



Samrat Pharmachem Limited

**27th Annual Report
2018-2019**

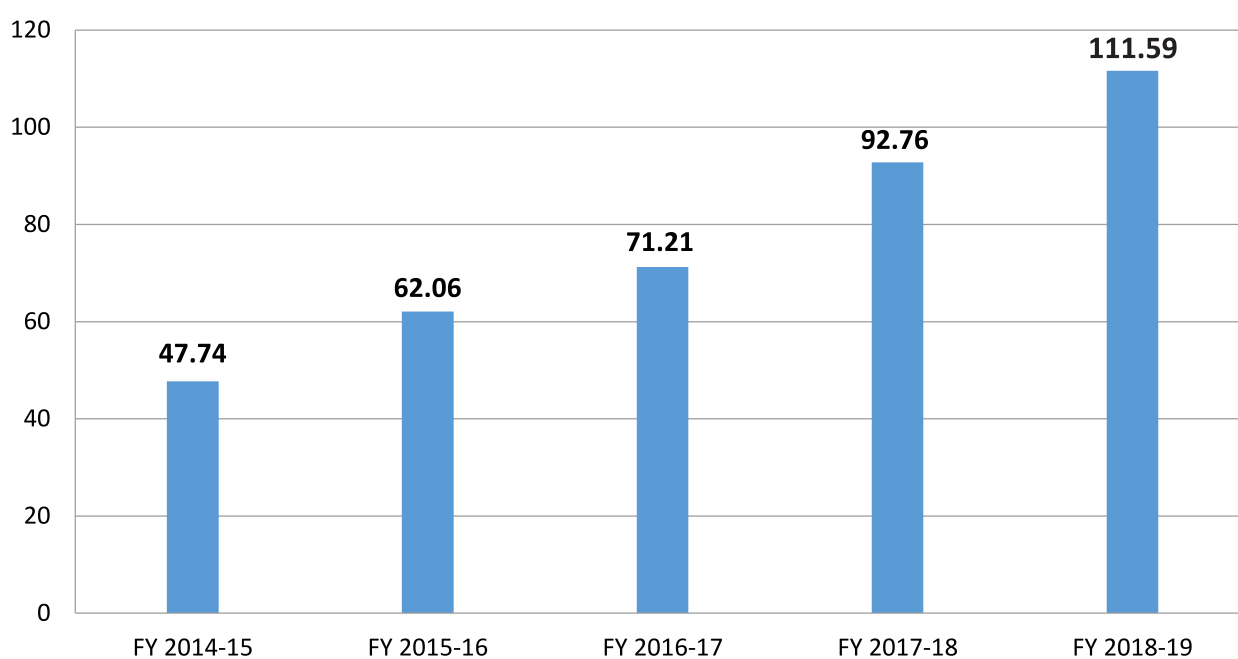


Samrat Pharmachem enters the billion rupee club !



www.samratpharmachem.com
The King of Iodine Chemistry

Sales Turnover (Rs. in Crores)



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BOARD OF DIRECTORS

Mr. Lalit Mehta	Chairman & Managing Director
Mr. Rajesh Mehta	Executive Director
Mr. Megh Mehta	Executive Director
Mr. Mahendra Pipalia	Independent Director
Mr. Samir Kothary	Independent Director
Ms. Renu Dharod	Independent Director

REGISTERED OFFICE & FACTORY

Plot No. A2/3445, GIDC, Phase 4, Ankleshwar - 393 002, Gujarat

Tel: +91 2646 220774 Fax: +91 2646 251291 Email: contact@samratpharmachem.in Web: www.samratpharmachem.com
CIN: L24230GJ1992PLC017820

CORPORATE OFFICE

701/702, Business Square, M. A. Road, Andheri (West), Mumbai - 400 058

Tel: +91 22 26701050/1/2 Fax: +91 22 26701053

STATUTORY AUDITORS

Shah & Savla LLP

Chartered Accountants

RNJ Corporate, Jawahar Road, Ghatkopar (East), Mumbai - 400 077

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Sandeep Prajapati

PRINCIPAL BANKER

ICICI Bank Ltd

Sagar Avenue, S. V. Road, Andheri (West), Mumbai – 400 058

CO-BANKERS

HDFC Bank Ltd

Jamuna Apartments, S. V. Road, Andheri (West), Mumbai - 400 058

State Bank of India

Rahul Apartments, S. V. Road, Andheri (West), Mumbai - 400 058

UCO Bank

FCC Branch, D. N. Road, Fort, Mumbai - 400 001

IndusInd Bank Ltd

Acme Plaza, Andheri Kurla Road, Andheri (East), Mumbai - 400 059

REGISTRARS & SHARE TRANSFER AGENTS

Link Intime India Pvt Ltd

C 101, 247 Park, LBS Marg, Vikhroli (West), Mumbai - 400 083

Tel: +91 22 49186000 Fax: +91 22 49186060 Email: rnt.helpdesk@linkintime.co.in Web: www.linkintime.co.in
CIN: U67190MH1999PTC118368

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the **TWENTY-SEVENTH ANNUAL GENERAL MEETING of SAMRAT PHARMACHEM LIMITED** will be held on Saturday, September 28, 2019 at 1.00 P.M. at the Registered Office of the Company at Plot No. A2/3445, GIDC, Phase 4, Ankleshwar - 393 002, Gujarat to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the company for the year ended 31 March 2019, together with Directors' and Auditors' Reports thereon.
2. To appoint a Director in place of Mr. Rajesh Lalit Mehta (DIN: 00216731), who retires by rotation and, being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and 178 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Rules framed thereunder and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), approval of members of the Company be and is hereby accorded to the re-appointment of Mr. Mahendra Indulal Pipalia (DIN:00216959), as an Independent Director of the Company, not liable to retire by rotation and in respect of whom the company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director to hold office for a second term of 5 (five) consecutive years on the Board of the Company from the expiry of his present term of office, i.e., w.e.f. 27th September, 2019 to 26th September, 2024."

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and 178 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Rules framed thereunder and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), approval of members of the Company be and is hereby accorded to the re-appointment of Mr. Samir Harsukhrai Kothary (DIN:00216603), as an Independent Director of the Company, not liable to retire by rotation and in respect of whom the company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director to hold office for a second term of 5 (five) consecutive years on the Board of the Company from the expiry of his present term of office, i.e., w.e.f. 27th September, 2019 to 26th September, 2024."

NOTES

1. **A Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company.**
2. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten percent of the total share capital of the Company may appoint a single person as proxy. However, such person shall not act as a proxy for any other person or shareholder. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the AGM. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.
3. The relative explanatory statement pursuant to Section 102 of the Companies Act, 2013 ("The Act") setting out material facts concerning the businesses under Item nos. 3 & 4 of the Notice, is annexed hereto. The relevant details, pursuant to Regulation 26(4) & 36(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulation 2015 ("SEBI Listing Regulations") and Secretarial Standard on General Meeting issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment / reappointment at this Annual General Meeting ("AGM") are also annexed.
4. The Register of Members and the Share Transfer Books of the Company will remain closed for a period of 8 days from Saturday, 21st September, 2019 to Saturday, 28th September, 2019 (both days inclusive).
5. Members are requested to kindly notify to the Registrar and Transfer Agent of the company M/s. Link Intime India Pvt Ltd. (Kind Attn: : Ms. Shweta Poojari) C 101, 247 Park, LBS Marg, Vikhroli (West), Mumbai - 400 083, immediately of any change in their addresses.
6. Information pursuant to Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 is attached herewith and shown as Annexure A
7. Members, Proxies and Authorised Representatives are requested to bring with them the duly filled in Attendance Slip for attending the meeting.
8. As per the provisions of Section 72 of the Companies Act, 2013, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The said form can be downloaded from the Company's website www.samratpharmachem.com (under 'Investors' section). Members holding shares in physical form may submit the same to M/s. Link Intime India Pvt Ltd. Members holding shares in electronic form may submit the same to their respective depository participant.
9. To support the 'Green Initiative', members who have not registered their e-mail addresses are requested to register the same with M/s. Link Intime India Pvt Ltd. / Depositories.
10. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to the Company's Registrars and Transfer Agents, M/s Link Intime India Pvt Ltd in case the shares are held by them in physical form.
11. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or Registrar and Transfer Agents of the company M/s. Link Intime India Pvt Ltd. for assistance in this regard.
12. Members holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or M/s. Link Intime India Pvt Ltd., the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.

13. In case of joint holders attending the AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
14. Members desirous of having any information regarding Accounts, are requested to write to the Company at least 7 days before the Annual General Meeting so as to enable the Management to keep the information ready at the meeting.
15. Notice of the AGM along with the 27th Annual Report (2018-19) is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. For members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode. Members may note that this Notice and the Annual Report 2018-19 will also be available on the company's website viz. www.samratpharmachem.com
16. The route map showing directions to reach the venue of the twenty-seventh AGM is annexed.
17. **Voting through electronic means**
 - i. In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by Central Depository Services (India) Limited (CDSL), on all the resolutions set forth in this Notice. Resolution(s) passed by Members through e-voting is/are deemed to have been passed as if they have been passed at the AGM. The instructions for e-voting are given herein.
 - ii. Mr. Aqueel A Mulla of M/s A. A. Mulla & Associates, Practicing Company Secretary (Membership No. FCS 2973), has been appointed as the Scrutinizer to scrutinize the voting at the AGM and remote e-voting process in a fair and transparent manner.
 - iii. The facility for voting through poll paper, shall also be made available at the AGM and the Members attending the AGM, who have not already cast their vote by remote e-voting, may exercise their right to vote at the AGM.
 - iv. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again in the meeting.
 - v. A Member can opt for only one mode of voting i.e. either through remote e-voting or by poll paper. If a Member casts votes by both modes, then voting done through remote e-voting shall prevail and poll paper shall be treated as invalid.

The Procedure and Instructions for remote e-voting are as under:

- (i) The shareholders should log on to e-voting website www.evotingindia.com
- (ii) Click on Shareholders
- (iii) Now enter your User Id
 - a. For CDSL: 16 digits beneficiary ID
 - b. For NSDL: 8 character DP ID followed by 8 digits Client ID
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vi) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	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"> Members who have not updated their PAN with the Company/Depository Participant Are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.

Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth in (dd/mm/yyyy) format as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both 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 (iii).
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- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) 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 the 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.
- (ix) For Members holding shares in physical form, the details can be used only for remote e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for **Samrat Pharmachem Limited** to vote.
- (xi) 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.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiii) 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.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvi) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) 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.
- (xviii) 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 and register themselves as Corporates.
 - Scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to 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 linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of accounts they would be able to cast their vote.
 - The scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xviii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

- (xix) Any person having any grievances in connection to e-voting may write to Mr. Sandeep Prajapati, (Compliance Officer of the company) at the Corporate Office of the company at 701/702, Business Square, M. A. Road, Andheri (West), Mumbai - 400 058., Email: contact@samratpharmachem.in; Tel: 022-26701050/1/2; Fax: 022-26701053

Other instructions:

- i. The e-voting period commences on Wednesday, September 25, 2019 at 9.00 am (IST) and ends on Friday, September 27, 2019 at 5.00 p.m. (IST). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of September 22, 2019, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting after 5.00 p.m. (IST) on September 27, 2019.
- ii. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on cut-off date i.e. September 22, 2019.
- iii. Any person, who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at helpdesk.evoting@cdslindia.com. However, if he/she is already registered with CDSL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.
- iv. The Scrutinizer shall, within a period not exceeding three (3) working days from the conclusion of the voting at AGM, would first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman of the Company who shall countersign the same.
- v. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.samratpharmachem.com and on the website of CDSL www.evotingindia.com within three (3) days of the passing of the resolutions at the 27th AGM of the Company on Saturday, September 28, 2019 and shall be communicated to BSE Limited ("BSE"), where the shares of the Company are listed.

**By order of the Board of Directors
For Samrat Pharmachem Limited**

**Place : Mumbai
Date : 30 May 2019**

**Lalit Mehta
Chairman & Managing Director
DIN : 00216681**

ANNEXURE TO THE NOTICE
Explanatory Statement

Pursuant to section 102 of the Companies Act

As required by Section 102 of the Companies Act, 2013 (Act), the following explanatory statements set out all material facts relating to the business mentioned under Item Nos. 3 & 4 of the accompanying Notice:

Item No. 3

Mr. Mahendra Indulal Pipalia (DIN:00216959) was appointed as an Independent Director on the Board of the Company pursuant to the provisions of Section 149 of the Companies Act, 2013 ("the Act"), read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the erstwhile Clause 49 of the Listing Agreement with the Stock Exchanges. He holds office as an Independent Director of the Company up to 26th September, 2019 ("first term") in line with the explanation to Sections 149(10) and 149(11) of the Act.

The Board, based on the performance evaluation and as per the recommendation of the Nomination and Remuneration Committee, considers that, given his background and experience and contributions made by him during his tenure, the continued association of Mr. Mahendra Indulal Pipalia would be beneficial to the Company and it is desirable to continue to avail his service as an Independent Director. Accordingly, it is proposed to re-appoint Mr. Mahendra Indulal Pipalia as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company from the expiry of his present term of office, i.e. w.e.f. 27th September, 2019 to 26th September, 2024.

Mr. Mahendra Indulal Pipalia is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director.

Further, Mr. Mahendra Indulal Pipalia is not debarred from holding the office of director pursuant to any SEBI order.

The Company has received declaration from Mr. Mahendra Indulal Pipalia that he meets with the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

In the opinion of the Board, Mr. Mahendra Indulal Pipalia fulfills the conditions for appointment as an Independent Director as specified in the Act and the Listing Regulations and is independent of the management.

Details of Mr. Mahendra Indulal Pipalia is provided in the "Annexure A" to the Notice pursuant to the provisions of (i) the Listing Regulations and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

Copy of draft letter of appointment of Mr. Mahendra Indulal Pipalia setting out the terms and conditions of appointment is available for inspection by the members at the registered office of the Company. The terms and conditions of appointment of Independent Directors are also available on the Company's website at <http://www.samratpharmachem.com/independent-director-terms-and-conditions-of-appointment/>

Mr. Mahendra Indulal Pipalia is interested in the Resolution set out at Item No. 3 of the notice. Relatives of Mr. Mahendra Indulal Pipalia may be deemed to be interested in the resolution to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other directors/Key Managerial Personnel of the Company/thier relatives are in any way concerned or interested, financially or otherwise in the resolution.

The Board of Directors recommends the Special Resolution as set out in Item No. 3 of the Notice for approval by the Members.

Item No. 4

Mr. Samir Harsukhrai Kothary (DIN:00216603) was appointed as an Independent Director on the Board of the Company pursuant to the provisions of Section 149 of the Companies Act, 2013 ("the Act"), read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the erstwhile Clause 49 of the Listing Agreement with the Stock Exchanges. He holds office as an Independent Director of the Company up to 26th September, 2019 ("first term") in line with the explanation to Sections 149(10) and 149(11) of the Act.

The Board, based on the performance evaluation and as per the recommendation of the Nomination and Remuneration Committee, considers that, given his background and experience and contributions made by him during his tenure, the continued association of Mr. Samir Harsukhrai Kothary would be beneficial to the Company and it is desirable to continue to avail his service as an Independent Director. Accordingly, it is proposed to re-appoint Mr. Samir Harsukhrai Kothary as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company from the expiry of his present term of office, i.e. w.e.f. 27th September, 2019 to 26th September, 2024.

Mr. Samir Harsukhrai Kothary is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director.

Further, Mr. Samir Harsukhrai Kothary is not debarred from holding the office of director pursuant to any SEBI order.

The Company has received declaration from Mr. Samir Harsukhrai Kothary that he meets with the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

In the opinion of the Board, Mr. Samir Harsukhrai Kothary fulfills the conditions for appointment as an Independent Director as specified in the Act and the Listing Regulations and is independent of the management.

Details of Mr. Samir Harsukhrai Kothary is provided in the "Annexure A" to the Notice pursuant to the provisions of (i) the Listing Regulations and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

Copy of draft letter of appointment of Mr. Samir Harsukhrai Kothary setting out the terms and conditions of appointment is available for inspection by the members at the registered office of the Company. The terms and conditions of appointment of Independent Directors are also available on the Company's website at <http://www.samratpharmachem.com/independent-director-terms-and-conditions-of-appointment/>

Mr. Samir Harsukhrai Kothary is interested in the Resolution set out at Item No. 4 of the notice. Relatives of Mr. Samir Harsukhrai Kothary may be deemed to be interested in the resolution to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other directors/Key Managerial Personnel of the Company/thier relatives are in any way concerned or interested, financially or otherwise in the resolution.

The Board of Directors recommends the Special Resolution as set out in Item No. 4 of the Notice for approval by the Members.

Place : Mumbai
Date : 30 May 2019

**By order of the Board of Directors
For Samrat Pharmachem Limited**

Lalit Mehta
Chairman & Managing Director
DIN : 00216681

Annexure A

Details of Directors seeking re-appointment at the Annual General Meeting scheduled to be held on September 28, 2019

[Pursuant to Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015].

Name of the Director Date of birth Age Date of Appointment Relationship with Directors Expertise in specific functional area Qualification(s) Directorships held in other listed companies Chairmanships/ Memberships of Committees of other public companies (includes only Audit Committee And Stakeholders Relationship Committee) Number of shares held in the Company as on March 31, 2019	Rajesh Lalit Mehta (DIN: 00216731) 25.06.1964 54 years 16.06.1992 Relative: Son of Mr. Lalit Mehta Father of Mr. Megh Mehta Wide experience in Finance & Administration <ul style="list-style-type: none"> Bachelor's of Commerce Chartered Accountant Nil Nil 381,042
Name of the Director Date of birth Age Date of Appointment Relationship with Directors Expertise in specific functional area Qualification(s) Directorships held in other listed companies Chairmanships/ Memberships of Committees of other public companies (includes only Audit Committee And Stakeholders Relationship Committee) Number of shares held in the Company as on March 31, 2019	Mahendra Indulal Pipalia (DIN: 00216959) 09.11.1963 55 years 17.03.2003 None Wide experience in Finance & IT <ul style="list-style-type: none"> Bachelor's of Commerce Chartered Accountant Nil Nil 0

Name of the Director	Samir Harsukhrai Kothary (DIN: 00216603)
Date of birth	10.10.1962
Age	56 years
Date of Appointment	30.07.2003
Relationship with Directors	None
Expertise in specific functional area	Expertise in Procurement & Marketing
Qualification(s)	<ul style="list-style-type: none"> • Bachelor's of Science • Diploma in Business Management
Directorships held in other listed companies	Nil
Chairmanships/ Memberships of Committees of other public companies (includes only Audit Committee And Stakeholders Relationship Committee)	Nil
Number of shares held in the Company as on March 31, 2019	0
Notes:	
1.	The Directorship, Committee Memberships and Chairmanships do not include positions in foreign companies, unlisted companies and private companies, position as an Advisory Board Member and position in companies under Section 8 of the Companies Act, 2013.
2.	The proposal for re-appointments of Directors has been approved by the Board pursuant to the recommendation of the Board Governance, Nomination and Compensation Committee considering their skills, experience and knowledge and positive outcome of performance evaluation.
3.	Information pertaining to remuneration paid to the Directors who are being re-appointed and the number of Board Meetings attended by them during the year 2018-19 are provided in the Corporate Governance Report.
4.	Detailed profiles of the Directors are given in the Annual Report.

