

Fulford (India) Limited
ANNUAL REPORT
2016-17

www.fulfordindia.com



For more than a century,
MSD has been inventing to solve
some of the greatest challenges
to people's health and well-being
around the world.





For more than a century, MSD, a leading global biopharmaceutical Company, has been inventing for life, bringing forward medicines and vaccines for the world's most challenging diseases.

MSD is a trade name of Merck & Co., Inc., with headquarters in Kenilworth, N.J., U.S.A. Through our prescription medicines, vaccines, biologic therapies and animal health products, we work with customers and operate in more than 140 countries to deliver innovative health solutions. We also demonstrate our commitment to increasing access to health care through far-reaching policies, programs and partnerships. Today, MSD continues to be at the forefront of research to advance the prevention and treatment of diseases that threaten people and communities around the world – including cancer, cardio-metabolic diseases, emerging animal diseases, Alzheimer's disease and infectious diseases including HIV and Ebola.

Fulford (India) Limited is the subsidiary of Merck & Co. Inc., Kenilworth, N.J., U.S.A. Merck is known as MSD across the world (except in the US and Canada), operates in India via three separate entities: Fulford (India) Limited, MSD Pharmaceuticals Private Limited and Organon (India) Private Limited.

Since its existence in India, the Company has moved quickly in laying the foundation for a business that is differentiated by its focus through launching innovative products relevant to India. MSD in India also has presence in Animal Health via MSD Animal Health with its vaccines facility located in Pune, Maharashtra.

MSD in India currently operates in various therapeutic areas in human health, including Metabolics, Vaccines, Critical Care, Immunology, Virology, Oncology, Women's Health, Dermatology, Respiratory, and Primary Care, and offers a strong and diversified product portfolio of over 35 brands.

For more information visit, www.fulfordindia.com

COMPANY INFORMATION

BOARD OF DIRECTORS

DR. AJIT DANGI, Chairman
 MR. K.G. ANANTHAKRISHNAN, President & Managing Director*
 (up to February 28, 2017)
 MR. VIVEK VASUDEV KAMATH, Managing Director** (w.e.f. March 1, 2017)
 MR. PRAMOD HARI LELE (Appointed w.e.f. August 18, 2017)
 MR. SAMEER TAMHANE (Appointed w.e.f. January 14, 2017)
 MS. HWEE PING CHUA
 MR. MURALIDHAR KARANAM, Alternate Director to Ms. Hwee Ping Chua***
 DR. V.S. SOHONI (Resigned w.e.f. November 08, 2016)
 MR. HOMI KHUSROKHAN (Resigned w.e.f. April 01, 2017)
 MR. GIRIDHAR SANJEEVI (Resigned w.e.f. May 04, 2017)

* Superannuated from the services of the Company as on February 28, 2017 and resigned as President & Managing Director w.e.f. March 1, 2017
 ** Appointed as an Additional Director w.e.f. January 17, 2017
 *** Appointed w.e.f. July 15, 2016

COUNTRY LEADERSHIP TEAM AS ON MARCH 31, 2017

MR. GIRIDHAR SANJEEVI* – Finance
 MR. SAMEER TAMHANE - Human Resources
 MR. SHASHANK SHANBHAG* - Sales & Marketing – Hospital, Specialty & Fertility Business
 MS. ANNAPURNA DAS* – Vaccines & Neighbouring Markets
 MS. JYOTSNA GHOSHAL – Corporate Affairs & Communications
 DR. SWASHRAYA SHAH – Medical Affairs
 MR. ANJAN SEN – DVB, Hospital & Speciality Business, Strategy & Commercial Operations
 MR. ARUN RAGHUVeer HEGDE – Oncology

* Currently not associated with the Company

REGISTERED OFFICE

Platina, 8th Floor
 Plot No. C-59, G-Block
 Bandra-Kurla Complex
 Bandra(East)
 Mumbai: 400098, India
 Tel: 022-67898888
 Fax: 022-67898889
 CIN: U99999MH1948PLC006199

CARRYING & FORWARDING AGENTS

Ahmedabad, Ambala, Kolkata, Chennai, Delhi, Guwahati, Bangalore, Hyderabad, Indore, Jaipur, Lucknow, Patna, Cochin, Bhiwandi, Coimbatore, Zirakpur, Noida.

