

COLINZ LABORATORIES LIMITED

(CIN NO: L24200MH1986PLC041128)

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A N N U A L

R E P O R T

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COMPANIES CIN NO......

L24200MH1986PLC041128

BOARD OF DIRECTORS.....

NAME OF DIRECTOR	DIN NO	DESIGNATION
DR. MANI L. S.	00825886	Managing Director.
SHRI. N. K. MENON	01111297	Whole-Time Director
CA. VASANT K. BHAT	00916469	Independent Director
SHRI. A. KRISHNA KUMAR	02493399	Independent Director

AUDITORS.....

S. V. BHAT & CO.
Chartered Accountants (Firm Regn. No. 101298W)

SECRETARIAL AUDITOR.....

SANJAY R. DHOLAKIA (M.NO. 2655/CP NO. 1798)

BANKERS.....

BANK OF BARODA.

REGISTERED OFFICE.....

A-101, PRATIK IND. ESTATE,
MULUND-GOREGAON LINK ROAD, BHANDUP(W),
MUMBAI - 400 078.

EMAIL ID.....

colinzlabs@yahoo.com

WEBSITE.....

www.findoc-ell.in

WORKS.....

PLOT NO. 60, 'STICE', MUSALGAON
SINNAR-SHIRDI ROAD, SINNAR,
NASIK - 422 112.

CONTENTS

Page No.

NOTICE.....	2
DIRECTORS REPORT.....	5
MANAGEMENT DISCUSSION & ANALYSIS	15
REPORT ON CORPORATE GOVERNANCE	16
AUDITOR'S REPORT.....	22
NOTES FORMING PART OF THE FINANCIAL STATEMENTS	30
BALANCE SHEET.....	35
PROFIT AND LOSS ACCOUNT.....	36
CASHFLOW STATEMENT	44
PROXY FORM AND ATTENDANCE SLIP.....	45

COLINZ LABORATORIES LIMITED

(CIN NO: L24200MH1986PLC041128)

NOTICE

Notice is hereby given that the 31st Annual General Meeting of the Company will be held at the Registered Office of the Company, i.e. A-101, Pratik Ind. Estate, Mulund-Goregaon Link Road, Bhandup(W), Mumbai - 400 078, on Friday 29th September, 2017, at 2.00 P. M. to transact the following business:

ORDINARY BUSINESS :-

- 1) To receive, consider and adopt the Audited Balance Sheet and the Statement of Profit and Loss for the financial year ended 31st March, 2017 and Report of the Board of Directors and the Independent Auditor's report thereon.
- 2) To appoint a Director in place of Dr. Mani L. S. (DIN No – 00825886), who retires by rotation and being eligible offers himself for re-appointment.
- 3) To consider and if thought fit, to pass, the following resolution as ordinary resolution:
“RESOLVED THAT pursuant to the provisions of section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and The Companies (Audit and Auditors) Rules, 2014, (the rules) , (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) Vora & Associates, (Firm Registration Number 111612W with the Institute of Chartered Accountants of India), who have offered themselves for appointment and have confirmed their eligibility to be appointed as Auditors, in terms of provisions of section 141 of the Act, and rule 4 of the rules, be and are hereby appointed as Statutory Auditors of the company (in place of M/s. S. V. BHAT & Co., Chartered Accountants, the retiring auditors) for a term of five years commencing from the conclusion of this meeting until the conclusion of the 36th Annual General Meeting of the Company to be held in 2022 (subject to ratification of their appointment by the members at every intervening annual general meeting held after this annual general meeting) on such remuneration as may be agreed upon by the Audit committee/ Board of Directors in consultation with the said Independent Auditors.

RESOLVED FURTHER THAT the Board of Directors of the company (including its committee thereof) be and is hereby authorised to do all acts and take all such steps as may be considered necessary, proper or expedient to give effect to this resolution.

