

Annual Report

MSCDA Ltd.
10th Annual Report : 2015-2016

Maharashtra Safe Chemists And Distributors Alliance Limited



MSCDA Ltd.

Maharashtra Safe Chemists And Distributors Alliance Limited



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

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COMPANY INFORMATION

Tenth Annual Report 2015-16

BOARD OF DIRECTORS

MR. JAGANNATH S. SHINDE	CHAIRMAN
MR. JUGALKISHOR TAPADIYA	MANAGING DIRECTOR
MR. MADAN PATIL	DIRECTOR
MR. RAVINDRA M. SAVANT	INDEPENDENT DIRECTOR
*MR. SUKHENDU PATNAIK	INDEPENDENT DIRECTOR

[*Appointed as Additional Director on 25th March, 2016]

CORPORATE INFORMATION

COMPANY SECRETARY	MS. ANITA PANDEY
CHIEF FINANCIAL OFFICER	MR. DHAWAL BHARWADA
AUDITORS	P.H. SANGHAVI & CO. Chartered Accountants 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 BANK YES BANK
REGISTERED & CORPORATE OFFICE	6th 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-13, Pannalal Silks Mills Compound, L.B.S. Marg, Bhadup (West), Mumbai – 400 078. Tel. (022) – 2596 3838 Website : www.linkintime.co.in

NOTICE

Notice is hereby given that the **Tenth Annual General Meeting of the members of Maharashtra Safe Chemists And Distributors Alliance Ltd.** will be held on **Wednesday, 28th day of September, 2016 at 10.30 A.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, 2016, 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 ratify appointment of Auditors and to fix their 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 and the Rules framed thereunder, as amended from time to time, pursuant to recommendation of Audit Committee of Board of Directors and pursuant to resolution passed by members at the AGM held on 29th September, 2015, the appointment of **M/s P.H Sanghavi & Co., Chartered Accountants**, bearing Firm Registration Number 109111W as Statutory Auditors of the Company till the conclusion of the 11th Annual General Meeting of the Company, be and is hereby ratified, on such remuneration and other terms and conditions as may be fixed by the Audit Committee/Board of Directors.”

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. Sukhendu Patnaik (DIN 07370481)** 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, 2021.

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

Sd/-

(Jugalkishor Tapadiya)
DIN 06965097
Managing Director

Registered Office:

6th Floor, Corporate Park – II,
V.N. Purav Marg,
Chembur, Mumbai – 400071.
Place: Mumbai
Date: 23rd August 2016

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.
- 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 holding shares in single name are advised to make nomination in respect of their shareholding in the Company.
- 8) 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.
- 9) 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
- 10) 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.
- 11) 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 **25th September 2016 (9:00 a.m. IST)** and ends on **27th September 2016 (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 **21st September 2016**, 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.nsd.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 **104762**
 - 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 (**104762**), 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.nsd.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.
- VII. 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 **21st September 2016**
- 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. **21st September 2016**, 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.nsd.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 (ACS No – 21829), 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.mscdaltd.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.

12) 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.

13) 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 2016

Sd/-

(Jugalkishor Tapadiya)
DIN 06965097
Managing Director

**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. Sukhendu Patnaik** as an Additional Independent Director of the Company with effect from 25th March 2016. In terms of the provisions of Section 161(1) of the Act **Mr. Sukhendu Patnaik** 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. Sukhendu Patnaik** for the office of Director of the Company. **Mr. Sukhendu Patnaik** 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. Sukhendu Patnaik** 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. Sukhendu Patnaik** fulfills the conditions for his appointment as an Independent Director as specified in the Act. **Mr. Sukhendu Patnaik** is independent of the management.

Copy of the draft letter for appointment of **Mr. Sukhendu Patnaik** 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. Sukhendu Patnaik** as an Independent Director.

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

*Except **Mr. Sukhendu Patnaik**, 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.*

For and on behalf of the Board

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

Sd/-
(Jugalkishor Tapadiya)
DIN 06965097
Managing Director

BOARD'S REPORT

Dear Members,

Your Directors have pleasure to present the **10th Annual Report** together with the audited financial statements of the Company for the Financial Year ended 31st March, 2016.

Financial Performance Summary

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

	(Rs. In Lacs)	
	2015-2016	2014-2015
Profit/ (Loss) Before Tax and Depreciation	29.98	(85.79)
(Less): Depreciation	(42.70)	(67.61)
Profit/ (Loss) Before Tax	(12.72)	(153.40)
(Less): Exceptional Items	17.91	17.69
Profit/ (Loss) Before Tax	5.19	(135.71)
Add/(Less):- Deferred tax assets/ Liabilities	9.56	3.15
Profit/(Loss) After Tax for the year	(4.37)	(132.56)
Add/ (Less): Amount b/f from previous year	(561.78)	(410.66)
Add/ (Less): Amount b/f from adjustment of depreciation of previous years	0	(18.55)
Balance carried to Balance Sheet	(566.15)	(561.78)

RESULTS OF OPERATIONS

During the year, turnover of the Company has increased to Rs. 204.98 Lacs as against Rs. 1500.24 Lacs in the previous year. Revenue from operations is increased to Rs. 174.24 Lacs from Rs. 1163.15 Lacs in the previous year.

The Company has provided for doubtful debts of Rs. 156.73 Lacs in line with prudent accounting policy as against Rs. 1111.24 Lacs provided in the previous year. Due to this, Loss after tax has gone down to Rs. 4.37 Lacs from Rs. 132.55 Lacs in the previous year.

