

21st Annual Report 2015-2016



Farmax India Limited

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. M. Srinivasa Reddy	-	Managing Director (DIN: 00882956)
Mrs. P. Priyanka	-	Independent Director (DIN: 02925766)
Mr. A.V.Rama Raju	-	Independent Director (DIN: 01408193)
Mr. E. Sudheer Reddy	-	Independent Director (DIN: 06402499)

KEY MANAGERIAL PERSONS

Mr. Ch.Vara Prasad	-	Chief Finance Officer
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REGISTERED OFFICE

Farmax India Limited
Survey No.658, Bowrampet Village,
Quthbullapur Mandal,
(Sub Urban of Hyderabad) R R Dist.,
Telangana -500043.

STATUTORY AUDITORS

Vijay Sai Kumar & Associates,
Chartered Accountants
210/3RT, Vijaynagar Colony,
Hyderabad – 500 057

INTERNAL AUDITOR

Mr.Kushinder
Survey No.658, Bowrampet Village,
Quthbullapur Mandal,
(Sub Urban of Hyderabad) R R Dist.,
Telangana – 500043.

SECRETARIAL AUDITOR

M/s. S. S. Reddy & Associates
Practicing Company Secretaries
Plot No.6-3-354/13, A1,
Suryateja Apartments,
Hindi Nagar, Panjagutta,
Hyderabad-500034

CORPORATE IDENTITY NUMBER

L27109TG1995PLC022190

AUDIT COMMITTEE

- | | | |
|------------------------|---|----------|
| 1. Mr. A.V.Rama Raju | - | Chairman |
| 2. Mrs. P.Priyanka | - | Member |
| 3. Mr. E.Sudheer Reddy | - | Member |

NOMINATION & REMUNERATION COMMITTEE

- | | | |
|------------------------|---|----------|
| 1. Mr. A.V.Rama Raju | - | Chairman |
| 2. Mrs. P.Priyanka | - | Member |
| 3. Mr. E.Sudheer Reddy | - | Member |

STAKEHOLDERS RELATIONSHIP COMMITTEE

- | | | |
|------------------------|---|-------------|
| 1. Mrs. P.Priyanka | - | Chairperson |
| 2. Mr. A.V.Rama Raju | - | Member |
| 3. Mr. E.Sudheer Reddy | - | Member |

RISK MANAGEMENT COMMITTEE:

- | | | |
|------------------------|---|----------|
| 1. Mr. A.V.Rama Raju | - | Chairman |
| 2. Mr. Srinivasa Reddy | - | Member |
| 3. Mrs. P.Priyanka | - | Member |
| 4. Mr. E.Sudheer Reddy | - | Member |

REGISTRAR & SHARE TRANSFER AGENTS

BigshareServicesPvt.Ltd.
 306,RightWing,AmruthaVille,
 Opp.YasodhaHospital, Somajiguda,
 Raj Bhavan Road, Hyderabad - 500 082.
 Telangana
www.bigshareonline.com
 E-mail: info@bigshareonline.com

LISTED AT :

BSE Limited
 NSE Limited

DEMAT ISIN NUMBER IN NSDL& CDSL:

INE890101035

WEBSITE

www.farmax.co.in

INVESTOR E-MAIL ID

cs@farmax.co.in

NOTICE

Notice is hereby given that the Twenty First Annual General Meeting of the Shareholders of M/s. Farmax India Limited will be held on Friday, the 30th day of September 2016 at 09.00 a.m at the registered office of the company at Survey No. 658, Bowrampet (V), Quthbullapur Mandal, (Sub- Urban Of Hyderabad) R. R Dist, and Telangana, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2016, the Statement of Profit & Loss and Cash Flow Statement for the year ended on that date together with the Notes attached thereto, along with the Reports of Auditors and Directors thereon.
2. To appoint a director in place of Mr. M. Srinivasa Reddy (holding DIN: 00882956), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint M/s. Vijay Sai Kumar & Associates., Statutory Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company at remuneration as may be fixed by the Board.