DIRECTORS' REPORT

To,
The Members
 Samrat Pharmachem Limited

The Directors are pleased to present the 27th Annual Report on the business and operations of the company and the financial accounts for the year ended 31 March 2019

FINANCIAL PERFORMANCE

<i>Particulars</i>	31 March 2019 Rs.	31 March 2018 Rs.
<i>Revenue from Operations</i>	1,111,363,933	925,201,277
<i>Other Income</i>	4,567,158	2,457,411
<i>Total Revenue</i>	1,115,931,091	927,658,688
<i>Earnings before Interest, Tax, Depreciation & Amortization (EBITDA)</i>	36,337,452.86	61,959,374.45
<i>Interest and Finance Charges</i>	10,583,640.50	8,634,524.67
<i>Profit / (Loss) before Depreciation and Tax</i>	25,753,812	53,324,850
<i>Depreciation</i>	4,176,556	4,121,629
<i>Profit / (Loss) before Tax (PBT)</i>	21,577,256	49,203,221
<i>Provision for Tax/ Tax expense</i>	6,221,485	17,035,018
<i>Profit / (Loss) after Tax (PAT)</i>	15,355,771	32,168,203

OPERATIONS

Your company has performed extremely well during the year. In a highly competitive business environment. Your Company achieved a turnover of Rs.11114 Lakhs as against Rs. 9252 Lakhs achieved last year - an increase of around 12.04%.

DIVIDEND

In order to conserve the resources, your Directors do not recommend payment of Dividend for the financial year ended 31st March, 2019.

EXPORTS

During the year 2018-19 your company's export division registered FOB sales of Rs. 1853 Lacs from Rs. 980 Lacs achieved last year. Your Company has initiated several export promotion measures to increase exports. The products of your Company have been well accepted in the international market and the Company expects better export turnover in the coming years.

DEMATERIALISATION

The equity shares of the Company have been dematerialized by joining the depositories viz. National Securities Depository Limited (NSDL) & Central Depository Services (India) Limited (CDSL). The ISIN (International Securities Identification Number) No. allotted to the Company is INE103E01016.

LISTING OF SHARES

The Company's shares are listed on the BSE Ltd. It has paid the listing fees of the said exchange for the period upto 31st March, 2020. Your Company has not been delisted on this exchange for non-payment of listing fees.

INSURANCE

The assets of the company have been adequately insured against all possible risks with ICICI Lombard General Insurance Co Ltd & United India Insurance Co. Ltd.

WEBSITE

Your company's website address is www.samratpharmachem.com. The performance of the Company is regularly updated and made available on this website. The website provides other vital information about the Company.

SAFETY, HEALTH & ENVIRONMENT (SHE) POLICY

As a responsible corporate citizen, the Company is fully aware of its responsibilities for protection of the environment and to provide its employees a safe and hazard free work place. The Company has adopted a Safety, Health & Environment Policy that applies to all employees and activities. The work culture encourages total involvement and commitment of the employees to the SHE Policy.

Some of the activities carried out during the year are as follows.

Safety:

- Providing necessary equipment's and apparatus required for the safe operation of the manufacturing activities
- Observing the rules and regulations with regard to safety & precaution
- Consulting emergency control management team to monitor the safety of the plant
- Conducting regular safety audit
- Encouraging the workforce to use protective equipment's and maintain cleanliness
- Conducting seminars to impart knowledge to employees on safe operations
- Organising safety week to create safety awareness

Health:

- Conducting medical health checkup for all the employees of the Company periodically
- Conducting lecture meetings for providing guidance and counselling on matters of health, diet and exercise
- Conducting seminars to impart knowledge on meditation, yoga and anti-stress therapy

Environment:

- Ensuring smooth functioning of the effluent treatment plant with respect to air, water and solid waste.
- Updating the ETP plant to make it more nature friendly
- Proper monitoring of the pollution levels in and around the plants
- Planting trees in and around the factory
- Complying with the prescribed norms of pollution control

PERSONNEL

As on 31st March 2019, the total number of employees on the payroll of the company were 29. Industrial relations with employees at various levels continue to be cordial.

DIRECTORS & KEY MANAGERIAL PERSONNEL

In pursuance to the provisions of the Companies Act, 2013, and Articles of Association of the company Mr. Rajesh Mehta, Director retires by rotation and being eligible has offered himself for re-appointment.

Mr. Mahendra Indulal Pipalia and Mr. Samir Harsukhrai Kothary were appointed as Independent Directors for a period of 5 (five years) w.e.f. 27th September, 2014. Based on the recommendation of the Nomination and Remuneration Committee, their re-appointment for a second term of 5 (five years) w.e.f. 27th August, 2019 are proposed at the ensuing Annual General Meeting ("AGM") for the approval of the Shareholders by way of Special Resolutions.

The company has received declaration from all the independent directors confirming that they meet the criteria of independence as prescribed under section 149(6) of the Companies Act, 2013.

The company has devised a policy for the performance evaluation of independent directors, Board committees and other individual directors which include criteria for performance evaluation of non-executive directors and executive directors. The manner in which the evaluation is carried out has been explained in the Corporate Governance Report.

SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES

Your company has no subsidiaries, joint ventures or any associate companies during the year.

MEETING OF THE BOARD

During the year under review seven (7) Board Meetings were held. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013. For further details please refer to the Corporate Governance Report attached to this Annual Report.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee comprises of the 3 Directors namely, Mr. Samir Kothary (Chairman), and Mr. Mahendra Pipalia and Ms. Renu Dharod as other members of the committee.

This committee recommends and reviews the appointment and remuneration of Directors. It has adopted a policy which deals with the appointment and remuneration of directors and key managerial personnel. The adopted policy decides about the manner of selection of executive directors, key managerial personnel, and independent directors. The policy also decides about the criteria to be followed for recommending the remuneration of directors and key managerial personnel.

BOARD EVALUATION

The Board of Directors have carried out an annual evaluation of its own performance, Board Committees and individual directors pursuant to the provision of Act and the Corporate Governance requirement as prescribed by Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements), Regulations 2015 ("SEBI Listing Regulations"). The performance of Board was evaluated by the Board of Directors after seeking inputs from all directors on the basis of criteria such as Board Composition & Structure, Effectiveness of Board Process, Information and functioning, etc.

In separate meeting of Independent directors' performance of Non-Independent Directors, performance of the Board as whole and performance of Chairman was evaluated, taking into account the views of executive directors and non-executive directors.

POLICIES

We seek to promote and follow the highest level of ethical standards in all our business transactions guided by our value system. The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandated the formulation of certain policies for all listed companies. All our corporate governance policies are available on our website (www.samratpharmachem.com). These policies are reviewed periodically by the Board and updated based on need and new compliance requirement.

Policies adopted by the Company:

Name of the policy	Web link
Archival Policy	http://www.samratpharmachem.com/archival-policy/
Appointment of Independent Directors Policy	http://www.samratpharmachem.com/independent-director-terms-and-conditions-of-appointment/
Related Party Transactions & its Materiality Policy	http://www.samratpharmachem.com/policy-on-related-party-transactions-and-its-materiality/
Whistle-blower Policy	http://www.samratpharmachem.com/whistleblower-policy/
Materiality of Events Policy	http://www.samratpharmachem.com/policies/materiality-of-events-policy/
Preservation of Documents Policy	http://www.samratpharmachem.com/policy-on-preservation-of-documents/
Insider Trading Policy	http://www.samratpharmachem.com/insider-trading-policy/
Privacy Policy	http://www.samratpharmachem.com/policies/privacy-policy/
Quality Policy	http://www.samratpharmachem.com/quality-policy-2/
SHE Policy	http://www.samratpharmachem.com/policies/she-policy/
Corporate Social Policy	http://www.samratpharmachem.com/policies/corporate-social-policy/

REMUNERATION RATIO OF THE DIRECTORS / KEY MANAGERIAL PERSONNEL (KMP) / EMPLOYEES

The information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

(₹ lakh)					
Sr. No.	Name & Designation	Remuneration Paid FY 2018-19	Remuneration Paid FY 2017-18	Increase in remuneration from previous year	Ratio/Times per Median of employee remuneration
1	Mr. Lalit Mehta, CMD	1,800,000	1,800,000	0	11.16
2	Mr. Rajesh Mehta, ED	1,740,000	1,740,000	0	10.78
3	Mr. Megh Mehta, ED	900,000	900,000	0	5.58

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors report that: -

1. That the preparation of accounts for the Financial Year ended 31st March 2019, the applicable accounting standards read with requirements set out under Schedule III of the Act, have been followed along-with proper explanation relating to material departures;
2. That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the Financial Year and the Profit or Loss of the Company for the year on that date;
3. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. That the Directors' have prepared the accounts for the financial year ended 31st March 2019 on a going concern basis.
5. That the Directors have laid down internal financial control to be followed by the company and that such internal financial controls are adequate and are operating effectively; and
6. That the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such system are adequate and operating effectively

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors and external consultants and the reviews performed by the management and the relevant board committees, including the audit committee the board is of the opinion that the company's internal financial controls were adequate and effective during the financial year 2018-19.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

As required under regulation 34 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the Management Discussion and Analysis Report is enclosed as a part of this report.

CORPORATE GOVERNANCE & SHAREHOLDERS INFORMATION

Pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") the Company has executed fresh Listing Agreement with the Stock Exchanges. Though the regulation nos. 17 to 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are not applicable to the Company due to its paid up capital & net worth remain below threshold limit, yet the Company has provided corporate governance report voluntarily as a good corporate practice.

SEXUAL HARASSMENT OF WOMEN AT WORK PLACE

During the year under review, there were no cases reported pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

AUDIT COMMITTEE

The Audit committee comprises 3 Directors namely Mr. Mahendra Pipalia (Chairman), Mr. Samir Kothary (Member) & Ms. Renu Dharod (Member). All the recommendations made by the Audit Committee was accepted by the Board.

AUDITORS

M/s. Shah & Savla LLP, Chartered Accountants, (FRN : 109364W / W100143) were appointed as Statutory Auditors of the Company for the period of 5 consecutive years at 24th AGM of the Company to hold office till the conclusion of 29th AGM to be held in the Calendar Year 2021.

AUDITORS REPORT

The report of Statutory Auditors alongwith notes to schedules is a part of the Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their report. Further there is no incident of fraud requiring reporting by Auditors under section 143(12) of the Companies Act, 2013.

SECRETARIAL AUDITOR

Pursuant to provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the company has appointed M/s. A. A. Mulla & Associates a firm of company Secretaries in practice to undertake the Secretarial Audit of the Company for the financial year 2019-20. The Secretarial Audit Report submitted by the Secretarial Auditor is enclosed herewith as a part of this report and shown as Annexure I.

RELATED PARTY TRANSACTION / DISCLOSURE

There are no related party transactions made by the company during the year. AOC-2 report is attached to this report as Annexure II.

EXTRACT OF ANNUAL RETURN

As provided under Section 92(3) of the Act, the extract of annual report is given in the Annexure III in the prescribed Form MGT-9, which forms part of this report.

LOANS, GUARANTEES AND INVESTMENTS

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

PARTICULARS OF EMPLOYEES

Under the provision of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel), 1956 read with Companies (Particulars of Employees) Rules, 2014, the particulars of the employees as required to be mentioned in the Annual Report is not applicable to the company.

SHARES ISSUED UNDER EMPLOYEE STOCK OPTION SCHEME (ESOS)

No shares have been issued to the employees under Employee Stock Option Scheme (ESOS) during the year.

PUBLIC DEPOSITS

The Company has not invited and accepted deposits from the public during the financial year ended 31st March 2019.

DISCLOSURE OF PARTICULARS RELATING TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNING & OUTGO

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed pursuant to the provisions of Section 134 of the Act read with Rule 8 of the Companies (Accounts Rules), 2014, is given hereunder.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

Your Company continues to explore & implement measures that will help in conservation and saving of energy.

Measures taken & benefits derived are as follows:

- Hot water coming from steam traps is recycled & used as boiler feed water.
- Using economiser effectively to pre-heat boiler feed water.
- Timely & routine preventive maintenance of boiler.
- Improvement in unit operations leading to reduction in processing time in reactor, centrifuge, drier & other equipment's to minimize use of electricity.
- Hot water coming from steam traps is recycled & used as boiler feed water.

TECHNOLOGY ABSORPTION

The management has focused on productivity and quality improvement in order to optimize manufacturing costs. This has helped in achieving optimum manufacturing costs, improved quality of products and consequently enhanced customer satisfaction. The company uses indigenous technology.

FOREIGN EXCHANGE EARNINGS AND OUTGO

Foreign exchange earned	Rs. 183,945,613
F.O.B. Value of export of finished goods	
<i>(Previous year Rs. 98,005,869)</i>	

Foreign exchange used	Rs. 844,021,975
Import of raw materials	
<i>(Previous year Rs. 651,457,794)</i>	

ACKNOWLEDGEMENTS

The Directors wish to place on record their appreciation towards all associates including customers, suppliers, financial institutions, bankers, employees, consultants, shareholders and to all those who have extended their committed support to the progress of the Company.

Place : Mumbai
Date : 30 May 2019

By order of the Board of Directors
For Samrat Pharmachem Limited

Lalit Mehta
Chairman & Managing Director
DIN : 00216681

Annexure I
Form MR-3
Secretarial Audit Report

For The Financial Year Ended March 31, 2019

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

To,
The Members,
Samrat Pharmachem Limited
[CIN: L24230GJ1992PLC017820]

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. Samrat Pharmachem Limited** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of Samrat Pharmachem Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit and as per the explanation given to me and the representations made by the Management, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2019, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records made available to me and maintained by M/s. Samrat Pharmachem Limited for the financial year ended on 31st March, 2019, according to the applicable provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder, as applicable;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the rules made thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under The Securities and Exchange Board of India Act, 1992 ('SEBI Act') :
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and takeovers) Regulation, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation 2009;
Not applicable to the company during the audit period
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
Not applicable to the company during the audit period

- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
Not applicable to the company during the audit period
- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.
Not applicable to the company during the audit period
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009:
Not applicable to the company during the audit period
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
Not applicable to the company during the audit period
- vi. Other laws applicable to the Company are as under :
 - i. The Factories Act, 1948
 - ii. Environment Protection Act, 1986
 - iii. The Environmental Impact Assessment Notification, 2006
 - iv. Water (Prevention & Control of Pollution) Act 1974 and rules there under
 - v. Air (Prevention & Control of Pollution) Act 1981 and rules there under
 - vi. Hazardous Wastes (Management & Handling) Rules 1989 and Amendment Rules, 2003
 - vii. The Child Labour (Prohibition & Regulation) Act, 1986
 - viii. The Industrial Employment (Standing Order) Act, 1946
 - ix. The Inflammable Substances Act, 1952
 - x. The Legal Metrology Act, 2009 and Legal Metrology (Packaged Commodities) Rules, 2011
 - xi. The Petroleum Act, 2002
 - xii. The Poisons Act, 1919
 - xiii. The Indian Boiler Act, 1923
 - xiv. Manufacture, storage and Import of Hazardous Chemicals Rules, 1989
 - xv. The Payment of Wages Act, 1936
 - xvi. The Public Liability Insurance Act, 1991
 - xvii. Employees Provident Fund and Miscellaneous Provisions Act, 1952
 - xviii. The Energy Conservation Act, 2001
 - xix. Food Safety & Standard Act 2006 & Food Safety And Standards Rules, 2011

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

- i. Secretarial Standards issued by the Institute of Company Secretaries of India with respect to Board and general meetings.
- ii. The Listing Agreement entered into by the Company with BSE Limited read with the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards etc. as mentioned above except:

- i. That company has not appointed Key Managerial Personnel (Company Secretary) as required under Section 203 of the Companies Act 2013 and rules made thereunder for the period from 1st April 2018 till 28th February 2019.
- ii. The company has been issued show cause notice by BSE Limited for violation of following regulation under SEBI (LODR) Regulation, 2015 during the year under review
 - a. Regulation 6(1) Appointment of Company Secretary as Compliance Officer of the Company vide Letter No. LIST/COMP/530125/Reg.6(1)-Dec18/1113/2018-19 Dt. 12/02/2019 imposition of penalty of Rs. 1,08,560
 - b. Regulation 33 Non-Submission of Financial Result for the financial year 31/03/2018 within period prescribed under the regulation vide Letter No. LIST/COMP/530125/Waiver of fine/1090/2018-19 Dt. 31/01/19 imposition of fine of Rs. 17,100
 - c. Regulation 40(9) Non-Submission of Certificate from Company Secretary vide Email Dt. 13/11/2018
 - d. Regulation 13(3) Non-Submission of Statement and Shareholders Complaints within the period prescribed vide Letter No. LIST/COMP/530125/Reg.13(3)-Sep-18/970/2018-19 Dt. 09/11/2018 an imposition of penalty of Rs. 1,180
 - e. Regulation 33(3)(b) Discrepancy in Financial Result Quarter ended 31st March 2018 vide Email Dt. 18/06/18 an imposition of fine of Rs. 17,700

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-executive 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 was given to all Directors at least seven days in advance to schedule the Board Meetings. Agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the Board Meetings, as represented by the management, were taken unanimously.

I further report that as per the explanations given to me and the representations made by the Management and relied upon by me 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.

Place : Mumbai
Date : 30 May 2019

For A.A. Mulla & Associates
Company Secretaries

Aqueel A. Mulla
Proprietor
FCS NO. 2973
C.P. No.3237

* This report should be read with my letter of even date which is annexed as Annexure A and forms an integral part of this report.

`Annexure A`

To,
The Members,
Samrat Pharmachem Limited
[CIN: L24230GJ1992PLC017820]

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

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

For A.A. Mulla & Associates
Company Secretaries

Place : Mumbai
Date : 30 May 2019

Aqueel A. Mulla
Proprietor
FCS NO. 2973
C.P. No.3237

Annexure II

AOC 2

[Pursuant to Clause (h) of sub-section 3 of Section 134 of the Companies Act, 2013 and rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for disclosure of particulars of contracts / arrangements entered into by the company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013, including certain arm's length transactions under third proviso thereto.

- 1 Details of contracts or arrangements or transactions not at arm's length basis.
There were no contracts or arrangements or transaction entered into during the year.
 - a. Name(s) of the related party and nature of relationship: Not Applicable
 - b. Nature of contracts/arrangements/transactions: Not Applicable
 - c. Duration of the contracts/arrangements/transactions: Not Applicable
 - d. Salient terms of the contracts or arrangements or transactions including the value, if any: Not Applicable
 - e. Justification for entering into such contracts or arrangements or transactions: Not Applicable
 - f. Date(s) of approval by the Board: Not Applicable
 - g. Amount paid as advances, if any: Not Applicable
 - h. Date on which the special resolution was passed in general meeting as required under first proviso to Section 188: Not Applicable

- 2 Details of material contracts or arrangement or transactions at arm's length basis:
 - a. Name(s) of the related party and nature of relationship: Not Applicable
 - b. Nature of contracts/arrangements/transactions: Not Applicable
 - c. Duration of the contracts/arrangements/transactions: Not Applicable
 - d. Salient terms of the contracts or arrangements or transactions including the value, if any: Not Applicable
 - e. Date(s) of approval by the Board, if any: Not Applicable
 - f. Amount paid as advances, if any: None

Note: All related party transactions are benchmarked for arm's length, approved by Audit Committee and reviewed by Statutory Auditors. The above disclosures on material transactions are based on threshold of 10% of consolidated turnover and considering wholly owned subsidiaries are exempt for the purpose of Section 188(1) of the Act.