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 5 (Five) Directors:

1. Mr. Jagannath Sakharam Shinde
2. Mr. Ravindra Manohar Savant
3. Mr. Madan Krishnarao Patil
4. Mr. Jugalkishor Kisanlal Tapadiya
5. Mr. Sukhendu Patnaik

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. The Board recommends his appointment.

Mr. Sukhendu Patnaik, 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. Sukhendu Patnaik 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. Ashok Bindumadhavan**, Independent Director resigned from his post. Your Board has placed on record its deep sense of appreciation for the contributions made by Mr. Ashok Bindumadhavan during his tenure in the Company.

The Company has received requisite disclosures and undertakings from all the Directors in compliance with the provisions of

Maharashtra Safe Chemists and Distributors Alliance Limited

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	<ol style="list-style-type: none">1. Mr. Ravindra Savant2. Mr. Madan patil3. Mr. Jugalkishor Tapadiya4. Mr. Sukhendu Patnaik
Stake Holder Relationship Committee	<ol style="list-style-type: none">1. Mr. Jagannath Shinde2. Mr. Jugalkishor Tapadiya3. Mr. Sukhendu Patnaik
Nomination And Remuneration Committee	<ol style="list-style-type: none">1. Mr. Jagannath Shinde2. Mr. Ravindra Savant3. Mr. Sukhendu Patnaik

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 Independent Directors was carried out by the entire Board, excluding the Director being evaluated. 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 four times during the year on 14th May 2015, 26th August 2015, 02nd December 2015, 25th March 2016. 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 2015-2016, 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

P.H. Sanghavi & Co. Chartered Accountants (firm Registration no. 109111W), Mumbai, hold office as the Statutory Auditors of the Company upto the conclusion of 11th AGM subject to ratification by members in the ensuing AGM. 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 ratification of appointment of M/s. P.H. Sanghavi & Co., Chartered Accountants, Mumbai as the Statutory Auditors of the Company, on the recommendations of the Audit Committee.

Directors reply to the Auditors Qualification in their Audit Report:

Liability of TRACES is to be concluded after filing the requisite forms with the concerned statutory authorities and the same has been taken on priority by the management

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 2015-16. 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, there was no income and expenditure of Rs.1,97,000 was reported in Foreign Exchange.

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, 2016 and of the profit and loss of the Company for the year ended 31/03/2016;
- 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, 2016 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/-

Managing Director
Jugalkishor Tapadiya

(DIN: 06965097)

Sd/-

Director
Jagannath Shinde

(DIN: 01435827)

Place: Mumbai
Date: 23rd August, 2016

FORM NO. AOC -2

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

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 2015-16.

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
-	-	-	-	-	-	-	-

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 March 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 2014-Ongoing	Appointment as non-exclusive Distributor	Administrative Convenience	05.09.2014	NA	30.09.2014
AIOCD Pharmasoftech AWACS Private Limited	Leave & License Agreement	1st October 2014-Ongoing	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

Form No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2016

[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 2016 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 2016 according to the provisions of:

- (1) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; **(not applicable during the audit period)**
- (3) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; **(not applicable during the audit period)**
- (4) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder;
- (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, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (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); **(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.

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 : 23/08/2016

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

Maharashtra Safe Chemists and Distributors Alliance Limited

Form No. MGT-9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2016

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

I. REGISTRATION AND OTHER DETAILS:

i.		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-13, Pannalal Silk Mills Compound, L.B. S. Marg, Bhandup (West), Mumbai-400078

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	51	88
2	Other business activities (Interest)	74	12

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name And Address Of The Company	CIN/GLN	Holding/ Subsidiary /Associate	% of shares held	Applicable Section
1.	GUARDIAN REMIDIES PRIVATE LIMITED	U24230MH2001PTC130879	Subsidiary	83.33%	Section 2 (87)

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

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during The year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
1) Indian									
a) Individual/ HUF	-	511600	511600	1.4598	-	511600	511600	1.4598	NIL
b) Central Govt	-	-	-	-	-	-	-	-	
c) State Govt(s)	-	-	-	-	-	-	-	-	
d) Bodies Corp	-	-	-	-	-	-	-	-	
e) Banks / FI	-	-	-	-	-	-	-	-	
f) Any Other	-	241000	241000	0.6877	-	241000	241000	0.6877	NIL
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	2.1475	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 Capital Funds	-	-	-	-	-	-	-	-	
i) Others (specify)	-	-	-	-	-	-	-	-	
Sub-total(B)(1)	-	-	-	-	-	-	-	-	
2. Non Institutions	-	-	-	-	-	-	-	-	
a) Bodies Corp. (i) Indian (ii) Overseas	-	540000	540000	1.5408	-	540000	540000	1.5408	NIL
b) Individuals	-				-				
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	26388195	26388195	75.2955	-	26320695	26320695	75.1030	0.19
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	7299400	7299400	20.82	-	7366900	7366900	21.0205	0.19
c) Others(Specify)	-	104500	104500	0.2982	-	66000	66000	0.1883	0.10
Sub-total(B)(2)	-				-				
Total Public Shareholding (B)=(B)(1)+ (B)(2)	-	34332095	34332095	97.95	-	34293595	34293595	97.8525	0.49
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	
Grand Total (A+B+C)		35084695	35084695	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		1,40,000	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				