**For and on behalf of the Board
Farmax India Limited**

**Place: Hyderabad
Date: 29.08.2016**

**Sd/-
M. Srinivasa Reddy
Managing Director
(DIN: 00882956)**

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The instrument of Proxy in order to be effective shall be deposited at the Registered Office of the Company by not less than 48 hours before the commencement of the Meeting.
2. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty (50) members and holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy, who shall not act as a proxy for any other person or shareholder. The appointment of proxy shall be in the Form No. MGT.11 annexed herewith.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 24.09.2016 to 30.09.2016 (Both days inclusive).
4. Members holding shares in the electronic form are requested to inform any changes in address/bank mandate directly to their respective Depository Participants.
5. Members are requested to hand over the enclosed Attendance Slip, duly signed in accordance with their specimen signature(s) registered with the Company for admission to the meeting hall. Members who hold shares in dematerialised form are requested to bring their Client ID and DP ID Numbers for identification.
6. Corporate Members are requested to send to the Company's Registrar & Transfer Agent, a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Annual General Meeting.
7. In case of joint holders attending the Meeting, only such joint holders who are higher in the order of names will be entitled to vote.
8. The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their PAN details to the Company/ Registrar and Share Transfer Agents (**M/s Big share Services Pvt.Ltd,**)
9. As a measure of austerity, copies of the annual report will not be distributed at the Annual General Meeting. Members are therefore, requested to bring their copies of the Annual Report to the Meeting.
10. Members holding shares in the same name under different ledger folios are requested to apply for consolidation of such folios and send the relevant share certificates to **M/s Big share Services Pvt.Ltd,** Share Transfer Agents of the Company for their doing the needful.
11. Members are requested to send their queries at least 10 days before the date of meeting so that information can be made available at the meeting.
12. In respect of shares held in physical mode, all shareholders are requested to intimate changes, if any, in their registered address immediately to the registrar and share transfer agent of the company and correspond with them directly regarding share transfer/transmission /transposition, Demat / Remat, change of address, issue of duplicate shares certificates, ECS and nomination facility.
13. In terms of Section 72 of the Companies Act, 2013, a member of the company may nominate a person on whom the shares held by him/her shall vest in the event of his/her death. Members desirous of availing this facility may submit nomination in prescribed Form-SH-13 to the company/RTA in case shares are held in physical form, and to their respective depository participant, if held in electronic form.

14. Electronic copy of the Annual Report for 2015-2016 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2015-2016 is being sent in the permitted mode.
15. Members may also note that the Notice of the 21st Annual General Meeting and the Annual Report for 2015-2016 will also be available on the Company's website www.farmax.co.in for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: cs@farmax.co.in

16. Voting through electronic means

Pursuant to Section 108 of the Companies Act, 2013, read with the relevant Rules of the Act and Pursuant to Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and the Company is pleased to provide the facility to Members to exercise their right to vote by electronic means. The remote e-voting period will commence on Tuesday, 27th September 2016 at 9.00 a.m. on and will end on Thursday, 29th September, 2016. The facility for voting through ('Insta Poll') shall be made available at the meeting and the members attending the meeting who have not cast their vote by remote e-voting shall be able to vote at the meeting through 'Insta Poll'. The Company has appointed Mr. S. Sarveswar Reddy, Practicing Company Secretary, to act as the Scrutinizer, to scrutinize the Insta Poll and remote e-voting process in a fair and transparent manner. The Members desiring to vote through remote e-voting refer to the detailed procedure given hereinafter.

Procedure for remote e-voting

I. the Company has engaged the services of Karvy Computershare Private Limited (Karvy) for facilitating remote e-voting for AGM. The instructions for remote e-voting are as under:

(a) In case of Members receiving an e-mail from Karvy:

(i) Launch an internet browser and open <https://evoting.karvy.com>

(ii) Enter the login credentials (i.e. User ID and password). The Event No. Folio No. or DP ID- Client ID will be your User ID. However, if you are already registered with Karvy for e- voting, you can use your existing User ID and password for casting your vote.

(iii) After entering the above details click on - Login.

(iv) Password change menu will appear. Change the Password with a new Password of your choice. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@,#,\$,etc.) The system will also prompt you to update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential. You need to login again with the new credentials.

(v) On successful login, the system will prompt you to select the E-Voting Event

(vi) Select the EVENT of Farmax India Limited and click on - Submit.

(vii) Now you are ready for e-voting as 'Cast Vote' page opens.

(viii) Cast your vote by selecting appropriate option and click on 'Submit'. Click on 'OK' when prompted.

(ix) Upon confirmation, the message 'Vote cast successfully' will be displayed.

(x) Once you have voted on the resolution, you will not be allowed to modify your vote.

(xi) 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, along with attested specimen signature of the duly authorized signatory (ies) who are authorized to vote, to the Scrutinizer by an e-mail at

cs@farmax.co.in They may also upload the same in the e-voting module in their login. The scanned image of the above mentioned documents should be in the naming format "Corporate Name EVENT NO."

- (b) In case of Shareholders receiving physical copy of the Notice of AGM and Attendance Slip.
(I) INITIAL PASSWORD IS PROVIDED, AS FOLLOWS, AT THE BOTTOM OF THE ATTENDANCE SLIP.