Place : Mumbai
Date : 30 May 2019

By order of the Board of Directors
For Samrat Pharmachem Limited

Lalit Mehta
Chairman & Managing Director

Annexure III

FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN

as on financial year ended on March 31, 2019

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

I REGISTRATION AND OTHER DETAILS

- i. CIN : L24230GJ1992PLC017820
- ii. Registration Date : June 16, 1992
- iii. Name of the Company : Samrat Pharmachem Limited
- iv. Category / Sub-Category of the Company : Public Company / Limited by shares
- v. Address of the Registered Office and contact details : Plot No. A2/3445,
GIDC, Phase 4,
Ankleshwar - 393 002,
Gujarat, India.
Tel # 02646-220774
Fax # 02646-251291
Email # contact@samratpharmachem.in
Website # www.samratpharmachem.com
- vi. Whether listed company : Yes
- vii Name, Address and Contact details of Registrar and
. Transfer Agent, if any : Link Intime India Pvt Ltd
C-101, 247 Park,
L. B. S. Marg, Vikhroli (West),
Mumbai - 400 083.
Tel # 91-22-49186000
Fax # 91-22-49186060
Email # rnt.helpdesk@linkintime.co.in
Website # www.linkintime.co.in

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products/ services	NIC Code of the product / service	% to total turnover of the company
1	Pharmaceuticals	210	100%

III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN / GLN	Holding/ Subsidiary/Associate	% of shares held	Applicable Section
-	Nil	-	-	-	-

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

i. Category-wise Share Holding

	Category of Shareholders	No. of Shares held at the beginning of the year i.e. 01.04.2018				No. of Shares held at the end of the year i.e. 31.03.2019				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.	Promoters									
1	Indian									
a.	Individuals/ Hindu Undivided Family	1,506,467	0	1,506,467	48.76	1,514,589	0	1,514,589	49.02	0.26
b.	Central Government/ State Governments	0	0	0	0.00	0	0	0	0.00	0.00
c.	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
d.	Financial Institutions/ Banks	0	0	0	0.00	0	0	0	0.00	0.00
e.	Any Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (A) (1)		1,506,467	0	1,506,467	48.76	1,514,589	0	1,514,589	49.02	0.26
2	Foreign									
a.	Individuals (Non-Resident Individuals/ Foreign Individuals)	0	0	0	0.00	0	0	0	0.00	0.00
b.	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
c.	Institutions	0	0	0	0.00	0	0	0	0.00	0.00
d.	Qualified Foreign Investor - Corporate	0	0	0	0.00	0	0	0	0.00	0.00
e.	Qualified Foreign Investor - Ind	0	0	0	0.00	0	0	0	0.00	0.00
f.	Any Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (A) (2)		0	0	0	0.00	0	0	0	0.00	0.00
Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)		1,506,467	0	1,506,467	48.76	1,514,589	0	1,514,589	49.02	0.26
B.	Public Shareholding									
1	Institutions									
a.	Mutual Funds/ UTI	0	0	0	0.00	0	0	0	0.00	0.00
b.	Financial Institutions/ Banks	0	0	0	0.00	0	0	0	0.00	0.00
c.	Central Government/ State Governments	0	0	0	0.00	0	0	0	0.00	0.00
d.	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
e.	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00

f.	Foreign Institutional Investors	0	100,000	100,000	3.24	0	100,000	100,000	3.24	0.00
g.	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
h.	Qualified Foreign Investors (Corporate)	0	0	0	0.00	0	0	0	0.00	0.00
i.	Qualified Foreign Investors (Ind)	0	0	0	0.00	0	0	0	0.00	0.00
j.	Any Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (B) (1)		0	100,000	100,000	3.24	0	100,000	100,000	3.24	0.00
2	Non-Institutions									
a.	Bodies Corporate	82,698	1,500	84,198	2.73	77,063	1,500	78,563	2.54	(0.18)
b.	Individuals -									
i.	Individual shareholders holding nominal share capital up to Rs 2 lakh	642,449	285,010	927,459	30.02	660,054	260,610	920,664	29.80	(0.22)
ii.	Individual shareholders holding nominal share capital in excess of Rs. 2 lakh.	366,591	0	366,591	11.86	366,591	0	366,591	11.86	0.00
c.	Qualified Foreign Investor - Corporate	0	0	0	0.00	0	0	0	0.00	0.00
d.	Qualified Foreign Investor - Ind	0	0	0	0.00	0	0	0	0.00	0.00
e.	Any Others (specify)									
i.	HUF	26,190	0	26,190	0.85	21,888	0	21,888	0.71	(0.14)
ii.	Clearing member	8,138	0	8,138	0.26	15,688	0	15,688	0.51	0.24
iii.	NRIs	42,757	27,900	70,657	2.29	51,317	20,400	71,717	2.32	0.03
Sub-Total (B) (2)		1,168,823	314,410	1,483,233	48.01	1,192,601	282,510	1,475,111	47.74	(0.26)
Total Public Shareholding (B)=(B)(1)+(B)(2)		1,168,823	414,410	1,583,233	51.24	1,192,601	382,510	1,575,111	50.98	(0.26)
Total (A)+(B)		2,675,290	414,410	3,089,700	100.00	2,707,190	382,510	3,089,700	100.00	(0.00)
C.	Shares held by custodians and against which Depository receipts have been issued	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A)+(B)+(C)		2,675,290	414,410	3,089,700	100.00	2,707,190	382,510	3,089,700	100.00	(0.00)

ii. Shareholding of Promoters (including Promoter Group)

C	Shareholder's Name	Shareholding at the beginning of the year 01.04.2018			Shareholding at the end of the year 31.03.2019			% change in shareholding 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	Lalit Damodar Mehta	423,376	13.70	0.00	431,498	13.97	0.00	0.26
2	Rajesh Lalit Mehta	381,042	12.33	0.00	381,042	12.33	0.00	0.00
3	Megh Rajesh Mehta	42,500	1.38	0.00	42,500	1.38	0.00	0.00
4	Premal Lalit Mehta	174,281	5.64	0.00	174,281	5.64	0.00	0.00
5	Kaushal Lalit Mehta	150,586	4.87	0.00	150,586	4.87	0.00	0.00
6	Jaya Lalit Mehta	119,300	3.86	0.00	119,300	3.86	0.00	0.00
7	Rupal Rajesh Mehta	79,682	2.58	0.00	79,682	2.58	0.00	0.00
8	Kalpana Premal Mehta	69,300	2.24	0.00	69,300	2.24	0.00	0.00
9	Falguni Kaushal Mehta	66,400	2.15	0.00	66,400	2.15	0.00	0.00
		1,506,467	48.76	0.00	1,514,589	49.02	0.00	0.26

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

Sr. No.		Shareholding at the beginning of the year (01-04-2018)		Cumulative Shareholding during the year (31-03-2019)	
		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	1,506,467	48.76	1,514,589	49.02
2	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	*			
	1. Lalit Damodar Mehta	423,376	13.70	431,498	13.97
	2. Rajesh Lalit Mehta	381,042	12.33	381,042	12.33
	3. Megh Rajesh Mehta	42,500	1.38	42,500	1.38
	3. Premal Lalit Mehta	174,281	5.64	174,281	5.64
	4. Kaushal Lalit Mehta	150,586	4.87	150,586	4.87
	5. Jaya Lalit Mehta	119,300	3.86	119,300	3.86
	6. Rupal Rajesh Mehta	79,682	2.58	79,682	2.58
	7. Kalpana Premal Mehta	69,300	2.24	69,300	2.24
	8. Falguni Kaushal Mehta	66,400	2.15	66,400	2.15
3	At the end of the year	1,506,467	48.76	1,514,589	49.02

* Due to multiplicity of trades the date wise purchase & sales data is not given.

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

Sr. No.	Top 10 Shareholders*	Shareholding at the beginning of the year 01-04-2018	
		No. of shares	% of total shares of the company
1	Mala R Bhavnani	160,701	5.20
2	Subramanian P.	125,890	4.07
3	Llyods Securities Overseas Limited	100,000	3.24
4	Sharad Kanayalal Shah	50,000	1.62
5	Anshul Speciality Molecules	41,246	1.33
6	Ashok Jain	30,000	0.97
7	Kishor Dhirajlal Sheth	18,750	0.61
8	Celestial Tradechem Pvt Ltd	13,000	0.42
9	Divyanshu Jayaraj Kantol	12,500	0.40
10	Abdulaziz Alimohd Merchant	11,875	0.38

Sr. No.	Top 10 Shareholders*	Cumulative Shareholding at the end of the year 31-03-2019	
		No. of shares	% of total shares of the company
1	Mala R Bhavnani	160,701.00	5.20
2	Subramanian P	125,890.00	4.07
3	Lloyds Securities Overseas Limited	100,000.00	3.24
4	Sharad Kanayalal Shah	50,000.00	1.62
5	Anshul Specialty Molecules	41,246.00	1.33
6	Ashok Jain	30,000.00	0.97
7	Kishor Dhirajlal Sheth	18,750.00	0.61
8	Divyanshu Jayraj Kantol	12,500.00	0.40
9	Celestial Tradechem Private Limited	10,812.00	0.35
10	Giridhar Rahul Gaddipati	10,148.00	0.33

* The shares of the company are traded on a daily basis and hence the date wise increase / decrease in shareholding is not indicated.

V. **Shareholding of Directors and Key Managerial Personnel:**

Sr. No.	Folio/Beneficiary Account No.	Name of the Shareholder	Date	Reason	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	IN30267932162257	Lalit Damodar Mehta	1/Apr/2018	At the beginning of the year	423,376	13.70		
			31/Mar/2019	At the end of the year			431,498	13.97
2	IN30267932162257	Rajesh Lalit Mehta	1/Apr/2018	At the beginning of the year	381,042	12.33		
			31/Mar/2019	At the end of the year			381,042	12.33
3	1601430100025610	Megh Rajesh Mehta	1/Apr/2018	At the beginning of the year	42,500	1.38		
			31/Mar/2019	At the end of the year			42,500	1.38
				Total:	804,418	26.04	855,040	26.30
Key Managerial Personnel - Nil								

V. **INDEBTEDNESS**

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

	Secured Loans excluding deposits ¹	Unsecured Loans ²	Deposits ³	Total indebtedness
Indebtedness at the beginning of the financial year				
i. Principal Amount	89,845,084	0	0	89,845,084
ii. Interest due but not paid	0			0
iii. Interest accrued but not due	0			0
Total (i+ii+iii)	89,845,084	0	0	89,845,084
Change in indebtedness during the financial year				
• Addition	(29,001,248)	0	0	(29,001,248)
• Reduction	0	0	0	0
Net Change	(29,001,248)	0	0	(29,001,248)
Indebtedness at the end of the financial year				
i. Principal Amount	60,843,837	0	0	60,843,837
ii. Interest due but not paid	0			0
iii. Interest accrued but not due	0			0
Total (i+ii+iii)	60,843,837	0	0	60,843,837

Notes:

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(₹ lakh)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount
		Mr. Lalit Mehta Chairman & MD	Mr. Rajesh Mehta Executive Director	Mr. Megh Mehta Executive Director	
1	Gross Salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	18.00 - -	17.40 - -	9.00 - -	44.40 - -
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as % of profit	-	-	-	-
5	Others	-	-	-	-
	Total (A)	18.00	17.40	9.00	44.40
	Ceiling as per the Act @ 10% of the Profit calculated as per Section 198 of the Companies Act, 2013 ~				26.02

~ Due to inadequate profit, the remuneration paid to MD / WTD / ED is calculated as per Schedule V of the Companies Act, 2013.

B. Remuneration to other directors

(₹ lakh)

Sr. No.	Particulars of Remuneration	Fee for attending board/ committee meetings	Commission	Others, please	Total amount
1	Independent Directors				
	Mr. Mahendra Pipalia	0.40000	-	-	0.40000
	Mr. Samir Kothary	0.40000	-	-	0.40000
	Ms. Renu Dharod	0.40000	-	-	0.40000
	Total (1)	1.20000	-	-	1.20000
2	Other Non-Executive Directors	-	-	-	-
	Total (2)	-	-	-	-
	Total B=(1+2)	1.20000	-	-	1.20000
	Total Managerial Remuneration	1.20000	-	-	1.20000
	Ceiling as per the Act (@1% of Profit calculated u/s 198 of the Companies Act 2013) ***				

*** No Commission is paid to Non-executive Independent Directors.

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

(₹ lakh)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
1	Gross Salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Nil	Nil	Nil
2	Stock Option			
3	Sweat Equity			
4	Commission - as % of profit			
5	Others			
	Total (A)			

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties, punishment or compounding of offences during the year ended **March 31, 2019**.

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY STRUCTURE AND DEVELOPMENTS

Your Company is a producer of pharmaceutical chemicals. The intermediates produced are used in pharmaceutical and chemical industries. Your Company is amongst the manufacturers who produce for local and international needs of the pharmaceuticals and chemicals industry. The pharmaceutical and chemical industry is growing at a rapid pace every year. This results into growth of the support or intermediate industry like us.

OPPORTUNITIES AND THREATS

The company looks forward optimistically for all round growth in turnover & profitability in the ensuing years. Your company has taken effective steps to realize the dream performance in the years to come. The company intends to double its turnover in a short period of time. The company has taken effective measures to improve quality of products and its productivity to outwit competitor from domestic and international market.

The company has registered good sales growth & earned reasonable profit during the current financial year. The company has plans to widen the product range by increasing the basket of products thereby enlarging the customer and sales base.

PRODUCT PERFORMANCE

The company has two plants producing varied items. The basic purpose of producing in two different plants is to improve efficiency and manageability. Your Company shall achieve sustainable growth in both plants by modernization and automation of operations. According to your Directors, these plants facilitate better division of labour, enable us to develop expertise in each plant and their respective items, and hence improve productivity and profitability of the Company.

OUTLOOK

By 2020 the pharmaceutical market is anticipated to be more than double to USD 1.3 trillion, with the E7 countries - Brazil, China, India, Indonesia, Mexico, Russia and Turkey - Accounting around for one fifth of the global pharmaceutical sales. Further, incidence of chronic conditions in the developing world will increasingly resemble the developed world.

RISKS AND CONCERNS

Currency Risk : The year 2018-19 saw some volatility on the currency exchange front. Imports constitute a major portion of our business activity. The company does selective hedging from time to time. However it is difficult to fully contain such adverse fluctuations, the management shall continue to take remedial steps to reduce its severity from time to time.

Competition Risk : We feel that the major business risks are the stiff competition due to low priced products from countries like China and also from domestic manufacturers for certain products. However the company is trying to expand its range of products to cater to different segment of customers and market in order to absorb fall in sales and margins.

Credit Risk : We have been able to reduce the irrecoverable amounts to a very negligible level, notwithstanding the inevitability of having some debts which are not recoverable. Due to strict monitoring and disciplined distribution channels, we do not foresee any material risk on this count.

Dead Stocks/Slow moving items/Rejections Risk : Sometimes the quality of finished product becomes bad or is rejected by a customer. The Company has taken every step in the raw material procurement stage, production stage, packing stage, testing stage and delivery stage to minimize the risk of rejection. If due to some unforeseen reasons the goods are rejected or are not as per our in-house standards, the company has made a system to reprocess all such failed material. Minimum cost is incurred to make them into acceptable standards again. Further the products that have irregular demand or are sold in lesser quantities round the year are manufactured as per customers order only. Thus the company is successful in handling dead stocks, slow moving items and rejections.

Fire, Theft & Explosion Risk : The Company has been quite conscious of the inherent risk in our business. A lot of measures to safeguard the fixed assets and stocks in the factory are taken. The management has been regularly updating the risk profile and take necessary corrective steps like educating workers, insisting workers to wear gum boots, gloves, eye goggles, helmets etc, installing fire fighting equipments, putting sign boards, banning smoking in the premises, keeping hazardous materials in a safe and protected place etc. Apart from these measures, the company has also underwritten the various risks like fire, theft & burglary, earthquake, floods, riots, public liability, sale/purchase in transit etc with ICICI Lombard General Insurance Co Ltd & United India Insurance Co. Ltd

INTERNAL CONTROL SYSTEM AND ITS ADEQUACY

The Company has instituted adequate internal controls, managed by professionals. The control mechanism duly supported by efficient integrated software ensures a proper documentation, accounting, reporting and safeguarding of assets. The Company has also well defined and established system of internal audit, which is periodically reviewed by the audit committee and steps taken to strengthen the control measures. The management and audit committee of the Board periodically reviews the observations and findings of the statutory auditors and ensures adherence to the well laid down policies, guidelines and procedures forming part of the internal control system.

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

A satisfactory business performance with average volume growth in key products and business units, combined with productivity improvement, cost management and working capital management have contributed to the good operating results for the year. Also sharp focus on cost and margins has resulted in enhanced operational efficiency.

Financial Performance

Income Statement (in Crores)

Particulars	31-03-19	31-03-18	31-03-17	31-03-16	31-03-15
Revenue	111.14	92.52	71.14	61.93	47.57
Other Income	0.46	0.25	0.07	0.13	0.17
Total Income	111.59	92.77	71.21	62.06	47.74
Expenditure	(109.52)	(87.43)	(68.02)	(60.66)	(46.24)
Interest	(1.06)	(0.86)	(0.68)	(0.51)	(0.59)
PBDT	2.58	5.33	3.19	0.89	0.92
Depreciation	(0.42)	(0.41)	(0.70)	(0.44)	(0.44)
PBT	2.16	4.92	2.49	0.45	0.48
Tax	(0.62)	(1.70)	(0.93)	(0.15)	(0.16)
Net Profit	1.54	3.22	1.57	0.30	0.32
Equity	3.09	3.09	3.09	3.09	3.09
EPS	4.97	10.41	5.07	0.97	1.02
CEPS	6.32	11.74	7.32	2.41	-
OPM %	2.32	5.76	4.48	2.26	3.16
NPM %	1.38	3.48	2.20	0.49	0.66

Source: <https://www.bseindia.com/stock-share-price/financials/results/530125>

MATERIAL DEVELOPMENT IN HUMAN RESOURCES/INDUSTRIAL RELATIONS FRONTS

The industrial relations have been satisfactory in the Registered Office Cum Factory and at the Corporate Office. There was no loss of man-days during the year. A lot of initiatives have been undertaken by the Human Resource Department during the year. Apart from improvement in the system to align the compensation to the performance of the employees, steps are being taken by the management to provide training both in-house and at recognized institutes to enhance the effectiveness of the employees. Steps are also being taken to focus on managerial and behavioural competence across the organization. Information Technology has been a focused area for improving the operational efficiency and as a tool for decision-making.

CAUTIONARY STATEMENT

Statement in the report of Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning applicable securities laws or regulations. These statements are based on certain assumptions and expectations for future events. Actual results could differ materially from those of future events. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting global and domestic demand supply, finished goods prices in the domestic and overseas market in which the Company operates, raw materials cost and availability, changes in Government regulations, tax regimes, economic developments within India and other factors such as litigation and industrial relations. The Company assumes no responsibility to publicly amend, modify or revise and forward looking statements, on the basis of any subsequent development, information or events.

Place : Mumbai
Date : 30 May 2019

By order of the Board of Directors
For Samrat Pharmachem Limited

Lalit Mehta
Chairman & Managing Director
DIN : 00216681

CORPORATE GOVERNANCE REPORT

We at Samrat Pharmachem believe that for a Company to succeed it must maintain global standards of Corporate Conduct towards its customers, suppliers, employees, bankers, shareholders and the society at large. The Company believes that it is rewarding to be better managed and governed and to identify and align its activities with national interest. To that end we as a Company have always focused on Good Corporate Governance - which is a key driver of sustainable corporate growth and long term value & wealth creation.