For Colinz Laboratories Limited.
(CIN: L24200MH1986PLC041128)

Regd. Office:

A-101, Pratik Ind. Estate
Mulund Goregaon Link Road
Bhandup(W), Mumbai – 400 078.
Date: 31st July, 2017

Dr. MANI L. S.
(Managing Director)

- (a) A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy or proxies to attend and vote instead of himself and proxy need not be a member of the Company. A person cannot act as proxy on behalf of Members not exceeding fifty and holding in aggregate not more than ten percent of the total Share Capital of the Company. A member holding more than ten percent shares of the total Share Capital of the Company, may appoint a single proxy. However such person shall not act as a proxy for any other person or Shareholder. An instrument appointing the proxy should be deposited at the registered office of the Company not less than 48 hours before the commencement of the Meeting.
- (b) Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board resolution authorizing their representatives to attend and vote on their behalf at the meeting.
- (c) The Register of Members and Share Transfer Books of the Company will remain closed from, 22nd September, 2017, to 29th September, 2017. (both days inclusive)
- (d) Members are requested to notify immediately any change in their address and E-mail ID to the Registrar and Transfer Agent of the Company, M/s. Bigshare Services Pvt. Ltd., 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai 400059, Maharashtra.

- (e) Members who have not registered their Email addresses so far are requested to register their Email address for receiving all communications including Annual Report, Notices, circulars etc. from the Company electronically.
- (f) Members intending to require any information about accounts to be explained in the meeting are requested to inform the Company in writing at least ten days in advance of the date of Annual General Meeting.
- (g) Members are requested to bring their attendance slip along with their copy of Annual Report for the meeting.
- (h) Instructions for the Voting through electronics means:
 - I) In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015, and Regulation 44 of the Listing Regulations, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the ensuing Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than COLINZ LABORATORIES LIMITED (CIN NO.: L24200MH1986PLC041128) venue of the AGM (“remote-e-voting”) will be provided by National Securities Depository Limited. (NSDL).
 - II) The Facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e- voting shall be able to exercise their right at the meeting through ballot paper.
 - III) The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
 - IV) The remote e-voting period commences on 26th Sept. 2017 (9.00 am) and ends on 28th Sept. 2017(5.00 pm). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 22nd Sept. 2017, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
 - V) The process of the manner for remote e-voting is as under:
 - A) In case a Member receives an email from NSDL (for members whose email IDs are registered with the Company/ Depository Participants):
 - i) Open email and open PDF file viz; “remote e-voting.pdf” with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
 - ii) Launch internet browser by typing the following URL: [https:// www.evoting.nsdl.com/](https://www.evoting.nsdl.com/)
 - iii) Click on Shareholder – Login.
 - iv) Put the user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - vii) Select “EVEN” of “COLINZ LABORATORIES LTD.”
 - viii) Now you are ready for remote e-voting as Cast Vote page opens.
 - ix) Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
 - x) Upon confirmation, the message “Vote cast successfully” will be displayed.
 - xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
 - xii) Institutional Shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG format) of the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory (ies) who are authorized to vote, to the scrutinizer through e-mail to ashwinivazeassociates@gmail.com with a copy marked to evoting@nsdl.co.in.

- B) In case of a member(s) receives a physical copy of notice of AGM for member(s) whose email ID is not registered with the Company/Depository Participants(s) may obtain a login ID and password for casting his /her vote by remote e-voting by sending a request at evoting@nsdl.co.in or by contacting NSDL at the toll free no. : 1800-222-990.
- VI) In case of any queries, you may refer the frequently asked questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no. : 1800-222-990.
- VII) If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
NOTE: Shareholders who forgot the User Details/Password can use “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on www.evoting.nsdl.com. In case Shareholders are holding shares in demat mode, USER-ID is the combination of (DPID + Client ID). In case Shareholders are holding shares in physical mode, USER-ID is the combination of (Even No+Folio No).
- VIII) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- IX) The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 22nd Sept. 2017.
- X) Any person, who acquires share of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 22nd Sep, 2017, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or RTA.
However, if you are already registered with NSDL for remote -e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on www.evoting.nsdl.com or contact NSDL at the following toll free no. : 1800-222-990.
- XI) A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting/voting at the AGM through ballot paper.
- XII) Mrs. Ashwini Vaze, Practicing Company Secretary (ACS No. 9443) has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting at the AGM and remote e-voting process in a fair and transparent manner.
- XIII) The Chairman shall, at the AGM, at the end of the discussion on the resolution on which voting is to be held, allow voting with the assistance of scrutinizer, by use of “Ballot Paper”/ “Poling Paper” for all those members who are present at the AGM, but have not cast their votes by availing the remote e-voting facility.
- XIV) The Scrutinizer shall after the conclusion of voting at the Annual General Meeting, will first count the votes cast at the meeting and 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 shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the results of the voting forthwith.
- XV) The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.findoc-cll.in and on the website of NSDL immediately after the declaration of results by the Chairman or as person authorized by him in writing. The results shall also be immediately forwarded to BSE Limited, Mumbai, where the shares of the Company is listed.

