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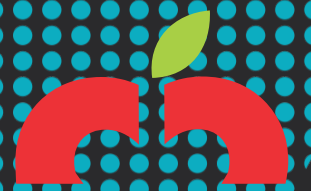


Annual Report

MSCDA Ltd.

11th Annual Report: 2016-2017

Maharashtra Safe Chemists And Distributors Alliance Limited



MSCDA Ltd.

11th Annual Report: 2016-2017

Maharashtra Safe Chemists And Distributors Alliance Limited



We aim at **WINNING SMILES** by providing
top-notch **HEALTHCARE PRODUCTS**

COMPANY INFORMATION

11th ANNUAL REPORT 2016-17

CIN U24239MH2006PLC165149

BOARD OF DIRECTORS

| | |
|----------------------------|----------------------|
| MR. JAGANNATH S. SHINDE | CHAIRMAN |
| MR. JUGALKISHOR TAPADIYA | MANAGING DIRECTOR |
| MR. RAVINDRA M. SAVANT | INDEPENDENT DIRECTOR |
| *MR. PARARI ATHMARAM PATIL | INDEPENDENT DIRECTOR |

[*Appointed as Additional Director on 23rd August, 2017]

CORPORATE INFORMATION

| | |
|------------------------------------|--|
| COMPANY SECRETARY | MS. ANITA PANDEY |
| CHIEF FINANCIAL OFFICER | MR. DHAWAL BHARWADA |
| AUDITORS | P.H. SANGHAVI & CO. <i>Chartered Accountants</i> F – 9 , Level 1, Sej Plaza, Marve Road, Near Nutan School, Malad (W), Mumbai – 400 064 Tel : 91-22-66751190 Email :- pankaj.sanghavi@yahoo.co.in |
| PRINCIPAL BANKERS | BANK OF INDIA HDFC BANK YES BANK |
| REGISTERED & CORPORATE OFFICE | 6 th Floor, Corporate Park – II, V. N. Purav Marg, Chembur, Mumbai – 400 071. Tel : +91 022 67730000 Fax : +91 022 25273473 Website : www.mscdaltd.com |
| REGISTRAR AND SHARE TRANSFER AGENT | Link Intime India Pvt. Ltd. C-101, 247 Park, L.B.S. Marg Vikhroli (West), Mumbai – 400 083. Tel. (022) – 49186270 Website : www.linkintime.co.in |

NOTICE

Notice is hereby given that the **Eleventh Annual General Meeting** of the members of **Maharashtra Safe Chemists And Distributors Alliance Ltd.** will be held on **Wednesday, 27th day of September, 2017 at 12.15 P.M. at Matunga Gujarati Club Limited, 4 Nathalal Parekh Marg, Near Arora Cinema, Matunga Central Railway, Matunga (East), Mumbai – 400 019** to transact the following businesses

I. ORDINARY BUSINESS:

1. To consider and adopt the audited Financial Statement for the year ended 31st March, 2017, and the Reports of the Board of Directors' and Auditors' thereon.
2. To appoint a Director in place of **Mr. Jagannath Shinde**, who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint Auditor and to fix his remuneration and in this regard to consider and pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or reenactment thereof for the time being in force) and the Rules framed thereunder, as amended from time to time, **Mitesh Mehta & Associates Chartered Accountants**, bearing Firm Registration Number 106447W, be and are hereby appointed as statutory auditors of the Company in place of M/s P.H. Sanghavi & Co., the retiring auditors of the Company, to hold office for a period of five (5) years from the conclusion of 11th Annual General Meeting (AGM) of the Company till the conclusion of 16th AGM of the Company to be held in 2022 (subject to ratification of their appointment in every AGM, if so required under the Act) to examine and audit the accounts of the Company at Mumbai and the divisions, on such remuneration as may be mutually agreed upon between the Board of Directors of the Company and the Auditors”

II. SPECIAL BUSINESS:

4. **To consider and if thought fit, to pass the following resolution as an ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Parari Athmaram Patil (DIN 07916471) who is appointed as Additional Independent Director of the Company by the Board of Directors of the Company, who holds office till the date of ensuing AGM in terms of section 161 of Companies Act 2013 and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act 2013, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation to hold office for another five consecutive years for a term up to 31st March, 2022.

RESOLVED FURTHER THAT any of the Directors of the Company be and are hereby severally authorized to do all such acts, deeds and things as may be necessary to give full effect to this resolution.”

5. To consider and if thought fit, to pass the following resolution as an Special Resolution:-

“RESOLVED THAT, the consent of the Company be and is hereby accorded, under section 188 and subject to other applicable provisions of the Companies Act, 2013, and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) to the Board of Directors of the Company to renew the Sales and Distribution Agreement entered with All Indian Origin Chemists And Distributors Limited.

RESOLVED FURTHER THAT the company be and hereby ratifies and affirms each and every action undertaken, by or on behalf of the Company, in respect to Sales and Distribution Agreement to be renewed with All Indian Origin Chemists And Distributors Limited.

RESOLVED FURTHER THAT any of the Directors of the Company be and are hereby severally authorized to do all such acts, deeds and things as may be necessary to give full effect to this resolution”

6. To consider and if thought fit, to pass the following resolution as an Special Resolution:-

“RESOLVED THAT, the consent of the Company be and is hereby accorded, under section 188 and subject to other applicable provisions of the Companies Act, 2013, and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) to the Board of Directors of the Company to renew the Leave & License Agreement entered with AIOCD PharmasoftechAWACS Private Limited.

RESOLVED FURTHER THAT the company be and is hereby ratifies and affirms each and every action undertaken, by or on behalf of the Company, in respect to Leave & License Agreement to be renewed with AIOCD PharmasoftechAWACS Private Limited.

RESOLVED FURTHER THAT any of the Directors of the Company be and are hereby severally authorized to do all such acts, deeds and things as may be necessary to give full effect to this resolution”

For and on behalf of the Board

Registered Office:

6th Floor, Corporate Park – I,
V.N. Purav Marg,
Chembur, Mumbai – 400 071.

Place: Mumbai

Date: 23rd August 2017

Sd/-

(Jagannath Shinde)
DIN 01435827
Chairman

NOTES:

- 1) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY/PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. PROXY/PROXIES NEED NOT BE A MEMBER OF THE COMPANY. THE FORM OF PROXY IN ORDER TO BE EFFECTIVE SHOULD BE DULY COMPLETED AND DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
- 2) A PERSON CAN ACT AS PROXY FOR ONLY 50 MEMBERS AND HOLDING IN AGGREGATE NOT MORE THAN 10 PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. MEMBER HOLDING MORE THAN 10 PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER MEMBER..
- 3) 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 their representative to attend and vote on their behalf at the Meeting.
- 4) In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- 5) The relative Explanatory Statement as required under Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
- 6) Members are requested to bring their Attendance Slip along with their copy of Annual Report to the Annual General Meeting.
- 7) Members are requested to notify immediately any change in their address to the Company/Company's Registrar and Share Transfer, Linkintime India Pvt Ltd (Linkintime).
- 8) Members holding shares in single name are advised to make nomination in respect of their shareholding in the Company.
- 9) Members are requested to register their e-mail ID's and Bank account details with the Secretarial Department of the Company. If there is any change in the e-mail ID already registered with the Company, Members are requested to immediately notify such change to the Secretarial Department of the Company.
- 10) Shareholders desirous of obtaining any information / clarification on the accounts and operations of the Company are requested to send in written queries to the Company, at least one week before the date of the meeting. Replies will be provided only in respect of such written queries received, at the meeting
- 11) In terms of Article 173 of the Articles of Association of the Company, read with Section 152 of the Companies Act, 2013, **Mr. Jagannath Shinde**, Director retire by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment. The Board of Directors of the Company recommends their respective re-appointments.
- 12) Members are hereby informed that under the Act, the Company is obliged to transfer any money lying in the Unpaid Dividend Account, which remains unpaid or unclaimed for a period of seven years from the date of such transfer to the Unpaid Dividend Account, to the credit of Investors Education and Protection Fund (the Fund) established by Central Government. Further pursuant to provisions of Section 124 of the Companies Act 2013 read with Investors Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, all the shares on which dividends remain unpaid or unclaimed for a period of seven consecutive years or more shall be transferred to the demat account of IEPF Authority as notified by Ministry of Corporate Affairs (MCA). Hence, the Company urges all the members to encash/claim their respective dividends during the prescribed period.

In accordance with the aforesaid provision of the Act read with the IEPF Rules, the Company has already initiated necessary action for transfer of all shares in respect of which dividend declared for the financial year 2009-10 or earlier financial years not been paid or claimed by the member for 7 (seven) consecutive years or more. The details

of such dividends/shares to be transferred to IEPF are uploaded on the website of the Company at www.mscdaltd.com under 'Investors Relations' section.

Members who have not yet encashed their dividend warrant(s) for the financial year ended 2012-13 are requested to make their claims to the Company accordingly, without any delay.

Members/ Claimants whose shares, unclaimed dividend etc., have been transferred to the IEPF authority, may claim the shares or apply for refund by making an application to the IEPF Authority in Form IEPF-5 (available on requisite fee as decided by the IEPF Authority from time to time. Member/Claimant can file only one consolidated claim in a financial year as per IEPF Rules.

- 13) Members holding shares and who have not registered their email-id are requested to register the same with the Company or Linkintime India Pvt Ltd
- 14) Process and manner for Members opting for e-voting are as under:-
 - I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015, the Company is pleased to provide Members facility to exercise their right to vote on resolutions proposed to be considered at the AGM by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the Members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
 - II. Members are provided with the facility for voting through ballot paper at the AGM and Members attending the meeting who have not already cast their vote by remote e-voting form are eligible to exercise their right to vote at the meeting.
 - III. Members who have cast their vote by remote e-voting prior to the AGM are also eligible to attend the meeting but shall not be entitled to cast their vote again.
 - IV. The remote e-voting period commences on **24th September 2017 (9:00 a.m. IST)** and ends on **26th September 2017 (5:00 p.m. IST)**. During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of **20th September 2017**, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
 - V. The process and manner for remote e-voting are as under:
 - A. In case a Member receives an e-mail from NSDL [for Members whose e-mail IDs are registered with the Company] :
 - i. Open e-mail and open PDF file viz.: "MSCDALimited e-voting.pdf" with your Client ID No. or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
 - ii. Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>
 - iii. Click on Shareholder – Login
 - iv. Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - v. Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - vi. Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - vii. Select "EVEN" of "MSCDALimited", which is **107079**
 - viii. Now you are ready for remote e-voting as Cast Vote page opens.
 - ix. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - x. Upon confirmation, the message "Vote cast successfully" will be displayed.
 - xi. Once you have voted on the resolution, you will not be allowed to modify your vote.
 - xii. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail

to jaymehtaandassociates@gmail.com with a copy marked to evoting@nsdl.co.in

- B. In case a Member receives physical copy of the Notice of AGM [for Members whose e-mail IDs are not registered with the Company/DP(s) or requesting physical copy]
- i. Initial password is provided as below/at the bottom of the Attendance Slip for the AGM):
EVEN (107079), USER ID PASSWORD/PIN
 - ii. Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on Toll Free No.: 1800-222-990
- VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
- VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- IX. The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date **20th September 2017**
- X. Any person, who acquires shares of the Company and becomes Member of the Company after dispatch of the Notice and holding shares as of the cut-off date **i.e. 20th September 2017**, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or the Company/RTA
- However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.
- XI. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- XII. Mr. Jay Mehta of Jay Mehta & Associates (FCS No – 8672), Company Secretaries have been appointed as the Scrutinizer for providing facility to the Members of the Company to scrutinize the voting and remote e-voting process including the ballot form received from the Members at the AGM who do not have access to the e-voting process, in a fair and transparent manner
- XIII. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of Scrutinizer, by use ballot paper for all those Members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- XIV. The Scrutinizer shall, after the conclusion of voting at the AGM, first count the votes cast at the meeting and, thereafter, unblock the votes cast through remote e-voting and also count the votes received through Ballot Forms, in the presence of at least two witnesses not in the employment of the Company and shall make, not later than two days from the conclusion of the AGM, a Consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same and declare the result of the voting forthwith
- XV. The Results declared, alongwith the Scrutinizer's Report, shall be placed on the Company's website viz. www.msdcald.com and on the website of NSDL immediately after the declaration of the result by the Chairman or a person authorised by him in writing.
- XVI. In case of grievances connected with facility for voting by electronic means, Members are requested to contact Ms Pallavi Mhatre, I at evoting@nsdl.co.in or pallavid@nsdl.co.in or on 022 24994545. Members

may also write to him at NSDL, Trade World, 'A' Wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013.

15) Members are requested to

- a) Intimate to the Company at the registered office address, changes, if any, at an early date.
- b) Quote their folio number in all correspondence.
- c) Consolidate their holdings into one folio in case they hold shares under multiple folios in the identical order of names.

16) Members may note that the Company's website is www.mscdaltd.com

For and on behalf of the Board

Registered Office:

6th Floor, Corporate Park – II,
V.N. Purav Marg,
Chembur, Mumbai – 400 071.

