



# **SYNCOM**

## **FORMULATIONS**

### **(INDIA) LIMITED**

A WHO-GMP & ISO 9001-2008 Certified Company  
CIN : L24239MH1988PLC047759

## **26th ANNUAL REPORT 2013-2014**



**Synergistic Combination for Health**



पान  
में चैन

# KILAC

CRATUS  
LIFE CARE

Caplet / Oil / Ointment

किलएक

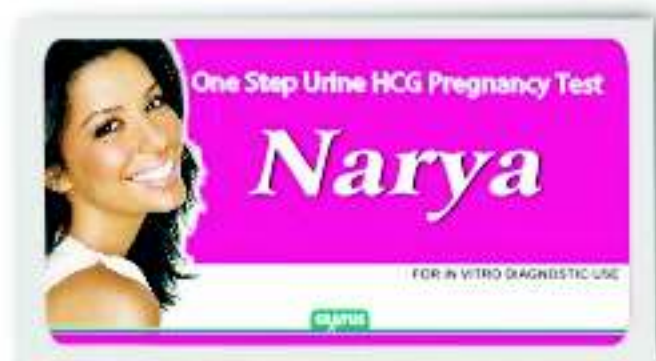
दमदार.....दर्द एवं  
सूजन नाशक

KILLS ACHEs & PAINs

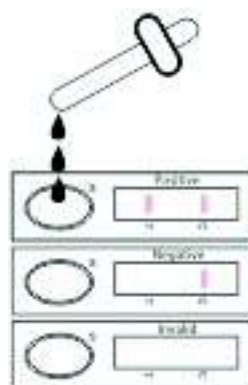


# Narya

Urine HCG Pregnancy Test



Pregnancy Detection Card



# नार्या

Pregnancy Detection Card

CRATUS  
LIFE CARE



## Board Of Directors

Shri Kedarmal Bankda  
Chairman (Executive) & WTD

Shri Vijay Shankarlal Bankda  
Managing Director

Shri Vinod Kumar Kabra  
Independent Director

Shri Krishna Das Neema  
Independent Director

Shri Praveen Jindal  
Independent Director

Smt. Rinki Bankda  
Additional Director

## Company Secretary

CS Shikha Sethi

## Compliance Officer

Devendara Maheshwari

## Chief Financial Officer

Shri Ankit Bankda

## Statutory Auditors

S.P. Moondra & Co.  
Chartered Accountants

## Bankers

Dena Bank

## Registered Office

7, Niraj Industrial Estate,  
Off Mahakali Caves Road,  
Andheri (E) Mumbai (MH)- 400093

**Email :** [Info@sfil.in](mailto:Info@sfil.in)

**Website:** [www.sfil.in](http://www.sfil.in)

Tel. : 91-22-30887744

Fax : 91-22-30887755

## Corporate Office

2nd Floor, "Tagore Centre", (Dawa Bazar)  
13-14, R.N.T. Marg, Indore (M.P.) - 452001

**Email :** [info@sfil.in](mailto:info@sfil.in) / [finance@sfil.in](mailto:finance@sfil.in)

Tel. : 91-0731-3046869

Fax : 91-0731-3046870

## Works

256-257, Sector I,  
Pithampur, (Dhar) (M.P.) - 454774  
Tel. : (07292) 253121,253404

## Registrar And Share Transfer Agent

Ankit Consultancy Pvt. Ltd.  
Plot No. 60, Electronic Complex, Pardeshipura  
Indore (M.P.)-452010

Tel. : 0731-2551745,2551746

Fax : 0731-4065798

**Email :** [ankit\\_4321@yahoo.com](mailto:ankit_4321@yahoo.com)

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**NOTICE FOR THE 26<sup>th</sup> ANNUAL GENERAL MEETING**

Notice is hereby given that **26th Annual General Meeting** of the members of **SYNCOM FORMULATIONS (INDIA) LIMITED** will be held on Monday the 22nd day of Sept., 2014 at 2.00 P.M. at Touch of Class, Club B, Boomerang, Plot No. 37, Chandivali Farm Road Chandivali, Andheri (E), Mumbai 400072 to transact the following businesses:

**I. ORDINARY BUSINESS:**

1. To receive, consider and adopt the audited Balance Sheet as at March 31, 2014, the Statement of Profit & Loss and Cash Flow Statement for the financial year ended March 31, 2014 and the Reports of the Board of directors and Auditors thereon.

2. To approve dividend on the Equity Shares of the Company.

3. To appoint a director in place of Shri Kedarmal Shankarlal Bankda (DIN 00023050) who is liable to retire by rotation and being eligible offers himself for re-appointment.

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

**"RESOLVED THAT** subject to the provisions of section 139 and other applicable provisions, if any, of Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, M/s S.P. Moondra & Co., Chartered Accountants (ICAI Firm Registration No. 004879C), the retiring Auditors of the Company be and are hereby re-appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the Twenty Ninth Annual General Meeting of the Company to be held in the year 2017 (subject to ratification of their appointment by the members at every Annual General Meeting) on such remuneration as may be fixed by the Board."

**II SPECIAL BUSINESS:**

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

**RESOLVED THAT** pursuant to the provisions of section 190, 196, 197, 203 read with the provisions of Schedule V of the Companies Act, 2013 and the Companies (Appointment and Remuneration of the Managerial Personnel) Rules, 2014 and other applicable provisions if any of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof for the time being enforce), the approval of the members of the Company be and is hereby granted for re-appointment of Shri Vijay Shankarlal Bankda (DIN: 00023027) as the Managing Director of the Company for a further period of 5 years w.e.f. 1st December, 2014 on the following terms and conditions.

**CATEGORY A:**

(a) Salary: Rs. 50,000/- per month, with the annual increment of Rs. 5000/- only.

(b) Perquisites: Subject to the ceiling of Rs. 5,00,000/- per annum:

(i) Company shall provide rent-free residential accommodation or house rent allowance shall be paid to him subject to a maximum of 50% of the salary or the company shall provide house accommodation and 10% of salary shall be recovered by way of rent.

Expenditure incurred by the company on his electricity, water and furnishing shall be evaluated as per Income Tax Rules, 1962 subject to a ceiling of 10% of salary.

(ii) Re-imbursment of medical expenses of the Managing Director and his family, the total cost of which to the company shall not exceed one month salary in the year or three months salary in a block of three years.

(iii) Leave travel assistance: Expenses incurred for self and family in accordance with the rules of the company.

(iv) Club Fees: Subject to a maximum of two clubs this will not include admission and life membership.

(v) Personal accident insurance premium not exceeding Rs. 10,000/- P.A.

**CATEGORY B:**

(i) Contribution to the Provident Fund, Family Benefit Fund, Superannuating Fund: as per Rules of the Company.

(ii) Gratuity: not exceeding half a month salary for each completed year of service.

(iii) Earned Privilege Leave: As per Rules of the Company subject to the condition that the leave accumulated but not availed of will be allowed to be encashed for 15 days salary for every year of completed services at the end of the tenure.

**CATEGORY C:**

(i) Car: The Company shall provide a car with driver for the Company's business and if no car is provided reimbursement of the conveyance shall be as per actual on the basis of claims made by him.

(ii) Telephone: Free use of telephone at his residence provided that personal long distance calls on the telephone shall be billed by the company to the Managing director.

**NOTE:** For the purpose of perquisites stated in Category "A" above, "Family" means the spouse, the dependent children and dependent parents of the appointee.

**FURTHER RESOLVED THAT** in the event of there being loss or inadequacy of profit for any financial year, the remuneration payable to the Managing director shall be the minimum remuneration payable to him in terms of provisions of Schedule V of the Companies Act, 2013 as may be applicable from time to time during his tenure.

**FURTHER RESOLVED THAT** there shall be clear relation of the Company with Shri Vijay Shankarlal Bankda, Managing Director as "the Employer-Employee" and each party may terminate the above said appointment with the six months notice in writing or salary in lieu thereof.

**RESOLVED FURTHER THAT** the Managing Director, shall also be entitled for the reimbursement of actual entertainment, traveling, boarding and lodging expenses incurred by him in connection with the Company's business and such other benefits/ amenities and other privileges, as may from time to time, be available to other Senior Executives of the Company.

**RESOLVED FURTHER THAT** the Board of directors be and is hereby authorized to do all such acts, deeds, matters and things as in its absolute discretion, it may consider necessary, expedient or desirable and to settle any question, or doubt that may arise in relation thereto and the Board shall have absolute powers to hold the increments, decide breakup of the remuneration within the above said maximum permissible limit, in order to give effect to the foregoing resolution, or as may be otherwise considered by it to be in the best interest of the Company.

6. To consider and, if thought fit, to pass, with or without modification(s), the following resolution, as **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule IV to the said Act and Companies (Appointment and Qualification of Directors) Rules, 2014, and the Clause 49 of the Listing Agreement as may be amended from time to time, Shri Vinod Kumar Kabra (DIN- 01816189), who was holding position of the Independent Director and in respect of whom the company has received a notice in writing under section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of the director of the Company and who has also submitted a declaration confirming that he meets the criteria for independence as provided in section 149(6) of the Companies Act, 2013 and is eligible for appointment, be and is hereby appointed as an Independent Director of the Company to hold office for a term upto five consecutive years upto 31st March, 2019 and he will not be liable to retire by rotation."

7. To consider and, if thought fit, to pass, with or without modification(s), the following resolution, as **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule IV to the said Act and Companies (Appointment and Qualification of Directors) Rules, 2014, and the Clause 49 of the Listing Agreement as may be amended from time to time, Shri Krishna Das Neema (DIN- 02294270), who was holding position of the Independent Director and in respect of whom the company has received a notice in writing under section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of the director of the Company and who has also submitted a declaration confirming that he meets the criteria for independence as provided in section 149(6) of the Companies Act, 2013 and is eligible for appointment, be and is hereby appointed as an Independent Director of the Company to hold office for a term upto five consecutive years upto 31st March, 2019 and he will not be liable to retire by rotation."

8. To consider and, if thought fit, to pass, with or without modification(s), the following resolution, as **Ordinary Resolution**:



**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule IV to the said Act and Companies (Appointment and Qualification of Directors) Rules, 2014, and the Clause 49 of the Listing Agreement as may be amended from time to time, Shri Praveen Jindal (DIN- 05327830), who was holding position of the Independent Director and in respect of whom the company has received a notice in writing under section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of the director of the Company and who has also submitted a declaration confirming that he meets the criteria for independence as provided in section 149(6) of the Companies Act, 2013 and is eligible for appointment, be and is hereby appointed as an Independent Director of the Company to hold office for a term upto five consecutive years upto 31st March, 2019 and he will not be liable to retire by rotation."

9. To consider and, if thought fit, to pass, with or without modification(s), the following resolution, as **Ordinary Resolution:**

**"RESOLVED THAT** Mrs. Rinki Bankda (DIN: 06946754) who was appointed as an additional director by the Board w.e.f. 13th August, 2014 pursuant to the provisions of section 161 of the Companies Act, 2013 to hold the office of the directors till the date of the annual general meeting and in respect of whom the Company has received a notice in writing as required under section 160 of the Companies Act, 2013 from a member proposing her as a candidate for the office of director, be and is hereby appointed as a Women Director of the Company, and she will be liable to retire by rotation.

Place: Indore

**By order of the Board of Director**

Date : 13th August, 2014

**Syncom Formulations (India) Ltd.**

CIN : L24239MH1988PLC047759

7, Niraj industrial Estate,

Off Mahakali Caves Road,

Andheri (E), Mumbai (MS) 400093

**KEDARMAL BANKDA**

**Chairman & Whole Time Director**

**DIN : 00023050**

**NOTES:**

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the company. Proxies in order to effective must be received by the company not less than 48 hours before the time fixed for the meeting.
2. A person can act as a proxy on behalf of members not exceeding 50 and holding in aggregating not more than 10% of the total share capital of the Company carry voting rights may appoint a single person as a proxy and such person shall not act as a proxy for any other person or member.
3. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 is given below and forms part of the Notice.
4. The company has notified closure of register of members and share transfer books from September, 20th 2014 to September 22nd 2014 (both days inclusive).
5. The Members are requested to:
  - a) Intimate changes, if any, in their registered addresses immediately.
  - b) Quote their ledger folio number in all their correspondence.
  - c) Hand over the enclosed attendance slip, duly signed in accordance with their specimen registered with the Company for admission to the meeting place.
  - d) Bring their Annual Report and Attendance Slips with them at the AGM venue.
  - e) Send their Email address to us for prompt communication and update the same with their D.P. to receive softcopy of the Annual Report of the Company.
  - f) To encash their unpaid or unclaimed dividend from the year 2006-07 to 2012-13 from the Company and it may please be noted that the unpaid dividend over a period of 7 years would be transferred to the Central Government, Investors Education and Protection Fund as required under section 124 and 125 of the Companies Act, 2013.
6. The report on the Corporate Governance and Management Discussion and Analysis also form part to the report of the Directors.
7. Members seeking any information are requested to write to the Company by email at [finance@sfil.in](mailto:finance@sfil.in) at least 7 days before the date of the AGM to enable the management to reply appropriately at the AGM.
8. Members are requested to notify immediately any change in their address and E – Mail ID to their respective Depository Participants (DPs) in respect of

their electronic share accounts and to the Registrar and Share Transfer Agent of the Company at Ankit Consultancy Pvt. Ltd. at Plot No. 60, Electronic Complex, Pardeshipura, Indore (M.P.).

9. Electronic copy of the Annual report is being sent to the members whose email IDs are registered with the Company/Depository Participants unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual report s being sent in the permitted mode.
10. Members may also note that the Annual Report for FY 2013-14 will also be available for downloading on Company's website [www.sfil.in](http://www.sfil.in)
11. Corporate Members intending to send their authorized representatives to attend the Annual General Meeting needs to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Meeting.
12. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the registered office of the company on all working days, except Saturday, between 11:00 A.M and 1:00 P.M up to the date of the meeting.
13. **Voting through electronic means**

In compliance with the provisions of section 108 of the Companies Act, 2013 and the Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide its members the facility to exercise their right to vote at the 26th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL), the instructions for e-voting are as under:

**A. In case a Member receives an email from NSDL: [for members whose email IDs are registered with the Depository Participants(s)]**

- (i) Open email and open PDF file viz; (File Name) The said PDF file contains your user ID and password/ PIN for e-voting.
- (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>
- (iii) Click on Shareholder – Login
- (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
- (v) If you login first time, Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or a combination thereof. 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 e-voting opens. Click on e-Voting: Active Voting Cycles.
- (vii) Select "EVEN" (E-voting Event Number) of Syncom Formulations (India) Ltd..
- (viii) Now you are ready for 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 & Corporate 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 [evotinginfo@sfil.in](mailto:evotinginfo@sfil.in) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

**B. In case Email I.D. of the member is not registered with the depository participant and members holding shares in Physical Form:**

- (i) Initial password will be provided/intimated through Letter from our Registrar:

EVEN (E Voting Event Number)	USER ID	PASSWORD/PIN

- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

i. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com)



- II. If you are already registered with NSDL for e-voting then you can use your existing user ID and password/PIN for casting your vote.
- III. 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).
- IV. The e-voting period commences on 18th September, 2014 (9:00 am) and ends (6:00 pm). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 8th August, 2014 may cast their vote electronically in the manner and process set out herein above. The 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 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 of 8th August, 2014.
- VI. CS Anish Gupta, Practicing Company Secretary (FCS No. 5733 CP 4092) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- VII. The scrutinizer shall within a period not exceeding three(3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- VIII. The results of e-voting, and poll, if any, shall be aggregated and declared on or after the AGM of the Company by the Chairman or by any other person duly authorized in this regard. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.sfil.in and on the website of NSDL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the Stock Exchanges.
- IX. For any other queries relating to the shares of the Company, you may contact the Share Transfer Agents, Ankit Consultancy Pvt. Ltd. Plot No. 60, Electronic Complex, Pardeshipura Indore (M.P.) 452010 Tel-0731-3198601,3198602 Fax-0731-4065798 -Email id: ankit\_4321@yahoo.com.

**Details of the Directors seeking appointment/re-appointment in the ensuing annual general meeting**

Name of Directors	Shri Kedarmal Shankarlal Bankda	Shri Vijay Shankarlal Bankda	Shri Vinod Kumar Kabra	Shri Krishna Das Neema	Shri Praveen Jindal	Mrs. Rinki Bankda
Date of Birth	25/08/52	17/09/58	20/04/52	15/08/51	18/03/84	14/06/87
Date of Appointment	13/04/92	01/12/99	30/04/07	31/07/08	12/07/12	13/08/14
Expertise / Experience in specific functional areas	39 years Experience in Pharmaceuticals field in various Capacity. He is the key founder person & promoter of the company	More than 35 years experience in Pharmaceutical field in various capacity. He is the Key founder person & promoter of the company.	Experience of more than 36 years in the educational field	37 years experience in Business	9 years experience in Electronic & IT field	-
Qualification	M.Com	B.Com, LLB	B.Ed., M.Com, LLB	M.Com, L.L.B.	B.E. (E. & T.C.)	M.B.A.
No. & % of Equity Shares held	90194650 (11.55%)	58553775 (7.50%)	-----	-----	-----	-----

List of outside Company's directorship held	ARP Pharma Pvt. Ltd.	-----	-----	-----	-----	-----
Chairman/ Member of the Committees of the Board of Directors of the Company	1. CSR Committee	1.CSR Committee	1.Audit Committee 2.Nomination & Remuneration Committee 3.Stakeholder Relationship committee	1.Audit Committee 2.Nomination & Remuneration Committee 3.Stakeholder Relationship Committee 4.CSR Committee	1.Audit Committee 2.Nomination & Remuneration Committee 3.Stakeholder Relationship Committee	-----
Chairman / Member of the Committees of the Board of Directors of other Companies in which he is director	-----	-----	-----	-----	-----	-----

**Explanatory Statement in terms of Section 102 of the Companies Act, 2013. Item No. 4:**

This explanatory statement is provided though strictly not required as per section 102 of the Act. M/s S.P. Moondra & Co., Chartered Accountants (ICAI Firm Registration No. 004879C), Indore have been the Auditors of the Company since more than 5 years.

As per the provisions of section 139 of the Act, no listed company can appoint or re-appoint an audit firm as auditor for more than two terms of five consecutive years. Section 139 of the Act has also provided a period of three years from the date of commencement of the Companies Act, 2013 to comply with this requirement. In view of the above, M/s S.P. Moondra & Co., Chartered Accountants, being eligible for re-appointment and based on the recommendation of the Audit Committee, the Board of directors has, at its meeting held on 13th August, 2014 proposed the re-appointment of M/s S.P. Moondra & Co., Chartered Accountants as the statutory auditors for a period of three years up to the conclusion of the 29th Annual General Meeting to be held in the calendar year 2017 and to hold office from the conclusion of this AGM (subject to ratification of their appointment at every AGM).

The Board recommends the Resolution as set out at Item No. 4 for approval by the members as an Ordinary Resolution.

None of the Directors, Key Managerial Personnel (KMP) or their relatives are concerned or interested in any manner in the Resolution.

**Item No.5:**

**Shri Vijay Bankda**, (DIN 00023027) is Bachelor in Commerce and Law and is Managing director and his tenure shall be expired on 30th November, 2014 upon completion of 5 years of his appointment. He is having 35 years of experience in the pharmaceutical field in various capacities and also attending commercial operations of the Company, his experience, commitment and capabilities are playing a crucial role in the growth of the Company. Thus upon the recommendation of the Nomination and Remuneration Committee, the Board of directors at their meeting held on 13th August, 2014 has re-appointed him for a further period of 5 years w.e.f. 1st December, 2014.

The Board considered that the terms, conditions and the salary and perquisites as given in the item No. 5 of the notice is commensurate with his high responsibilities, status and image of the Company. The Board recommends to pass necessary special resolution as set out in Item No.5 of the notice.

Shri Vijay Bankda, being the appointee may be considered as financially interested in the resolution to the extent of the remuneration as may be paid to





him and Shri Kedarmal Bankda, the Chairman being the relative may also be considered as interested otherwise. Except that none of the other directors or Key Managerial Personnel (KMP) or their relatives are concerned or interested in the Resolution.

Shri Vijay Bankda, is also holding 58553775 equity shares of Re. 1/- each consisting 7.50% of the total paid up capital of the Company.

**Item No. 6, 7 & 8:**

The Board of directors of the Company comprises five directors out of which, three are Non-Executive Independent Directors of the Company.

**Shri Vinod Kumar Kabra** (DIN 01816189) joined the Board on 30th April, 2007 as an Independent Director and has served as director of the Company for over 7 years. He is a Master of Commerce, B.Ed and LLB and having more than 36 years experience in educational field. Shri Vinod Kumar Kabra does not hold any Equity share in the Company.

**Shri Krishna Das Neema** (DIN 02294270) joined the Board on 31st July, 2008 as an Independent director. Shri K.D.Neema is also liable to retire by rotation at the ensuing annual general meeting. However, he is being re-appointed as a new director as per requirement of section 149 of the Act. Shri Neema is M.Com, LLB and having more than 37 years experience in business. Shri Krishna Das Neema does not hold any Equity share in the Company.

**Shri Praveen Jindal** (DIN 05327830) joined the Board on 12th July, 2012 as an Independent Director. He is BE and having more than 9 years experience in electronic and IT field. Shri Praveen Jindal does not hold any share in the Company.

The detailed profile of the aforesaid three directors have been given in this notice.

As per the provisions of section 149 of the Companies Act, 2013 which has come into force w.e.f. 1st April, 2014, an Independent Director shall hold office for a term upto five consecutive years on the Board of a Company and shall not be liable to retire by rotation. Therefore, it is proposed to appoint them as Independent Directors at the ensuing annual general meeting for a period of 5 years, upto 31st March, 2019.

All the above said three Independent Directors has given a declaration to the Board that they meet the criteria of independence as provided under section 149(6) of the Act.

In the opinion of the Board the above said directors fulfills the conditions specified in the Act and the Rules made there under as well as Clause 49 of the Listing Agreement for their appointment as Independent Directors of the Company.

The Company has received a notice in writing from members as required under section 160 of the Companies Act, 2013 for proposing the appointment of the above said directors.

