

32nd Annual Report 2017-18

MESCO PHARMACEUTICALS LIMITED

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. N.S. Parameswaran
Mr. Jitendra Kumar Singh
Mr. Dushyant Kumar Singh
Mr. Rajeev Moudgil
Mr. Subhash Chander Seth
Mrs. Savita Sethi

Managing Director
Director
Director
Independent Director
Independent Director
Independent Director

REGISTERED OFFICE

CIN: L24111UR1986PLC015895
Upper Kesalton, Tallital,
Nainital-263001, Uttarakhand
Tel: 9871862796
Website: www.mescopharma.com

STATUTORY AUDITOR

M/s Sangram Paul & Co.
Chartered Accountants
754-15 Jayadev Vihar.
Bhubaneswar - 75 1 013
Ph.: 0674-2360863.

REGISTRAR AND SHARE TRANSFER AGENT

Skyline Financial Services Private Limited
Address: D-153A,
Okhla Industrial Area, Phase-I
New Delhi- 110 020
Tel: 011-26812682
E-mail: admin@skylinerta.com

CORPORATE OFFICE

H-1, Zamrudpur Community Centre,
Kailash Colony, New Delhi-110 048
Tel: 011-40587085
E-mail: nsparameswaran@mescosteel.com
Website: www.mescopharma.com

SECRETARIAL AUDITOR

M/s R S B & Associates
Company Secretaries
Inder Bhawan, Near TV Centre,
Tulsiapur, Cuttack-753 008, Odisha

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NOTICE
MESCO PHARMACEUTICALS LIMITED

CIN: L24111UR1986PLC015895

Registered Office: Upper Kesalton, Tallital, Nainital-263 001, Uttarakhand

Website: www.mesopharma.com, E-mail: nsparameswaran@mescosteel.com, Tel No. +91-9871862796

Notice is hereby given that the Thirty Second Annual General Meeting of the shareholders of Mesco Pharmaceuticals Limited will be held on Saturday, 29th September, 2018 at 11:00 A.M. at Upper Kesalton, Tallital, Nainital-263 001, Uttarakhand to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statements for the Financial Year ended on 31st March, 2018 together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Jitendra Kumar Singh (DIN: 00090649), 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 **Special Resolution**

RESOLVED THAT in pursuant to the provisions of Section 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and Articles of Association of the Company and subject to the approval of Central Government or other authority, if any, and subject to the approval of shareholders of the Company, Mr. Nurani Shankar Parameswaran (DIN: 00091097) be and is hereby appointed as Managing Director of the Company for a period of three years with effect from 30.09.2018 on the terms and conditions including remuneration as set out in the Explanatory statement annexed to the Notice convening this Annual General Meeting.

RESOLVED FURTHER THAT subject to necessary permissions / approvals, the Board of Directors of the Company be and is hereby authorised to fix, vary, reduce or amend the remuneration and other terms of his reappointment from time to time, as it may deem expedient or necessary during the tenure of his appointment or as may be prescribed by the authorities giving such sanction or approval.

RESOLVED FURTHER THAT the aggregate remuneration shall not exceed the limits provided in Section 197 of the Act and that the consent of the members be and is hereby accorded pursuant to Schedule V and other applicable provisions of the Act, if any, and subject to such approvals as may be necessary, including Central Government approval, that where in any Financial Year during the currency of tenure of Mr. N. S. Parameswaran as Managing Director, the Company has no profits or its profits are inadequate, the Company shall pay to him remuneration by way of salary and perquisites approved herein supra, as minimum remuneration.

RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall be deemed to include any Committee thereof which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution) be and is hereby authorized to do and perform or cause to be done all such acts, deeds, matters and things, as may be required or deemed necessary or incidental thereto, and to settle and finalize all issues that may arise in this regard, without further referring to the Members of the Company, including without limitation finalizing and executing any agreement, deeds and such other documents as may be necessary and to delegate all or any of the powers vested or conferred herein to any Director(s) or Officer(s) of the Company as may be required to give effect to the above resolutions.

