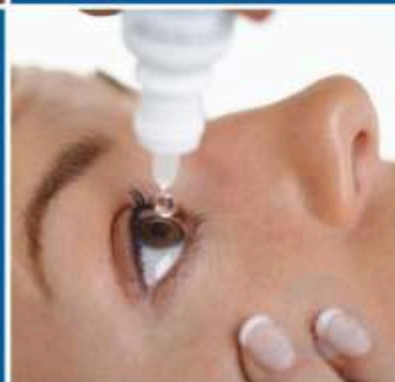




SYNCOM

FORMULATIONS (I) LTD.

A WHO-GMP & ISO 9001-2008 CERTIFIED COMPANY



2014-2015

27th ANNUAL REPORT



SYNERGISTIC COMBINATION FOR HEALTH

पान
में चैन

CRATUS
LIFE CARE

KILAC

Caplet / Oil / Ointment



किलएक

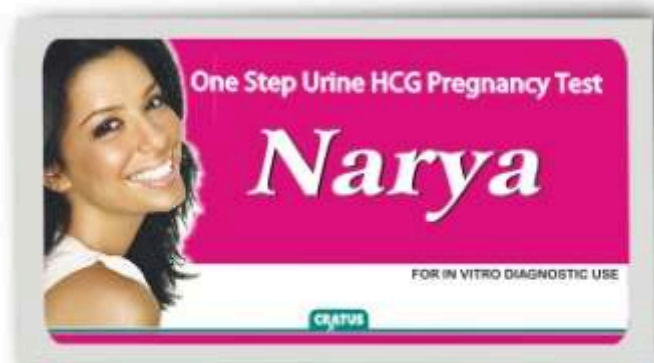
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सूजन नाशक



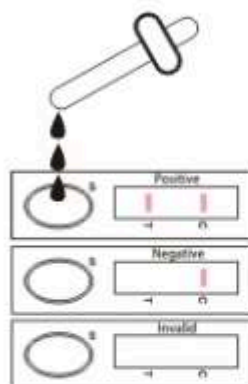
KILLS ACES & PAINS

Narya

Urine HCG Pregnancy Test



Pregnancy Detection Card



CRATUS
LIFE CARE

**BOARD OF DIRECTORS**

Shri Kedarmal Bankda
Chairman (Executive) & WTD

Shri Vijay Shankarlal Bankda
Managing Director

Shri Vinod Kumar Kabra
Independent Director

Shri Krishna Das Neema
Independent Director

Shri Praveen Jindal
Independent Director

Smt. Rinki Bankda
Women Director(w.e.f.13.08.2014)

AUDIT COMMITTEE

Shri Krishna Das Neema
Chairman

Shri Praveen Jindal

Shri Vinod Kumar Kabra

STAKEHOLDERS' RELATIONSHIP COMMITTEE

Shri Krishna Das Neema
Chairman

Shri Praveen Jindal

Shri Vinod Kumar Kabra

NOMINATION AND REMUNERATION COMMITTEE

Shri Krishna Das Neema
Chairman

Shri Praveen Jindal

Shri Vinod Kumar Kabra

CSR COMMITTEE

Shri Kedarmal Shankarlal Bankda
Chairman

Shri Vijay Shankarlal Bankda

Shri Krishna Das Neema

RISK MANAGEMENT COMMITTEE

Shri Vijay Bankda
Chairman

Shri Krishna Das Neema

Smt. Rinki Ankit Bankda

COMPANY SECRETARY & HEAD COMPLIANCE

Ms. Praniti Porwal
Company Secretary & Compliance Officer

CHIEF FINANCIAL OFFICER

Shri Ankit Kedarmal Bankda

AUDITOR

S.P. Moondra & Co.,
Chartered Accountants

SECRETARIAL AUDITORS

D.K.Jain & Co.
Company Secretaries

INTERNAL AUDITOR

Biyani Mittal & Co.
Chartered Accountants

COST AUDITOR

M. Goyal & Co.
Cost Accountants

BANKERS

Dena Bank, Mumbai

REGISTERED OFFICE

7, Niraj Industrial Estate,
Off Mahakali Caves Road,
Andheri (E) Mumbai (MS) 400093
Phone : 022-30887744
Fax : 022- 30887755
Email : Info@sfil.in, finance@sfil.in
Website : www.sfil.in

CORPORATE OFFICE

2nd Floor Tagore Centre,
Dawa Bazar, 13-14, R.N.T.Marg,
Indore (M.P.) 452001
Phone : 0731-3046786
Email : finance@sfil.in
Website : www.sfil.in

WORKS

256-257, Sector I, Industrial Area,
Pithampur (Dhar) M.P. 454774
Phone : 07292 253121, 253404

SHARE TRANSFER AGENT

Ankit Consultancy Pvt. Ltd.
Plot No. 60, Electronic Complex,
Pardeshipura, Indore-1 (M.P.)
Phone : 0731-2551745,
Email : ankit_4321@yahoo.com

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NOTICE FOR THE 27th ANNUAL GENERAL MEETING

Notice is hereby given that 27th Annual General Meeting of the members of SYNCOM FORMULATIONS (INDIA) LIMITED will be held on Friday the 25th day of September, 2015 at 2.00 p.m. at Ginger Hotel, Ground Floor, Bindra Corporate Centre, Mahakali Caves Road, Andheri (E), Mumbai-400093 to transact the following businesses:

ORDINARY BUSINESSES:

1. To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements containing the Balance Sheet as at March 31, 2015, the Statement of Profit & Loss and Cash Flow Statement for the financial year ended March 31, 2015 and the Reports of the Boards' and Auditors thereon.
2. To declare dividend on equity shares of the Company for the financial year ended 31st March, 2015.
3. To appoint a director in place of Shri Vijay Shankarlal Bankda (DIN00023027) who is liable to retire by rotation and being eligible, offers himself for re-appointment.
4. To ratify the appointment of statutory auditors of the Company, and to fix their remuneration and to pass the following resolution as an Ordinary Resolution thereon:

RESOLVED THAT pursuant to section 139, 142 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder and pursuant to the resolution passed by the members at the 26th Annual General Meeting held on 22nd day of September, 2014 for the appointment of M/s S.P. Moondra & Co. Chartered Accountants (Firm Registration No. 004879C) as the Auditors of the Company to hold office till the conclusion of the 29th Annual General Meeting of the Company to be held in the year 2017 be and is hereby ratified their re-appointment for the year 2015-16 and the Board of Directors be and is hereby authorized to fix the remuneration payable to them as may be determined by the Audit Committee in consultation with the Auditors.

SPECIAL BUSINESS:

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

RESOLVED THAT pursuant to section 148 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, pursuant to recommendations of the Audit Committee of the Board of Directors and pursuant to the resolution passed by the Board of Directors at their meeting held on 30th May, 2015, M/s M. Goyal & Co., is appointed as the Cost Auditors for conducting Cost Audit for the financial year 2015-16 on a remuneration of Rs. 25,000/- be and is hereby ratified for the Financial year 2015-16.

Place: Indore

By order of the Board of Director

Date : 13th August, 2015

Registered Office :

CIN: L24239MH1988PLC047759

7, Niraj Industrial Estate,

Off Mahakali Caves Road,

Andheri (East), Mumbai (MH) 400093

PRANITI PORWAL
Company Secretary

ACS : 35282

NOTES :

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself. The proxy need not be a member of the company. A blank form of proxy is attached herewith and, if intended to be used, it should be returned duly completed at the registered office of the company not less than 48 hours before the scheduled time of the commencement of 27th Annual General Meeting.
2. A person can act as a proxy on behalf of members not exceeding 50 in numbers and holding in aggregating 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 a proxy and such person shall not act as a proxy for any other person or member.
3. The explanatory statement pursuant to section 102 of the Companies Act, 2013 is annexed and forms part of the notice.
4. The Company's Register of Members and Share Transfer books shall remain closed from Saturday the September, 19th 2015 to Friday, the September 25th 2015 (both days inclusive) for the purpose of the Annual General Meeting

and ascertainment for entitlement of payment of dividend to the members whose names appear in the Register of members and the records of the beneficiaries of the CDSL and NSDL on the date of the Annual General Meeting.

5. The Members are requested to:

- a) Intimate changes, if any, in their registered addresses immediately.
 - b) Quote their ledger folio number in all their correspondence.
 - c) Hand over the enclosed attendance slip, duly signed in accordance with their specimen registered with the Company for admission to the meeting place.
 - d) Bring their Annual Report and Attendance Slips with them at the AGM venue.
 - e) Send their Email address to us for prompt communication and update the same with their D.P to receive softcopy of the Annual Report of the Company.
6. The report on the Corporate Governance and Management Discussion and Analysis also form part to the report of the Board.
 7. Members seeking any information are requested to write to the Company by email at finance@sfil.in at least 7(seven) days before the date of the AGM to enable the management to reply appropriately at the AGM.
 8. Members are requested to notify immediately any change in their address and E-Mail ID to their respective Depository Participants (DPs) in respect of their electronic share accounts and to the Registrar and Share Transfer Agent of the Company at Ankit Consultancy Pvt. Ltd. Plot No. 60, Electronic Complex, Pardeshipura, Indore (M.P.).
 9. Electronic copy of the Annual report is being sent to the members whose email IDs are registered with the Company /Depository Participants 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 is being sent in the permitted mode.
 10. Members may also note that the Annual Report for FY 2014-15 will be hosted on Company's website www.sfil.com.
 11. Corporate Members intending to send their authorized representatives to attend the Annual General Meeting needs to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Meeting.
 12. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the registered office of the Company on all working days, except Saturday, between 11:00 A.M and 1:00 P.M up to the date of the meeting
 13. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the AGM.
 14. Members who has not received the dividend for the year 2007-08 to 2013-14 are requested to please approach to the Company for obtaining duplicate dividend warrants/ cheque, please note that the amount remained unpaid or unclaimed for the year 2013-14 for a period upto 7 years, i.e. 28th Nov., 2015 shall be transferred to the IEPF of the Central Government and no claim in respect thereof shall be entertained by the Company thereafter.
 15. Voting through electronic means:
In compliance with the provisions of Section 108 of the Companies Act, 2013 and the Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015, the Company is pleased to provide its members the facility to exercise their right to vote at the 27th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL). The Company shall provide facility for voting through polling paper which shall be available at the meeting and members attending the meeting who have not already casted their vote by remote e-voting shall be able to exercise their right to vote at the meeting.
The Members who have casted 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.



The cut-off date for the purpose of voting (including remote e-voting) is Friday, the 18th Sept., 2015

The remote e-voting facility will be available during the following period after which the portal shall forthwith be blocked and shall not be available:-

Commencement of remote e-voting	09.00 am (IST) on Tuesday 22nd Sept., 2015
End of remote e-voting	05.00 pm (IST) on Thursday, 24th Sept., 2015

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

Members are requested to carefully read the below mentioned instructions for remote e-voting before casting their vote.