All the 'Independent Directors' have expertise in specific functional areas and are eminent personalities in their respective fields. The Board considers that there continued association would be of immense benefit to the Company and it is desirable to continue to avail services of these directors as Independent Directors. Accordingly, the Board recommends the resolutions as set out in the Item No. 6 to 8 as Ordinary Resolution.

Shri Vinod Kumar Kabra, Shri Krishna Das Neema and Shri Praveen Jindal, who are proposed appointees may be considered as concerned or interested financially in the Resolutions to the extent of the sitting fee as may be paid by the company from time to time. Except that none of the other Directors or Key Managerial Personnel or relatives thereof are, in any way, concerned or interested in the Resolutions.

**Item No. 9:**

**Mrs. Rinki Bankda**, (DIN 06946754) MBA, aged about 27 years was appointed by the Board as an additional director of the Company w.e.f. 13th August, 2014 of the company being the women director to fulfil the requirement of the Companies Act, 2013. The Nomination and Remuneration Committee of the Board has considered her qualifications and recommended her appointment in the category of the Women Director of the Company.

The Company has received a notice u/s 160 of the Companies Act, 2013 proposing her appointment as director. Looking into her qualifications, your Board recommends her appointment as director of the company and proposes to pass the respective resolution as set out in item No. 9 for approval as an Ordinary Resolution.

Mrs. Rinki Bankda, being the appointee may be considered as financially interested in the resolution to the extent of the remuneration as may be paid to her and Shri Kedarmal Bankda, the Chairman and Shri Ankit Bankda, CFO and KMP being relative may also be considered as interested otherwise. Except that none of the other directors or other Key Managerial Personnel (KMP) or their relatives are concerned or interested in the Resolution. Mrs. Rinki Bankda do not hold any share in the Company.

Place: Indore

Date : 13th August, 2014

**Syncom Formulations (India) Ltd.**

CIN : L24239MH1988PLC047759

7, Niraj Industrial Estate,

Off Mahakali Caves Road,

Andheri (E), Mumbai (MS) 400093

**By order of the Board of Director**

**KEDARMAL BANKDA**  
Chairman & Whole Time Director  
DIN : 00023050



**DIRECTORS' REPORT**

To,  
The Members,  
Syncom Formulations (India) Limited

Your Directors have pleasure in presenting their 26th Annual Report and Audited Statement of Account for the year ended 31st March 2014.

**1. FINANCIAL PERFORMANCE**

Financial Results of the Company for the year under review along with the figures for previous year are as follows:

Particulars	₹ In Lacs	
	Year ended 31/03/2014	Year ended 31/03/2013
Net Sales and other incomes	15240.90	11609.81
<b>Profit before interest, depreciation and tax</b>	<b>1735.50</b>	<b>1178.86</b>
Less: Financial Charges	35.53	42.95
Less: Depreciation	307.33	291.00
<b>Profit before Taxation</b>	<b>1392.64</b>	<b>844.91</b>
Provision for Taxation for current year	431.51	228.14
Difference in income tax for previous year	(29.38)	5.42
Deferred Tax	58.85	45.76
<b>Net Profit after tax</b>	<b>931.66</b>	<b>565.59</b>
Add: Balance brought forward from previous years	450.76	440.70
<b>Amount available for appropriation</b>	<b>1382.42</b>	<b>1006.29</b>
Appropriation: Transfer to general Reserve	493.92	400.00
<b>Proposed Dividend</b>	<b>156.13</b>	<b>133.83</b>
Corporate Dividend Tax	26.53	21.71
Balance carried to the Balance Sheet	705.84	450.75
*EPS for equity shares of Re. 1 each (in Rs.) (Annualized)	0.12	0.07

\* Note: In compliance with the accounting standard 20-earning per share (E.P.S.), the company has given effect to the sub division of shares and issue of bonus shares in computing earning per share for the comparative periods.

**2. REVIEW OF OPERATIONS:**

During the year under review Company has achieved a total turnover of Rs. 15240.90 lacs as compared to Rs. 11609.81 lacs during the previous year and registered growth of 31.28% over previous year as well as has generated profit after tax of 931.66 lacs as compared to Rs 565.59 lacs during the previous year and registered growth of 64.72% in the profits on YOY basis. Your management is hopeful for further improvement in the business climate in the coming period.

**3. MARKETING AND EXPORT:**

During the year under review the company achieved export turnover of Rs. 10545.29 lacs, as compared to Rs. 7491.54 lacs during the previous year and registered growth of 40.76% over the previous year. The company has stepped up efforts in increase the export market to new geographical locations/ countries and expects significant improvement in future years.

**Company's prospects in domestic market**

Cratus Life Care, a division of the company for domestic market has generated turnover of Rs. 4195.91 lacs as compared Rs. 3682.93 lacs during previous year and registered growth of 13.92%, the management is hopeful for further remarkable growth in the domestic market in the coming years.

The result of OTC, Generic and ethical division remains satisfactory. It is expected that the division shall become driver of growth of company in coming years.

**4. DIVIDEND:**

Your Company always strives to enhance stakeholders and customers satisfaction value. In pursuance of the same, your directors are pleased to recommend payout of 23rd dividend @ Rs. 0.02 (2%) on the equity share of Re. 1 each, (Previous year @ Rs 0.60 (6%) of the equity shares of Rs. 10/- each) and proposes to pay Rs. 156.13 Lacs as dividend (Previous year 133.83 Lacs) subject to approval by the members at the ensuing Annual General Meeting.

**5. SHARE CAPITAL**

In accordance with the special resolutions passed by the members at their 25th Annual General Meeting held on 5th August, 2013 the Company has sub divided the equity shares of Rs. 10 (Rs. Ten only) each to Re. 1- (Rs. One only) each as well as upon completion of the 25th years of the Company, 55,76,08,700 (Fifty Five Crores Seventy Six Lacs Eight Thousand Seven Hundred only) Equity

Shares of Re. 1 (Rupees One only) were issued as the bonus shares to the existing members in the proportion of 5 (Five) Equity shares of Re. 1/- (Rupees One only) for every 2 (Two) equity shares of Re. 1 (Rupees One only) held by the members on 22nd August, 2013 and the above said shares were got listing at the BSE Ltd. Now the paid up capital of the company has been increased from Rs. 22,30,43,480 to Rs. 78,06,52,180.

**6. TRANSFER OF UNPAID DIVIDEND TO THE INVESTORS EDUCATION AND PROTECTION FUND:**

During the year, unclaimed dividend of Rs. 1614038.40 for the year 2005-06 was transferred to the Investors Education and Protection Fund (IEPF), of the Central Government, which was remained unpaid or unclaimed over a period of 7 (Seven) years as required by the Investor Education and Protection Fund. The Company is having un-paid/unclaimed dividend amount of Rs. 12,95,903/- as at 31st March, 2014 (from 2006-07 to 2012-13).

**7. DIRECTORS:**

The tenure of Shri Vijay Bankda, (DIN 00023027) as the Managing Director is being expired on 30.11.2014 upon completion of five years, therefore the Board has re-appointed him as the Managing Director of the Company w.e.f. 01.12.2014 for a further period of five years and recommend to pass the special resolution as set out in the Item No. 5 of the notice.

Shri Krishna Das Neema (DIN 02294270) and Shri Kedarmal Bankda (DIN 00023050) are liable to retire by rotation. For the good corporate governance, all the existing independent directors Shri Vinod Kumar Kabra (DIN 01816189), Shri Krishna Das Neema (DIN 02294270) and Shri Praveen Jindal (DIN 05327830) are proposed to be appointed at the ensuing annual general meeting, not liable to retire by rotation as Independent Directors for a term of 5 years as per requirement of section 149 of the Companies Act, 2013 as well as Clause 49 of the Listing Agreement and they shall be eligible to hold the office of the independent directors till 31st March, 2019.

The Company has received notice in writing from the members as required under section 160 of the Act for proposal for appointment of all the Independent Directors of the Company at the ensuing Annual General Meeting.

The Independent Directors have submitted a declaration confirming that they meets the criteria for independence as provided in section 149(6) of the Act as well as Clause 49 of the Listing Agreement and are eligible for appointment as Independent Directors of the Company.

In the opinion of the Board the above said three directors fulfills the conditions specified in the Act and the Rules made there under as well as Clause 49 of the Listing Agreement for their appointment as Independent Directors of the Company and recommend their appointment and to pass the Ordinary Resolutions as set out in the Item No. 6 to 8 of the notice of the annual general meeting.

Mrs. Rinki Bankda (DIN 06946754) was appointed as an additional director of the company in the category of Women Director w.e.f. 13th August, 2014. The Company has received a notice under section 160 of the Companies Act, 2013 from a member, signifying his intention for appointment of her as a director of the company at the forthcoming Annual General Meeting.

**8. DIRECTORS RESPONSIBILITY STATEMENT :**

Pursuant to the requirement of Section 217(2AA) of the Companies Act, 1956, and based on the representation received from the operating management, the Directors hereby confirm that:

- a. in the preparation of the annual accounts, the applicable accounting standards have been followed and there is no material departures;
- b. they have selected such accounting policies and applied them consistently and made judgments and estimates that have been reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for the year under review;
- c. they have taken proper and sufficient care to the best of their Knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of this Act. They confirm that there are adequate systems and controls for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities;
- d. they have prepared the annual accounts for the financial year ended 31st March, 2014 on a going concern basis;





**9. CORPORATE SOCIAL RESPONSIBILITY:**

Your directors have constituted the Corporate Social Responsibility Committee (CSR Committee), comprising of Shri Kedarmal Bankda, as the Chairman and Shri Vijay Bankda and Shri K.D. Neema, members of the Committee as per the requirement of the section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014.

The Said Committee has been entrusted with the responsibility of formulating and recommending to the Board, a CSR Policy indicating the activities to be undertaken by the Company, monitoring the implementation of the frame work of the CSR Policy and recommending the amount to be spent on CSR activities.

**10. PARTICULARS OF EMPLOYEES:**

Your company did not have any person in employment yet, if employed throughout the financial year or part thereof, was in receipt of remuneration, particulars of which are required to be included in this report as per Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules 1975.

**11. ENERGY CONSERVATION AND OTHER REPORTING:**

The details of Energy Conservation in terms of section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosures of particulars in Report of Directors Report) Rules, 1988 are enclosed forming part of this report in Annexure –A.

**12. FIXED DEPOSITS:**

Your company has not accepted or invited any deposits from public within the meaning of Section 58A and 58AA of the Companies Act, 1956, during the year under review, and that there is no overdue unpaid/ unclaimed deposit as at 31st March, 2014.

**13. AUDITORS:**

M/s S.P. Moondra & Co., Chartered Accountants, Indore, statutory auditors of the Company, who holds the office until the ensuing Annual General Meeting. The said Auditors have furnished the Certificate of their eligibility for re-appointment.

Pursuant to the provisions of section 139 and other applicable provisions, if any, of Companies Act, 2013 read with Rule 3 of Companies (Audit and Auditors) Rules, 2014, it is proposed to appoint M/s S.P. Moondra & Co., Chartered Accountants (ICAI Firm Registration No. 004879C), the retiring Auditors of the Company as Statutory Auditors of the Company from the conclusion of this Annual General Meeting (AGM) till the conclusion of the Twenty Ninth AGM of the Company to be held in the year 2017 (subject to ratification of their appointment at every AGM) on such remuneration as may be decided & fixed by the board on the recommendations of the Audit Committee. The Auditors' Report read with notes to accounts are self-explanatory and needs no comments.

**14. SECRETARIAL AUDITORS:**

The company has appointed M/s. D.K. Jain & Co., Company Secretaries (C.P. No. 2382) as the secretarial Auditors for the year 2014-15 as required under section 204 of the Companies Act, 2013.

**15. COST AUDITORS:**

Pursuant to the directives of the Central Government under the provisions of section 148 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the Company is required to appoint the Cost Auditors for the year 2014-15. The Cost Audit Report for the year 2013-14 would be filed to the Central Government within the stipulated time.

**16. CORPORATE GOVERNANCE:**

Your Company is committed to good Corporate Governance Practices and follows the guidelines prescribed by the SEBI and Stock Exchanges from time to time. The Company has implemented all the mandatory requirements as applicable to the Company. A report on the Corporate Governance together with the Auditors Certificate are set out in the Annexure B attached to this report.

**17. PERSONNEL:**

The Company continued to have cordial and harmonious relationship with its employees. In totality our employees have shown a high degree of maturity and responsibility in responding to the changing environment, economic and the market conditions.

**18. ACKNOWLEDGMENTS:**

Your directors take this opportunity to express their gratitude for the assistance and continued cooperation extended by the banks, government authorities,

customers and suppliers. The directors are pleased to record their sincere appreciation for the devotion and senses of commitment shown by the employees at all levels and acknowledge their contribution towards sustained progress and performance of your company.

Place: Indore

**By order of the Board of Director**

Date : 13th August, 2014

**Syncom Formulations (India) Ltd.**

CIN : L24239MH1988PLC047759

7, Niraj industrial Estate,

Off Mahakali Caves Road,

Andheri (E), Mumbai (MS) 400093.

**KEDARMAL BANKDA**  
**Chairman & Whole Time Director**  
**DIN : 00023050**

**Annexure A to the Directors' Report:**

[Information as per the Companies (Disclosure of particular in Report of Board of Directors) Rules, 1988]

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE:**

Information as required under section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules 1988 is given hereunder:

**I. CONSERVATION OF ENERGY:**

The Company has taken many steps for the Conservation of Energy.

	Current Year (2013-14)	Previous Year (2012-13)
1. Electricity (Purchased) Units	22,28,600	18,99,600
Amount ₹	1,75,60,190	1,46,67,160
Rate/ unit ₹	7.87	7.72
2. Electricity (Generated) units	4200	6021
Amount ₹	66950	82,500
Unit per Liter of Diesel oil	3.50	4.01
Rate/unit ₹	15.94	13.70

**II. CONSUMPTION PER UNIT OF PRODUCTION:**

In view of varied nature of products, of their units of measurement and of their packs, it is not feasible to give information on the accurate consumption per unit of production.

**III. RESEARCH & DEVELOPMENT:**

**1 Specific areas in which the company carries out R&D:**

The Scope of activities covers process development in drug and pharmaceutical formulations.

**2 Benefits Derived from R&D**

- Productivity and quality improvements.
- Improved process performance and better-cost management
- Enhancement of safety and better environmental protection

**3 Future plan of action**

- Develop cost effective processes for existing and new products.
- Development of new drug delivery systems.
- Development of new products for international marketing.
- Improvement in quality and productivity.

**4 Expenditure on Research and Development - NIL**

**TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION:**

The company has so far not imported any technology. The company manufactures standard products for which technology is established.

**FOREIGN EXCHANGE EARNING AND OUTGO:**

During the year company has earned foreign exchange by effecting export sales worth of Rs 10056.50 lacs (previous year Rs.7181.59 lacs) (FOB value) and total foreign outgo was Rs. 21.53 lacs (previous year Rs. 37.03 lacs).

Place: Indore

**By order of the Board of Director**

Date : 13th August, 2014

**Syncom Formulations (India) Ltd.**

CIN : L24239MH1988PLC047759

7, Niraj industrial Estate,

Off Mahakali Caves Road,

Andheri (E), Mumbai (MS) 400093.

**KEDARMAL BANKDA**  
**Chairman & Whole Time Director**  
**DIN : 00023050**



**Annexure B to the Directors' Report:  
CORPORATE GOVERNANCE REPORT  
REPORT IN COMPLIANCE WITH CLAUSE 49 OF THE LISTING  
AGREEMENT**

**MANAGEMENT DISCUSSIONS AND ANALYSIS**

**1. ECONOMY AND INDUSTRY REVIEW**

**Global Economy and Pharmaceutical Industry**

**(a) Industrial Scenario**

The global economy appears to be on the path of revival with high income economies showing signs of firm recovery after years of low growth and/or recession. This recovery in the high-income economies is expected to be a major contributor to the projected acceleration in the global growth.

Economic activity and business sentiments improved in the developing countries from mid-2013 on the back of strengthening high-income demand and the rebound in China. This positive development though, was partially off-set by tighter financial conditions and reduced capital flows. Increase in long-term interest rates in the United States in response to the expectations of the gradual withdrawal of quantitative easing was one of the key factors responsible for this.

The growth registered by the developing countries in 2013 was almost the same as the growth registered by them in 2012. However, some of the regions and/or countries of the developing world displayed significant variation in the growth rates registered in 2013 vis-à-vis 2012. While the countries of the Eastern Europe, Central Asia and Sub-Saharan Africa witnessed significant increase in the GDP growth in 2013 vis-à-vis 2012, countries of Middle East and North Africa registered significant decline in GDP growth over the same period.

**Indian Economy and Pharmaceutical Industry**

The Indian Economy registered a growth of 4.9% during the financial year 2013-14, marginally better than the growth of 4.5% registered during the financial year 2012-13. However, the growth rate was much lower than the recent growth rates. Among the three sectors of the economy viz. agriculture, industry and services, the industrial sector was the worst performer as it grew by only 0.7% during the year 2013-14, mainly due to the de-growth registered by the manufacturing and mining sectors.

The financial year 2013-14 saw a steep depreciation of the Indian Rupee vis-à-vis global currencies. The exchange rate between the Indian Rupee and the US Dollar, which was at around Rs.54 in the beginning of the financial year started an upward movement and reached a level of Rs.68-69 in the month of August. From the month of October, the Indian Rupee started appreciating against the US Dollar but the exchange rate remained more or less in the range of Rs.60-63 during the rest of the financial year.

The year 2013-14 turned out to be one of the worst phases for the Indian Pharmaceutical market in the recent past as it grew by a mere 6.1% and reached a size of approximately Rs.75,600 Crores after growing well in excess of 10% during the previous few years. The Government of India notified the new Drug Price Control Order (DPCO) 2013 whereby it expanded the scope of the National List of Essential Medicines (NLEM), covering a large number of medicines under the list and notified revised prices, mostly downward, for the same. This adversely impacted a large number of companies in the Indian Pharmaceutical market as they realised lower prices as notified by the new DPCO 2013 on an increased number of products. During the year, the products covered under the NLEM saw an overall sales decline of approximately 8% whereas those out of the purview of the list grew by around 8.5%.

**(b) Threats, Risks and Concerns:**

India's health infrastructure remains largely inadequate to meet the needs of a population that now numbers 1.2 billion. Per Capita health spend continues to be abysmally low with the Indian pharmaceutical market being largely a self pay market and health insurance as yet being reserved for a privileged few. This serves as an impediment for consumers to resort to long term treatment regardless of the value proposition.

Slower consumer off-take resulting from the recent economic slowdown may result in poor prescription compliance, namely postponing treatment and/or buying less than the prescribed dosage.

**(c) Opportunity:**

The growth of middle class in the country has resulted in fast changing lifestyles in urban and to some extent rural centers. This opens a huge market for lifestyle

drugs, which has a very low contribution in the Indian markets. Opening up of health insurance sector and the expected growth in per capita income are key growth drivers from a long-term perspective. This leads to the expansion of healthcare industry of which pharma industry is an integral part. It is estimated that the number of Indians who can afford quality private health care stands at about 100 million, which is about 1/3rd of middle class population and 1/10th of the total population. Increasing penetration of health insurance coupled with rising purchasing power is expected to stimulate the market. Healthcare reforms are also expected to expand the coverage of organized health care to rural areas leading to increased supply of secondary care.

**(d) Outlook:**

The Indian Pharmaceutical Industry, particularly, has been the front runner in a wide range of specialties involving complex drugs manufacture, development & technology. With the advantage of being a highly organized sector, the pharmaceutical companies in India are growing at the rate of \$4.15 billion, registering further growth of 8-9% annually. Rising income combined with constrained increase in drug prices will drive up consumption. Market growth will also be driven partly by the effort of more companies to broaden their spectrum.

Your company has invested in manpower in sales and marketing to consolidate and accelerate its growth. While keeping its focus on achieving a higher sales growth, the company continues to work on generating cost related efficiency in areas of Supply Chain, Administrative expenses, Selling expenses and Manufacturing expenses.

We believe that 2013-2014 could be as optimistic with the economic environment getting favorable.

**(e) Internal control systems and their adequacy:**

The Company has an adequate system of internal controls which ensures that its assets are protected against loss from unauthorized use or disposition and all transactions are authorized, recorded and reported in conformity with generally accepted accounting principles.

The internal control systems are documented with clearly defined authority limits. These systems are designed to ensure accuracy and reliability of accounting data, promotion of operational efficiency and adherence to the prescribed management policies. These policies are periodically updated to meet current business requirements.

The Company has a system for regular review of internal controls to assess its effectiveness and the controls are suitably revised to keep pace with changing business environment. Internal Control Systems and processes are reviewed and tested by internal Auditors appointed by the Company M/s Biyani Mittal & Co., Chartered accountants as per requirement of section 138 of the Companies Act, 2013 on a regular basis. The scope of Audit Program is agreed upon with the Audit Committee. Audit observations and recommendations are reported to the Audit Committee, which monitors the implementation of the said recommendations. Further that the Company is carrying the cost audit from the cost auditors and it reviews the cost audit report and take corrective steps to reduce the cost of production.

The Audit Committee addresses the business risk on continuous basis. The Company has taken the initiative to institutionalize an enterprise-wide risk management program and integrate the same with internal Controls.

**(f) Cautionary statement:**

Statement in the management discussion and analysis describing company's objectives, projections, estimates and expectations may constitute "forward looking statement" within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied.

**2. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:**

The Company has been committed to healthy corporate governance practices. Being a value driven organization, the Company's corporate governance practices and disclosures have been duly complied with the statutory and regulatory requirements of the Companies Act, 1956 and the applicable provisions of the Companies Act, 2013, Securities and Exchange Board of India Act, 1992, together with all the rules and regulations framed there under and the provisions of the listing Agreement and all other applicable laws. The Company's corporate governance policies and practices are in accordance with the provisions of Clause 49 of the Listing Agreement and has complied with all the mandatory requirements as applicable to the Company.





In addition to that the Company has also complied with non-mandatory requirements as given in Annexure – I D, except of submission of half yearly results to the shareholders, training to the Board members and mechanism for evaluation of non executive directors.