DISTRIBUTORS

Cuttack, Ranchi, Goa, Nagpur, Mumbai, Uttaranchal, Jammu & Kashmir, Vijaywada

BANKERS

CITIBANK N A
 STATE BANK OF INDIA
 CANARA BANK
 HDFC BANK LIMITED
 KOTAK MAHINDRA BANK
 ING VYSYA
 BANK OF AMERICA
 B N P PARIBAS
 DEUTSCHE BANK
 J P MORGAN

LEGAL ADVISORS

CORPORATE LAW GROUP (CLG)

AUDITORS

LOVELOCK & LEWES

REGISTRAR AND SHARE TRANSFER AGENT

LINK INTIME INDIA PVT. LTD.
 247 Park, C 101 1st Floor,
 LBS Marg, Vikhroli (W)
 Mumbai - 400083
 Tel: 022 49186270
 Fax: 022 49186060

REQUESTS TO MEMBERS

All correspondence regarding transfer and demat of shares may be addressed to our Registrar and Share Transfer Agent.

Members are requested to bring their copy of Annual Report to the Meeting.

Members requiring any information about the accounts are requested to write to the Company at least one week before the date of the meeting so that the information may be made available at the meeting.

Members can address their grievance to our Registrar and Share Transfer Agent at nt.helpdesk@linkintime.co.in and to us at mcompliance@merck.com

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NOTICE

NOTICE is hereby given that the Sixty-Ninth Annual General Meeting of the Members of FULFORD (INDIA) LIMITED will be held at the Registered Office of the Company situated at Platina, 8th Floor, Plot No. C-59, G-Block, Bandra-Kurla Complex, Bandra East, Mumbai 400098 on Monday, September 25, 2017 at 11.30 a.m. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements (including Consolidated Financial Statements) of the Company for the Financial Year ended March 31, 2017, the Reports of the Board of Directors and Auditors thereon.
2. To declare dividend on equity shares.
3. To appoint a Director in place of Ms. Hwee Ping Chua (holding DIN 02930545), who retires and being eligible, offers herself for re-appointment.
4. Ratification of Appointment of Auditors

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

“RESOLVED THAT pursuant to the provisions of Section 139,142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification (s) or re-enactment thereof, for time being in force), the Company hereby ratifies the appointment of Lovelock & Lewes, Chartered Accountants (Firm Registration No. 301056E), as the Auditors of the Company, to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of Seventieth AGM of the Company to be held in the year 2018 to examine and audit the accounts of the Company at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

SPECIAL BUSINESS

5. Appointment of Mr. Vivek Vasudev Kamath as an Executive Director

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

“RESOLVED THAT Mr. Vivek Vasudev Kamath (holding DIN 06606777), who was appointed as an Additional Director of the Company with effect from January 17, 2017 in terms of Section 161(1) of the Companies Act, 2013 and whose term of office expires at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director of the Company, be and is hereby appointed as an Executive Director of the Company, liable to retire at each Annual General Meeting.

RESOLVED FURTHER THAT any Director or Company Secretary of the Company, be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

6. Appointment of Mr. Sameer Tamhane as a Non-Executive Director

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

“RESOLVED THAT Mr. Sameer Tamhane (holding DIN 02748108), who was appointed as an Additional Director of the Company with effect from January 14, 2017 in terms of Section 161(1) of the Companies Act, 2013 and whose term of office expires at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Non-Executive Director of the Company, liable to retire at each Annual General Meeting.

RESOLVED FURTHER THAT any Director or Company Secretary of the Company, be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

7. Appointment of Mr. Pramod Lele as a Non-Executive Director

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

“RESOLVED THAT Mr. Pramod Lele (holding DIN 00106902), who was appointed as an Additional Director of the Company with effect from August 18, 2017 in terms of Section 161(1) of the Companies Act, 2013 and whose term of office expires at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Non-Executive Director of the Company.

RESOLVED FURTHER THAT any Director or Company Secretary of the Company, be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

8. Appointment of Mr. Pramod Lele as an Independent Director

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Pramod Lele (holding DIN: 00106902), Director of the Company, in respect of whom, the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five (5) consecutive years for a term upto August 17, 2022.”