RESOLVED FURTHER THAT any Director of the Company be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and sign and execute all applications, documents and writings that may be required, on behalf of the Company and generally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid Resolution.

By order of the board
For Mesco Pharmaceuticals Ltd

Nurani Shankar Parameswaran
DIN: 00091097
Managing Director
N-1/152, I.R.C. Village, Bhubaneswar-751
015, Odisha

Date: 14th August, 2018
Place: New Delhi

NOTES

1. An Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 relating to the Special Business to be transacted at the ensuing Annual General Meeting is appended hereto.
2. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member of the company. a blank form of proxy is enclosed herewith and, if intended to be used, it should be returned duly completed at the registered office of the company or at skyline financial services private limited, at D-153A, 1st floor, Okhla Industrial Area, Phase-1, New Delhi-110020 not less than forty eight hours before the scheduled time of the commencement of annual general meeting.
3. A person can act as proxy on behalf of members not exceeding fifty in number and holding in the aggregate not more than 10% of the total share capital of the company carrying voting rights. however, a member holding more than 10% 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 proxy for any other person or shareholder.
4. Every member entitled to vote at the meeting, or on any resolution to be moved thereat, shall be entitled during the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, to inspect the proxies lodged, at any time during the business hours of the company, provided not less than three days' notice in writing of the intention so to inspect is given to the company.

5. Corporate Members intending to send their authorised representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
6. The Share Transfer Books and Register of Members of the Company will remain closed from Tuesday, 25th September, 2018 to Saturday, 29th September, 2018 (both days inclusive).
7. The Shareholders/Proxies are requested to produce at the Registration Counter(s) the attendance slip duly completed and signed, for admission to the meeting hall. However, in case of non-receipt of Notice of Annual General Meeting, members are requested to write to the Company at its registered office for issuing the duplicate of the same or download the same from Company's website www.mescopharma.com
8. In case you have any query relating to the enclosed Annual Accounts you are requested to send the same to the Managing Director at the Registered Office of the Company at least 10 days before the date of Annual General Meeting so as to enable the management to keep the information ready for replying at the meeting.
9. The Board of Directors has appointed Mr. Robinderpall Singh Batth, Practicing Company Secretary (Certificate of Practice No3836.), as the Scrutinizer for conducting poll in a fair and transparent manner.
10. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the AGM by Ballot papers and thereafter unlock the votes casted through remote e-voting in the presence of at least two witnesses not in the employment of the Company. The Scrutinizer shall, within 24 hours from the conclusion of the AGM, prepare and present a consolidated report of the total votes cast in favour or against, if any, to the Chairman or any other Key Managerial Personnel who shall countersign the same and declare the results of the voting within 48 hours of conclusion of Annual General Meeting.
11. The results declared along with the report of Scrutinizer shall be placed on the website of the Company i.e. www.mescopharma.com and on the website of CDSL immediately after the declaration of results by the Chairman or any other Key Managerial Personnel. The results shall also be forwarded to the Stock Exchange within 48 hours of the conclusion of Annual General Meeting.

Pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards-2 issued by ICSI the brief profile of Director eligible for re-appointment vide item no. 2 is as follows:-

Particulars	Mr. Jitendra Kumar Singh	Mr. N S Parameswaran
DIN	00090649	00091097
Age	73 Years	82
Date of appointment	26 th September, 1945	01/01/2015
Qualifications	Graduation	Masters
Expertise in specific functional areas	Mr. J. K. Singh is specialized in metallurgy, with a graduation from Yale University, USA in 1966. He is the founder promoter of the MESCO group. He is a driving force behind a host of companies in the MESCO group and the man on whose vision this group is established. MESCO has gone from strength to strength under his able business guidance and entrepreneurship.	Mr N S Parameswaran is a fellow member of institute of company secretaries of India. He has over forty years of experience in accounts, finance and law.