Maharashtra Safe Chemists and Distributors Alliance Limited

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

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
1.	All Indian Origin Chemists & Distributors Limited				
	At beginning of the year	540000	1.5408	540000	1.5408
	Change in share holding during the year.	0	0	0	0
	At the end of the year	540000	1.5408	540000	1.5408
2	Rajendra Lingayat				
	At beginning of the year	200550	0.5722	200550	0.5722
	Change in share holding during the year	0	0	88500	0.252
	At the end of the year	200550	0.5722	289050	0.8248
3	Rajendra Deshmukh				
	At beginning of the year	167750	0.4787	167750	0.4787
	Change in share holding during the year	0	0	0	0
	At the end of the year	167750	0.4787	167750	0.4787
4	Nitin Rameshchandra Diwawania				
	At beginning of the year	150000	0.4280	150000	0.4280
	Change in share holding during the year.	0	0	0	0
	At the end of the year	150000	0.4280	150000	0.4280
5	Nilesh K Wani				
	At beginning of the year	114750	0.3274	114750	0.3274
	Change in share holding during the year	0	0	0	0
	At the end of the year	114750	0.3274	114750	0.3274
6	Rajiv K Jain				
	At beginning of the year	100000	0.2853	100000	0.2853
	Change in share holding during the year	0	0	0	0
	At the end of the year	100000	0.2853	100000	0.2853
7	Bhangale Sunil Ramdas				
	At beginning of the year	100000	0.2853	100000	0.2853
	Change in share holding during the year	0	0	0	0
	At the end of the year	100000	0.2853	100000	0.2853
8	Barkase Arun Sakharamji	0			
	At beginning of the year	100000	0.2853	100000	0.2853
	Change in share holding during the year	0	0	0	0
	At the end of the year	100000	0.2853	100000	0.2853
9	Rajesh Yawalkar				
	At beginning of the year	87000	0.2482	87000	0.2482
	Change in share holding during the year	0	0	500	0.0015
	At the end of the year	87000	0.2482	87500	0.2497
10	Shamkant Ramesh Wani				
	At beginning of the year	80000	0.2283	80000	0.2283
	Change in share holding during the year	0	0	0	0
	At the end of the year	80000	0.2283	80000	0.2283

v. Shareholding of Directors and Key Managerial Personnel:

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
	For each of Directors and KMP				
1.	Jugalkishor Tapadiya				
	At beginning of the year	21000	0.0599	21000	0.0599
	Change in share holding during the year.	0	0	0	0
	At the end of the year	21000	0.0599	21000	0.0599
2.	Madan Patil				
	At beginning of the year	5000	0.0143	5000	0.0143
	Change in share holding during the year.	0	0	0	0
	At the end of the year	5000	0.0143	5000	0.0143
3.	Dhawal Bharwada				
	At beginning of the year	5000	0.0143	5000	0.0143
	Change in share holding during the year.	0	0	0	0
	At the end of the year	5000	0.0143	5000	0.0143

VI. INDEBTEDNESS

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

Indebtedness at the beginning of the Financial year	Secured Loan	Unsecured Loan	Deposit	Total indebtedness
i) Principal amount	65,367,647.00	-	-	65,367,647.00
ii) Interest due but not paid		-		-
iii) Interest accrued but not due	36,374.00	-		36,374.00
Total	65,404,021.00	-	-	65,404,021.00
Changes in indebtedness during the Financial year				
Addition	-	-	-	-
Reduction	62,166,890.30	-		62,166,890.30
Net chages	(62,166,890.30)	-	-	(62,166,890.30)
Indebtedness at the end of the Financial year				
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

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(NOT APPLICABLE)

	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961					
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

	Particulars of Remuneration	Ravindra Savant	Sukhendu Patnaik	Ashok Bindumadhavan	Total Amount
	<u>Independent Directors</u> · Fee for attending board committee meetings · Commission · Others, please specify	50000	10000	20000	80000
	Total(1)	50000	10000	20000	80000
	<u>Other Non-Executive Directors</u> · Fee for attending board committee meetings · Commission · Others, please specify	-	-	-	
	Total(2)	-	-	-	
	Total(B)=(1+2)	50000	10000	20000	80000
	Total Managerial Remuneration	50000	10000	20000	80000
	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 section 17(1) of the Income-tax Act, 1961	<u>NA</u>	<u>268682</u>	<u>NA</u>	<u>268682</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>268682</u>	<u>NA</u>	<u>268682</u>

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/NCLT/Court]	Appeal made. If any (give details)
A. Company					
Penalty	<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>

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, 2016, 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 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 2016 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; and
 - f) 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 long-term contracts.
 - iii. The company was required to transfer Rs. 12, 44,500/- to Investor Education and Protection Fund by 31st December 2015. The said amount was transferred on 22nd December 2015.

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

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

Place: - Mumbai
Date: - 23rd August 2016

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 2016, we report that:

- (l) (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.
- © 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 2016 except *the undisputed Income Tax liability i.e. TDS as per TRACES and service tax liability amounting to Rs. 10,46,340/- is outstanding for a period of more than six months for a from the date they became payable as on 31.3.2016.*
- (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.**

Place: - Mumbai
Date: - 23rd August, 2016

Chartered Accountants
Sd/-
Proprietor
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 ALLOANCE 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, 2016 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, 2016:

- a) The Company did not have adequate documentation of 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 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, 2016, 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, 2016 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
(Firm's Registration No. 109118W)

Sd/-

Place: Mumbai:
Date: 23rd August 2016

Signature
(Pankaj Sanghavi)
(Proprietor)
(Membership No. 41290)

