

# **CHEMO PHARMA LABORATORIES LIMITED**

**76<sup>TH</sup> ANNUAL REPORT  
2017-2018**

**BOARD OF DIRECTORS**

SHRI. ASHOK SOMANI  
SMT. SHANTA SOMANI  
SHRI. BALKISHAN LOHIA  
SHRI. PRAKASH CHAND JAIN  
SHRI. GHANSHYAM K. JOSHI  
(Resigned from the Directorship w.e.f. 24/01/2018)  
SHRI. TOBY ANTONY  
(Appointed as an Additional Director w.e.f. 24/01/2018)  
SHRI. SHREENIWAS SOMANI  
(Appointed as an Additional Director w.e.f. 05/03/2018)

**COMPANY SECRETARY  
& COMPLIANCE OFFICER**

SMT. NEHA VORA

**CHIEF EXECUTIVE OFFICER**

SHRI. SHREENIWAS SOMANI

**CHIEF FINANCIAL OFFICER**

SHRI. ASHOK SOMANI

**BANKERS**

KOTAK MAHINDRA BANK, MUMBAI  
AXIS BANK LTD., MUMBAI  
&  
STATE BANK OF INDIA, MUMBAI

**STATUTORY AUDITORS**

**M/S. VMD & CO.,**  
CHARTERED ACCOUNTANTS, MUMBAI

**INTERNAL AUDITORS**

**M/S. SARDA SONI & ASSOCIATES LLP,**  
CHARTERED ACCOUNTANTS, MUMBAI

**SECRETARIAL AUDITOR**

**SACHIN SHARMA & COMPANY**  
PRACTICING COMPANY SECRETERIES

**REGISTERED OFFICE**

5, KUMUD APARTMENT CHS. LTD.,  
KARNIK ROAD, CHIKAN GHAR,  
KALYAN, DIST. THANE - 421301,

**CORPORATE OFFICE**

EMPIRE HOUSE, 3<sup>RD</sup> FLOOR,  
214, DR. D. N. ROAD,  
FORT, MUMBAI - 400001

**REGISTRAR AND  
SHARE TRANSFER AGENT**

**SHAREX DYNAMIC (INDIA) PRIVATE LIMITED**  
LUTHRA IND PREMISES, UNIT-1,  
SAFEED POOL, ANDHERI-KURLA ROAD,  
ANDHERI (EAST), MUMBAI - 400072  
TEL. NO.: (022) 28515606 / 44  
FAX NO.: (022) 28512885  
E-MAIL ID : [sharexindia@vsnl.com](mailto:sharexindia@vsnl.com)

**CHEMO PHARMA LABORATORIES LIMITED**

**Registered Office: 5-Kumud Apartment Co. Op. Hsg. Soc. Ltd., Karnik Road,  
Chikan Ghar, Kalyan, Dist. Thane- 421301**

**Tel No. - (022) 22078381/22078382**

**CIN No.-L99999MH1942PLC003556**

**Website: [www.thechemopharmalaboratoriesltd.com](http://www.thechemopharmalaboratoriesltd.com)**

**Email Id: [chemopharmalab@gmail.com](mailto:chemopharmalab@gmail.com)**

**NOTICE CONVENING ANNUAL GENERAL MEETING**

**NOTICE** is hereby given that the **SEVENTY SIXTH ANNUAL GENERAL MEETING** of the Shareholders of **CHEMO PHARMA LABORATORIES LIMITED** will be held at the Registered office of Company at 5-Kumud CHS Ltd., Karnik Road, Chikan Ghar, Kalyan, Dist. Thane - 421301 on **Wednesday, 29<sup>th</sup> August, 2018 at 04:00P.M.** to transact the following business:

**ORDINARY BUSINESS**

1. To consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2018 and the Report of Board of Directors and Auditors thereon.
2. To appoint a Director in place of Smt. Shanta Somani (DIN - 06974887), who retires by rotation and being eligible for re-appointment.
3. To Ratify Appointment of Statutory Auditors and fix their remuneration and in this regard to consider and if thought for, to pass with or without modification (s) the following resolution as an Ordinary Resolution -

"RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and The Companies (Audit and Auditors) Rules, 2014, (the Rules), (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the re-appointment of M/s. VMD & Co., Chartered Accountants (Reg. No. - 125002W) who were appointed as Statutory Auditors of the Company for a period of five years in the Seventy Fourth Annual General Meeting held on 30<sup>th</sup> August, 2016, be and is hereby ratified and the Board of Directors of the Company be and is hereby authorized to fix their remuneration as may be agreed with the auditors in addition to applicable taxes and re-imbursment of out of pocket expenses incurred by the Statutory Auditors in connection with audit of accounts of the Company."

**SPECIAL BUSINESS****4. REGULARISATION OF SHRI. TOBY ANTONY AS A DIRECTOR**

To pass with or without modification(s) the following resolution as an Ordinary Resolution:

To regularise Shri. Toby Antony (DIN - 06982568), as Director of the Company -

"RESOLVED THAT pursuant to the provision of Section 149 (1) and 152 and other applicable provisions of the Companies Act, 2013 (the Act) read with The Companies (Appointment and Qualification of Directors) Rules, 2014 (the Rules), including any Statutory Modification (s) or re-enactment (s) thereof for the time being in force, Shri. Toby Antony (DIN - 06982568), who was appointed as an Additional Director of the Company by the Board of Directors, with effect from 24<sup>th</sup> January, 2018, pursuant to the Section 161 of the Companies Act, 2013 and who holds office of Directorship up to the date of this Annual General Meeting, who being eligible, offers himself for appointment and in respect of whom the Company has received a notice along with requisite deposit, proposing his candidature for the office of the Director, from the Member of the Company under Section 160 of the Companies Act, 2013, be and is hereby appointed as a Director of the Company."

RESOLVED FURTHER THAT any one of the Board of Directors of the Company be and is hereby authorised to file E-Form DIR-12 with the Registrar of Companies (ROC) and to do all such acts, deeds and things as may be necessary in this regards."

**5. REGULARISATION OF SHRI. SHREENIWAS SOMANIAS DIRECTOR OF THE COMPANY**

To pass with or without modification(s) the following resolution as an Ordinary Resolution:

To regularise Shri. Shreeniwas Somani (DIN - 00077939), as Director of the Company -

"RESOLVED THAT pursuant to the provision of Section 149 (1) and 152 and other applicable provisions of the Companies Act, 2013 (the Act) read with The Companies (Appointment and Qualification of Directors) Rules, 2014 (the Rules), including any Statutory Modification (s) or re-enactment (s) thereof for the time being in force, Shri. Shreeniwas Somani (DIN - 00077939), who was appointed as an Additional Director of the Company by the Board of Directors, with effect from 5<sup>th</sup> March, 2018, pursuant to the Section 161 of the Companies Act, 2013 and who holds office of Directorship up to the date of this Annual General Meeting, who being eligible, offers himself for appointment and in respect of whom the Company has received a notice along with requisite deposit, proposing his candidature for the office of the Director, from the Member of the Company under Section 160 of the Companies Act, 2013 be and is hereby appointed as a Director of the Company in the Category of Executive Director."

RESOLVED FURTHER THAT any one of the Board of Directors of the Company be and is hereby authorised to file E-Form DIR-12 with the Registrar of Companies (ROC) and to do all such acts, deeds and things as may be necessary in this regards."

**6. APPOINTMENT OF SHRI. TOBY ANTONY AS A NON-EXECUTIVE INDEPENDENT DIRECTOR FOR A TERM OF FIVE CONSECUTIVE YEARS**

To pass with or without modification(s) the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 149 and 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Shri. Toby Antony (DIN-06982568) be and is hereby appointed as Non-Executive Independent Director for a term of Five Consecutive years with effect from 24<sup>th</sup> January, 2018.

RESOLVED FURTHER THAT any one of the Board of Directors of the Company be and is hereby authorised to file E-Form DIR-12 with the Registrar of Companies (ROC) and to do all such acts, deeds and things as may be necessary in this regards."

**7. APPOINTMENT OF SHRI. SHREENIWAS SOMANI AS AN EXECUTIVE DIRECTOR FOR A TERM OF THREE YEARS**

To pass with or without modification(s) the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 198 and 203 read with Schedule V and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Shri. Shreeniwas Somani (DIN-00077939) be and is hereby appointed as an Executive Director for a period of three years with effect from 5<sup>th</sup> March, 2018 without any remuneration, provided however that he will be entitled to reimbursement of any expenses incurred for the business of the Company.

RESOLVED FURTHER THAT any one of the Board of Directors of the Company be and is hereby authorised to file E-Form DIR-12 with the Registrar of Companies (ROC) and to do all such acts, deeds and things as may be necessary in this regards."

**NOTES:**

1. Relevant documents referred to in the accompanying Notice are open for inspection by the Members at the Company's Registered Office on all working days of the Company, during business hours up to the date of the Meeting.

2. In respect of Resolutions bearing item No. 2, 4 and 5, a Statement giving additional information on the Directors seeking appointment / re-appointment is annexed herewith as required as under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
3. The Relative Explanatory Statements, pursuant to Section 102 of the Companies Act, 2013, in respect of the business under Item Nos. 4 and 5, 6, 7 of the accompanying Notice are annexed hereto.
4. A Member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a Member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than 48 hours before the commencement of the Meeting i.e. on 27/08/2018 by 04:00 P.M.
5. A person can act as a proxy on behalf of Members not exceeding fifty in number and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
6. Corporate Members intending to send their authorised representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013, are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signature authorizing their representative to attend and vote on their behalf at the Meeting.
7. Members are requested to bring their attendance slips duly completed and signed mentioning therein details of their DP ID and Client ID/ Folio No..
8. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.
9. The Company has notified closure of Register of Members and Share Transfer Books from 24<sup>th</sup> August, 2018 to 29<sup>th</sup> August, 2018 (both days inclusive).
10. Members holding shares in electronic form are requested to intimate immediately any change in their address or to their Depository Participants with whom they are maintaining their DEMAT Accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company / Sharex Dynamic (India) Private Limited.
11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their DEMAT Accounts. Members holding shares in physical form can submit their PAN to the Company / Sharex Dynamic (India) Private Limited.
12. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to Sharex Dynamic (India) Private Limited for consolidation into a single folio.
13. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
14. Members holding shares in their single name are advised to make a nomination in respect of their shareholding in the Company. The Nomination Form can be down from the Company's Website - [www.thechemopharmalaboratoriesltd.com](http://www.thechemopharmalaboratoriesltd.com) by accessing the icon of Companies Act, 2013 Compliance. Members holding shares in physical form should file their Nomination Form with the Company whilst the Members holding shares in dematerialized form should file their Nomination Form with their DP.
15. A Route Map showing directions to reach the venue of the 76<sup>th</sup> Annual General Meeting is given at the end of the notice as per the requirement prescribed in Secretarial Standards - 2 which is based on standard pertaining to General Meeting.

**GENERAL INFORMATION**

1. In Compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of The Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) as amended from time to time, the Company is pleased to offer Remote E-Voting Facilities to its members in respect of the business to be transacted at the 76<sup>th</sup> Annual General Meeting. The Company has engaged the services of Central Depository Services Limited (CDSL) as authorized agency to provide Remote E-Voting Facility. Resolutions passed by the Members through Remote E-Voting or Ballot Form are deemed to have been passed as if they have been passed at the Annual General Meeting (AGM).
2. The Members who have cast their votes by Remote E-Voting or by Ballot Form prior to the AGM may also attend the meeting but they shall not be entitled to cast their vote again.
3. The Remote E-Voting Period will commence on Sunday, 26<sup>th</sup> August, 2018 at 09:00 A.M. and will end on Tuesday, 28<sup>th</sup> August, 2018 at 05:00 P.M. During this period, Members of the Company holding shares either in physical form or in dematerialized form, as on cut-off date i.e. Wednesday, 22<sup>nd</sup> August, 2018, may cast their vote by Remote E-Voting. The Remote E-Voting module will be disabled by CDSL for the voting thereafter.

The voting rights of Members shall be in proportion of the paid up equity share capital of the Company as on the cut-off date i.e. Wednesday, 22<sup>nd</sup> August, 2018

Only those Members whose names are recorded in the Register of Members of the Company as on the cut-off date shall be entitled to vote. If a person was a Member on the date of the Book Closure date as aforesaid but has ceased to be a Member on the cut-off date, he/she shall not be entitled to vote. Such person should treat this notice for information purpose only.

4. Dr. Shubh Karan Jain, Practicing Company Secretary (Proprietor of S. K. Jain & Co.), has been appointed as the Scrutinizer for overseeing the voting and Remote-E-voting in a fair and transparent manner.
5. The Scrutinizer shall submit his report to the Chairman. The results declared along with the report of the Scrutinizer shall be placed on the website of the Company i.e. [www.thechemopharmalaboratoriesltd.com](http://www.thechemopharmalaboratoriesltd.com) and on the website of CDSL i.e. <https://www.evotingindia.com> after the declaration of result by the Chairman or a person authorized by him in his behalf. The Results shall be uploaded on the BSE Listing Portal.
6. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of Annual General Meeting i.e. Wednesday, 29<sup>th</sup> August, 2018.

**PROCESS FOR MEMBERS OPTING FOR REMOTE E-VOTING**

In Compliance with provisions of Amendment Rules, 2015 and Regulation 44(1) of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, the Company will be providing Members facility to exercise their right to vote on resolutions proposed to be considered at the ensuing Annual General Meeting (AGM) by electronic means and the business may be transacted through Remote E-Voting Services. The facility of casting the votes by the Members using an electronic voting system from a place other than venue of the AGM ("Remote E-Voting") will be provided by Central Depository Services Limited (CDSL). The detailed procedure to be followed in this regard has been given in Annexure A to the notice. The Members are requested to go through them carefully.