Directorships in other Companies	Twenty First Century Finance Ltd. Mesco Logistics Ltd. Mesco Hotels Ltd. Mesco India Ltd. Mideast (India) Limited Mesco Pharmaceuticals Limited Mesco Kalinga Steel Limited Mesco Mining Limited Maithan Ispat Limited	Forrester Foods Private Limited Mesco Laboratories Limited Saarc Helicopters Private Limited Twenty First Century Finance Ltd Chrisp Solutions Private Limited
Memberships / Chairmanships of committees of other public companies (includes only Audit Committee and Stakeholders' Relationship Committee.)	Mesco Kalinga Steel Limited- Member Audit Committee Mesco Mining Limited- Chairman Audit Committee Mideast (India) Limited- Member Audit Committee, Stakeholder Relationship Committee	Nil
Number of shares held in the Company	192000 Shares	-
Relationship with any Director(s) of the Company	Brother of Mr. Dushyant Kumar Singh, Director of the Company	-
Terms & Conditions of Appointment/Re-appointment	Re-appointment pursuant to Section 152 of Companies Act, 2013	Appointment as Managing Director subject to retire by rotation
Remuneration Details	NIL	As given in the explanatory statement to Annual Report
No. of Board meetings attended out of 4 meetings held during the year	3	

All the documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company on all working days between 11.00 am to 1.00 pm up to the date of Annual General Meeting. The Register of Directors' and Key Managerial Personnel & their Shareholding and the Register of Contracts & Arrangements in which directors are interested shall be open for inspection at the meeting to any person having right to attend the meeting.

By order of the board
For Mesco Pharmaceuticals Ltd

Nurani Shankar Parameswaran
DIN: 00091097
Managing Director
N-1/152, I.R.C. Village, Bhubaneswar-751 015,
Orissa

Date: 14th August, 2018
Place: New Delhi

**EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO
SECTION 102 OF THE COMPANIES ACT, 2013**

Item No. 3

It is proposed to re-appoint Mr. N. S. Parameswaran as Managing Director of the Company w.e.f. 30.09.2018. Mr. NS Parameswaran has more than 50 years' experience in Industry and has been associated with the group for more than 20 years. He is a member of ICSI since 1973 and at present he is a fellow member. He has worked in the Accountant General Office, was Accounts officer of the largest aircraft manufacturing company in India. He was also a company secretary in NALCO one of the Navratan Companies being largest companies in India and one of the 7 largest companies in the world.

Mr. Parameswaran, as is very senior, experienced and reliable and is associated with the group since long, is recommended to be appointed as Managing Director of the Company. He is largely responsible for the efficient operations of the Company, governance and its excellent financial performance.

The Board of Directors, at their meeting held on 14.08.2018 considered re-appointment of Mr. N S Parameswaran with increased role and responsibility by elevating him as Managing Director of the Company. The term of his re-appointment as Managing Director will be for a period of three years w,e,f 30.09.2018. He shall be paid a total remuneration of Rs. 10,00,000 Lakhs per annum including all perquisites provided that company makes an yearly profit of Rs.1,00,00,000.

None of the Directors and/or Key Managerial Personnel of the Company or their relatives, except Mr. N. S. Parameswaran are in any way concerned or interested in the resolution.

All documents referred to in the above item will be available for inspection at the Company's Registered Office on all working days, except Saturdays and Sundays between 2 P.M to 4 P.M upto the date of the Annual General Meeting.

DIRECTORS' REPORT**To The Members
Mesco Pharmaceuticals Ltd**

Your Directors are pleased to present 32nd Annual Report and the Statement of Accounts for the financial year ended on March 31, 2018

FINANCIAL HIGHLIGHTS

(Amount in Rs.)		
Particulars	2017-18	2016-17
Revenue from operations	-	-
Other Income	-	-
Profit/(Loss) before Tax	(8,73,490)	(25,79,969)
Tax Expenses:		
Current Tax	-	-
Earlier Years	-	9,705
Profit/(Loss) after Tax	(8,73,490)	(25,89,674)
Transfer to General Reserve	-	-
Reserves and surpluses	(30,24,31,993)	(30,15,58,502)
Earnings per share	(0.04)	(0.13)

COMPANY PERFORMANCE/ STATEMENT OF COMPANY'S AFFAIR

During the year under review there was no operation of business. Your Directors are putting in their best efforts to find out various alternatives to revive the company.