Maharashtra Safe Chemists and Distributors Alliance Limited

Balance Sheet As At 31st March, 2016

		(Amount in Rs.)	
	Note No	For the year ended 31st March, 2016	For the year ended 31st March, 2015
<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	(53,625,696)	(53,188,271)
<u>2) Non-Current Liabilities</u>			
a) Long Term Borrowings		-	-
b) Deferred Tax Liability (Net)		-	(1)
c) Other long Term Liabilities	3	881,379	450,000
d) Long Term Provisions	4	437,922	581,851
<u>3) Current Liabilities</u>			
a) Short Term Borrowings	5	3,237,131	65,404,021
b) Trade Payables		33,434,098	10,972,240
c) Other Current Liabilities	6	22,623,863	26,569,512
d) Short Term Provision	7	31,442,328	30,522,077
Total Equity and Liabilities		540,592,925	583,473,329
<u>(II) ASSETS</u>			
<u>1) Non-Current Assets</u>			
a) Fixed Assets	8		
i) Tangible Assets		46,524,970	51,386,812
ii) Intangible Assets			-
iii) Capital Work-in-Progress			-
iv) Intangible Assets Under Development			-
b) Non-Current Investment	9	24,912,450	24,032,450
c) Deferred Tax Assets (Net)		-	-
d) Long Term Loans and Advances	10	49,639,389	46,476,279
e) Other Non-Current Assets	11	9,852,784	28,773,430
<u>2) Current Assets</u>			
a) Current Investment	12	1	1
b) Inventory	13	44,827,085	24,538,726
c) Trade Receivables	14	64,774,371	34,485,940
d) Cash and Cash-Equivalents	15	257,122,596	315,240,540
e) Short Term Loans and Advances	16	263,310	422,395
f) Other Current Assets	17	42,675,968	58,116,757
Total Assets		540,592,925	583,473,329

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 2016
Place : Mumbai

For and on behalf of the Board

Sd/-

Jagannath S. Shinde
Director

Sd/-
Dhaval Bharwada
CFO

Sd/-

Jugalkishor Tadapiya
Managing Director

Sd/-
Anita Pandey
Company Secretary

Statement of Profit and Loss for the year ended 31st March, 2016

(Amount in Rs.)

	Note No.	For the year ended 31st March, 2016	For the year ended 31st March, 2015
I) Income			
I) Income from Operations	18	174,242,167	116,315,970
II) Other Income	19	30,741,215	33,708,866
III) Total Revenue (I+II)		204,983,382	150,024,836
IV) Expenses :			
Cost of Materials Consumed			
Purchase		165,655,386	95,934,861
Changes in Inventory	20	(20,288,360)	2,251,130
Employee benefit expenses	21	14,788,275	15,089,331
Finance Cost	22	4,602,106	5,167,551
Depreciation and Amortization Expenses	23	4,270,604	6,761,092
Other Expenses	24	37,027,452	40,159,500
Total Expenses (IV)		206,055,463	165,363,464
V) Profit/(Loss) before prior period, exceptional and extraordinary items and tax (III-IV)		(1,072,081)	(15,338,628)
VI) Prior Period Expense		200,000	2,000
VII) Profit/(Loss) before exceptional and extraordinary items and tax (V-VI)		(1,272,081)	(15,340,628)
VIII) Exceptional Items			
Profit on Sale of Investment		-	3,319,999
Profit on Sale of Fixed Assets		1,839,850	-
Loss On Discarded Fixed Assets		(48,469)	-
Reduction in value due to lower NRV		-	-
Loss due to Permanent Diminution in Value of Long Term Investment		-	1,550,127
IX) Profit/(loss) before extraordinary items and tax (VII-VIII)		519,300	(13,570,756)
X) Profit/(Loss) before Tax		519,300	(13,570,756)
XI) Tax Expenses			
i) Current Tax		763,964	-
ii) Deferred Tax		-	315,364
iii) Short Provision of Previous Years		192,761	-
XII) Profit/(Loss) from Continuing Operations (X-XI)		(437,425)	(13,255,392)
XIII) Profit/(Loss) for the period		(437,425)	(13,255,392)
XIV) Earnings per Shares			
1) Basic		(0.01)	(0.38)
2) Diluted		(0.01)	(0.38)

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 2016

For and on behalf of the Board

Sd/-

Jagannath S. Shinde
Director

Sd/-

Dhaval Bharwada
Chief Financial Officer

Sd/-

Jugalkishor Tadapiya
Managing Director

Sd/-

Anita Pandey
Company Secretary

Maharashtra Safe Chemists and Distributors Alliance Limited

Cash Flow Statement for the year ended 31st March, 2016

(Amount in Rs.)

	As at 31st March, 2016	As at 31st March, 2015
<u>(I) Cash Flow from Operating Activities</u>		
Net Profit Before Tax as per Profit and Loss Statement	519,300	(13,570,756)
Adjusted for:		
Depreciation and amortization Expenses	4,270,604	6,761,092
Writeoff of Investment	-	1,550,127
Profit on sale of Investment	-	(3,319,999)
Profit on sale of Fixed Asset	(1,791,381)	
Finance Cost	4,602,106	5,167,551
Operating Profit before Working Capital Changes	7,600,629	(3,411,985)
Adjusted for:		
Trade and Other Receivables	(28,538,463)	18,006,369
Inventories	(20,288,360)	2,251,130
Trade and Other Payables	22,461,859	(17,866,848)
Other Liabilities	(3,514,270)	5,256,157
Provisions	776,322	(328,801)
Loans and Advances	(3,004,025)	(5,235,674)
Other Current Assets	13,690,820	(16,976,427)
Other Non Current Assets	18,920,646	-
Cash Generated from Operations	8,105,158	(18,306,078)
Taxes Paid (Net)	956,725	-
Net Cash from Operating Activities	7,148,433	(18,306,078)
<u>(II) Cash Flow from Investing Activities</u>		
Purchase of Fixed asset	(103,623)	(341,601)
Purchase of Investments	(880,000)	(3,925,001)
Sale of Investment	-	3,320,000
Sale of Fixed Asset	2,486,242	-
Net Cash (Used in) Investing Activities	1,502,619	(946,602)
<u>(III) Cash Flow from Financing Activities</u>		
Finance Cost	(4,602,106)	(5,167,551)
Short Term Borrowing	(62,166,891)	46,916,590
Net Cash (Used in) / Generated from Financing Activities	(66,768,997)	41,749,039
Net (Decrease) in Cash and Cash Equivalents	(58,117,945)	22,496,359
Opening Balance of Cash and Cash Equivalents	315,240,540	292,744,181
Closing Balance of Cash and Cash Equivalents	257,122,596	315,240,540