**3. BOARD OF DIRECTORS:**

**(a) Constitution of the Board of Directors.**

The Company is having whole-time executive Chairman and Managing Director, who discharge his duties and obligations under the superintendence and control of the Board of directors of the Company. The constitution of the Board of directors as on 31st March, 2014 of the Company, is complying with the requirement of the Clause 49 of the listing agreement and the majority of the directors are independent and non-executive having varied and rich experience.

Details of the directors are as under:

Director	Executive /Independent	No. of outside directorship held
Shri Kedarmal Bankda	Promoter & Executive	1
Shri Vijay Bankda	Promoter & Executive	0
Shri Vinod Kumar Kabra	Independent/NED	0
Shri Krishna Das Neema	Independent/NED	0
Shri Praveen Jindal	Independent/NED	0
Smt. Rinki Bankda*	Promoter/NED	0

\* Appointed as an additional director w.e.f. 13th August, 2014.

**(b) Details of director reappointment/seeking appointment.**

Shri Vijay Bankda, Managing Director of the company, is upon expiry of his tenure on 30th November, 2014 seeks re-appointment for a further period of 5 years w.e.f. 1st December, 2014.

Shri Kedarmal Shankarlal Bankda liable to retire by rotation being eligible offers himself for re-appointment.

Shri K.D. Neema, Shri V.K.Kabra and Shri Praveen Jindal, the independent directors being also proposed for appointment at the ensuing annual general meeting as per provisions of section 160 read with the section 152 and 149 of the Companies Act, 2013 as well as Clause 49 of the listing agreement.

Mrs. Rinki Bankda was appointed as an Additional Director w.e.f. 13th August, 2014 in the category of women director being also proposed for appointment at the ensuing annual general meeting as per provisions of section 160 of the Companies Act, 2013 as well as Clause 49 of the listing agreement.

**(C) Dates of the Board Meetings and Attendance Record of the Directors:**

During the financial year 2013-2014 Seven (7) meetings of the Board of directors were held. The following table gives the attendance record of all the directors at the Board Meetings.

Dates of Meetings	Name of Director				
	Mr. Kedarmal Bankda	Mr. Vijay Bankda	Mr. Vinod Kr. Kabra	Praveen Jindal	Mr. Krishna Das Neema
30/05/2013	Yes	Yes	Leave	Yes	Yes
08/07/2013	Yes	Leave	Yes	Leave	Yes
14/08/2013	Yes	Leave	Yes	Leave	Yes
20/08/2013	Yes	Leave	Yes	Yes	Leave
22/08/2013	Yes	Leave	Yes	Yes	Leave
13/11/2013	Yes	Leave	Yes	Leave	Yes
13/02/2014	Yes	Leave	Yes	Leave	Yes

**4. BOARD COMMITTEES**

The Board has 4 (four) Committees, viz.

- a. Audit Committee;
- b. Stakeholder Relationship Committee;
- c. Nomination and Remuneration Committee;
- d. Corporate Social Responsibility Committee (CSR)

The above said Committees consist with the required Independent Directors. The quorum for the Meetings is either two directors or one third of the members of the Committee, whichever is higher.

**4.1 AUDIT COMMITTEE:**

As a measure of good Corporate Governance and to provide assistance to the Board of directors and to meet the requirement of section 292A of the Companies Act, 1956 and the Clause 49 of the Listing Agreement and in fulfilling the Board's overall responsibilities, an Audit Committee consisting of only independent

directors is continuously functioning since its formation. The Audit Committee inter-alia has all the powers and played its role in terms of the Clause 49 of the Listing Agreement:

**(a) Composition of the Audit Committee:**

The Audit Committee of the Company was constituted comprising of the following independent directors:

S. No.	Name	Designation	Position in Committee
1.	Shri Krishna Das Neema	Director	Member/Chairman
2.	Shri Vinod Kumar Kabra	Director	Member
3.	Shri Praveen Jindal	Director	Member

Shri Devendra Maheshwari, General Manager (Accounts) and Compliance officer is also functioning as the Secretary of the Committee. The Chairman and Statutory Auditor of the Company are the special invitees to the meeting of the Audit Committee.

**(b) Meetings and Attendance during the year:**

Name of the Director	Mr. Vinod Kabra	Mr. Praveen Jindal	Mr. Krishna Das Neema
30/05/2013	Yes	Yes	Yes
14/08/2013	Yes	Leave	Yes
13/11/2013	Yes	Leave	Yes
13/02/2014	Yes	Leave	Yes

**4.2 STAKEHOLDER RELATIONSHIP COMMITTEE:**

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

The Company has a 'Stakeholder Relationship Committee' at the Board level to look into the redressing of shareholders and investor's complaints like:

- (i) Transfer of Shares, transmissions and delay in confirmation in D-mat of shares;
- (ii) Non-receipt of Annual Report, etc.
- (iii) Non-receipt of the dividend warrants.

**(b) Composition of Shareholders Grievance and Transfer Committee:**

S. No.	Name	Designation	Position in Committee
1.	Shri Krishna Das Neema	Director/NED	Member/Chairman
2.	Shri Vinod Kumar Kabra	Director/NED	Member
3.	Shri Praveen Jindal	Director/NED	Member

Shri Devendra Maheshwari, General Manager (Accounts) and Compliance officer is also functioning as the Secretary of the Committee.

**(c) Name and designation of Compliance Office :**

Shri Devendra Maheshwari, GM (Accounts)

**(d) Status of the investors/shareholders complaints**

- (i) Number of complaints received during the year : 24
- (ii) Number of complaints solved during the year : 24
- (iii) Number of complaints pending at the end of the year : NIL

The Company has authorized to implement transfer, transmission and D-mat of Shares to the Share Transfer Agent and to resolve the relating problems as professional agency. The Committee meets only on specific nature of complaints not resolved within a period of 14 days from the date of its receipts.

**4.3 REMUNERATION AND NOMINATION COMMITTEE:**

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

The terms of reference of the Committee are to review and recommend compensation payable to the executive directors. The Committee also ensures that the compensation policy of the Company provides for performance-oriented incentives to management.

**(b) Composition of the Committee**

S. No.	Name	Designation	Position in Committee
1.	Shri Krishna Das Neema	Director/NED	Chairman
2.	Shri Vinod Kumar Kabra	Director/NED	Member
3.	Shri Praveen Jindal	Director/NED	Member

During the year under review 1 meeting was held on 13th Feb., 2014 for re-designation of Company Secretary and Chief Financial Officer as the Key Managerial Personnel in which all the members of the committee were available.



**(c) Remuneration of Executive and Non Executive Directors:**

The terms of remuneration of Mr. Kedarmal Bankda, The Chairman and Whole-time Director and Mr. Vijay Bankda, the Managing Director are in accordance with the approval of shareholders and are within the limits of Schedule XIII of the Companies Act, 1956 and/or.

Director	Sitting Fees (₹)	Salary & Perquisites (₹)	Commission (₹)	Total (₹)
Shri Kedarmal Bankda	0	4,20,000	0	4,20,000
Shri Vijay Bankda	0	4,20,000	0	4,20,000
Shri Vinod Kabra	7,500	0	0	7,500
Shri Krishna Das Neema	7,500	0	0	7,500
Praveen Jindal	7,500	0	0	7,500

**4.4 CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

In view of the provisions of section 135 of the Companies Act, 2013 and the Rules made their under, the Company has constituted the Corporate Social Responsibility Committee of the Board having 3 independent directors as under:

1. Shri Kedarmal Bankda (WTD) : Chairman
2. Shri Vijay Bankda (MD) : Member
3. Shri Krishna Das Neema (Independent/NED) : Member

The Said Committee has been entrusted with the responsibility of formulating and recommending to the Board, a CSR Policy indicating the activities to be undertaken by the Company, monitoring the implementation of the frame work of the CSR Policy and recommending the amount to be spent on CSR activities.

**5. GENERAL MEETINGS**

The last three Annual General Meeting of the Company were held at the registered office of the Company on the following dates and times:

	Date	Time	No. of Special business Transacted	No. of resolutions passed by postal ballot process
25 <sup>th</sup> AGM	05 <sup>th</sup> August, 2013	02.30 PM.	4	-
24 <sup>th</sup> AGM	28 <sup>th</sup> September, 2012	02.30 PM.	2	-
23 <sup>rd</sup> AGM	30 <sup>th</sup> September, 2011	03.00 PM.	9	-

The Chairman/Member of the Audit Committee was also present at the Annual General Meeting. No resolution was passed at the extra ordinary general meeting or by way of postal ballot process during the financial year 2013-14.

**6. DISCLOSURES**

The Board of directors of the Company do hereby state and confirm that:

- (i) There are no material significant related party transactions made by the Company with its promoters, directors or the management, their subsidiaries or relatives that may have potential conflict with the interests of Company at large. The register of contracts containing transactions in which directors are interested is placed before the Board regularly for its approval.
- (ii) During the last three years there were no penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority, on any matter related to capital markets.

**7. WHISTLE-BLOWER POLICY:**

We have established a mechanism for employee to report concerns about unethical behavior, actual or suspected fraud, or violation of our code of conduct or ethics policy. The mechanism also provides for adequate safeguard against victimization of employee who avails of the mechanism and also provides for direct access to the Chairman of the audit committee in exceptional cases. We further affirm that during the financial year 2013-14, no employee has been denied access to the audit committee.

**8. CODE OF CONDUCT**

1. The Company has in place a code of conduct for prevention of insider trading.
2. The Board has lay down a code of conduct for all Board members and senior management of the company. The code of conduct has been posted on the notice Board/website of the company and all Board members and senior management personnel have affirmed compliance with the code on an annual basis.

**9. MEANS OF COMMUNICATION:**

Quarterly results of the Company are published in leading newspapers such as Navshakti Maratha being the Marathi vernacular newspaper and the Free

press Journal, English newspaper. The results are promptly submitted to the Stock Exchanges where the shares of the Company are listed.

**10. GENERAL INFORMATION TO SHAREHOLDERS & INVESTORS**

**(i) Date, Time and Venue of Annual General Meeting :** 22nd September, 2014 at 2.00 P.M. at Touch of Class, Club B, Boomerang, Plot No. 37, Chandivali Farm Road Chandivali, Andheri (E), Mumbai 400072

**(ii) Financial Calendar :** April 2014 to March 2015  
 Result for the quarter ended 30.06.2014 Before 14th August, 2014  
 Result for the quarter ended 30.09.2014 Before 14th Nov., 2014  
 Result for the quarter ended 31.12.2014 Before 14th Feb., 2015  
 Result for the quarter ended 31.03.2015 Before 30th May, 2015

**(iii) Board meeting for consideration :** 30th May, 2014 of Annual Accounts

**(iv) Posting of Annual Report:** On or before 30th August, 2014

**(v) Last date for receipt of Proxy:** 20/09/2014

**(vi) Dates of Book Closure:** 20/09/2014 to 22/09/2014 (Inclusive both days)

**(vii) Date of dispatch of Dividend Warrants/Cheques:** On or before 30/09/2014

**(viii) Listing on Stock Exchanges :** The BSE Limited

**(ix) Stock Code:** BSE Code 524470

**(x) D-mat ISIN No. for CDSL and NSDL :** INE312C01025

**(xi) No. of Shareholders on 31.03.2014 :** 4762

**(xii) Compliance Officer :** Shri Devendra Maheshwari

**(xiii) Chief Financial Officer :** Shri Ankit Bankda

**(xiv) Scrutiniser for E-voting :** CS Anish Gupta,

Practising Company Secretary, Mumbai

**(xv) Stock Market Data:**

The monthly High and Low stock quotations during the financial year ended 31st March 2014 on BSE are as under (Source the Website: bseindia.com)

Month	High (₹)	Low (₹)	Volume of shares traded	Total No. of shares traded
April, 2013*	7.88	6.30	349	443260
May, 2013*	13.59	6.90	2649	711740
June, 2013*	15.50	12.46	3167	272861
July, 2013*	15.40	11.07	3980	311285
Aug, 2013*	13.54	3.60	3018	4851973
Sep., 2013	5.15	3.89	6425	16499503
Oct., 2013	4.88	3.75	3091	8623916
Nov., 2013	5.37	4.21	4220	8067327
Dec., 2013	5.53	3.99	7484	21522278
Jan., 2014	5.80	4.35	6338	22233014
Feb., 2014	6.19	5.06	3398	6614867
Mar., 2014	6.20	4.96	4060	7768213

\* Adjusted for value of Re. 1/- each due to sub divisions of shares from Rs. 10/- to Re. 1 each to make it comparable

**(xvi) Share Transfer System:**

Shareholders/Investors' Grievance Committee also approves share transfers and meets at frequent intervals. The Company's Share Transfers Agent Ankit Consultancy Pvt. Ltd. Process these transfers. Share transfers are registered and returned within a period of 15 days from the date of receipt, if the documents are clear in all respects. In cases where shares are transferred after sending notice to the transferor, in compliance of applicable provisions, the period of transfer is reckoned from the date of expiry of the notice.

**(xvii) Dematerialisation/Rematerialisation:**

Based on a SEBI directive, Company's shares are traded in electronic form. As on 31st March, 2014, the Company's 775300745 shares are held by shareholders in dematerialized form, aggregating 99.31% of the Equity Share Capital.





**(xviii) Distribution of shareholding pattern as on 31st March, 2014**

Shareholding of Nominal Value ₹	No. of shareholder	%	Shares Amount in ₹	%
Up to 1000	816	17.16	322988	0.04
1001-2000	409	8.59	677546	0.09
2001-3000	123	2.58	317765	0.04
3001-4000	1434	30.11	5024740	0.64
4001-5000	63	1.32	299038	0.04
5001-10000	894	18.77	6272439	0.80
10001-20000	599	12.58	8210376	1.05
20001-30000	135	2.83	3313655	0.42
30001-40000	70	1.47	2451369	0.31
40001-50000	33	0.69	1491737	0.19
50001-100000	74	1.55	5185174	0.68
100000-Above	112	2.35	747085353	95.70
Total	4762	100.00	780652180	100.00

**(xix) Categories of Shareholders as on 31st March, 2014:**

S.No.	Categories	No. of Shares Held	% of Share holding
1	Indian promoters	490890715	62.87%
2	Foreign promoters	0	0.00
3	Institutions	0	0.00
4	Bodies Corporate	185303736	23.74%
5.	Individual Shareholders holding nominal share capital upto Rs. 1 Lakh	30620227	3.92%
6.	Individual Shareholders holding nominal share capital in excess of Rs. 1 Lakh	73035823	9.36%
7.	Clearing Members	287274	0.04%
8.	NRIs/OCBs	514405	0.07%
	<b>Total</b>	<b>780652180</b>	<b>100.00</b>

**(xx) Details of the promoter's shares under pledge: NIL**

**(xxi) Details of shares credited in the suspense account:**

There were no instance for returning the undelivered shares therefore, no shares were credited in the escrow account as per Clause 5(a) of the Listing Agreement.

**(xxii) Address for Communication:**

Shareholders should address their correspondence to the Company's Share Transfer Agent Ankit Consultancy Pvt. Ltd., Plot No. 60, Electronic Complex, Pardeshi Pura, Indore (M.P.) and may also contact at the Corporate & Head office of the Company.

- (xxiii) Location of Registered office : 7, Niraj Industrial Estate, Off Mahakali Caves Road, Andheri (East), Mumbai - 400 093  
Phone : 091 22 30887744  
Fax : 091 22 30887755  
E-mail: finance@sfil.in
- (xxiv) Location of Plant : 256-257, Sector-I, Pithampur Dist. Dhar (M.P.) 454 775  
Ph.: (07292) 253121, 253404, 403122 407039
- (xxv) Location of Corporate Office : 2<sup>nd</sup> Floor, "Tagore Centre" (Dawa Bazar), 13-14, RNT Marg, Indore - 452 001  
Phone : 091 731 3046869  
Fax : 091 731 3046870  
E-mail: info@sfil.in/finance@sfil.in
- (xxvi) Website of the Company : [www.sfil.in](http://www.sfil.in)

Place: Indore

Date : 13th August, 2014

**Syncom Formulations (India) Ltd.**

CIN : L24239MH1988PLC047759

7, Niraj industrial Estate,  
Off Mahakali Caves Road,  
Andheri (E), Mumbai (MS) 400093

**By order of the Board of Director**

**KEDARMAL BANKDA**  
**Chairman & Whole Time Director**  
**DIN : 00023050**

**DECLARATION**

This is to confirm that all the members of the Board of directors and the Senior Management personnel have affirmed compliance with the Code of Conduct, applicable to them as laid down by the Board of Directors in terms of clause 49(1)(D)(ii) of the Listing Agreement entered into with the Stock Exchanges, for the year ended March, 31st, 2014 .

**Place: Indore**

**Date : 13th August, 2014**

**KEDARMAL BANKDA**  
**Chairman & Whole Time Director**  
**DIN : 00023050**

**MD & CFO CERTIFICATION**

To  
The Members of  
Syncom Formulations (India) Ltd.  
7, Niraj Industrial Estate,  
Off Mahakali Caves Road,  
Andheri (E),  
Mumbai (MS)-400093

Dear Sir,

We have reviewed the Financial Statements read with the cash flow statement of Syncom Formulations (India) Ltd. for the year 31st March, 2014 and that to the best of their knowledge and belief:

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

We further certify that, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violate the Company's code of conduct.

We accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and have not noticed any deficiency that need to be rectified or disclosed to the Auditors and the Audit.

We have indicated to the Auditors and the Audit Committee that there is

1. No significant change in internal control over financial reporting during the year
2. No significant change in accounting policies during the year under review and
3. No instance of any fraud in the company in which the management has any role.

**Place: Indore**

**Date : 13th August, 2014**

**ANKIT BANKDA**  
**CHIEF FINANCIAL**  
**OFFICER**

**VIJAY BANKDA**  
**MANAGING DIRECTOR**  
**DIN : 00023027**



**AUDITORS CERTIFICATE  
ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE**

To,  
The Members,  
Syncom Formulations (India) Limited

We have examined the compliance of conditions of Corporate Governance by Syncom Formulations (India) Ltd. for the year ended 31st March, 2014 as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the directors and management, we certify that the company has complied with the conditions of Corporate Governance applicable as aforesaid.

As required by the Guidance Note issued by the ICAI, on the basis of information and explanations given to us, we have to state that no investor grievances were pending for a period of one month.

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

**FOR, S.P. MOONDRA & CO.  
CHARTERED ACCOUNTANTS**

**S.P. MOONDRA  
PROPRIETOR  
M.NO. 073747  
F.R. NO. 004879C**

**Place: Indore  
Date : 13th August, 2014**

**Independent Auditor's Opinion  
To the Members of M/s. SYNCOM FORMULATIONS (INDIA) LTD.  
Report on the Financial Statements**

We have audited the accompanying financial statements of M/s. SYNCOM FORMULATIONS (INDIA) LTD. which comprise the Balance Sheet as at 31st March, 2014, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

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

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 (the Act) read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control 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.

**Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with the 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 the internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's Internal Control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

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

**Opinion**

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

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at **31st March, 2014**;
- b) in the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date, and
- c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that:
  - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of accounts 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, 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 Balance Sheet, Statement of Profit and Loss, and the Cash flow Statement comply with the Accounting Standards notified under the Act read with the General Circulars 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.
  - e) On the basis of the written representations received from the directors as on **31st March, 2014** taken on record by the Board of Directors, none of the directors is disqualified as on **31st March, 2014** from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

**FOR, S.P. MOONDRA & CO.  
CHARTERED ACCOUNTANTS**

**S.P. MOONDRA  
PROPRIETOR  
M.NO. 073747  
F.R. NO. 004879C**

**Place: Indore  
Date : 30th May, 2014**





**ANNEXURE TO THE AUDITOR'S REPORT**

With reference to the Annexure referred to in our report of even date to the members of **M/S SYNCOM FORMULATIONS (INDIA) LTD.**, for the year ended on **31st March, 2014**, We report that, in our opinion and to the best of our information and explanations furnished to us and the books and records examined by us in the normal course of Audit:

1. a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
- b. As explained to us, the fixed assets have been physically verified by the management during the year, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. We were informed that no material discrepancies were noticed on such physical verification.
- c. There has been no disposal of substantial part of the Fixed Assets during the year & the going concern status of the company is not affected.
2. a. Inventories have been physically verified by the management at reasonable intervals during the year.
- b. In our opinion, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- c. The Company has maintained proper records of inventories. The discrepancies noticed on verification between physical stock and book stock were not material having regard to the size of the operations of the company and have been properly dealt with in Books of Accounts.
3. a. The Company has not granted any Loan to the Parties covered in the register maintained under section 301 of the Act. Consequently, the requirements of Clause (iii)(a), (iii)(b), (iii)(c) and (iii)(d) of paragraph 4 of the Order are not applicable.
- b. The Company has taken Loans from Two parties covered in the register maintained under section 301 of the Act. At the year end Outstanding balances of such loans taken aggregated to Rs. 13,08,200 (Number of Parties -01) and the maximum amount involved during the year was Rs. 1,67,01,000 Further Company has granted Loan to one party covered in the register maintained under Section 301 of the Companies Act, 1956. At the year end Outstanding balances of such loans given aggregated to Rs. 6,00,000 (Number of Parties -01) and the maximum amount involved during the year was Rs. 6,00,000.
- c. In our opinion and according to the information and explanations given to us, rate of Interest and other terms and conditions of the aforesaid Unsecured loans taken by the Company are not prima facie prejudicial to the interest of the Company.
- d. In respect of Loans taken/granted by the Company, the payment of Principal amount and interest are also regular.
- e. In respect of Loans taken/granted by the Company, there were no overdue amount.
4. In our opinion and according to the information and explanation given to us, there is adequate internal control procedure commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and also for the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
5. Based on the Audit Procedures applied by us and according to the information and explanations given to us, there were no transactions that need to be entered into the register maintained in pursuance of section 301 of the Companies Act, 1956.
6. The Company has not accepted any deposits from the public within the meaning of Section 58 A and 58 AA of the Companies Act, 1956 and the rules framed there under. Accordingly, there have been no proceedings before the Company Law Board in this matter nor any order has been passed.
7. In our opinion the Company has an internal Audit system commensurate with the Size and nature of business.
8. The Central Government has prescribed maintenance of Cost Records under Section 209 (1) (d) of the Companies Act, 1956 in respect of manufacturing activity of the Company. We have broadly reviewed the accounts and records of the Company in this connection and are of the opinion, that prima facie, the prescribed accounts and records have been made and maintained. However, we are neither required to carryout nor have carried out any detailed examination of such Accounts and records.