Place: Mumbai

Date: 23rd August 2017

Sd/-
(Jagannath Shinde)
DIN 01435827
Chairman

EXPLANATORY STATEMENT SETTING OUT MATERIAL FACTS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

Item No. 4

The Board of Directors of the Company appointed, pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company, **Mr. Parari Athmaram Patil** as an Additional Independent Director of the Company with effect from 23rd August, 2017. In terms of the provisions of Section 161(1) of the Act **Mr. Parari Athmaram Patil** would hold office up to the date of the ensuing Annual General Meeting.

The Company has received a notice in writing along with the deposit of requisite amount under Section 160 of the Act proposing the candidature **Mr. Parari Athmaram Patil** for the office of Director of the Company. **Mr. Parari Athmaram Patil** is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director. Section 149 of the Act inter alia stipulates the criteria of independence should a company propose to appoint an independent director on its Board. As per the said Section 149, an independent director can hold office for a term up to 5 (five) consecutive years on the Board of a company and he shall not be included in the total number of directors for retirement by rotation.

The Company has received a declaration from **Mr. Parari Athmaram Patil** that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act possesses appropriate skills, experience and knowledge, inter alia, in the field of distribution services.

In the opinion of the Board, **Mr. Parari Athmaram Patil** fulfills the conditions for his appointment as an Independent Director as specified in the Act. **Mr. Parari Athmaram Patil** is independent of the management.

Copy of the draft letter for appointment of **Mr. Parari Athmaram Patil** as an Independent Director would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to appoint and avail services of **Mr. Parari Athmaram Patil** as an Independent Director.

| | |
|--|--|
| Age | 69 |
| Qualifications | Post Graduate Diploma in Administration Management |
| Experience | 44 years of experience in handling Accounts, Taxation, Administration, Sales, Marketing, Business Development & Supply Chain in Pharma Industry. |
| Terms and Conditions of appointment | Independent Director |
| Details of remuneration | Nil |
| Date of first appointment | 23 rd August, 2017 |
| Shareholding in the Company | Nil |
| Relationship with other director/Manager and other KMP | NA |
| Number of meetings attended during the financial year 2016 - 17 and till the date of the Notice this AGM | |
| Directorships of other Board | Nil |
| Membership/Chairmanship of Committees of other Board | Audit Committee |

The Board recommends the Resolution at Item No. 4 of the accompanying. Notice for approval by the Members of the Company.

Except Mr. Parari Athmaram Patil, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the Resolution.

EXPLANATORY STATEMENT SETTING OUT MATERIAL FACTS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

Item no.5

The Board of Director in their meeting held on 23rd August, 2017 subject to the provisions of the Companies Act, 2013, any other applicable provisions and subject to approval of shareholders in general meeting has recommended and accepted the renewal of Sales & Distribution Agreement entered with All Indian Origin Chemists And Distributors Limited for the further term of three years w. e. f. 1st October 2017 to 30th September 2020. The Company has received approval of the shareholders for entering into this agreement in the Annual General meeting dated 30th September 2014. The Company has entered into agreement with All Indian Origin Chemists And Distributors Limited in respect to Sales & Distribution related services for which the maximum amounts per annum shall not exceed Rs.4 Cr

Accordingly the Board has proposed renewal of agreement to the Company to give effect to the above mentioned resolution and the copy of agreement will be kept open for inspection at the venue of Annual General meeting.

Except Mr. Jagannath Shinde, being common Director, none of the Directors, Key Managerial Personnel and the relatives of the aforesaid persons of the Company are interested in the said resolution.

EXPLANATORY STATEMENT SETTING OUT MATERIAL FACTS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

Item no.6

The Board of Director in their meeting held on 23rd August, 2017 subject to the provisions of the Companies Act, 2013, any other applicable provisions and subject to approval of shareholders in general meeting has recommended and accepted the renewal of Leave And License Agreement entered with AIOCD Pharmasoftech AWACS Private Limited for the further term of three years w. e. f. 1st October 2017 to 30th September 2020. The Company has received approval of the shareholders for entering into this agreement in the Annual General meeting dated 30th September 2014. The Company has entered into agreement with AIOCD Pharmasoftech AWACS Private Limited in respect to Leave and License Agreement for which the License fee shall be evaluated according to the market value subject to escalation as may be decide by the Board from time to time. The Current License fee is Rs.1,10,000/-

Accordingly the Board has proposed renewal of agreement to the Company to give effect to the above mentioned resolution and the copy of agreement will be kept open for inspection at the venue of Annual General meeting.

Except Mr. Jagannath Shinde, being common Director, none of the Directors, Key Managerial Personnel and the relatives of the aforesaid persons of the Company are interested in the said resolution.

For and on behalf of the Board

Registered Office:

6th Floor, Corporate Park – II,
V.N. Purav Marg,
Chembur, Mumbai – 400 071.

Place: Mumbai

Date: 23rd August 2017

Sd/-
(Jagannath Shinde)
DIN 01435827

BOARD'S REPORT

Dear Members,

Your Directors have pleasure to present the **11th Annual Report** together with the audited financial statements of the Company for the Financial Year ended 31st March, 2017.

Financial Performance Summary

The highlights of the financial results of the Company on a standalone and on a consolidated basis are as follows:

(Rs. In Lacs)

| | 2016-2017 | 2015-2016 |
|---|-----------------|-----------------|
| Profit/ (Loss) Before Tax and Depreciation | 117.74 | 47.89 |
| (Less): Depreciation | (16.84) | (42.70) |
| Profit/ (Loss) Before Tax | 100.90 | 5.19 |
| Add/(Less):- Deferred tax assets/ Liabilities | (16.50) | (9.56) |
| Profit /(Loss) After Tax for the year | 84.43 | (4.37) |
| Add/ (Less): Amount b/f from previous year | (566.15) | (561.78) |
| Add/(Less): Amount b/f from adjustment of depreciation of previous years | 0 | 0 |
| Balance carried to Balance Sheet | (481.72) | (566.15) |

RESULTS OF OPERATIONS

During the year, turnover of the Company has increased to Rs.557,616,491/- as against Rs. 204,983,382/- in the previous year. Revenue from operations is increased to Rs.535,339,055/- from Rs.174,242,166/- in the previous year.

The Company has provided for doubtful debts of Rs.13,264,859/- in line with prudent accounting policy as against Rs.15,673,169/- provided in the previous year. Due to this, the company is in profit of Rs. 81,88,429/- as against previous year loss of Rs.4,37,424/-.

Your Directors would like to inform you that the Company has turned around and is able to make profits as the turnover of the Company has increased.

Dividend

In the view of accumulated losses, your Directors do not recommend any dividend for the year under review.

Reserves

In view of accumulated losses no amount has been recommended to be transferred to reserves during the period under review.

Share Capital

The Authorised Share Capital of the Company is Rs.560,000,000 (Rupees Fifty Six Crores only) divided into Rs. 360,000,000 (Rupees Thirty Six Crores only) Equity Shares of Rs. 10/- each and Rs.200,000,000 (Rupees Twenty Crores only) Preference Shares of Rs. 10/- each. The Paid up Capital, Issued and Subscribed Capital of the Company as on March 31, 2016 consisted of Rs.50,21,61,900 (Rupees Fifty Crores Twenty One Lacs Sixty One Thousand Nine Hundred only) divided into Rs. 35,04,61,950 (Rupees Thirty Five Crores Four Lacs Sixty One Thousand Nine Hundred and Fifty only) Equity Shares of Rs. 10/- each and Rs.15,16,99,950 (Rupees Fifteen Crores Sixteen Lacs Ninety Nine Thousand Nine Hundred and Fifty only) Preference Shares of Rs. 10/- each . There was no change in capital during the year under review.

Public Deposits

During the year, the Company has not accepted or renewed any deposit from the public as covered under Section 73 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014, under review.

Significant and material orders

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

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 provided in this Annual Report.

Related Party Transactions

The particulars of contracts or arrangements with related parties referred to in Section 188(1), as prescribed in Form AOC - 2 of the rules prescribed under Chapter IX relating to Accounts of Companies under the Companies Act, 2013, is appended as **Annexure-1**.

Directors and KMP

Directors:

As on date, your Board of Directors comprises of following 4 (Four) Directors:

1. Mr. Jagannath Sakharam Shinde
2. Mr. Ravindra Manohar Savant
3. Mr. Jugalkishor Kisanlal Tapadiya
4. Mr. Parari Athmaram Patil

In terms of Section 152 and 160 of the Companies Act, 2013 and in accordance with the Articles of Association of the Company, **Mr. Jagannath Shinde** would retire at the ensuing Annual General Meeting and being eligible offer himself for reappointment. Requisite Notice has been received in respect of his reappointment as a Retiring Director. The Board recommends his appointment.

Mr. Parari Athmaram Patil, an Independent Director meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013. The terms of appointment of Mr. Parari Athmaram Patil have been made pursuant to applicable provisions of the Companies Act, 2013. Requisite resolution to that effect is forming part of the AGM Notice for seeking your accord.

During the year under purview Mr. Sukhendu Patnaik, and Mr. Madan Patil, Directors of the Company resigned from their post. Your Board has placed on record its deep sense of appreciation for the contributions made by the Directors during their tenure in the Company.

The Company has received requisite disclosures and undertakings from all the Directors in compliance with the provisions of the Companies Act, 2013 and other applicable statutes.

KMPs:

The Key Managerial Personnel of the Company are as follows:

1. Mr. Jugalkishor Tapadiya, Managing Director
2. Mr. Dhawal Harshad Bharwada , Chief Financial Officer
3. Ms. Anita Ashok Pandey, Company Secretary

Committees of the Board

The Board re-constituted following Committees in compliance with Companies Act 2013.

| Name of the committee | Composition of committee: |
|---------------------------------------|--|
| Audit Committee | 1. Mr. Ravindra Savant 2. Mr. Jagannath Shinde 3. Mr. Jugalkishor Tapadiya 4. Mr. Parari Athmaram Patil |
| Stake Holder Relationship Committee | 1. Mr. Jagannath Shinde 2. Mr. Jugalkishor Tapadiya |
| Nomination And Remuneration Committee | 1. Mr. Jagannath Shinde 2. Mr. Ravindra Savant 3. Mr. Parari Athmaram Patil |

Statement on declaration given by independent directors

The Company has received necessary declarations from Independent Directors under section 149(7) of Companies Act, 2013, that he or she meets the criteria of independence laid down under section 149(6) of Companies Act, 2013.

Policy on Directors Appointment and Remuneration

The Nomination and Remuneration Committee is responsible for developing competency requirements for the Board based on the industry and strategy of the Company. The Board composition analysis

reflects in-depth understanding of the Company, including its strategies, environment, operations, financial condition and compliance requirements.

The Nomination and Remuneration Committee conducts a gap analysis to refresh the Board on a periodic basis, including each time a Director's appointment or re-appointment is required. The Committee is also responsible for reviewing and vetting the CVs of potential candidates vis-à-vis the required competencies and meeting potential candidates, prior to making recommendations of their nomination to the Board. At the time of appointment, specific requirements for the position, including expert knowledge expected, is communicated to the appointee.

The details of ratio of remuneration to each Director to the median employee's remuneration are not applicable since no remuneration is paid to the Managing Director / Non-executive Directors of the Company.

Criteria for Determining Qualifications, Positive Attributes and Independence of a Director:

The Nomination and Remuneration Committee has formulated the criteria for determining qualifications, positive attributes and independence of Directors in terms of provisions of Section 178 (3) of the Act.

Independence: In accordance with the above criteria, a Director will be considered as an 'Independent Director' if he/ she meet the criteria for 'Independent Director' as laid down in 149(6) of Companies Act, 2013.

Qualifications: A transparent Board nomination process is in place that encourages diversity of thought, experience, knowledge, perspective, age and gender. It is also ensured that the Board has an appropriate blend of functional and industry expertise. While recommending the appointment of a Director, the Nomination and Remuneration Committee considers the manner in which the function and domain expertise of the individual will contribute to the overall skill-domain mix of the Board.

Positive Attributes: In addition to the duties as prescribed under the Act, the Directors on the Board of the Company are also expected to demonstrate high standards of ethical behavior, strong interpersonal and communication skills and soundness of judgment.

Annual Evaluation of Board Performance its Committees and of Directors:

The Nomination and Remuneration Committee has defined the evaluation criteria, procedure and time schedule for the Performance Evaluation process for the Board, its Committees and Directors.

The Board's functioning was evaluated on various aspects, including inter alia degree of fulfillment of key responsibilities, Board structure and composition, establishment and delineation of responsibilities to various Committees, effectiveness of Board processes, information and functioning.

The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Board as a whole. The Nomination and Remuneration Committee also reviewed the performance of the Board, its Committees and of the Directors.

Number of Board Meetings

The Board meets at regular intervals to discuss and decide on Company / business policy and strategy apart from other Board business. The Board / Committee Meetings are pre-scheduled so as to facilitate them to plan their schedule and to ensure meaningful participation in the meetings.