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 : 26th August, 2015

Place : Mumbai

For and on behalf of the Board

Sd/-

Jagannath S. Shinde

Director

Sd/-

Jugalkishor Tadapiya

Managing Director

Sd/-

Dhaval Bharwada

CFO

Sd/-

Anita Pandey

Company Secretary

Maharashtra Safe Chemists and Distributors Alliance Limited

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

(Amount in Rs.)

	As at 31st March, 2016	As at 31st March, 2015
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, redemmeable 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 31.03.2016		As at 31.03.2015	
	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 31.03.2016		As at 31.03.2015	
	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

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

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 (56,177,837) (41,066,786)

Less: Adjustment to Previous Year's Depreciation 1,855,660

Add: Additions During the year (437,425) (13,255,392)

Less: Utilizations during the year

Transfer to General Reserve

Proposed Dividend

Dividend Distribution Tax

Closing Balance (56,615,262) (56,177,837)

Total (53,625,696) (53,188,271)

Note - 3 Other Long term Liabilities

Security Deposit Received 881,379 450,000

Total 881,379 450,000

Maharashtra Safe Chemists and Distributors Alliance Limited

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

(Amount in Rs.)

	As at 31st March, 2016	As at 31st March, 2015
Note - 4 Long Term Provisions		
Provisions for Employee Benefits	437,922	581,851
Total	437,922	581,851
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)	-	24,058,778
Bank Overdraft (Secured Against Lien on Fixed Deposit Receipts)	3,237,131	41,345,243
Total	3,237,131	65,404,021
Note - 6 Other Current Liabilities		
Unpaid Dividends	8,346,905	9,606,955
Others		
Payable to Employees	361,881	337,555
Non Trade Creditors	10,120,562	12,170,354
Salary / Wages Payable	1,224,372	1,033,429
Director Remuneration Payable		
Employees Contribution To Provident Fund Payable	63,345	67,011
ESIC Liability Payable	4,533	2,840
Profession Tax Payable	9,650	
Duties & Taxes Payable	858,916	2,280,894
Advance From Customers	1,633,699	1,070,474
Total	22,623,863	26,569,512
Note - 7 Short Term Provisions		
Provisions for Employee Benefits	674,537	518,250
Others		
Proposed Dividend		
Provision For Taxation	30,767,791	30,003,827
Dividend Distribution Tax		
Total	31,442,328	30,522,077

Note - 8 Fixed Assets

Sr. No.	Particulars	Rate	Gross Block				Depreciation				Net Block		
			Value as on 01.04.2015	Addition During the year	Deletion During the Year	Value as on 31.03.2016	Depreciation as on 01.04.2015	Adjustment to previous years' Depreciation	Addition During the year	Deletion During the Year	Depreciation as on 31.03.2016	WDV as on 31-3-2016	WDV as on 31-3-2015
	Tangible Assets												
1	Building	5%	62,875,422			62,875,422	18,968,203	17,035	779,143	-	19,730,311	43,145,111	43,907,219
2	Plant and Machinery												
	Electrical Installation	13.91%	1,673,305			1,673,305	999,611	914	11,142		1,009,839	663,466	673,694
	Office Equipment	13.91%	3,913,005	88,123		4,001,128	3,698,915	87,893	60,797	-	3,671,818	329,310	214,091
	Plant and Machinery	13.91%	189,003	15,500		204,503	77,395	121	9,465		86,739	117,764	111,608
3	Furniture and Fixtures	18.10%	6,633,413			6,633,413	5,007,228	51,223	420,669		5,376,674	1,256,739	1,626,185
4	Vehicles (Cars)	25.89%	1,284,980			1,284,980	1,273,907	53,177	-		1,220,731	64,249	11,073
5	Computer	40%	5,879,533		1,665,474	4,214,059	4,907,819	169,514	296,910	1,616,271	3,418,944	795,115	971,714
6	Software	40%	2,282,797			2,282,797	2,130,818	68,804	67,567		2,129,581	153,216	151,980
7	Leasehold Asset (Computer System)	33.33%	14,258,443		2,724,755	11,533,688	10,539,194	-	3,073,591	2,079,097	11,533,688	-	3,719,249
	Sub Total		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
(B)	Intangible Assets												
	Total		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
	Previous year		98,648,301	341,601	-	98,989,902	38,986,338	1,855,660	6,761,092	-	47,603,090	51,386,812	59,661,963

Maharashtra Safe Chemists and Distributors Alliance Limited

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

(Amount in Rs.)