EVEN (E-Voting Event Number)	USER ID	PASSWORD
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- (ii) Please follow all steps from Sr. No. (i) To Sr. No. (xi) Above, to cast vote.

II. In case of any queries, you may refer to the 'Frequently Asked Questions' (FAQs) and 'e-voting user manual' available in the downloads section of Karvy's e-voting website <https://evoting.karvy.com>.

III. If you are already registered with Karvy for e-voting then you can use your existing User ID and Password for casting vote.

IV. The voting rights shall be as per the number of equity share held by the Member(s) as on 23rd September, 2016. Members are eligible to cast vote electronically only if they are holding shares as on that date.

V. The Companies (Management and Administration) Amendment Rules, 2015 provides that the electronic voting period shall close at 5.00 p.m. on the date preceding the date of AGM. Accordingly, the voting period shall commence at Tuesday, 27 September 2016 at 9.00 a.m and will end at th 5.00 p.m. on Tuesday, 29 September, 2016. The E-voting module shall be disabled by Karvy at 5.00 p.m. on the same day.

VI. Once the vote on a resolution is cast by a member, the member shall not be allowed to change it subsequently.

VII. The members who have cast their vote by remote e-voting may also attend the meeting but shall not be entitled to cast their vote again.

VIII. Members who have acquired shares after the dispatch of the Annual Report and before the book closure may approach the Company for issuance of the User ID and Password for exercising their right to vote by electronic means.

a. If the mobile number of the member is registered against Folio No. / DP ID Client ID, the member may send SMS: MYEPWD Event number Folio No. or DP ID Client ID to 9212993399

Example for NSDL: MYEPWD IN12345612345678

Example for CDSL: MYEPWD 1402345612345678

Example for Physical: MYEPWD XXX1234567

b. If e-mail or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.karvy.com>, the member may click "forgot password" and enter Folio No. or DP ID Client ID and PAN to generate a password.

c. Member may call Karvy's toll free number 1-800-3454-001

d. Member may send an e-mail request to evoting@karvy.com

VI. The results shall be declared on or after the AGM. The results along with the Scrutinizer's Report shall also be placed on the website of the Company. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at th the 20 Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by M/s Karvy Computershare Private Limited.

17. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of 23.09.2016.

18. Mr. S.Sarveswara Reddy, Practicing Company Secretary, bearing C.P. Number 7478 has been appointed as the Scrutinizer to scrutinize the e-voting process.

19. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

20. The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.farmax.co.in and on the website of <https://evoting.karvy.com> within two(2) days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited and National Stock Exchange limited.

**For and on behalf of the Board
Farmax India Limited**

**Place: Hyderabad
Date: 29.08.2016**

**Sd/-
M. Srinivasa Reddy
Managing Director
(DIN: 00882956)**

DIRECTOR'S REPORT

To the Members,

The Directors have pleasure in presenting before you the Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2016. The Company's performance is summarized below:

FINANCIAL SUMMARY/HIGHLIGHTS, OPERATIONS, STATE OF AFFAIRS:

The performance during the period ended 31st March, 2016 has been as under:

Particulars	2015-2016	2014-2015
Total Income	1669.73	2282.97
Expenditure	2647.86	2493.08
Profit before exceptional items and Tax	(978.13)	(210.11)
Exceptional Item	0	0
Profit/(Loss) Before Tax	(978.13)	(210.11)
Less: Extra Ordinary Items	0	0
Less: Deferred Tax	0	0
Less: Provision of MAT	0	0
Net Profit/ (loss) after Tax	(978.13)	(210.11)
Balance Carried to Balance Sheet	(978.13)	(210.11)

REVIEW OF OPERATIONS:

During the year under review, the Company has recorded an income of Rs. 1669.73 Lakhs and Loss of Rs. 978.13 Lakhs as against the income of Rs. 2282.97 Lakhs and Loss of Rs. 210.11 Lakhs in the previous financial year ending 31.03.2015.

CHANGE IN THE NATURE OF BUSINESS, IF ANY:

During the period under review and the date of Board's Report there was no change in the nature of Business.

DEPOSITS FROM PUBLIC:

The Company has not accepted any deposits falling within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules 2014, during the financial year under review.

TRANSFER TO RESERVES:

Directors have decided not to transfer any amount to reserves for the year.

DIVIDEND:

Keeping the Company's revival plans in mind, your Directors have decided not to recommend dividend for the year.

REVISION OF FINANCIAL STATEMENTS:

There was no revision of the financial statements for the year under review.

DISCLOSURES UNDER SECTION 134(3)(I) OF THE COMPANIES ACT, 2013:

There have been no material changes and commitments, affecting the financial position of the Company which occurred during between the end of the financial year to which the financial statements relate and the date of this report.