However, in case of a special and urgent business need, the Board's approval is taken by passing resolutions through circulation, as permitted by law, which are confirmed in the subsequent Board meeting. The notice of Board meeting is given well in advance to all the Directors. The Agenda of the Board / Committee meetings is circulated at least a week prior to the date of the meeting

The Board of Directors of the Company, met five times during the year on 8th June 2016, 23rd August 2016, 28th September 2016, 23rd December 2016, 28th February 2017. The maximum interval between any two meetings did not exceed 120 days.

Policy on Prevention of Sexual Harassment

The Company has in place a Prevention of Sexual Harassment policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. All employees (permanent, contractual, temporary, trainees) are covered under this policy. During the year 2016-2017, no complaints were received by the Company related to sexual harassment.

Risk Management Policy and Internal Adequacy

The Company has a Risk Management Policy in place which includes identifying the elements of risk in the opinion of the Board that may threaten the existence of the company.

The Audit Committee of the Board of Directors approves and reviews audit plans for the year based on internal risk assessment. Audits are conducted on an on-going basis and significant deviations are brought to the notice of the Audit Committee. All these measures facilitate timely detection of any irregularities and early remedial steps.

The Board has reviewed the suggestions made in Internal Financial Control report and has decided to comply with the same.

Auditors and Auditors' Report

M/s P.H. Sanghavi & Co. Chartered Accountants, who are statutory auditors of the Company, hold office until conclusion of this year's AGM. The Board has Recommended appointment of **Mitesh Mehta & Associates Chartered Accountants**, (FRN **106447W**) as statutory auditors of the Company in place of M/s P.H. Sanghavi & Co., for a period of five years from the Conclusion of this 11th AGM held in 2017 till the conclusion of 16th AGM to be held in 2022. In this connection the attention of the members is invited for the approval of item no. 4 of the Notice, for appointment of statutory Auditors. A consent and reasonable certificate has been received. The Auditors have further certified that they have subjected themselves for the peer review process of the Institute of Chartered Accountants of India (ICAI) and they hold a valid certificate issued by the "Peer Review Board" of ICAI. The Board proposes the appointment of **Mitesh Mehta & Associates Chartered Accountants**, Mumbai as the Statutory Auditors of the Company, on the recommendations of the Audit Committee.

Secretarial Audit Report

M/s Deepa Gupta, Practicing Company Secretaries were appointed as Secretarial Auditors to conduct Secretarial Audit of records and documents of the Company for financial year 2016-17. The Secretarial Audit Report confirms that the Company has generally complied with the provisions of the Act, Rules, Regulations, and Guidelines etc. The Secretarial Audit Report is given in **Annexure-2**.

Conservation Of Energy, Technology Absorption, Foreign Exchange Earnings And Outgo

Conservation of energy:

The Company has followed appropriate measures for the conservation of energy.

Technology absorption:

The Company does not have any foreign technology and therefore the Company does not have any particulars to offer.

Particulars of employees

As there are no employees drawing remuneration of Rs. 1,02,00,000 per annum or Rs 8,50,000 per months the details for the same are not furnished in this report.

Foreign exchange earnings and outgo:

During the year, an income of Rs.16,21,666/- was reported in Foreign Exchange due to export sales.

Directors' Responsibility Statement

Pursuant to Section 134(5) of the Companies Act, 2013 ("the Act"), your Directors confirm that, to the best of their knowledge and belief:

- in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- appropriate accounting policies have been selected and applied consistently and such judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2017 and of the profit and loss of the Company for the year ended 31/03/2017;
- proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the attached Statement of Accounts for the period ended March 31, 2017 have been prepared on a "going concern basis";
- proper systems are devised to ensure compliance of all laws applicable to the Company and that such systems were adequate and operating efficiently;
- As the company is unlisted public company, the following clause is not applicable to us.

Extract of Annual Return:

In accordance with Section 134(3)(a) of the Companies Act, 2013, an extract of the annual return in the prescribed Form MGT-9 is appended as **Annexure-3** to the Board Report.

Acknowledgement

The Board of Directors wishes to place their sincere appreciation for the valuable advice, guidance and support provided by all stakeholders and regulatory authorities from time to time.

Your Directors take this opportunity to recognize and place on record their deep sense of appreciation for the exemplary commitment and contribution made by employees at all levels. Their dedicated efforts and enthusiasm have been pivotal to your Company's growth. Your involvement as Shareholders is greatly valued. Your Directors look forward to your continuing support.

For and on behalf of the Board of Directors

**Sd/-
Chairman
Jagannath Shinde
(DIN: 01435827)**

**Place: Mumbai
Date: 23rd August 2017**

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

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

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

MAHARASHTRA SAFE CHEMISTS AND DISTRIBUTORS ALLIANCE LIMITED has not entered into any contract or arrangement or transaction with its related parties which is not at arm's length during financial year 2016-17.

| Name (s) of the related party & nature of relationship | Nature of contracts/ arrangement s/ transaction | Duration of the contracts / arrangements/ transaction | Salient terms of the contracts or arrangements or transaction including the value, if any | Justification for entering into such contracts or arrangements or transactions' | Date of approval by the Board | Amount paid as advances, if any | Date on which the special resolution was passed in General meeting as required under first proviso to section 188 |
|--|---|---|---|---|-------------------------------|---------------------------------|---|
| - | - | - | - | - | - | - | - |

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

| Name (s) of the related party & nature of relationship | Nature of contracts/ arrangements/ transaction | Duration of the contracts / arrangements/ transaction | Salient terms of the contracts or arrangements or transaction including the value, if any | Justification for entering into such contracts or arrangements or transactions' | Date of approval by the Board | Amount paid as advances, if any | Date on which the special resolution was passed in General meeting as required under first proviso to section 188 |
|--|--|---|---|---|-------------------------------|---------------------------------|---|
| All Indian Origin Chemists & Distributors Ltd | Leave & License Agreement | 1st May 2008 - Ongoing | Leave & License Agreement | Administrative Convenience | 05.09.2014 | NA | 30.09.2014 |
| All Indian Origin Chemists & Distributors Ltd | Expense Sharing Agreement | 30th Mar ch 2012 - Ongoing | Sharing of utility expenses | Administrative Convenience | 05.09.2014 | NA | 30.09.2014 |
| All Indian Origin Chemists & Distributors Ltd | Sales And Distribution Agreement | 1st October, 14 - 30 th September, 17 | Appointment as non - exclusive Distributor | Administrative Convenience | 05.09.2014 | NA | 30.09.2014 |
| AIOCD Pharmasoftech AWACS Private Limited | Leave & License Agreement | 1st October, 14 - 30 th September, 17 | Leave & License Agreement | Administrative Convenience | 05.09.2014 | NA | 30.09.2014 |
| Tapadiya Distributors | Stockist Agreement | Ordinary Course of Business | Supply of goods | Ordinary Course of Business | 25.03.2015 | NA | NA |
| Nancy Enterprises | Stockist Agreement | Ordinary Course of Business | Supply of goods | Ordinary Course of Business | 25.03.2015 | NA | NA |
| Nansun Distributors | Stockist Agreement | Ordinary Course of Business | Supply of goods | Ordinary Course of Business | 08.06.16 | NA | NA |
| Tapadiya Life Sciences | Stockist Agreement | Ordinary Course of Business | Supply of goods | Ordinary Course of Business | 08.06.16 | NA | NA |
| Tapadiya Cosmogen | Stockist Agreement | Ordinary Course of Business | Supply of goods | Ordinary Course of Business | 08.06.16 | NA | NA |

For and on behalf of the Board

Sd/-

**Chairman
Jagannath Shinde
(DIN: 01435827)**

**Place: Mumbai
Date: 23rd August, 2017**

**Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2017**

(Annexure II)

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

To,
The Members,
Maharashtra Safe Chemists and Distributors Alliance Limited
(CIN:U24239MH2006PLC165149)
6th Floor, Corporate Park II,
V. N. Purav Marg, Chembur, Mumbai 400071

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Maharashtra Safe Chemists and Distributors Alliance Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided to me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon. Based on my verification of the Maharashtra Safe Chemists and Distributors Alliance Limited's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and 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 Maharashtra Safe Chemists and Distributors Alliance Limited ("the Company") for the financial year ended on 31st March 2017 according to the provisions of:

- (1) The Companies Act, 2013 (the Act) and the rules made there under;
- (2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under; (not applicable during the audit period)
- (3) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under; (not applicable during the audit period)
- (4) Foreign Exchange Management Act, 1999 and the rules and regulations made there under;
- (5) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):- (not applicable during the audit period)
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (6) The Drugs (Prices Control) Order, 1995 / 2013
- (7) The Drugs & Cosmetics Act, 1940 and The Drugs & Cosmetics Rules, 1945
- (8) Food Safety and Standards Act, 2006 and Food Safety Standards Regulations (FSSR), 2011

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

- (a) Secretarial Standards issued by the Institute of Company Secretaries of India.
- (b) The Listing Agreement entered into by the Company with BSE Limited (BSE) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; (Not applicable during the Audit Period)

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were generally carried out in compliance with the provisions of the Act. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. All the decisions at Board Meetings and Committee Meetings are carried through and recorded as part of the minutes.

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 etc.

I further report that during the audit period, there were no instances of:

- (i) Public/Right/Preferential issue of shares / debentures/sweat equity, etc.
- (ii) Redemption / buy-back of securities.
- (iii) Merger / amalgamation / reconstruction, etc.
- (iv) Foreign technical collaborations.

Place : Mumbai
Date : 23/08/2017

Sd/-
DEEPA GUPTA
ACS NO.: 20860 / CP No.: 8168

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2017

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

I. REGISTRATION AND OTHER DETAILS:

| | |
|---|---|
| i. CIN | U24239MH2006PLC165149 |
| ii. Registration Date | 16/10/2006 |
| iii. Name of the Company | MAHARASHTRA SAFE CHEMISTS AND DISTRIBUTORS ALLIANCE LIMITED |
| iv. Category/Sub-Category of the Company | Company limited by shares |
| v. Address of the Registered office and contact details | 6th Floor, Corporate Park - II,, V.N. Purav Marg, Chembur, Mumbai Maharashtra-400071 INDIA |
| vi. Whether listed company | Yes/No |
| vii. Name, Address and Contact details of Registrar and Transfer Agent, if any | Link Intime India Private Limited C-101, 247 Park, L.B.S. Marg , Vikhroli (West), Mumbai – 400 083. |

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

| Sr. No | Name and Description of main products/ services | NIC Code of the Product/ service | % to total turnover of the company |
|---------------|--|---|---|
| 1 | Distribution services | 46 | 96% |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

| | Name And Address Of The Company | CIN/GLN | Holding/ Subsidiary /Associate | %of shares held | Applicable Section |
|----|--|----------------|---------------------------------------|------------------------|---------------------------|
| 1. | NA | | | | |

VI. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i. Category-wise Share Holding

| Category of Shareholders | No. of Shares held at the beginning of the year | | | | No. of Shares held at the end of the year | | | | % Change during The year |
|--|---|----------|--------|-------------------|---|----------|--------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoter | | | | | | | | | |
| 1) Indian | | | | | | | | | |
| a) Individual/ HUF | - | 752600 | 752600 | 2.1475 | - | 752600 | 752600 | 2.1475 | NIL |
| b) Central Govt | - | - | - | - | - | - | - | - | |
| c) State Govt(s) | - | - | - | - | - | - | - | - | |
| d) Bodies Corp | - | - | - | - | - | - | - | - | |
| e) Banks / FI | - | - | - | - | - | - | - | - | |
| f) Any Other | - | | | | | | | | |
| Subtotal(A)(1):- | - | 752600 | 752600 | 2.1475 | - | 752600 | 752600 | 2.1475 | NIL |
| 2) Foreign | - | - | - | - | - | - | - | - | |
| g) NRIs- Individuals | - | - | - | - | - | - | - | - | |
| h) Other- Individuals | - | - | - | - | - | - | - | - | |
| i) Bodies Corp. | - | | - | - | - | - | - | - | |
| j) Banks / FI | - | - | - | - | - | - | - | - | |
| k) Any Other.... | - | - | - | - | - | - | - | - | |
| Total Promoter Shareholding (A)=(A)(1)+ (A)(2) | | 752600 | 752600 | 2.147 | - | 752600 | 752600 | 2.147 | NIL |
| B. Public Shareholding | | | | | | | | | |
| 1. Institutions | - | - | - | - | - | - | - | - | |
| a) Mutual Funds | - | - | - | - | - | - | - | - | |
| b) Banks / FI | - | - | - | - | - | - | - | - | |
| c) Central Govt. | - | - | - | - | - | - | - | - | |
| d) State Govt. (s) | - | - | - | - | - | - | - | - | |
| e) Venture Capital Funds | - | - | - | - | - | - | - | - | |
| f) Insurance Companies | - | - | - | - | - | - | - | - | |
| g) FIs | - | - | - | - | - | - | - | - | |
| h) Foreign Venture | - | - | - | - | - | - | - | - | |