**BY ORDER OF THE BOARD OF DIRECTORS  
FOR CHEMO PHARMA LABORATORIES LIMITED**

**Place: Mumbai  
Date : 25<sup>th</sup> May, 2018**

**Sd/-  
ASHOK SOMANI  
DIRECTOR & CFO  
(DIN - 03063364)**

**ANNEXURE TO THE ITEM NO. 2.4.5 OF NOTICE****DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT / APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING IN PURSUANCE OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

Sr. No.	1	2	3
<b>Name of the Director</b>	<b>Smt. Shanta Somani</b>	<b>Shri. Toby Antony</b>	<b>Shri. Shreeniwas Somani</b>
<b>Director Identification Number</b>	06974877	06982568	00077939
<b>Date of Birth</b>	04-01-1939	06-05-1957	19-01-1936
<b>Nationality</b>	Indian	Indian	Indian
<b>Date of Appointment on Board</b>	26-09-2014	24-01-2018	05-03-2018
<b>Shareholding in the Company</b>	Nil	Nil	48785(3.25%)
<b>List of Directorships held in other Companies(excluding foreign, private, and Section 8 Company)</b>	Nil	1. Tecil Chemicals and Hydro Power Limited	1. Citric India Limited
<b>Memberships/Chairmanships of Audit Committee Stakeholders Relationship Committee</b>	Nil	Nil	Nil

**EXPLANTORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013****ITEM NO. 4 & 6**

The Board of Directors of the Company on the recommendation of the Nomination and Remuneration Committee appointed Shri. Toby Antony (DIN - 06982568) as an Additional Director of the Company, pursuant to the Section 149 (1), 152 and 161 of the Companies Act, 2013 read with Rule 3 of The Companies (Appointment and Qualification of Directors) Rules, 2014 of the Companies Act, 2013 and the Articles of Association of the Company, with effect from 24<sup>th</sup> January, 2018.

In terms of provisions of Section 161(1) of the Companies Act, 2013, Shri. Toby Antony (DIN - 06982568) holds office up to the date of ensuing Annual General Meeting.

A Company has received a notice dated 24<sup>th</sup> May, 2018 in writing under Section 160 of the Companies Act, 2013 along with requisite deposit from a Member proposing the candidature of Shri. Toby Antony (DIN - 06982568) for the Office of Director of the Company.

Shri. Toby Antony (DIN - 06982568) is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as a Director.

Brief resume of Shri. Toby Antony (DIN - 06982568) is given in Board Report forming part of the Annual Report to the Company.

The Board of Directors in its meeting held on 24<sup>th</sup> January, 2018 had appointed Shri. Toby Antony (DIN-06982568) as an Additional Director of the Company designated as Non-Executive Independent Director. Shri. Toby Antony is being proposed to be appointed as Non-Executive Independent Director for a term of five consecutive years with effect from 24<sup>th</sup> January, 2018. Necessary resolutions for his appointment as a Non-Executive Independent Director is set out in Item No. 6 of the Notice.

Except Shri. Toby Antony (DIN - 06982568) and his relatives, no other Director and Key Managerial Personnel is concerned or interested or deemed to be concerned or interested in the proposed

Resolution. Shri. Toby Antony (DIN - 06982568) is not holding any share in Chemo Pharma Laboratories Limited (the "Company").

The Board of Directors recommends the passing of proposed Resolution.

#### **ITEM NO. 5 & 7**

The Board of Directors of the Company on the recommendation of the Nomination and Remuneration Committee appointed Shri. Shreeniwas Somani (DIN - 00077939) as an Additional Director of the Company, pursuant to the Section 149 (1), 152 and 161 of the Companies Act, 2013 read with Rule 3 of The Companies (Appointment and Qualification of Directors) Rules, 2014 of the Companies Act 2013 and the Articles of Association of the Company, with effect from 5<sup>th</sup> March, 2018.

In terms of provisions of Section 161(1) of the Companies Act, 2013, Shri. Shreeniwas Somani (DIN - 00077939) holds office up to the date of ensuing Annual General Meeting.

A Company has received a notice dated 24<sup>th</sup> May, 2018 in writing under Section 160 of the Companies Act, 2013 along with requisite deposit from a Member proposing the candidature of Shri. Shreeniwas Somani (DIN - 00077939) for the Office of Director of the Company.

Shri. Shreeniwas Somani (DIN - 00077939) is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as a Director.

Brief resume of Shri. Shreeniwas Somani (DIN - 00077939) is given in Board Report forming part of the Annual Report to the Company.

The Board of Directors in its meeting held on 5<sup>th</sup> March, 2018 had appointed Shri. Shreeniwas Somani as an Executive Director for a period of three years with effect from 5<sup>th</sup> March, 2018, subject to the approval of members of the Company. Necessary resolutions seeking approval of the members of the Company for appointment of Shri. Shreeniwas Somani as Executive Directors is set out at item no. 7 of the Notice. Shri. Shreeniwas Somani will not draw any remuneration as a Executive Director. However, he will be entitled to re-imbusement of any expenses incurred by him for the business of the Company.

Except Smt. Shanta Somani and relatives of Shri. Shreeniwas Somani, no other Director and Key Managerial Personnel is concerned or interested or deemed to be concerned or interested in the proposed Resolution. Shri. Shreeniwas Somani (DIN - 00077939) is holding 48781 (3.25%) Equity Shares in Chemo Pharma Laboratories Limited.

The Board of Directors recommends the passing of proposed Resolution.

**BY ORDER OF THE BOARD OF DIRECTORS  
FOR CHEMO PHARMA LABORATORIES LIMITED**

**Place: Mumbai  
Date : 25<sup>th</sup> May, 2018**

**Sd/-  
ASHOK SOMANI  
DIRECTOR & CFO  
(DIN - 03063364)**



**ANNEXURE A TO THE NOTICE****INSTRUCTIONS FOR VOTING THROUGH ELECTRONIC MEANS**

- (i) The Remote E-Voting period begins on Sunday, 26<sup>th</sup> August, 2018 at 09:00 A.M. and will end on Tuesday, 28<sup>th</sup> August, 2018 at 05:00 P.M. During this period, Shareholders of the Company, holding shares either in physical form or in Dematerialized Form, as on the cut-off date (record date) i.e. Wednesday, 22<sup>nd</sup> August, 2018, may cast their vote electronically. The Remote E-Voting module shall be disabled by CDSL for voting thereafter.
- (ii) The Shareholders should log on to the E-Voting website [www.evotingindia.com](http://www.evotingindia.com)
- (iii) Click on Shareholders
- (iv) Now Enter your User ID
- For CDSL: 16 digits beneficiary ID
  - For NSDL: 8 Character DP ID followed by 8 Digits Client ID
  - Members holding shares in Physical Form should enter Folio Number registered with the Company
- (v) Next enter the Image Verification as displayed and Click on Login
- (vi) If you are holding shares in DEMAT Form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used
- (vii) If you are a first time user follow the steps given below:

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

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in DEMAT Form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the DEMAT holders for voting for resolutions of any other company on which they are eligible to vote, provided that Company opts for Remote E-Voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (x) For Members holding shares in physical form, the details can be used only for Remote E-Voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant **CHEMO PHARMA LABORATORIES LIMITED** on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If DEMAT account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non - Individual Shareholders and Custodians
- Non-Individual Shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding Remote E-Voting, you may refer the Frequently Asked Questions ("FAQs") and Remote E-Voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

FOR CHEMO PHARMA LABORATORIES LIMITED

Place: Mumbai  
Date : 25<sup>th</sup> May, 2018

Sd/-  
ASHOK SOMANI  
DIRECTOR & CFO  
(DIN - 03063364)

## BOARD'S REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS REPORT

**TO,  
THE MEMBERS OF  
M/S. CHEMO PHARMA LABORATORIES LIMITED**

The Board of Directors take pleasure in presenting the **Seventy Sixth Annual Report** together with the Audited Financial Statements for the year ended **31<sup>st</sup> March, 2018**. The Management Discussion and Analysis has also been incorporated into this report.

### FINANCIAL RESULTS

#### **1. OVERVIEW**

The Financial Statements have been prepared provisions of Section 129 and Schedule III of Companies Act, 2013 and in accordance with the Indian Accounting Standard under the Companies (Indian Accounting Standards) Rules, 2015 and under Section 133 of the said Act read with Rule 7 of the Companies (Accounts) Rules, 2014. Our management accepts responsibility or the integrity and objectivity of these financial statements, as well as for various estimates and judgments used therein. The estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis, so that the financial statements reflect in a true and fair manner the form and substance of transactions, and reasonably present our state of affairs, profits and cash flows for the year.

#### **2. FINANCIAL RESULTS**

<u>Particulars</u>	<u>31/03/2018 (Rs.)</u>	<u>31/03/2017 (Rs.)</u>
<b>Income</b>		
- Other Income	1,10,55,147	5,60,80,714
Profit before Tax and Depreciation	76,68,081	5,33,56,518
Less: Depreciation	34,518	260
Profit after Depreciation but before Tax	76,33,563	5,33,56,258
Less: Tax Expenses for the Current year	14,50,000	65,15,000
Less: Tax Expenses Adjustment previous year	51,77,280	-
Profit after Tax	10,06,283	4,68,41,258
Earning Per Share (Nominal Value of Share Rs. 10/-) Basic & Diluted	0.67	31.23

#### **3. DIVIDEND**

In order to conserve funds for the business of the Company, the Board of Directors do not recommend any dividend for the financial year 2017-2018.

#### **4. SHARE CAPITAL**

The paid up Equity Share Capital as on 31<sup>st</sup> March, 2018 was Rs.1.5 Crore. During the year under review, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity.

#### **5. INDUSTRY STRUCTURE AND DEVELOPMENTS**

Since the Company had discontinued its manufacturing operations few years back, the Directors are exploring new business opportunities.

## 6. OUTLOOK, OPPORTUNITIES AND THREATS

At present the Company is not carrying any manufacturing operation and hence surplus funds have been deployed in a manner that same can be liquidated at any time to meet Capital requirement of the new business.

## 7. RISK AND CONCERN

The Company has adopted Risk Management Policy as per Section 134 (3) (n) of the Companies Act, 2013. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage. The business risk policy defines the risk management approach which helps in identifying risks trend, exposure and potential impact analysis at a Company level as also separately for business segments. The detailed risk management policy has been hosted on the website of the Company. There are no perceived risks in the present activity.

## 8. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has in place well defined and adequate internal controls commensurate with the size of the Company and the same were operating effectively throughout the year.

The Company has an in-house Internal Audit Function (IA). To maintain its objectivity and independence, the IA Department evaluates the efficacy and adequacy of internal control system, its compliance with operating systems and policies of the Company and accounting procedures at all locations of the Company. Based on the report of IA function, process owners undertake corrective action in their respective areas and thereby strengthening the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

The Company has in place adequate internal financial controls commensurate with the size, scale and complexity of its operations. The Company has policies and procedures in place of ensuring proper and efficient conduct of the business, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and timely preparation of reliable financial information.

Pursuant to Section 138 of the Companies Act, 2013, the Company has appointed M/s. Sarda Soni & Associates LLP as an Internal Auditor of the Company. Pursuant to Section 134 (5) (e) of the Companies Act, 2013, the Board of Directors has adopted Internal Financial Control Policy, which has also been hosted on Company's Website.

## 9. DIRECTORS

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16 and 25 of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015) for fulfilment of their responsibilities in a professional and faithful manner and to promote confidence of the investment community, particularly Minority Shareholders, regulators of the Company.

Smt. Shanta Somani, Director of the Company retires by rotation at the ensuing Annual General Meeting.

Shri. Ghanshyam Kamlashankar Joshi, Director and Committee Member of the Company, gave his resignation letter on 3<sup>rd</sup> January, 2018 to the Company for getting resigned from the position of Directorship and Committee Member of the Company which was placed before Nomination and Remuneration Committee. The Committee perused and recommended the same to the Board of Directors for taking the same into record. The Board of Directors took the recommendation of the Nomination and Remuneration Committee into consideration and accepted the resignation letter of Shri. Ghanshyam Kamlashankar Joshi in their Meeting held on 24<sup>th</sup> January, 2018.

Shri. Toby Antony gave his letter of consent to become the Additional Director of the Company vide letter dated 3<sup>rd</sup> January, 2018 which was placed before the Nomination and Remuneration

Committee. The Committee reviewed and recommended the same to the Board to take the same into consideration. The Board of Directors in its meeting held on 24<sup>th</sup> January, 2018 perused the consent letter and considered the recommendation of Nomination and Remuneration Committee by accepting the same. The Board further decided to appoint him as an Additional Director of the Company and designate him in the Category of Non-Executive Independent Director. Shri. Toby Antony is proposed to be appointed as Non-Executive Independent Director for a term of Five (5) years w.e.f. 24<sup>th</sup> January, 2018, subject to the approval of Shareholders.