A. In case a Member receives an email from NSDL: [for members whose email IDs are registered with the Depository Participants(s)]

(i) Open email and open PDF file viz: (File Name) The said PDF file contains your user ID and password/ PIN for e-voting.

(ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>

(iii) Click on Shareholder – Login

(iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.

(v) If you login first time, Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or a combination thereof. 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 e-voting opens. Click on e-Voting: Active Voting Cycles.

(vii) Select "EVEN"(E-voting Event Number) of Syncom Formulations (India) Ltd.

(viii) Now you are ready for 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 & Corporate 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 finance@sfil.in with a copy marked to evoting@nsdl.co.in

B. In case Email ID of the member is not registered with the depository participant and members holding shares in Physical Form:

(i) Initial password will be provided/ Intimated through Letter from our Registrar:

EVEN (E Voting Event Number)	USER ID	PASSWORD/PIN

(ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

I. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of www.evoting.nsdl.com

II. If you are already registered with NSDL for e-voting then you can use your existing user ID and password/PIN for casting your vote.

III. 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).

IV. 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 Friday, date of 18th Sept., 2015.

V. CS Anish Gupta, Practicing Company Secretary (FCS No.5733, CP-4092) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

VI. The scrutinizer shall after the conclusion of voting at the meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and make, not later than three days of conclusion of the meeting a Consolidated Scrutinizer's Report of the total votes cast in favor or against, if

any, forthwith to the Chairman of the Company.

VII. The results of e-voting, and poll, if any, shall be aggregated and declared on or after the AGM of the Company by the Chairman or by any other person duly authorized in this regard. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.sfil.in and on the website of NSDL within three days of passing of the resolutions at the AGM of the Company and communicated to the BSE Ltd within 48 hours as per listing agreement norms.

VIII. For any other queries relating to the shares of the Company, you may contact the Share Transfer Agents Ankit Consultancy Pvt. Ltd. at the address: Plot No. 60, Electronic Complex, Pardeshipura Indore (M.P.) 452010 Tel- 0731- 3198601, 3198602 Fax-0731-40657 98 Email id: ankit_4321@yahoo.com

EXPLANATORY STATEMENT IN TERMS OF SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 5

The Company is covered under section 148 of the Companies Act, 2013 and as per the Notification No.1(E) dated 31st December, 2014 on the Cost Audit Rules specified by the MCA, your company is required to have the Cost Audit for the Financial Year 2015-16 and for that purpose your Board of directors at their meeting held on 30th May, 2015 has appointed M/s M. Goyal & Co., Cost Accountants for conducting Cost Audit for the financial year 2015-16 on a remuneration of Rs.25,000/- the existing Cost Auditors and as per the requirement of the Companies Act, 2013 the remuneration payable to them is required to be ratified by the members at their Annual Meeting.

Your directors recommend to pass necessary resolution as set out in the Item No. 5 of the notice. None of the directors or Key Managerial Personnel (KMP) or their relatives are concerned or interested in the Resolution.

Place: Indore

By order of the Board of Director

Date : 13th August, 2015

Registered Office :

CIN: L24239MH1988PLC047759

7, Niraj Industrial Estate,
Off Mahakali Caves Road,

Andheri (East), Mumbai (MH) 400093

PRANITI PORWAL
Company Secretary
ACS : 35282



BOARD'S REPORT & MANAGEMENT DISCUSSION AND ANALYSIS

To,
The Members,
Syncom Formulations (India) Limited

The Directors take pleasure in presenting their 27th Annual Report together with the audited consolidated and standalone financial statements of the Company (Syncom) for the year ended March, 31 2015. The Management Discussion and Analysis has also been incorporated into this Report.

1. HIGHLIGHTS OF PERFORMANCE

- Consolidated income for the year increased by 15.06% to Rs 17536.80 Lakhs as compared to Rs 15240.90 Lakhs in the previous year;
- Consolidated net sales for the year was Rs 17339.11 Lakhs as compared to Rs. 15128.85 Lakhs in the previous year, a growth of 14.61%;
- Consolidated profit before tax for the year was Rs 1563.48 Lakhs as compared to Rs. 1392.63 Lakhs in the previous year, a growth of 12.26%
- Consolidated Profit after tax for the year was Rs 975.65 Lakhs as compared to Rs 931.65 Lakhs in 2014, a growth of 4.72%

2. Financial Results

Particulars	Consolidated		Stand Alone	
	31.03.2015	31.03.2014	31.03.2015	31.03.2014
Revenue from Operations (Net) and Other Income	17536.80	15240.90	17536.80	15240.90
Profit Before Tax (PBT)	1563.48	1392.64	1563.48	1392.64
Provision for Tax	587.82	460.98	537.82	460.98
Profit After Tax (PAT)	975.65	931.66	975.65	931.66
Balance brought forward from previous year	705.84	450.76	705.84	450.76
Profit available for Appropriations	1681.49	1382.42	1681.49	1382.42
Appropriations: Proposed Final Equity Dividend	156.13	156.13	156.13	156.13
Tax on Equity Dividend	31.78	26.53	31.78	26.53
General Reserve	785.27	493.91	785.27	493.91
Surplus carried to the next year's account	708.30	705.84	708.30	705.84
EPS (Basic and Diluted)	0.125	0.119	0.125	0.119

3. DIVIDEND

Syncom always strives to enhance stakeholders and customers satisfaction value. In pursuance of the same your directors are pleased to recommend payout of 24th dividend @ Rs. 0.02 (2%) on the equity share of Re.1 each, (Previous year @ Rs 0.02 (2%) of the equity shares of Rs.1/- each) and proposes to pay Rs 156.13 Lacs as dividend (Previous year 156.13 Lacs) subject to approval by the members at the ensuing Annual General Meeting.