Maharashtra Safe Chemists and Distributors Alliance Limited

| Funds | | | | | | | | | |
|---|---|----------|----------|---------|---|----------|----------|---------|-------|
| b)Others (specify) | - | - | - | - | - | - | - | - | - |
| Subtotal (B)(1) | - | - | - | - | - | - | - | - | - |
| 2. Non Institutions | - | - | - | - | - | - | - | - | - |
| a)Bodies Corp. (i) Indian (ii) Overseas | - | 540000 | 540000 | 1.5408 | | 682750 | 682750 | 1.9481 | 0.41 |
| b)Individuals | | | | | | | | | |
| (i) Individual shareholders holding nominal share capital upto Rs. 1 lakh | - | 26386695 | 26386695 | 75.288 | | 26211695 | 26211695 | 74.7918 | 0.05 |
| (ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh | | 7366900 | 7366900 | 21.0205 | | 7399150 | 7399150 | 21.1126 | 0.092 |
| c)Others(Specify) Sub-total(B)(2) | - | - | - | - | - | - | - | - | - |
| Total Public Shareholding (B)=(B)(1)+ (B)(2) | - | 34293595 | 34293595 | 97.85 | | 34293595 | 34293595 | 21.1126 | 0.092 |
| C. Shares held by Custodian for GDRs & ADRs | - | - | - | - | - | - | - | - | - |
| Grand Total (A+B+C) | | 35046195 | 35046195 | 100 | | 35046195 | 35046195 | 100 | NIL |

ii. Shareholding of Promoters

| Sr. No | Shareholder's Name | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | | % change in share holding during the year |
|--------|----------------------------------|---|----------------------------------|-------------------------------------|-------------------------------------|----------------------------------|--|---|
| | | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbered to | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | |
| 1. | SHINDE JAGANNATH SAKHARAM | 1,40,100 | 0.2736 | | 1,40,100 | 0.2736 | | |
| 2. | ANIL HARIKISAN NAVANDAR | 1,00,000 | 0.1954 | | 1,00,000 | 0.1954 | | |
| 3. | VAIJANATH EKNATH JAGUSHTE | 1,01,500 | 0.1983 | | 1,01,500 | 0.1983 | | |
| 4. | VINAY SHASHIKANT SHROFF | 1,20,000 | 0.2345 | | 1,20,000 | 0.2345 | | |
| 5. | AMAR JEET SOBTI | 50000 | 0.0977 | | 50000 | 0.0977 | | |

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

(NO CHANGE)

| Sr. no | | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|--------|---|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| | At the beginning of the year | | | | |
| | Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc) | | | | |
| | At the End of the year | | | | |

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

| Sr. no | Name of shareholder | Shareholding at the beginning of the year | | Date | Reason | Increase/ Decrease in Shareholding | | Cumulative Shareholding 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 | All Indian Origin Chemists & Distributors Limited | 54000 | 1.5408 | 01/04/2016 | No Change | - | - | | - |
| | | 54000 | 1.5408 | At the end of the year | | - | - | 54000 | - |
| 2 | Rajendra Lingayat | 176250 | 0.5029 | 01/04/2016 | No Change | - | - | | - |
| | | 176250 | 0.5029 | 31/03/2017 | | - | - | 176250 | - |
| 3 | Nitin Rameshchandra Diwawania | 150000 | 0.428 | 01/04/2016 | No Change | - | - | | - |
| | | 150000 | 0.428 | At the end of the year | | - | - | 150000 | - |

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

| | | | | | | | | | |
|----|--|--------|--------|------------------------|--------------------|-------|--------|---------|--------|
| 4 | Captive Audience Advertising Network And Reserach Pvt Ltd | 0 | | 09/12/2016 | Purchase of Shares | 72500 | 0.002 | 72500 | 0.002 |
| | | | | 13/01/2017 | Purchase of Shares | 17250 | 0.002 | 89750 | 0.004 |
| | | | | 27/01/2017 | Purchase of Shares | 43500 | 0.0012 | 133250 | 0.0072 |
| | | | | 03/02/2017 | Purchase of Shares | 10500 | 0.0003 | 143750 | 0.005 |
| | | | | At the end of the year | Purchase of Shares | - | - | 1437500 | |
| 5 | Rajendra Deshmukh | 101000 | 0.2882 | 01/04/2016 | No Change | - | - | | - |
| 6 | Rajiv K Jain | 100000 | 0.2853 | 01/04/2016 | No Change | - | - | | - |
| | | 100000 | 0.2853 | At the end of the year | | - | - | 100000 | - |
| 7 | Bhangale Sunil Ramdas | 100000 | 0.2853 | 01/04/2016 | No Change | - | - | | - |
| | | 100000 | 0.2853 | At the end of the year | | - | - | 100000 | - |
| 8 | Barkase Arun Sakharamji | 100000 | 0.2853 | 01/04/2016 | No Change | - | - | | - |
| | | 100000 | 0.2853 | At the end of the year | | - | - | 100000 | - |
| 9 | Vikrant J. Shinde | 100000 | 0.2853 | 01/04/2016 | No Change | - | - | | - |
| | | 100000 | 0.2853 | At the end of the year | | - | - | 100000 | - |
| 10 | Nilesh Shivaji Shinde | 100000 | 0.2853 | 01/04/2016 | No Change | - | - | | - |
| | | 100000 | 0.2853 | At the end of the year | | - | - | 100000 | - |

V. Shareholding of Directors and Key Managerial Personnel:

| Sr. no | Name of shareholder | Shareholding at the beginning of the year | | Date | Reason | Increase/ Decrease in Shareholding | | Cumulative Shareholding 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 | Jagannath S. Shinde | 140100 | 0.2736 | 31-03-2017 | No change | 0 | 0 | 140100 | 0.2736 |
| 2 | Jugalkishor Tapadiya | 21000 | 0.0599 | 31-03-2017 | No change | 0 | 0 | 21000 | 0.0599 |
| 3 | Madan Patil | 5000 | 0.0143 | 31-03-2017 | No change | 0 | 0 | 5000 | 0.0143 |
| 4 | Ravindra Savant | 0 | 0 | 31-03-2017 | No change | 0 | 0 | 0 | 0 |
| 5 | Sukhendu Patnaik | 0 | 0 | 31-03-2017 | No change | 0 | 0 | 0 | 0 |
| 6 | Dhaval Bharwada | 5000 | 0.0143 | 31-03-2017 | No change | 0 | 0 | 5000 | 0.0143 |

V. INDEBTEDNESS

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

| Indebtedness at the beginning of the Financial year | Secured Loan | Unsecured Loan | Deposit | Total indebtedness |
|--|-----------------------|----------------|---------|-----------------------|
| i) Principal amount | 3,237,131 | - | - | 3,237,130.70 |
| ii) Interest due but not paid | | - | | - |
| iii) Interest accrued but not due | - | - | | - |
| Total | 3,237,130.70 | - | - | 3,237,130.70 |
| Changes in indebtedness during the Financial year | | | | |
| Addition | - | - | - | - |
| Reduction | 3,237,130.70 | - | | 3,237,130.70 |
| Net chages | (3,237,130.70) | - | - | (3,237,130.70) |
| Indebtedness at the end of the Financial year | | | | |
| i) Principal amount | - | - | - | - |
| ii) Interest due but not paid | - | - | | - |
| iii) Interest accrued but not due | - | - | | - |
| Total | - | - | - | - |

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(NOT APPLICABLE)

| SI No. | Particulars of Remuneration | Name of MD/WTD/ Manager | | | Total Amount |
|--------|---|-------------------------|--|--|--------------|
| 1. | Gross salary (a)Salary as per provisions contained in section17(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 undersection17(3)Income- taxAct,1961 | | | | |
| 2. | Stock Option | | | | |
| 3. | Sweat Equity | | | | |
| 4. | Commission - as% of profit - others, specify... | | | | |
| 5. | Others, please specify | | | | |
| 6. | Total(A) | | | | |
| | Ceiling as per the Act | | | | |

B. Remuneration to other directors:

| SI. No. | Particulars of Remuneration | Ravindra Savant | Sukhendu Patnaik | Total Amount |
|---------|---|-----------------|------------------|--------------|
| | <u>Independent Directors</u> ·Fee for attending board committee meetings ·Commission ·Others, please specify | 60000 | 60000 | 120000 |
| | Total(1) | 60000 | 60000 | 120000 |
| | <u>Other Non-Executive Directors</u> ·Fee for attending board committee meetings ·Commission ·Others,pleasespecify | - | - | |
| | Total(2) | - | - | |
| | Total(B)=(1+2) | 60000 | 60000 | 120000 |
| | Total Managerial Remuneration | | | |
| | Overall Ceiling as per the Act | | | |

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

| Sl. no. | Particulars of Remuneration | Key Managerial Personnel | | | |
|---------|---|--------------------------|-------------------|-----------|---------------|
| | | CEO | Company Secretary | CFO | Total |
| 1. | Gross salary (a)Salary as per provisions contained in section17(1)of the Income-tax Act,1961 | <u>NA</u> | <u>342660</u> | <u>NA</u> | <u>342660</u> |
| | (b)Value of perquisites u/s 17(2)Income-tax Act,1961 | <u>NA</u> | <u>NA</u> | <u>NA</u> | <u>NA</u> |
| | (c)Profits in lieu of salary under section 17(3)Income-tax Act,1961 | <u>NA</u> | <u>NA</u> | <u>NA</u> | <u>NA</u> |
| 2. | Stock Option | <u>NA</u> | <u>NA</u> | <u>NA</u> | <u>NA</u> |
| 3. | Sweat Equity | <u>NA</u> | <u>NA</u> | <u>NA</u> | <u>NA</u> |
| 4. | Commission - as % of profit - others, specify... | <u>NA</u> | <u>NA</u> | <u>NA</u> | <u>NA</u> |
| 5. | Others, please specify | <u>NA</u> | <u>NA</u> | <u>NA</u> | <u>NA</u> |
| 6. | Total | | <u>342660</u> | <u>NA</u> | <u>342660</u> |

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

| Type | Section of the companies Act | Brief description | Details of Penalty/ Punishment/ Compound ing fees imposed | Authority [RD/NCLT/Co urt] | Appeal made. If any (give details) |
|-------------------------------------|------------------------------|-------------------|---|----------------------------|------------------------------------|
| A. Company | | | | | |
| Penalty | <u>NA</u> | <u>NA</u> | <u>NA</u> | <u>NA</u> | <u>NA</u> |
| Punishment | <u>NA</u> | <u>NA</u> | <u>NA</u> | <u>NA</u> | <u>NA</u> |
| Compounding | <u>NA</u> | <u>NA</u> | <u>NA</u> | <u>NA</u> | <u>NA</u> |
| B. Directors | | | | | |
| Penalty | <u>NA</u> | <u>NA</u> | <u>NA</u> | <u>NA</u> | <u>NA</u> |
| Punishment | <u>NA</u> | <u>NA</u> | <u>NA</u> | <u>NA</u> | <u>NA</u> |
| Compounding | <u>NA</u> | <u>NA</u> | <u>NA</u> | <u>NA</u> | <u>NA</u> |
| C. Other Officers In Default | | | | | |
| Penalty | <u>NA</u> | <u>NA</u> | <u>NA</u> | <u>NA</u> | <u>NA</u> |
| Punishment | <u>NA</u> | <u>NA</u> | <u>NA</u> | <u>NA</u> | <u>NA</u> |
| Compounding | <u>NA</u> | <u>NA</u> | <u>NA</u> | <u>NA</u> | <u>NA</u> |

For and on behalf of the Board

Sd/-

Chairman
Jagannath Shinde
(DIN: 01435827)

Place: Mumbai
Date: 23rd August, 2017

INDEPENDENT AUDITORS' REPORT

To the Shareholders, Maharashtra Safe Chemists and Distributors Alliance Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **Maharashtra Safe Chemists and Distributors Alliance Limited**, which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information. **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating for ensuring 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 standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2016 and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section

143 of the Act, we give in the Annexure A a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) The balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e) On the basis of the written representations received from the directors as on 31 March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
- f) With respect to the adequacy of the Internal Financial controls over financial reporting of the group and its associates and jointly controlled company refer to our separate report in "Annexure B" and
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has no pending litigations having impact on its financial position in its financial statements
 - ii. The Company has made provision, as required under the applicable law Or accounting standards, for material foreseeable losses, if any, on longterm contracts.
 - iii. The company was required to transfer Rs.11, 11,100/- to Investor Education and Protection Fund by 29th September, 2016. The said amount was transferred on 27th September 2016.