9. a. According to the records of the Company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees state Insurance, Income Tax, Sales Tax, Wealth Tax, Customs Duty, Excise Duty, Cess and other statutory dues have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as on the date of Balance sheet for a period of more than six months from the date they become payable.
- b. According to the information and explanations given to us, the dues in respect of Sales Tax, Income Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and Cess that have not been deposited with the appropriate authorities on account of disputes as on the date of Balance Sheet and the forum where the disputes are pending are as followings:

Sr. no.	Name of the Statute	Nature of the Dues/Period to which the amount relates	Forum where dispute is pending	Amount for which dispute is pending (₹ in Lacs)	Amount Not Deposited (₹ in La)
1.	Income Tax Act	Income Tax AY. 2006-07	Income Tax Appellate Tribunal Mumbai	45.30	45.30
2.	Provident Fund Act	Provident Fund	High Court Indore	7.55	3.78
3.	Income Tax Act	Income Tax AY 2010-11	Income Tax Appellate Tribunal Mumbai	7.64	7.64
4.	Income Tax Act	Income Tax AY 2011-12	Appellate Comm. Income Tax	20.81	20.81
5.	Commercial Tax	Central Sales Tax F.Y 2009-10	D.C Appeal Sales tax Indore	0.32	0.32

10. The Company does not have accumulated losses at the year end and has not incurred any cash losses during the financial year covered by our audit or in the immediately preceding financial year.
11. According to the information and explanations given to us and based on our observation during the audit, The Company did not have any outstanding debentures.
12. According to the information and explanations given to us, The Company during the year has not granted Loans and Advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is not a nidhi/mutual benefit fund/ society to which the provisions of special statue relating to chit fund are applicable.
14. The Company is dealing in Share/Securities. Investments are hold in the name of the company & entries have been made in the register
15. According to the information and explanation given to us, The Company has not given any guarantees for Loans taken by others from Banks or Financial Institutions.
16. The company has not raised any term loans & therefore this clause is not applicable
17. According to the information and explanation given to us and on an overall examination of the Balance sheet of the Company, we are of the opinion that Prima facie the Company has not utilised the funds raised from short term sources towards Long term investment and vice versa.
18. During the year, the Company has not made any preferential allotment of equity shares to parties & Companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
19. The company did not have issued debentures and therefore question of creating of Securities does not arise.
20. The company has not raised any money by way of public issue during the year.
21. In our opinion and according to the information and explanation given to us, no material fraud on or by the Company has been noticed or reported during the year that causes the financial statements to be materially misstated.

**FOR, S.P. MOONDRA & CO.  
CHARTERED ACCOUNTANTS**

**Place: Indore  
Date : 30th May, 2014**

**SP MOONDRA  
PROPRIETOR  
M.NO. 073747**



## Balance Sheet As at 31st March, 2014

(Amount in ₹)

Particulars		As at 31-03-2014	As at 31-03-2013
<b>EQUITY AND LIABILITIES</b>			
<b>Share holders' funds</b>			
Share capital	1	78,06,52,180	22,30,43,480
Reserves and surplus	2	17,13,34,180	65,40,43,610
		95,19,86,360	87,70,87,090
<b>Non-Current Liabilities</b>			
Deferred Tax Liability (Net)	3	6,68,86,052	6,10,01,176
Other long-term liabilities	4	12,00,000	2,18,00,000
<b>Current Liabilities</b>			
Short Term Borrowings	5	3,30,36,138	2,05,33,484
Trade Payables	6	29,35,09,030	19,42,38,842
Other Current Liabilities	7	85,88,839	1,71,51,899
Short Term Provisions	8	4,51,59,228	3,69,27,309
		38,02,93,234	26,88,51,534
<b>GRAND TOTAL</b>		<b>1,40,03,65,646</b>	<b>1,22,87,39,800</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
<b>Fixed Assets</b>			
Tangible Assets	9	50,20,70,387	50,36,79,249
Intangible Assets	9	5,11,733	10,10,403
Non-Current Investments	10	9,30,67,117	6,73,50,733
Long Term Loans and Advances	11	5,97,48,588	5,29,44,722
		65,53,97,825	62,49,85,107
<b>Current Assets</b>			
Inventories	12	9,89,65,117	6,07,46,843
Trade Receivables	13	29,41,56,887	28,93,61,320
Cash and Bank Balances	14	5,27,60,482	3,75,67,042
Short-Term Loans and Advances	15	29,52,14,934	21,39,28,261
Other Current Assets	16	38,70,401	21,51,227
		74,49,67,821	60,37,54,693
<b>GRAND TOTAL</b>		<b>1,40,03,65,646</b>	<b>1,22,87,39,800</b>
Notes & significant accounting policies, forming part of financial statements	1-26		

As per our report of even date annexed

For S.P. Moondra & Co.  
Chartered Accountants

S.P. Moondra  
Proprietor

M. No. : 073747  
F.R. No. : 004879C  
Place : Indore  
Dated the : 30th May, 2014

For and on behalf of the Board of Directors

Kedarmal Bankda  
Chairman & Whole Time Director  
DIN : 00023050

Vijay Bankda  
Managing Director  
DIN : 00023027

Ankit Bankda  
Chief Finance Officer

Shikha Sethi  
Company Secretary



## Statement Of Profit And Loss For The Year Ended 31st March, 2014

(Amount in ₹)

Particulars	Note	2013-14	2012-13
<b>INCOME</b>			
Revenue from Operations (Gross)	17	1,51,64,75,692	1,14,97,39,795
LESS : Excise Duty		35,90,268	24,41,15
Revenue from Operations (NET)		1,51,28,85,424	1,14,94,95,680
Other Income	18	1,12,04,927	1,14,85,035
<b>Total Revenue</b>		<b>1,52,40,90,351</b>	<b>1,16,09,80,715</b>
<b>EXPENDITURE</b>			
Cost of materials consumed	19	70,95,91,319	52,52,12,042
Purchase of Stock-in-Trade	20	32,10,99,794	25,52,17,273
Changes in inventories of Finished Goods, Stock-in-Process and Stock-in-Trade	21	(1,35,18,436)	(50,45,432)
Employee Benefits Expenses	22	11,43,42,826	10,14,65,971
Finance Costs	23	35,53,959	42,94,790
Depreciation and Amortisation Expenses	24	3,07,33,257	2,91,00,313
Other Expenses	25	21,89,82,529	16,62,44,773
<b>Total Expenses</b>		<b>1,38,47,85,248</b>	<b>1,07,64,89,730</b>
<b>Profit / (Loss) before Extraordinary Items and Tax</b>		<b>13,93,05,103</b>	<b>8,44,90,985</b>
Extraordinary Item	26	41,468	0
<b>Profit/(Loss) before Tax</b>		<b>13,92,63,635</b>	<b>8,44,90,985</b>
<b>Tax Expenses</b>			
Current Tax		4,31,51,295	2,28,14,474
Income Tax (Earlier Years)		(29,38,286)	5,41,750
Deferred Tax		58,84,876	45,76,036
<b>Profit for the year</b>		<b>9,31,65,750</b>	<b>5,65,58,725</b>
<b>Earning per equity share of Re. 1 each</b>			
Basic & Diluted Before Extraordinary Activities (In Re. )		0.12	0.07
Basic & Diluted After Extraordinary Activities (In Re.)		0.12	0.07
<b>Notes &amp; significant accounting policies, forming part of financial statements</b>	1-27		

As per our report of even date annexed

For S.P. Moondra & Co.  
Chartered AccountantsS.P.Moondra  
ProprietorM. No. : 073747  
F.R. No. : 004879C  
Place : Indore  
Dated the : 30th May, 2014

For and on behalf of the Board of Directors

Kedarmal Bankda  
Chairman & Whole Time Director  
DIN : 00023050Vijay Bankda  
Managing Director  
DIN : 00023027Ankit Bankda  
Chief Finance OfficerShikha Sethi  
Company Secretary





**Cash Flow Statement For The Year Ended 31st March, 2014**

(₹ in Lacs)

Particulars	Year Ended		Year Ended	
	31-03-2014		31-03-2013	
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>				
Net profit before extraordinary items & tax		1,393.05		844.91
<i>Adjustments for:</i>				
Depreciation and Amortisation	299.08		282.75	
Amortisation of share issue expenses	8.26		8.26	
Finance costs	35.54		42.95	
Interest income	(67.28)		(71.20)	
Dividend income	(0.20)		0.00	
Rental income from investment properties	(39.75)	235.65	(38.65)	224.11
Operating profit before working capital changes		1628.70		1069.02
<i>Changes in working capital</i>				
Adjustments for (increase)/decrease in operating assets:				
Inventories	(382.19)		(161.64)	
Trade receivables	(47.96)		(508.06)	
Short term loans and advances	(812.87)		(494.50)	
Long term loans and advances	(68.04)		(91.63)	
Other current assets	(25.45)		1.03	
Adjustments for (increase)/decrease in operating liabilities:				
Trade payables	992.70		829.46	
Other current liabilities	(85.63)		52.53	
Other long-term liabilities	(206.00)		73.50	
Short-term provisions	82.32	(553.12)	41.73	(257.58)
		1,075.58		811.44
Cash flow from extraordinary items	(0.41)	(0.41)		0.00
Cash generated from operations		1,075.17		811.44
Net income tax (paid)	(402.13)	(402.13)	(233.56)	(233.56)
<b>Net cash flow from / (used in) operating activities (A)</b>		<b>673.04</b>		<b>577.88</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Capital expenditure on fixed asset	(278.00)		(251.68)	
Purchase of long-term investments	(522.92)		0.00	
Proceeds from sale of long-term investments	265.75		110.00	
Interest received	67.28		71.20	
Dividend received	0.20		0.00	
Rental income from investment properties	39.75		38.65	
<b>Net cash flow (used in) investing activities (B)</b>		<b>(427.94)</b>		<b>(31.83)</b>



## Cash Flow Statement For The Year Ended 31st March, 2014

(₹ in Lacs)

Particulars	Year Ended		Year Ended	
	31 - 03 - 2014		31 - 03 - 2013	
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>				
Proceeds from issue of equity shares	0.00		0.00	
Proceeds from other short-term borrowings	125.03		0.00	
Repayment of other short-term borrowings	0.00		(439.88)	
Finance cost	(35.54)		(42.95)	
Dividends paid	(156.13)		(133.83)	
Tax on dividend	(26.53)		(21.71)	
<b>Net cash flow from / (used in) financing activities (C)</b>		<b>(93.17)</b>		<b>(638.37)</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>		<b>151.93</b>		<b>(92.32)</b>
Cash and cash equivalents at beginning of the year		375.67		467.99
<b>Cash and cash equivalents at the end of the year</b>		<b>527.60</b>		<b>375.67</b>

As per our report of even date annexed

For S.P. Moondra & Co.  
Chartered Accountants

S.P. Moondra  
Proprietor

M. No. : 073747  
F.R. No. : 004879C  
Place : Indore  
Dated the : 30th May, 2014

For and on behalf of the Board of Directors

Kedarmal Bankda  
Chairman & Whole Time Director  
DIN : 00023050

Vijay Bankda  
Managing Director  
DIN : 00023027

Ankit Bankda  
Chief Finance Officer

Shikha Sethi  
Company Secretary



**Notes On Financial Statements For The Year Ended 31st March, 2014**

(Amount in ₹)

Particulars	2013-2014	2012-2013		
<b>NOTE - 1: SHARE CAPITAL</b>				
<b>Authorized Share Capital</b>				
80,00,00,000 equity shares of Re. 1 each (Previous Year 2,50,00,000 equity share of Rs. 10 each)	<b>80,00,00,000</b>	25,00,00,000		
<b>Issued, Subscribed &amp; Paid up</b>				
78,06,52,180 Equity shares of Re. 1 fully paid up (Previous year 2,23,04,348 Equity Shares of Rs. 10 each fully paid up.)	<b>78,06,52,180</b>	22,30,43,480		
<p>(The company has only one class of equity share. Each share holder is eligible for one vote per share The dividend proposed by the board is subject to the approval of share holders except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the assets of the company after distribution of all preferential amounts in proportion to their shareholding.</p> <p>During the year face value of the shares were sub divided from Rs. 10 to Re. 1 each and 10 shares were issued for every one share held by the members.)</p> <p>1.1 of the above shares 75,00,000 equity shares of Re 1 each (Previous year 75000 Shares of Rs. 100 each) were allotted as fully paid up bonus shares by capitalisation of General Reserve.</p> <p>1.2 of the above Share 4,92,40,000 shares of Re 1 each (Previous year 49,24,000 shares of Rs. 10 each) have been allotted for consideration other than cash</p> <p>1.3 of the above shares equity 55,76,08,700 equity shares of Re.1 were allotted as bonus shares fully paid up bonus shares by capitalisation of General Reserve, share Premium, share Forfeiture in the proportion of 5 share for every 2 share of Re 1/-</p>				
<b>The details of Shareholders holding more than 5% shares:</b>				
Name of the Shareholder	As at 31.03.2014		As at 31.03.2013	
	No. of shares(Re1)	% held	No. of shares(Re10)	% held
Mr. Kedarmal Bankda	9,01,94,650	11.55%	25,76,990	11.55%
Mr. Vijay Bankda	5,85,53,775	7.50%	16,72,965	7.50%
Mr. Ankur Vijay Bankda	4,28,13,925	5.48%	12,23,255	5.48%
Mr. Ankit Bankda	4,68,86,420	6.01%	13,39,612	6.01%
Mrs. Asha Bankda	4,75,53,485	6.09%	13,58,671	6.09%
Mr. Rahul Bankda	4,07,59,915	5.22%	11,64,569	5.22%
M/s Odyssey Corp. Ltd.	4,64,95,000	5.96%	18,00,000	8.07%
M/s. Paradise Vyapar Pvt. Ltd.	4,71,86,125	6.05%	13,48,175	6.05%
<b>The reconciliation of the number of shares outstanding is set out below:</b>				
Particulars	No. of shares			
	As at 31.03.2014	As at 31.03.2013		
Equity shares at the beginning of the year	2,23,04,348	2,23,04,348		
Add: Due to sub division of face value from Rs.10 to Re. 1	20,07,39,132	0		
Add: Issue of Bonus share in Ratio of 5:2 to existing share holder	55,76,08,700	0		
Equity shares at the end of the year	<b>78,06,52,180</b>	2,23,04,348		
<b>NOTE - 2: RESERVES &amp; SURPLUS</b>				
<b>Capital Reserve</b>				
<b>State capital subsidy</b>				
As per last balance sheet	a	7,50,000	7,50,000	
<b>On account of forfeiture of shares / warrant</b>				
As per last balance sheet		16,19,300	16,19,300	
Less : Utilised during the year by issue of Bonus Shares		16,19,300	0	
	b	0	16,19,300	





**Notes On Financial Statements For The Year Ended 31st March, 2014**

(Amount in ₹)

<b>Particulars</b>	<b>2013-2014</b>	<b>2012-2013</b>
<b>Securities Premium Reserve</b>		
As per last balance sheet	30,65,97,996	30,65,97,996
Less : Utilised during the year by issue of Bonus Shares	30,65,97,996	0
c	0	30,65,97,996
<b>General reserve</b>		
(As per last balance sheet)	30,00,00,000	26,00,00,000
Less : Utilised during the year by Issue of Bonus Shares	24,93,91,404	0
Add: Set aside during the year	4,93,91,404	4,00,00,000
d	10,00,00,000	30,00,00,000
<b>Surplus - Balance in Statement of Profit &amp; Loss</b>		
As per last balance sheet	4,50,76,314	4,40,71,191
Add: Profit for the year	9,31,65,751	5,65,58,726
Less: Transfer to General Reserve	4,93,91,404	4,00,00,000
Less: Proposed Equity Dividend	1,56,13,044	1,33,82,609
Less: Tax on Proposed Equity Dividend	26,53,437	21,70,994
e	7,05,84,180	4,50,76,314
(a to e)	17,13,34,180	65,40,43,610
<b>NOTE - 3: DEFERRED TAX LIABILITY (NET)</b>		
<b>Deferred Tax Liability on account of</b>		
Depreciation	6,82,57,396	6,21,75,933
<b>Deferred Tax Assets on account of</b>		
Provision for Gratuity	13,71,344	11,74,757
<b>Net Deferred Tax liability / (Assets)</b>	6,68,86,052	6,10,01,176
<b>NOTE - 4: OTHER LONG-TERM LIABILITIES</b>		
Trade Deposits	12,00,000	2,18,00,000
	12,00,000	2,18,00,000
<b>NOTE - 5: SHORT TERM BORROWINGS</b>		
<b>Loan repayable on demand</b>		
<b>Secured</b>		
<b>Working Capital Loans (Over Draft)</b>		
From Dena Bank	3,09,44,842	1,85,89,863
From State Bank of India	7,83,095	1,25,521
<b>Security:</b>		
Overdrafts from banks are secured against the pledge of fixed deposit receipts		
<b>Unsecured</b>		
From Related Parties (Note: Refer Note no. 27.12 for details )	13,08,200	18,18,100
	3,30,36,137	2,05,33,484
<b>NOTE - 6: TRADE PAYABLE (Refer Note No. 27.09)</b>		
Micro, Small and Medium Enterprises	50,49,704	63,28,294
Others	28,84,59,326	18,79,10,548
	29,35,09,030	19,42,38,842



**Notes On Financial Statements For The Year Ended 31st March, 2014**

(Amount in ₹)

Particulars	2013-2014	2012-2013
<b>NOTE - 7: OTHER CURRENT LIABILITIES</b>		
Unclaimed dividend	12,95,903	16,15,438
Right issue Refund Payable A/c	18,717	18,717
Creditors - Capital Expenditure	17,85,174	28,62,345
Advance from Customers	20,55,950	90,89,754
Statutory Dues	34,33,095	35,65,645
	<b>85,88,839</b>	<b>1,71,51,899</b>
<b>NOTE - 8: SHORT TERM PROVISIONS</b>		
Provision for Bonus, Gratuity and leave encashment	65,14,460	54,34,268
Provision for Income Tax- Net of Advance. Tax Rs. 3,59,05,261(Pre.Yr. Rs. 1,61,18,102)	72,46,034	66,96,372
Provision for Expenses	1,31,32,253	92,43,066
Proposed dividend	1,56,13,044	1,33,82,609
Corporate Dividend Tax Payable	26,53,437	21,70,994
	<b>4,51,59,228</b>	<b>3,69,27,309</b>

<b>NOTE - 9: FIXED ASSETS (AT COST)</b>								
PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	As at 31.03.13	Additions	As at 31.03.14	As at 31.03.13	For the Year	As at 31.03.14	As at 31.03.14	As at 31.03.13
<b>TANGIBLE ASSETS:</b>								
<b>Own Assets</b>								
Lease hold land	11,86,605	0	11,86,605	1,67,804	11,986	1,79,790	10,06,815	10,18,801
Building Factory	18,30,99,360	72,61,505	19,03,60,865	5,21,31,073	58,09,062	5,79,40,135	13,24,20,730	13,09,68,287
Building others	14,59,75,800	0	14,59,75,800	54,38,988	23,79,406	78,18,394	13,81,57,406	14,05,36,812
Plant & Machineries	27,74,45,527	1,17,02,346	28,91,47,873	12,24,97,641	1,37,51,583	13,62,49,224	15,28,98,649	15,49,47,886
Electrical Installation	3,53,31,449	52,18,454	4,05,49,903	1,18,99,006	17,63,619	1,36,62,625	2,68,87,278	2,34,32,443
Furniture & Fixtures	4,94,08,659	3,81,930	4,97,90,589	2,36,89,630	31,38,316	2,68,27,946	2,29,62,643	2,57,19,029
Office Equipments	2,67,15,791	7,42,924	2,74,58,715	96,10,682	12,80,654	1,08,91,336	1,65,67,379	1,71,05,109
Computers	1,04,18,963	3,17,225	1,07,36,188	99,32,162	88,506	1,00,20,668	7,15,520	4,86,801
Vehicles	1,11,21,363	21,33,600	1,32,54,963	16,57,282	11,43,714	28,00,996	1,04,53,967	94,64,081
<b>TOTAL (A)</b>	<b>74,07,03,517</b>	<b>2,77,57,984</b>	<b>76,84,61,501</b>	<b>23,70,24,268</b>	<b>2,93,66,846</b>	<b>26,63,91,114</b>	<b>50,20,70,387</b>	<b>50,36,79,249</b>
<b>INTANGIBLE ASSETS:</b>								
Software	33,35,290	42,000	33,77,290	23,24,887	5,40,670	28,65,557	5,11,733	10,10,403
<b>TOTAL (B)</b>	<b>33,35,290</b>	<b>42,000</b>	<b>33,77,290</b>	<b>23,24,887</b>	<b>5,40,670</b>	<b>28,65,557</b>	<b>5,11,733</b>	<b>10,10,403</b>
<b>TOTAL (A+B)</b>	<b>74,40,38,807</b>	<b>2,77,99,984</b>	<b>77,18,38,791</b>	<b>23,93,49,155</b>	<b>2,99,07,516</b>	<b>26,92,56,671</b>	<b>50,25,82,120</b>	<b>50,46,89,652</b>
Prev. Year	71,88,70,346	2,51,68,461	74,40,38,807	21,10,74,581	2,82,74,574	23,93,49,155	50,46,89,652	50,77,95,765

<b>NOTE - 10: NON CURRENT INVESTMENTS</b>		
<b>In equity shares - quoted, fully paid up</b>		
<b>M/s Ravi Kumar Distilleries Ltd.</b>	1,79,26,033	4,21,00,733
5,11,000 shares of Rs. 10 each fully paid up (Previous Year 794250)		
Market value Rs. 22,99,500 (Previous year 69,89,400)		
<b>Bil Energy Systems Ltd.</b>	68,68,519	0
10,63,000 (Previous year Nil) shares of Re 1 fully paid up - Market Value Rs. 19,24,030		
<b>The Byke Hospitality Ltd.</b>	4,79,869	0
1,500 (Previous year Nil) shares of Rs. 10 fully paid up - Market Value Rs. 4,80,075		
<b>PFL Infotech Ltd.</b>	1,74,44,039	0
32,700 (Previous year Nil) shares of Rs. 10 fully paid up - Market Value Rs. 2,38,57,920		
<b>Risa International Ltd.</b>	56,74,407	0
9,000 (Previous Year Nil) shares of Rs. 10 fully paid up - Market Value Rs. 1,05,33,150		
<b>Rutron International Ltd.</b>	39,43,231	0
5,50,000 (Previous year Nil) shares of Re 1 fully paid up - Market Value Rs. 39,60,000		