DIRECTORS' REPORT

Your Directors have pleasure in presenting their 31st Annual Report together with the Audited Accounts of the Company for the Year ended March 31, 2017.

(Rs. in Lacs)

Sr. No.	Particulars	2016-17	2015-16
1	Turnover	804.70	839.89
2	Profit before Depreciation, Interest & Tax (EBITDA)	55.02	54.90
3	Less : Depreciation	26.50	28.18
4	Profit Before Interest & Tax	28.52	26.72
5	Less : Interest	11.79	11.58
6	Profit Before tax /(Loss)	16.73	15.14
7	Less Provision for		
	Current Tax	2.34	2.75
	Deferred Tax	(3.70)	2.93
8	Profit After Tax /(Loss)	18.09	9.46
9	Balance brought forward from previous year	84.17	74.71
10	Profit available for appropriation	102.26	84.17
11	Balance carried over to Balance Sheet	102.26	84.17
12	Earnings per Share (Rs.)	0.40	0.21

OPERATIONAL REVIEW

Gross revenues decreased nominally to Rs. 804.70 lacs, a decrease of around 4.19 % against Rs. 839.89 lacs in the previous year, the major reason for the fall in the gross revenues is on account of the liquidity problems in the market due to demonetization in Nov-2016 and the subsequent slow down in the economy. The customers did not have enough money in hand to purchase the medicines due to cash crunch up to the end of Jan-2017. However the other income generated by the company 4.92 Lacs by sales of investment in shares helped to maintain the net profit. The profit before tax after adjusting the depreciation amounting to Rs. 26.50 Lacs and financing charges of Rs. 11.79 Lacs stood at Rs. 16.73 Lacs. The Profit after tax stood at 18.09 Lacs after making adjustments for current taxes and deferred tax credit.

DIVIDEND

Your Directors are unable to recommend any dividend during the year under review, considering the small surplus available and with a view to conserve funds towards margin monies.

SHARE CAPITAL

The paid up equity capital as on March 31, 2017, was Rs 354.41 lacs. During the year under review your Company has not issued any shares including Sweat equity, ESOP and/or convertible debentures.

FINANCE & MATERIAL CHANGES AFFECTING FINANCIAL POSITION OF THE COMPANY

Cash and cash equivalents as on March 31, 2017, was at Rs. 163.40 lacs. The company continues to focus on judicious management of its working capital, receivables, inventories and other working capital parameters were kept under strict check through continuous monitoring. No material changes have occurred and commitments made, affecting the financial position of the Company.

PUBLIC DEPOSITS

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The company has not given any loans or guarantees covered under the provisions of section 186 of the Companies Act, 2013.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is defined. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. The Audit Committee reviews the adequacy and effectiveness of the internal control system and suggests improvement to strengthen the system. It also reviews the quarterly internal Audit Reports.

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

Not applicable to the Company.

CONSERVATION OF ENERGY

- a) Company ensures that the manufacturing operations are conducted in the manner whereby optimum utilization and maximum possible savings of energy is achieved.
- b) No specific investment has been made in reduction in energy consumption during the year under review. Pharmaceutical formulation industry does not consume high power.
- c) As the impact of measures taken for conservation and optimum utilization of energy are not quantitative, its impact on cost cannot be stated accurately.

TECHNOLOGY ABSORPTION

Company's products are manufactured by using in-house know how and no outside technology is being used for manufacturing activities. Therefore technology absorption is a continuous process. The Company constantly strives for maintenance and improvement in quality of its products and entire development activities are directed to achieve the aforesaid goal.

FOREIGN EXCHANGE EARNINGS AND OUT-GO

During the period under review there was no foreign exchange earnings or out flow.

DIRECTORS

Director, DR. Mani L. S. (Din No. 00825886), Managing Director, who retires by rotation and being eligible, offers himself for re-appointment. The Directors recommend Dr. Mani L. S. for re-appointment.