Shri. Shreeniwas Somani gave his consent vide letter dated 21<sup>st</sup> February, 2018 which was placed before the Nomination and Remuneration Committee. The Committee reviewed and recommended the same to the Board of Directors. The Board of Directors perused the consent letter and considered the recommendation of Nomination and Remuneration Committee by accepting the consent letter in its meeting held on 5<sup>th</sup> March, 2018. The Board further decided to appoint him as an Additional Director and Chief Executive Officer (CEO) of the Company. The Board of Directors also appointed Shri. Shreeniwas Somani as an Executive Director of the Company for a period of three (3) years w.e.f. 5<sup>th</sup> March, 2018 subject to the approval of Shareholders by way of Special Resolution.

Smt. Shanta Somani placed letter of resignation from the position of Chief Executive Officer(CEO) and continue as only Executive Director of the Company, on 20<sup>th</sup> February, 2018 before Nomination and Remuneration Committee. The Committee reviewed and recommended the same to the Board. The Board of Directors in its meeting held on 5<sup>th</sup> March, 2018 perused the letter and considered the recommendation of Nomination and Remuneration Committee and decided that Smt. Shanta Somani will no more be designated as Chief Executive Officer (CEO) and will continue to remain as Whole-Time Director of the Company.

#### **10. INDEPENDENT DIRECTORS**

Independent Directors play an important role in their governance process of the Board. They bring to bear their expertise and experience on the deliberations of the Board. This enriches the decision making process at the Board with different point of view and experiences and prevents conflict of interest in the decision making process.

The appointment of Independent Director is carried out in a structured manner. The Nomination and Remuneration Committee identifies potential candidates based on certain laid down criteria and takes in to consideration the diversity of the Board.

The Independent Directors have been appointed for a fixed tenure of five years from their respective dates of appointment.

None of the Independent Directors serves as "Independent Directors" in more than seven listed entities.

During the year under review, the Independent Directors met on 23<sup>rd</sup> March, 2018, inter alia, to discuss:

- (a) Evaluation of the Performance of Non-Independent Directors and the Board of Directors as a whole.
- (b) Evaluation of the Performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors.
- (c) Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present throughout the Meeting. They expressed views on the business transacted at the Meetings and the openness with which the Management discussed various subject matters on the agenda of the meetings. Their suggestions were discussed at the Board Meeting and are being implemented to ensure a more robust interaction at the Board level.

Shri. Toby Antony gave his consent to become the Additional Director of the Company vide Letter

dated 3<sup>rd</sup> January, 2018 before the Board of Directors. The Board in its meeting held on 24<sup>th</sup> January, 2018 perused and accepted the consent letter and decided to appoint him as an Additional Director and member of the Committees of the Company in place of Shri. Ghanshyam Kamlashankar Joshi. The Board further decided to appoint him as an Additional Director and designate him as Non-Executive Independent Director. Shri. Toby Antony is proposed to be appointed as Non-Executive Independent Director for a term of Five (5) years w.e.f. 24<sup>th</sup> January, 2018.

## 11. INDUCTION PROGRAMME FOR NEW DIRECTORS AND ONGOING FAMILIRIAZATION PROGRAMME FOR EXISTING INDEPENDENT AND NON-INDEPENDENT DIRECTORS

An appropriate induction programme for new Directors and ongoing familiarization with respect to the business/working of the Company for all Directors is a major contribution for meaningful Board Level deliberations and sound business decisions.

At the time of appointing a Director, a formal letter of appointment is given to him/her which, inter alia, explains his/her role, function, duties and responsibilities and the Board's expectations from him/her as a Director of the Company. The Director is also explained in detail the compliances required from him/her under the Act, SEBI Regulations and other relevant regulations and his/her affirmation taken with respect to the same.

A Presentation is also shared with newly appointed Director giving an overarching perspective of the industry, organizational set-up of the Company, the functioning of various divisions/departments, the Company's market in which it operates, governance and internal control process and other relevant information pertaining to the Company's business.

The above initiatives help the Directors to understand the Company, its business and the regulatory framework in which the Company operates and equips him/her to effectively fulfill his/her role as the Director of the Company.

## 12. COMPOSITION OF BOARD OF DIRECTORS

The Company's Board comprises of Six Directors - Three of them are Executive Directors and remaining three are Non-Executive Independent Directors. The Chairman of the Board is Executive Director. The number of Non-Executive Independent Directors is 50% of the total strength of the Board.

During the year Five (5) Board Meetings were held on 22/05/2017, 18/07/2017, 18/10/2017, 24/01/2018 and 05/03/2018. The attendance of the Directors in the Board Meetings and last Annual General Meeting is given here below.

Name	Category and Designation	No. of Board Meetings attended during the year 2017-2018	Whether attended last AGM	No. of Directorship in other Limited Companies	No. of Membership of committees other than the Company	No. of Chairmanship of committees other than the Company
Shri. Prakash Chand Jain	ID	05	No	Nil	Nil	Nil
Shri. Ghanshyam Kamlashankar Joshi [Resigned w.e.f. 24/01/2018]	ID	04	No	01	Nil	Nil
Shri. Ashok Somani	ED	05	Yes	01	Nil	Nil
Shri. Balkishan Lohia	ID	05	No	Nil	Nil	Nil
Smt. Shanta Somani	ED	05	No	01	Nil	Nil
Shri. Toby Antony [Appointed as Additional Director in the Category of Non-Executive Independent Director w.e.f.24/01/2018]	ID	01	No	01	Nil	Nil
Shri. Shreeniwas Somani [Appointed as Additional Director in the Category of Executive Director w.e.f.05/03/2018]	ED	Nil	No	01	Nil	Nil

ED - Executive Director  
ID - Independent Director

### 13. **BOARD COMMITTEES**

The Board has constituted the following Committees of Directors:

#### (a) **AUDIT COMMITTEE**

The constitution of Audit Committee meets with the requirements of Section 178 of the Companies Act, 2013.

##### i. **Terms of Reference**

The Audit Committee acts as link between Statutory and Internal Auditor and the Board of Directors. It assists the Board in fulfilling its oversight responsibilities of monitoring financial reporting processes, reviewing the Company's statutory and internal audit activities. Majority of the members on the Committee, including the Chairman are Independent Directors. The Committee is governed by a Charter which is in line with the Regulatory Requirements mandated under Section 177 of the Companies Act, 2013 read with the Rule 6 of The Companies (Meetings of Board and its Powers) Rules, 2014 and SEBI Regulations. The terms of reference of the Audit Committee are as follows -

1. Review the scope of the Statutory Auditors, the Annual Audit Plan and the Internal Audit
2. Plan with a view to ensure adequate coverage.
3. Review the significant audit findings from the statutory and internal audits carried out, the recommendations and Management's response thereto.
4. Review and recommend to the Board the appointment/re-appointment of the Statutory Auditors and Internal Auditors considering their independence and effectiveness and their replacement and removal.
5. Approve such additional services to be rendered by the Statutory Auditors except those enumerated in Section 144 of the Companies Act, 2013 and payment for such services.
6. To recommend to the Board the remuneration of the Statutory Auditors/Internal Auditors.
7. To discuss with the Statutory Auditors/Internal Auditors any significant difficulties encountered during the course of the Audit.
8. Review Annual Audit Report submitted by the Internal Auditor.

##### ii. **Composition**

The Audit Committee comprises of three members, all of which are Independent Directors. Since Shri. Ghanshyam Kamlashankar Joshi, Director and Committee Member of the Company gave his resignation letter on 03<sup>rd</sup> January, 2018, which was accepted by the Board of Directors in its Meeting held on 24<sup>th</sup> January, 2018.

The Board of Directors in its meeting held on 24<sup>th</sup> January, 2018 appointed Shri. Toby Antony as an Additional Director and designated him as Non-Executive Independent Director. Shri. Toby Antony has also been introduced as a member of the Audit Committee in place of Shri. Ghanshyam Kamlashankar Joshi.

Following are the members of the Committee after Re-Constitution of the Composition with effect from 24/01/2018:

- |                          |          |
|--------------------------|----------|
| 1. Shri. Balkishan Lohia | Chairman |
| 2. Shri. Toby Antony     | Member   |
| 3. Shri. P. C. Jain      | Member   |

The Audit Committee met for Four (4) times during the year i.e. on 22/05/2017, 18/07/2017, 18/10/2017 and 24/01/2018. The attendances of members are as follows:

Name	Category	Meetings during the year 2017-2018	
		Held	Attended
Shri. G. K. Joshi (Resigned w.e.f. 24/01/2018)	Chairman	4	4
Shri. Balkishan Lohia (Chairman w.e.f. 24/01/2018)	Member	4	4
Shri. P. C. Jain	Member	4	4
Shri. Toby Antony (Appointed w.e.f. 24/01/2018)	Member	-	-

**iii. The Powers of the Audit Committee include:**

- To investigate any activity within its terms of reference.
- To seek information from any employee.
- To obtain outside legal or other professional advice.
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

**iv. Internal Financial Controls and Governance Process**

- a. Review the adequacy and effectiveness of the Company's system and internal controls.
- b. Review and discuss with the Management, the Company's major financial risk exposures and steps taken by the Management to monitor and control such exposure.
- c. To oversee and review the functioning of vigil mechanism (implemented in the Company as Ethical view Reporting Policy) and to review the findings of investigations into cases of material nature and the actions taken in respect thereof.

All the Members of the Audit Committee possess the requisite qualification for appointment on the Committee and have sound knowledge of finance, accounting practices and internal controls.

The Representative of the Statutory Auditors are permanent invitees to the Audit Committees. They have attended all the Audit Committee Meetings held during the year. The Chief Financial Officer (CFO) attended the meetings of Committee. The Company Secretary is the Secretary to the all the Committee Meetings of the Company.

**(b) STAKEHOLDERS RELATIONSHIP COMMITTEE**

The Stakeholders Relationship Committee comprises of three Members all of which are Independent Directors. The Committee is governed by a Charter.

**i. Terms of Reference**

The terms of reference of the Committee are as follows -

- a) To scrutinize and approve registration of transfer of shares/ debentures/ warrants issued / to be issued by the Company.
- b) To decide all questions and matters that may arise in regard to transmission of shares / debentures / warrants issued / to be issued by the Company.
- c) To approve and issue duplicate shares / debentures / warrants certificates in lieu of those reported lost.
- d) To refer to the Board and any proposal of refusal of registration of transfer of shares / debentures / warrants for their consideration.
- e) To look into Shareholders and investors complaints like transfer of shares, non- receipt of annual reports, non-receipt of declared dividends, etc.
- f) To delegate all or any of its powers of Officers/ Authorized Signatories of the Company.
- g) To issue new certificates against subdivision of shares, renewal, split or consolidation of



share certificates / certificates relating to other securities.

- h) To issue and allot debentures, bonds and other securities, subject to such approvals as may be required;
- i) To approve and monitor Dematerialization of shares / debentures / other securities and all matters incidental or related thereto.
- j) To authorize the Company Secretary and Head Compliance / other Officers of the Share Department to attend to matters relating to non-receipt of annual reports, notices, non receipt of declared dividend/interest, change of address for correspondence etc. and to monitor action taken.

## ii. **Composition**

The Constitution and Terms of Reference of the Stakeholders Relationship Committee is in pursuance of Regulation 20 of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 and Section 178(5) of the Companies Act, 2013.

Since Shri. Ghanshyam Kamlashankar Joshi, Director and Committee Member of the Company gave his resignation letter on 3<sup>rd</sup> January, 2018, which was accepted by the Board of Directors in its Meeting held on 24<sup>th</sup> January, 2018.

The Board of Directors in its meeting held on 24<sup>th</sup> January, 2018 appointed Shri. Toby Antony as an Additional Director and designated him as Non-Executive Independent Director. Shri. Toby Antony has also been introduced as a member of the Stakeholders Relationship Committee in place of Shri. Ghanshyam Kamlashankar Joshi.

Following are the members of the Committee after Re-Constitution of the Composition with effect from 24/01/2018:

- |                          |          |
|--------------------------|----------|
| 1. Shri. Balkishan Lohia | Chairman |
| 2. Shri. Toby Antony     | Member   |
| 3. Shri. P. C. Jain      | Member   |

## iii. **Powers of the Committee**

The Committee

- (i) approves and monitors transfers, transmission, splitting and consolidation of securities and issue of duplicate certificates by the Company;
- (ii) looks into various issues relating to shareholders, including the redressal of Shareholders' and investors' complaints like transfer of shares, non-receipt of Balance Sheet, dividend etc; and
- (iii) carries out the functions envisaged under the Code of Conduct for Prevention of Insider Trading, which is effective from 15<sup>th</sup> May, 2015.

The Committee met Four (4) times during the year i.e. on 22/05/2017, 18/07/2017, 18/10/2017 and 24/01/2018. The attendances of members are as follows:

Name	Category	Meetings during the year 2017-2018	
		Held	Attended
Shri. G. K. Joshi (Resigned w.e.f. 24/01/2018)	Chairman	4	4
Shri. Balkishan Lohia(Chairman w.e.f. 24/01/2018)	Member	4	4
Shri. P. C. Jain	Member	4	4
Shri. Toby Antony (Appointed w.e.f. 24/01/2018)	Member	-	-

**(c) NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee is governed by a Charter. The Chairman along with the other members of the Committee are Independent Directors.

**i. Terms of Reference**

The terms of reference of the Committee interalia include the following -

- a) Succession planning of the Board of Directors and Senior Management Employees;
- b) Identifying and selection of candidates for appointment as Directors / Independent Directors based on certain laid down criteria;
- c) Identifying potential individuals for appointment as Key Managerial Personnel and to other Senior Management positions;
- d) Formulate and review from time to time the policy for selection and appointment of Directors, Key Managerial Personnel and senior management employees and their remuneration;
- e) Review the performance of the Board of Directors and Senior Management Employees based on certain criteria as approved by the Board. In reviewing the overall remuneration of the Board of Directors and Senior Management, the Committee ensures that the remuneration is reasonable and sufficient to attract, retain and motivate the best managerial talent, the relationship of remuneration to performance is clear and meets appropriate performance benchmarks and that the remuneration involves a balance between fixed and incentive pay reflecting short term and long term objectives of the Company.