**Notes On Financial Statements For The Year Ended 31st March, 2014**

(Amount in ₹)

<b>Particulars</b>	<b>2013-2014</b>	<b>2012-2013</b>
<b>Upsurge Investment &amp; Finance Ltd.</b>	1,78,81,019	0
4,10,000 (Previous Year Nil) Shares of Rs. 10 fully paid up - Market Value Rs. 67,24,000		
<b>First Financial Services Ltd.</b>	0	20,00,000
Nil shares (Previous year 1,00,000) of Rs. 10 each fully paid up		
a	<b>7,02,17,117</b>	<b>4,41,00,733</b>
<b>In equity shares - unquoted, fully paid up</b>		
2,28,500 shares of M/s Bharosemand Commodities Pvt. Ltd. of Rs. 100 each	2,28,50,000	2,28,50,000
b	<b>2,28,50,000</b>	<b>2,28,50,000</b>
<b>Investment in partnership firms (Refer Note No. 27.12)</b>		
M/s Syncom International	0	4,00,000
(a+b+c)	<b>9,30,67,117</b>	<b>6,73,50,733</b>
<b>NOTE - 11: LONG TERM LOANS &amp; ADVANCES</b>		
(Unsecured Considered Goods)		
Capital advances	1,72,98,652	1,12,91,748
Deposits	27,49,936	19,52,974
Deposit for Premises (Related parties) (Refer note 27.12)	3,97,00,000	3,97,00,000
	<b>5,97,48,588</b>	<b>5,29,44,722</b>
<b>NOTE - 12: INVENTORIES</b>		
(At lower of cost or net realizable value)		
Raw Materials	3,66,52,293	1,71,15,493
Stock in Process	2,13,35,850	1,79,15,076
Finished Goods	2,10,76,456	1,09,78,794
Packing Material	1,76,95,989	1,24,81,556
Stores & spares and others	22,04,529	22,55,924
	<b>9,89,65,117</b>	<b>6,07,46,843</b>
<b>Details of Inventories of Work in Progress</b>		
Tablets	1,49,31,529	1,07,36,874
Capsules	28,01,319	33,33,150
Liquids	12,73,296	5,19,897
Injectable	12,63,274	30,47,198
Others	10,66,432	2,77,958
	<b>2,13,35,850</b>	<b>1,79,15,076</b>
<b>NOTE - 13: TRADE RECEIVABLE</b>		
(Unsecured, Considered Goods)		
Within Six Months	29,39,45,487	28,35,29,281
Over Six Months	2,11,400	58,32,039
	<b>29,41,56,887</b>	<b>28,93,61,320</b>
<b>NOTE - 14: CASH &amp; BANK BALANCE</b>		
Cash in hand (As certified)	13,75,845	8,52,383
Balance with Banks		
- In Current Account	1,50,35,017	45,504
- In Current accounts in respect of unclaimed dividend warrants	12,95,903	16,15,438
- In Current accounts in respect of Right issue refund orders	18,717	18,717
- In Fixed Deposit with Banks (Pledged with Bank and Govt. Dept.)	3,50,35,000	3,50,35,000
	<b>5,27,60,482</b>	<b>3,75,67,042</b>





**Notes On Financial Statements For The Year Ended 31st March, 2014**

(Amount in ₹)

<b>Particulars</b>	<b>2013-2014</b>	<b>2012-2013</b>
<b>NOTE - 15: SHORT TERM LOANS AND ADVANCES</b>		
(Unsecured and considered good)		
Loans and Advance to employees	86,47,300	82,32,300
Loans and Advance to others	16,34,39,038	10,43,04,733
Prepaid Expenses	2,33,521	1,44,489
<b>Balances with Govt. Authorities</b>		
- Export incentives receivables	3,74,69,914	4,16,21,353
- Excise duty receivable	3,40,11,272	2,85,68,956
- Balance with Central Excise	3,49,03,085	1,61,81,628
- VAT receivable	1,65,10,803	1,48,74,802
	<b>29,52,14,933</b>	<b>21,39,28,261</b>
<b>NOTE - 16: Other Current Assets</b>		
<b>a. Accruals</b>		
Interest Accrued but not due on fixed deposits with bank	a 35,72,469	10,27,554
<b>b. Miscellaneous Expenditure</b>		
(To the extent not written off or adjusted)		
<b>Share issue expenses</b>		
As per last balance sheet	11,23,673	19,49,412
Add: Incurred during the period	0	0
Less: Written off during the year	8,25,741	8,25,739
	b 2,97,932	11,23,673
	(a+b) <b>38,70,401</b>	<b>21,51,227</b>
<b>NOTE - 17: REVENUE FROM OPERATIONS</b>		
<b>Sales</b>		
- Export Sales	1,05,45,29,140	74,91,53,798
- Domestic Sales	41,95,91,013	36,82,93,282
	<b>Total 1,47,41,20,153</b>	<b>1,11,74,47,080</b>
Export Incentives	4,23,55,539	3,22,92,715
	<b>Total 1,51,64,75,692</b>	<b>1,14,97,39,795</b>
Less : Excise Duty	35,90,268	2,44,115
	<b>Total 1,51,28,85,424</b>	<b>1,14,94,95,680</b>
<b>NOTE - 17(a): REVENUE FROM OPERATIONS</b>		
<b>Sales of Product Comprises of Manufactured Goods</b>		
- Tablets	62,92,50,906	44,90,08,157
- Capsules	16,50,11,682	14,63,20,936
- Liquids	852,16,068	5,95,59,150
- Injectable	10,03,27,575	6,86,36,452
- Ointment	1,01,67,527	92,35,644
- Dry Powder	99,30,345	1,14,45,958
- Inhaler	0	35,81,764
	<b>Total of Manufactured Goods (a) 99,99,04,103</b>	<b>74,77,88,061</b>



**Notes On Financial Statements For The Year Ended 31st March, 2014**

(Amount in ₹)

Particulars		2013-2014	2012-2013
<b>Traded Goods</b>			
-	Mentha Oil	10,26,08,298	15,02,03,136
-	Tablets	11,03,61,464	10,23,39,068
-	Liquids	9,18,95,098	6,98,16,790
-	Capsules	2,44,84,150	2,16,75,234
-	Ointment	1,29,41,519	0
-	Rice	4,49,81,906	0
-	Soya DOC	2,91,79,091	0
-	Raw Material	3,77,07,835	0
-	Others	2,00,56,689	2,56,24,791
<b>Total of Traded Goods (b)</b>		<b>47,42,16,050</b>	<b>36,96,59,019</b>
<b>Grand Total (a+b)</b>		<b>1,47,41,20,153</b>	<b>1,11,74,47,080</b>
<b>NOTE - 18: OTHER INCOME</b>			
<b>Interest received</b>			
	Others	35,10,781	37,35,378
	Bank	32,16,980	33,84,250
<b>Dividend Income</b>			
	From Investment (Others)	20,000	0
<b>Other non operating income</b>			
	Rent	39,75,744	38,65,312
	Miscellaneous Income	4,75,141	4,98,845
	Commission	6,281	1,250
		<b>1,12,04,927</b>	<b>1,14,85,035</b>
<b>NOTE - 19: PARTICULARS OF MATERIALS CONSUMED</b>			
	Paracetamol	9,53,23,789	10,77,94,876
	Ibuprofen	1,21,98,202	1,41,77,643
	Chloroquine Phosphate	3,41,95,410	2,95,18,934
	Cefixime Trihydrate	2,78,44,831	1,80,06,320
	Packing Material	26,01,52,534	17,95,44,890
	Others	27,98,76,554	17,61,69,379
		<b>70,95,91,320</b>	<b>52,52,12,042</b>
<b>NOTE - 19(a): COST OF MATERIALS CONSUMED</b>			
		<b>2013-14</b>	<b>2012-13</b>
<b>Particulars</b>	<b>Amount</b>	<b>%</b>	<b>Amount</b>
			<b>%</b>
Imported	0	0	0
Indigenous	70,95,91,320	100	52,52,12,042
			100
<b>Total</b>	<b>70,95,91,320</b>	<b>100</b>	<b>52,52,12,042</b>
			100



**Notes On Financial Statements For The Year Ended 31st March, 2014**

(Amount in ₹)

Particulars	2013-2014	2012-2013
<b>NOTE - 20: PURCHASE OF STOCK-IN-TRADE</b>		
Mentha Oil	10,29,57,163	15,02,90,342
Tablets	5,31,07,538	2,14,64,727
Liquids	3,77,49,552	1,52,22,918
Capsules	92,68,820	52,84,926
Raw Material	3,56,04,953	0
Soya DOC	2,88,45,057	0
Rice	3,05,75,401	0
Others	2,29,91,310	6,29,54,360
	<b>32,10,99,794</b>	<b>25,52,17,273</b>
<b>NOTE - 21: CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-PROCESS AND STOCK- IN- TRADE</b>		
<b>Inventories (at close)</b>		
Finished Goods	2,10,76,456	1,09,78,794
Stock in Process	2,13,35,850	1,79,15,076
Stock in Trade	0	0
	<b>a</b>	<b>2,88,93,870</b>
<b>Inventories (at commencement)</b>		
Finished Goods	1,79,15,076	1,79,10,679
Stock in Process	1,09,78,794	59,37,759
Stock in Trade	0	0
	<b>b</b>	<b>2,38,48,438</b>
<b>(Increase) / Decrease in stock</b>	<b>(b-a)</b>	<b>(50,45,432)</b>
<b>NOTE - 22: EMPLOYEE BENEFITS EXPENSES</b>		
Salary and Wages	10,23,68,679	9,35,50,978
Salaries and Allowances to Directors	8,40,000	8,40,000
Contribution to provident and other fund	45,35,197	38,09,493
Gratuity	8,49,061	11,19,982
Workmen and Staff welfare	57,49,889	21,45,518
	<b>11,43,42,826</b>	<b>10,14,65,971</b>
As per Accounting standard 15 "Employee benefits" the disclosures as defined in the Accounting Standard are given below:		
<b>Defined Contribution Plans</b>	<b>2013-14</b>	<b>2012-13</b>
Employer's Contribution to Provident Fund	27,12,921	24,82,597
Employer's Contribution to E.S.I.	18,22,276	13,26,896
	<b>45,35,197</b>	<b>38,09,493</b>
<b>NOTE-23: FINANCE COST</b>		
Interest Expenses		
Bank	8,80,829	15,67,324
Other	26,73,130	27,27,466
	<b>35,53,959</b>	<b>42,94,790</b>
<b>NOTE-24: DEPRECIATION AND AMORTISATION EXPENSES</b>		
Depreciation (As per Note No. 9)	2,99,07,516	2,82,74,574
Amortisation of share issue expenses	8,25,741	8,25,739
	<b>3,07,33,257</b>	<b>2,91,00,313</b>





**Notes On Financial Statements For The Year Ended 31st March, 2014**

(Amount in ₹)

<b>Particulars</b>	<b>2013-2014</b>	<b>2012-2013</b>
<b>NOTE-25: OTHER EXPENSES</b>		
<b>Manufacturing Expenses</b>		
Power and Fuel	2,18,94,564	1,75,66,385
Repairs to Machineries	48,39,775	29,58,900
Vehicle hire charges	10,68,464	6,83,594
Factory Expenses	34,66,970	19,09,739
Insurance Expenses	6,31,384	3,31,487
Security charges	9,65,616	8,06,860
a	<b>3,28,66,773</b>	<b>2,42,56,965</b>
<b>Selling &amp; Distribution expenses</b>		
Ocean Freight	4,54,79,706	2,00,16,836
Export Expenses	2,17,29,367	1,58,25,312
Selling Expenses	1,89,94,198	2,15,91,538
Sales Promotion Expenses	3,20,75,208	1,70,22,839
b	<b>11,82,78,479</b>	<b>7,44,56,525</b>
<b>Establishment expenses</b>		
Traveling Expenses	4,41,50,406	5,11,57,890
Legal & Professional	81,37,313	32,76,607
Rent	18,96,000	18,96,000
Electricity & Water	20,62,964	17,24,502
Sundry Expenses	62,34,751	57,91,229
Telephone & Postage	26,81,087	17,13,349
Payment to Auditors		
- Audit Fee	73,034	67,416
- Tax Audit Fee	22,472	16,854
- Certification Fee	19,101	3,372
Membership & Subscription	38,690	93,062
Bonus Issue Expenses	7,38,253	0
Bank Charges	1,12,64,72	9,54,202
Repairs & Maintenance	4,89,160	5,65,773
Vehicle Running & Maintenance	1,67,573	2,71,027
c	<b>6,78,37,276</b>	<b>6,75,31,283</b>
(a+b+c)	<b>21,89,82,528</b>	<b>16,62,44,773</b>
<b>NOTE - 26: EXTRAORDINARY ITEM</b>		
Long Term Capital Loss on Sales of Investments	41,468	0
	<b>41,468</b>	<b>0</b>



**Notes On Financial Statements For The Year Ended 31st March, 2014**

(Amount in ₹)

<b>NOTE - 27</b>			
<b>27.01</b>	<b>Derivative contracts entered into by the Company and outstanding as on 31st March, 2014</b>		
	a) Nominal amounts of Forward contracts entered into by the Company and outstanding as on the date of balance sheet is Rs. 741.35 lac (Previous Year Rs. 633.61 lac) category wise breakup is below: (₹ in Lacs)		
<b>Sr. No.</b>	<b>Particular</b>	<b>31.03.2014</b>	<b>31.03.2013</b>
1	US \$	741.35	663.61
	b) Foreign currency exposures that are not hedged by forward cover Rs. 1228.01 lac (Previous Year 1138.09 lac)		
<b>27.02</b>	<b>Earning in Foreign Exchange: Export Sales (FOB Value) Rs. 10056.50 lacs (Prev. Year 7181.59 lacs)</b>		
	<b>Expenditure in Foreign Exchange:</b>	<b>31.03.2014</b>	<b>31.03.2013</b>
	<b>Capital Goods</b>		
	Machines	0	8,72,625
	<b>Others</b>		
	Commission on sales	10,31,413	86,312
	Traveling Exp. (Foreign)	11,22,301	27,43,686
	Product registration charges		0
<b>27.03</b>	<b>Details of Government grants</b>		
	<b>Particulars</b>	<b>31.03.2014</b>	<b>31.03.2013</b>
	Government grants received by the Company during the Year towards		
	- Export incentive (DEPB) \ Duty Draw Back	4,23,55,539	3,22,92,715
		4,23,55,539	3,22,92,715
<b>27.04</b>	<b>Borrowing costs capitalised during the year - Nil (Previous Year Nil)</b>		
<b>27.05</b>	<b>Contingent liabilities and commitments (to the extent not provided for)</b>		
	<b>Contingent liabilities</b>	<b>Rs. in lacs</b>	<b>Rs. in lacs</b>
	<b>a) Claims against the Company not acknowledged as debt</b>		
	(i) Income Tax demand for A.Y. 2006-07	45.30	45.30
	(ii) Provident Fund demand	7.55	7.55
	(iii) Income Tax demand for A.Y. 2010-11	7.64	29.29
	(iv) Income Tax demand for A.Y. 2011-12	20.81	0.00
	(v) Appelle with D C Commercial Tax F.Y. 2009-10	0.32	0.32
	(vi) Capital commitments	235.15	150.62
	<b>b) Bank Guarantees</b>	<b>0.00</b>	<b>0.00</b>
<b>27.06</b>	<b>Segment Information: The Company is operating in single segment.</b>		
<b>27.07</b>	<b>Earning per share</b>	<b>31.03.2014</b>	<b>31.03.2013</b>
	Weighted average number of equity shares outstanding during the year	55,91,36,395	2,23,04,348
	Net profit after tax available for equity shareholders	9,31,65,751	5,65,58,726
	Basic & Diluted Earnings (in Rupees) per share	0.17	2.54
	Face value per share (in Rupees)	1.00	10.00
	* Basic & Diluted Earnings (in Rupees) per share	0.12	0.07
	* Note: In compliance with the accounting standard 20-earning per share (E.P.S.), the company has given effect to the sub division of shares and issue of bonus shares in computing earning per share for the comparative periods.		
<b>27.08</b>	Income tax assessment have been completed up to Assessment Year 2011-12		
<b>27.09</b>	The company has addressed letters to suppliers seeking confirmations as to registration under the "Micro, Small and Medium Enterprises Development Act, 2006". Based on the information available with the company, an amount of Rs. 50.50 lacs is due to Micro, Small and Medium Enterprises as detailed below:		


**Notes On Financial Statements For The Year Ended 31st March, 2014**

(₹ in Lacs)

S.No.	Name of the Party	Current Year	Previous Year
1	Ideal Cures Pvt. Ltd., Mumbai	0.44	0.41
2	Lux Flavours	0.51	0.71
3	P.G. Holographic Products, Indore	0.00	2.96
4	Packwell Packaging	11.64	24.38
5	Packwell Products	0.00	0.00
6	Panna Flex Pack, Indore	16.24	11.95
7	Shree Packers	0.00	0.00
8	Shree Packers (MP) PVT LTD.	21.67	22.87
<b>TOTAL</b>		<b>50.50</b>	<b>63.28</b>

All the amounts outstanding are due for a period less than that prescribed under the Act and all the payments during the year have been paid within the period less than that prescribed under the Act. Interest Paid / Payable is Rs. Nil.

**27.10** Computation of Net Profit in accordance with Section 349 of the Companies Act, 1956 has not been given, as commission by way of percentage of Profit is not payable for the year to any of the director of the company.

**27.11** The outstanding balances of the debtors, creditors, advances and unsecured loans are as per books of accounts and subject to confirmation from respective parties.

**27.12 RELATED PARTY DISCLOSURES**

As per Accounting Standard 18, the disclosures of transactions with the related parties are given below:

**a) Details of related parties:**

Description of relationship	Name of Related Parties
Parties with whom control exist	Syncom International, Mumbai, Synmax Pharma, Indore M/s Trade Services FZE- Subsidiary, ARP Pharma Pvt. Ltd., Strand Developers Pvt. Ltd., Paradise Vyapar Pvt. Ltd.
Key Management Personnel (KMP)	Mr. Kedarmal Bankda (Chairman & Whole Time Director) Mr. Vijay Bankda (Managing Director) Mr. Vinod Kabra, Mr. K.D. Neema, Mr. Praveen Jindal
Relative of Director	Mrs. Vimla Bankda, Mr. Ankit Bankda, Kedarmal Bankda HUF, Mrs. Asha Bankda, Mr. Rahul Bankda, Mrs. Sulabh Bankda, Mr. Ankur Bankda, Ankur Bankda HUF, Vijay Bankda HUF, Mrs. Payal Bankda, Mrs. Rinki Bankda, Rahul Bankda HUF, Ankit Bankda HUF
Other related parties	Nil

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

(Rs. in Lacs)

Sr. No.	Nature of Transactions (Excluding reimbursements)	Employee Benefits Expenses		Rent		Car Lease Rent	
		Curr. Yr.	Prev. Yr.	Curr. Yr.	Prev. Yr.	Curr. Yr.	Prev. Yr.
<b>A</b>	<b>Key Managerial Personnel</b>						
	Mr. Kedarmal Bankda	4.20	4.20	2.16	2.16	0.00	0.48
	Mr. Vijay Bankda	4.20	4.20	2.16	2.16	0.00	0.00
<b>B</b>	<b>Relative of Director</b>						
	Mrs. Vimla Bankda	3.60	3.00	2.16	2.16	0.00	0.60
	Mrs. Asha Bankda	3.00	3.00	4.32	4.32	0.00	0.96
	Mr. Rahul Bankda	4.20	3.60	2.16	2.16	0.00	0.96
	Mrs. Sulabh Bankda	4.20	3.00	0.00	0.00	0.00	0.00
	Mr. Ankur Bankda	3.60	3.60	0.00	0.00	0.00	0.00
	Mrs. Payal Bankda	3.00	3.00	0.00	0.00	0.00	0.00
	Mr. Ankit Bankda	4.80	3.60	0.00	0.00	0.00	0.00
	Mrs. Rinki Bankda	4.20	3.00	0.00	0.00	0.00	0.00
	Shankarlal Bankda (HUF)	0.00	0.00	2.40	2.40	0.00	0.00
	Kedarmal Bankda (HUF)	0.00	0.00	0.00	0.00	0.00	0.00
	Vijay Bankda (HUF)	0.00	0.00	3.60	3.60	0.00	0.00
Rahul Bankda (HUF)	0.00	0.00	0.00	0.00	0.00	0.00	





**Notes On Financial Statements For The Year Ended 31st March, 2014**

(₹ in Lacs)