9. Appointment of Mr. Vivek Vasudev Kamath as a Managing Director

To consider and, if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

“RESOLVED THAT subject to the provisions of Section 197, 198 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory re-enactments thereof for time being in force) and Article 110 and 130 of the Articles of Association of the Company, consent of the Company be and is hereby accorded to the appointment of Mr. Vivek Vasudev Kamath (holding DIN 06606777) as Managing Director, for a period of five years with effect from March 1, 2017, at a remuneration as detailed in the explanatory statement annexed hereto and the agreement to be entered into between the Company and Mr. Vivek Vasudev Kamath, a copy whereof initialed by the Chairman is hereby specifically sanctioned with liberty and power to the Board to alter and vary the terms and conditions, in such manner as the Board may deem fit within the limits specified in Schedule V of the said Act, as existing or as amended, modified or re-enacted from time to time by the Government of India.

RESOLVED FURTHER THAT in case of absence or inadequacy of profit in any year, the aforesaid remuneration shall be paid to Mr. Vivek Vasudev Kamath as minimum remuneration.

RESOLVED FURTHER THAT the Nomination and Remuneration Committee and the Board of Directors of the Company are authorised to make such modifications in the foregoing as may be considered by them to be in the best interest of the Company and the shareholders.”

10. Alteration of Articles of Association of the Company

To consider and, if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to Section 14 and all other applicable provisions, if any, of the Companies Act, 2013, the Articles of Association of the Company be and is hereby amended, altered in the manner and to the extent as set out herein below:

Article 134 of the Articles of Association shall be substituted by the following new Article 134:

134. The Directors may meet together as a Board for the dispatch of business from time to time, and shall so meet at least once in every one hundred and twenty days and at least four such meetings shall be held every year. The Directors may adjourn and otherwise regulate their meetings as they think fit.”

11. Approval of remuneration of Cost Auditor for the Financial Year ended March 31, 2018

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

“RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification (s) or re-enactment thereof for the time being in force), the remuneration of INR 80,000/- (Rupees Eighty Thousand Only) plus applicable taxes and reimbursement of out of pocket expenses for the Financial Year ending March 31, 2018, as approved by the Board of Directors of the Company, payable to GMVP & Associates LLP (LLPIN:- AAG-7360) for conducting the Cost Audit of the records maintained by the Company, be and is hereby ratified.

RESOLVED FURTHER THAT any Director or Company Secretary of the Company, be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

By Order of the Board of Directors

Vivek Vasudev Kamath
Managing Director
DIN 06606777

Mumbai, August 23, 2017

Registered Office:

8th Floor, Platina, Plot No. C-59,
G-Block, Bandra-Kurla Complex,
Bandra (East), Mumbai: 400098.
CIN U99999MH1948PLC006199