**ii. Composition**

The Composition of the Committee is composed pursuant to the Section 178 of the Companies Act, 2013.

Since Shri. Ghanshyam Kamlashankar Joshi, Director and Committee Member of the Company gave his resignation letter on 3<sup>rd</sup> January, 2018, which was accepted by the Board of Directors in its Meeting held on 24<sup>th</sup> January, 2018.

The Board of Directors in its meeting held on 24<sup>th</sup> January, 2018 appointed Shri. Toby Antony as an Additional Director and designated him as Non-Executive Independent Director. Shri. Toby Antony has also been introduced as a member of the Nomination and Remuneration Committee in place of Shri. Ghanshyam Kamlashankar Joshi.

Following are the members of the Committee after Re-Constitution of the Composition with effect from 24/01/2018:

- |                          |          |
|--------------------------|----------|
| 1. Shri. Balkishan Lohia | Chairman |
| 2. Shri. Toby Antony     | Member   |
| 3. Shri. P. C. Jain      | Member   |

The Nomination and Remuneration Committee met for only two times during 2017-2018 i.e. on 09/01/2017 and 01/03/2018.

Name	Category	Meetings during the year 2017-2018	
		Held	Attended
Shri. G. K. Joshi	Chairman	1	1
Shri. Balkishan Lohia (Chairman w.e.f.24/01/2018)	Member	2	2
Shri. P. C. Jain	Member	2	2
Shri. Toby Antony	Member	1	1

**14. BOARD EFFECTIVENESS****a. FAMILIARIZATION PROGRAMME FOR THE INDEPENDENT DIRECTORS**

In compliance with the requirements of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, the Company has put in place a familiarization programme for the Independent Directors to familiarize them with their role, rights and responsibility as Directors, the working of the Company, nature of the industry, in which the Company operates the business model etc. The same is also available on the website of the Company and can be accessed.

**b. PERFORMANCE EVALUATION OF THE BOARD AND INDIVIDUAL DIRECTORS**

Pursuant to the provisions of the Act and the SEBI Regulations, the Board has carried out the annual performance evaluation of the working of its Audit, Nomination and Remuneration and Stakeholders Relationship Committee respectively. The Chairman of the Board of Directors individually get an overview of the functioning of the Board and its constituents inter alia on the following broad criteria i.e. attendance and level of participation independence of judgment exercised by Independent Directors, interpersonal relationship etc.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

**c. KEY MANAGERIAL PERSONNEL**

The following persons have been designated as Key Managerial Personnel of the Company pursuant to the Section 2 (51) and 203 of the Companies Act, 2013 read with rules there-under -

1. Shri. Ashok Somani - Director and Chief Financial Officer
2. Shri. Shreeniwas Somani - Director and Chief Executive Officer
3. Mrs. Neha Vora - Company Secretary and Compliance Officer

None of the Key Managerial Personnel have resigned during the year.

**15. MEETINGS**

A calendar of Meetings is prepared and circulated in advance to the Directors. During the year there were Five (5) Board Meetings, Four (4) Audit Committee Meetings, Four (4), Stakeholders Relationship Committee Meetings and Two (2) Nomination and Remuneration Committee Meetings were convened and held. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013. The attendance of Meetings are enumerated in the table below -

<b><u>Board Meetings Held During the Year</u></b>			
<b>Sr. No.</b>	<b>Date on which the Board Meeting was held</b>	<b>Total Strength of the Board</b>	<b>No. of Directors Present</b>
1.	22/05/2017	5	5
2.	18/07/2017	5	5
3.	18/10/2017	5	5
4.	24/01/2018	5	5
5.	05/03/2018	5	5

<u>Stakeholders Relationship Committee Meetings Held During the Year</u>			
Sr. No.	Date on which the Committee Meeting was held	Total Strength of the Committee	No. of Members Present
1.	22/05/2017	3	3
2.	18/07/2017	3	3
3.	18/10/2017	3	3
4.	24/01/2018	3	3

<u>Audit Committee Meetings Held During the Year</u>			
Sr. No.	Date on which the Committee Meeting was held	Total Strength of the Committee	No. of Members Present
1.	22/05/2017	3	3
2.	18/07/2017	3	3
3.	18/10/2017	3	3
4.	24/01/2018	3	3

<u>Nomination and Remuneration Committee Meetings Held During the Year</u>			
Sr. No.	Date on which the Committee Meeting was held	Total Strength of the Committee	No. of Members Present
1.	09/01/2018	3	3
2.	01/03/2018	3	3

#### **16. DIRECTOR'S RESPONSIBILITY STATEMENT**

In terms of Section 134 of the Companies Act, 2013, We, the Directors of **Chemo Pharma Laboratories Limited**, state in respect of Financial Year 2017-2018 that:

- a) In the preparation of annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- b) The Directors have selected the accounting policies, applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period.
- c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) The Directors have prepared the Annual Accounts on a going concern basis.
- e) The Directors have ensured that Proper Internal Financial Controls were in place and that the financial controls were adequate and were operating effectively.
- f) The Directors reviewed that systems are in compliance with the provisions of all applicable laws and were in place and were adequate and operating effectively.

#### **17. PARTICULARS OF LOANS, GUARANTEES, OR INVESTMENTS**

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

#### **18. RELATED PARTY TRANSACTIONS**

There were no Related Party Transaction pursuant to Section 188 (1) of the Companies Act, 2013 read with Rule 15 of The Companies (Meeting of Board and its Powers) Rules, 2014 and SEBI

(Listing Obligations And Disclosure Requirements) Regulations, 2015. The policy on Related Party Transaction approved by the Board has been hosted on the Website of the Company.

#### **19. PUBLIC DEPOSIT**

The Company has not accepted any Public Deposit as per Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 as on 31/03/2018.

#### **20. PARTICULARS OF EMPLOYEES**

Information as per Section 197 of the Companies Act, 2013 ("the Act") read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, in respect of employees of the Company can be obtained by an interested shareholder by submitting a written request to the Company. This practice is followed as per the provisions of Section 136 (1) of the Act. Thus, the Report and the Accounts are being sent to all Shareholders, excluding the information on employees' particulars under Section 197 of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 which is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Company in this regard.

#### **21. STATUTORY AUDITORS**

In the 74<sup>th</sup> Annual General Meeting, the Statutory Auditors, M/s. VMD & Co. (Firm Registration No. - 125002W), Chartered Accountants were appointed for a term of five years i.e. until the conclusion of Seventy Ninth Annual General Meeting i.e. for the Financial Year 2016-2021 under Section 139 and 142 of the Companies Act, 2013 and the rules framed there-under for appointment as Statutory Auditors of the Company. Necessary resolution for ratification of their appointment as Statutory Auditors of the Company is being proposed in the Notice of Annual General Meeting for consideration and approval of the members of the Company.

#### **22. AUDITOR'S REPORT**

The Statutory Auditors of the Company in their report have not made any adverse comments or qualifications on the accounts of the Company except in respect of disputed demands towards Central Sales Tax, Maharashtra Sales Tax and Income Tax. The explanation given on such disputed demands in the note number 14 and 15 is self explanatory and hence no further comments are required in respect thereof.

#### **23. SECRETARIAL AUDIT**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors on recommendation of Audit Committee has appointed Sachin Sharma & Company, Practising Company Secretaries, to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit Report is annexed herewith as "Annexure D".

#### **24. INTERNAL AUDIT**

The Board of Directors on recommendation of Audit Committee appointed M/s. Sarda Soni Associates LLP, Practising Chartered Accountants, to undertake the Internal Audit of the Company pursuant to the provisions of Section 138 of the Companies Act, 2013 read with Rule 13 of the Companies (Accounts) Rules, 2014.

#### **25. ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE**

As required under Section 134 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, the information relating to conservation of energy, technology absorption and foreign exchange earnings and outgo, etc. are not given as there has not been any manufacturing operation during the under report. A copy of Statements of Particulars under Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 have been

Annexed along with Board's Report in "Annexure B".

**26. EXTRACT OF ANNUAL RETURN**

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

**27. CORPORATE GOVERNANCE**

Pursuant to the Regulation 15 of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, which is effective from 1<sup>st</sup> December, 2015, the Company is not required to comply with provisions of Corporate Governance as its Paid-up Capital is less than Rs. 10 Crore and its Net worth is also less than Rs. 25 Crore as on 31/03/2017.

**28. PREVENTION OF INSIDER POLICY**

In January 2015, SEBI notified the SEBI (Prohibition of Insider Trading) Regulations, 2015 which came into force on 15<sup>th</sup> May, 2015. Pursuant thereto, the Company has formulated and adopted a new Code for Prevention of Insider Trading.

The new code viz. "Code of Conduct for Prevention of Insider Trading" allows the formulation of a trading plan subject to certain conditions and requires pre-clearance for dealing in the Company's Shares. It also prohibits the purchase or sale of Company's Shares by the Directors, Designated Employees and Connected Persons, while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading is closed and it has been hosted on the Company's Website. The code is applicable to all Directors and such employees of the Company who have access to unpublished price sensitive information relating to the Company. Transaction for dealing in the prescribed volume of the security of the Company during the prescribed time requires prior approval from the Company.

The Board of Directors in its meeting held on 28<sup>th</sup> May, 2015 adopted the policy. A Copy of Detailed Policy is hosted on the website of the Company.

**29. VIGIL MECHANISM/ WHISTLE BLOWER POLICY**

The Board of Directors in its Meeting held on 26/09/2014 have adopted Vigil Mechanism/ Whistle Blower Policy pursuant to the Section 177(9) of the Companies Act, 2013 read with Rule 7 of (the Companies of Board and its Powers) Rules, 2014 for reporting the genuine concerns of Directors and Employees and also provide adequate safeguards against victimization of persons who use such mechanism. The Details of this policy is published on the website of the Company.

**30. INTERNAL FINANCIAL CONTROL POLICY**

The Board of Directors in its meeting held on 26/09/2014 have adopted Internal Financial Control Policy pursuant to Section 134 (5) of the Companies Act, 2013 for ensuring the orderly and efficient conduct of the business, the safeguarding of the assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and timely preparation of reliable financial information. The Details of this policy are published on the website of the Company.

**31. CODE OF CONDUCT OF INDEPENDENT DIRECTORS**

As per the requirement of Schedule IV of the Companies Act, 2013, the Board of Directors adopted Code of Conduct of Independent Director in its meeting held on 26/09/2014, for the fulfillment of their responsibilities in a professional and faithful manner and to promote confidence of the investment community, particularly minority shareholders, regulators of the Company, a copy of detailed policy is published on the website of the Company.

**32. PERFORMANCE EVALUATION POLICY**

As per the Listing Agreement entered into with the Company, every Listed Company needs to adopt Performance Evaluation Policy for annual evaluation of the Board of Directors and of its own

performance (self-appraisals) and that of its committees and individual Directors as mentioned under the clause (p) of sub-section (3) of Section 134 of the Companies Act, 2013. The Company adopted it in its meeting dated 29/09/2014, details of this Policy is published on the Website of the Company.

### **33. INTERNAL FINANCIAL CONTROL POLICY**

The Board of Directors in its Board meeting dated 29/09/2014 adopted Internal Financial Control Policy pursuant to Section 134 (5) of the Companies Act, 2013 for ensuring the orderly and efficient conduct of the business, the safeguarding of the assets, the prevention and detection of frauds and errors, the accuracy and completeness of the Accounting records and timely preparation of reliable financial information. The Details of this policy are published on the website of the Company.

### **34. RISK MANAGEMENT POLICY**

The Board of Directors adopted Risk Management Policy in its meeting held on 29/09/2014 pursuant to the requirement of Section 134 of the Companies Act, 2013, for the purpose of identification of elements of risks which may threaten the existence of the Company, a copy of detailed policy is published on the website of the Company.

### **35. ADOPTION POLICIES UNDER SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

The Board of Directors had adopted the policies prescribed under SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, in its meeting dated 21<sup>st</sup> January, 2016, copies of which is hosted on website of the Company.

The Policies which were adopted are as follows -

- a. Archival Policy
- b. Policy on Determination of Materiality of Events or Information Materiality
- c. Policy on Preservation of Records
- d. Policy on Materiality of Related Party

### **36. GENERAL BODY MEETINGS**

- (a) Location and time where last three Annual General Meetings were held:

#### **Annual General Meetings**

Financial Year	Date	Time	Location
2016-2017	30/08/2017	04:00 P.M.	At Regd. Office, Kumud Apt., Kalyan
2015-2016	30/08/2016	04:00 P.M.	At Regd. Office, Kumud Apt., Kalyan
2014-2015	28/08/2015	05:00 P.M.	At Regd. Office, Kumud Apt., Kalyan

- (b) Whether Special Resolution were put through postal ballot last year : No  
 (c) Are votes proposed to be conducted through postal ballot this year : No

### **37. OTHER DISCLOSURES**

#### **a. Subsidiary Companies**

The Company has No Subsidiary Companies.

#### **b. Disclosure of Accounting Treatment**

In the preparation of financial statements, the Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India along with Indian Accounting Standards under the Companies (Indian Accounting Standard) Rules, 2015 to the extent applicable. The Financial Statements have been prepared on their historical cost convention and in accordance with the normally the normally accepted accounting principles on accrual basis.