4. SHARE CAPITAL

The paid up Capital of Syncom as on 31st March, 2015 was Rs. 78,06,52,180/- divided into 78,06,52,180 equity shares of Rs. 1/- each. During the year under review, Syncom has not issued shares with differential voting rights nor granted stock options nor sweat equity. As on 31st March, 2015, none of the Directors of Syncom hold convertible instruments. Promoters are not holding any security convertible into equity shares during the year 2014-15.

4.1 Transfer to reserves

During the year under review your company proposes to transfer Rs 785.27 Lakhs to the general reserves. (Previous year Rs. 493.91 Lakhs)

5. FINANCE

Cash and cash equivalent as at 31st March, 2015 was Rs 677.35 Lakhs. Syncom 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.

5.1 Deposits

Syncom has not accepted deposit from the public falling within the ambit of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 and there were no remaining unclaimed deposits as on 31st March, 2015.

5.2 Particulars of Loans, Guarantees or Investments

Details of Loans, Guarantees & Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to Financial Statements. (Please refer Note 10 & 11 to the Standalone Financial Statements)

6. ECONOMIC SCENARIO AND OUTLOOK

Demographic trends in both developed & emerging markets create basis for pharmaceuticals sector growth. These include an aging population; increasing population growth & rising wealth; and an increase in lifestyle & at the same time increase in chronic diseases is also been observed. While these trends are heartening from pharmaceutical company's perspective, pharmaceutical companies around the globe continue to be battered by blockbuster drug patent expirations, ever increasing competition from generics makers, and government & health care industry efforts to control costs which is broadly demonstrated by price controls, pro-generic policies & patent challenges. Across the globe, Governments and health care payers are looking at ways to reduce cost of rigidly rising healthcare. In recent times heavy cost of drugs has become a contentious issue & focus remains on reducing the burden on payers. Changing demographics around the world, growing awareness, affordability & patent expires every year worth thousands of Rupees are offering global generic companies tremendous opportunities for consistent growth.

Your Company believes in "Quality and Reliability" and these values have been pillars of success in the international markets. Syncom has been always on the right side of the various regulatory audits and has followed processes recommended by various regulators thereby constantly upgrading by implementing and adopting WHO-GMP guidelines.

7. INDUSTRY STRUCTURE AND OPPORTUNITIES

An analysis by IMS shows that the Indian Pharmaceuticals Market will likely grow between 10% and 11% year on year to more than 1 lakh crore by 2018. This growth will be driven by increasing affordability, increasing access particularly as private providers expand to lower tier towns and cities and favorable demographic factors-an overall increase in Indian population as well as increased prevalence of chronic, non-communicable diseases such as cardiovascular diseases, diabetics & cancer.

Several large selling drugs going off patent over next few years & increasing use of pharmaceutical generics in developed markets to reduce healthcare cost will provide attractive growth opportunities to generics manufacturers and thus Indian Pharmaceutical industry is poised for an accelerated growth in the coming years. For the near future, the Company has identified specific opportunities to leverage this growth, capitalize on its strengths & position itself as a leading science driven pharmaceutical company.

8. RISKS & CONCERNS

The Pharmaceutical regulatory environment across the world is becoming more stringent including the Indian Pharmaceutical Industry. The Industry witnessed many important changes & challenges which included the New Pharmaceutical Pricing Policy, additional oversight mechanisms for clinical trials, Fixed Dose Combinations (FDCs) and new rules being notified for new drugs as well as clinical trials.

Various Regulatory Committees were formed by the Government to streamline the current processes which resulted in delays of clinical trials & new drug approvals. These processes form an inherent part of the drug development process. The mandatory generics drive by the State Governments will also pose challenges for pharma companies in the near future.

However, poor public healthcare funding & infrastructure, low per capita consumption of medicines in developing and under developed countries including India, currency fluctuations, regulatory issues and inflation and results in all round increase in input costs, are few causes of concern.

Syncom has a Risk Management Policy in force to review and mitigate risks relevant to environmental, operational & business risks to safeguard its interest. Syncom continued investments in manufacturing facilities and its strategy to remain a vertically integrated pharmaceutical business is a critical differentiator to create sustainable competitive advantage not only for products launched in international markets but also for contractual supplies to global generic companies, with a conscious endeavor for market and customer diversification. To de-risk significant concentration of domestic revenues from few brands, the Company's strategy is for focused promotion of specific brands to increase their



share of revenue to overall revenue.

9. CSR INITIATIVES

In view of the profits and turnover of Syncom during the previous three years, it is required to undertake social responsibility projects during the year 2014-15 under the provisions of the section 135 of the Companies Act, 2013 and the rules made there under.

As part of its initiatives under "Corporate Social Responsibility (CSR)", Syncom has undertaken projects in the areas of Education, Livelihood, Health, Water and Sanitation. These projects are largely in accordance with Schedule VII of the Companies Act, 2013.

The Annual Report on CSR activities is annexed herewith as "Annexure A" and the CSR policy is also available at the Company's website at www.sfil.in.