Above all else, Corporate Governance must balance individual interest with Corporate Goals and operate within accepted norms of propriety, equity, fair play and a sense of justice. Achieving this balance depends upon how accountable and transparent companies are. Accountability improves decision-making and thereby builds stakeholders confidence.

Corporate Governance is not merely compliance - it is an ongoing measure of superior delivery of company's objects with a view to translate opportunities into reality. It involves leveraging its resources and aligning its activities to consumer need, shareholders benefit and employee growth, thereby delighting all its stakeholders while minimizing risks.

The Company as a good corporate practice voluntarily complies with the requirements stipulated under regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI Listing Regulations, with regard to corporate governance.

COMPANY'S PHILOSOPHY

Samrat Pharmachem Limited is committed to the best practices in the area of Corporate Governance. The company believes that proper corporate governance facilitates effective management and control of business. This in turn, enables the company to maintain a high level of business ethics and to optimize the value of all its stakeholders. The objectives can be summarized as under:

- To enhance shareholders value.
- To protect interest of shareholders and other stakeholders including customers, suppliers, banks, employees and society at large.
- To ensure transparency and integrity in communication and to make available full, accurate and clear information to all concerned.
- To ensure accountability for performance and to achieve excellence at all levels.
- To provide corporate leadership of highest standards for other to follow.

Samrat Pharmachem Limited is committed to:

- Ensuring that the Board of Directors of the Company meet regularly, provide effective leadership, exercise control over management and monitor executive performance.
- Establishing a framework of strategic control and continuously reviewing its efficacy.
- Establishing clearly documented and transparent management processes for policy development, implementation and review, decision-making, monitoring, control and reporting.
- Providing free access to the Board to all relevant information, advices and resources as are necessary to enable it to carry out its role effectively.
- Ensuring that all employees are responsible for compliance issues with all applicable statutes, regulations, code of conduct, policies as laid down by the Board and report deviation or misconduct, if any, to the Board.

The concept of Corporate Governance hinges on the total transparency, integrity and accountability of the management team. Even before the code become mandatory, the Company has been following the Corporate Governance practices like striking out reasonable balance in the composition of Board of Directors and setting up business committees, adequate disclosure and business to be deliberated by the Board etc. Your Company is committed to follow good corporate governance practices and improve upon them year after year.

II. BOARD OF DIRECTORS

i. *Composition of the Board*

The composition of the board is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Act. As of March 31, 2019, the Company has 6 directors. Of the 6 Directors, 3 (i.e. 50%) are executive directors and 3 (i.e. 50%) are non-executive independent directors.

ii. *Independent Directors*

Independent directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act. The maximum tenure of the independent directors is in compliance with the Companies Act, 2013 ("Act"). All the Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act.

iii. *Directors' attendance record and Directorship held*

The names and categories of the directors on the board, their attendance at board meetings held during the year and the number of directorships and committee chairmanships / memberships held by them in other public companies as on March 31, 2019 are given herein below. Other directorships do not include directorships of private limited companies, Section 8 companies and of companies incorporated outside India. Chairmanships / memberships of board committees shall include only audit committee and stakeholders' relationship committee.

Name of the Director	Category	Number of Board meetings during the year 2018-19		Whether attended last AGM held on September 22, 2018	Number of directorships in other Public Companies		Number of committee positions held in other Public Companies	
		Held	Attended		Chairman	Member	Chairman	Member
Mr. Lalit Mehta (Chairman & MD) DIN 00216681	Non-Independent, Executive	7	7	Yes	-	-	-	-
Mr. Rajesh Mehta (CFO) DIN 00216731	Non-Independent, Executive	7	7	Yes	-	-	-	-
Mr. Megh Mehta DIN 07287394	Non-Independent, Executive	7	6	Yes	-	-	-	-
Mr. Mahendra Pipalia DIN 00216959	Independent, Non-Executive	7	4	Yes	-	-	-	-
Mr. Samir Kothary DIN 00216603	Independent, Non-Executive	7	4	Yes	-	-	-	-
Ms. Renu Dharod DIN 00216731	Independent, Non-Executive	7	4	Yes	-	-	-	-

None of the Directors is a member of more than 10 Board-level Committees or a Chairman of more than 5 such committees, as required under SEBI (Listing Obligations & Disclosures Requirements) Regulation, 2015.

iv. *Number of Board Meetings*

5 Board Meetings were held during the year and the maximum interval between 2 Board Meetings was not more than 4 calendar months. The dates on which the said meetings were held is as under :-

Sr No	Date of Board Meeting
1	9th April, 2018
2	30th May, 2018
3	14th August, 2018
4	14th November, 2018
5	14th December, 2018
6	14th February, 2019
7	29th March, 2019

The necessary quorum was present for all the meetings.

v. *Selection of Independent Directors*

The company has constituted Nomination and Remuneration Committee for appointment of independent directors on the Board of the company. The committee inter alia considers qualification, positive attributes, area of expertise and no. of directorship and membership held in various committees of other companies. The Board considers the committee's recommendation and take appropriate decision. Every independent Director at the first meeting of Board in which he / she participates as a Director and thereafter at every first meeting of the Board in every financial year gives a declaration that he meets with the criteria of independence as provided under law.

vi. *Independent Directors Meeting*

During the year a separate meeting of the independent directors was held inter-alia to review the performance of non-independent directors and the board as a whole.

vii. *Directors Induction and Familiarization program*

The Program aims to provide insights into the Company to enable the Independent Directors to understand its business in depth and contribute significantly to the Company. The provision of an appropriate induction program for new Directors and ongoing training for existing directors is a major contributor to the maintenance of high Corporate Governance standards of the Company. The Independent Directors, from time to time request management to provide detailed understanding of any specific project, activity or process of the Company. The management provides such information and training either at the meeting of Board of Directors or otherwise. The induction process is designed to:

- Familiarize with the nature of Business of the Company.
- Roles and Responsibilities.
- Nature of industry including competition/export potential.

viii. *Code of Conduct*

The company has in place a comprehensive Code of Conduct applicable to all the employees and on Executive Directors including Independent Directors. The code is applicable to Non- Executive Directors including Independent Directors to such an extent as may be applicable to them depending on their roles and responsibilities. The code gives guidance and support needed for ethical conduct of business and compliance of law. A copy of the Code has been posted on the website of the company www.samratpharmachem.com. The code is circulated to the Directors and management personnel and its compliance is affirmed by them annually.

ix. Details of equity shares of the Company held by the Directors as on March 31, 2019 are given below:

Name	Category	Number of equity shares
Mr. Lalit Mehta	Non-Independent, Executive	431,498
Mr. Rajesh Mehta	Non-Independent, Executive	381,042
Mr. Megh Mehta	Non-Independent, Executive	42,500

III. COMMITTEES OF THE BOARD

A Audit Committee

- i. The audit committee of the Company is constituted in line with the provisions of Regulation 18 of SEBI Listing Regulations, read with Section 177 of the Act.
- ii. The audit committee performs the following functions:
 - Overseeing the company's financial reporting process and disclosure of financial information to ensure that the financial statement is correct, sufficient and credible;
 - Recommending the appointment of auditors of the Company, terms of appointment, fixation of audit fee and approval for payment of any other services;
 - Reviewing with the management, the annual financial statements and auditors' report thereon before submission to the board for approval, with particular reference to:
 - ⇒ Matters required to be included in the directors' responsibility statement to be included in the board's report in terms of clause (c) of sub-section 3 of section 134 of the Act
 - ⇒ Changes, if any, in accounting policies and practices and reasons for the same
 - ⇒ Major accounting entries involving estimates based on the exercise of judgment by management
 - ⇒ Significant adjustments made in the financial statements arising out of audit findings
 - ⇒ Compliance with listing and other legal requirements relating to financial statements
 - ⇒ Disclosure of any related party transactions
 - ⇒ Qualifications in the draft audit report
 - Reviewing with the management, the quarterly financial statements before submission to the board for approval;
 - Reviewing with the management and external and internal auditors, the adequacy of internal control system;
 - Reviewing the adequacy of internal audit system;
 - Discussing with internal auditors any significant finding and follow up on such issues;
 - Reviewing the findings of any internal investigation by internal auditors in matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and then reporting such matter to the Board;
 - Discussing with the statutory auditors before the audit commences on the nature and scope of audit as well as having post-audit discussion to ascertain any area of concerns;
 - Examining reasons for substantial default in the payment to depositors, bankers, shareholders (in case of non-payment of declared dividends) and creditors, if any;
 - Establish a vigil mechanism for directors and employees to report genuine concerns in such manner as may be prescribed;
 - To review the functioning of whistle blower mechanism
 - The audit committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the board and may also discuss any related issues with the internal and statutory auditors and the management of the Company;
 - Carrying out any other function as is mentioned in the terms of reference of the audit committee;

- To mandatorily review the following information:
 - ⇒ Management discussion and analysis of financial condition and results of operations;
 - ⇒ Statement of significant related party transactions (as defined by the audit committee), submitted by management;
 - ⇒ Management letters / letters of internal control weaknesses issued by the statutory auditors;
 - ⇒ Internal audit reports relating to internal control weaknesses; and
 - ⇒ The appointment, removal and terms of remuneration of the chief internal auditor.
- iii. The previous annual general meeting (AGM) of the Company was held on September 22, 2018 and was attended by Mr. Mahendra Pipalia, Chairman of the audit committee.
- iv. Composition of Audit Committee and details of meetings attended:

Name	Category	Number of meetings during the financial year 2018-19	
		Held	Attended
Mr. Mahendra Pipalia (Chairman)	Independent, Non-Executive	4	4
Mr. Samir Kothary (Member)	Independent, Non-Executive	4	4
Ms. Renu Dharod (Member)	Independent, Non-Executive	4	4

- v. 4 audit committee meetings were held during the year and the gap between two meetings did not exceed 4 months. The dates on which the said meetings were held are as follows:
May 30, 2018; August 14, 2018; November 14, 2018 and February 14, 2019
The necessary quorum was present for all the meetings.

B Nomination and Remuneration Committee

- i. The nomination and remuneration committee of the Company is constituted in line with the provisions of Regulation 19 of SEBI Listing Regulations, read with Section 178 of the Act.
- ii. The nomination and remuneration committee performs the following functions:
 - Recommend to the board the appointment or reappointment of directors.
 - Devise a policy on board diversity.
 - Carry out evaluation of every director's performance and support the board and independent directors in evaluation of the performance of the board, its committees and individual directors. This shall include "formulation of criteria for evaluation of independent directors and the board".
 - Recommend to the board the remuneration policy for directors, executive team or key managerial personnel as well as the rest of the employees.
 - On an annual basis, recommend to the board the remuneration payable to the directors and oversee the remuneration to executive team or key managerial personnel of the Company.
 - Oversee familiarisation programmes for directors.
 - Performing such other duties and responsibilities as may be consistent with the provisions of the committee charter.

- iii. Composition of Nomination and Remuneration Committee and details of meetings attended:

Name	Category	Number of meetings during the financial year 2018-19	
		Held	Attended
Mr. Samir Kothary (Chairman)	Independent, Non-Executive	4	4
Mr. Mahendra Pipalia (Member)	Independent, Non-Executive	4	4
Ms. Renu Dharod (Member)	Independent, Non-Executive	4	4

- iv. During the year 4 meetings of the nomination and remuneration committee were held. The dates on which the said meetings were held are as follows:

May 30, 2018; August 14, 2018; November 14, 2018 and February 14, 2019

- v. The Company does not have any employee stock option scheme.

- vi. **Remuneration to Directors: sitting fees, salary, perquisites and commissions**

a. **Executive Directors**

(` lakh)

Name	Salary	Perquisites
Mr. Lalit Mehta	18.00	-
Mr. Rajesh Mehta	17.40	-
Mr. Megh Mehta	9.00	-
Total	44.40	-

b. **Independent Non-Executive Directors**

Name	Commission	Sitting Fees
Mr. Mahendra Pipalia	-	0.40
Mr. Samir Kothary	-	0.40
Ms. Renu Dharod	-	0.40
Total	-	1.20

C Stakeholders' relationship committee

- i. The Company had a shareholders / investors grievance committee of directors to look into the redressal of complaints of investors such as transfer or credit of shares, non-receipt of dividend / notices / annual reports, etc.

- ii. Composition of Stakeholders' Relationship Committee and details of meetings attended:

Name	Category	Number of meetings during the financial year 2018-19	
		Held	Attended
Ms. Renu Dharod (Chairman)	Independent, Non-Executive	4	4
Mr. Samir Kothary (Member)	Independent, Non-Executive	4	4
Ms. Mahendra Pipalia (Member)	Independent, Non-Executive	4	4

- iii. During the year 4 meetings of the Stakeholders' relationship committee were held. The dates on which the said meetings were held are as follows:

May 30, 2018; August 14, 2018; November 14, 2018 and February 14, 2019

- iv. Mr. Rajesh Mehta acts as compliance officer of the company.

- v. Investor complaints received and redressed during the year 2018-19

Opening balance	Received during the year	Resolved during the year	Closing balance
0	1	1	0

D Other Committees

- i. Risk management committee

The board of the Company has formed a risk management committee to frame, implement and monitor the risk management plan for the Company. The committee is responsible for reviewing the risk management plan and ensuring its effectiveness. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

Composition of Risk Management Committee and details of meetings attended:

Name	Category	Number of meetings during the financial year 2018-19	
		Held	Attended
Ms. Renu Dharod (Chairman)	Independent, Non-Executive	4	4
Mr. Samir Kothary (Member)	Independent, Non-Executive	4	4
Mr. Mahendra Pipalia (Member)	Independent, Non-Executive	4	4

During the year 4 meetings of the Risk management committee were held. The dates on which the said meetings were held are as follows:

May 30, 2018; August 14, 2018; November 14, 2018 and February 14, 2019

IV. GENERAL BODY MEETINGS

i. General meeting

a. Annual General Meeting:

Details of the last three Annual General Meetings (AGMs) along with special resolutions passed:

Financial Year	Date	Time	Venue	Special Resolutions Passed
2015-16	24/Sep/2016	1.00 p.m.	Plot No. A2/3445, GIDC, Phase 4, Ankleshwar - 393 002, Gujarat.	Appointment of Mr. Megh Mehta as an Executive Director of the Company
2016-17	23/Sep/2017	1.00 p.m.	Plot No. A2/3445, GIDC, Phase 4, Ankleshwar - 393 002, Gujarat.	1 Re-appointment of Mr. Lalit Mehta as Chairmain & Managing Director of the Company 2 Re-appointment of Mr. Rajesh Mehta as Executive director of the Company. 3 Re-appointment of Mr. Megh Mehta as Executive Director of the Company 4 Service of documents to members
2017-18	22/Sep/2018	1.00 p.m.	Plot No. A2/3445, GIDC, Phase 4, Ankleshwar - 393 002, Gujarat.	No Special Resolutions were passed during the year

b. Extraordinary general Meeting:

No extraordinary general meeting of the members was held during the year 2018-19.

ii. Postal Ballot

Details of special resolution passed through postal ballot, the persons who conducted the postal ballot exercise and details of the voting pattern

During the year under review, no special resolution has been passed through the exercise of postal ballot.

Details of special resolution proposed to be conducted through postal ballot:

Nil

V. DISCLOSURES**i. Related Party transactions**

The company has not entered into any transaction of a material nature with the Promoters, Directors or the Management, their relatives etc. that may have any potential conflict with the interests of the company. The Board has approved a policy for related party transactions which has been uploaded on the Company's website at the following link-

<http://www.samratpharmachem.com/policy-on-related-party-transactions-and-its-materiality/>

ii. Stock Exchange/ SEBI Compliances

The company has complied with the requirements of the stock exchanges, SEBI and other statutory authorities on all matters related to capital markets during the last three years. No penalties were imposed nor any strictures issued on the Company by the Stock Exchanges, SEBI or any other statutory authority relating to the above.

iii. Whistle Blower Policy

The Company has adopted a whistle blower policy and has established the necessary vigil mechanism as defined under Regulation 22 of SEBI Listing Regulations for employees and directors to report concerns about unethical behaviour. No person has been denied access to the chairman of the audit committee. The said policy has been also put on the website of the company at the following link-

<http://www.samratpharmachem.com/whistleblower-policy/>

iv. Materiality of Events Policy

The Company has also adopted Policy on Determination of Materiality of Events as per below link

<http://www.samratpharmachem.com/policies/materiality-of-events-policy/>

v. Archival Policy

The Company has adopted Policy for archival of documents as required under the Listing Agreement.

<http://www.samratpharmachem.com/archival-policy/>

vi. Code Of Conduct For Prevention Of Insider Trading

The Company has adopted revised Code of Conduct pursuant to the provisions of the SEBI (Prohibition of Insider Trading] Regulations, 2015, for prevention of insider trading in the shares of the Company. The comprehensive Code has been disseminated on the intranet and strictly implemented aiming at maintaining the highest ethical standards. The Code which is applicable to promoters, directors, auditors, employees of the Company and their immediate relatives, prescribes the procedures to be followed while dealing in the shares of the Company. The Code prohibits the said persons to deal in the shares of the Company on the basis of any unpublished price sensitive information available to them by virtue of their position in the Company.

The transactions in the shares of the Company are also subjected to the trading window closure periods announced by the Company, from time to time.

vii. Reconciliation of share capital audit

A qualified practicing Company Secretary carried out a share capital audit to reconcile the total admitted equity share capital with the National securities depository limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed equity share capital. The audit report confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL.

viii. Code of Conduct

The members of the board and senior management personnel have affirmed the compliance with the Code applicable to them during the year ended March 31, 2019. The Annual Report of the Company contains a Certificate by the CEO and Managing Director in terms of SEBI Listing Regulations on the compliance declarations received from Independent Directors, Non-executive Directors and Senior Management.

VI. MEANS OF COMMUNICATION

The quarterly, half-yearly and annual results of the Company are published in leading newspapers in India immediately after they are approved by the Board which include The Indian Express and Vadodara Samachar. The results are also displayed on the Company's website "www.samratpharmachem.com".

VII. GENERAL SHAREHOLDER INFORMATION
i. Annual General Meeting

AGM No.	27th Annual General Meeting
Date	28 September 2019
Time	1.00 p.m.
Venue	Plot No. A2/3445, GIDC, Phase 4, Ankleshwar - 393 002, Gujarat, India.

ii. Financial Calendar

Financial Year	1 April 2018	To	31 March 2019
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iii. Book Closure

The annual book closure period is from & to following dates, inclusive of both days.

Book Closure Date (From)	Book Closure Date (To)
Saturday, September 21, 2019	Saturday, September 28, 2019

iv. Listing on Stock Exchanges

Name of the Stock Exchange	Stock Code	Address
BSE Limited (BSE)	530125	25 th Floor, P. J. Towers, Dalal Street, Mumbai - 400 001, Maharashtra.