For P.H.Sanghavi & Co.
Chartered Accountants

Sd/-
Proprietor
Pankaj Sanghavi
Membership No. : - 41290
Firm Registration No.:109111W

Place: - Mumbai
Date: - 23rd August 2017

Annexure to Auditor's Report Re: *Maharashtra Safe Chemists and Distributors Alliance Limited*

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2017, we report that:

- (I) (a) In our opinion and according to the information and explanation given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets
- (b) In our opinion and according to the information and explanation given to us, the fixed assets of the company have been physically verified by Management of the Company at regular intervals. No material discrepancies were noticed on such verification.
- (c) In our opinion and according to the information and explanation given to us, the title deeds of the Immovable Property are held in the name of the Company.
- (ii) In our opinion and according to the information and explanation given to us, physical verification of *inventory has been conducted at reasonable intervals by the management.*
In our opinion and according to the information and explanation given to us, no material discrepancies have been noticed on physical verification.
- (iii) In our opinion and according to the information and explanation given to us, the Company has not granted loans to any bodies corporate covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Accordingly, in our opinion paragraph 3 (iii) (a), (b) & (c) of the Order is not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the provisions of section 185 and 186 of the Companies Act 2013 have been complied with in respect of the Loans, Investments and Guarantees.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public. Accordingly, in our opinion, paragraph 3(v) of the Order is not applicable to the Company.
- (vi) In our opinion and according to the information and explanations given to us, the Company is not engaged in production, processing, manufacturing or mining activities for which the Central Government has prescribed the maintenance of cost records under section 148(1) of the Act. Accordingly in our opinion the clause no.3 (vi) is not applicable to the Company.
- (vii) (a) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of duty of custom/excise. According to the information and explanations given to us, no other undisputed amounts payable in respect of provident fund, income tax, sales tax, wealth tax, duty of customs, value added tax, cess and other material statutory dues were in arrears as at 31 March 2017.
- (b) In our opinion and according to the information and explanations given to us, there are no material dues of Income Tax, Sales Tax, Wealth tax, Service Tax, duty of customs and cess which have not been deposited with the appropriate authorities 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 repayment of dues to financial institutions, banks. In our opinion and according to the information and explanations given to us, the company has no outstanding debentures. (ix) In our opinion and according to the information and explanations given to us, the Company did not raise money by way of public issue or follow on offer; hence paragraph 3 (ix) of CARO 2016 is not applicable.
- (x) In our opinion and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit. (xi) In our opinion and according to the information and explanations given to us, the Company did not pay managerial remuneration. Accordingly, in our opinion, paragraph 3 (xi) of the Order is not applicable to the Company.
- (xii) In our opinion and according to the information and explanations given to us, Since the Company is not a Nidhi Company, paragraph 3 (xii) of CARO 2016 is not applicable. (xiii) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act 2013 where applicable and the details have been disclosed in the Financial Statements etc. as required by Accounting Standards. (xiv) In our opinion and according to the information and explanations given to us, Since the Company has not made any preferential allotment/private placement of Shares or fully or partly Convertible Debentures, during the year under review, hence paragraph 3 (xiv) of CARO 2016 is not applicable. (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any Non cash Transactions as contemplated u/s 192 of the Companies Act 2013 with the Directors or persons connected with them, hence paragraph 3 (xv) of CARO 2016 is not applicable. (xvi) In our opinion and according to the information and explanations given to us, the company is not required to be registered u/s 45 IA of the Reserve Bank of India Act, 1934.

For P.H.Sanghavi & Co.
Chartered Accountants
Place: - Mumbai
Date: - 23rd August, 2017

Proprietor
sd/-
Pankaj Sanghavi
Membership No.: - 41290
Firm Registration No.: 109111W

**ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE
STANDALONE FINANCIAL STATEMENTS OF
MAHARASHTRA SAFE CHEMISTS AND DISTRIBUTORS ALLIANCE LIMITED**

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

I / We have audited the internal financial controls over financial reporting of *Maharashtra Safe Chemists and Distributors Alliance Limited* ("the Company") as of March 31, 2017 in conjunction with my / our audit of the Standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls:

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

Auditors' Responsibility:

My / Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on my/our audit. I/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, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that I / we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

My / Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

My / 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.

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

Meaning of Internal Financial Controls over Financial Reporting

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

A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting:

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

Opinion

According to the information and explanations given to me / us and based on my / our audit, the following material weaknesses have been identified as at March 31, 2017:

- a) The Company need to implement policies and procedures documented for the components of internal Control.
- b) The Company did not have adequate segregation of duties for procurement and marketing in Critical care division.
- c) The Company did not have adequate Internal Audit System to cover all aspects of the internal control environment.
- d) The Company did not have a regular control process for reconciliation and confirmation of balances with all the parties.
- e) The Company did not have documented Authority Matrix for Approval of various types of transactions. The authorisations signatures are missing on the Bills are and Vouchers which are stated to have been authorised.
- f) The Company did not have documented process for Budgetary Control and variance analysis on a regular basis.
- g) The Company did not have documented policy for recovery of outstanding debts and claims for Price/Rate Difference, Discounts etc.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material Misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In my / our opinion, except for the effects/possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

I / We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in my / our audit of the March 31, 2017 standalone financial statements of the Company, and these material weaknesses do not affect my / our opinion on the standalone financial statements of the Company.

**For P.H.Sanghavi & Co.
Chartered Accountants**

**Place: - Mumbai
Date: - 23rd August 2017**

**Sd/-
Pankaj Sanghavi
Proprietor
Membership No. 41290
Firm Registration No.109111W**

Balance Sheet as at 31st March, 2017

(Amount in Rs.)

| | Note No | As at 31st March, 2017 | As at 31st March, 2016 |
|--|------------|---------------------------|---------------------------|
| <u>(I) EQUITY & LIABILITIES</u> | | | |
| <u>1) Shareholder`s Fund</u> | | | |
| a) Share Capital | 1 | 502,161,900 | 502,161,900 |
| b) Reserves and Surplus | 2 | (45,183,022) | (53,625,695) |
| <u>2) Non-Current Liabilities</u> | | | |
| a) Long Term Borrowings | | - | - |
| b) Deferred Tax Liability (Net) | | 433,289 | - |
| c) Other long Term Liabilities | 3 | 1,900,000 | 881,379 |
| d) Long Term Provisions | 4 | 500,736 | 437,922 |
| <u>3) Current Liabilities</u> | | | |
| a) Short Term Borrowings | 5 | - | 3,237,131 |
| b) Trade Payables | | 81,128,936 | 33,434,098 |
| c) Other Current Liabilities | 6 | 24,971,091 | 22,623,863 |
| d) Short Term Provision | 7 | 2,288,500 | 31,442,328 |
| Total Equity and Liabilities | | 568,201,429 | 540,592,926 |
| <u>II) ASSETS</u> | | | |
| <u>1) Non-Current Assets</u> | | | |
| a) Fixed Assets | 8 | | |
| i) Tangible Assets | | 45,693,121 | 46,524,970 |
| ii) Intangible Assets | | | |
| iii) Capital Work-in-Progress | | | |
| iv) Intangible Assets Under Development | | | |
| b) Non-Current Investment | 9 | 24,912,450 | 24,912,450 |
| c) Deferred Tax Assets (Net) | | | - |
| d) Long Term Loans and Advances | 10 | 10,218,773 | 49,639,389 |
| e) Other Non-Current Assets | 11 | 1,990,459 | 9,852,785 |
| <u>2) Current Assets</u> | | | |
| a) Current Investment | 12 | - | 1 |
| b) Inventory | 13 | 78,526,678 | 44,827,086 |
| c) Trade Receivables | 14 | 47,308,159 | 63,024,402 |
| d) Cash and Cash-Equivalents | 15 | 277,629,905 | 257,122,596 |
| e) Short Term Loans and Advances | 16 | 259,976 | 263,310 |
| f) Other Current Assets | 17 | 81,661,910 | 44,425,937 |
| Total Assets | | 568,201,431 | 540,592,926 |

The Notes referred to above are an integral part of the Balance Sheet
As per our attached report of even date

For P.H.Sanghavi & Co.
Chartered Accountants

Sd/-
Pankaj Sanghavi
Proprietor

Membership No.: 41290 FRN :- 109111W
Date : 23rd, August 2017
Place : Mumbai

Sd/-
Jagannath S. Shinde
Chairman
DIN 01435827

For and on behalf of the Board

Sd/-
Dhaval Bharwada
CFO

Sd/-
Anita Pandey
Company Secretary

Statement of Profit and Loss for the year ended 31st March, 2017

(Amount in Rs.)

| | Note No. | For the year ended 31st March, 2017 | For the year ended 31st March, 2016 |
|--|----------|-------------------------------------|-------------------------------------|
| I) Income | | | |
| I) Income from Operations | 18 | 535,339,055 | 174,242,167 |
| II) Other Income | 19 | 22,277,436 | 30,741,215 |
| III) Total Revenue (I+II) | | 557,297,616 | 204,983,382 |
| IV) Expenses : | | | |
| Cost of Materials Consumed | | | |
| Purchase | | 520,255,166 | 165,655,386 |
| Changes in Inventory | 20 | (34,950,198) | (20,288,360) |
| Employee benefit expenses | 21 | 13,640,121 | 14,788,275 |
| Finance Cost | 22 | 299,636 | 4,602,106 |
| Depreciation and Amortization Expenses | 23 | 1,684,161 | 4,270,604 |
| Other Expenses | 24 | 45,346,959 | 37,027,452 |
| Total Expenses (IV) | | 546,275,845 | 206,055,462 |
| V) Profit/(Loss) before prior period, exceptional and extraordinary items and tax (III-IV) | | 11,340,646 | (1,072,080) |
| VI) Prior Period Expense | | - | 200,000 |
| VII) Profit/(Loss) before exceptional and extraordinary items and tax (V-VI) | | 11,340,646 | (1,272,080) |
| VIII) Exceptional Items | | | |
| Profit on Sale of Fixed Assets | | - | 1,839,850 |
| Loss On Discarded Fixed Assets | | - | (48,469) |
| Reduction in value due to lower NRV | | 1,250,606 | - |
| Loss due to Permanent Diminution in Value of Long Term Investment | | - | - |
| IX) Profit/(loss) before extraordinary items and tax (VII-VIII) | | 10,090,040 | 519,301 |
| X) Profit/(Loss) before Tax | | 10,090,040 | 519,301 |
| XI) Tax Expenses | | | |
| i) Current Tax | | - | 763,964 |
| ii) Deferred Tax | | 433,289 | - |
| iii) Short Provision of Previous Years | | 1,214,078 | 192,761 |
| XII) Profit/(Loss) from Continuing Operations (X-XI) | | 8,442,673 | (437,424) |
| XIII) Profit/(Loss) for the period | | 8,442,673 | (437,424) |
| XIV) Earnings per Shares | | | |
| 1) Basic | | 0.24 | (0.01) |
| 2) Diluted | | 0.24 | (0.01) |

The Notes referred to above are an integral part of the Balance Sheet
As per our attached report of even date

For and on behalf of the Board

For P.H.Sanghavi & Co.

Chartered Accountants

Sd/-

Pankaj Sanghavi
Proprietor

Membership No.: 41290 FRN :- 109111W

Date : 23rd, August 2017

Sd/-

Jagannath S. Shinde

Chairman
DIN 01435827

Sd/-

Dhaval Bharwada

CFO

Sd/-

Anita Pandey

Company Secretary

Cash Flow Statement for the year ended 31st March, 2017

(Amount in Rs.)

| | Note No. | For the year ended 31st March, 2017 | For the year ended 31st March, 2016 |
|---|----------|-------------------------------------|-------------------------------------|
| <u>(I) Cash Flow from Operating Activities</u> | | | |
| Net Profit Before Tax as per Profit and Loss Statement | | 10,090,040 | 519,300 |
| Adjusted for: | | | |
| Depreciation and amortization Expenses | | 1,684,161 | 4,270,604 |
| Writeoff of Investment | | - | - |
| Profit on sale of Investment | | - | - |
| Profit on sale of Fixed Asset | | - | (1,791,381) |
| Finance Cost | | 299,636 | 4,602,106 |
| Operating Profit before Working Capital Changes | | 11,821,722 | 7,600,630 |
| Adjusted for: | | | |
| Trade and Other Receivables | | 15,716,243 | (28,538,462) |
| Inventories | | (33,699,592) | (20,288,360) |
| Trade and Other Payables | | 47,694,838 | 22,461,859 |
| Other Liabilities | | 3,365,848 | (3,514,270) |
| Provisions | | (29,091,014) | 776,322 |
| Loans and Advances | | 39,423,950 | (3,004,025) |
| Other Current Assets | | (37,235,973) | 13,690,820 |
| Other Non Current Assets | | 7,862,326 | 18,920,645 |
| Cash Generated from Operations | | 26,110,464 | 8,105,158 |
| Taxes Paid (Net) | | 1,214,078 | 956,725 |
| Net Cash from Operating Activities | | 24,896,385 | 7,148,433 |
| <u>(II) Cash Flow from Investing Activities</u> | | | |
| Purchase of Fixed asset | | (852,312) | (103,623) |
| Purchase of Investments | | - | (880,000) |
| Sale of Fixed Asset | | - | 2,486,242 |
| Net Cash (Used in) Investing Activities | | (852,312) | 1,502,619 |
| <u>(III) Cash Flow from Financing Activities</u> | | | |
| Finance Cost | | (299,636) | (4,602,106) |
| Short Term Borrowing | | (3,237,131) | (62,166,890) |
| Net Cash (Used in) / Generated from Financing Activities | | (3,536,767) | (66,768,996) |
| Net (Decrease) in Cash and Cash Equivalents | | 20,507,306 | (58,117,945) |
| Opening Balance of Cash and Cash Equivalents | | 257,122,596 | 315,240,540 |
| Closing Balance of Cash and Cash Equivalents | | 277,629,905 | 257,122,596 |

The Notes referred to above are an integral part of the Balance Sheet
As per our attached report of even date

For P.H.Sanghavi & Co.