10. OCCUPATIONAL HEALTH & SAFETY (OH&S)

This initiative involved and positively engaged all levels of personnel on the plant and the Company's business. With regard to contractor safety, two key areas of focus identified were Facility Management for the contractors' employees and Equipment, Tools & Material Management. The Facility Management initiative was implemented to ensure adequate welfare facilities for contract labour such as washrooms with bathing facilities, rest rooms, availability of drinking water etc. The Equipment, Tools & Material Management program ensured that the tools used by contractors were safe. The process of screening of contractors was made more stringent to ensure that the contractors were aligned with the Company's objectives to ensure 'Zero Harm'.

11. HUMAN RESOURCES

Many initiatives have been taken to support business through organizational efficiency, process change support and various employee engagement programmes which has helped the Organization achieve higher productivity levels. A significant effort has also been undertaken to develop leadership as well as technical/functional capabilities in order to meet future talent requirement.

Syncom's HR processes such as hiring and on-boarding, fair transparent online performance evaluation and talent management process, state-of-the-art workmen development process, and market aligned policies have been seen as benchmark practices in the Industry. During the year under review, the following Human Resources initiatives received greater focus:

- **Employer of Choice:** Employees are encouraged to express their views and are empowered to work independently. Employees are given the opportunity to learn through various small projects which make them look at initiatives from different perspectives and thus provide them with a platform to become result oriented. This has helped greatly in overall development of the employee and has significantly arrested the attrition rate.
- **Leadership Development:** As a part of leadership development, talented employees have been seconded to the senior leadership team to mentor them and prepare them for the next higher role.
- **Industrial Relations:** Syncom Industrial Relations policy shares relevant business information with the Unions in order to enlighten them and make them sensitive towards business requirements. This has helped to build a healthy relationship and resolve issues through mutual dialogue.

11.1 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. No complaint was received during the year under review.

12. RISK MANAGEMENT POLICY AND INTERNAL ADEQUACY

Syncom has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. These are discussed at the meetings of the Audit Committee and the Board of Directors of Syncom.

Syncom has an Internal Control System, commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the

Board.

Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board. The risk management policy of the Company is also available at the website at www.sfil.in.

13. VIGIL MECHANISM/WHISTLE BLOWER POLICY

Syncom has a vigil mechanism named vigil mechanism/Whistle Blower Policy to deal with instance of fraud and mismanagement, if any. The details of the Risk Management Policy is explained in the Corporate Governance Report and also posted on the website at www.sfil.in. Vigil mechanism/Whistle Blower Policy is attached with the Annual Report as "Annexure B".

14. AUDITED FINANCIAL STATEMENTS OF THE COMPANY'S SUBSIDIARY

As on 31st March, 2015, Syncom has Trade Services FZE foreign subsidiary which is 100% Wholly Owned Subsidiary Company. The Company does not have any associate or joint venture company at the beginning or any time during the year 2014-15.

There has been no change in the number of subsidiaries or in the nature of business of the subsidiaries, during the year under review. In accordance with Section 129(3) of the Companies Act, 2013, Your Company has prepared a consolidated financial statement of Syncom which is forming part of the Annual Report. A statement containing salient features of the financial statements of the subsidiary company in the Form AOC-1 is also included in the Annual Report as the "Annexure C".

In accordance with third proviso of Section 136(1) of the Companies Act, 2013, the Annual Report of your Company, containing therein its standalone and the consolidated financial statements has been placed on the website of the Company, www.sfil.in. Further, as per fourth proviso of the said section, audited annual accounts of the subsidiary company have also been placed on the website of the Company, www.sfil.in. Shareholders interested in obtaining a copy of the audited annual accounts of the subsidiary company may write to the Company Secretary at the Company's registered office.

15. BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNELS

At the Annual General Meeting (AGM) of Syncom held on September 22nd Sept., 2014, the Members had re-appointed all the existing independent directors viz Shri Krishna Das Neema, (DIN 02294270) Shri Vinod Kumar Kabra (DIN 01816189) and Shri Praveen Jindal (05327830) under the Companies Act, 2013 for a term of 5 years with effect from 1st April 2014, not liable to retire by rotation.

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.

Mrs. Rinki Ankit Bankda, (DIN 06946754) was appointed by the Board on 13th August, 2014 as an Additional Director under the category of Women Director as per provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, and her appointment was confirmed by the members at their annual general meeting held on 22.09.2014.

In accordance with the provisions of the Companies Act, 2013 and in terms of the Memorandum and Articles of Association of the Company, Mr. Vijay Shankarlal Bankda (DIN 00023027) director is liable to retire by rotation and he is eligible for re-appointment. Your Board of directors recommend to pass necessary resolution for his re-appointment.

Syncom has appointed CS Praniti Porwal as the Company Secretary w.e.f. 1st January, 2015 and Shri Ankit Kedarmal Bankda as the Chief Financial Officer of the Company, w.e.f. 1st April, 2014 and designated them as the Key Managerial Personnels. Syncom has already having appointed Shri Vijay Shankarlal Bankda, as the Managing Director and Shri Kedarmal Shankarlal Bankda as the Whole-time director of the Company.

CS Shikha Sethi, Company Secretary and Key Managerial Personnel had resigned from the office w.e.f. 31st Dec., 2014 due to her personal reasons.

15.1 Number of meetings of the Board

The Board meets at regular intervals to discuss and decide on Company/business policy and strategy apart from other Board business. However, in case of a special and urgent business need, the Board's approval is taken by passing resolutions through circulation, as permitted by law, which are



confirmed in the subsequent Board meeting.

The notice of Board meeting is given well in advance to all the Directors. Usually, meetings of the Board are held at the Corporate Office at Indore (M.P.). The Agenda of the Board/ Committee meetings is circulated at least a week prior to the date of the meeting. The Agenda for the Board and Committee meetings includes detailed notes on the items to be discussed at the meeting to enable the Directors to take an informed decision.