Listing fees as applicable have been paid.

v. Corporate Identity number (CIN) of the Company

Corporate Identity Number	L24230GJ1992PLC017820
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vi. Market Price Data

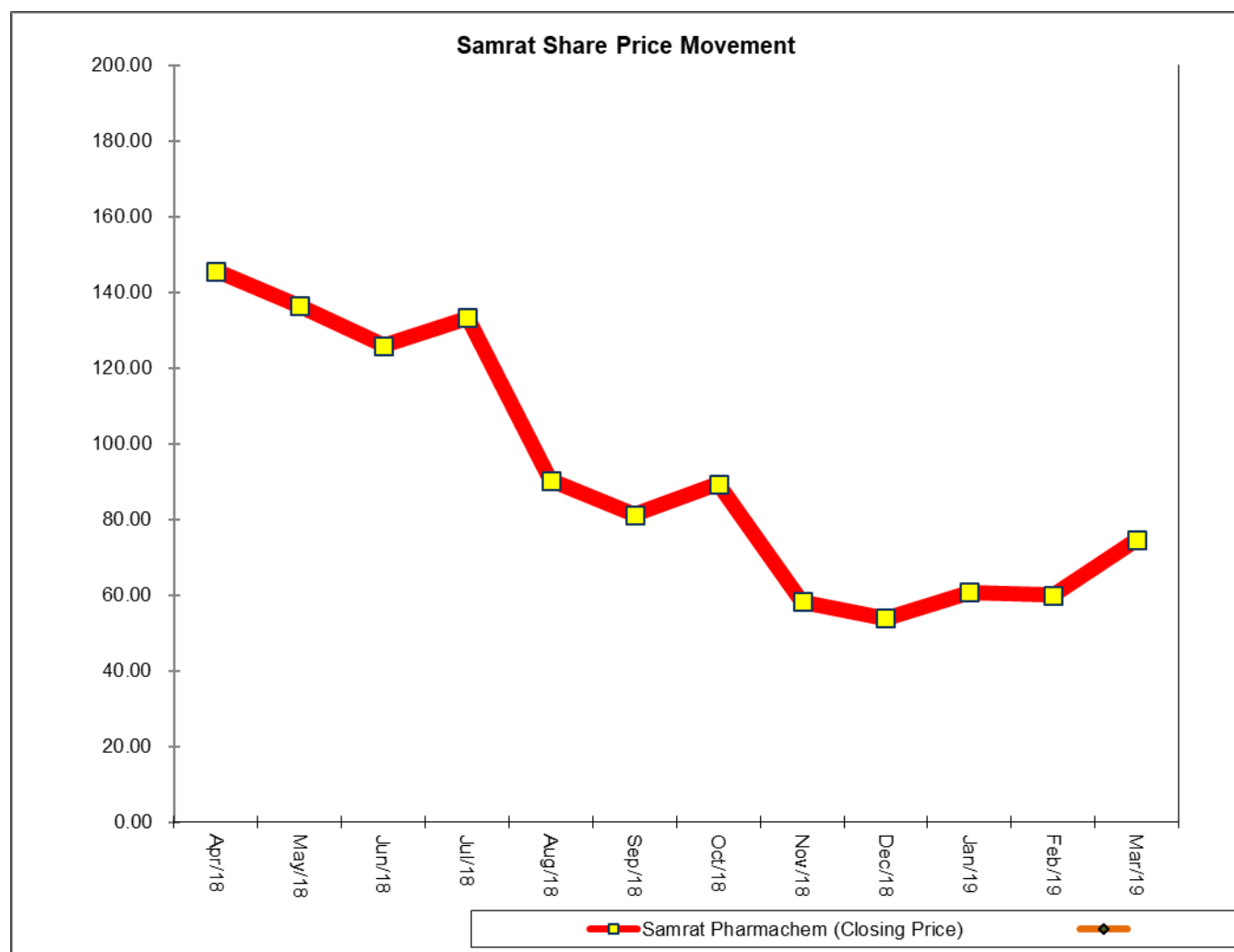
Monthly high and low (based on daily closing prices) of Samrat Pharmachem Limited on BSE for the year ended 31st March, 2019

Month	High	Low	Total number of equity shares traded
April 2018	163.60	126.50	39,468
May 2018	154.90	118.05	32,208
June 2018	149.90	107.90	40,687
July 2018	134.00	118.00	13,216
August 2018	139.95	83.15	72,574
September 2018	96.00	79.00	17,397
October 2018	89.90	72.00	12,216
November 2018	106.45	58.20	41,898
December 2018	63.80	49.00	29,168
January 2019	75.00	52.10	77,719
February 2019	67.80	54.00	69,658
March 2019	78.00	57.00	53,063

Source: www.bseindia.com/markets/equity/EQReports/StockPrcHistori.aspx

vii. Performance of the share price of the Company

Month	Samrat Pharmachem (Closing Price)
Apr 2018	145.70
May 2018	136.35
Jun 2018	125.90
Jul 2018	133.25
Aug 2018	90.40
Sep 2018	81.25
Oct 2018	89.35
Nov 2018	58.35
Dec 2018	54.00
Jan 2019	60.80
Feb 2019	60.00
Mar 2019	74.65



viii. Registrars and share transfer agents :

Name	Link Intime India Private Limited
Address	C/101, 247 Park, LBS Marg, Vikhroli (West), Mumbai - 400 083.
Telephone	91-22-49186000
Fax	91-22-49186060
Contact Person (Client Relation Team)	Ms. Shweta Poojari
Email	rnt.helpdesk@linkintime.co.in
Website	www.linkintime.co.in

ix. Share transfer system:

87.62% of the equity shares of the Company are in electronic form. Transfers of these shares are done through the depositories with no involvement of the Company. Shares in physical form are processed by Registrar and Transfer Agent, M/s. Link Intime India Pvt. Ltd. The share transfers are processed within a period of 15 days from the date of receipt of the transfer documents by M/s Link Intime India Private Limited.

x. Shareholding as on March 31, 2019

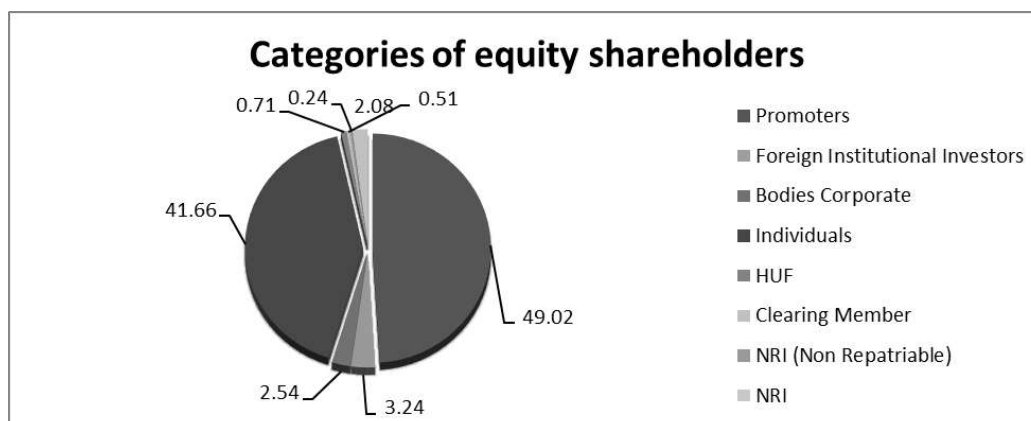
Distribution of equity shareholding as on March 31, 2019

a.

No. of Shares (From - To)	Number of Shareholders	Percentage of Shareholders	Number of Shares Held	Percentage of shares held
1 - 500	2,289	85.70	422,082	13.66
501 - 1000	209	7.82	165,551	5.36
1001 - 2000	83	3.11	122,074	3.95
2001 - 3000	29	1.09	73,962	2.39
3001 - 4000	11	0.41	38,931	1.26
4001 - 5000	14	0.52	63,367	2.05
5001 - 10000	17	0.64	129,097	4.18
10001 - *****	19	0.71	2,074,636	67.15
	2,671	100.00	3,089,700	100.00

b. Categories of equity shareholders as on March 31, 2019

Category	Number of equity shares held	Percentage of holding
Promoters	1,514,589	49.02
Foreign Institutional Investors	100,000	3.24
Bodies Corporate	78,563	2.54
Individuals	1,287,255	41.66
HUF	21,888	0.71
Clearing Member	15,688	0.51
NRI (Non Repatriable)	7,304	0.24
NRI	64,413	2.08
GRAND TOTAL	3,089,700	100.00



c. Top ten equity shareholders (Public) of the Company as on March 31, 2019

Sr. No.	Name of the Shareholder	Number of equity shares held	Percentage of holding
1	Mala R Bhavnani	160,701	5.20
2	Subramanian P	125,890	4.07
3	Llyods Securities Overseas Limited	100,000	3.24
4	Sharad Kanayalal Shah	50,000	1.62
5	Anshul Specialty Molecules	41,216	1.33
6	Ashok Jain	30,000	0.97
7	Kishore Dhirajlal Sheth	18,750	0.61
8	Giridhar Rahul Gaddipati	17,800	0.58
9	Divyanshu Jayraj Kantol	12,500	0.40
10	Celestial Tradechem Private Limited	10,812	0.35

- xi. Dematerialisation of shares and liquidity
The Company has arrangement with National Securities Depository Ltd. (NSDL) and Central Depository Services [India] Ltd. (CDSL) for demat facility.

Dematerialisation Status as on 31/03/2019	No. of Shares	Percentage of Capital
Held in dematerialised form in National Securities Depository Ltd. (NSDL)	2327847	75.34
Held in dematerialised form in Central Depository Services (I) Ltd. (CDSL)	379343	12.28
Physical	382510	12.38
Total	3089700	100.00

- xii. Plant Locations
1) Plot No. A2/3445, GIDC, Phase 4, Ankleshwar-393 002, Gujarat, India.
2) Plot No. A2/3444, GIDC, Phase 4, Ankleshwar-393 002, Gujarat, India.

- xii. Address for correspondence
Samrat Pharmachem Limited
Plot No. A2/3445,
GIDC, Phase 4,
Ankleshwar - 393 002,
Gujarat, India.
Tel : 02646-220774
Fax : 02646-251291
Email: contact@samratpharmachem.in
Website: www.samratpharmachem.com

By order of the Board of Directors
For Samrat Pharmachem Limited

Place : Mumbai
Date : 30 May 2019

Lalit Mehta
Chairman & Managing Director
DIN : 00216681

CERTIFICATION BY MANAGING DIRECTOR**The Board of Directors****Samrat Pharmachem Limited**

Plot No. A2/3445,
GIDC, Phase 4,
Ankleshwar - 393 002,
Gujarat.

I, Mr. Lalit Mehta, Managing Director of Samrat Pharmachem Limited certify to the Board, that I have reviewed the financial statement and cash flow statement of the company for the financial year ended 31 March 2019.

- 1 To the best of my knowledge, I certify that:
 - a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that are misleading
 - b) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations, and
 - c) there are no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct
- 2 For the purposes of financial reporting, I accept the responsibility for establishing and maintaining internal controls and that I have evaluated the effectiveness of the internal control systems of the company pertaining to financial reporting and I accept the responsibility to the auditors and the audit committee, and further state that there were no deficiencies in the design or operation such internal control.
- 3 I do further certify that there has been:
 - a) no significant changes in internal controls during the year
 - b) no significant changes in accounting policies during the year, and
 - c) no instances of fraud, of which I am aware during the period
- 4 I further declare that all Board members and senior managerial personnel have affirmed compliance with the code of conduct for the current year.

Lalit Mehta

Managing Director

Place : Mumbai

Date : 30 May 2019

CERTIFICATION BY CHIEF FINANCIAL OFFICER (CFO)

I, Mr. Rajesh Mehta, Chief Financial Officer (CFO), of Samrat Pharmachem Limited, to the best of my knowledge and belief, certify that:-

1. I have reviewed the Balance Sheet and Profit and Loss account (Standalone) for the financial year ended 31 March 2019 and all its schedules and notes on accounts, as well as the Cash Flow Statements and the Directors' Report and annexure thereto.
2. Based on my knowledge and information, these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
3. Based on my knowledge and information, these statements together present true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
4. To the best of my knowledge 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. The Company's other certifying officers and I, are responsible for establishing and maintaining disclosure controls and procedures for the Company, and we have:-
 - a) Designed such disclosure controls and procedures to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared; and
 - b) Evaluated the effectiveness of the Company's disclosure, controls and procedure.
6. The Company's other certifying officers and I, have disclosed based on our most recent evaluation, wherever applicable, to the Company's auditors and audit committee of the Company's Board of Directors (and persons performing the equivalent functions):
 - a) All significant deficiencies in the design or operation of internal controls;
 - b) All significant changes in internal control during the year;
 - c) All significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements; and
 - d) Instances of significant fraud, if any, of which we are aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system.
7. I further declare that all Board members and senior management personnel have affirmed Compliance with the Code of Conduct for Board and Senior Management Personnel for the current year.

Rajesh Mehta

Chief Financial Officer

Place : Mumbai

Date : 30 May 2019

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

This is to confirm that the Company has adopted a Code of Conduct for its Senior Management Team including the Managing Director, Executive Directors and Non-Executive Independent Directors.

I confirm that the Company has in respect of the year ended 31 March 2019, received from the Senior Management Team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

Lalit Mehta
Managing Director

Place : Mumbai
Date : 30 May 2019

Independent Auditor's Report

**To the Members of,
Samrat Pharmachem Limited**

Report on the Financial Statements**Opinion**

We have audited the accompanying financial statements of Samrat Pharmachem Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2019, the Statement of Profit & Loss (including the Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity of the Company for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs (financial position) of the Company as at 31 March 2019, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matter described below to be the key audit matters to be communicated in our report.

a) Revenue Recognition :

The Company has adopted "Ind-AS 115 - Revenue from Contracts with Customers" which is the new revenue accounting standard. The application and transition to this accounting standard is complex and is an area of focus in the audit.

- Revenue for the Company consists primarily of sale of manufactured goods recognized as per the accounting policy described in Note 2(m) to the accompanying financial statements.

- The Company recognises revenue from sale of goods when it satisfies its performance obligation, in accordance with the principles of Ind-AS 115, Revenue from Contracts with Customers, adopted by the Company from the current year, by transferring the control of goods to its customers through delivery evidenced by acknowledgement of receipt of goods by such customers.
- Considering the large volume of revenue transactions near period end there may be a risk of revenue recognition occurring before the satisfaction of the performance obligations by the company in accordance with the applicable Incoterms.
- Considering the above factors, revenue recognition was identified as a key audit matter for the current year audit.

Auditors Response:

Principal Audit Procedure

Our audit work included, but was not limited to, the following procedures:

- Obtained an understanding of the revenue and receivable business process, and assessed the appropriateness of the accounting policy adopted by the company for revenue recognition.
- Evaluated design and implementation of the key controls around revenue recognition including controls around contract approvals, invoice verification, transporter confirmations and customer acknowledgements.
- Tested operating effectiveness of the above identified key controls over revenue recognition near period end.
- For samples selected from revenue recorded during specific period, before and after year end:
 - ☐ Verified the customer contracts for delivery terms.
 - ☐ Verified the customer acknowledgements to evidence proof of delivery for domestic sales at or near period end and
 - ☐ tracked shipments through bill of lading for export sales
- Tested the appropriateness of the disclosures made in the financial statements for revenue recorded during the year.

Key Observations

- Based on our audit work, we did not identify any evidence of material misstatement in the revenue recognised in the year ended on 31 March 2019.

b) Litigation, claims and related provisions:

The company is in the pharmaceutical industry which is heavily regulated, resulting in increased exposure to litigation risk. These provisions are based on judgement and incorporated accounting estimates by management in determining the likelihood and magnitude of an unfavorable outcome on the claims.

Auditors responses:

Evaluating the design and testing the operating effectiveness of controls in respect of the recognition and measurement of provisions towards litigation and claims in compliance with Ind-AS 37 Provisions, Contingent Liabilities and Contingent Assets.

Corroborating management's assessment by

- making enquiries with the in-house/outsourced legal counsel of the company;
- verifying correspondence, orders and appeals in respect of open litigation;
- Obtaining confirmations from external legal counsels where relevant and / or evaluating legal opinions obtained by the management.

c) Property, Plant and Equipments:

Peculiarity and technical complexities of Property, Plant and Equipments used in the operations and different IT systems used for maintaining Fixed Asset Register (FAR) requires more attention to ensure reasonably accurateness and completeness of financial reporting in respect of Property, Plant and Equipments.

Further, due to technical complexities management is required to assess and make estimates/judgments about capitalization, estimated useful life, impairment etc. which has material impact on Balance Sheet and operating results.

Auditors Response :

Our audit approach consisted of testing of the design and operating effectiveness of the internal controls and substantive testing as follows:

- We assessed the Company's process regarding maintenance of records, Valuation and accounting of transactions relating to Property, Plant and Equipment as per the Ind-AS 16
- We have carried out substantive audit procedures at financial and assertion level to verify the capitalization of asset as Property, Plant and Equipment.
- We have verified the maintenance of records and accounting of transactions regarding capital work in progress by carrying out substantive audit procedures at financial and assertion level.
- We have reviewed management judgement pertaining to estimation of useful life and depreciation of the Property, Plant and Equipment in accordance with Schedule II of Companies Act, 2013.
- We have verified the process documents in respect of the physical verification of Inventory carried out by the management to verify the balance of the inventory at the year end.
- We have verified the capitalization of borrowing cost incurred on qualifying asset in accordance with the Ind-AS 23 Borrowing Cost.

d) Inventory

Inventories constitutes material component of financial statement. Correctness, completeness and valuation are critical for reflecting true and fair financial results of operations.

Auditors Response:

Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows:

- We assessed the Company's process regarding Maintenance of records, Valuation and accounting of transactions relating to Inventory as per the Ind-AS 2.
- We have evaluated the design of Internal Controls relating to recording and valuation of Inventory.
- We have carried out substantive audit procedures at financial and assertion level to verify the allocation of overheads to Inventory.
- We have verified the process documents in respect of the physical verification of Inventory carried out by the management to verify the balance of the inventory at the year end.
- We have verified the compliance with the standard norms relating to production as framed and timely updated by the management.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (the 'Act') with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance (including Other Comprehensive Income), Cash Flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind-AS) specified under Section 133 of the Act, read with relevant rules issued thereunder.

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 frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards, and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Report on Other Legal and Regulatory Requirements

- 1 As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the Order.
- 2 As required by section 143 (3) of the Act, based on our audit, we report, to the extent applicable that:
 - i. 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;
 - ii. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - iii. the Balance Sheet and the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - iv. in our opinion, the Ind-AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act, read with relevant rules issued thereunder;
 - v. on the basis of written representations received from the directors as on 31 March 2019, and taken on record by the Board of Directors, none of the directors are disqualified as on 31st March 2019, from being appointed as a director in terms of Section 164 (2) of the Act.
 - vi. with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'; and
 - vii. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, amended: In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.
 - viii. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- a) the Company has disclosed the impact of pending litigations on its financial positions in its financial statements. Refer to Note 42 to the financial statements.
- b) the Company has made provisions, as required under the applicable law or accounting standard, the material foreseeable losses, if any, on long - term contracts including derivative contracts.
- c) Since the company has not declared any dividend in the recent past years, no amounts are required to be transferred by the company to Investor Education & Protection Fund.
- d) the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 08 November 2016 to 30 December 2016 which are not relevant to these standalone financial statements. Hence, reporting under this clause is not applicable.