	As at 31st March, 2016	As at 31st March, 2015
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	24,032,450
Total	24,912,450	24,032,450
Note - 10 Long Term Loans and Advances		
Security Deposits (Unsecured, Considered Good)	424,413	355,280
<u>Other Loans and advances</u>		
Balance With Authorities	2,693,492	2,825,822
TDS & Advance Tax	46,521,484	43,295,177
Total	49,639,389	46,476,279
Note - 11 Other Non Current Assets		
<u>Long term Trade Receivables</u>		
i)Secured,Considered Good		
ii) Unsecured, Considered Good	25,525,954	39,898,189
iii) Doubtful		
iv) Due By Directors,Partners,etc		
<u>Less : Provision for doubtful debts</u>	15,673,169	11,124,759
Total	9,852,784	28,773,430
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	1
Total	1	1
Note - 13 Inventory (As taken, Valued and Certified by the Management)		
Finished Goods at Cost	44,827,085	24,538,726
Less : Reduction in value due to lower NRV		-
Closing Value of Finished Goods	44,031,184	23,728,222
Goods In Transit	795,901	810,504
Total	44,827,085	24,538,726
Note - 14 Trade Receivables		
<u>Trade Receivables (Less than Six Months)</u>		
i)Secured,Considered Good		
ii) Unsecured, Considered Good	60,654,994	27,969,684
iii) Doubtful		
iv) Due By Directors,Partners,etc		
<u>Trade Receivables (More than Six Months)</u>	2,369,408	6,516,256
<u>Less : Provision for doubtful debts</u>		
Total	63,024,402	34,485,940

Maharashtra Safe Chemists and Distributors Alliance Limited

		(Amount in Rs.)	
		As at 31st March, 2016	As at 31st March, 2015
Note - 15 Cash and Cash Equivalent			
Balance With Bank		5,630,189	1,956,134
Earmarked Balance with Bank (Unpaid Dividend)		8,346,905	9,606,955
Cash on Hand		63,422	9,532
Bank Deposits with less than 12 months maturity (Unencumbered)		153,053,500	129,575,889
Bank Deposits with less than 12 months maturity (Encumbered)		18,216,202	159,639,026
Bank Deposits with More than 12 Months maturity (Unencumbered)		40,792,704	-
Bank Deposits with More than 12 Months maturity (Encumbered)		31,019,675	14,453,005
Total		257,122,596	315,240,540
Note - 16 Short Term Loans and Advances			
Prepaid Expenses		263,310	422,395
Total		263,310	422,395
Note - 17 Other Current Assets			
Advances Receivable in Cash or Kind		376,288	-
Advance to Suppliers (Unsecured, Considered Good)		40,415,237	41,747,129
Advance to Employees		789,587	662,000
Other Current Assets		1,094,855	1,307,627
Sale Consideration of Land Receivable		1,749,969	14,400,000
Total		42,675,967	58,116,756
Note - 18 Income From Operation			
Sale of Products		155,909,608	98,317,556
Export of Products		-	315,511
Sale of Services		18,332,559	17,682,903
Less : Excise Duty		-	-
Total		174,242,167	116,315,970
Note - 19 Other Income			
Interest Income		24,778,867	26,114,323
TDS C.Y. Rs. 24,53,190/- Rs (P.Y. Rs. 25,20,949/-)		2,748,334	2,439,600
Other Non-Operating Income		3,002,048	2,720,578
Rent on Immovable Property		-	1,958,156
Balances written back		211,966	476,209
Others			
Total		30,741,215	33,708,866
Note - 20 Changes in Inventory of Finished Goods, Work-In-Progress and Stock-in-Trade			
Closing Stock		44,827,085	24,538,726
Opening Stock		24,538,726	26,789,855
Total		20,288,360	(2,251,130)

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

(Amount in Rs.)

	As at 31st March, 2016	As at 31st March, 2015
Note - 21 Employee Benefit Expenses		
Salaries to Employees	13,397,176	13,859,292
Contribution to Provident and other funds	1,065,246	977,787
Staff Welfare Expenses	325,853	252,252
Total	14,788,275	15,089,331
Note - 22 Finance Cost		
Interest Expenses	4,602,106	5,167,551
Total	4,602,106	5,167,551
Note - 23 Depreciation and Amortization Expenses		
Depreciation	4,270,603	6,761,092
Total	4,270,603	6,761,092
Note - 24 Other Expenses		
Power and Fuel	1,247,588	1,616,220
Rent	1,552,870	2,171,962
Insurance	460,642	395,807
Rates and Taxes	1,285,711	1,209,618
Management Fees	-	2,117,050
Bad Debts		
Bad Debts	-	-
Add : Provision for doubtful debts	15,673,169	11,124,759
Less : Last year's provision for doubtful debts	11,124,759	8,798,301
	4,548,410	2,326,458
Miscellaneous Expenditure		
C & F Expenses	1,412,050	3,107,316
Postage & Communication Expenses	909,617	1,498,039
Office Expenses	217,436	278,106
Stationery, Printing Expenses,	806,815	534,650
Interest paid on taxes	149,971	976,094
Information Technology Expenses	1,473,956	1,013,339
Professional And Legal Expenses	1,941,853	1,712,261
Product Development & Registration charges	193,089	989,217
Repairs And Maintenance	351,396	254,199
Travel & Conveyance Expenses	3,212,956	2,537,582
Advance to Supplier Written Off	-	2,602,623
Interest on TDS	94,650	-
Foreign Exchange Fluction	4,439	-
Selling & Distribution		
Freight	2,558,061	2,156,767
Commission paid	11,331,623	7,819,679
Octroi	17,800	63,826
Sales Promotion	91,634	37,662
Discount & Rate Difference	1,559,849	3,428,200
Business Development Expenses	70,378	77,750
Directors' Sitting Fees	80,000	80,000
Payment To Auditors	441,971	421,791
Recruitment Expenses	35,408	107,896
Other Miscellaneous Expenses	977,277	625,388
Total	37,027,452	40,159,500

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016.

25. Company was incorporated on 16th October, 2006 with Registration No. U24239MH2006PLC 165149 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.