**c. Detail of Complaints:**

No. of Shareholder's Complaints received during the year	:	Nil
No. of Complaints resolved to the satisfaction of shareholders	:	Nil
No. of pending share transfer	:	Nil

**38. MEANS OF COMMUNICATION:****1. Quarterly Results:**

The Company has submitted Un-audited Quarterly Result to the **Bombay Stock Exchange**.

**2. Newspapers wherein normally published: Mumbai Lakshadeep, And Financial Express, Mumbai****3. Whether Management Discussion & Analysis Report is a part of Annual Report: Yes****39. GENERAL SHAREHOLDER INFORMATION**

(a) **AGM DATE, TIME AND VENUE:** Annual General Meeting will be held on **Wednesday, 29<sup>th</sup> August, 2018, at 04:00 P.M.** at the Registered Office of the Company at 5-Kumud Apartment, Co. Op. Hsg. Soc. Ltd., Karnik Road, Chikan Ghar, Kalyan, Dist. Thane - 421301

**(b) FINANCIAL CALENDAR FOR 2017-2018****Tentative Schedule**

Un-audited Results for quarter ending June 30, 2018	upto 14 <sup>th</sup> August, 2018
Un-audited Results for quarter ending September 30, 2018	upto 14 <sup>th</sup> November, 2018
Un-audited Results for quarter ending December 31, 2018	upto 15 <sup>th</sup> February, 2019
Un-audited Results for year ending March 31, 2019	upto 16 <sup>th</sup> May, 2019
Audited Annual Accounts for the year ending March 31, 2019	upto 30 <sup>th</sup> May, 2019

(c) **DATE OF BOOK CLOSURE:** Share Transfer Register will be closed from **24<sup>th</sup> August, 2018 to 29<sup>th</sup> August, 2018 (both days inclusive)**

(d) Dividend payment date: **Not Applicable**

(e) Company's Shares are listed in **Bombay Stock Exchange**

(f) Stock Code: **506365**

(g) **MARKET PRICE DATA: HIGH, LOW DURING EACH MONTH IN LAST FINANCIAL YEAR (2017-2018)**

Month	BSE Price (Rs.)	
	High	Low
April, 17	40.20	22.55
May, 17	43.70	34.00
June, 17	43.70	41.60
July, 17	44.40	35.35
August, 17	44.40	39.85
September, 17	39.90	35.70
October, 17	45.00	40.00
November, 17	44.70	40.70
December, 17	44.95	40.65
January, 18	44.50	36.10
February, 18	43.50	38.85
March, 18	40.75	40.75



**(h) REGISTRAR AND SHARE TRANSFER AGENT**

Sharex Dynamic (India) Private Limited  
Luthra Ind Premises, Unit-1, Safeed Pool,  
Andheri-Kurla Road, Andheri (East), Mumbai - 400072  
Tel. No.: (022) 28515606 / 44  
Fax No.: (022) 28512885  
E-mail Id : sharexindia@vsnl.com

**(i) SHARE TRANSFER SYSTEM WITH NUMBER OF SHARES TRANSFERRED:**

Shares transfers in physical form are registered and returned within a period of 15-20 days from the date of receipt, in case documents are completed in all respects. The Stakeholders Relationship Committee meets periodically. The total numbers of shares transferred during the financial year under review were as below:

	No. of transfers	No. of Shares
Transfer	47	10,115
Other cases		
Deletion	-	-
Transmission	-	-
<b>Total</b>	<b>47</b>	<b>10,115</b>

(j) Dematerialization of shares and liquidity: **Yes**

(k) Outstanding GDRs/Warrants, Convertible Bonds, conversion date and its impact on equity: **Nil**

**(l) DISTRIBUTION OF SHARES AS ON 31/03/2018:**

No. of Shares	No. Shareholders	% of Holding
Up to 500	5750	43.20
501-1000	149	7.59
1001-5000	73	9.30
5001-10000	7	2.89
Above 10001	5	37.02
<b>Total</b>	<b>5984</b>	<b>100.00</b>

**(m) DISCLOSURE IN REGARD TO SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

Information as per Section 197 of the Companies Act, 2013 ("the Act") read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, in respect of employees of the Company can be obtained by an interested shareholder by submitting a written request to the Company Secretary. This practice is followed as per the provisions of Section 136 (1) of the Act. Thus, the Report and the Accounts are being sent to all shareholders, excluding the information on employees' particulars under Section 197 of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**(n) DISCLOSURE OF ACCOUNTING TREATMENT**

The Company has followed the Companies (Accounting Standards) Amendment Rules 2016 and amended Accounting Standards prescribed by the Institute of Chartered Accountants of India (ICAI) along with Indian Accounting Standards under the Companies (Indian Accounting Standard) Rules, 2015 while preparing Financial Statements of the Company.

**(o) REDRESSAL OF SHAREHOLDERS GRIEVANCE**

The Shareholders of the Company can send their complaints/grievances to either the address of Registered Office as mentioned above or to the Registrar and Share Transfer Agents or to the Corporate Office of the Company which is following:

**Chemo Pharma Laboratories Limited**

03<sup>rd</sup> Floor, Empire House, 214, Dr. D. N. Road, Mumbai - 400 001.

You can also post your query to our Email Address i.e. [chemopharmalab@gmail.com](mailto:chemopharmalab@gmail.com)

**40. POSTAL BALLOT**

There were no resolution passed through Postal Ballot Mode.

**41. ANNUAL LISTING FEES**

The Company has paid Rs. 2,95,000/- as Listing Fees for the period 01/04/2017 - 31/03/2018.

**42. ENHANCING SHAREHOLDERS VALUE**

Our Company believes that its Members are among its most important stakeholders. Accordingly, our Company's operations are committed to the pursuit of achieving high levels of operating performance and cost competitiveness, consolidating and building for growth, enhancing the productive asset and resource base and nurturing overall corporate reputation. Our Company is also committed to creating value for its other stakeholders by ensuring that its corporate actions positively impact the socio-economic and environmental dimensions and contribute to sustainable growth and development.

**43. CAUTIONARY STATEMENT**

Statements in the Board Report and the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be 'forward-looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed in the statement. The Company undertakes no obligation to publicly update or revise any forward looking statements, whether as a result of new information, future events, or otherwise. Readers are cautioned not to place undue reliance on these forward looking statements that speak only as of their dates.

**44. ACKNOWLEDGEMENT**

The Director of the Company are thankful to the Central and State Government Departments for their continued guidance and Co-operation. The Directors also gratefully to all valuable stakeholders of the Company viz. customers, Members, dealers, vendors, banks and other business partners for the excellent support received from them during the year. The Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company.

**BY ORDER OF THE BOARD OF DIRECTORS  
FOR CHEMO PHARMA LABORATORIES LIMITED**

Place: Mumbai  
Date : 25<sup>th</sup> May, 2018

Sd/-  
**ASHOK SOMANI**  
DIRECTOR & CFO  
(DIN - 03063364)

**ANNEXURE B – TO THE BOARD'S REPORT**

Statements of Particulars under Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988

A. CONSERVATION OF ENERGY	NIL
B. TECHNOLOGY ABSORPTION	NIL
C. FOREIGN EXCHANGE EARNING AND OUTGO	NIL

**BY ORDER OF THE BOARD OF DIRECTORS  
FOR CHEMO PHARMA LABORATORIES LIMITED**

**Place: Mumbai  
Date : 25<sup>th</sup> May, 2018**

**Sd/-  
ASHOK SOMANI  
DIRECTOR & CFO  
(DIN - 03063364)**

**CEO / CFO CERTIFICATE**

We, Shreeniwas Somani, CEO and Ashok Somani, CFO of Chemo Pharma Laboratories Limited certify to the Board that:

1. We have reviewed the Balance Sheet and Statement of Profit & Loss account for the year ended 31<sup>st</sup> March, 2018 and all its schedules and notes to accounts, as well as the cash flow statement.
2. Based on our knowledge, information and belief, these statements do not contain any untrue statement of a material fact or omit to state a material fact that might be misleading with respect to the statements made.
3. Based on our knowledge, information and belief, the Financial Statements and other financial information included in this report present a true and fair view of the Company's affairs for the period presented in this report and are in compliance with the existing accounting standards, applicable laws and regulations.
4. To the best of our knowledge, information and belief, no transactions entered into by the Company during the year are fraudulent, illegal or violative of the Company's Code of Conduct.
5. We are responsible for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting.
6. We have disclosed, based on their most recent evaluation, wherever applicable, to the Company's Auditors and the Audit Committee of the Company's Board of Directors all significant deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps taken or proposed to be taken to rectify the deficiencies.

We have indicated to the Auditors and the Audit Committee.

- a) Significant changes in the Company's internal control over financial reporting during the year.
- b) All significant changes in Accounting Policies during the year, if any, and that the same have been disclosed in the notes to the Financial Statements.
- c) Any fraud whether or not material, that involves management or other employees who have a significant role in the Company's internal control system over financial reporting.

**Place: Mumbai  
Date : 25<sup>th</sup> May, 2018**

**Sd/-  
SHREENIWAS SOMANI  
CEO**

**Sd/-  
ASHOK SOMANI  
CFO**

**ANNEXURE C**  
**FORM NO. MGT-9**

**EXTRACT OF ANNUAL RETURN**

as on the Financial Year ended on 31.03.2018

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

**I. REGISTRATION AND OTHER DETAILS:**

i	CIN	L99999MH1942PLC003556
ii	Registration Date	17-08-1942
iii	Name of the Company	CHEMO PHARMA LABORATORIES LIMITED
iv	Category/Sub-category of the Company	Non - Govt. Company
v	Address of the Registered office & contact details	5, Kumud Apartment CHS Limited, Karnik Road Chikan Ghar, Thane, Dist.Kalyan - 421301 Tel No. - (022) 22078381/82 Email Id- chemopharmalab@gmail.com
vi	Whether listed company	Yes
vii	Name, Address & contact details of the Registrar & Transfer Agent	Sharex Dynamic (India) Private Limited Luthra Ind Premises, Unit-1, Safeed Pool, Andheri-Kurla Road, Andheri (East), Mumbai - 400072 Tel. No.: (022) 28515606 / 44 Fax No.: (022) 28512885 E-mail Id : sharexindia@vsnl.com

**II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the Total Turnover of the Company shall be stated

Sr. No	Name & Description of Main Products/Services	NIC Code of the Product /Service	% to Total Turnover of the Company
1.	Pharmaceutical products	99611730	0

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

Sr. No.	Name & Address of the Company	CIN/GLN.	Holding / Subsidiary / Associate	% of Shares Held	Applicable Section
N.A.					

## IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as % of Total Equity)

## I) CATEGORY-WISE SHAREHOLDING

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. TABLE-II - STATEMENT SHOWING SHAREHOLDING OF PROMOTERS AND PROMOTERS GROUP</b>									
<b>(1) Indian</b>									
a) Individual/HUF	48781	0	48781	3.25	48781	0	48781	3.25	0
b) Central Govt. or State Govt.	0	0	0	0	0	0	0	0	0
c) Financial Institutions / Banks	0	0	0	0	0	0	0	0	0
d) Any other	369500		369500	24.63	369500	0	369500	24.63	0
<b>SUB TOTAL:(A) (1)</b>	<b>418281</b>	<b>0</b>	<b>418281</b>	<b>27.88</b>	<b>418281</b>	<b>0</b>	<b>418281</b>	<b>27.88</b>	<b>0</b>
<b>(2) Foreign</b>									
a) NRI- Individuals	0	0	0	0	0	0	0	0	0
b) Government	0	0	0	0	0	0	0	0	0
c) Institutions	0	0	0	0	0	0	0	0	0
d) Foreign Portfolio Investors	0	0	0	0	0	0	0	0	0
e) Any other(Specify)	0	0	0	0	0	0	0	0	0
<b>SUB TOTAL (A) (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Shareholding of Promoter (A)= (A)(1)+(A)(2)</b>	<b>418281</b>	<b>0</b>	<b>418281</b>	<b>27.88</b>	<b>418281</b>	<b>0</b>	<b>418281</b>	<b>27.88</b>	<b>0</b>
<b>B. TABLE-III - STATEMENT SHOWING SHAREHOLDING PATTERN OF PUBLIC SHAREHOLDER</b>									
<b>(1) Institutions</b>									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Venture Capital Fund	0	0	0	0	0	0	0	0	0
c) Alternate Investment Funds	0	0	0	0	0	0	0	0	0
d) Foreign Venture Capital Investors	0	0	0	0	0	0	0	0	0
e) Foreign Portfolio Investors	0	0	0	0	0	0	0	0	0
f) Financial Institutions / Banks	0	2496	2496	0.17	0	2496	2496	0.17	0
g) Insurance Companies	5387	0	5387	0.35	5387	0	5387	0.35	0
h) Provident Funds / Pension Funds	0	0	0	0	0	0	0	0	0
i) Any Others (specify)	0	0	0	0	0	0	0	0	0
<b>SUB TOTAL (B)(1):</b>	<b>5387</b>	<b>2496</b>	<b>7883</b>	<b>0.52</b>	<b>5387</b>	<b>2496</b>	<b>7883</b>	<b>0.52</b>	<b>0</b>
<b>(2) Central Government / State Government / President of India</b>									
	0	0	0	0	0	0	0	0	0
<b>SUB TOTAL (B)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(3) Non Institutions</b>									
(a)i) Individual shareholders holding nominal share capital upto Rs.2 lakhs	100871	801288	902159	60.15	132399	763152	895551	59.70	0.45
(a)ii) Individuals shareholders holding nominal share capital in excess of Rs. 2 lakhs	0	82411	82411	5.49	0	82411	82411	5.49	0
b) NBFC Registered With RBI	0	0	0	0	0	0	0	0	0
c) Employee Trusts	0	0	0	0	0	0	0	0	0
d) Overseas Depositories (holding DR) balancing figure	0	0	0	0	0	0	0	0	0
e) Any Others (specify)	70811	18455	89266	5.95	69519	26355	95874	6.39	0.44
<b>SUB TOTAL (B)(3)</b>	<b>171682</b>	<b>902154</b>	<b>1073836</b>	<b>71.59</b>	<b>201918</b>	<b>871918</b>	<b>1073836</b>	<b>71.59</b>	<b>0</b>
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)+(B)(3)</b>	<b>177069</b>	<b>904650</b>	<b>1081719</b>	<b>72.11</b>	<b>207305</b>	<b>874414</b>	<b>1081719</b>	<b>72.11</b>	<b>0</b>
<b>C. TABLE IV - STATEMENT SHOWING SHAREHOLDING PATTERN OF NON- PROMOTER - NON- PROMOTER SHAREHOLDER</b>									
1. Custodian / DR Holder - Name of DR Holder (If Available)	0	0	0	0	0	0	0	0	0
2. Employee Benefit Trust (Under SEBI (Share Based Employee Benefit) Regulations, 2014)	0	0	0	0	0	0	0	0	0
<b>Total Non-Promoter - Non - Public Shareholding (C) (1) + (C) (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Grand Total (A+B+C2)</b>	<b>595350</b>	<b>904650</b>	<b>1500000</b>	<b>100</b>	<b>625586</b>	<b>874414</b>	<b>1500000</b>	<b>100</b>	<b>0</b>
<b>Grand Total (A+B+C)</b>	<b>595350</b>	<b>904650</b>	<b>1500000</b>	<b>100</b>	<b>625586</b>	<b>874414</b>	<b>1500000</b>	<b>100</b>	<b>0</b>