The Board met 4 (four) times in financial year 2014-15 viz., on 30th May, 2014, 13th August, 2014, 13th Nov., 2014 and 12th Feb., 2015. The maximum interval between any two meetings did not exceed 120 days.

15.2 Board independence

The definition of 'Independence' of Directors is derived from Clause 49 of the Listing Agreement with Stock Exchanges and Section 149(6) of the Companies Act, 2013. Based on the confirmation/disclosures received from the Independent Directors and on evaluation of the relationships disclosed, Shri Krishna Das Neema, Shri Praveen Jindal and Shri Vinod Kumar Kabra are the Non-Executive and Independent Directors in terms of Clause 49 of the Listing Agreement and Section 149(6) of the Companies Act, 2013;

15.3 Policy on Directors' appointment and remuneration

The Policy of Syncom on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under section 178(3), is appended as "

"Annexure D" to this Report and has also placed on the website at www.sfil.in.

15.4 Annual evaluation by the Board

The evaluation framework for assessing the performance of Directors comprises of the following key areas:

- i. Attendance of Board Meetings and Board Committee Meetings
- ii. Quality of contribution to Board deliberations
- iii. Strategic perspectives or inputs regarding future growth of Company and its performance
- iv. Providing perspectives and feedback going beyond information provided by the management
- v. Commitment to shareholder and other stakeholder interests

The evaluation involves Self-Evaluation by the Board Member and subsequently assessment by the Board of Directors. A member of the Board will not participate in the discussion of his/her evaluation.

16. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- a. that in the preparation of the annual financial statements for the year ended 31st March, 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. that such accounting policies as mentioned in Note 27.22 of the Notes to the Financial Statements have been selected and applied consistently and judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March, 31st 2015 and of the profit of the Company for the year ended on that date;
- c. that proper and sufficient care has been taken 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;
- d. that the annual financial statements have been prepared on a going concern basis;
- e. that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- f. that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

17. COMMITTEES OF THE BOARD

During the year, the Board has the six Committees, as required under the Companies Act, 2013 and Clause 49 of the Listing Agreement as follows:

- (a) Audit Committee
- (b) CSR Committee
- (c) Nomination and Remuneration Committee
- (d) Stakeholders' Relationship Committee

(e) Risk management Committee

(f) Internal Committee for (Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 redressal of complaint at the workplace

Details of all the Committees along with their charters, composition and meetings held during the year, are provided in the "Report on Corporate Governance", a part of this Annual Report and placed on the website at www.sfil.in.

18. RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by Syncom with Promoters, Directors, Key Managerial Personnel, or other designated persons which may have a potential conflict with the interest of Syncom. Therefore there is no requirement to furnish any details in the Form AOC-2.

All Related Party Transactions are placed before the Audit Committee and also the Board for approval on a quarterly basis. The statement is supported by a Certificate from the MD and the CFO. The Company has developed a Related Party Transactions Policy, Standard Operating Procedures for purpose of identification and monitoring of such transactions.

The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website at www.sfil.in.

19. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

Except that the SEBI has issued an Ex-Party Ad- Interim Order No. WTM/RKA/ISD/2014 dated 19th December, 2014 in the matter of First Financial Services Limited, and has restrain the company to access the capital market till the further order. The Company has also filed an application before the SEBI for deletion of the name of the Company which is pending before the SEBI for necessary order. Except that there are no significant material orders passed by the Regulators/Courts which would impact the going concern status of the Company and its future operations.

20. AUDITORS

20.1 Statutory Auditors

Your Company's Auditors, M/s S.P.Moondra & Co., Chartered Accountants, who were appointed for a term of three years at the Annual General Meeting of the Company held on 22nd Sept., 2014 are eligible for ratification of their appointment. They have confirmed their eligibility under Section 141(3)(g) of the Companies Act, 2013 and the Rules framed thereunder for ratification for appointment as Auditors of the Company.

Your Board is pleased to inform that there is no such observation made by the Auditors in their report which needs any explanation by the Board

20.2 Cost Auditors

Pursuant to Section 148 of the Companies Act, 2013 read with The Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit records maintained by the Company in respect of its drug formulation activity is required to be audited. Your Directors had, on the recommendation of the Audit Committee, appointed M/s M.Goyal & Co. Cost Accountants to audit the cost accounts of the Company for the financial year 2014-15 on a remuneration of Rs.25,000/-. As required under the Companies Act, 2013, the remuneration payable to the cost auditor is required to be placed before the Members in a general meeting for their ratification. Accordingly, a Resolution seeking Member's ratification for the remuneration payable to M/s M.Goyal & Co, Cost Auditors is included at Item No. 5 of the Notice convening the Annual General Meeting.

Your Company has filed the Cost Audit Report for the year 2013-14 to the Central Government on 26.09.2014, which was self explanatory and needs no comments.

20.3 Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Board of directors has appointed M/s D.K.Jain & Co., Company Secretaries to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit Report is annexed herewith as "Annexure E". The Secretarial Audit Report is self explanatory and needs no comments as such.



21. ENHANCING SHAREHOLDERS VALUE

Your Company believes that its Members are among its most important stakeholders. Accordingly, your Company's operations are committed to the pursuit of achieving high levels of operating performance and cost competitiveness, consolidating and building for growth, enhancing the productive asset and resource base and nurturing overall corporate reputation. Syncom is also committed to creating value for its other stakeholders by ensuring that its corporate actions positively impact the socio-economic and environmental dimensions and contribute to sustainable growth and development.