For Shah & Savla LLP
Chartered Accountants
FRN: 109364W / W100143

Miral H. Nagda
Partner
Membership No.: 108135
Place : Mumbai
Date : 30 May 2019

Annexure A to the Auditors' Report

The Annexure referred to in our report to the members of Samrat Pharmachem Limited ('the Company') for the year Ended on 31st March, 2019. We report that:

- (i) a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets on the basis of available information.
- b) As explained to us all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable having regard to the size of the company and nature of its fixed assets. As informed to us no material discrepancies were noticed on such physical verification.
- c) As per the information and explanation provided to us and as per the records presented before us the title deeds of immovable properties are held in the name of the company.
- (ii) In our opinion the inventories have been physically verified by the management during the year at reasonable intervals and as explained to us no material discrepancies were observed on physical verification.
- (iii) The company has not granted any amount as loan to person covered in the Register maintained under Section 189 of the Act and hence the sub-clauses dealing with the said reporting are not applicable.
- (iv) As per the information and explanation given to us, the company has not granted any loans to directors of the company and company has not made any investment through more than two layers of investment companies. Thus the said clause is not applicable to the company.
- (v) The Company has not accepted any deposits from the public.
- (vi) We have been informed by the management that the Central Government of India has not prescribed the method of maintenance of cost records under sub-section (1) of Section 148 of the Act and the rules framed there under.
- (vii) a) According to the records of the company, undisputed statutory dues including income-tax, sales-tax, value added tax, service tax, custom duty, excise duty, cess and other material statutory dues applicable to it have generally been deposited with the appropriate authorities regularly. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding, as at 31st March 2019 for period of more than six months from the date they became payable.
- b) Details of dues of Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, and Value Added Tax which have not been deposited as on March 31, 2019 on account of disputes are given below :-

Sr. No	Name of the Statute	Nature of Dues	Amount (in Rs.)	Period to which amount relates	Forum where dispute is pending
1	Income Tax Act, 1961	Income tax	35,80,450	A.Y. 2011-12	ITAT, Bharuch
2	Income Tax Act, 1961	Income tax	7,15,740	A.Y. 2011-12	CIT(Appeals), Bharuch

- (viii) Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to financial institution, banks and there are no dues to debenture holders.
- (ix) We have been informed by the management that during the period covered by our audit report, the company did not raise any money by way of initial public offer or further public offer (including debt instruments) and Term Loans.
- (x) In our opinion and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to information and explanations given to us the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197, read with limits specified under Part II of Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Thus the said clause is not applicable.
- (xiii) As per the information and explanations given to us & represented by the management, we report that all the transactions with related parties are in compliance with Section 188 and 177 of Companies Act, 2013 where applicable and the details have been disclosed in the financial statements as required by the Indian 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 thus the said clause is not applicable.
- (xv) As per the information and explanations given to us & represented by the management, during the year the company has not entered into any non-cash transactions with its directors or persons connected with them. Thus the said clause is not applicable.
- (xvi) The Company is not required to be registered under Section 45– IA of the Reserve Bank of India Act, 1934.

For Shah & Savla LLP
Chartered Accountants

Miral H. Nagda
Partner

Membership No.: 108135
FRN: 109364W / W100143
Place : Mumbai
Date : 30 May 2019

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

We have audited the internal financial controls over financial reporting of Samrat Pharmachem Limited as at 31 March 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under 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 auditors' judgment, including the assessment of the risks of material misstatement of the 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 Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, 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 2019, 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.

For Shah & Savla LLP
Chartered Accountants

Miral H. Nagda
Partner

Membership No.: 108135
FRN: 109364W / W100143
Place : Mumbai
Date : 30 May 2019

BALANCE SHEET AS AT 31 MARCH, 2019

	Particulars	Note No.	31-Mar-2019		31-Mar-2018	
			Rs.	Rs.	Rs.	Rs.
A	<u>ASSETS</u>					
1	Non-Current Assets					
	Property, Plant and Equipment	3	68,353,624		69,595,714	
	Capital work-in-progress	3	0		0	
	Intangible assets	3	275,926		265,926	
	Intangible assets under development	3	0		0	
	Financial Assets					
	Investments		0		0	
	Loans	4	967,676		871,203	
	Deferred tax assets (net)		0		0	
	Other non-current assets	5	5,082,364		4,888,001	
	Total Non-current assets			74,679,590		75,620,844
2	Current Assets					
	Inventories	6	79,296,386		68,462,494	
	Financial Assets					
	Investments	7	10,000		10,000	
	Trade Receivables	8	210,478,865		218,860,614	
	Cash and Cash Equivalents	9	22,462,207		39,811,493	
	Loans	10	246,000		226,100	
	Other Financial Assets	11	0		0	
	Other current assets	12	15,092,866		5,285,222	
	Total Current Assets			327,586,324		332,655,923
	Total Assets			402,265,914		408,276,767
B	<u>EQUITY AND LIABILITIES</u>					
1	Equity					
	Equity Share capital	13	30,897,000		30,897,000	
	Other Equity	14	169,772,239		154,416,468	
	Total Equity			200,669,239		185,313,468
2	Liabilities					
(a)	Non-Current Liabilities					
	Financial Liabilities					
	Borrowings	15	3,127,538		7,620,703	
	Provisions		0		0	
	Deferred Tax Liabilities (Net)	16	3,216,962		3,141,521	
	Other Non-Current Liabilities	17	1,962,760		1,962,760	
	Total Non-Current liabilities			8,307,260		12,724,984
(b)	Current Liabilities					
	Financial Liabilities					
	Borrowings	18	57,716,299		82,224,381	
	Trade Payables	19	126,563,202		103,950,200	
	Other Financial Liabilities		0		0	
	Other Current Liabilities	20	5,339,742		9,954,907	
	Provisions	21	3,670,172		14,108,827	
	Total Current Liabilities			193,289,415		210,238,314
	Total Liabilities			402,265,914		408,276,767

Contingent Liabilities & Commitments			
Notes to the Financial Statements		1 to 48	
AS PER OUR REPORT OF EVEN DATE		FOR AND ON BEHALF OF THE BOARD OF DIRECTORS	
For Shah & Savla LLP			
Chartered Accountants			
	Lalit Mehta	Rajesh Mehta	Megh Mehta
	Managing Director	Executive Director	Executive Director
	[DIN: 00216681]	[DIN: 00216731]	[DIN: 07287394]
Miral H. Nagda			
Partner			
Membership No.: 108135			
FRN: 109364W / W100143			
Place : Mumbai	Mahendra Pipalia	Samir Kothary	Renu Dharod
Date : 30 May 2019	Director	Director	Director
	[DIN: 00216959]	[DIN: 00216603]	[DIN: 07063088]

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH, 2019

	Particulars	Note No.	31-Mar-2019		31-Mar-2018	
			Rs.	Rs.	Rs.	Rs.
A.	Revenue from operations	22		1,111,363,933		925,201,277
B.	Other income	23		4,567,158		2,457,411
C.	Total Revenue			1,115,931,091		927,658,688
D.	Expenses					
	Cost of Material Consumed	24	1,035,323,961		811,077,495	
	Purchase of Traded Goods		0		13,196,784	
	Changes in inventories of FG, WIP & Traded goods	25	-9,092,894		-5,055,614	
	Employee benefits expense	26	13,836,063		12,960,214	
	Finance costs	27	10,583,641		8,634,525	
	Depreciation and amortization expense	3	4,176,556		4,121,629	
	Other expenses	28	39,526,510		33,520,435	
	Total expenses			1,094,353,835		878,455,467
E.	Profit before tax			21,577,256		49,203,221
F.	Tax expense:					
	Provision for Taxation					
	- Current Tax		6,071,371		16,894,185	
	- Taxation of Earlier Years		74,673		0	
	- Deferred Tax		75,441		140,833	
	Total Tax			6,221,485		17,035,018
G.	Profit (Loss) for the period			15,355,771		32,168,203
H.	Other Comprehensive Income			0		0
I.	Total Comprehensive Income for the period			15,355,771		32,168,203
J.	Earnings per equity share:					
	(1) Basic			4.97		10.41
	(2) Diluted			4.97		10.41
	Notes to the Financial Statements	1 to 48				

AS PER OUR REPORT OF EVEN DATE

For Shah & Savla LLP
Chartered AccountantsMiral H. Nagda
Partner
Membership No.: 108135
FRN: 109364W / W100143
Place : Mumbai
Date : 30 May 2019

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Lalit Mehta
Managing Director
[DIN: 00216681]Mahendra Pipalia
Director
[DIN: 00216959]Rajesh Mehta
Executive Director
[DIN: 00216731]Samir Kothary
Director
[DIN: 00216603]Megh Mehta
Executive Director
[DIN: 07287394]Renu Dharod
Director
[DIN: 07063088]

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH, 2019

Particulars	Equity share capital	Retained Earnings	Other Comprehensive Income	Total Other Equity
Balances at 31 Mar 2017	30,897,000	122,248,265	-	122,248,265
Transfer from statement of profit and loss	-	32,168,203	-	32,168,203
Other comprehensive income	-	-	-	-
Balances at 31 Mar 2018	30,897,000	154,416,468	-	154,416,468
Transfer from statement of profit and loss	-	15,355,771	-	15,355,771
Dividend declared	-	-	-	-
Dividend distribution tax	-	-	-	-
Other comprehensive income	-	-	-	-
Balances at 31 Mar 2019	30,897,000	169,772,239	-	169,772,239

AS PER OUR REPORT OF EVEN DATE

For Shah & Savla LLP
Chartered Accountants

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
For Samrat Pharmachem Limited

Miral H. Nagda
Partner
Membership No.: 108135
FRN: 109364W / W100143
Place : Mumbai
Date : 30 May 2019

Lalit Mehta
Managing Director
[DIN: 00216681]

Rajesh Mehta
Executive Director
[DIN: 00216731]

Megh Mehta
Executive Director
[DIN: 07287394]

Mahendra Pipalia
Director
[DIN: 00216959]

Samir Kothary
Director
[DIN: 00216603]

Renu Dharod
Director
[DIN: 07063088]

Note :

1 GENERAL INFORMATION

Samrat Pharmachem Limited is a public limited company domiciled in India incorporated under the provisions of the Companies Act ('the Company'). The Company's principal activities are manufacturing and selling chemicals. The shares of the Company are listed on stock exchanges in India.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

a Basis of Preparation

The financial statements of the Company have been prepared and presented in accordance with Indian Accounting Standards (Ind AS) as per Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standard) Amendment Rules, 2016 as notified under section 133 of Companies Act, 2016 (the "Act") and other relevant provisions of the Act.

The standalone financial statements of the Company are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on accrual basis except for certain financial assets and financial liabilities that have been measured at fair value. These standalone financial statements are presented in Indian Rupees which is also the Company's functional currency. Figures for the previous years have been regrouped/rearranged wherever considered necessary to conform to the figures presented in the current year.

b Use of Estimates

The preparation of financial statements requires management to make judgments, estimates and assumptions of some of the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities on the date of the financial statements and the amount of revenue and expenses during the period reported. However any revision to accounting estimates or difference between the actual results and estimates are recognized prospectively in the period in which the result are known/ materialized.

c Property, Plant and Equipment

Land

Land (other than investment property) held for use in production or administration is stated at cost. As no finite useful life for land can be determined, related carrying amounts are not depreciated.

Buildings and other equipment

Buildings and other equipment (comprising plant and machinery, furniture and fittings, electrical equipment, office equipment, computers and vehicles) are initially recognized at acquisition cost, including any costs directly attributable to bringing the assets to the location and condition necessary for them to be capable of operating in the manner intended by the management. Buildings and other equipment are subsequently measured at cost less accumulated depreciation and any impairment losses. Cost of property, plant and equipment not ready for the intended use before reporting date is disclosed as capital work in progress. Subsequent expenditure incurred on an item of property, plant and equipment is added to the book value of that asset only if this increases the future benefits from the existing asset beyond its previously assessed standard of performance. Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognized in the statement of profit and loss within other income or other expenses. The components of assets are capitalized only if the life of the components vary significantly and whose cost is significant in relation to the cost of respective asset. The life of components in assets are determined based on technical assessment and past history of replacement of such components in the assets. Tangible assets are carried at the cost of acquisition or construction less accumulated depreciation and accumulated impairment, if any. The cost of tangible assets includes non-refundable taxes, duties, freight and other incidental expenses related to the acquisition and installation of the respective assets. Assets which are retired from active use and are held for disposal are stated at the lower of their net book value or net realizable value. Cost of tangible assets, not ready for the intended use as at balance sheet date, are disclosed as "capital work in progress".

Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use. Expenditure on Research and development eligible for capitalisation are carried as Intangible assets under development where such assets are not yet ready for their intended use.

d Depreciation and amortization

Depreciation on tangible assets is provided on straight line method and in the manner prescribed in Schedule II to the Companies Act, 2013, over its useful life specified in the Act, or based on the useful life of the assets as estimated by Management based on technical evaluation and advice. The residual value is 5% of the acquisition cost which is considered to be the amount recoverable at the end of the asset's useful life. The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end.

e Investments

Current investments are carried at lower of cost or quoted / fair value, computed category wise. Long term investments are stated at cost. Provision for diminution in value of long term investments is made only if such decline is other than temporary in the opinion of the management.

f Borrowing costs

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

g Provision for Current Tax & Deferred Tax

Provision for current tax is made after taking into considerations benefits admissible under the provisions of The Income Tax Act, 1961. Deferred Tax resulting from the timing differences between the taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on balance sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is reasonable/virtual certainty that the asset will be realized in future.

h Provision for Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the Notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

i Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year adjusted for the effects of all dilutive potential equity shares.

j Foreign Currency Transactions

i) Transactions denominated in foreign currencies are recorded at exchange rate prevailing on the date of transaction for Sales and Custom rates for Purchases as on date of the transaction.

ii) Monetary items denominated in foreign currencies at the year end are restated at year end rates

iii) Non-monetary foreign currency items are carried at cost.

iv) Any income or expense on account of exchange difference either on settlement or on translation is recognized as revenue except in cases where they relate to acquisition of fixed assets in which case they are adjusted to the carrying cost of such asset.

k Inventories

Inventories of finished goods, raw materials, and work in progress are carried at lower of cost or net realisable value. The cost of inventories of items that are not ordinarily interchangeable are assigned by specific identification of their individual costs. Other inventory items are recorded using first-in-first-out cost formula. The inventories include the relevant duties, taxes, and cess other than those subsequently recoverable by the enterprise from the taxing authorities that were incurred to bring the inventory to their present location and conditions.

l Cash Flow Statement

Cash flows are reported using the indirect method, whereby the net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of the past or future cash receipts or payments. The cash flows from regular revenue generating, investing & financing activities of the company are segregated.

m Revenue Recognition

Sales turnover for the year includes sales value of goods and other recoveries such as Octroi, Transportation Charges etc, but excludes Excise duty, VAT and GST. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue from sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Export incentives are recognized when it is probable to receive such benefits.

Revenue from sale of scrap and licences are recognized as and when they are sold.

Interest income from financial assets is recognized on accrual basis.

n Retirement Benefits

The Company's contribution to Provident Fund and ESIC is accounted on accrual basis and charged to Profit and Loss Account. The Company accounts for liability for Gratuity of employees on the basis of Actuarial Valuation/Management Estimates. Gratuity is payable to Employees after Retirement or Resignation of Employees; whereas there is no defined policy enabling the employees to avail encashment of leave.

o Impairment of Assets

An asset is treated as impaired when the carrying cost of the Asset exceeds its recoverable value. An impairment loss is charged to the Profit & Loss account in the year in which an asset is identified as impaired. The Impairment loss recognized in prior accounting periods is increased / reversed where there has been change in the estimate of recoverable amount. The recoverable value is the higher of the net selling price and value in use.

p Leases

Assets leased by the Company in its capacity as lessee, where the Company has substantially all the risks and rewards of ownership are classified as finance lease. Such a lease is capitalized at the inception of the lease at lower of the fair value or the present value of the minimum lease payments and a liability is recognized for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor, are recognized as operating leases. Lease rentals under operating leases are recognized in the statement of profit and loss on a straight-line basis.

q Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments maturing within 3 months from the date of acquisition that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

Financial Assets and Financial Liabilities

Financial assets (other than trade receivables) and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit and loss which are measured initially at fair value.

Trade receivables are recognized at their transaction price as the same do not contain significant financing component.

For the purpose of subsequent measurement financial assets and financial liabilities are classified and measured based on the entity's business model for managing the financial asset and the contractual cash flow characteristics of the financial asset and the financial liability.

Note 3 PROPERTY, PLANT AND EQUIPMENT

Particulars		Gross Block				Accumulated Depreciation				Net Block	
		31/03/18	Addition	Deduction	31/03/19	31/03/18	For year	On disposal	31/03/19	31/03/18	31/03/19
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
a	<u>Tangible Assets</u>										
	Land	891,494	-	-	891,494	-	-	-	-	891,494	891,494
	Factory Building	21,608,312	-	-	21,608,312	5,614,722	378,264	-	5,992,986	15,993,590	15,615,326
	Office Premises	29,625,684	-	-	29,625,684	2,356,458	468,086	-	2,824,544	27,269,226	26,801,140
	Plant And Machinery	37,054,628	2,209,504	-	39,264,133	18,268,068	1,699,156	-	19,967,224	18,786,560	19,296,908
	Office Equipment	3,262,429	596,403	-	3,858,832	2,339,438	288,234	-	2,627,672	922,991	1,231,161
	Computer System	3,689,572	128,559	-	3,818,131	2,973,401	481,096	-	3,454,497	716,171	363,634
	Furniture And Fixtures	8,953,398	-	-	8,953,398	3,972,418	854,926	-	4,827,344	4,980,980	4,126,054
	Vehicles	256,040	-	-	256,040	221,338	6,795	-	228,134	34,702	27,906
	Total	105,341,558	2,934,467	-	108,276,024	35,745,844	4,176,556	-	39,922,400	69,595,714	68,353,624
	Total (Previous Year)	101,504,276	3,837,281	-	105,341,557	31,816,144	3,929,699	-	35,745,843	69,688,132	69,688,133
b	<u>Intangible Assets</u>										
	Computer software	866,645	10,000	-	876,645	600,719	-	-	600,719	265,926	275,926
c	Total	866,645	10,000	-	876,645	600,719	-	-	600,719	265,926	275,926
	<u>Capital Work-in-progress</u>	-	-	-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-	-	-	-
	Total (Previous Year)	-	1,994,073	-	1,994,073	408,789	191,930	-	600,719	-	1,994,073
d	<u>Intangible assets under development</u>	-	-	-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-	-	-	-

Note 4 FINANCIAL ASSETS - LOANS (NON-CURRENT)

Particulars	31 March 2019		31 March 2018	
	Rs.	Rs.	Rs.	Rs.
Loans and advances to related parties		-		-
Other loans and advances (Unsecured, considered good)				
- Staff Loans		967,676		871,203
Total		967,676		871,203

Note 5 OTHER NON CURRENT ASSETS

Particulars	31 March 2019		31 March 2018	
	Rs.	Rs.	Rs.	Rs.
Security Deposits (Unsecured, considered good)				
- Deposits with various authorities		2,043,799		2,284,079
Income tax refund receivable		-		-
Income tax deposited under appeal		2,078,741		1,790,225
Debts due by related parties		-		-
Un-amortized Employee Cost		959,824		813,697
Total		5,082,364		4,888,001