**(ii) SHAREHOLDING OF PROMOTERS**

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Shreeniwas B. Somani	48781	3.25	0	48781	3.25	0	0
2.	Citric India Limited	369500	24.63	0	369500	24.63	0	0
	<b>Total</b>	<b>418281</b>	<b>27.88</b>	<b>0</b>	<b>418281</b>	<b>27.88</b>	<b>0</b>	<b>0</b>

## (iii) CHANGE IN PROMOTER'S SHAREHOLDING

Sr. No.	Particulars	Shareholding at the beginning of the Year		Cumulative Shareholding during the Year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	At the beginning of the year	<b>NO CHANGE DURING THE YEAR</b>			
2	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/bonus/ sweat equity etc)				
3	At the end of the year				

## (iv) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND ADRS)

Sr. No.	Name of Top Ten Shareholders	Folio No.	Shareholding at the Beginning of the Year		Cumulative Shareholding during the Year	
			No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
1.	Shree Consultations and Services Private Limited	00244492	54500	3.63	Nil	Nil
2.	Shri. Ravindra Somani	001324	47411	3.16	Nil	Nil
3.	Shri. Sudhir Harilal Kale	001289	35000	2.33	Nil	Nil
4.	Beacon Creditcap Private Limited	0378024	7973	0.52	Nil	Nil
5.	B. D. Somani HUF	001284	7500	0.50	Nil	Nil
6.	Chemage Limited	001216	7087	0.47	Nil	Nil
7.	Shri. Umashankar Agarwal	002230	6350	0.42	Nil	Nil
8.	Shri. Mahesh P. Wadhwa	010254	5500	0.37	Nil	Nil
9.	Life Insurance Corporation of India	10000012	5387	0.36	Nil	Nil
10.	Shri. Damodarlarl Singi	000676	5210	0.35	Nil	Nil

Sr. No.	Name of Top Ten Shareholders	Folio No.	Shareholding at the End of the year		Cumulative Shareholding during the Year	
			No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
1.	Shree Consultations and Services Private Limited	00244492	54500	3.63	Nil	Nil
2.	Shri. Ravindra Somani	001324	47411	3.16	Nil	Nil
3.	Shri. Sudhir Harilal Kale	001289	35000	2.33	Nil	Nil
4.	B. D. Somani HUF	001284	7500	0.50	Nil	Nil
5.	Chemage Limited	001216	7087	0.47	Nil	Nil
6.	Shri. Umashankar Agarwal	002230	6350	0.42	Nil	Nil
7.	Beacon Creditcap Private Limited	0378024	6321	0.42	Nil	Nil
8.	Shri. Mahesh P. Wadhwa	010254	5500	0.37	Nil	Nil
9.	Life Insurance Corporation of India	10000012	5387	0.36	Nil	Nil
10.	Shri. Damodar Lal Singi	000676	5210	0.35	Nil	Nil

**(v) SHAREHOLDING OF DIRECTORS & KMP**

Sr. No.	Name of Directors and KMP - Shri. Ashok Somani	Shareholding at the Beginning and end of the Year		Cumulative Shareholding during the Year	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
1.	At the beginning of the year	3	0.00	NIL	NIL
2.	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc)	NIL	NIL	NIL	NIL
3.	At the end of the year	3	0.00	NIL	NIL

Sr. No.	Name of Directors and KMP - Shri. Balkishan Lohia	Shareholding at the Beginning and end of the Year		Cumulative Shareholding during the Year	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
1.	At the beginning of the year	3	0.00	NIL	NIL
2.	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc)	NIL	NIL	NIL	NIL
3.	At the end of the year	3	0.00	NIL	NIL



**(V) INDEBTEDNESS**

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

NIL DURING THE YEAR

**(VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****A. Remuneration to Managing Director, Whole-Time Directors and/or Manager :**

Sr. No.	Particulars of Remuneration	ASHOK SOMANI (EXECUTIVE DIRECTOR AND CFO)	Total
1.	<b>Gross Salary</b>	<b>Amt. (in Rs.)</b>	<b>Amt. (in Rs.)</b>
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	2,76,000	2,76,000
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	0	0
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	0	0
2.	Stock option	0	0
3.	Sweat Equity	0	0
4.	Commission	0	0
	a. as % of profit	0	0
	b. others (specify)	0	0
5.	Others, please specify	0	0
	<b>Total (A)</b>	2,76,000	2,76,000
	<b>Ceiling as per the Act</b>		

**B. Remuneration to other directors**

Sr. No.	Particulars of Remuneration	Name of the Directors
NOT GIVEN TO ANY OTHER DIRECTORS		

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

Sr. No.	Particulars of Remuneration	Smt. Shanta Somani (CEO)	Smt. Neha Vora (Company Secretary)	Shri. Ashok Somani (CFO)	Total
1.	<b>Gross Salary</b>	<b>Amt. (in Rs.)</b>	<b>Amt. (in Rs.)</b>	<b>Amt.(in Rs.)</b>	<b>Amt.(in Rs.)</b>
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	0	1,16,000	2,76,000	3,92,000
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	0	0	0	0
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	0	0	0	0
2.	Stock Option	0	0	0	0
3.	Sweat Equity	0	0	0	0
4.	Commission	0	0	0	0
	a. as % of profit	0	0	0	0
	b. others, specify	0	0	0	0
5.	Others, please specify	0	0	0	0
	<b>Total</b>	<b>0</b>	<b>1,16,000</b>	<b>2,76,000</b>	<b>3,92,000</b>

**VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding Fees imposed	Authority (RD / NCLT / COURT)	Appeal made, if any (give details)
<b>NIL DURING THE YEAR</b>					

**SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED MARCH 31, 2018**

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

To,  
**The Members,**  
**M/s. Chemo Pharma Laboratories Ltd,**  
**5, Kumud Apartment CHS Limited,**  
**Karnik Road Chikan Ghar, Kalyan,**  
**Thane, Maharashtra - 421301**

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. Chemo Pharma Laboratories Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2018 complied with the Statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2018 according to the provisions of;

1. The Companies Act, 2013 (the Act) and the rules made there under;
2. The Securities Contracts (Regulation) Act, 1956(SCRA) and the rules made there under;
3. The Depositories Act, 1996 and the Regulations and Bye-law framed hereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment and Overseas Direct Investment;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India, 1992 ('SEBI Act');
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

I have also examined compliance with the applicable clause of the following;

- I. The Secretarial Standards issue by the Institute of Company Secretaries of India.
- II. The Listing Obligation Disclosure Requirement, 2015 entered into by the Company with BSE Ltd.

I report that, during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc mentioned above subject to following:

There was delay in submission of the Annual Report for the Financial Year 2016-2017 to the Bombay Stock Exchange (BSE) by the Company pursuant to the Regulation 34 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, for which the Company had also sent a letter of waiver for the fine amounting to Rs. 49560/- imposed upon the Company and requesting the Exchange to consider and take a lenient view on the un-intended and inadvertent delay in filing. However, till 31<sup>st</sup> March, 2018 no communication has been received from Bombay Stock Exchange (BSE).

Also the production unit of the Company is not in active state at present, so the Company has not engaged in any other business activities and no other laws are specifically applicable to the it.

I further report that, there were no event/actions in pursuance of:

- a. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- b. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines , 1999;
- c. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- d. The Securities and Exchange Board of India (Registration to an Issue and Share Transfers Agents) Regulations, 1993;
- e. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- f. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

I further report that, based on the information provided and the representation made by the company and also on the review of the compliance report of the Company Secretary/Chief Executive Officer taken on record by the Board of Directors of the Company, in my opinion, adequate systems and processes exist in the Company to monitor and ensure compliance with provisions of applicable general laws like labour laws and environment laws.

I further report that, the compliance by the company of applicable financial laws like direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed in this audit since the same have been subject to review by statutory financial audit and other designated professional.

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

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

As per the minutes of the meetings duly records and signed by the Chairman the decision of the Board were unanimous and there were no dissenting views and records.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

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

**For Sachin Sharma & Company  
Company Secretaries**

**Sd/-**

**Sachin Hukumchand Sharma  
Proprietor  
ACS: 46900  
CP: 20423**

**Place: Mumbai  
Date : 25<sup>th</sup> May, 2018**

Note: This report is to be read with our letter of even date which is annexed as "ANNEXURE A" and forms an integral part if this report.

**"Annexure - A"**

To,  
The Members,  
Chemo Pharma Laboratories Ltd,  
5, Kumud Apartment CHS Limited,  
Karnik Road Chikan Ghar, Kalyan,  
Thane, Maharashtra-421301

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

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

**For Sachin Sharma & Company  
Company Secretaries**

**Sd/-  
Sachin Hukumchand Sharma  
Proprietor  
ACS: 46900  
CP: 20423**

**Place: Mumbai  
Date : 25<sup>th</sup> May, 2018**

## INDEPENDENT AUDITORS' REPORT

To  
The Members of CHEMO PHARMA LABORATORIES LTD.

### **Report on the Ind AS Financial Statements**

We have audited the accompanying Ind AS financial statements of Chemo Pharma Laboratories Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

### **Management's responsibility for the Ind AS Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting principles generally accepted in India, including the accounting standards specified under section 133 of the act, read with rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provisions of the act for safeguarding the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgment and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of Ind AS 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 Ind AS financial statements based on our audit.

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the Ind AS financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's directors, as well as evaluating the overall presentation of the Ind AS financial statements.

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

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the

aforesaid Ind AS financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018 and its profit and its cash flows for the year ended on that date.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order 2016 ("the order") issued by the Central Government of India in terms of section 143 (11) of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by section 143(3) of the Act, we report that:
  - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. the Balance Sheet, Statement of Profit and Loss and 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 Cash Flow Statement comply with the Accounting Standards referred to in section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014.
  - e. on the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of sub section (2) of section 164 of the Companies Act, 2013.
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'.
  - g. With respect to the other matters included in the Independent Auditor's report, in our opinion and to the best of our information and according to the explanations given to us:
    - 1) The Company has disclosed the impact of pending litigation on its Ind AS financial position in its financial statement. Refer Note 14 & 15 to the Ind AS financial statements.
    - 2) The Company did not have any long term contract including derivative contract as at March 31, 2018 for which there were any material foreseeable losses.
    - 3) There are no amounts which were required to be transferred to the Investor Education and Protection Fund by Company for the year ending on March 31, 2018.