22. CORPORATE GOVERNANCE

As per Clause 49 of the Listing Agreement with the Stock Exchanges, a separate section on corporate governance practices followed by the Company, together with a certificate from the Company's Auditors confirming compliance forms an integral part of this Report ("Annexure F").

22.1. MD & CFO certification

Certificate obtained from Shri Vijay Shankarlal Bankda, Managing Director and Mr. Ankit Kedarmal Bankda, Chief Financial Officer, pursuant to provisions of Clause 49(V) of the Listing Agreement, for the year under review was placed before the Board at its meeting held on 13th August, 2015.

A copy of the certificate on the financial statements for the financial year ended March, 31, 2015 is annexed along with this Report as "Annexure G".

23. CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company prepared in accordance with relevant Accounting Standards (AS) viz. AS 21, AS 23 and AS 27 issued by the Institute of Chartered Accountants of India form part of this Annual Report.

24. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014, is annexed herewith as "Annexure H".

25. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There have been no material changes and commitments, if any, affecting the financial position of the Company since the close of the financial year i.e. since 31st March, 2015. Further it is hereby confirmed that there has been no change in the nature of business of the Company.

26. EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return for the year 2014-15 in Form MGT-9 is annexed herewith as "Annexure I".

27. PARTICULARS OF REMUNERATION OF EMPLOYEES

Disclosures pertaining to remuneration & other details as required under section 197(12) of the Act read with Rule 8(3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith as "Annexure J".

In terms of provisions of section 197(12) of the Act read with Rules 5(2) & 5(3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, none of the employees received remuneration in excess of Rs. 5 Lacs per month Rs. 60 Lacs or more per annum. Therefore is no information to disclose in terms of the provisions of Sec 136(1) of the Companies Act, 2013

28. ACKNOWLEDGEMENTS

Your Directors thank the various Central and State Government Departments, Organizations and Agencies for the continued help and co-operation extended by them. The Directors also gratefully acknowledge all stakeholders of the Company viz. customers, members, dealers, vendors, banks and other business partners for the excellent support received from them during the year. The Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company.

29. CAUTIONARY STATEMENT

Statements in the Board's Report and the Management Discussion & Analysis describing the Company's objectives, expectations or forecasts may be forward-looking within the meaning of applicable securities laws and regulations.

Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include global and domestic demand and supply conditions affecting selling prices of finished goods, input availability and prices, changes in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

By order of the Board of Director

KEDARMAL BANKDA

Chairman & Whole Time Director

DIN : 00023050

Place: Indore

Date : 13th August, 2015

ANNEXURE 'A'

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

1. A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes.

CSR Policy is stated at the Website: <http://www.sfil.in>

2. Composition of the CSR Committee:

1. Shri Kedarmal Shankarlal Bankda : Whole-Time Director-Chairman
2. Shri Vijay Shankarlal Bankda : Managing Director- Member
3. Shri Krishna Das Neema : Independent Director- Member

3. Average net profit of the Company for last three financial years:

Average net profit: Rs.927.87 Lakhs

4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above):

The Company is required to spend Rs.18.56 Lakhs towards CSR activities.

5. Details of CSR spend for the financial year:

a. Total amount spent for the financial year : Rs. 20.00 Lakhs

b. Amount unspent, if any : Rs. Nil

c. Manner in which the amount spent during the financial year is detailed below:

S.no.	Project/Activities	Sector	Location	Amount Outlay (Budget for project/	Amount spent on the project/ activities	Cumulative expenditure upto reporting period	Amount spent direct or through implem-enting agency
1	For health and Education	Health & Edu-cation	64, May -urban Colony, Shahno orwa di Darga Road Aurang -abad	18.56	20.00	20.00	Through NGO

By order of the Board of Director

KEDARMAL BANKDA

Chairman & Whole Time Director

DIN : 00023050

Place: Indore

Date : 13th August, 2015



ANNEXURE 'B' VIGIL MECHANISM/WHISTLE BLOWER POLICY

1. Preface

- 1.1 The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behavior.
- 1.2 This policy is formulated to provide employee an avenue to lodge Complaints, in line with the commitment of Company to the highest possible standards of ethical, moral and legal business conduct and its commitment to open communication. To provide necessary safeguards for protection of employees from reprisals or victimization, for whistle-blowing in good faith.
- 1.3 Clause 49 of the Listing Agreement between Company and the Stock Exchanges and Guidelines on Corporate Governance, provides, to establish a mechanism called "Whistle Blower/Vigil Mechanism Policy" for directors and employees to report to the management instances of unethical behavior, actual or suspected fraud or violation of the Company's code of conduct.
- 1.4 The purpose of this policy is to provide a framework to protect employees wishing to raise a concern about serious irregularities within the Company.