Note 6 INVENTORIES

Sr No.	Particulars	31 March 2019		31 March 2018	
		Rs.	Rs.	Rs.	Rs.
a.	Raw Materials and components (Valued at lower of cost or net realisable value)	31,134,538		29,300,983	
	Traded goods	-		-	
	Goods-in transit	-	31,134,538	-	29,300,983
b.	Work-in-progress (Valued at lower of cost or net realisable value)	699,551		736,152	
	Goods-in transit	-	699,551	-	736,152
c.	Finished goods (Valued at lower of cost or net realisable value)	47,051,985		37,922,490	
	Goods-in transit	-	47,051,985	-	37,922,490
d.	Stores and spares (Valued at lower of cost or net realisable value)	-		-	
	Goods-in transit	-	-	-	-
e.	Loose Tools (Valued at Not Applicable)	-		-	
	Goods-in transit	-	-	-	-
f.	Packing Material (Valued at lower of cost or net realisable value)	410,312		502,869	
	Goods-in transit	-	410,312	-	502,869
	Total Inventories		79,296,386		68,462,494

Note 7 CURRENT INVESTMENTS

Disclosure pursuant to Note no.N (i) and (ii) of Part I of Schedule III to the Companies Act, 2013

Particulars	31-03-2019	31-03-2018
	Rs.	Rs.
(a) Investment in Equity instruments	-	-
(b) Investments in preference shares	-	-
(c) Investments in Government or Trust securities	-	-
(d) Investments in Debentures or Bonds	-	-
(e) Investments in Mutual Funds	10,000	10,000
(f) Investments in partnership firms*	-	-
(g) Other non-current investments (specify nature)	-	-
Gross Total	10,000	10,000
<u>Less:</u> Provision for diminution in the value of Investments	-	-
Total Current Investments	10,000	10,000

Particulars	31-03-2019	31-03-2018
	Rs.	Rs.
Aggregate amount of quoted investments (Market value Rs. 13469.91) (Previous Year Rs. 12,356)	10,000	10,000
Aggregate amount of unquoted investments (Previous Year Rs. __)	-	-

Details of Current Investments											
Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled Entity / Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	Extent of Holding (%)		Amount (Rs.)		Basis of Valuation
			31-03-2019	31-03-2018			31-03-2019	31-03-2018	31-03-2019	31-03-2018	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
(a)	Investment in Equity Instruments										
(b)	Investments in Preference Shares										
(c)	Investments in Government or Trust securities										
(d)	Investments in Debentures or Bonds										
(e)	Investments in Mutual Funds		48.051	48.051	Quoted	Fully paid			10,000	10,000	Cost
(f)	Investments in partnership firms*										
(g)	Other non-current investments (specify nature)										
	Total Current Investments								10,000	10,000	

* G. Investment in NOT APPLICABLE (Name of the Firm)	
Name of the Partners	Share of Capital
Partner 1	-
Partner 2	-
Total Capital	-

Note 8 TRADE RECEIVABLES

Particulars	31/03/19	31/03/18
	Rs.	Rs.
Dues from Related parties	-	-
Dues from Others		
- Secured, considered good	-	-
- Unsecured, considered good	210,478,865	218,860,614
- Unsecured, considered doubtful	1,598,300	1,598,300
	212,077,165	220,458,914
Less: Provision for doubtful debts	1,598,300	1,598,300
Total	210,478,865	218,860,614

Note 9 CASH AND CASH EQUIVALENTS

Particulars	31 March 2019		31 March 2018	
	Rs.	Rs.	Rs.	Rs.
Balances with banks		14,593,624		8,310,900
Cash on hand		433,783		415,793
Fixed deposit with banks (Maturity with more than 12 months)		7,434,800		31,084,800
Total		22,462,207		39,811,493

Note 10 FINANCIAL ASSET - LOANS (CURRENT)

Particulars	31 March 2019		31 March 2018	
	Rs.	Rs.	Rs.	Rs.
Related parties		-		-
Others				
- Secured, considered good		-		-
- Unsecured, considered good		246,000		226,100
(Current portion of Staff Loans)				
Sundry Creditors For Fixed Assets		-		-
Considered Doubtful	-		-	
Less: Provision for doubtful	-	-	-	-
Total		246,000		226,100

Note 11 OTHER FINANCIAL ASSETS (CURRENT)

Particulars	31 March 2019		31 March 2018	
	Rs.	Rs.	Rs.	Rs.
Forward contract value		-		-
Total		-		-

Note 12 OTHER CURRENT ASSETS

Particulars	31 March 2019		31 March 2018	
	Rs.	Rs.	Rs.	Rs.
<u>Related to Income Tax</u>		-		-
<u>Others</u>				
Central Excise / Igst Refund Receivable	-		2,956,836	
Cenvat / Gst / Customs Credit Balance	13,448,088		-	
Bank Fdr Accrued Interest	51,605		328,998	
Travel Card	325,347		267,472	
Export Incentive Receivable	1,098,730		108,027	
Advances Given	-		513,001	
Prepaid Expenses	169,096		1,110,888	
		15,092,866		5,285,222
Total		15,092,866		5,285,222

Note 13 SHARE CAPITAL

a

Share Capital	31 March 2019		31 March 2018	
	Number	Rs.	Number	Rs.
<u>Authorised</u>				
Equity Shares of Rs. 10 each	5,000,000	50,000,000	5,000,000	50,000,000
<u>Issued</u>				
Equity Shares of Rs. 10 each	3,089,700	30,897,000	3,089,700	30,897,000
<u>Subscribed & Paid up</u>				
Equity Shares of Rs. 10 each fully paid	3,089,700	30,897,000	3,089,700	30,897,000
<u>Subscribed but not fully Paid up</u>				
Equity Shares of Rs. 10 each, not fully paid up	-	-	-	-
Total	3,089,700	30,897,000	3,089,700	30,897,000

b Reconciliation of number of shares outstanding is set-out below

Particulars - Equity Shares	31 March 2019		31 March 2018	
	Number	Rs.	Number	Rs.
Shares outstanding at the beginning of the year	3,089,700	30,897,000	3,089,700	30,897,000
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	3,089,700	30,897,000	3,089,700	30,897,000

c Shareholders holding more than 5% of the aggregate shares in the Company

Name of Shareholder	31 March 2019		31 March 2018	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Lalit Mehta	431,498	13.97%	423,376	13.70%
Rajesh Mehta	381,042	12.33%	381,042	12.33%
Premal Mehta	174,281	5.64%	174,281	5.64%
Mala Bhavnani	160,701	5.20%	160,701	5.20%

d There were no shares issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus issues and there were no buy back of shares during the last 5 years immediately preceding 31-Mar-2019**e Terms/ rights attached to equity shares**

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

Note 14 OTHER EQUITY

Particulars	31/03/2019	31/03/2018
	Rs.	Rs.
Surplus		
Opening balance	154,416,468	122,248,265
(+) Net Profit/(Net Loss) for the current year	15,355,771	32,168,203
(+) Transfer from Reserves	-	-
(-) Proposed Dividends	-	-
(-) Interim Dividends	-	-
(-) Transfer to Reserves	-	-
Closing Balance	169,772,239	154,416,468
Total	169,772,239	154,416,468

Note 15 **BORROWINGS**

Particulars	31/03/2019	31/03/2018
	Rs.	Rs.
Secured		
Term loans		
From Banks		
HDFC Bank	3,127,538	7,620,703
(Secured against mortgage of Office Premises)		
Terms of Repayment	Repayable under EMI	
Period of Maturity	Nov-20	
Number and amount of balance EMI	20 3,127,538	
Rate of Interest	10.85%	
Other significant terms	-	
The above amount is due for repayment between 1 to 5 years.		
Total	3,127,538	7,620,703

Note 16 **DEFERRED TAX LIABILITY (NET)**

The Company has accounted for taxes on income in accordance with IND AS 12 – Income Tax issued by the Ministry of Corporate Affairs. Consequently, the net incremental deferred tax (liability) / asset is charged / credited to Profit and Loss Account. The year end position of taxes on income is as under:

Particulars	31/03/2019	31/03/2018
	Rs.	Rs.
Deferred tax liability		
Fixed Assets : Impact of Difference between tax depreciation and depreciation / amortisation charged for financial reporting	4,905,052	4,618,601
Others	-	141,220
Gross deferred tax liability	4,905,052	4,759,821
Deferred tax asset		
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	-	-
Unabsorbed Depreciation as per Tax	-	-
Difference in stock value as per accounts and as per tax	1,243,443	1,173,653
Reserve for doubtful debts	444,647	444,647
Gratuity liability (not paid)	-	-
Gross deferred tax asset	1,688,090	1,618,300
Net deferred tax liability / (asset)	3,216,962	3,141,521

Note 17 OTHER FINANCIAL LIABILITIES

Particulars	31/03/2019	31/03/2018
	Rs.	Rs.
Refund of Income Tax under appeal	1,962,760	1,962,760
Total	1,962,760	1,962,760

Note 18 BORROWINGS - CURRENT

Particulars	31/03/2019	31/03/2018
	Rs.	Rs.
<u>Secured</u>		
Other loans and advances		
Cash Credit from ICICI bank		
(Secured by hypothecation of Stock, Book Debts, and first charge over Fixed Assets. As a collateral security, the promoter directors Mr. Lalit Mehta and Mr. Rajesh Mehta have given their personal guarantee)		
Period of Maturity	Cash Credit Account	
Number and amount of Instalments due	Not Applicable	
Rate of Interest	11.70%	
Other significant terms	-	
Total	57,716,299	82,224,381

Note 19 TRADE PAYABLES

Particulars	31/03/2019	31/03/2018
	Rs.	Rs.
(a) Sundry Creditors For Goods	125,286,966	103,896,577
(b) Sundry Creditors For Expenses	1,276,236	53,623
Total Trade Payables	126,563,202	103,950,200

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated August 26, 2008, which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprises Development Act, 2006' ('the Act'). There are no dues to enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006 as at 31-Mar-2019 and 31-Mar-2018 respectively based on the information received and available with the Company.

Particulars	31/03/2019	31/03/2018
	Rs.	Rs.
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year.	-	-
The amount of interest paid by the Company along with the amounts of the payment made to the supplier beyond the appointed day during the year;	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	-	-
The amount of interest accrued and remaining unpaid at the end of the year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	-	-

Note 20 OTHER CURRENT LIABILITIES

Particulars	31/03/2019	31/03/2018
	Rs.	Rs.
(a) Current maturities of long-term debt	4,484,409	4,052,372
(b) Current maturities of finance lease obligations	-	-
(c) Interest accrued but not due on borrowings	53,284	-
(d) Interest accrued and due on borrowings	-	-
(e) Income received in advance	-	-
(f) Unpaid dividends	-	-
(g) Application money received for allotment of securities and due for refund	-	-
interest accrued on (g) above	-	-
(h) Unpaid matured deposits and interest accrued thereon	-	-
(i) Unpaid matured debentures and interest accrued thereon	-	-
(j) Other payables (specify nature)		
- Sundry Creditors For Fixed Assets	144,660	-
- Amount Recovered Toward Sales Tax Liability (C Form)	457,602	779,584
- Advances Received Against Order/Goods	-	-
- Liability Towards Group Gratuity	-	-
- Service Tax / Gst Payable	-	4,817,697
- Notional Excise Liability On Finished Goods	-	-
- Deferred Gain On Forward Contract	-	-
- Tds / Tcs Payable	199,787	305,253
Total	5,339,742	9,954,907

Note 21 PROVISIONS - CURRENT

Particulars	31/03/2019	31/03/2018
	Rs.	Rs.
(a) Provision for employee benefits		
Salary & Reimbursements	-	-
Contribution to PF	-	162,500
Contribution to ESIC	119,831	-
(b) Others (Specify nature)		
Provision for Taxation	3,550,341	13,946,327
Total	3,670,172	14,108,827

Note 22 REVENUE FROM OPERATIONS

Particulars	31 March 2019		31 March 2018	
	Rs.	Rs.	Rs.	Rs.
Sale of products	1,253,318,908		1,052,678,169	
Sale of services	-		-	
Other operating revenues	-		-	
Foreign Exchange Fluctuation	277,878		803,895	
Gross Revenue		1,253,596,786		1,053,482,065
<u>Less:</u>		-		
Excise duty	-		17,876,281	
GST	142,232,853		106,210,946	
Sales tax	-	142,232,853	4,193,561	128,280,788
Net Revenue From Operations		1,111,363,933		925,201,277

Note 23 OTHER INCOME

Particulars	31 March 2019		31 March 2018	
	Rs.	Rs.	Rs.	Rs.
Interest Income (in case of a company other than a finance company)				
Fdr & Other Interest Received	531,515		800,051	
Interest on Staff Loans	146,127		127,874	
Interest on Deposits	123,891	801,533	92,653	1,020,578
Export Incentives	2,028,265		166,677	
Income From Sale Of Scrap	40,000		21,000	
Licences Sale	1,697,360	3,765,625	1,249,156	1,436,833
Net gain / (loss) on sale of investments		-		-
Total		4,567,158		2,457,411

Note 24 COST OF MATERIAL CONSUMED

Particulars	31 March 2019		31 March 2018	
	Rs.	Rs.	Rs.	Rs.
<u>Materials Consumed</u>				
<u>Opening Stock</u>				
Raw Materials	29,300,983		36,164,449	
Packing Materials	502,869		446,662	
Consumables including Spare Parts	-			
		29,803,852		36,611,111
Add : Cost of Purchases		1,037,064,958		804,270,235
<u>Less : Closing Stock</u>				
Raw Materials	31,134,538		29,300,983	
Packing Materials	410,312		502,869	
Consumables including Spare Parts	-		-	
		31,544,850		29,803,852
Cost of Material consumed		1,035,323,961		811,077,495

Note 25 (INCREASE) / DECREASE IN INVENTORIES

Particulars	31 March 2019		31 March 2018	
	Rs.	Rs.	Rs.	Rs.
Inventories at the end of the year				
Work-in-progress	699,551		736,152	
Finished Goods	47,051,985		37,922,490	
Traded Goods	-	47,751,537	-	38,658,642
Inventories at the beginning of the year				
Work-in-progress	736,152		234,582	
Finished Goods	37,922,490		33,368,447	
Traded Goods	-	38,658,642	-	33,603,028
Net (Increase) / Decrease in Inventories		(9,092,894)		(5,055,614)

Note 26 EMPLOYEE BENEFIT EXPENSES

Particulars	31 March 2019		31 March 2018	
	Rs.	Rs.	Rs.	Rs.
(a) Salaries, Wages and bonus				
Other Employees		6,634,239		6,357,089
Directors' Remuneration		4,440,000		4,440,000
(b) Contributions to -				
Provident fund	747,663		612,316	
Employee State Insurance Corporation	145,202		126,769	
Employee Insurance	16,765		16,814	
(c) Gratuity fund contributions	862,004		333,504	
(d) Social security and other benefit plans for overseas employees	-		-	
(e) Expense on Employee Stock Option Scheme (ESOP) and Employee Stock Purchase Plan (ESPP)	-		-	
(f) Staff welfare expenses	990,190	2,761,824	1,073,722	2,163,125
Total		13,836,063		12,960,214

Note 27 FINANCE COST

Particulars	31 March 2019		31 March 2018	
	Rs.	Rs.	Rs.	Rs.
<u>Interest Charges</u>				
Interest on Term Loan	1,083,803		1,338,512	
Interest on other borrowings	6,597,866	7,681,669	4,532,238	5,870,750
<u>Other borrowing costs</u>				
Bank Charges and commission incl L/c, others	2,901,971		2,763,775	
Car hire Purchase Finance charges	-	2,901,971	-	2,763,775
Total		10,583,641		8,634,525

Note 28 OTHER EXPENSES

Particulars	31 March 2019		31 March 2018	
	Rs.	Rs.	Rs.	Rs.
1. Manufacturing Expenses				
Contract Labour	6,957,542		7,022,209	
Job Work Charges	90,000		309,293	
Power Charges	2,366,443		2,545,706	
Fuel Consumed	153,602		151,921	
Gas Charges	4,632,143		5,132,646	
Water Charges	71,526		260,632	
Analytical & Testing Charges	1,136,250		1,014,624	
Insurance Charges	188,843		179,236	
Notional Excise On Stock Of Finished Goods	-		-3,272,892	
Repairs To Factory Building	361,234		678,441	
Repairs To Plant & Machinery	2,852,320		2,286,947	
Effluent Treatment & Pollution Control	1,135,008		762,015	
Other Manufacturing Expenses	2,002,118		1,008,811	
		21,947,030		18,079,590
2. Other Expenses :				
Directors' Sitting Fees	120,000		120,000	
Office Electricity	125,130		128,800	
Society Maintenance Charges	286,134		326,540	
Rates & Taxes	1,391,931		627,029	
Profession Tax	-		2,400	
Legal & Professional Charges	1,490,555		1,310,254	
Printing, Stationery & Periodicals	920,683		850,804	
Conveyance - Local	324,402		323,534	
Vehicle Expenses	139,386		98,035	
Travelling - Outdoor	143,674		241,853.14	
Telephone & Communication Expenses	266,624		269,405	
Postage & Courier Charges	276,650		279,673	
Auditor'S Remuneration	319,500		266,500	
Stock Exchange, Mca & Custodial Fees	398,397		337,212	
Software And Hardware Maintenance	437,542		179,744	
Office Maintenance, Repairs & Renewals	236,327		354,297	
Insurance	43,938		44,578	
Advertisement (Statutory)	83,334		183,224	
Security Charges	299,808		273,072	
Stipend	16,265		-	
Sundry Expenses	188,447		136,674	
Donation	59,001		53,001	
		7,567,729		6,406,628

Export Expenses	258,591		377,506	
Clearing & Forwarding	1,996,571		2,203,914	
Advertisement & Publicity	314,910		278,500	
Business Promotion	541,631		488,484	
Reserve For Doubtful Debts	-		-	
Discount	13,110		-2,655	
Commission & Brokerage	5,168,109		4,031,654	
Sales Tax	-		237,926	
Insurance - Goods-In-Transit (Sales)	-		-	
Travelling - Foreign	177,680		484,615	
Delivery Charges	1,541,150		934,274	
		10,011,751		9,034,217
Total		39,526,510		33,520,435

NOTES TO THE FINANCIAL STATEMENTS

- 29** The value on realization of current assets in the ordinary course of business would not be less than the amount at which they are stated in the Balance Sheet. According to the management, provision for all the known liabilities is adequate.
- 30** Balances in Debtors, Creditors, loans, advances, and other current assets are subject to confirmation and reconciliation.
- 31** Auditors' remuneration in accordance with paragraph 4B of part II of Schedule III to the Companies Act 2013 is as under:

Particulars	31 March 2019	31 March 2018
As Statutory Auditors	216,000	190,000
As Tax Auditors	50,000	37,500
As VAT Auditors	50,000	25,000
As Cost Auditors	-	-
As Secretarial Auditors	-	-
Company Law Matters	-	-
Management Services	-	-
Other Services	3,500	14,000
Reimbursement of expenses	-	-
	319,500	266,500

32 Earning per share is calculated as under:

Particulars	31 March 2019	31 March 2018
Basic earning per share		
Net profit after Taxation	15,355,771	32,168,203
Number of shares issued (Nominal Value Rs.10)	3,089,700	3,089,700
Basic earning per share	4.97	10.41
Diluted earning per share		
Net profit after Taxation	15,355,771	32,168,203
Number of shares issued (Nominal Value Rs.10)	3,089,700	3,089,700
Diluted earning per share	4.97	10.41

33 Directors' Remuneration

Particulars	31 March 2019	31 March 2018
Within the limits of Schedule V to the Companies Act 2013.	4,440,000	4,440,000

34 Disclosure of Provisions as required by Ind AS-12 is as under:

Particulars	Opening Balance	Additional provisions during the year	Amount Used & Unused amount reversed during the year	Closing Balance
		Rs.	Rs.	Rs.
Income tax provision	13,946,327	6,071,371	16,467,356	3,550,341