CHANGE IN NATURE OF BUSINESS OF THE COMPANY

There has been no change in the nature of business of the Company.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY.

Save as mentioned elsewhere in this Report, no material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year of the Company-31st March, 2018 and the date of this Report.

Your Company has filed the application for revocation of suspension of its trading of its equity shares at Bombay Stock Exchange. The Company has received in-principal approval letter for listing of its equity shares at Bombay Stock Exchange. The Company is in process of making trading application to Bombay Stock Exchange.

TRANSFER TO RESERVES

Your Board of Directors does not appropriate any amount to be transferred to General Reserves during the year under review.

DIVIDEND

Directors have not recommended any dividend for the financial year ended on 31st March, 2018.

MANAGEMENT DISCUSSION AND ANALYSIS

A detailed report on the Management Discussion and Analysis is provided as a separate Section in the Annual Report which forms part of the Directors Report.

SHARE CAPITAL

During the year under review the paid up Equity Share Capital as on 31st March, 2018 is Rs. 19,73,81,000 divided into 1, 91,55,600 equity shares of Rs 10 each fully paid up and 11,65,000 equity shares of Rs 5 each partly paid up. During the year under review, the Company have not issued any shares. The Company has not issued shares with differential voting rights. It has

neither issued employee stock options nor sweat equity shares and does not have any scheme to fund its employees to purchase the shares of the Company.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

Pursuant to Section 134(3) (g) of the Companies Act, 2013 details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are provided in Notes to the Financial Statements.

DISCLOSURE ON DEPOSITS

The Company has neither accepted nor renewed any deposits during the Financial Year 2017-18 in terms of Chapter V of the Companies Act, 2013.

REPORT ON SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

The Company has no subsidiaries, associates and joint ventures companies.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

- a) **Conservation of Energy & Technology Absorption:** Since the Company is not engaged in any manufacturing activity, issues relating to conservation of energy and technology absorption are not given.
- b) **Export Activities:** There was no export activity in the Company during the year under review.
- c) **Foreign Exchange Earnings and Outgo:** The Income & Expenditure in foreign exchange is as under during the year under review:

Foreign Exchange outgo	:	Rs. Nil (previous year Rs. Nil)
CIF Value of Imports	:	Rs. Nil (previous year Rs. Nil)
Foreign Exchange Earning	:	Rs. Nil (previous year Rs. Nil)

LISTING

At present, the equity shares of the Company are listed at Bombay Stock Exchange Ltd. (BSE), Calcutta Stock Exchange and Ahmedabad Stock Exchange but trading of shares of the Company is suspended on the exchange(s) due to non-resolution of investor complaints. However, the company has filed the application for revocation of suspension of its trading of its equity shares at Bombay Stock Exchange and received in-principal approval letter for listing of its equity shares.

CORPORATE GOVERNANCE

In terms of Regulation 34 of the SEBI (LODR) Regulations, 2015, a Report on Corporate Governance along with Compliance Certificate issued by Statutory Auditors of the Company is provided as a separate Section in the Annual Report which forms integral part of this Report (hereinafter "Corporate Governance Report")

CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under review, there were no change in Directors and Key Managerial Personnel of the Company.

However Mr Pawan Sharma, Company Secretary & Compliance Officer of the Company resigned from the Company w.e.f. 3rd April, 2018. The Company is in a process of appointing Company Secretary and Compliance Officer in the Company. Mr. N S Parameswaran, Managing Director of the Company is acting as interim compliance officer of the Company.

Board of Directors of your company is its meeting held on 14th August, 2018 has recommended reappointment of Mr. NS Parameswaran as a Managing Director of the Company w.e.f. 30th September, 2018 which is placed for shareholders approval in the AGM.

RETIRE BY ROTATION OF DIRECTOR