Chartered Accountants

Sd/-

Pankaj Sanghavi
Proprietor

Membership No.: 41290 FRN :- 109111W

Date : 23rd, August 2017

For and on behalf of the Board

Sd/-

Jagannath S. Shinde

Chairman
DIN 01435827

Sd/-

Dhaval Bharwada

CFO

Sd/-

Anita Pandey

Company Secretary

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(Amount in Rs.)

| | As at 31st March, 2017 | As at 31st March, 2016 |
|--|------------------------|------------------------|
| Note - 1 Share Capital | | |
| Authorized Capital | | |
| 3,60,00,000 Equity Shares of Rs 10/- each | 360,000,000 | 360,000,000 |
| 2,00,00,000 8% Preference Shares of Rs 10/- each | 200,000,000 | 200,000,000 |
| | 560,000,000 | 560,000,000 |
| Issued,Subscribed and Paid up Capital | | |
| 3,50,46,195 Equity share of Rs. 10/- each Fully Paid in Cash (P.Y 3,50,46,195 of Rs 10 each Fully Paid in Cash) | 350,461,950 | 350,461,950 |
| 1,51,69,995, 8% Non-Cumulative Non-Convertible Preference Shares of Rs. 10/- each Fully Paid in cash, redeemable on 14th April, 2021.(P.Y. 1,51,69,995 , 8% Non-Cumulative Non-Convertible Pref.shares) | 151,699,950 | 151,699,950 |
| Total | 502,161,900 | 502,161,900 |

Reconciliation of the number of shars outstanding at the beginning and at the end of the year

| Particular | Equity Share Capital | | | |
|---|----------------------|-------------------------|-------------------|-------------------------|
| | As at 31.03.2017 | | As at 31.03.2016 | |
| | No. Of Shares | Amount of Share Capital | No. Of Shares | Amount of Share Capital |
| No of shares at the beginning of the year | 35,046,195 | 350,461,950 | 35,046,195 | 350,461,950 |
| Add : Shares Issued during the year | | | - | - |
| No. of Shares at the end of the year | 35,046,195 | 350,461,950 | 35,046,195 | 350,461,950 |

**The Company has only one class of equity shares having a par value of Rs 10 per Share.
Each holder of equity shares is entitled to one vote per share**

| Particular | Preference Share Capital | | | |
|---|--------------------------|-------------------------|-------------------|-------------------------|
| | As at 31.03.2017 | | As at 31.03.2016 | |
| | No. Of Shares | Amount of Share Capital | No. Of Shares | Amount of Share Capital |
| No of shares at the beginning of the year | 15,159,995 | 151,599,950 | 15,159,995 | 151,599,950 |
| Add : Shares Issued during the year | | | - | - |
| No. of Shares at the end of the year | 15,159,995 | 151,599,950 | 15,159,995 | 151,599,950 |

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

None of the shareholders are holding more than 5% shares in the company

(Amount in Rs.)

| | As at 31st March, 2017 | As at 31st March, 2016 |
|---|---------------------------|---------------------------|
| Note - 2 Reserves and Surplus | | |
| General Reserve | | |
| Opening Balance | 2,989,566 | 2,989,566 |
| Add: Additions During the year | - | - |
| Transfer from Profit & Loss Account | - | - |
| Less: Utilizations during the year | - | - |
| Closing Balance | 2,989,566 | 2,989,566 |
| Profit & Loss A/c (Credit Balance) | | |
| Opening Balance | (56,615,261) | (56,177,837) |
| Less: Adjustment to Previous Year's Depreciation | - | - |
| Add: Additions During the year | 8,442,673 | (437,424) |
| Less: Utilizations during the year | - | - |
| Transfer to General Reserve | - | - |
| Proposed Dividend | - | - |
| Dividend Distribution Tax | - | - |
| Closing Balance | (48,172,588) | (56,615,261) |
| Total | (45,183,022) | (53,625,695) |
| Note - 3 Other Long term Liabilities | | |
| Security Deposit Received | 1,900,000 | 881,379 |
| Total | 1,900,000 | 881,379 |
| Note - 4 Long Term Provisions | | |
| Provisions for Employee Benefits | 500,736 | 437,922 |
| Total | 500,736 | 437,922 |
| Note - 5 Short Term Borrowings | | |
| Unsecured Short Term Loans and Advances from Related Parties | | |
| Loan from Bank payable on demand | | - |
| (Secured Against the Lien on Fixed Deposit Receipts) | | |
| Bank Overdraft (Secured Against Lien on Fixed Deposit Receipts) | | 3,237,131 |
| Total | - | 3,237,131 |

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(Amount in Rs.)

| | | As at 31st March, 2017 | As at 31st March, 2016 |
|---|--|------------------------|------------------------|
| Note - 6 Other Current Liabilities | | | |
| | Unpaid Dividends | 7,230,405 | 8,346,905 |
| Others | | | |
| | Payable to Employees | 100,997 | 361,881 |
| | Non Trade Creditors | 5,398,670 | 10,120,562 |
| | Salary / Wages Payable | 1,010,820 | 1,224,372 |
| | Director Remuneration Payable | | |
| | Employees Contribution To Provident Fund Payable | 73,057 | 63,345 |
| | ESIC Liability Payable | 8,354 | 4,533 |
| | Profession Tax Payable | 9,225 | 9,650 |
| | Duties & Taxes Payable | 7,322,535 | 858,916 |
| | Advance From Customers | 3,817,028 | 1,633,699 |
| | Total | 24,971,091 | 22,623,863 |
| Note - 7 Short Term Provisions | | | |
| | Provisions for Employee Benefits | 1,524,536 | 674,537 |
| Others | | | |
| | Proposed Dividend | | |
| | Provision For Taxation | 763,964 | 30,767,791 |
| | Dividend Distribution Tax | | |
| | Total | 2,288,500 | 31,442,328 |

Note - 8 Fixed Assets

(Amount in Rs.)

| Sr. No. | Particulars | Gross Block | | | | Depreciation | | | | Net Block | | |
|---------|------------------------------|------------------------|--------------------------|--------------------------|------------------------|-------------------------------|--|--------------------------|--------------------------|-------------------------------|---------------------|---------------------|
| | | Value as on 01.04.2016 | Addition During the year | Deletion During the Year | Value as on 31.03.2017 | Depreciation as on 01.04.2016 | Adjustment to previous years' Depreciation | Addition During the year | Deletion During the Year | Depreciation as on 31.03.2017 | WDV as on 31-3-2017 | WDV as on 31-3-2016 |
| | Tangible Assets | | | | | | | | | | | |
| 1 | Land/Plot | - | - | - | - | - | - | - | - | - | - | - |
| 2 | Building | 62,875,422 | - | - | 62,875,422 | 19,730,311 | - | 779,143 | - | 20,509,455 | 42,365,968 | 43,145,111 |
| 3 | Plant and Machinery | | | | | | | | | | | |
| | Electrical Installation | 1,673,305 | - | - | 1,673,305 | 1,009,839 | - | 11,142 | - | 1,020,981 | 652,324 | 663,466 |
| | Office Equipment | 4,001,128 | 49,412 | - | 4,050,540 | 3,671,818 | - | 53,656 | - | 3,725,474 | 325,066 | 329,310 |
| | Plant and Machinery | 204,503 | - | - | 204,503 | 86,739 | - | 10,256 | - | 96,995 | 107,508 | 117,764 |
| 4 | Furniture and Fixtures | 6,633,413 | 101,867 | - | 6,735,280 | 5,376,674 | - | 428,331 | - | 5,805,005 | 930,275 | 1,256,739 |
| 5 | Vehicles (Cars) | 1,284,980 | - | - | 1,284,980 | 1,220,731 | - | - | - | 1,220,731 | 64,249 | 64,249 |
| 6 | Computer | 4,214,059 | 141,883 | - | 4,355,942 | 3,418,944 | - | 239,499 | - | 3,658,443 | 697,498 | 795,115 |
| 7 | Software | 2,282,797 | 559,150 | - | 2,841,947 | 2,129,581 | - | 162,134 | - | 2,291,715 | 550,232 | 153,216 |
| | Sub Total | 83,169,608 | 852,312 | - | 84,021,920 | 36,644,638 | - | 1,684,161 | - | 38,328,799 | 45,693,121 | 46,524,970 |
| | (B) Intangible Assets | | | | | | | | | | | |
| | Total | 83,169,608 | 852,312 | - | 84,021,920 | 36,644,638 | - | 1,684,161 | - | 38,328,799 | 45,693,121 | 46,524,970 |
| | Previous year | 98,989,902 | 103,623 | 4,390,229 | 94,703,296 | 47,603,090 | 448,680 | 4,719,284 | 3,695,368 | 48,178,326 | 46,524,970 | 51,386,812 |

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

| | (Amount in Rs.) | |
|--|---------------------------|---------------------------|
| | As at 31st March, 2017 | As at 31st March, 2016 |
| Note - 9 Non-Current Investments | | |
| Investment in Unquoted Equity Shares 25,38,000 (P.Y. 24,50,000) Equity shares of Rs.10/- each fully paid up in All Indian Origin Chemists and Distributors Ltd. | 24,912,450 | 24,912,450 |
| Total | 24,912,450 | 24,912,450 |
| Note - 10 Long Term Loans and Advances | | |
| Security Deposits (Unsecured, Considered Good) | 1,883,153 | 424,413 |
| <u>Other Loans and advances</u> | | |
| Balance With Authorities | 5,156,007 | 2,693,492 |
| TDS & Advance Tax | 3,179,613 | 46,521,484 |
| Total | 10,218,773 | 49,639,389 |
| Note - 11 Other Non Current Assets | | |
| <u>Long term Trade Receivables</u> | | |
| i)Secured,Considered Good | | |
| ii) Unsecured, Considered Good | 15,255,318 | 25,525,954 |
| iii) Doubtful | | |
| iv) Due By Directors,Partners,etc | | |
| <u>Less : Provision for doubtful debts</u> | 13,264,859 | 15,673,169 |
| Total | 1,990,459 | 9,852,785 |
| Note - 12 Current Investments | | |
| Investment in Unquoted Equity Shares 45,000 (P.Y. 45,000) Equity shares of Rs.10/- each fully paid up in Guardian Remedies P.Ltd. | - | 1 |
| Total | - | 1 |
| Note - 13 Inventory (As taken, Valued and Certified by the Management) | | |
| Finished Goods at Cost | 45,968,564 | 44,827,086 |
| Less : Reduction in value due to lower NRV | 1,250,606 | - |
| Closing Value of Finished Goods | 44,717,958 | 44,031,185 |
| Goods In Transit | 33,808,720 | 795,901 |
| Total | 78,526,678 | 44,827,086 |
| Note - 14 Trade Receivables | | |
| <u>Trade Receivables (Less than Six Months)</u> | | |
| i)Secured,Considered Good | | |
| ii) Unsecured, Considered Good | 38,976,468 | 60,654,994 |
| iii) Doubtful | | |
| iv) Due By Directors,Partners,etc | | |
| <u>Trade Receivables (More than Six Months)</u> | 8,331,691 | 2,369,408 |
| <u>Less : Provision for doubtful debts</u> | | |
| Total | 47,308,159 | 63,024,402 |

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(Amount in Rs.)

| | As at 31st March, 2017 | As at 31st March, 2016 |
|--|-----------------------------------|-----------------------------------|
| Note - 15 Cash and Cash Equivalent | | |
| Balance With Bank | 9,047,045 | 5,630,189 |
| Earmarked Balance with Bank (Unpaid Dividend) | 7,230,405 | 8,346,905 |
| Cash on Hand | 21,603 | 63,422 |
| Bank Deposits with less than 12 months maturity (Unencumbered) | 167,065,193 | 153,053,500 |
| Bank Deposits with less than 12 months maturity (Encumbered) | - | 18,216,202 |
| Bank Deposits with More than 12 Months maturity (Unencumbered) | 84,265,658 | 40,792,704 |
| Bank Deposits with More than 12 Months maturity (Encumbered) | 10,000,000 | 31,019,675 |
| Total | 277,629,905 | 257,122,596 |
| Note - 16 Short Term Loans and Advances | | |
| Prepaid Expenses | 259,976 | 263,310 |
| Total | 259,976 | 263,310 |
| Note - 17 Other Current Assets | | |
| Advances Receivable in Cash or Kind | 2,505,642 | 376,288 |
| Advance to Suppliers (Unsecured, Considered Good) | 78,329,484 | 40,415,237 |
| Advance to Employees | 2,989 | 789,587 |
| Other Current Assets | 823,795 | 1,094,855 |
| Sale Consideration of Land Receivable | - | 1,749,969 |
| Total | 81,661,910 | 44,425,936 |
| Note - 18 Income From Operation | | |
| Sale of Products | 514,889,356 | 155,909,608 |
| Export of Products | - | - |
| Sale of Services | 20,449,699 | 18,332,559 |
| | 535,339,055 | 174,242,167 |
| Less : Excise Duty | - | - |
| Total | 535,339,055 | 174,242,167 |
| Note - 19 Other Income | | |
| Interest Income | 18,917,011 | 24,778,867 |
| TDS C.Y. Rs. 18,04,200/- Rs (P.Y. Rs. 24,53,190/-) | | |
| Other Non-Operating Income | | |
| Rent on Immovable Property | 1,560,000 | 2,748,334 |
| Rent on Lease Hold Asset | 126,967 | 3,002,048 |
| Balances written back | 325,173 | - |
| Others | 1,348,285 | 211,966 |
| Discount Received | - | - |
| Total | 21,958,561 | 30,741,215 |