Fixed asset under financial lease are recorded at their cash value, less accumulated depreciation and impairment losses.

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 including at each financial year end.

The company previously followed Written down Value Method at the rates specified in Schedule XIV of The Companies Act, 1956. However, due to change in statute, the depreciation policy has been changed as stated above. The Depreciation policy so changed in the previous year is consistently followed during the year.

While charging the Depreciation as per the changed policy in the previous year, Depreciation of Rs.4, 48,680/- was overcharged; this error is rectified during the current year by adjusting the same to accumulated depreciation.

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 300 lacs (P.Y. Rs. 400 lacs) for

Maharashtra Safe Chemists and Distributors Alliance Limited

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 31.3.2016 is Rs 456.01 (P.Y.458.59) lacs including accrued interest thereon.

25.2.2 The Company has issued Bank Guarantees totaling to Rs 22.40 Lacs (P.Y.Rs.154.57 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.80, 000/- (P.Y. Rs. 80,000/-) paid to the independent directors during the year.

25.5 Related Party Transactions:

Particulars	Maharashtra State 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	-	-	300.00	400.00	-	-	300.00	400.00
Outstanding amount including interest of the Loan /Borrowing obtained by the Company by providing the lien on the Fixed Deposits of the related party	-	-	456.01	458.56	-	-	456.01	458.56
Payment made on their behalf	-	-	0.02	35.90	-	-	0.02	35.90
Payment made on our behalf	-	-	0.29	2.25	-	-	0.29	2.25
Payment recd on their behalf	-	-	13.71	7.33	-	-	13.69	7.33
Payment recd on our behalf	-	-	25.51	43.62	-	-	25.56	43.62
Trade Advance paid	-	-	(5.50)	435.80	-	-	(5.50)	435.80
Rent Income	-	-	31.27	27.41	-	-	31.27	27.41
Service charges paid for utilization of IT environment	-	-	-	0.86	-	-	-	0.86
Management Fees	-	-	-	23.79	-	-	-	23.79
Reimbursement of expenses incurred on their behalf	-	-	13.00	12.22	-	-	13.00	12.22
Sale of material (net of return)	-	-	23.72	(24.48)	-	-	23.72	(24.48)
Purchase return	-	-	0.29	36.76	-	-	0.29	36.76
Purchase of material	-	-	71.25	134.23	-	-	71.25	134.23
Material received on our behalf	-	-	(0.46)	0.46	-	-	(0.46)	0.46
Transfer of vendor balance	-	-	-	0.82	-	-	-	0.82
Balance Outstanding as on year end Receivable/ (payable)	-	-	510.47	544.36	-	-	510.47	544.36

Note: Amounts are inclusive of service tax wherever applicable.

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	Tapadia Distributors
The Director of the Company is a partner in a firm	Nancy Enterprises
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 has 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.

Particulars	Leasing of Portion of the Computer System for the year	
	2015-16	2014-15
Gross Carrying of Assets Amt.	1,15,33,688	1,42,58,443
Accum. Depreciation	1,15,33,688	1,05,39,154
Accum. Impairment	-	-
Depreciation recognized in Profit & Loss Account	30,73,591	47,52,339
Impairment Recognized in Profit & Loss Account		
Contingent Rent Recognized as Profit & Loss A/c	-	-

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	
	2015-2016	2014-2015
Proportionate Gross Carrying of Assets Amt.	2,40,58,195	1,36,22,357
Proportionate Accum. Depreciation	88,26,984	45,38,800
Proportionate Accum. Impairment	-	-
Proportionate Depreciation recognized in Profit & Loss Account	4,09,279	5,58,020
Proportionate Impairment Recognized in Profit & Loss Account	-	-
Proportionate Contingent Rent Recognized as Profit & Loss A/c	-	-

Operating Lease - Lessee

Lease payments of Rs.6,50,100/- (P.Y.Rs 5, 95,923) have been recognized in the Profit & Loss account for the year. There is no sub lease payment received or 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 31/03/2016 which are as under :-

Particulars	Balance as at 01-04-2015	For the period recognized in the Profit & Loss Account / Reversed during the year	Balance as at 31-03-2016
	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.	15,89,059	-	-
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.	(15,89,059)	-	-
Net Deferred Tax Liabilities / (Assets)	-	-	-

25.8 EARNING PER SHARE :-

Sr. No.	Particulars	2015-16	2014-15
1.	Profit/ (Loss) before Prior Period Item for the Year attributable to Equity Shareholders	Rs. (437,425)	Rs. (1,32,55,392)
2.	Profit/ (Loss) after Prior Period Item for the Year attributable to Equity Shareholders	Rs. (437,425)	Rs. (1,32,55,392)
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	Rs (0.01)	Rs(0.38)
5.	Basic Earnings Per Share After Prior Period Item	Rs (0.01)	Rs.(0.38)

Determination of Net Profit Attributable to Equity Shareholders:

Particulars	2015-2016 Amt (Rs.)	2014-2015 Amt (Rs.)
Net Profit After Tax as per profit and Loss Accounts	Rs. (237,425)	Rs. (1,32,53,392)
Less:- Prior Period Item	Rs. 2,00,000	Rs. 2,000
Net Profit After Tax and Prior Period Item as per profit and Loss Accounts	Rs. (437,425)	Rs. (1,32,55,392)
Less :- Profit Attributable to Preference Dividend	-	-
Less :- Tax on Dividend	-	-
Net Profit Attributable to Equity Shareholders (After Prior Period Item)	Rs. (437,425)	Rs. (1,32,55,392)

Determination of Capital for Computation of Basic EPS:

Particulars	2015-2016	2014-2015
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)