**Place: Mumbai**  
**Date : 25<sup>th</sup> May, 2018**

**FOR VMD & CO.**  
**Chartered Accountants**  
**(FRN: 125002W)**

**Sd/-**  
**CA Amit Ganpule**  
**Partner**  
**MRN: 114222**  
**No. : A/01/0518**

## **ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT**

**(Referred to in Paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

**Report on Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government in terms of section 143(11) of the Companies Act, 2013**

- (i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed Assets were physically verified by the Management during the current year. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its Fixed Assets.
- (c) The Company does not have immovable property, Hence the paragraph 3(i)(c) of the order is not applicable.
- (ii) The Company does not have any inventory; accordingly, paragraph 3(ii) of the order is not applicable.
- (iii) (a) The Company has given loan to one party covered in the register maintained under section 189 of the Companies Act, 2013. According to the information and explanation provided to us the terms and conditions of the loan was not prejudicial to the interest of the company.
- (b) In the case of the loans granted to the Company in the register maintained under section 189 of the Act, the borrower has repaid the amount back to the company. The terms of arrangements did not stipulate any repayment schedule and the amount was repayable on demand. Accordingly, paragraph 3(iii)(b) of the Order is not applicable to the Company in respect of repayment of the amount.
- (c) There are no overdue amounts in respect of the loans granted to the Companies listed in the register maintained under section 189 of the Act.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect to the loans and investments made.
- (v) In our opinion and according to the information and explanations given to us, no fixed deposits were accepted from the public.
- (vi) In our opinion, clause 3(vi) of the order for maintenance of the cost records under section 148(1) of the Companies Act 2013 is not applicable to the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amount deducted/accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Income Tax, Value added Tax, Service Tax, Cess and other material Statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Income Tax, Value added Tax, Service Tax, Cess and other material Statutory dues were in arrears as at 31st March, 2018 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, custom duties, wealth tax, excise duty and cess that have been deposited with the appropriate authorities except in cases where there is a dispute. The details of dispute and the forum where such disputes are pending is given below:



Name of the Statute	Nature of the dues	Amount (Rs.)	Forum where dispute is pending
Income Tax Act	Penalty Tax AY 2003-04	60,47,659	Appeal before ITAT
Income Tax Act	Income Tax AY 2003-04	31,77,291	Appeal before ITAT
Central Sales Tax Act	Central Sales Tax FY 1989-90	1,67,560	Company has filed an appeal against order in High Court
Maharashtra Sales Tax Act	Sales Tax FY 1989-90	9,50,255	Company has filed an appeal against order in High Court

- (viii) The Company does not have any loans or borrowings from any Financial Institution, Banks, Government or Debenture Holders during the year. Accordingly, paragraph 3(vii) of the order is not applicable.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3(ix) of the order is not applicable.
- (x) Based on the audit procedures performed and information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.
- (xi) In our opinion and according to the information and explanation provided to us, the Company has paid / provided managerial remuneration in accordance with the requisite provisions of section 197 read with Schedule V of the act.
- (xii) The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with section 177 and 188 of the act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause 3(xiv) is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected to its Directors and hence provisions of Section 192 of the Act are not applicable.
- (xvi) The Company is not required to be registered under Section 45-I of the Reserve Bank of India Act, 1934.

**FOR VMD & CO.**  
Chartered Accountants  
(FRN: 125002W)

Sd/-  
CA Amit Ganpule  
Partner  
MRN: 114222  
No. : A/01/0518

Place: Mumbai  
Date : 25<sup>th</sup> May, 2018

## **Annexure B**

**To The Independent Auditor's Report of even date on the Ind AS financial statements of Chemo Pharma Laboratories Limited**

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

To

**The Members of Chemo Pharma Laboratories Limited,**

We have audited the internal financial controls over financial reporting of **Chemo Pharma Laboratories Limited** ("the Company") as of 31 March 2018 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

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

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

### **Auditor's Responsibility**

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

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

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

### **Meaning of Internal Financial Controls Over Financial Reporting**

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

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

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

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

#### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**Place: Mumbai**  
**Date : 25<sup>th</sup> May, 2018**

**FOR VMD & CO.**  
**Chartered Accountants**  
**(FRN: 125002W)**

**Sd/-**  
**CA Amit Ganpule**  
**Partner**  
**MRN: 114222**  
**No. : A/01/0518**

**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2018**

	NOTES	31 <sup>st</sup> March, 2018 (in Rupees)	31 <sup>st</sup> March, 2017 (in Rupees)
<b>1 ASSETS</b>			
<b>1 Non-Current Assets</b>			
<b>(A) Fixed Assets</b>			
Tangible Assets	2	20,722	93,685
<b>(B) Financial Assets</b>			
(i) Investment	3	187,625	187,625
(ii) Long Term Loans	4	16,883,800	15,670,250
<b>2 Current Assets</b>	5		
(i) Cash & Cash Equivalents	5(i)	76,637,027	68,733,896
(ii) Short Term Loans	5(ii)	8,835,163	22,505,000
<b>Sub Total</b>		<b>85,472,190</b>	<b>91,238,896</b>
<b>GRAND TOTAL</b>		<b>102,564,336</b>	<b>107,190,456</b>
<b>2 EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share Capital	6	15,000,000	15,000,000
(b) Other Equity	7	86,232,633	85,226,350
<b>Sub Total</b>		<b>101,232,633</b>	<b>100,226,350</b>
<b>1 Non-Current Liabilities</b>			
<b>(A) Financial Liabilities</b>			
(i) Long Term Borrowings	8	<b>1,196,976</b>	<b>1,196,976</b>
<b>2 Current Liabilities</b>	9		
(i) Short-Term Borrowings	9(i)	-	
(ii) Other Current Liabilities	9(ii)	69,000	276,140
(iii) Short-Term Provisions	9(iii)	65,727	5,490,990
<b>Sub Total</b>		<b>134,727</b>	<b>5,767,130</b>
<b>GRAND TOTAL</b>		<b>102,564,336</b>	<b>107,190,456</b>

As per our Report Annexed

For VMD & Co.  
Chartered Accountants  
Firm Reg. No. 125002W

Sd/-  
CA Amit Ganpule  
Partner (Membership No. 114222)  
No.: A/01/0518

Place : Mumbai  
Date : 25<sup>th</sup> May, 2018

On behalf of Board of Directors

Sd/-  
S. B. SOMANI  
DIRECTOR & CEO  
DIN NO.: 00077939

Sd/-  
NEHA VORA  
COMPANY SECRETARY

Sd/-  
ASHOK SOMANI  
DIRECTOR & CFO  
DIN NO.: 03063364

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018**

	NOTES	31 <sup>st</sup> March, 2018 (in Rupees)	31 <sup>st</sup> March, 2017 (in Rupees)
<b>Revenue Operations</b>			
<b>I. REVENUE INCOME</b>			
Other Income	10	11,055,147	56,080,714
<b>Total Income (I)</b>		<b>11,055,147</b>	<b>56,080,714</b>
<b>II. EXPENSES</b>			
1 Employee Benefit Expenses	11	1,563,687	804,810
2 Other Expenses	12	1,823,379	1,919,386
3 Depreciation for the Year		34,518	260
<b>Total Expenses (II)</b>		<b>3,421,584</b>	<b>2,724,456</b>
<b>Gross Profit / (Loss) for the Year</b>		<b>7,633,563</b>	<b>53,356,258</b>
Profit /(Loss) Before Taxation		7,633,563	53,356,258
Less: Tax Expenses (Current Year)		1,450,000	6,515,000
Tax adjustment for previous year		5,177,280	-
<b>Profit /(Loss) carried forward to Balance Sheet</b>		<b>1,006,283</b>	<b>46,841,258</b>
<b>Earnings per Equity Share (Nominal Value of Share Rs.10/-)</b> <b>(31st March, 2018 : Rs.10/-)</b>			
<b>Basic and Dilluted</b>		<b>0.67</b>	<b>31.23</b>
The accompanying notes are intergal part of financial statement.			
Summary of significant accounting policies			1

As per our Report Annexed

For VMD & Co.  
Chartered Accountants  
Firm Reg. No. 125002W

Sd/-  
CA Amit Ganpule  
Partner (Membership No. 114222)  
No.: A/01/0518

Place : Mumbai  
Date : 25<sup>th</sup> May, 2018

On behalf of Board of Directors

Sd/-  
S. B. SOMANI  
DIRECTOR & CEO  
DIN NO.: 00077939

Sd/-  
NEHA VORA  
COMPANY SECRETARY

Sd/-  
ASHOK SOMANI  
DIRECTOR & CFO  
DIN NO.: 03063364

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018**

PARTICULARS	31 <sup>st</sup> March, 2018 (in Rupees)	31 <sup>st</sup> March, 2017 (in Rupees)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax and extraordinary items	7,633,563	53,356,258
<b>Adjustment for</b>		
Depreciation	34,518	260
Liabilities written back	-	-
Dividend received	(2,882)	(3,500)
Interest received	(10,842,721)	(5,240,089)
<b>Operating profit before working capital changes</b>	<b>(3,177,522)</b>	<b>48,112,929</b>
<b>Adjustment for</b>		
Increase (Decrease) in other Current Liabilities	(5,632,403)	5,007,358
Decrease (increase) in Current Assets	(1,213,549)	891,107
Increase in Fixed Assets	38,444	(50,000)
Decrease in Investment	-	16,656,076
<b>Cash Generated From Operation</b>	<b>(6,807,508)</b>	<b>22,504,541</b>
Taxes Paid	(6,627,280)	(6,515,000)
<b>A. Cash Flow From Operating Activities</b>	<b>(16,612,310)</b>	<b>64,102,470</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Dividend received	2,882	3,500
Interest received	10,842,721	5,240,089
Inter-corporate Deposit	-	-
<b>Cash Flow From Investing Activities</b>	<b>10,845,603</b>	<b>5,243,589</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Interest Paid	-	-
Long Term Borrowings	-	-
Short Term Borrowings	13,669,837	5,000,000
<b>Cash Flow From Financing Activities</b>	<b>13,669,837</b>	<b>5,000,000</b>
Net increase/(decrease) in cash and cash Equivalents	7,903,130	64,346,059
Opening balance of Cash and Cash Equivalents	68,733,896	4,387,837
<b>Closing Balance Of Cash and Cash Equivalents</b>	<b>76,637,027</b>	<b>68,733,896</b>

Note :

- The above Cash Flow Statement has been prepared under the indirect method as set out in the AS-3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India.
- Previous Year's figures have been re-arranged/re-grouped wherever necessary.

This Cash Flow Statement referred in our report of even date.

As per our Report Annexed

On behalf of Board of Directors

For VMD & Co.  
Chartered Accountants  
Firm Reg. No. 125002W

Sd/-  
S. B. SOMANI  
DIRECTOR & CEO  
DIN NO.: 00077939

Sd/-  
CA Amit Ganpule  
Partner (Membership No. 114222)  
No.: A/01/0518

Sd/-  
NEHA VORA  
COMPANY SECRETARY

Sd/-  
ASHOK SOMANI  
DIRECTOR & CFO  
DIN NO.: 03063364

Place : Mumbai  
Date : 25<sup>th</sup> May, 2018

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018****1. Significant Accounting Policies :****A) General :****Basis of preparation of Financial Statements**

The Financial Statement have been prepared on accrual basis under the historical cost convention in accordance with the generally accepted Accounting principles in India (Indian GAAP) to comply with the Accounting Standards notified under Section 133 of the Companies Act 2013 and the relevant provisions of the Companies Act 2013.

All Assets and Liabilities have been classified as current or non-current as per the operating cycle criteria set out in the Schedule III to the Companies Act 2013.

**B) Fixed Assets :**

Fixed Assets are valued at cost of acquisition less depreciation.

**C) Depreciation :**

As per the requirement of Schedule II of the Companies Act, 2013 effective from April 1, 2014. The Company has been charging depreciation based on the useful lives of the assets.

**D) Investment :**

Long Term Investments are stated at cost less provision for diminution in value other than temporary if any.

**E) Employees Retirement Benefits :**

- 1) Company's Contribution to Provident Fund are charged to Profit & Loss Account.
- 2) Gratuity payable to Employees is calculated as per provisions of the Gratuity Act. The Company provides for Gratuity Liability in the account as and when paid.
- 3) Leave encashment benefit at the time of retirement is considered on cash basis as and when paid.

**F) Cash & Cash equivalents :**

In the cash flow statements cash and cash equivalents includes cash in hand, term deposit with Bank and other short term highly liquid investments with original maturities of three months or less.

**G) Earning per share :**

The earnings consider in ascertaining the Company's Earning Per Share (EPS) comprise of the net profit after tax after reducing dividend on cumulative preference shares for the period (irrespective of whether declared, paid or not), as per Accounting Standard 20 on "Earning Per Share"

**H) Taxes on Income :****i. Current tax:**

Provision for current income tax is made on the taxable income using the applicable tax rates and tax laws. Advance income tax and provision for current tax is disclosed in the Balance Sheet at net as these are settled on net basis.

**ii. Deferred tax:**

Deferred tax arising on account of timing differences and which are capable of reversal in one or more subsequent period is recognised using the tax rate tax laws that have been enacted or substantively enacted. Deferred tax assets are not recognised unless there is virtual certainty with respect to the reversal of the same in future years.

**I) Provisions and contingent liability :**

Provisions are recognised when the Company has a present obligation as a result of past events, it is more likely than not that and outflow resources will be required to settle the obligation, and the amount has been reliably estimated. A contingent liability is disclosed where there is a possible obligation or a present obligation that may, but probably will not require an outflow resource.