35 Related Party Disclosures, as required by Ind AS-24 are given below:

The company has the following related parties :

- Holding Company
Nil
- Fellow Subsidiaries with whom transactions have taken place
Nil
- Enterprise where Key Mannegerial Personnel has Significant Influence
Nil
- Key Management Personnel
Mr. Lalit Mehta
Mr. Rajesh Mehta
Mr. Megh Mehta
- Entity that has significant influence
Nil
- Transaction with related parties for the year ended 31 March 2019

Sr. No.	Transaction	Enterprise where Key Mannegerial Personnel has Significant Influence	Key management personnel	Entity that has significant influence	Total
1	Issue of Shares	-	-	-	-
2	Expenses incurred	-	-	-	-
3	Expenses incurred on behalf of	-	-	-	-
4	Interest on unsecured loan	-	-	-	-
5	Interest received on unsecured loan	-	-	-	-
6	Unsecured loan paid to	-	-	-	-
7	Unsecured loan received from	-	-	-	-
8	Repayment of loan to	-	-	-	-
9	Managerial remuneration & Incentive	-	4,440,000	-	4,440,000

g) Transaction with related parties for the year ended 31 March 2018

Sr. No.	Transaction	Enterprise where Key Mannegerial Personnel has Significant Influence	Key management personnel	Entity that has significant influence	Total
1	Issue of Shares	-	-	-	-
2	Expenses incurred	-	-	-	-
3	Expenses incurred on behalf of	-	-	-	-
4	Interest on unsecured loan	-	-	-	-
5	Interest received on unsecured loan	-	-	-	-
6	Unsecured loan paid to	-	-	-	-
7	Unsecured loan received from	-	-	-	-
8	Repayment of loan to	-	-	-	-
9	Managerial remuneration & Incentive	-	4,440,000	-	4,440,000

h) The balances receivable from and payable to related parties as at 31 March 2019

Sr. No.	Transaction	Enterprise where Key Mannegerial Personnel has Significant Influence	Key management personnel	Entity that has significant influence	Total
1	Unsecured loan payable	-	-	-	-
2	Expense Payable	-	-	-	-
3	Rent Payable	-	-	-	-

i) The balances receivable from and payable to related parties as at 31 March 2018

Sr. No.	Transaction	Enterprise where Key Mannegerial Personnel has Significant Influence	Key management personnel	Entity that has significant influence	Total
1	Unsecured loan payable	-	-	-	-
2	Expense Payable	-	-	-	-
3	Rent Payable	-	-	-	-

36 Value of imports calculated on C.I.F basis by the company during the financial year in respect of:

Particulars	31 March 2019	31 March 2018
i Raw materials	844,021,975	588,103,620
ii Components and spare parts	-	-
iii Capital goods	-	-
iv Trading Goods	-	-

37 Other Expenses in Foreign Currency:

Particulars	31 March 2019	31 March 2018
I Royalty, Know-how, Professional and Consultation fees, Interest, and Other matters	45,385	42,621
II Total value of all imported / indigenous raw materials, spare parts and components consumed and the percentage of each to the total consumption	-	-
III Amount remitted in foreign currencies on account of dividends with a specific mention of the total number of non-resident shareholders, the total number of shares held by them on which the dividends were due and the year to which the dividends related;	-	-
IV Earnings in foreign exchange classified under the following heads, namely		
i Export of goods calculated on F.O.B. basis	183,945,613	114,170,317
ii Royalty, know-how ,professional and consultation fees;	-	-
iii Interest and dividend	-	-
iv Other income, indicating the nature thereof	-	-

38 Information of major Raw Material Consumption

Particulars	31 March 2019		31 March 2018	
	Quantity	Rupees	Quantity	Rupees
Iodine Crude	469.31 MT	870,240,772	477.08 MT	670,665,203
Grand Total	469.31 MT	870,240,772	477.08 MT	670,665,203

39 The turnover is shown net of all indirect taxes viz. Excise, VAT & GST.

40 The disclosure of "Employee Benefits" as per Ind AS-19 are as follows:

(A) Defined contribution plans:

Provident fund, ESIC:

The Company has recognized the following amounts in the Profit and Loss Account for the year:

(i) Contribution to Provident Fund (Employer's Contribution) Rs. 7,47,663

(ii) Contribution to ESIC (Employer's Contribution) Rs. 1,45,202

(B) Defined Benefit Plans

(i) Disclosure of Gratuity Liabilities

The Company has taken a group gratuity policy with LIC to cover its gratuity liabilities

41 Since the company has only one primary product line and its operations are restricted to only one geographical area, the financial statements itself may be considered to be the segment results as per the disclosure requirements of Ind AS-108

42 Contingent Liabilities and Commitments

Particulars	3/31/2019	3/31/2018
Claims against the company not acknowledged as debt		
a. Income tax assessment dues for AY 2011-12 under appeal pending before first appellate authority	3,580,450	3,580,450
b. Income tax assessment dues for AY 2011-12 under appeal pending before first appellate authority (Interest Income)	715,740	-

43 The management has made full inquiries and is of the view that assets of the Company in form of fixed assets and Inventories are good in nature, and are stated at appropriate value of the respective assets; and there is no necessity as to impairment / write down provision in the accounts.

44 Disclosures required under Ind AS-17 on "Leases"

Finance Lease - Assets Given on Lease

The Company has not given any of its assets on lease.

Operating Lease - Assets Taken on Lease	3/31/2019	3/31/2018
Total of future minimum lease payments under non-cancellable operating leases for each of the following periods:	-	-
- Not later than one year,	-	-
- Later than one year and not later than five years;	-	-
- Later than five years;	-	-
Total of future minimum sublease payments expected to be received under non-cancellable subleases at the balance sheet date	-	-
Lease payments recognized in the statement of profit and loss for the period, with separate amounts for minimum lease payments and contingent rents	-	-
sub-lease payments received (or receivable) recognized in the statement of profit and loss for the period	0	0
General description of the lessee's significant leasing arrangements including, but not limited to, the following: Basis on which contingent rent payments are determined; Existence and terms of renewal or purchase options and escalation clauses; and Restrictions imposed by lease arrangements, such as those concerning dividends, additional debt, and further leasing.	Not Applicable	Not Applicable

Operating Lease - Assets Given on Lease	3/31/2019	3/31/2018
Gross carrying amount	-	-
Accumulated depreciation	-	-
Accumulated impairment losses	-	-
the depreciation recognized in the statement of profit and loss for the period	-	-
Impairment losses recognized in the statement of profit and loss for the period	-	-
impairment losses reversed in the statement of profit and loss for the period;	-	-
Future minimum lease payments under non-cancellable operating leases in the aggregate and for each of the following periods	-	-
Not later than one year;	-	-
Later than one year and not later than five years;	-	-
Later than five years;	-	-
Total contingent rents recognized as income in the statement of profit and loss for the period	-	-

- 45** The Company has a process whereby periodically all long term contracts are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provision as required under any law / accounting standards for material foreseeable losses on such long term contracts has been made in the books of account.
- 46** The Company has a system of reviewing its pending litigations and proceedings, if any, and provide for where Provisions are required and disclose the contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial results. In respect of litigations, where the management assessment of a financial outflow is probable, the Company has made adequate provision in the financial statements and the contingent liabilities are disclosed in Note 42.
- 47** Current assets, Loans & Advances have a value of realisation in the ordinary course of business at least equal to the amount at which they are stated.
- 48** Previous year figures have been re-grouped & re-arranged wherever necessary.

AS PER OUR REPORT OF EVEN DATE

For Shah & Savla LLP
Chartered Accountants

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
For Samrat Pharmachem Limited

Miral H. Nagda
Partner
Membership No.: 108135
FRN: 109364W / W100143
Place : Mumbai
Date : 30 May 2019

Lalit Mehta
Managing Director
[DIN: 00216681]

Mahendra Pipalia
Director
[DIN: 00216959]

Rajesh Mehta
Executive Director
[DIN: 00216731]

Samir Kothary
Director
[DIN: 00216603]

Megh Mehta
Executive Director
[DIN: 07287394]

Renu Dharod
Director
[DIN: 07063088]

CASH FLOW STATEMENT FOR THE YEAR ENDED		31 MARCH, 2019	
Particulars	31/Mar/2019 Rs.	31/Mar/2018 Rs.	
A. CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit Before Tax And Extraordinary Items	21,577,256	49,203,221	
Adjustments For :			
Depreciation	4,176,556	4,121,629	
Profit/Loss On Sale Of Assets	0	0	
Profit/Loss On Sale Of Investments	0	0	
Finance Cost	10,583,927	8,634,525	
Bad Debts, Reserve For Doubtful Debts & Discount	13,110	-2,655	
Interest/Dividend Income	-801,819	-1,020,578	
	13,971,773	11,732,921	
Operating Profit Before Working Capital Changes	35,549,029	60,936,142	
Adjustments For :			
Trade Receivables	8,381,750	-100,438,598	
Other Receivables	-10,408,883	65,284,448	
Inventories	-10,833,892	1,751,645	
Trade And Other Payables	17,576,415	-17,430,151	
	4,715,389	-50,832,656	
Cash Generated From Operations	40,264,419	10,103,485	
Direct Taxes Paid	-16,542,030	-8,797,206	
	-16,542,030	-8,797,206	
Cash Flow Before Extraordinary Items	23,722,389	1,306,279	
Extraordinary Items	0	0	
Net Cash From Operating Activities	23,722,389	1,306,279	
B. CASH FLOW FROM INVESTING ACTIVITIES			
Purchase Of Fixed Assets	-2,944,467	-1,843,208	
Sale/Realization Of Fixed Assets	0	0	
Capital Work-In-Progress	0	0	
Addition/Realization Of Investments/FDR	23,650,000	-23,255,000	
Interest/Dividend Received	1,078,926	735,530	
Net Cash Used In Investing Activities	21,784,460	-24,362,678	

	Continued ...	
Particulars	3/31/2019 Rs.	3/31/2018 Rs.
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds From Issue Of Share Capital	0	0
Interest & Finance Charges Paid	-10,636,924	-9,107,956
Proceeds/Repayment - Long Term Borrowings	-4,061,128	-3,645,882
Proceeds/Repayment - Short Term Borrowings	-24,508,082	28,015,121
Net Cash Used In Financing Activities	-39,206,134	15,261,283
 NET INCREASE IN CASH AND CASH EQUIVALENTS	 6,300,714	 -7,795,116
CASH AND CASH EQUIVALENTS AT 1/Apr (Opening Balance)	8,726,693	16,521,808
CASH AND CASH EQUIVALENTS AT 31/Mar (Closing Balance)	15,027,407	8,726,693

AS PER OUR REPORT OF EVEN DATE

For Shah & Savla LLP
Chartered Accountants

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
For Samrat Pharmachem Limited

Miral H. Nagda
Partner
Membership No.: 108135
FRN: 109364W / W100143
Place : Mumbai
Date : 30 May 2019

Lalit Mehta
Managing Director
[DIN: 00216681]

Mahendra Pipalia
Director
[DIN: 00216959]

Rajesh Mehta
Executive Director
[DIN: 00216731]

Samir Kothary
Director
[DIN: 00216603]

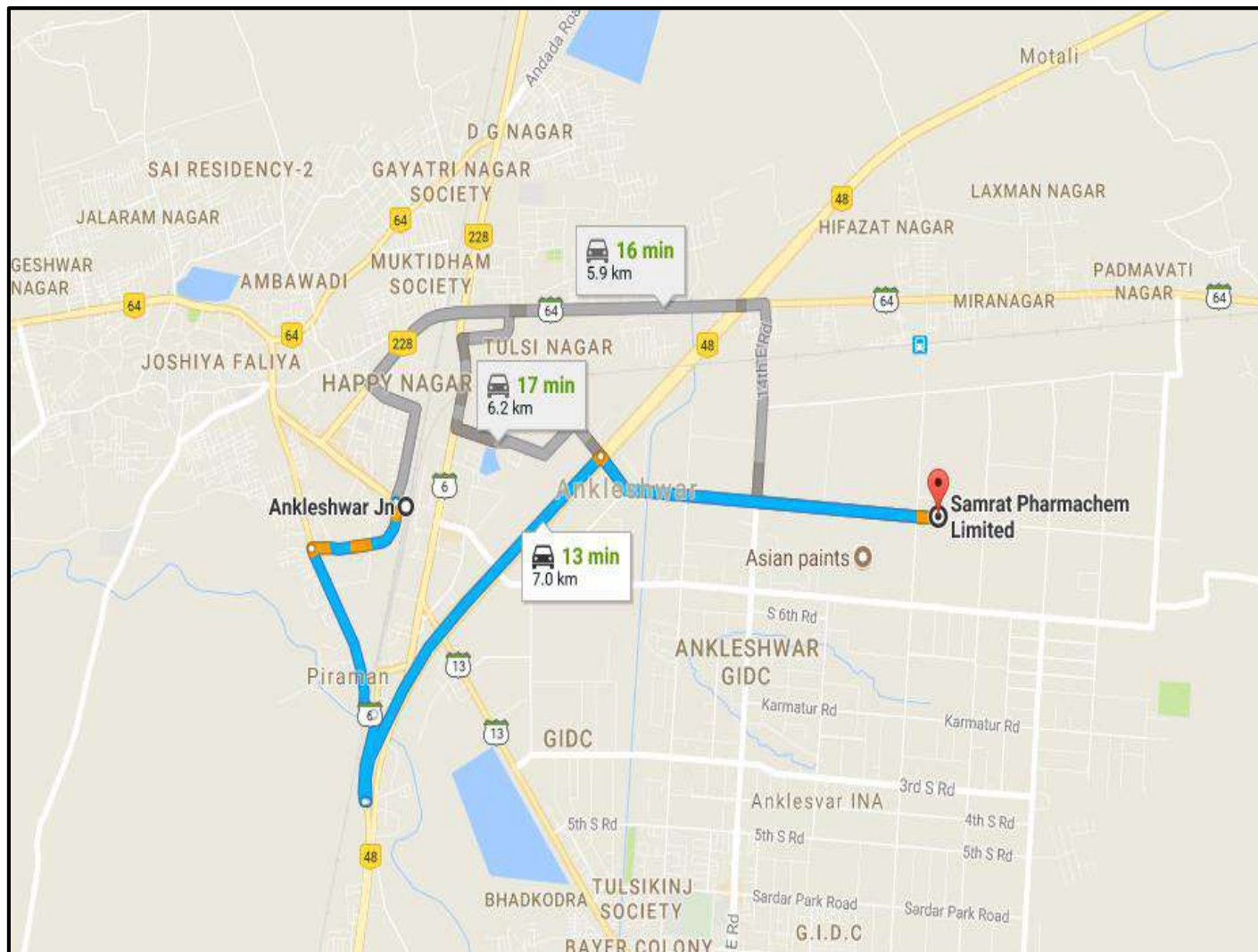
Megh Mehta
Executive Director
[DIN: 07287394]

Renu Dharod
Director
[DIN: 07063088]

ROUTE MAP TO THE AGM VENUE

Venue: Plot No. A2/3445, GIDC, Phase 4, Ankleshwar - 393 002, Gujarat, India.

From: Ankleshwar Railway Station



Samrat Pharmachem Limited

Corporate Identification No. (CIN) - L24230GJ1992PLC017820

Registered Office : Plot No. A2/3445, GIDC, Phase 4, Ankleshwar - 393 002, Gujarat, India.

Tel: 02646-220774 Fax: 02646-251291 Email: contact@samratpharmachem.in Website:
www.samratpharmachem.com**ATTENDANCE SLIP**

(Please complete this attendance slip and hand it over at the entrance of the Meeting Hall)

27TH ANNUAL GENERAL MEETING ON SATURDAY, SEPTEMBER 28, 2019 AT 1.00 P.M.

at Plot No. A2/3445, GIDC, Phase 4, Ankleshwar - 393 002, Gujarat, India.

Name of Member	
Registered Address	
Folio No.	
DP ID	
Client ID	
No. of shares held	

I certify that I am the member/proxy of the Company.

I hereby record my presence at the 27th Annual General Meeting of the Company to be held on Saturday, September 28, 2019 at 1.00 p.m. at Plot No. A2/3445, GIDC, Phase 4, Ankleshwar - 393 002, Gujarat, India.

Signature of the Member/Proxy

Note: Members are requested to bring their copies of the Annual Report to the AGM.

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Samrat Pharmachem Limited

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Tel: 02646-220774 Fax: 02646-251291 Email: contact@samratpharmachem.in Website:
www.samratpharmachem.com**E-VOTING
ELECTRONIC VOTING PARTICULARS**

EVEN (E Voting Event Number)	USER ID	PASSWORD

- Note:
1. Please read the instructions given in the Notice of the 25th Annual General Meeting carefully before voting electronically.
 2. Each equity share of the Company carries one vote.

Samrat Pharmachem Limited

Corporate Identification No. (CIN) - L24230GJ1992PLC017820

Registered Office : Plot No. A2/3445, GIDC, Phase 4, Ankleshwar - 393 002, Gujarat, India.

Tel: 02646-220774 Fax: 02646-251291 Email: contact@samratpharmachem.in Website: www.samratpharmachem.com

**PROXY FORM**
Form MGT-11

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

27TH ANNUAL GENERAL MEETING ON SATURDAY, SEPTEMBER 28, 2019 AT 1.00 P.M.
at Plot No. A2/3445, GIDC, Phase 4, Ankleshwar - 393 002, Gujarat, India.

Name of the member (s)	
Registered Address	
Email id	
Folio No	
Client ID	
DP ID	

I/We, being the member(s) of shares of Samrat Pharmachem Limited, hereby appoint:

1. Name
Address
Email Id Signature
or failing him
2. Name
Address
Email Id Signature
or failing him
3. Name
Address
Email Id Signature
as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Twenty-Seventh Annual General Meeting of the Company to be held on **Saturday, September 28, 2019 at 1.00 p.m.** at Plot No. A2/3445, GIDC, Phase 4, Ankleshwar - 393 002, Gujarat, India and at any adjournment(s) thereof in respect of such resolutions as are indicated below:

No.	Resolution	For	Against
ORDINARY BUSINESS			
1.	To receive, consider and adopt the Audited Financial Statements of the company for the year ended 31 March 2019, together with Directors' and Auditors' Reports thereon.		
2.	To appoint a Director in place of Mr. Rajesh Lalit Mehta (DIN: 00216731), who retires by rotation and, being eligible, offers himself for re-appointment.		
SPECIAL BUSINESS			
3.	Re-appointment of Mr. Mahendra Indulal Pipalia (DIN:00216959), as an Independent Director of the Company.		
4.	Re-appointment of Mr. Samir Harsukhrai Kothary (DIN:00216603), as an Independent Director of the Company.		

Signed this day of 2019

Signature of shareholder

Signature of Proxyholder(s)

Please Affix
Revenue
Stamp

- Note:
1. This form 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. Those Members who have multiple folios with different joint holders may use copies of this Attendance Slip/Proxy.

www.samratpharmachem.com

www.samratpharmachem.com

*Do Not Compete With Others,
Compete With Yourself*



- Shri Narendra Modi

Book - Post



If undelivered please return to
Samrat Pharmachem Limited
Plot No. A2 / 3445,
GIDC, Phase 4,
Ankleshwar - 393 002,
Gujarat.

Shree Sai Corporation
Mob : 98200 70123