25.12 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)

	2015-2016	2014-2015
Earnings in foreign currency		
Exports at F.O.B. Value	-	3.15
	2015-2016	2014-2015
Expenditure in foreign currency		
Product Registration & Development Charges	1.97	7.94

25.13 Purchase and Sales

Sr. No.	Class of Products	Purchases in Rs.(In Lakhs)		Sales in Rs. (In Lakhs)	
		2015-2016	2014-2015	2015-2016	2014-2015
1	Bottle	7.43	-	6.55	-
1	Capsules	99.78	66.95	83.82	62.31
2	Drops	-0.13	0.31	-0.09	0.36
3	Injection	623.72	593.37	642.74	646.61
4	Liquid	57.60	37.11	49.11	46.04
5	Lotion	6.24	5.84	6.55	5.28
6	Needle	-	-	0.01	-
7	Ointment	36.62	3.29	34.12	3.24
8	PEN	0.68	-	0.68	-
9	Powder	20.49	5.89	14.25	7.19
10	Solution	1.89	-	1.99	-
11	Surgical	0.00	0.18	0.03	0.47
12	Syrup	48.01	9.23	39.08	9.16
13	Tablets	754.23	237.18	680.25	202.43
14	UNIT	0.01	-	0.01	-
	TOTAL	1656.55	959.35	1559.10	983.10

25.14 PAYMENTS TO AUDITOR :-

	Particulars	2015-2016 Amt (Rs.)	2014-2015 Amt (Rs.)
a)	As Auditor	3,39,296	3,02,689
b)	As Adviser, or other capacity, in respect of :-		
i)	Taxation matters	1,66,758	1,48,765
ii)	Company law matters		
iii)	Management services		
c)	Reimbursement of Expenses	20,000	20,000

Note: - Above amount is inclusive of Service Tax.

25.15 Prior period item included in Profit and Loss Statement is of Rs.2.0 Lacs (P.Y. Rs. 0.02 Lacs).

25.16 Guardian Remedies Pvt. Ltd., which is a 100% subsidiary of the Company, has applied for striking off its name from the Register of Companies on 27.3.2015 which is pending. Therefore the control of the company over its subsidiary is temporary till it gets its name struck off. Temporary control over its subsidiary is excluded from Consolidation as per paragraph 11 of the Accounting Standard AS 21. Accordingly the Investments have been disclosed as per the requirements of AS 13 for Investments.

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

Sd/-

**Pankaj Sanghavi
Proprietor**

Membership No.: 41290

FRN :- 109111W

Date : 23rd August, 2016

Place : Mumbai

For and on behalf of the Board

Sd/-

**Jagannath S. Shinde
Director**

Sd/-

**Dhaval Bharwada
CFO**

Sd/-

**Jugalkishor Tadapiya
Managing Director**

Sd/-

**Anita Pandey
Company Secretary**

Maharashtra Safe Chemists and Distributors Alliance Limited

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

PROXY FORM

10th Annual General Meeting- 28th September 2016 on Wednesday, at 10.30 A.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: E-mail Id:	Address:
Name: E-mail Id:	Address:
Name: E-mail Id:	Address:

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **Tenth Annual General Meeting of the Company to be held on Wedn**

esday, September 28, 2016 at 10.30 a.m. 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			
Ordinary Business		For	Against
1	Adoption of Statement of Profit and Loss, Balance Sheet, Report of Board of Directors and Auditors for the year ended March 31, 2016.		
2	Re-appointment of Mr. Jagannath Shinde as a Director of the Company		
3	Ratification of Appointment of Auditor		
Special Business			
4	Appointment of Mr. Sukhendu Patnaik as an Independent Director		

Signed thisday of 2016

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

Affix a
Revenue
Stamp of
R₹-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.

Circular on Unclaimed Amount of Dividend

Ref. No.: MSCDAL/Dividend/August/23/2016

23rd August, 2016To,
All the Shareholders of MSCDALimited

It has been observed that Dividend Warrants/Cheques sent by the Company from time to time against 2009-10 and 2012-13 years Dividend have not been deposited by many shareholders so far in their respective Banking accounts. Hence, substantial amount is lying unclaimed in the Dividend Accounts of the Company. Kindly note that the Company is required to transfer the unclaimed/unpaid Dividend after seven years from the date of its declaration to 'Investor Education & Protection Fund' of Government of India. Thereafter, shareholders cannot claim their dividend.

Hence, in order to facilitate the shareholders, the Company has decided to transfer this unclaimed amount of Dividend in to respective Share Holder's Bank Account through National Electronic Fund Transfer (NEFT).

We request you to provide following details to Ms. Anita Pandey, Company Secretary of the Company at her email address at anita.pandey@aiocd.com or by writing to her at the Company's Address in order to enable us to make speedier and cost effective transfer.

Name of the Share Holder	
Folio No.	
Name of the Share Holder Bank & Address	
Bank Account No.	
Type of Bank Account Saving / Current	
IFSC Code	
Amount of Dividend	
Warrant No.	
Share Holder Contact No. / Mobile No.	

Kindly do the needful.
Thanking You,**FOR MAHARASHTRA SAFE CHEMISTS AND DISTRIBUTORS ALLIANCE LIMITED**Sd/-
(Jugalkishor Tapadiya)
Managing Director

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





Maharashtra Safe Chemists And Distributors Alliance Limited



Route Map For Annual General Meeting Venue

Matunga Gujarati Club Limited, 4 Nathalal Parekh Marg, Near Arora Cinema,
Matunga Central Railway, Matunga(East), Mumbai – 400 019



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 - Email : admin@mscda.com, www.mscdaltd.com

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