Sr. No.	Nature of Transactions	Key Managerial Personnel		Relative of Director		Parties with whom control exist	
		Curr. Yr.	Prev. Yr.	Curr. Yr.	Prev. Yr.	Curr. Yr.	Prev. Yr.
<b>A</b>	<b>Sitting Fees</b>						
	Mr. Praveen Jindal	0.075	0.075	0.00	0.00	0.00	0.00
	Mr. Vinod Kabra	0.075	0.075	0.00	0.00	0.00	0.00
<b>B</b>	<b>Unsecured Loan received</b>						
	Strand Developers Pvt. Ltd.	0.00	0.00	0.00	0.00	0.05	0.25
	Paradise Vyapaar Pvt. Ltd.	0.00	0.00	0.00	0.00	0.00	33.69
	ARP Pharma Pvt. Ltd.	0.00	0.00	0.00	0.00	309.60	321.18
<b>C</b>	<b>Unsecured Loan repaid</b>						
	Vijay Bankda	0.00	100.00	0.00	0.00	0.00	0.00
	Strand Developers Pvt. Ltd.	0.00	0.00	0.00	0.00	0.05	21.37
	ARP Pharma Pvt. Ltd.	0.00	0.00	0.00	0.00	314.70	303.00
	Paradise Vyapaar Pvt. Ltd.	0.00	0.00	0.00	0.00	0.00	369.45
	Vijay Bankda	0.00	100.00	0.00	0.00	0.00	0.00
<b>C) Balances outstanding as at 31st March, 2014</b>							
Sr. No.	Nature of Transactions	Key Managerial Personnel		Relative of Director		Parties with whom control exist	
		Curr. Yr.	Prev. Yr.	Curr. Yr.	Prev. Yr.	Curr. Yr.	Prev. Yr.
<b>A</b>	<b>Assets</b>						
	<b>Investments</b>						
	Syncom International	0.00	0.00	0.00	0.00	0.00	4.00
	<b>Long term Loan &amp; Advances</b>						
	Mr. Kedarmal Bankda	118.00	118.00	0.00	0.00	0.00	0.00
	Mr. Vijay Bankda	103.00	103.00	0.00	0.00	0.00	0.00
	Mrs. Asha Bankda	0.00	0.00	88.00	88.00	0.00	0.00
	Mrs. Vimla Bankda	0.00	0.00	88.00	88.00	0.00	0.00
	<b>Short Term Loans &amp; Advances</b>						
	Trade Services FZE, Rakia	0.00	0.00	0.00	0.00	6.00	6.00
	<b>Trade Receivable</b>						
	Syncom International (Capital)	0.00	0.00	0.00	0.00	0.00	9.45
	ARP Pharma	0.00	0.00	0.00	0.00	0.00	0.00
Synmax Pharma	0.00	0.00	0.00	0.00	0.00	0.00	
<b>B</b>	<b>Liabilities</b>						
	<b>Short Term Borrowings</b>						
	<b>Unsecured Loans</b>	0.00	0.00	0.00	0.00	0.00	0.00
	Strand Developers Pvt. Ltd.	0.00	0.00	0.00	0.00	0.00	0.00
	Paradise Vyapaar Pvt. Ltd.	0.00	0.00	0.00	0.00	0.00	0.00
ARP Pharma Pvt. Ltd.	0.00	0.00	0.00	0.00	13.08	18.18	
<b>Note:</b> No amount has been provided as doubtful debts or advances/written off or written back in the year in respect of debts due from or to above related parties.							
<b>d) Particulars Regarding Firm in which the Company is a Partner</b>							
<b>Name of the Firm &amp; Partner</b>						<b>Share %</b>	
1. M/s Syncom International						99%	
a) M/s Syncom Formulations (I) Ltd.						1%	
b) Mr. Vijay Bankda							



## Notes On Financial Statements For The Year Ended 31st March, 2014

(Amount in ₹)

27.13	<b>DEFERRED TAX LIABILITY (Net)</b>		
	<b>Tax effect of items constituting deferred tax liability</b>		
	Related to Fixed Assets		
	Timing differences on account of: Difference between Book & Tax Depreciation	6,82,57,396	6,21,75,933
	<b>Less: Tax effect of items constituting deferred tax assets</b>		
	Unabsorbed Depreciation	0	0
	Provision for Gratuity	13,71,344	11,74,757
	<b>Net Deferred Tax Liabilities</b>	<b>6,68,86,052</b>	<b>6,10,01,176</b>
27.14	In the opinion of the Board Current Assets, Loans & Advances have a value on realisation in the ordinary course of business at least equal to the amount at which these are stated in the Balance sheet & that the provisions for known liabilities is adequate and not in excess of amount reasonably necessary.		
27.15	Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the year's classification/ disclosure.		
27.16	Sales Tax and Purchase Tax Assessment are at various stages. According to company's management the provision for the same is sufficient.		
27.17	Excise duty is net of Excise duty refund received against export under the central excise rules amounting to Rs.5,72,53,255 (Previous Year Rs. 4,47,43,197)		
27.18	Figures have been rounded off to the nearest rupee.		
27.19	Significant Accounting Policies followed by the Company are as stated in the statement annexed as Annexure-I.		



**ANNEXURE - I**

Statement referred to in Note No. 27.19 to the Financial Statements for the year ended 31st March, 2014.

**SIGNIFICANT ACCOUNTING POLICIES :**

**i) Basis of Accounting :**

The financial statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 1956. The company generally follow mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis.

All the assets and liabilities have been classified as current or non-current as per the company's normal operating cycle and other criteria set out in Schedule VI to the Companies Act, 1956. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash & cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current /non current classification of assets and liabilities.

**ii) Use of estimates :**

The presentation of financial statements is in conformity with generally accepted accounting principles requires estimates and assumptions to be made, that affect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the period.

Differences between the actual result and estimates are recognised in the period in which the results are known/materialised.

**iii) Fixed Assets :**

Fixed assets are stated at cost net of modvat/cenvat on construction and includes proportionate financial cost till commencement of production less accumulated depreciation.

**iv) Depreciation :**

Depreciation on all Assets is being provided on straight line basis as per schedule XIV of the Companies Act, 1956.

**v) Impairment of Assets :**

An asset is treated as impaired when the carrying cost of Assets exceeds its recoverable value. An impairment loss is charged to the Profit & loss Account in the year in which an asset is identified as impaired.

The impairment loss recognised in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

**vi) Inventory valuation :**

- a) Stock of raw materials/packing materials are valued at cost (net of modvat credit) on FIFO basis or net realisable value which ever is Lower.
- b) Stores & Spares and gift articles are valued at cost or net realisable value which ever is Lower.
- c) Semi finished goods are valued at approximate cost of input, depending on the stage of completion or net realisable value which ever is Lower.
- d) Finished goods are valued at cost or net realisable value which ever is lower. Cost for this purpose is determined by reducing the estimated gross margin from the billing price.

**vii) Foreign Currency Transaction :**

- a) Transactions denominated in foreign currencies are normally recorded on exchange rate prevailing at the time of the transaction. Current liabilities related to foreign currency transaction are being converted at the year end at the closing rates for revenue transactions & exchanges gains/ losses in fluctuations of exchange rate are being dealt in the profit & loss account.
- b) Monetary items denominated in foreign currencies and covered by forward exchange contracts are translated at the rate ruling on the date of transaction as increased or decreased by the proportionate difference between the forward rate and exchange rate on the date of transaction, such difference is being recognised over the life of the contract.

**viii) Investments :**

The investments are long term & stated at cost. Provision for diminution in the value of long term investment is made only if such a decline is other than temporary in the opinion of the management.

**ix) Sales :**

The company recognises sales at the point of dispatch of goods to the customer.

**x) Modvat/cenvat :**

Modvat/cenvat credit is accounted on accrual basis on purchase of materials and capital goods and appropriated against payment of excise duty on clearance of the finished goods.

**xi) Excise Duty :**

Excise duty has been accounted on the basis of both, payments made in respect of goods cleared as also provision made for goods lying in bonded warehouses.

**xii) Treatment of retirement benefit :**

Retirement benefit to employees viz, gratuity is being accounted for on actuarial basis.

**xiii) Borrowing cost :**

Borrowing cost that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

**xiv) Earning per share :**

Basic EPS is computed using the weighted average number of equity shares outstanding during the year. equivalent shares Diluted EPS is computed using the weighted average number of equity and diluted equity outstanding during the year except where the results would be anti-dilutive.

**xv) Provision for current and deferred Tax :**

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income tax Act, 1961. Deferred tax resulting from "timing differences" between book and taxable profits is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognised and carried forward only to the extent that there is a reasonable certainty that the assets will be realised in future.

**xvi) Contingent liabilities :**

Contingent liabilities are not provided for. These are being disclosed by way of a note in the notes to Accounts.

**xvii) Miscellaneous expenditure**

Miscellaneous expenditure is written off to the profit & loss account over a period of up to five years, depending upon the nature and expected future benefits of such expenditure. The management reviews the amortization period on a regular basis and if expected future benefits from such expenditure are significantly lower from previous estimates, the amortization period is accordingly changed.

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

**For S.P. Moondra & Co. Chartered Accountants**

**S.P. Moondra Proprietor**

**M. No. : 073747**

**F.R. No. : 004879C**

**Place : Indore**

**Dated the : 30<sup>th</sup> May, 2014**

**For and on behalf of the Board of Directors**

**Kedarmal Bankda  
Chairman & Whole Time Director  
DIN : 00023050**

**Vijay Bankda  
Managing Director  
DIN : 00023027**

**Shikha Sethi  
Company Secretary**

**Ankit Bankda  
Chief Finance Officer**





**INDEPENDENT AUDITOR'S OPINION  
TO THE MEMBERS OF M/S. SYNCOM FORMULATIONS (INDIA) LIMITED  
REPORTS ON THE CONSOLIDATED FINANCIAL STATEMENTS.**

We have audited the accompanying consolidated financial statements of **M/s. SYNCOM FORMULATIONS (INDIA) LTD** (the "Company") and its foreign subsidiary **TRADE SERVICES FZE** (Subsidiary), which comprise the Consolidated Balance Sheet as at **31st March, 2014**, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

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

The Company's Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with the general circular 15/2013 dated 13th Sept., 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and in accordance with the accounting principle generally in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditors' Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control relevant to the Subsidiary's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's Internal Control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the consolidated financial statements.

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

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid and based on consideration of the reports of other auditors on the financial statement / consolidated financial statements of the subsidiary and associates as noted below, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In case of Consolidated Balance Sheet of the state of affairs of the Syncom Formulations (India) Limited and its subsidiary Trade Services FZE as at **31st March, 2014**;
- b) In case of Consolidated Statement of Profit and Loss of the Profit of the Syncom Formulations (India) Limited and its subsidiary Trade Services FZE for the year ended on that date and

- c) In the case of Consolidated Cash Flow Statement cash flows of the Syncom Formulations (India) Limited and its subsidiary Trade Services FZE for the year ended on that date

**Other matters**

We did not audit the financial statements of its Subsidiary Company whose financial statement reflect total assest (net) of Rs.Nil Lakhs as at **31st March, 2014**, total revenues of Rs. Nil Lakhs and net cash inflow amounting to Rs. Nil Lakhs for the year ended on that date. These financial statement and other financial information has been audited by other auditors whose report have been furnished to us, and our opinion in so far as it relates to the amounts included in respect of these subsidiary is based solely on report of other auditor.

Our opinion is not qualified in respect of other matters.

**FOR, S.P. MOONDRA & CO.  
CHARTERED ACCOUNTANTS**

**S.P. MOONDRA  
PROPRIETOR  
M.NO. 073747  
F.R. NO. 004879C**

**Place: Indore  
Date : 30th May, 2014**



**Consolidated Balance Sheet As at 31st March, 2014**

(Amount in ₹)

Particulars		As at 31-03-2014	As at 31-03-2013
<b>EQUITY AND LIABILITIES</b>			
<b>Share holders' funds</b>			
Share capital	1	78,06,52,180	22,30,43,480
Reserves and surplus	2	17,13,34,180	65,40,43,610
		95,19,86,360	87,70,87,090
<b>Non-Current Liabilities</b>			
Deferred Tax Liability (Net)	3	6,68,86,052	6,10,01,176
Other long-term liabilities	4	12,00,000	2,18,00,000
<b>Current Liabilities</b>			
Short Term Borrowings	5	3,30,36,138	2,05,33,484
Trade Payables	6	29,35,31,502	19,42,50,078
Other Current Liabilities	7	85,88,839	1,71,51,899
Short Term Provisions	8	4,51,59,228	3,69,27,309
		38,03,15,706	26,88,62,770
<b>GRAND TOTAL</b>		<b>1,40,03,88,118</b>	<b>1,22,87,51,036</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
<b>Fixed Assets</b>			
Tangible Assets	9	50,20,70,387	50,36,79,249
Intangible Assets	9	5,11,733	10,10,403
Non-Current Investments	10	9,30,67,117	6,73,50,733
Long Term Loans and Advances	11	5,97,48,588	5,29,44,722
		65,53,97,825	62,49,85,107
<b>Current Assets</b>			
Inventories	12	9,89,65,117	6,07,46,843
Trade Receivables	13	29,41,56,887	28,93,61,320
Cash and Bank Balances	14	5,27,60,482	3,75,67,042
Short-Term Loans and Advances	15	29,46,14,934	21,33,28,261
Other Current Assets	16	44,92,873	27,62,463
		74,49,90,293	60,37,65,929
<b>GRAND TOTAL</b>		<b>1,40,03,88,118</b>	<b>1,22,87,51,036</b>
Notes & significant accounting policies, forming part of financial statements	1-27		

As per our report of even date annexed

For S.P. Moondra & Co.  
Chartered Accountants

S.P. Moondra  
Proprietor

M. No. : 073747  
F.R. No. : 004879C  
Place : Indore  
Dated the : 30th May, 2014

For and on behalf of the Board of Directors

Kedarmal Bankda  
Chairman & Whole Time Director  
DIN : 00023050

Vijay Bankda  
Managing Director  
DIN : 00023027

Ankit Bankda  
Chief Finance Officer

Shikha Sethi  
Company Secretary



**Consolidated Statement Of Profit And Loss For The Year Ended 31st March, 2014**

(Amount in ₹)

Particulars	Note	2013-14	2012-13
<b>INCOME</b>			
Revenue from Operations (Gross)	17	1,51,64,75,692	1,14,97,39,795
LESS : Excise Duty		35,90,268	24,41,15
Revenue from Operations (NET)		1,51,28,85,424	1,14,94,95,680
Other Income	18	1,12,04,927	1,14,85,035
<b>Total Revenue</b>		<b>1,52,40,90,351</b>	<b>1,16,09,80,715</b>
<b>EXPENDITURE</b>			
Cost of materials consumed	19	70,95,91,319	52,52,12,042
Purchase of Stock-in-Trade	20	32,10,99,794	25,52,17,273
Changes in inventories of Finished Goods, Stock-in-Process and Stock-in-Trade	21	(1,35,18,436)	(50,45,432)
Employee Benefits Expenses	22	11,43,42,826	10,14,65,971
Finance Costs	23	35,53,959	42,94,790
Depreciation and Amortisation Expenses	24	3,07,33,257	2,91,00,313
Other Expenses	25	21,89,82,529	16,62,44,773
<b>Total Expenses</b>		<b>1,38,47,85,248</b>	<b>1,07,64,89,730</b>
<b>Profit / (Loss) before Extraordinary Items and Tax</b>		<b>13,93,05,103</b>	<b>8,44,90,985</b>
Extraordinary Item	26	41,468	0
Profit/(Loss) before Tax		13,92,63,635	8,44,90,985
<b>Tax Expenses</b>			
Current Tax		4,31,51,295	2,28,14,474
Income Tax (Earlier Years)		(29,38,286)	5,41,750
Deferred Tax		58,84,876	45,76,036
<b>Profit for the year</b>		<b>9,31,65,750</b>	<b>5,65,58,725</b>
<b>Earning per equity share of Re. 1 each</b>			
Basic & Diluted Before Extraordinary Activities (In Re. )		0.12	0.07
Basic & Diluted After Extraordinary Activities (In Re.)		0.12	0.07
<b>Notes &amp; significant accounting policies, forming part of financial statements</b>	1-27		

As per our report of even date annexed

For S.P. Moondra & Co.  
Chartered Accountants

S.P.Moondra  
Proprietor

M. No. : 073747  
F.R. No. : 004879C  
Place : Indore  
Dated the : 30th May, 2014

For and on behalf of the Board of Directors

Kedarmal Bankda  
Chairman & Whole Time Director  
DIN : 00023050

Vijay Bankda  
Managing Director  
DIN : 00023027

Ankit Bankda  
Chief Finance Officer

Shikha Sethi  
Company Secretary





**Consolidated Cash Flow Statement For The Year Ended 31st March, 2014**

(₹ in Lacs)

Particulars	Year Ended		Year Ended	
	31-03-2014		31-03-2013	
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>				
Net profit before extraordinary items & tax		1,393.05		844.91
<i>Adjustments for:</i>				
Depreciation and amortisation	299.08		282.75	
Amortisation of share issue expenses	8.26		8.26	
Finance costs	35.54		42.95	
Interest income	(67.28)		(71.20)	
Dividend income	(0.20)		0.00	
Rental income from investment properties	(39.75)	235.65	(38.65)	224.11
Operating profit before working capital changes		1628.70		1069.02
<i>Changes in working capital</i>				
Adjustments for (increase)/decrease in operating assets:				
Inventories	(382.19)		(161.64)	
Trade receivables	(47.96)		(508.06)	
Short term loans and advances	(812.87)		(488.50)	
Long term loans and advances	(68.04)		(91.63)	
Other current assets	(25.56)		(5.08)	
Adjustments for (increase)/decrease in operating liabilities:				
Trade payables	992.81		829.57	
Other current liabilities	(85.63)		52.53	
Other long-term liabilities	(206.00)		73.50	
Short-term provisions	82.32	(553.12)	41.73	(257.58)
		1,075.58		811.44
Cash flow from extraordinary items	(0.41)	(0.41)		0.00
Cash generated from operations		1,075.17		811.44
Net income tax (paid)	(402.13)	(402.13)	(233.56)	(233.56)
<b>Net cash flow from / (used in) operating activities (A)</b>		<b>673.04</b>		<b>577.88</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Capital expenditure on fixed asset	(278.00)		(251.68)	
Purchase of long-term investments	(522.92)		0.00	
Proceeds from sale of long-term investments	265.75		110.00	
Interest received	67.28		71.20	
Dividend received	0.20		0.00	
Rental income from investment properties	39.75		38.65	
<b>Net cash flow (used in) investing activities (B)</b>		<b>(427.94)</b>		<b>(31.83)</b>



## Consolidated Cash Flow Statement For The Year Ended 31st March, 2014 (₹ in Lacs)

Particulars	Year Ended		Year Ended	
	31 - 03 - 2014		31 - 03 - 2013	
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>				
Proceeds from issue of equity shares	0.00		0.00	
Proceeds from other short-term borrowings	125.03		0.00	
Repayment of other short-term borrowings	0.00		(439.88)	
Finance cost	(35.54)		(42.95)	
Dividends paid	(156.13)		(133.83)	
Tax on dividend	(26.53)		(21.71)	
<b>Net cash flow from / (used in) financing activities (C)</b>		<b>(93.17)</b>		<b>(638.37)</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>		<b>151.93</b>		<b>(92.32)</b>
<b>Cash and cash equivalents at beginning of the year</b>		<b>375.67</b>		<b>467.99</b>
Cash and cash equivalents at the end of the year		<b>527.60</b>		<b>375.67</b>

As per our report of even date annexed

For S.P. Moondra & Co.  
Chartered Accountants

S.P. Moondra  
Proprietor

M. No. : 073747  
F.R. No. : 004879C  
Place : Indore  
Dated the : 30th May, 2014

For and on behalf of the Board of Directors

Kedarmal Bankda  
Chairman & Whole Time Director  
DIN : 00023050

Vijay Bankda  
Managing Director  
DIN : 00023027

Ankit Bankda  
Chief Finance Officer

Shikha Sethi  
Company Secretary



**Notes On Consolidated Financial Statements For The Year Ended 31st March, 2014 (Amount in ₹)**

Particulars	2013-2014	2012-2013		
<b>NOTE - 1: SHARE CAPITAL</b>				
<b>Authorized Share Capital</b>				
80,00,00,000 equity shares of Re. 1 each (Previous Year 2,50,00,000 equity share of Rs. 10 each)	<b>80,00,00,000</b>	25,00,00,000		
<b>Issued, Subscribed &amp; Paid up</b>				
78,06,52,180 Equity shares of Re. 1 fully paid up (Previous year 2,23,04,348 Equity Shares of Rs. 10 each fully paid up.)	<b>78,06,52,180</b>	22,30,43,480		
<p>(The company has only one class of equity share. Each share holder is eligible for one vote per share The dividend proposed by the board is subject to the approval of share holders except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the assets of the company after distribution of all preferential amounts in proportion to their shareholding.</p> <p>During the year face value of the shares were sub divided from Rs. 10 to Re. 1 each and 10 shares were issued for every one share held by the members.)</p> <p>1.1 of the above shares 75,00,000 equity shares of Re 1 each (Previous year 75000 Shares of Rs. 100 each) were allotted as fully paid up bonus shares by capitalisation of General Reserve.</p> <p>1.2 of the above Share 4,92,40,000 shares of Re 1 each (Previous year 49,24,000 shares of Rs. 10 each) have been allotted for consideration other than cash</p> <p>1.3 of the above shares equity 55,76,08,700 equity shares of Re.1 were allotted as bonus shares fully paid up bonus shares by capitalisation of General Reserve, share Premium, share Forfeiture in the proportion of 5 share for every 2 share of Re 1/-</p>				
<b>The details of Shareholders holding more than 5% shares:</b>				
Name of the Shareholder	As at 31.03.2014		As at 31.03.2013	
	No. of shares(Re1)	% held	No. of shares(Re10)	% held
Mr. Kedarmal Bankda	9,01,94,650	11.55%	25,76,990	11.55%
Mr. Vijay Bankda	5,85,53,775	7.50%	16,72,965	7.50%
Mr. Ankur Vijay Bankda	4,28,13,925	5.48%	12,23,255	5.48%
Mr. Ankit Bankda	4,68,86,420	6.01%	13,39,612	6.01%
Mrs. Asha Bankda	4,75,53,485	6.09%	13,58,671	6.09%
Mr. Rahul Bankda	4,07,59,915	5.22%	11,64,569	5.22%
M/s Odyssey Corp. Ltd.	4,64,95,000	5.96%	18,00,000	8.07%
M/s. Paradise Vyapar Pvt. Ltd.	4,71,86,125	6.05%	13,48,175	6.05%
<b>The reconciliation of the number of shares outstanding is set out below:</b>				
Particulars	No. of shares			
	As at 31.03.2014	As at 31.03.2013		
Equity shares at the beginning of the year	2,23,04,348	2,23,04,348		
Add: Due to sub division of face value from Rs.10 to Re. 1	20,07,39,132	0		
Add: Issue of Bonus share in Ratio of 5:2 to existing share holder	55,76,08,700	0		
Equity shares at the end of the year	78,06,52,180	2,23,04,348		
<b>NOTE - 2: RESERVES &amp; SURPLUS</b>				
<b>Capital Reserve</b>				
State capital subsidy				
As per last balance sheet	a	7,50,000		
<b>On account of forfeiture of shares / warrant</b>				
As per last balance sheet	16,19,300	16,19,300		
Less : Utilised during the year by issue of Bonus Shares	16,19,300	0		
	b	0		
		16,19,300		


