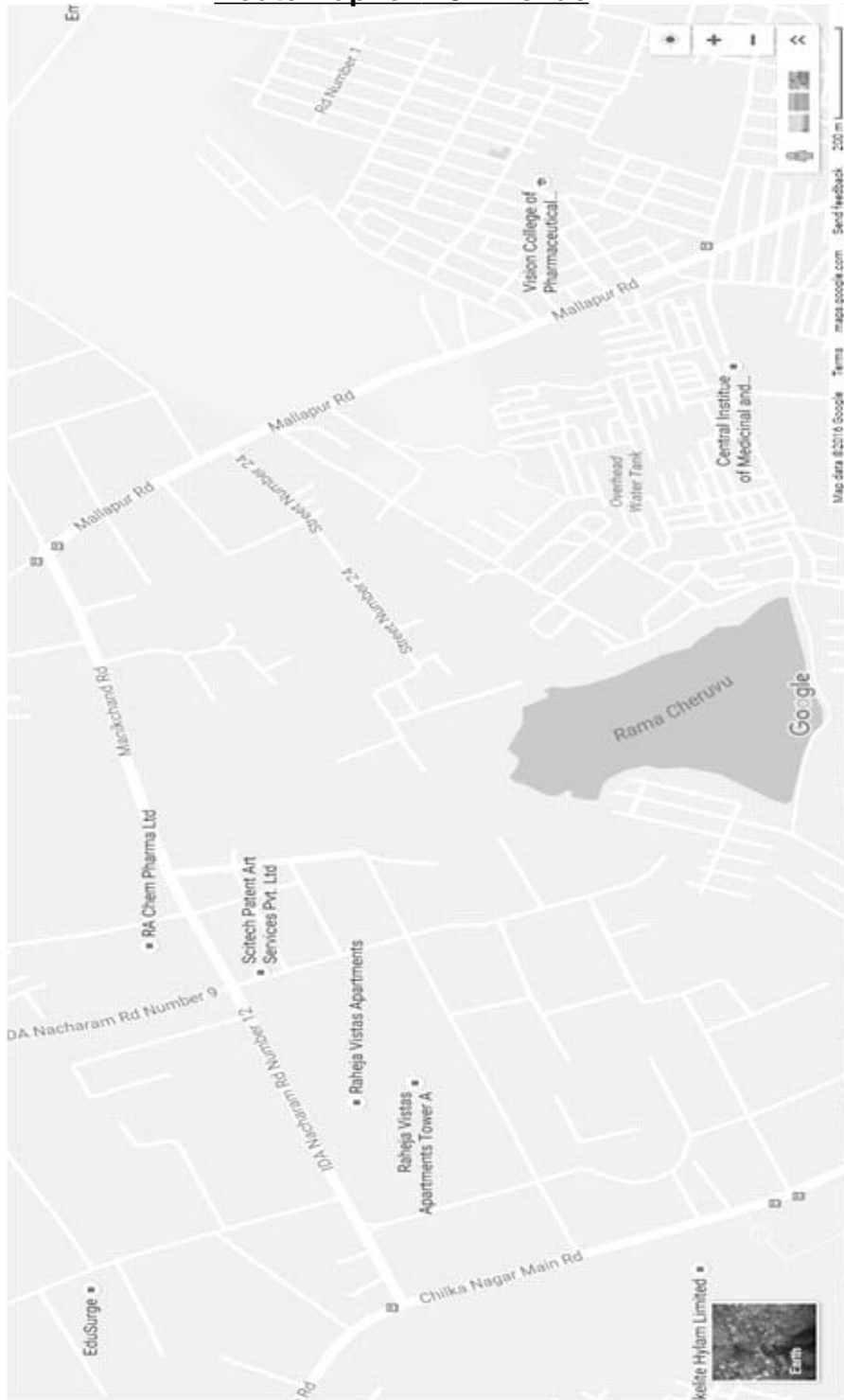
Name of Proxy (in BLOCK LETTERS):

Shareholder's/Proxy's Signature:

**MEMBERS ARE REQUESTED TO BRING THEIR COPIES OF THE ANNUAL REPORT WITH THEM TO THE ANNUAL GENERAL MEETING.**

**VASUNDHARA RASAYANS LIMITED**

**Route Map for AGM Venue**



Near By: Secunderabad Railway Station: 57 Min (20.6 Kms)



Catalysing better tomorrows.....

**VASUNDHARA RASAYANS LIMITED**

Annual Report 2016-17

**Printed Matter**

**To**

If undelivered please return to :

Registered Office

**VASUNDHARA RASAYANS LIMITED**

Shed No. 42,

Phase II, IDA

Mallapur, Hyderabad-500 076