All independent directors have given declarations that they meet the criteria of independence as laid down under section 149(6) of the Companies Act, 2013 and clause 49 of the Listing Agreement.

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an evaluation of its own performance, the directors individually as well as the evaluation of the working of its Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

Nomination & Remuneration Policy

Pursuant to section 178 of the Companies Act 2013, and the rules made thereunder, from time to time and Regulation 19 of the SEBI Regulations 2015, the Board has reconstituted the Nomination & Remuneration Committee. The Nomination & Remuneration Committee framed a policy for selection and appointment, reappointment, removal, appraisal of Directors and Senior Management Personnel and their remuneration.

Meetings of Board of Directors

During the year five Board Meetings and four Audit Committee Meetings and two independent Directors meeting were convened and held, the details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

Directors' Responsibility Statement

In terms of Section 134 (5) of the Companies Act, 2013, the directors would like to state that:

- i) In the preparation of the annual accounts, the applicable accounting standards have been followed;
- ii) 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 a true and fair view of the state of affairs of the Company at the end of the financial year 31-03-2017 and of the profit or loss of the Company for the year under review;
- iii) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) The directors have prepared the annual accounts, on a going concern basis;
- v) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- vi) The directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

RELATED PARTY TRANSACTIONS

There are no materially significant related party transactions made by the company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large.

Prior omnibus approval of the Audit Committee has been obtained on an annual basis for transactions with related parties which are of a foreseeable and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted and a statement giving details of all transactions with related parties are placed before the Audit Committee for their review on a periodic basis.

SUBSIDIARY COMPANIES

The Company does not have any subsidiary.

CODE OF CONDUCT

The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and all employees in the course of day to day business operations of the company. The Company believes in "Zero Tolerance" against bribery, corruption and unethical dealing/behaviors of any form and the Board has laid down the directives to counter such acts. The code laid down by the Board is known as "Code of business conduct".

The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders. The Code gives guidance through examples on the expected behavior from an employee in a given situation and the reporting structure.

All the Board Members and the Senior Management personnel have confirmed compliance with the Code. All Management Staff were given appropriate training in this regard.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has a Fraud Risk and Management Policy to deal with instances of fraud and mismanagement, if any. The FRM Policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern.

The Board of Directors has adopted Whistle Blower Policy. The Whistle Blower Policy aims for conducting the affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. All permanent employees of the Company are covered under the Whistle Blower Policy.

PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code. All Board of Directors and the designated employees have confirmed compliance with the Code.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013.

"The Company has in place an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. The following is a summary of sexual harassment complaints received and disposed off during the year 2016-17.

No of complaints received: · NIL

No of complaints disposed off : Not Applicable

AUDITORS

The Auditors, S. V. Bhat & Co., Chartered Accountants, Mumbai, retire at the conclusion of the ensuing Annual General Meeting and M/s Vora & Associates are proposed to be appointed.

SECRETARIAL AUDIT AND AUDIT REPORT

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 Sanjay Dholakia & Associates, (CP No. 1798) a firm of Company Secretaries in practice to undertake the Secretarial Audit of the Company. The Secretarial Audit report is annexed herewith as "Annexure A".

With regard to the observation made in the said report, regarding the non-appointment of Company Secretary, the Board of Directors would like to inform the members that the Managing Director, Dr. Mani L. S., is himself a qualified Company Secretary (ACS No. 4622) and he is devoting adequate time to undertake all the secretarial work, currently. However, the Company is in the process of appointing a Company Secretary. Further company has appointed CFO as per the regulations specified in section 203 of the Act and CFO is regularly signing the CFO certificate from the FY 2014-15. With regard to resolutions contained in section 117, Company has not passed any resolution contained in section No. 117 of the Act except 117(g) which is of a routine nature.

COST AUDIT

The provision of Cost Audit Report is not applicable to the Company.

EXTRACT OF ANNUAL RETURN

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

PARTICULARS OF EMPLOYEES:

None of the employees or Whole Time Director/Managing Director is in receipt of remuneration for the year under review in excess of Rs. 60 Lacs. (Sixty Lacs).

INDUSTRIAL RELATION AND HUMAN RESOURCES

Industrial relation during the period under review remained cordial at all levels. The Company has a structured appraisal system based on key result areas. The HR is effectively involved in nurturing, enhancing and retaining talent through job satisfaction, development and training programs etc.