**J) Revenue recognition :**

Revenue / income and cost / expenditure are generally accounted on accrual as they are earned or incurred.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018****2. Fixed Assets :**

Particulars	AT COST				Depreciation (On Written Down Value Basis)					Net Block	
	As On 31.03.2017 (Rs.)	Additions During the Year (Rs.)	Deductions During the Year (Rs.)	Total As On 31.03.2018 (Rs.)	Upto 31.03.2017 (Rs.)	For the Year (Rs.)	Transition Adjustment to Schedule II	On Disposals & Adjustment (Rs.)	Total As On 31.03.2018 (Rs.)	As On 31.3.2018 (Rs.)	As On 31.3.2017 (Rs.)
<b>(A) TANGIBLE ASSETS:</b>											
Vehicle	878,890	-	-	878,890	43,945	-	-	43,945	-	-	43,945
Computer	50,000	-	-	50,000	260	31,416	-	-	31,676	18,324	49,740
Computer Printer	-	5,500	-	5,500	-	3,103	-	-	3,103	2,397	-
<b>Total (A)</b>	<b>928,890</b>	<b>5,500</b>	<b>-</b>	<b>934,390</b>	<b>44,205</b>	<b>34,518</b>	<b>-</b>	<b>43,945</b>	<b>34,778</b>	<b>20,722</b>	<b>93,685</b>
Previous Year	878,890	50,000	-	928,890	834,945	260	-	-	835,205	93,685	43,945

1. Rs. 43945/- Represents Salvage Value @ 5% of the cost

	31 <sup>st</sup> March, 2018 (in Rupees)	31 <sup>st</sup> March, 2017 (in Rupees)
<b>3 Investments</b>		
<b>a. In Government Security (Unquoted) :</b>	-	-
12 Years National Defence Certificates	500	500
7 Years National Defence Certificates	5,000	5,000
	<b>5,500</b>	<b>5,500</b>
<b>b. Shares in Joint Stock Companies- Quoted Non-Trade:</b>		
<b>Equity Shares of -</b>		
<b>No. of Shares</b>		
Emami Limited of Rs.10 each fully paid (Market Value Rs. 1073.00)	168	100
Reliance Chemotex Inds. Ltd of Rs.16 fully paid (Market value Rs. 78.35)	1900	66,500
Reliance Power Limited Ltd of Rs.10 fully paid (Market value Rs. 37.80)	88	24,750
<b>(Agreegate Market Value of Quoted Shares Rs. 3,12,933/-)</b>	<b>91,350</b>	<b>91,350</b>
<b>c. Shares in Joint Stock Companies- Trade :</b>		
Equity Shares of Citric India Ltd. of Rs.10/- each	27000	60,750
	<b>60,750</b>	<b>60,750</b>
<b>d. Unquoted Equity Shares of: Non- Trade</b>		
Shamrao Vithal Co.Op Bank Ltd of Rs 25 fully paid	1	25
Capexil (Agencies) Ltd of Rs 1000 each fully paid	5	5,000
City Co.Op. Bank Ltd. Of Rs. 10 each fully paid	1000	25,000
	<b>30,025</b>	<b>30,025</b>
<b>TOTAL</b>	<b>187,625</b>	<b>187,625</b>
<b>4 Long Term Loans :</b>		
Intercorporate Deposits- Unsecured	16,883,800	15,350,200
Advance Tax paid	-	320,050
<b>TOTAL</b>	<b>16,883,800</b>	<b>15,670,250</b>



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018**

	31 <sup>st</sup> March, 2018 (in Rupees)	31 <sup>st</sup> March, 2017 (in Rupees)
<b>5 Current Assets :</b>		
<b>i. Cash &amp; Cash Equivalent :</b>		
Cash in Hand	96,528	5,462
With Scheduled Bank Current Account	76,540,499	68,728,434
<b>TOTAL</b>	<b>76,637,027</b>	<b>68,733,896</b>
<b>ii. Short Term Loans :</b>		
Security Deposits	-	5,000
Inter Corporate Loan Given -others unsecured	7,500,000	22,500,000
Advance to Staff	550,000	-
Interest Receivable	465,113	-
Advance Tax paid	320,050	-
<b>TOTAL</b>	<b>8,835,163</b>	<b>22,505,000</b>
<b>6 Equity Share Capital :</b>		
<b>Authorised shares:</b>		
97,50,000 Equity Shares of Rs.10/- each	97,500,000	97,500,000
25,000 Preference Shares of Rs.100/- each	2,500,000	2,500,000
<b>TOTAL</b>	<b>100,000,000</b>	<b>100,000,000</b>
<b>Issued ,Subscribed and fully paid-up Shares</b>		
15,000,00 Equity Shares of Rs.10/- each	15,000,000	15,000,000
Preference Shares of Rs.100/- each	Nil	Nil
<b>TOTAL</b>	<b>15,000,000</b>	<b>15,000,000</b>
<b>A) Reconciliation of the Shares outstanding at the beginning and at the end of reporting period</b>		
<b>Equity Shares</b>	<b>Nos.</b>	<b>Nos.</b>
At the beginning of the period	1,500,000	15,00,000
Issued during the period (Bonus Issue)	-	Nil
Issued during the period	-	Nil
<b>Outstanding at the end of the period</b>	<b>1,500,000</b>	<b>15,00,000</b>
<b>Preference Shares</b>	<b>Nos.</b>	<b>Nos.</b>
At the beginning of the period	Nil	Nil
Issued during the period	Nil	Nil
<b>Outstanding at the end of the period</b>	<b>Nil</b>	<b>Nil</b>
<b>B) Terms/Rights attached to Equity Shares</b>		
The Company has only one class of Equity Shares having a par value Rs.10/- per Share. Each Holder of Equity Shares is entitled to one vote per Share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting.		

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018**

During the year ended 31st March, 2018, the amount of per Share Dividend recognized as distribution to Equity Shareholders was Rs. Nil (31 March 2017 : Rs. Nil)

**C) List of Shareholding 5% & Above**

Sr. No.	Name of the Shareholders	31.03.2018		31.03.2017	
		No. of Shares Held	Percentage of Holding	No. of Shares Held	Percentage of Holding
1.	M/s Citric India Limited	369,500	24.63	369,500	24.63

		31 <sup>st</sup> March, 2018 (in Rupees)	31 <sup>st</sup> March, 2017 (in Rupees)
<b>7 Other Equity :</b>			
- Capital Reserve		48,446,784	48,446,784
- Investment Allowance Reserve		2,967,954	2,967,954
		<b>51,414,738</b>	<b>51,414,738</b>
- Profit & Loss Account :			
Balance As Per Last Balance Sheet	33,811,612		
Add/(Less): Profit/(Loss) During the Year	1,006,283	34,817,895	33,811,612
	<b>TOTAL</b>	<b>86,232,633</b>	<b>85,226,350</b>
<b>8 Long Term Borrowings :</b>			
SICOM - Deferred Sales Tax payable		1,196,976	1,196,976
	<b>TOTAL</b>	<b>1,196,976</b>	<b>1,196,976</b>
<b>9 Current Liabilities :</b>			
i) <b>Short Term Borrowings :</b>		-	-
ii) <b>Other Current Liabilities :</b>			
Other Liabilities		69,000	276,140
		<b>69,000</b>	<b>276,140</b>
iii) <b>Short term provisions :</b>			
Provision for Income Tax		65,727	5,490,990
	<b>TOTAL</b>	<b>65,727</b>	<b>5,490,990</b>
<b>10 Other Income :</b>			
Dividend Received		2,882	3,500
Interest Received		10,842,721	5,240,089
Profit on Sales of Shares		-	50,638,475
Sundry Balance Written Back		209,544	198,650
	<b>TOTAL</b>	<b>11,055,147</b>	<b>56,080,714</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018**

	31 <sup>st</sup> March, 2018 (in Rupees)	31 <sup>st</sup> March, 2017 (in Rupees)
<b>11 Employee Benefit Expenses :</b>		
Director Remuneration	276,000	246,000
Ex - Gratia	97,000	42,810
Salary to Staff	1,190,687	516,000
<b>TOTAL</b>	<b>1,563,687</b>	<b>804,810</b>
<b>12 Other Expenses :</b>		
Advertisement & Publicity	30,445	30,578
Annual Listing Fees	315,100	256,480
Audit Fees	39,500	22,650
Bank Charges	2,910	1,948
Excess Income- Tax Provision	-	32,858
General Expenses	2,100	2,100
Rent paid	24,000	24,000
Penalty & Interest Paid on Profession Tax	3,000	1,756
Postal Charges	52,137	48,566
Printing & Stationery	93,828	88,905
Professional & Legal Fees	991,039	698,527
Rates & Taxes	162,631	80,122
Repairs and Maintenance	1,300	-
Share Registry Expenses	100,389	92,391
Donation	-	100,000
Sundry Balance Written Off	5,000	438,505
<b>TOTAL</b>	<b>1,823,379</b>	<b>1,919,386</b>

- 13** Company has discontinued manufacturing operations inspite of that accounts have been prepared on Going Concern Basis.
- 14** For the Assessment Year 2003-04 the Income - Tax Department has raised a demand of Rs. 31,77,291/- on completion of assessment for the said year. As per the I T A T Order dated 14<sup>th</sup> June, 2013, The above case is pending before CIT(Appeal). Also an appeal has been filed by the company for penalty of Rs. 60,47,659/- imposed by the Department for the same year which is pending before the said Authority, for which no provision has been made in the account.
- 15** The Company has received Notice from Sale Tax Department for payment of BST Rs. 9,50,255/- and CST Rs. 1,67,560/- for Financial Year 1989-1990 for which Company has filed an appeal before Hon'ble High Court, Bombay and Company assumed that no demand will be there. Therefore, no provision has been made in the accounts.
- 16 Earning Per Shares (EPS) computed in accordance with Accounting Standard 20:**

	Particulars	Year ended 31.03.2018	Year ended 31.03.2017
A	Profit/(Loss) After Tax as per Accounts	1,006,283	46,841,258
B	Number of Shares	1,500,000	1,500,000
C	Basic & Diluted EPS	0.67	31.23
D	Nominal Value of Equity Shares	Rs.10/-	Rs.10/-

**17 RELATED PARTY DISCLOSURE :****List of Related Parties:**

- a) **Associates** Nil
- b) **Enterprise owned or significantly influenced by key management personnel or their relatives.**
- 1) M/s Citric India Ltd. - Group Company
  - 2) S. B. Somani - Director & CEO
  - 3) Ashok Somani - Director & CFO
  - 4) Shanta Somani - Director

**c) Director Remuneration:**

Particulars	31.03.2018	31.03.2017
Salary	276,000.00	246,000.00
	<b>276,000.00</b>	<b>246,000.00</b>

d)

Group Companies	31.03.2018	31.03.2017
Opening Bal (Rs.)	-	-
Loan Given	6,500,000	-
Loan Taken	-	-
Repayment	6,500,000	-
Closing Balance	6,500,000	-

**Note:**

Related Party relationships have been identified by the management and relied upon by the auditors.

**18** In view of discontinuance of manufacturing operations and uncertainty in set off of carried forward losses against future profits, the Company has not recognised the deferred tax assets and liabilities as per Accounting Standard AS-22 issued by the Institute of Chartered Accountants of India.

**19** In Accordance with the notification issued by the Ministry Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from April, 2016.

The above presented Standalone Statements have been prepared in accordance with Ind AS as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of Companies Act, 2013.

**20** Previous year's figures have been regrouped wherever necessary.

For VMD & Co.  
Chartered Accountants  
Firm Reg. No. 125002W

Sd/-  
CA Amit Ganpule  
Partner (Membership No. 114222)  
No.: A/01/0518

Place : Mumbai  
Date : 25<sup>th</sup> May, 2018

For & On behalf of Board of Directors

Sd/-  
S. B. SOMANI  
DIRECTOR & CEO  
DIN NO.: 00077939

Sd/-  
NEHA VORA  
COMPANY SECRETARY

Sd/-  
ASHOK SOMANI  
DIRECTOR & CFO  
DIN NO.: 03063364

**ROUTE MAP OF THE AGM VENUE**

5, Kumud Apartment CHS. Ltd., Karnik Road, Chikan Ghar, Kalyan, Dist. Thane - 421301.





## **CHEMO PHARMA LABORATORIES LIMITED**

**Registered Office:** 5-Kumud Apartment Co. Op. Hsg. Soc. Ltd., Karnik Road, Chikan Ghar, Kalyan,  
Dist. Thane- 421301 Tel No. - (022) 22078381/22078382  
CIN No.-L99999MH1942PLC003556  
Website: [www.thechemopharmalaboratoriesltd.com](http://www.thechemopharmalaboratoriesltd.com) Email Id: [chemopharmalab@gmail.com](mailto:chemopharmalab@gmail.com)

### **PROXY FORM**

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

Name of the 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

Name :	E-mail Id :
Address :	
Signature, or failing him	
Name :	E-mail Id :
Address :	
Signature, or failing him	
Name :	E-mail Id :
Address :	
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 **76<sup>th</sup> Annual General Meeting** of the Company, to be held on **Wednesday, 29<sup>th</sup> August, 2018 at 04:00 p.m. at 5, Kumud CHS. LTD, Karnik Road, Chikan Ghar, Kalyan, Dist. Thane – 421 301** and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Resolutions	Vote	
		For	Against
1.	To consider and adopt Audited Financial Statement, Reports of the Board of Directors and Auditors and Audited Financial Statement as on 31st March, 2018		
2.	To appoint of Smt. Shanta Somani who retires by rotation		
3.	To Ratify Appointment of Statutory Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass with or without modification		
4.	To Regularise Shri. Toby Antony as Director		
5.	To Regularise Shri. Shreeniwas Somani as Director		
6.	To appoint Shri. Toby Antony as Non-Executive Independent Director for a term of five years		
7.	To appoint Shri. Shreeniwas Somani as Executive Director for a term of three years		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2018

\_\_\_\_\_  
Signature of first  
proxy holder

\_\_\_\_\_  
Signature of second  
proxy holder

\_\_\_\_\_  
Signature of third  
proxy holder

Affix  
Revenue  
Stamps

**Note :**

- 1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
- 2) The proxy need not be a member of the Company.

COURIER

**If undelivered please return to :**

**CHEMO PHARMA LABORATORIES LIMITED**

**Empire House, 3<sup>rd</sup> Floor 214, Dr. D. N. Road,  
Fort, Mumbai – 400001**