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

| | | (Amount in Rs.) | |
|--|---|---------------------------|---------------------------|
| | | As at 31st March, 2017 | As at 31st March, 2016 |
| Note - 20 Changes in Inventory of Finished Goods, Work-In-Progress and Stock-in-Trade | | | |
| | Closing Stock | 79,777,284 | 44,827,086 |
| | Opening Stock | 44,827,086 | 24,538,726 |
| | Total | 34,950,198 | 20,288,360 |
| Note - 21 Employee Benefit Expenses | | | |
| | Salaries to Employees | 12,222,888 | 13,397,176 |
| | Contribution to Provident and other funds | 1,061,324 | 1,065,246 |
| | Staff Welfare Expenses | 355,501 | 325,853 |
| | Total | 13,639,713 | 14,788,275 |
| Note - 22 Finance Cost | | | |
| | Interest Expenses | 299,636 | 4,602,106 |
| | Total | 299,636 | 4,602,106 |
| Note - 23 Depreciation and Amortization Expenses | | | |
| | Depreciation | 1,684,161 | 4,270,603 |
| | Total | 1,684,161 | 4,270,603 |
| Note - 24 Other Expenses | | | |
| | Power and Fuel | 1,227,644 | 1,247,588 |
| | Rent | 2,217,235 | 1,552,870 |
| | Insurance | 421,957 | 460,642 |
| | Rates and Taxes | 699,023 | 1,285,711 |
| | Management Fees | | - |
| | Bad Debts | | |
| | Bad Debts | 11,189,171 | - |
| | Add : Provision for doubtful debts | 13,264,859 | 15,673,169 |
| | Less : Last year's provision for doubtful debts | 15,673,169 | 11,124,759 |
| | | 8,780,861 | 4,548,410 |
| | Miscellaneous Expenditure | | |
| | C & F Expenses | 1,860,000 | 1,412,050 |
| | Postage & Communication Expenses | 1,331,998 | 909,617 |
| | Office Expenses | 257,010 | 217,436 |
| | Stationery, Printing Expenses | 664,048 | 806,815 |
| | Interest paid on taxes | 44,694 | 149,971 |
| | Information Technology Expenses | 186,812 | 1,473,956 |
| | Professional And Legal Expenses | 1,351,914 | 1,941,853 |
| | Product Development & Registration charges | - | 193,089 |
| | Repairs And Maintenance | 407,153 | 351,396 |
| | Travel & Conveyance Expenses | 1,589,909 | 3,212,956 |
| | Advance to Supplier Written Off | - | - |
| | Interest on TDS | 5,299 | 94,650 |
| | Foreign Exchange Fluctuation | - | 4,439 |
| | Selling & Distribution | | |
| | Freight | 5,532,814 | 2,558,061 |
| | Commission paid | 14,098,420 | 11,331,623 |
| | Octroi | 72,725 | 17,800 |
| | Sales Promotion | 1,000,000 | 91,634 |
| | Discount & Rate Difference | 2,181,595 | 1,559,849 |
| | Business Development Expenses | 78,359 | 70,378 |
| | Directors' Sitting Fees | 120,000 | 80,000 |
| | Payment To Auditors | 508,323 | 441,971 |
| | Recruitment Expenses | - | 35,408 |
| | Other Miscellaneous Expenses | 709,167 | 977,277 |
| | Balance Written off | - | - |
| | Total | 45,346,959 | 37,027,452 |

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

25. Company was incorporated on 16th October, 2006 with Registration No. U24239MH2006PLC165149 and obtained Certificate of Commencement of Business on 15th November, 2006.

25.1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES FOLLOWED BY THE COMPANY.

A. System of Accounting:

- I. The financial statements have been prepared to comply in all material respects with the mandatory Accounting Standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared under the historical cost convention on an accrual basis.
- II. The Company is not a Small Company as defined u/s 2(85) of the Companies Act, 2013. Accordingly, the Company has complied with the Accounting Standards as applicable to not a small company.
- III. The Company, generally, follows the mercantile system of accounting and recognizes income and expenditure on accrual basis except those with significant uncertainties.
- IV. The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the period reported. Actual results could differ from those estimates. Any revision to accounting estimates is recognised in accordance with the requirements of the respective accounting standard.

B. Fixed Assets :

Fixed assets are stated at cost (or revalued amounts, as the case may be), less accumulated depreciation and impairment losses. Cost comprises the purchase price and any directly attributable cost of bringing the asset into existence and working condition at the locations for its intended use.

C. Depreciation:

Depreciation on Freehold Tangible Assets is provided on the Straight Line Method over the useful lives of the assets (with residual value as 5%) as estimated by the Management. Depreciation on assets Purchased or sold during a period is proportionately charged. Individual asset costing less than Rs 5000 each is depreciated in full in the year of purchase. Depreciation Method, Useful lives and Residual Values are reviewed periodically at each financial year end. The Depreciation policy so changed in the previous year is consistently followed during the year. Depreciation on leased assets amortized over a period of lease term.

D. Investment:

Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is recognized if it is other than temporary.

E. Taxes on Income:

Tax expense comprises both current and deferred taxes. Current income- tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets are recognised on carry forward of unabsorbed depreciation and tax losses only if there is virtual certainty that such deferred tax assets can be realized against future taxable profits. Unrecognized deferred tax assets of earlier years are re-assessed and recognised to the extent that it has become reasonably certain that future taxable income will be available against which such deferred tax assets can be realized.

F. Foreign Currency transactions :

The foreign currency transactions are recorded at the rate prevailing on the date of the transaction as

provided by the Bank. All monetary assets and liabilities in foreign Currency are translated at relevant rates of exchange prevailing at the year end. When the transaction is settled within the same accounting period as that in which it is occurred, that exchange difference is recognized in that period. However when the transaction is settled in the subsequent accounting period, the exchange difference recognized in each intervening period up to the period of settlement is determined by change in exchange rate during that period. Foreign currency assets and liabilities are translated into rupees at the exchange rate prevailing on the date of balance sheet.

G. Revenue Recognition:

Revenue from Sales is recognized when all significant risks and rewards of the ownership have been transferred to buyer. Interest income is recognized on time proportion basis. Revenue from services rendered is recognized on accrual basis as per agreement with the parties. Lease rentals are recognised on accrual basis as per terms of relevant agreement.

H. Inventories :

The Inventories are valued at lower of Cost or Net Realizable value.

I. Preliminary Expenses:

Preliminary Expenses is written off over a period of 5 (Five) years commencing from the year in which it is incurred.

J. Provisions:

A provision is recognised when the company has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent Liability is not recognized in the financial statements but is disclosed.

K. Retirement Benefits:

- a. Gratuity: The Company has provided Gratuity liability as on the date of the Balance sheet which is calculated on the basis of last salary drawn (and not on actuarial valuation,).
- b. Leave Encashment: Leave encashment benefit is provided on the basis of actual liability (i.e. Leave entitled) as on Balance sheet date, (and not on actuarial valuation,) which is calculated on the basis of last salary drawn.
- c. Provident Fund and Other Funds: The Company's contribution to Provident Fund is charged to Profit and Loss Account.

L. Borrowing Cost:

Net Borrowing cost directly attributable to the qualifying asset for the period of time required to put the same to its intended use or sale is capitalized.

25.2 CONTINGENT LIABILITY:

- 25.2.1 The Company has encumbered its Fixed Deposit Receipts having face Value of Rs 100 Lakhs (P.Y. Rs 300 lakhs) for guaranteeing the borrowing/loan obtained by a Related Party viz. All Indian Origin Chemists & Distributors Alliance Ltd. The amount of such loan outstanding as on 31.3.2017 is Rs 279.59 (P.Y. Rs 456.01) lacs including accrued interest thereon.
- 25.2.2 The Company has issued Bank Guarantees totaling to Nil (P.Y. Rs 22.40 Lacs) in favour of Hewlett – Packard Financial Services (India) Pvt. Ltd.
- 25.3 There is no Micro, Small, and Medium Enterprises, to whom the Company owes, which are outstanding for more than 45 days at the Balance Sheet date. The above information has been determined to the extent such parties have been identified on the basis of information available with the Company.

25.4 Payment to Directors :--

- a) Directors' sitting Fees of Rs.1, 20, 000/- (P.Y. Rs. 80,000/-) paid to the independent directors during the year.

25.5 Related Party Transactions:

(Amount in Rs.in Lakhs)

| Particulars | Maharashtra Safe chemist & Druggist Association | | Enterprises that have a member of key management in common | | Subsidiary Company | | Total | |
|---|---|------|--|---------------|--------------------|------|---------------|---------------|
| | C.Y. | P.Y. | C.Y. | P.Y. | C.Y. | P.Y. | C.Y. | P.Y. |
| Face Value of the Fixed deposit under encumbered for guaranteeing Loan/ Borrowing | - | - | 100.00 | 300.00 | - | - | 100.00 | 300.00 |
| Outstanding amount including interest of the Loan /Borrowing obtained by the Company by providing the lien on the Fixed Deposits of the related party | - | - | 279.59 | 456.01 | - | - | 279.59 | 456.01 |
| Payment made on their behalf | - | - | 0.18 | 0.02 | - | - | 0.18 | 0.02 |
| Payment made on our behalf | - | - | 0.13 | 0.29 | - | - | 0.13 | 0.29 |
| Payment recd on their behalf | - | - | 5.20 | 13.69 | - | - | 5.20 | 13.69 |
| Payment recd on our behalf | - | - | 7.19 | 25.56 | - | - | 7.19 | 25.56 |
| Trade Advance paid | - | - | 310.00 | (5.50) | - | - | 310.00 | (5.50) |
| Rent Income | - | - | 17.24 | 31.27 | - | - | 17.24 | 31.27 |
| Service charges paid for utilization of IT environment | - | - | - | - | - | - | - | - |
| Management Fees | - | - | - | - | - | - | - | - |
| Reimbursement of expenses incurred on their behalf | - | - | 5.59 | 13.00 | - | - | 5.59 | 13.00 |
| Sale of material (net of return) | - | - | 655.87 | 23.72 | - | - | 655.87 | 23.72 |
| Purchase return | - | - | 0.50 | 0.29 | - | - | 0.50 | 0.29 |
| Purchase of material | - | - | 4.16 | 71.25 | - | - | 4.16 | 71.25 |
| Material received on our behalf | - | - | (0.46) | (0.46) | - | - | (0.46) | (0.46) |
| Transfer of vendor balance | - | - | - | - | - | - | - | - |
| Balance Outstanding as on year end Receivable/ (payable) | - | - | 207.61 | 510.47 | - | - | 207.61 | 510.47 |

Note: Amounts are inclusive of service tax wherever

Names of related parties and description of relationship:

| Relationship | Name of the Related Party |
|---|---|
| Some of the Directors of the Company are the Office Bearers of the Related Party. | Maharashtra State Chemists & Druggists Association. |
| The Director of the Company is a partner in a firm | Tapadiya Distributors |
| The Director of the Company is a partner in a firm | Tapadiya Life Sciences |
| The Director of the Company is a partner in a firm | Tapadiya Cosmogen |
| The Chief Financial Officer of the Company is a proprietor of the firm | Nancy Enterprises |
| The Chief Financial Officer of the Company is a proprietor of the firm | Nansun Distributors |
| Subsidiary Company | Guardian Remedies Pvt. Ltd. |
| Enterprises that have a member of key management in common with the reporting enterprise. | All Indian Origin Chemists & Distributors Limited. |
| Enterprises that have a member of key management in common with the reporting enterprise. | AIOCD Pharmasofttech AWACS Pvt. Ltd. |

25.6 Lease

Financial Lease – Lessee.

The Company had entered into a financial lease Agreement with Hewlett Packard Financial Service India Pvt. Ltd for a period of 36 Month, under which it has right to use Computer system (leasehold Asset) and after the completion of lease period Company has a right to purchase the Asset at Nil Value. The Initial Direct cost if any has been charged to Profit & Loss Account. There is no contingent rent expenses recognized in profit and loss accounts. This arrangement has completed its tenure of 36 Month during the Financial Year 2015-16 and the company has acquired the assets there under. The Company had sublease some of the assets which formed operating lease as there was no right to acquire the asset at the end of the tenure, However the company decided to dispose off a part of such subleased asset during the Financial Year 2015-16. The resultant Profit/Loss has been disclosed in the financial statement.

Disclosures of financial lease are:

- a) Leasehold Assets is shown separately under Fixed Asset.
- b) There is only one class of Asset i.e. Computer System. The Net Carrying amount at the Balance Sheet date is shown separately in the Fixed Asset Schedule.