**Notes On Consolidated Financial Statements For The Year Ended 31st March, 2014 (Amount in ₹)**

Particulars	2013-2014	2012-2013
<b>Securities Premium Reserve</b>		
As per last balance sheet	30,65,97,996	30,65,97,996
Less : Utilised during the year by issue of Bonus Shares	30,65,97,996	0
c	0	30,65,97,996
<b>General reserve</b>		
(As per last balance sheet)	30,00,00,000	26,00,00,000
Less : Utilised during the year by Issue of Bonus Shares	24,93,91,404	0
Add: Set aside during the year	4,93,91,404	4,00,00,000
d	10,00,00,000	30,00,00,000
<b>Surplus - Balance in Statement of Profit &amp; Loss</b>		
As per last balance sheet	4,50,76,314	4,40,71,191
Add: Profit for the year	9,31,65,751	5,65,58,726
Less: Transfer to General Reserve	4,93,91,404	4,00,00,000
Less: Proposed Equity Dividend	1,56,13,044	1,33,82,609
Less: Tax on Proposed Equity Dividend	26,53,437	21,70,994
e	7,05,84,180	4,50,76,314
(a to e)	17,13,34,180	65,40,43,610
<b>NOTE - 3: DEFERRED TAX LIABILITY (NET)</b>		
<b>Deferred Tax Liability on account of</b>		
Depreciation	6,82,57,396	6,21,75,933
<b>Deferred Tax Assets on account of</b>		
Provision for Gratuity	13,71,344	11,74,757
<b>Net Deferred Tax liability / (Assets)</b>	6,68,86,052	6,10,01,176
<b>NOTE - 4: OTHER LONG-TERM LIABILITIES</b>		
Trade Deposits	12,00,000	2,18,00,000
	12,00,000	2,18,00,000
<b>NOTE - 5: SHORT TERM BORROWINGS</b>		
<b>Loan repayable on demand</b>		
<b>Secured</b>		
<b>Working Capital Loans (Over Draft)</b>		
From Dena Bank	3,09,44,842	1,85,89,863
From State Bank of India	7,83,095	1,25,521
<b>Security:</b>		
Overdrafts from banks are secured against the pledge of fixed deposit receipts		
<b>Unsecured</b>		
From Related Parties (Note: Refer Note no. 27.13 for details )	13,08,200	18,18,100
	3,30,36,137	2,05,33,484
<b>NOTE - 6: TRADE PAYABLE (Refer Note No. 27.10)</b>		
Micro, Small and Medium Enterprises	50,49,704	63,28,294
Others	28,84,81,798	18,79,21,784
	29,35,31,502	19,42,50,078





**Notes On Consolidated Financial Statements For The Year Ended 31st March, 2014 (Amount in ₹)**

<b>Particulars</b>		<b>2013-2014</b>	<b>2012-2013</b>						
<b>NOTE - 7: OTHER CURRENT LIABILITIES</b>									
Unclaimed dividend		12,95,903	16,15,438						
Right issue Refund Payable A/c		18,717	18,717						
Creditors - Capital Expenditure		17,85,174	28,62,345						
Advance from Customers		20,55,950	90,89,754						
Statutory Dues		34,33,095	35,65,645						
		<b>85,88,839</b>	<b>1,71,51,899</b>						
<b>NOTE - 8: SHORT TERM PROVISIONS</b>									
Provision for Bonus, Gratuity and leave encashment		65,14,460	54,34,268						
Provision for Income Tax- Net of Adv. Tax Rs. 3,59,05,269 (Previous Year 1,61,18,102)		72,46,034	66,96,372						
Provision for Expenses		1,31,32,253	92,43,066						
Proposed dividend		1,56,13,044	1,33,82,609						
Corporate Dividend Tax Payable		26,53,437	21,70,994						
		<b>4,51,59,228</b>	<b>3,69,27,309</b>						
<b>NOTE - 9: FIXED ASSETS (AT COST)</b>									
PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	As at 31.03.13	Additions	As at 31.03.14	As at 31.03.13	For the Year	As at 31.03.14	As at 31.03.14	As at 31.03.13	
<b>TANGIBLE ASSETS:</b>									
<b>Own Assets</b>									
Lease hold land	11,86,605	0	11,86,605	1,67,804	11,986	1,79,790	10,06,815	10,18,801	
Building Factory	18,30,99,360	72,61,505	19,03,60,865	5,21,31,073	58,09,062	5,79,40,135	13,24,20,730	13,09,68,287	
Building others	14,59,75,800	0	14,59,75,800	54,38,988	23,79,406	78,18,394	13,81,57,406	14,05,36,812	
Plant & Machineries	27,74,45,527	1,17,02,346	28,91,47,873	12,24,97,641	1,37,51,583	13,62,49,224	15,28,98,649	15,49,47,886	
Electrical Installation	3,53,31,449	52,18,454	4,05,49,903	1,18,99,006	17,63,619	1,36,62,625	2,68,87,278	2,34,32,443	
Furniture & Fixtures	4,94,08,659	3,81,930	4,97,90,589	2,36,89,630	31,38,316	2,68,27,946	2,29,62,643	2,57,19,029	
Office Equipments	2,67,15,791	7,42,924	2,74,58,715	96,10,682	12,80,654	1,08,91,336	1,65,67,379	1,71,05,109	
Computers	1,04,18,963	3,17,225	1,07,36,188	99,32,162	88,506	1,00,20,668	7,15,520	4,86,801	
Vehicles	1,11,21,363	21,33,600	1,32,54,963	16,57,282	11,43,714	28,00,996	1,04,53,967	94,64,081	
<b>TOTAL (A)</b>	<b>74,07,03,517</b>	<b>2,77,57,984</b>	<b>76,84,61,501</b>	<b>23,70,24,268</b>	<b>2,93,66,846</b>	<b>26,63,91,114</b>	<b>50,20,70,387</b>	<b>50,36,79,249</b>	
<b>INTANGIBLE ASSETS:</b>									
Software	33,35,290	42,000	33,77,290	23,24,887	5,40,670	28,65,557	5,11,733	10,10,403	
<b>TOTAL (B)</b>	<b>33,35,290</b>	<b>42,000</b>	<b>33,77,290</b>	<b>23,24,887</b>	<b>5,40,670</b>	<b>28,65,557</b>	<b>5,11,733</b>	<b>10,10,403</b>	
<b>TOTAL (A+B)</b>	<b>74,40,38,807</b>	<b>2,77,99,984</b>	<b>77,18,38,791</b>	<b>23,93,49,155</b>	<b>2,99,07,516</b>	<b>26,92,56,671</b>	<b>50,25,82,120</b>	<b>50,46,89,652</b>	
Prev. Year	71,88,70,346	2,51,68,461	74,40,38,807	21,10,74,581	2,82,74,574	23,93,49,155	50,46,89,652	50,77,95,765	
<b>NOTE - 10: NON CURRENT INVESTMENTS</b>									
<b>In equity shares - quoted, fully paid up</b>									
<b>M/s Ravi Kumar Distilleries Ltd.</b>						1,79,26,033	4,21,00,733		
5,11,000 shares of Rs. 10 each fully paid up (Previous Year 794250)									
Market value Rs. 22,99,500 (Previous year 69,89,400)									
<b>Bil Energy Systems Ltd.</b>						68,68,519	0		
10,63,000 (Previous year Nil) shares of Re 1 fully paid up - Market Value Rs. 19,24,030									
<b>The Byke Hospitality Ltd.</b>						4,79,869	0		
1,500 (Previous year Nil) shares of Rs. 10 fully paid up - Market Value Rs. 4,80,075									
<b>PFL Infotech Ltd.</b>						1,74,44,039	0		
32,700 (Previous year Nil) shares of Rs. 10 fully paid up - Market Value Rs. 2,38,57,920									
<b>Risa International Ltd.</b>						56,74,407	0		
9,000 (Previous Year Nil) shares of Rs. 10 fully paid up - Market Value Rs. 1,05,33,150									
<b>Rutron International Ltd.</b>						39,43,231	0		
5,50,000 (Previous year Nil) shares of Rs. 1 fully paid up - Market Value Rs. 39,60,000									



**Notes On Consolidated Financial Statements For The Year Ended 31st March, 2014 (Amount in ₹)**

<b>Particulars</b>	<b>2013-2014</b>	<b>2012-2013</b>
<b>Upsurge Investment &amp; Finance Ltd.</b>	1,78,81,019	0
4,10,000 (Previous Year Nil) Shares of Re. 1 fully paid up - Market Value Rs. 67,24,000		
<b>First Financial Services Ltd.</b>	0	20,00,000
Nil shares (Previous year 1,00,000) of Rs. 10 each fully paid up		
a	<b>7,02,17,117</b>	<b>4,41,00,733</b>
<b>In equity shares - unquoted, fully paid up</b>		
2,28,500 shares of M/s Bharosemand Commodities Pvt. Ltd. of Rs. 100 each	2,28,50,000	2,28,50,000
b	<b>2,28,50,000</b>	<b>2,28,50,000</b>
<b>Investment in partnership firms (Refer Note No. 27.13)</b>		
M/s Syncom International	0	4,00,000
c	<b>0</b>	<b>4,00,000</b>
(a+b+c)	<b>9,30,67,117</b>	<b>6,73,50,733</b>
<b>NOTE - 11: LONG TERM LOANS &amp; ADVANCES</b>		
(Unsecured Considered Goods)		
Capital advances	1,72,98,652	1,12,91,748
Deposits	27,49,936	19,52,974
Deposit for Premises (Related parties) (Refer note 27.13)	3,97,00,000	3,97,00,000
	<b>5,97,48,588</b>	<b>5,29,44,722</b>
<b>NOTE - 12: INVENTORIES</b>		
(At lower of cost or net realizable value)		
Raw Materials	3,66,52,293	1,71,15,493
Stock in Process	2,13,35,850	1,79,15,076
Finished Goods	2,10,76,456	1,09,78,794
Packing Material	1,76,95,989	1,24,81,556
Stores & spares and others	22,04,529	22,55,924
	<b>9,89,65,117</b>	<b>6,07,46,843</b>
<b>Details of Inventories of Work in Progress</b>		
Tablets	1,49,31,529	1,07,36,874
Capsules	28,01,319	33,33,150
Liquids	12,73,296	5,19,897
Injectable	12,63,274	30,47,198
Others	10,66,432	2,77,958
	<b>2,13,35,850</b>	<b>1,79,15,076</b>
<b>NOTE - 13: TRADE RECEIVABLE</b>		
(Unsecured, Considered Goods)		
Within Six Months	29,39,45,487	28,35,29,281
Over Six Months	2,11,400	58,32,039
	<b>29,41,56,887</b>	<b>28,93,61,320</b>
<b>NOTE - 14: CASH &amp; BANK BALANCE</b>		
Cash in hand (As certified)	13,75,845	8,52,383
Balance with Banks		
- In Current Account	1,50,35,017	45,504
- In Current accounts in respect of unclaimed dividend warrants	12,95,903	16,15,438
- In Current accounts in respect of Right issue refund orders	18,717	18,717
- In Fixed Deposit with Banks (Pledged with Bank and Govt. Dept.)	3,50,35,000	3,50,35,000
	<b>5,27,60,482</b>	<b>3,75,67,042</b>


**Notes On Consolidated Financial Statements For The Year Ended 31st March, 2014 (Amount in ₹)**

Particulars	2013-2014	2012-2013
<b>NOTE - 15: SHORT TERM LOANS AND ADVANCES</b>		
(Unsecured and considered good)		
Loans and Advance to employees	86,47,300	82,32,300
Loans and Advance to others	16,28,39,038	10,37,04,733
Prepaid Expenses	2,33,521	1,44,489
<b>Balances with Govt. Authorities</b>		
- Export incentives receivables	3,74,69,914	4,16,21,353
- Excise duty receivable	3,40,11,272	2,85,68,956
- Balance with Central Excise	3,49,03,085	1,61,81,628
- VAT receivable	1,65,10,803	1,48,74,802
	<b>29,46,14,933</b>	<b>21,33,28,261</b>
<b>NOTE - 16: Other Current Assets</b>		
<b>a. Accruals</b>		
Interest Accrued but not due on fixed deposits with bank	35,72,469	10,27,554
<b>b. Miscellaneous Expenditure</b>		
(To the extent not written off or adjusted)		
<b>Share issue expenses</b>		
As per last balance sheet	11,23,673	19,49,412
Add: Incurred during the period	0	0
Less: Written off during the year	8,25,741	8,25,739
	<b>2,97,932</b>	<b>11,23,673</b>
<b>Preliminary Expenses</b>		
As per Last Balance Sheet	6,00,000	0
Add: Incurred during the year	0	6,00,000
	<b>6,00,000</b>	<b>6,00,000</b>
<b>Pre Operative Expenses</b>		
As per Last Balance Sheet	11,236	0
Add : Incurred during the period	11,236	11,236
	<b>22,472</b>	<b>11,236</b>
	<b>6,22,472</b>	<b>6,11,236</b>
	<b>44,92,873</b>	<b>27,62,463</b>
<b>NOTE - 17: REVENUE FROM OPERATIONS</b>		
<b>Sales</b>		
- Export Sales	1,05,45,29,140	74,91,53,798
- Domestic Sales	41,95,91,013	36,82,93,282
<b>Total</b>	<b>1,47,41,20,153</b>	<b>1,11,74,47,080</b>
Export Incentives	4,23,55,539	3,22,92,715
<b>Total</b>	<b>1,51,64,75,692</b>	<b>1,14,97,39,795</b>
Less : Excise Duty	35,90,268	2,44,115
<b>Total</b>	<b>1,51,28,85,424</b>	<b>1,14,94,95,680</b>



**Notes On Consolidated Financial Statements For The Year Ended 31st March, 2014 (Amount in ₹)**

<b>Particulars</b>	<b>2013-2014</b>	<b>2012-2013</b>
<b>NOTE - 17(a): REVENUE FROM OPERATIONS</b>		
<b>Sales of Product Comprises of Manufactured Goods</b>		
- Tablets	62,92,50,906	44,90,08,157
- Capsules	16,50,11,682	14,63,20,936
- Liquids	852,16,068	5,95,59,150
- Injectable	10,03,27,575	6,86,36,452
- Ointment	1,01,67,527	92,35,644
- Dry Powder	99,30,345	1,14,45,958
- Inhaler	0	35,81,764
<b>Total of Manufactured Goods (a)</b>	<b>99,99,04,103</b>	<b>74,77,88,061</b>
<b>Traded Goods</b>		
- Mentha Oil	10,26,08,298	15,02,03,136
- Tablets	11,03,61,464	10,23,39,068
- Liquids	9,18,95,098	6,98,16,790
- Capsules	2,44,84,150	2,16,75,234
- Ointment	1,29,41,519	0
- Rice	4,49,81,906	0
- Soya DOC	2,91,79,091	0
- Raw Material	3,77,07,835	0
- Others	2,00,56,689	2,56,24,791
<b>Total of Traded Goods (b)</b>	<b>47,42,16,050</b>	<b>36,96,59,019</b>
<b>Grand Total (a+b)</b>	<b>1,47,41,20,153</b>	<b>1,11,74,47,080</b>
<b>NOTE - 18: OTHER INCOME</b>		
<b>Interest received</b>		
Others	35,10,781	37,35,378
Bank	32,16,980	33,84,250
<b>Dividend Income</b>		
From Investment (Others)	20,000	0
<b>Other non operating income</b>		
Rent	39,75,744	38,65,312
Miscellaneous Income	4,75,141	4,98,845
Commission	6,281	1,250
	<b>1,12,04,927</b>	<b>1,14,85,035</b>
<b>NOTE - 19: PARTICULARS OF MATERIALS CONSUMED</b>		
Paracetamol	9,53,23,789	10,77,94,876
Ibuprofen	1,21,98,202	1,41,77,643
Chloroquine Phosphate	3,41,95,410	2,95,18,934
Cefixime Trihydrate	2,78,44,831	1,80,06,320
Packing Material	26,01,52,534	17,95,44,890
Others	27,98,76,554	17,61,69,379
	<b>70,95,91,320</b>	<b>52,52,12,042</b>





**Notes On Consolidated Financial Statements For The Year Ended 31st March, 2014 (Amount in ₹)**

<b>Particulars</b>					<b>2013-2014</b>	<b>2012-2013</b>
<b>NOTE - 19(a): COST OF MATERIALS CONSUMED</b>						
		<b>2013-14</b>		<b>2012-13</b>		
<b>Particulars</b>	<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>		
Imported	0	0	0	0	0	0
Indigenous	70,95,91,320	100	52,52,12,042	100	70,95,91,320	52,52,12,042
<b>Total</b>	<b>70,95,91,320</b>	<b>100</b>	<b>52,52,12,042</b>	<b>100</b>	<b>70,95,91,320</b>	<b>52,52,12,042</b>
<b>NOTE - 20: PURCHASE OF STOCK-IN-TRADE</b>						
Mentha Oil					10,29,57,163	15,02,90,342
Tablets					5,31,07,538	2,14,64,727
Liquids					3,77,49,552	1,52,22,918
Capsules					92,68,820	52,84,926
Raw Material					3,56,04,953	0
Soya DOC					2,88,45,057	0
Rice					3,05,75,401	0
Others					2,29,91,310	6,29,54,360
					<b>32,10,99,794</b>	<b>25,52,17,273</b>
<b>NOTE - 21: CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-PROCESS AND STOCK- IN- TRADE</b>						
<b>Inventories (at close)</b>						
Finished Goods					2,10,76,456	1,09,78,794
Stock in Process					2,13,35,850	1,79,15,076
Stock in Trade					0	0
				a	<b>4,24,12,306</b>	<b>2,88,93,870</b>
<b>Inventories (at commencement)</b>						
Finished Goods					1,79,15,076	1,79,10,679
Stock in Process					1,09,78,794	59,37,759
Stock in Trade					0	0
				b	<b>2,88,93,870</b>	<b>2,38,48,438</b>
<b>(Increase) / Decrease in stock</b>				(b-a)	<b>(1,35,18,436)</b>	<b>(50,45,432)</b>
<b>NOTE - 22: EMPLOYEE BENEFITS EXPENSES</b>						
Salary and Wages					10,23,68,679	9,35,50,978
Salaries and Allowances to Directors					8,40,000	8,40,000
Contribution to provident and other fund					45,35,197	38,09,493
Gratuity					8,49,061	11,19,982
Workmen and Staff welfare					57,49,889	21,45,518
					<b>11,43,42,826</b>	<b>10,14,65,971</b>
As per Accounting standard 15 "Employee benefits" the disclosures as defined in the Accounting Standard are given below:						
<b>Defined Contribution Plans</b>		<b>2013-14</b>		<b>2012-13</b>		
Employer's Contribution to Provident Fund		27,12,921		24,82,597		
Employer's Contribution to E.S.I.		18,22,276		13,26,896		
		<b>45,35,197</b>		<b>38,09,493</b>		


**Notes On Consolidated Financial Statements For The Year Ended 31st March, 2014 (Amount in ₹)**

Particulars	2013-2014	2012-2013
<b>NOTE-23: FINANCE COST</b>		
Interest Expenses		
Bank	8,80,829	15,67,324
Other	26,73,130	27,27,466
	35,53,959	42,94,790
<b>NOTE-24: DEPRECIATION AND AMORTISATION EXPENSE</b>		
Depreciation (As per Note No. 9)	2,99,07,516	2,82,74,574
Amortisation of share issue expenses	8,25,741	8,25,739
	3,07,33,257	2,91,00,313
<b>NOTE-25: OTHER EXPENSES</b>		
<b>Manufacturing Expenses</b>		
Power and Fuel	2,18,94,564	1,75,66,385
Repairs to Machineries	48,39,775	29,58,900
Vehicle hire charges	10,68,464	6,83,594
Factory Expenses	34,66,970	19,09,739
Insurance Expenses	6,31,384	3,31,487
Security charges	9,65,616	8,06,860
	a	3,28,66,773
<b>Selling &amp; Distribution expenses</b>		
Ocean Freight	4,54,79,706	2,00,16,836
Export Expenses	2,17,29,367	1,58,25,312
Selling Expenses	1,89,94,198	2,15,91,538
Sales Promotion Expenses	3,20,75,208	1,70,22,839
	b	11,82,78,479
<b>Establishment expenses</b>		
Traveling Expenses	4,41,50,406	5,11,57,890
Legal & Professional	81,37,313	32,76,607
Rent	18,96,000	18,96,000
Electricity & Water	20,62,964	17,24,502
Sundry Expenses	62,34,751	57,91,229
Telephone & Postage	26,81,087	17,13,349
Payment to Auditors		
- Audit Fee	73,034	67,416
- Tax Audit Fee	22,472	16,854
- Certification Fee	19,101	3,372
Membership & Subscription	38,690	93,062
Bonus Issue Expenses	7,38,253	0
Bank Charges	1,12,64,72	9,54,202
Repairs & Maintenance	4,89,160	5,65,773
Vehicle Running & Maintenance	1,67,573	2,71,027
	c	6,78,37,276
	(a+b+c)	21,89,82,528
<b>NOTE - 26: EXTRAORDINARY ITEM</b>		
Long Term Capital Loss on Sales of Investments	41,468	0
	41,468	0