www.fulfordindia.com

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF, ON A POLL ONLY AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.** However, Proxy Forms duly stamped, completed and signed, should be deposited at the Registered Office of the Company not less than 48 hours before the Meeting.
2. In terms of Section 105 of the Companies Act, 2013 read with Rule 19 of the Companies (Management and Administration) Rules, 2014, a person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other shareholder.
3. Corporate Members intending to send their authorized representative (s) to attend the Annual General Meeting are requested to forward a certified copy of Board Resolution authorizing their representative to attend and vote at the Annual General Meeting ("AGM") either to the Company in advance or submit the same at the venue of the Annual General Meeting.
4. Route Map of the venue of the AGM is annexed to the Annual Report. Attendance slip and proxy form are separately inserted along with the Annual Report.
5. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the AGM.
6. Members are requested to notify any change in their address immediately to the Company or to Link Intime India Private Limited, Mumbai, the Company's Registrar and Share Transfer Agent.
7. Dividend, if approved by the Members at the Annual General Meeting will be paid on or before October 24, 2017 to the Members as under:
 - to all beneficial owners in respect of shares held in dematerialized form as per the data as may be made available by the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) as of the close of business hours on September 18, 2017.
 - to all Members in respect of shares held in physical form after giving effect to valid transfers in respect of transfer requests lodged with the Company on or before the close of business hours on September 18, 2017.
8. In terms of Section 124 and 125 of the Companies Act, 2013, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of transfer to the unpaid dividend account is required to be transferred to the Investor Education and Protection Fund. Members shall not be able to claim any unpaid dividend from the Company thereafter. Members who have not encashed the dividend warrants/demand drafts for the years 2010, 2011, 2012, 2013-14 and 2014-15 are requested to contact the Company's Registrar and Share Transfer Agent. Outstanding Dividend for the year 2009 was transferred to the Investor Education and Protection Fund in June 2017.
9. Members can avail of the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of Section 72 of the Companies Act, 2013. Members desiring to avail this facility may send their nomination in the prescribed Form SH 13 duly filled in to the Company's Registrar and Share Transfer Agent. The prescribed form in this regard may also be obtained from the Company's Registrar and Share Transfer Agent. Members holding shares in electronic form are requested to contact their Registrar and Depository Participant directly for recording their nomination.
10. The Company has already executed tripartite agreements with both the depositories viz. Central Depository Services (India) Limited (CDSL) and National Securities Depositories Limited (NSDL) and Link Intime India Private Limited, the Company's Registrar and Share Transfer Agent. Accordingly, the equity shares of the Company can be held in an electronic form with any Depository Participant (DP) with whom the Members have their Depository Account. The ISIN allotted to the equity shares of the Company is INE521A01017. In view of the numerous advantages offered by the Depository System, members who are yet to dematerialize their shares are requested to avail of the facility of dematerialization.

11. The Ministry of Corporate Affairs (MCA) has taken a “Green Initiative in Corporate Governance” allowing paperless compliances through electronic mode. Companies are now permitted to send various notices/documents to its Members through electronic mode to their registered email addresses. This move by the Ministry is welcome since it will benefit the society at large through reduction in paper consumption and contribution towards a Greener Environment. We propose to send all documents to Members like General Meeting Notices (including AGM), Audited Financial Statements, Directors’ Report, Auditors’ Report, etc. in electronic form, to the email address provided by them. These documents will also be available at our Registered Office in Mumbai for inspection between 2 p.m. and 4 p.m. on all working days except Saturdays and Sundays and Company declared holidays and the same will also be displayed on the website of the Company www.fulfordindia.com. The Shareholders can address their request to the Company at micompliance@merck.com.
12. In compliance with the 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 votes at the 69th AGM by electronic means and the business may be transacted through e-voting as per instructions given below:
 - (a) Date and time of commencement of voting through electronic means: September 22, 2017 from 9.00 a.m.
 - (b) Date and time of end of voting through electronic means beyond which voting will not be allowed: September 24, 2017 at 5.00 p.m.
 - (c) Details of Website: www.evotingindia.com
 - (d) The e-voting module shall be disabled for voting on September 24, 2017 at 5.00 p.m. Once the vote on a resolution is casted by the shareholder, the shareholder shall not be allowed to change it subsequently. The voting right of shareholders shall be in proportion to their share in the paid up equity share capital of the Company as on the cut- off date (record date) as on September 18, 2017.
 - (e) Mr. Alwyn D’souza, Practicing Company Secretary of Alwyn D’souza & Co., Company Secretaries, Mumbai, has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
 - (f) The facility for voting, either through electronic voting systems or polling paper shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting.
 - (g) The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
13. The instruction for e-voting are as under:
 - (i) The voting period begins on September 22, 2017 at 9.00 a.m. and ends on September 24, 2017 at 5.00 p.m. During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 18, 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
 - (iii) Click on shareholders,
 - (iv) 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.
 - (v) Next enter the Image Verification as displayed and Click on Login.

- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	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)
	Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Attendance Slip indicated in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.
	For Members holding shares in Demat Form and Physical Form
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio.</p> <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or Company please enter the member id/folio number in the Dividend Bank details field as mentioned in instruction (iv).

* Permanent Account Number

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTIONS DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option No implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out a print of the voting done by you by clicking on “Click here to print” option on the voting page.
- (xvii) If Demat account holder has forgotten the same password, enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non-Individual Shareholders and Custodian.