Sub Lease – Lessor

The Company has entered into a Sub Lease Agreement with various Customers for a period of 36 Month on various dates, under which it has given the right to customers to use Computer System and on completion of lease period if the customer doesn't default in payment of lease rental than the asset will be transfer to customer. The Initial Direct cost like carriage and installation charges if any has been charged to Profit & Loss Account. There is no contingent rental income recognized in profit and loss account. Some of contract of sublease completed its tenure of 36 Month during Financial year 2015-16.

Operating Lease – Lessor

The Company has entered into a Leave and License Agreement, under which it leased the right to use a specified area out of the area of office owned by the Company. The Initial direct cost has been charged to Profit & Loss Account. There is no contingent rent income recognized in profit and loss accounts.

| Particulars | Leasing of Portion of the Office Premises including Furniture and Fittings for the year | |
|--|---|-------------|
| | 2016-2017 | 2015-2016 |
| Proportionate Gross Carrying of Assets Amt. | 1,16,52,194 | 2,40,58,195 |
| Proportionate Accum. Depreciation | 44,68,293 | 88,26,984 |
| Proportionate Accum. Impairment | - | - |
| Proportionate Depreciation recognized in Profit & Loss Account | 1,99,197 | 4,09,279 |
| Proportionate Impairment Recognized in Profit & Loss Account | - | - |
| Proportionate Contingent Rent Recognized as Profit & Loss A/c | - | - |

Operating Lease - Lessee

Lease payments of Rs Nil (P.Y.Rs 6, 50,100) have been recognized in the Profit & Loss account for the year. There are sub lease payment received of Rs 1, 26,967/- and are recognized in Profit and Loss account during the Year.

25.7 Deferred Tax :

The Company has recognized Deferred Taxes which result from the timing difference between the Book Profit/ (Loss) and Taxable Profit / (Loss) for the accounting year ended on 31/03/2017 which are as under :-

| Particulars | Balance as at 01-04-2016 | For the period recognized in the Profit & Loss Account / Reversed during the year | Balance as at 31-03-2017 |
|---|--------------------------|---|--------------------------|
| | Amt (Rs.) | Amt (Rs.) | Amt (Rs.) |
| Deferred Tax Liabilities: - | | | |
| Effect of difference in amount of depreciation as per the Companies Act, 1956 and the Income Tax Act, 1961. | - | 4,33,241 | 4,33,241 |
| Deferred Tax Assets: - | | | |
| Effect of expenditure debited to Profit and Loss Account having reasonable certainty of being allowed in subsequent year as per Income Tax Act, 1961. | - | - | - |
| Net Deferred Tax Liabilities / (Assets) | - | 4,33,241 | 4,33,241 |

25.8 EARNING PER SHARE :-

| Sr. No. | Particulars | 2016-17 | 2015-16 |
|---------|--|-------------|----------------|
| 1. | Profit/ (Loss) before Prior Period Item for the Year attributable to Equity Shareholders | 84,42,721 | Rs.(4,37,424) |
| 2. | Profit/ (Loss) after Prior Period Item for the Year attributable to Equity Shareholders | 84,42,721 | Rs. (2,37,424) |
| 3. | Weighted Average No. of Equity Shares of Rs. 10/- each | 3,50,46,195 | 3,50,46,195 |
| 4. | Basic Earnings Per Share Before Prior Period Item | 0.02 | Rs.(0.01) |
| 5. | Basic Earnings Per Share After Prior Period Item | 0.02 | Rs.(0.01) |

Determination of Net Profit Attributable to Equity Shareholders:

| Particulars | 2016-2017 Amt (Rs.) | 2015-2016 Amt (Rs.) |
|--|------------------------|------------------------|
| Net Profit After Tax as per profit and Loss Accounts | Rs.84,42,721 | Rs. (4,37,424) |
| Less:- Prior Period Item | - | Rs. 2,00,000 |
| Net Profit After Tax and Prior Period Item as per profit and Loss Accounts | Rs.84,42,721 | Rs.(2,37,424) |
| Less :- Profit Attributable to Preference Dividend | - | - |
| Less :- Tax on Dividend | - | - |
| Net Profit Attributable to Equity Shareholders (After Prior Period Item) | 84,42,721 | Rs.(2,37,424) |

Determination of Capital for Computation of Basic EPS:

| Particulars | 2016-2017 | 2015-2016 |
|---|-------------|-------------|
| Total No. of Equity Shares as at the beginning of the period. | 3,50,46,195 | 3,50,46,195 |
| Total No. of Equity shares issued & allotted during the year | NIL | NIL |
| Weight age Avg. No. of Equity Shares = $\{(3,50,46,195 \times 365)\} / 365$ | 3,50,46,195 | 3,50,46,195 |

25.9 Claims against the Company not acknowledged as Debts : Rs. Nil (P.Y.Rs.Nil)

25.10 The balances with parties are subject to confirmation.

25.11 Estimated amount of Contracts remaining to be executed on Capital Account and not Provided for (net of advances) Rs. Nil (P.Y. Rs. Nil)

25.13 Previous Year Comparatives

Previous year's figures have been regrouped or rearranged where ever necessary to conform to the current year's classification.

Expenditure and Earnings in Foreign Currency :-

| | (Rs In Lacs) | |
|-------------------------------------|--------------|-----------|
| | 2016-2017 | 2015-2016 |
| Earnings in foreign currency | | |
| Exports at F.O.B. Value | - | - |

| | 2016-2017 | 2015-2016 |
|--|-----------|-----------|
| Expenditure in foreign currency | | |
| Product Registration & Development Charges | - | 1.97 |

25.13 Purchase and Sales

| SR NO. | CLASS OF PRODUCTS | PURCHASES IN Rs. (In Lakhs) | | SALES IN Rs. (In Lakhs) | |
|--------|-------------------|-----------------------------|-----------|-------------------------|-----------|
| | | 2016-2017 | 2015-2016 | 2016-2017 | 2015-2016 |
| 1 | BAG | 51.73 | - | 42.20 | - |
| 2 | BOTTLE | 1375.63 | 7.43 | 1214.86 | 6.55 |
| 3 | CAPSULE | 75.30 | 99.78 | 102.05 | 83.82 |
| 4 | DROPS | 0.11 | -0.13 | 0.13 | -0.09 |
| 5 | GRANULES | 0.00 | - | 0.00 | - |
| 6 | INHALER | 2.35 | - | 2.79 | - |

| SR NO. | CLASS OF PRODUCTS | PURCHASES IN Rs. (In Lakhs) | | SALES IN Rs. (In Lakhs) | |
|--------|-------------------|-----------------------------|----------------|-------------------------|----------------|
| | | | | | |
| 7 | INJECTION | 37.89 | 623.72 | 60.27 | 642.74 |
| 8 | JAR | 11.74 | - | 10.93 | - |
| 9 | LIQUID | 380.69 | 57.60 | 513.83 | 49.11 |
| 10 | LOTION | 46.19 | 6.24 | 32.17 | 6.55 |
| 11 | LOZENGES | 0.04 | - | 0.00 | - |
| 12 | NEEDLE | 0.00 | 0.00 | 0.00 | 0.01 |
| 13 | OINTMENT | 29.20 | 36.62 | 35.29 | 34.12 |
| 14 | PACKET | 1000.78 | - | 905.61 | - |
| 15 | PEN | 0.57 | 0.68 | 0.64 | 0.68 |
| 16 | POWDER | -10.60 | 20.49 | -3.62 | 14.25 |
| 17 | SACHET | 61.78 | - | 58.42 | - |
| 18 | SOAP | 329.70 | - | 304.85 | - |
| 19 | SOLUTION | 18.97 | 1.89 | 20.80 | 1.99 |
| 20 | STICK | 14.48 | - | 13.30 | - |
| 21 | SURGICAL | 19.36 | 0.00 | 24.30 | 0.03 |
| 22 | SYRUP | 33.81 | 48.01 | 37.09 | 39.08 |
| 23 | TABLETS | 568.00 | 754.23 | 781.22 | 680.25 |
| 24 | TIN | 0.60 | - | 0.53 | - |
| 25 | TUBE | 1159.29 | - | 991.01 | - |
| 26 | UNIT | 0.00 | 0.01 | 0.00 | 0.01 |
| | TOTAL | 5207.63 | 1656.55 | 5148.68 | 1559.10 |

25.14 PAYMENTS TO AUDITOR :-

| | Particulars | 2016-2017 Amt (Rs.) | 2015-2016 Amt (Rs.) |
|------|---|------------------------|------------------------|
| a) | As Auditor | 3,40,860 | 2,96,400 |
| b) | As Adviser, or other capacity, in respect of :- | | |
| i) | Taxation matters | 1,67,463 | 1,45,620 |
| ii) | Company law matters | | |
| iii) | Management services | | |
| c) | Reimbursement of Expenses | 30,000 | 30,000 |

Note: - Above amount is exclusive of Taxes on Services.

25.15 Details of Specified Bank Notes (SBN) held and transacted during the period 08/11/2016 to 30/12/2016 as provided in the Table below:-

| Particulars | SBNs | Other Denomination Notes | Total |
|---------------------------------------|--------------|--------------------------------|--------------|
| Closing cash in hand as on 08.11.2016 | - | 29,950.00 | 29,950.00 |
| (+) Permitted receipts | 13,00,000.00 | 26,24,901.00 | 39,24,901.00 |
| (-) Permitted payments | 13,00,000.00 | 26,15,320.00 | 39,15,320.00 |
| Closing cash in hand as on 30.12.2016 | - | 39,531.00 | 39,531.00 |

For P.H.Sanghavi & Co.
Chartered Accountants

Sd/-

Pankaj Sanghavi
Proprietor

Membership No.: 41290 FRN :- 109111W

Date : 23rd, August 2017

For and on behalf of the Board

Sd/-

Jagannath S. Shinde
Chairman
DIN 01435827

Sd/-

Dhaval Bharwada
CFO

Sd/-

Anita Pandey
Company Secretary

MAHARASHTRA SAFE CHEMISTS AND DISTRIBUTORS ALLIANCE LTD.
 Registered office: - 6th Floor, Corporate Park II , V.N. Purav Marg, Chembur, Mumbai 400 071

PROXY FORM

11th Annual General Meeting- 27th September 2017 on Wednesday, at 12.15 P.M.
(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)
CIN: U24239MH2006PLC165149

| |
|------------------------------|
| Name of the Member(s): |
| Registered address: |
| E-mail Id: |
| Folio No. / : |

I / We, being the member(s) of Shares of Maharashtra Safe Chemists And Distributors Alliance Limited, hereby appoint

| | |
|------------------------------|-----------|
| Name: | Address: |
| E-mail Id: or failing him | Signature |

| | |
|------------------------------|-----------|
| Name: | Address: |
| E-mail Id: Or failing him | Signature |

| | |
|------------|-----------|
| Name: | Address: |
| E-mail Id: | Signature |

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **Eleventh Annual General Meeting of the Company to be held on Wednesday, September 27, 2017 at 12:15 p.m at Matunga Gujarati Club Limited, 4 Nathalal Parekh Marg, Near Arora Cinema, Matunga Central Railway, Matunga(East), Mumbai – 400 019** and at any adjournment thereof in respect of such resolutions as are indicated below:

| Resolutions | | For (✓) | Against(✗) |
|--------------------------|---|----------------|-------------------|
| Ordinary Business | | | |
| 1 | Adoption of Statement of Profit and Loss, Balance Sheet, Report of Board of Directors and Auditors for the year ended March 31, 2017. | | |
| 2 | Re-appointment of Mr. Jagannath Shinde as a Director of the Company | | |
| 3 | Appointment of Mitesh Mehta & Associates as Statutory Auditor for a term of five years | | |
| 4 | Appointment of Mr. Parari Ath maram Patil as an Independent Director for a term of five years. | | |
| 5 | Approval of Sales & Distribution Agreement | | |
| 6 | Approval of Leave and License Agreement | | |

Signed this day of 2017

Signature of shareholder..... Signature of Proxy holder(s).....

| |
|---------------------------------|
| Affix a Revenue Stamp of Re 1/- |
|---------------------------------|

| |
|---|
| NOTES: 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. |
|---|


SHAREHOLDERS ARE REQUESTED TO SUBMIT THIS FORM

UPDATION OF SHAREHOLDER INFORMATION

I / We request you to record the following information against my /our Folio No. : **Folio No.:**

| | |
|--|--|
| Folio No.: | |
| Name of the first named Shareholder | |
| PAN: | |
| Contact Address with Tel. Number: | |
| Email Id: | |

I /We hereby declare that the particulars given above are correct and complete. If the transaction is delayed because of incomplete or incorrect information, I /we would not hold the Company /RTA responsible. I/ We undertake to inform any subsequent changes in the above particulars as and when the changes take place. I /We understand that the above details shall be maintained till I /we hold the securities under the above mentioned Folio No. /beneficiary account.

 **Place:** _____
Date: _____

Signature of Sole /First holder

BOOK POST

MSCDA Ltd.

If undelivered please return to :

Maharashtra Safe Chemists And Distributors Alliance Limited

Regd. & Corporate Off: 6th Corporate Park-II V. N. Purav Marg, Chembur, Mumbai - 400 071

Phone +91 677 30000