**Notes On Consolidated Financial Statements For The Year Ended 31st March, 2014** (Amount in ₹)

<b>NOTE - 27</b>			
<b>27.01</b>	<b>Derivative contracts entered into by the Company and outstanding as on 31st March, 2014</b>		
	a) Nominal amounts of Forward contracts entered into by the Company and outstanding as on the date of balance sheet is Rs. 741.35 lac (Previous Year Rs. 633.61 lac) category wise breakup is below: (₹ in Lacs)		
	<b>Sr. No.</b>	<b>Particular</b>	<b>31.03.2014</b>
	1	US \$	741.35
			31.03.2013
			663.61
	b) Foreign currency exposures that are not hedged by forward cover Rs. 1228.01 lac (Previous Year 1138.09 lac)		
<b>27.02</b>	<b>Earning in Foreign Exchange: Export Sales (FOB Value) Rs. 10056.50 lacs (Prev. Year 7181.59 lacs)</b>		
	<b>Expenditure in Foreign Exchange:</b>		<b>31.03.2014</b>
			31.03.2013
	<b>Capital Goods</b>		
	Machines		0
	Others		
	Commission on sales		10,31,413
	Traveling Exp. (Foreign)		11,22,301
			86,312
			27,43,686
<b>27.03</b>	<b>Details of Government grants</b>		
	<b>Particulars</b>		<b>31.03.2014</b>
			31.03.2013
	Government grants received by the Company during the Year towards		
	- Export incentive (DEPB) \ Duty Draw Back		4,23,55,539
			3,22,92,715
			4,23,55,539
			3,22,92,715
<b>27.04</b>	<b>Borrowing costs capitalised during the year - Nil (Previous Year Nil)</b>		
<b>27.05</b>	<b>Contingent liabilities and commitments (to the extent not provided for)</b>		
	<b>Contingent liabilities</b>	<b>Rs. in lacs</b>	<b>Rs. in lacs</b>
	<b>a) Claims against the Company not acknowledged as debt</b>		
	(i) Income Tax demand for A.Y. 2006-07	45.30	45.30
	(ii) Provident Fund demand	7.55	7.55
	(iii) Income Tax demand for A.Y. 2010-11	7.64	29.29
	(iv) Income Tax demand for A.Y. 2011-12	20.81	0.00
	(v) Appelle with D C Commercial Tax F.Y. 2009-10	0.32	0.32
	(vi) Capital commitments	235.15	150.62
	<b>b) Bank Guarantees</b>	<b>0.00</b>	<b>0.00</b>
<b>27.06</b>	<b>Segment Information: The Company is operating in single segment.</b>		
<b>27.07</b>	<b>Earning per share</b>		<b>31.03.2014</b>
			31.03.2013
	Weighted average number of equity shares outstanding during the year		55,91,36,395
	Net profit after tax available for equity shareholders		9,31,65,751
	Basic & Diluted Earnings (in Rupees) per share		0.17
	Face value per share (in Rupees)		1.00
	*Basic & Diluted Earnings (in Rupees) per share		0.12
			2,23,04,348
			5,65,58,726
			2.54
			10.00
			0.07
	* Note: In compliance with the accounting standard 20-earning per share (E.P.S.), the company has given effect to the sub division of shares and issue of bonus shares in computing earning per share for the comparative periods.		
<b>27.08</b>	<b>The Subsidiary considered in the consolidated financial statement is</b>		
	<b>Sr. No.</b>	<b>Name</b>	<b>Country of Incorporation</b>
	1	Trade services FZE	United Arab Emirates
			Proportion of Ownership as on 31/03/14
			100%
	This is the first financial year of the subsidiary and therefore the previous year's figures are not given in the consolidated financial statements		
<b>27.09</b>	Income tax assessment have been completed up to Assessment Year 2011-12		
<b>27.10</b>	The company has addressed letters to suppliers seeking confirmations as to registration under the "Micro, Small and Medium Enterprises Development Act, 2006". Based on the information available with the company, an amount of Rs. 50.50 lacs is due to Micro, Small and Medium Enterprises as detailed below:		



**Notes On Consolidated Financial Statements For The Year Ended 31st March, 2014** (₹ in Lacs)

S.No.	Name of the Party	Current Year	Previous Year
1	Ideal Cures Pvt. Ltd., Mumbai	0.44	0.41
2	Lux Flavours	0.51	0.71
3	P.G. Holographic Products, Indore	0.00	2.96
4	Packwell Packaging	11.64	24.38
5	Packwell Products	0.00	0.00
6	Panna Flex Pack, Indore	16.24	11.95
7	Shree Packers	0.00	0.00
8	Shree Packers (MP) PVT LTD.	21.67	22.87
<b>TOTAL</b>		<b>50.50</b>	<b>63.28</b>

All the amounts outstanding are due for a period less than that prescribed under the Act and all the payments during the year have been paid within the period less than that prescribed under the Act. Interest Paid / Payable is Rs. Nil.

**27.11** Computation of Net Profit in accordance with Section 349 of the Companies Act, 1956 has not been given, as commission by way of percentage of Profit is not payable for the year to any of the director of the company.

**27.12** The outstanding balances of the debtors, creditors, advances and unsecured loans are as per books of accounts and subject to confirmation from respective parties.

**27.13 RELATED PARTY DISCLOSURES**

As per Accounting Standard 18, the disclosures of transactions with the related parties are given below:

**a) Details of related parties:**

Description of relationship	Name of Related Parties
Parties with whom control exist	Syncom International, Mumbai, Synmax Pharma, Indore M/s Trade Services FZE- Subsidiary, ARP Pharma Pvt. Ltd., Strand Developers Pvt. Ltd., Paradise Vyapar Pvt. Ltd.
Key Management Personnel (KMP)	Mr. Kedarmal Bankda (Chairman & Whole Time Director) Mr. Vijay Bankda (Managing Director) Mr. Vinod Kabra, Mr. K.D. Neema, Mr. Praveen Jindal
Relative of Director	Mrs. Vimla Bankda, Mr. Ankit Bankda, Kedarmal Bankda HUF, Mrs. Asha Bankda, Mr. Rahul Bankda, Mrs. Sulabh Bankda, Mr. Ankur Bankda, Ankur Bankda HUF, Vijay Bankda HUF, Mrs. Payal Bankda, Mrs. Rinki Bankda, Rahul Bankda HUF, Ankit Bankda HUF
Other related parties	Nil

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

(Rs. in Lacs)

Sr. No.	Nature of Transactions (Excluding reimbursements)	Employee Benefits Expenses		Rent		Car Lease Rent	
		Curr. Yr.	Prev. Yr.	Curr. Yr.	Prev. Yr.	Curr. Yr.	Prev. Yr.
<b>A</b>	<b>Key Managerial Personnel</b>						
	Mr. Kedarmal Bankda	4.20	4.20	2.16	2.16	0.00	0.48
	Mr. Vijay Bankda	4.20	4.20	2.16	2.16	0.00	0.00
<b>B</b>	<b>Relative of Director</b>						
	Mrs. Vimla Bankda	3.60	3.00	2.16	2.16	0.00	0.60
	Mrs. Asha Bankda	3.00	3.00	4.32	4.32	0.00	0.96
	Mr. Rahul Bankda	4.20	3.60	2.16	2.16	0.00	0.96
	Mrs. Sulabh Bankda	4.20	3.00	0.00	0.00	0.00	0.00
	Mr. Ankur Bankda	3.60	3.60	0.00	0.00	0.00	0.00
	Mrs. Payal Bankda	3.00	3.00	0.00	0.00	0.00	0.00
	Mr. Ankit Bankda	4.80	3.60	0.00	0.00	0.00	0.00
	Mrs. Rinki Bankda	4.20	3.00	0.00	0.00	0.00	0.00
	Shankarlal Bankda (HUF)	0.00	0.00	2.40	2.40	0.00	0.00
	Kedarmal Bankda (HUF)	0.00	0.00	0.00	0.00	0.00	0.00
	Vijay Bankda (HUF)	0.00	0.00	3.60	3.60	0.00	0.00
	Rahul Bankda (HUF)	0.00	0.00	0.00	0.00	0.00	0.00





**Notes On Consolidated Financial Statements For The Year Ended 31st March, 2014** (₹ in Lacs)

Sr. No.	Nature of Transactions	Key Managerial Personnel		Relative of Director		Parties with whom control exist	
		Curr. Yr.	Prev. Yr.	Curr. Yr.	Prev. Yr.	Curr. Yr.	Prev. Yr.
<b>A</b>	<b>Sitting Fees</b>						
	Mr. Praveen Jindal	0.075	0.075	0.00	0.00	0.00	0.00
	Mr. Vinod Kabra	0.075	0.075	0.00	0.00	0.00	0.00
<b>B</b>	<b>Unsecured Loan received</b>						
	Strand Developers Pvt. Ltd.	0.00	0.00	0.00	0.00	0.05	0.25
	Paradise Vyapaar Pvt. Ltd.	0.00	0.00	0.00	0.00	0.00	33.69
	ARP Pharma Pvt. Ltd.	0.00	0.00	0.00	0.00	309.60	321.18
<b>C</b>	<b>Unsecured Loan repaid</b>						
	Vijay Bankda	0.00	100.00	0.00	0.00	0.00	0.00
	Strand Developers Pvt. Ltd.	0.00	0.00	0.00	0.00	0.05	21.37
	ARP Pharma Pvt. Ltd.	0.00	0.00	0.00	0.00	314.70	303.00
	Paradise Vyapaar Pvt. Ltd.	0.00	0.00	0.00	0.00	0.00	369.45
	Vijay Bankda	0.00	100.00	0.00	0.00	0.00	0.00
<b>C) Balances outstanding as at 31st March, 2014</b>							
Sr. No.	Nature of Transactions	Key Managerial Personnel		Relative of Director		Parties with whom control exist	
		Curr. Yr.	Prev. Yr.	Curr. Yr.	Prev. Yr.	Curr. Yr.	Prev. Yr.
<b>A</b>	<b>Assets</b>						
	<b>Investments</b>						
	Syncom International (Capital)	0.00	0.00	0.00	0.00	0.00	4.00
	<b>Long term Loan &amp; Advances</b>						
	Mr. Kedarmal Bankda	118.00	118.00	0.00	0.00	0.00	0.00
	Mr. Vijay Bankda	103.00	103.00	0.00	0.00	0.00	0.00
	Mrs. Asha Bankda	0.00	0.00	88.00	88.00	0.00	0.00
	Mrs. Vimla Bankda	0.00	0.00	88.00	88.00	0.00	0.00
	<b>Trade Receivable</b>						
	Syncom International (Capital)	0.00	0.00	0.00	0.00	0.00	9.45
	ARP Pharma	0.00	0.00	0.00	0.00	0.00	0.00
Synmax Pharma	0.00	0.00	0.00	0.00	0.00	0.00	
<b>B</b>	<b>Liabilities</b>						
	<b>Short Term Borrowings</b>						
	Unsecured Loans	0.00	0.00	0.00	0.00	0.00	0.00
	Strand Developers Pvt. Ltd.	0.00	0.00	0.00	0.00	0.00	0.00
	Paradise Vyapaar Pvt. Ltd.	0.00	0.00	0.00	0.00	0.00	0.00
	ARP Pharma Pvt. Ltd.	0.00	0.00	0.00	0.00	13.08	18.18
<b>Note:</b>	No amount has been provided as doubtful debts or advances/written off or written back in the year in respect of debts due from or to above related parties.						
<b>d) Particulars Regarding Firm in which the Company is a Partner</b>							
<b>Name of the Firm &amp; Partner</b>						<b>Share %</b>	
1. M/s Syncom International						99%	
a) M/s Syncom Formulations (I) Ltd.						1%	
b) Mr. Vijay Bankda							



**Notes On Consolidated Financial Statements For The Year Ended 31st March, 2014** (Amount in ₹)

<b>27.14</b>	<b>DEFERRED TAX LIABILITY (Net)</b>		
	<b>Tax effect of items constituting deferred tax liability</b>		
	Related to Fixed Assets		
	Timing differences on account of: Difference between Book & Tax Depreciation	<b>6,82,57,396</b>	6,21,75,933
	<b>Less: Tax effect of items constituting deferred tax assets</b>		
	Unabsorbed Depreciation	<b>0</b>	0
	Provision for Gratuity	<b>13,71,344</b>	11,74,757
	<b>Net Deferred Tax Liabilities</b>	<b>6,68,86,052</b>	6,10,01,176
<b>27.15</b>	In the opinion of the Board Current Assets, Loans & Advances have a value on realisation in the ordinary course of business at least equal to the amount at which these are stated in the Balance Sheet & that the provisions for known liabilities is adequate and not in excess of amount reasonably necessary.		
<b>27.16</b>	Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the year's classification/ disclosure.		
<b>27.17</b>	Sales Tax and Purchase Tax Assessment are at various stages. According to company's management the provision for the same is sufficient.		
<b>27.18</b>	Excise duty is net of Excise duty refund received against export under the central excise rules amounting to Rs. 5,72,53,255 (Previous Year Rs. 4,47,43,197)		
<b>27.19</b>	Figures have been rounded off to the nearest rupee.		
<b>27.20</b>	Significant Accounting Policies followed by the Company are as stated in the statement annexed as Annexure-I.		
<b>27.21</b>	Disclosure under clause 32 of the listing agreement Amount of loans and advances in nature of loan outstanding from subsidiaries as at March 31st 2014.		
	Sr. No.	Subsidiary Company	Outstanding as at 31/03/14
			Maximum Outstanding during the year
	1	Trade Services FZE	6,00,000
			6,00,000
<b>27.22</b>	<b>Information related to subsidiary companies consolidated</b>		
	<b>Name of subsidiary</b>	<b>Trade Services BP</b>	
	Reporting currency	INR	
	Capital	0	
	Reserves	0	
	Total Assets	6,22,472	
	Total Liabilities	6,22,472	
	Details of Investment (Except in case of investment in subsidiaries)	0	
	Turnover	0	
	Profit / Loss before Taxation	0	
	Provision for taxation	0	
	Profit / (Loss) after Taxation	0	
	Proposed Dividend	0	
<b>27.23</b>	<b>Statement pursuant to section 212 of the companies Act, 1956 relating to subsidiaries.</b>		
<b>Sr. No.</b>	<b>Particulars</b>	<b>Name of Subsidiary</b>	
1	Financial year of Subsidiary	01-04-2013 to 31-03-2014	
2	Shares of the subsidiary held by the company on the above date		
	a) Number and face value	0	
	b) Extent of Holding	0	
3	Net aggregated amount of profit/losses of the subsidiary for the above financial year of the subsidiary not dealt with in the Company's account		
	a) For the Financial year of the subsidiary - Profit / (Loss)	0	
	b) For the previous financial years since it became a subsidiary - Profit/(Loss)	0	
4	Net aggregated amount of profit/losses of the subsidiary for the above financial year of the subsidiary dealt with in the Company's account		
	a) For the Financial year of the subsidiary - Profit/(Loss)	0	
	b) For the previous Financial Years since it became a subsidiary - Profit/(Loss)	0	



## ANNEXURE - I

Statement referred to in Note No. 27.19 to the Financial Statements for the year ended 31st March, 2014.

## SIGNIFICANT ACCOUNTING POLICIES :

## i) Basis of Accounting :

The financial statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 1956. The company generally follow mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis.

All the assets and liabilities have been classified as current or non-current as per the company's normal operating cycle and other criteria set out in Schedule VI to the Companies Act, 1956. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash & cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current /non current classification of assets and liabilities.

## ii) Use of estimates :

The presentation of financial statements is in conformity with generally accepted accounting principles requires estimates and assumptions to be made, that affect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the period.

Differences between the actual result and estimates are recognised in the period in which the results are known/materialised.

## iii) Fixed Assets :

Fixed assets are stated at cost net of modvat/cenvat on construction and includes proportionate financial cost till commencement of production less accumulated depreciation.

## iv) Depreciation :

Depreciation on all Assets is being provided on straight line basis as per schedule XIV of the Companies Act, 1956.

## v) Impairment of Assets :

An asset is treated as impaired when the carrying cost of Assets exceeds its recoverable value. An impairment loss is charged to the Profit & loss Account in the year in which an asset is identified as impaired.

The impairment loss recognised in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

## vi) Inventory valuation :

a) Stock of raw materials/packing materials are valued at cost (net of modvat credit) on FIFO basis or net realisable value which ever is Lower.

b) Stores & Spares and gift articles are valued at cost or net realisable value which ever is Lower.

c) Semi finished goods are valued at approximate cost of input, depending on the stage of completion or net realisable value which ever is Lower.

d) Finished goods are valued at cost or net realisable value which ever is lower. Cost for this purpose is determined by reducing the estimated gross margin from the billing price.

## vii) Foreign Currency Transaction :

a) Transactions denominated in foreign currencies are normally recorded on exchange rate prevailing at the time of the transaction. Current liabilities related to foreign currency transaction are being converted at the year end at the closing rates for revenue transactions & exchanges gains/ losses in fluctuations of exchange rate are being dealt in the profit & loss account.

b) Monetary items denominated in foreign currencies and covered by forward exchange contracts are translated at the rate ruling on the date of transaction as increased or decreased by the proportionate difference between the forward rate and exchange rate on the date of transaction, such difference is being recognised over the life of the contract.

## viii) Investments :

The Investments are long term & stated at cost. Provision for diminution in the value of long term investment is made only if such a decline is other than temporary in the opinion of the management.

## ix) Sales :

The company recognises sales at the point of dispatch of goods to the customer.

## x) Modvat/cenvat :

Modvat/cenvat credit is accounted on accrual basis on purchase of materials and capital goods and appropriated against payment of excise duty on clearance of the finished goods.

## xi) Excise Duty :

Excise duty has been accounted on the basis of both, payments made in respect of goods cleared as also provision made for goods lying in bonded warehouses.

## xii) Treatment of retirement benefit :

Retirement benefit to employees viz, gratuity is being accounted for on actuarial basis.

## xiii) Borrowing cost :

Borrowing cost that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

## xiv) Earning per share :

Basic EPS is computed using the weighted average number of equity shares outstanding during the year.

equivalent shares Diluted EPS is computed using the weighted average number of equity and diluted equity outstanding during the year except where the results would be anti-dilutive.

## xv) Provision for current and deferred Tax :

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income tax Act, 1961.

Deferred tax resulting from "timing differences" between book and taxable profit is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognised and carried forward only to the extent that there is a reasonable certainty that the assets will be realised in future.

## xvi) Contingent liabilities :

Contingent liabilities are not provided for. These are being disclosed by way of a note in the notes to Accounts.

## xvii) Miscellaneous expenditure :

Miscellaneous expenditure is written off to the profit & loss account over a period of up to five years, depending upon the nature and expected future benefits of such expenditure. The management reviews the amortization period on a regular basis and if expected future benefits from such expenditure are significantly lower from previous estimates, the amortization period is accordingly changed.

As per our report of even date annexed

For S.P. Moondra & Co.  
Chartered Accountants

S.P. Moondra  
Proprietor

M. No. : 073747

F.R. No. : 004879C

Place : Indore

Dated the : 30<sup>th</sup> May, 2014

For and on behalf of the  
Board of Directors

Kedarmal Bankda  
Chairman & Whole Time Director  
DIN : 00023050

Vijay Bankda  
Managing Director  
DIN : 00023027

Shikha Sethi  
Company Secretary

Ankit Bankda  
Chief Finance Officer



**PROXY FORM  
FORM MGT- 11**

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

Name : SYNCOM FORMUALTIONS (INDIA) LIMITED  
 CIN : L24239MH1988PLC047759  
 Regd. office : 7, Niraj Industrial Estate, Off Mahakali Caves Road, Andheri (E), Mumbai (MS) 400093

Name of the member (s) : \_\_\_\_\_  
 Registered address : \_\_\_\_\_  
 E-mail Id : \_\_\_\_\_  
 Folio No/ Client Id/ DP ID : \_\_\_\_\_

I/We, being the member (s) of \_\_\_\_\_ Shares of the above named company, hereby appoint

1. Name : \_\_\_\_\_  
 Address : \_\_\_\_\_  
 E-mail Id : \_\_\_\_\_  
 Signature : \_\_\_\_\_ or failing him

2. Name : \_\_\_\_\_  
 Address : \_\_\_\_\_  
 E-mail Id : \_\_\_\_\_  
 Signature : \_\_\_\_\_ or failing him

3. Name : \_\_\_\_\_  
 Address : \_\_\_\_\_  
 E-mail Id : \_\_\_\_\_  
 Signature : \_\_\_\_\_ or failing him

As my/our proxy to attend and vote on a poll for me/us and on my/our behalf at the 26th Annual General Meeting of the company, to be held on the 22nd September, 2014 at Touch of Class, Club B, Boomerang, Plot No. 37, Chandivali Farm Road Chandivali, Andheri (E), Mumbai 400072 at 2.00 P.M. and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolutions	
1.	Consider and adopt Audited Financial Statement, reports of the Board of directors and Auditor for the year ended 31st March, 2014.
2.	Approval of dividend on the equity shares
3.	Re-Appointment of Shri Kedarmal Bankda who is liable to retire by rotation
4.	Re-Appointment of Auditor and fixing their remuneration.
5.	Re-appointment of Shri Vijay Bankda as the Managing Director of the Company w.e.f. 1st Dec., 2014 for a period of 5 years
6.	Appointment of Shri Vinod Kumar Kabra as an Independent Director of the Company for a period of five years till 31.03.2019.
7.	Appointment of Shri Krishna Das Neema as an Independent Director of the Company for a period of five years till 31.03.2019.
8.	Appointment of Shri Praveen Jindal as an Independent Director of the Company for a period of five years till 31.03.2019.
9.	Appointment of Mrs. Rinki Bankda as Director of the Company

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2014

Signature of shareholder

Signature of Proxy holder(s)

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



INTENTIONALLY KEPT BLANK



## ATTENDANCE SLIP

26th Annual General Meeting of Syncom Formulations (India) Ltd. held on 22nd Sept., 2014  
held at Touch of Class, Club B, Boomerang, Plot No. 37, Chandivali Farm Road Chandivali, Andheri (E), Mumbai 400072

R.F. No.

Mr./Mrs./Miss \_\_\_\_\_

(Shareholders' name in block letters)

I/We certify that I/We am/are registered shareholder / proxy for the registered shareholder of the company.

I/We hereby record my/our presence at the 26th Annual General meeting of the company at the Touch of Class, Club B, Boomerang, Plot No. 37, Chandivali Farm Road Chandivali, Andheri (E), Mumbai 400072 on 22nd September, 2014.

(If signed by proxy, his name should be written in block letters)

(Shareholders/proxy's Signature)

**Note:**

1. Shareholders/proxy holders are requested to bring the attendance slips with them when they come to the meeting and hand over them at the entrance after affixing their signatures on them.
2. If it is intended to appoint a proxy, the form of proxy should be completed and deposited at the Registered Office of the Company at least 48 hours before the Meeting.



INTENTIONALLY KEPT BLANK

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Email: [info@sfil.in](mailto:info@sfil.in) - [www.sfil.in](http://www.sfil.in) - CIN: L24239MH1988PLC047759