2. Definitions

- 2.1 "Syncom Formulations (India) Limited" means Syncom Formulations (India) Limited.
- 2.2 "Audit Committee" means the Audit Committee of the Board constituted by the Board of Directors of Syncom Formulations (India) Limited in accordance with provisions of Section 177(1) of Companies Act, 2013 read with Clause 49 of Listing Agreement entered into by the Company with Stock Exchanges.
- 2.3 "Competent Authority" means the Shri Vijay Bankda, Managing Director of Syncom Formulations (India) Limited and will include any person(s) to whom he may delegate any of his powers as the Competent Authority under this policy from time to time. In case of conflict of interest (WTD being the subject person), Competent Authority means Chairman of the Audit Committee.
- 2.4 "Dedicated Confidential Section" means any Section/Department of the Company which is decided by the Competent Authority from time to time for maintaining the records as per the Whistle Blower/Vigil Mechanism Policy.
- 2.5 "Disciplinary Action" means any action that can be taken on completion of / during the investigation proceedings by the Competent Authority as he/she deems fit considering the gravity of the matter.
- 2.6 "Employees" mean the entire permanent employees which are working in Syncom Formulations (India) Limited.
- 2.7 "Improper Activity" means unethical behavior, actual or suspected fraud, embezzlement etc., violation of the Company's general guidelines on conduct, moral turpitude, unlawful conduct etc. by an employee of Syncom Formulations (India) Limited.
- 2.8 "Investigators" means those persons authorized, appointed, consulted or approached by the Competent Authority in connection with conducting investigation into a protected disclosure.
- 2.9 "Protected Disclosure" means a concern raised by a written communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity.
- 2.10 "Subject" means a person against or in relation to whom a protected disclosure is made or evidence gathered during the course of an investigation.
- 2.11 "Vigilance and Ethics Officer" means an officer appointed to receive protected disclosures from whistle blowers, maintaining records thereof, placing the same before Audit Committee for its disposal and informing the Whistle Blower the result thereof.
- 2.12 "Whistle Blower" means an Employee or Director making a Protected Disclosure under this policy.

3. Scope

This policy covers malpractices and events which have taken place/suspected to have taken place, misuse or abuse authority, fraud or suspected fraud, violation of company rules, manipulations, negligence causing danger to public health and safety, misappropriation of money, and other matters or activity on account of which the interest of the company is affected.

Whistle Blower/Vigil Mechanism Policy shall be applicable for all permanent employees and to all the Directors of the Company.

4. Interpretation

Terms that have not been defined in this Policy shall have the same meaning

assigned to them in the Companies Act, 2013 and/or SEBI Act and/or any other SEBI Regulation(s) as amended from time to time.

5.0 Guiding Principles

- 5.1 Protected disclosures shall be acted upon in a time bound manner.
- 5.2 Complete confidentiality of the Whistle Blower will be maintained.
- 5.3 The Whistle Blower and/or person(s) processing the protected Disclosure will not be subjected to victimization.
- 5.4 Evidence of the Protected Disclosure will not be concealed and appropriate action including disciplinary action will be taken in case of attempts to conceal or destroy evidence.
- 5.5 "Subject" of the Protected Disclosure i.e. Employee against or in relation to whom a protected disclosure has been made, will be provided an opportunity of being heard.
- 5.6 The Whistle Blower should bring to attention of the Competent Authority at the earliest any improper activity or practice. Although they are not required to provide proof, they must have sufficient cause for concern.
- 5.7 The Whistle Blower shall co-operate with investigating authorities, maintaining full confidentiality.

6. Whistle Blower – Role & Protections

Role:

- 6.1 The Whistle Blower's role is that a reporting party with reliable information.
- 6.2 The Whistle Blower is not required or expected to conduct any investigations on his own.
- 6.3 The Whistle Blower may also be associated with the investigations, if the case so warrants. However, he/she shall not have a right to participate.
- 6.4 Protected Disclosure will be appropriately dealt with by the Competent Authority.
- 6.5 The Whistle Blower shall have a right to be informed of the disposition of his disclosure except for overriding legal or other reasons.

Protections:

- 6.6 No unfair treatment will be meted out to a Whistle Blower by virtue of his/her having reported a Protected Disclosure under this Policy. The Company, as a policy, condemns any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against Whistle Blower.
- 6.7 Complete protection will, therefore, be given to Whistle Blower against any unfair practice like retaliation, threat or intimidation of termination/suspension of service, disciplinary action, transfer, demotion, refusal of promotion, discrimination, any type of harassment, biased behavior or the like including any direct or indirect use of authority to obstruct the Whistle Blower's right to continue to perform his duties/functions including making further Protected Disclosure. The Company will take steps to minimize difficulties, which the Whistle Blower may experience as a result of making the Protected Disclosure.
- 6.8 If the Whistle Blower is required to give evidence in criminal or disciplinary proceedings, the Company will arrange for the Whistle Blower to receive advice about the procedure, etc.
- 6.9 The identity of the Whistle Blower shall be kept confidential.
- 6.10 Any other Employee assisting in the said investigation or furnishing evidence shall also be protected to the same extent as the Whistle Blower.

7. Procedures – Essential and Handling Procedure Disclosure

- 7.1 The Protected Disclosure/Complaint should be attached to a letter bearing the identity of the Whistle blower/complaint i.e. his/her Name, Employee Code and Location and should be inserted in an envelope which should be closed/secured/sealed. The envelope thus secured/ sealed should be addressed to the Competent Authority and should be super scribed "Protected Disclosure". (If the envelope is not super scribed and closed/sealed/secured, it will not be possible to provide protection to the whistle blower as specified under this policy).
- 7.2 If the Whistle Blower believes that there is a conflict of interest between the Competent Authority and the Whistle Blower, he/she may send his/her protected disclosure directly to the Chairman of the Audit Committee, Syncom Formulations (India) Limited.
- 7.3 Anonymous or pseudonymous Protected Disclosure shall not be entertained.
- 7.4 Protected Disclosure should either be typed or written in legible hand writing in English, Hindi or Regional language of the place of employment of the Whistle blower, should provide a clear understanding of the improper activity involved or issue/concern raised. The reporting should be factual and not