



SYNCOM

FORMULATIONS (I) LTD.

A WHO-GMP & ISO 9001-2008 CERTIFIED COMPANY



"APPROVED & ADOPTED"
"CERTIFIED TRUE COPY"
FOR, SYNCOM FORMULATIONS (INDIA) LTD

Karishma
KARISHMA KAKKAR
COMPANY SECRETARY &
COMPLIANCE OFFICER

29th

Annual Report

2016-2017



SYNERGISTIC COMBINATION FOR HEALTH

BOARD OF DIRECTORS**Shri Kedarmal Bankda**

Executive Chairman

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 Ankit Bankda

Women Director

OTHER KEY MANAGERIAL PERSONNEL**Shri Ankit Kedarmal Bankda**

Chief Financial Officer

CS Prachi Rathore (upto 14.08.2017)

Company Secretary & Compliance Officer

CS Karishma Kakkar (wef 16.08.2017)

Company Secretary & Compliance Officer

AUDIT COMMITTEE**Shri Krishna Das Neema**

Independent Director - Chairman

Shri Vinod Kumar Kabra

Independent Director - Member

Shri Praveen Jindal

Independent Director - Member

STAKEHOLDERS' RELATIONSHIP COMMITTEE**Shri Krishna Das Neema**

Independent Director - Chairman

Shri Vinod Kumar Kabra

Independent Director - Member

Shri Praveen Jindal

Independent Director - Member

NOMINATION AND REMUNERATION COMMITTEE**Shri Krishna Das Neema**

Independent Director - Chairman

Shri Vinod Kumar Kabra

Independent Director - Member

Shri Praveen Jindal

Independent Director - Member

CSR COMMITTEE**Shri Kedarmal Shankarlal Bankda**

Whole Time Director - Chairman

Shri Vijay Shankarlal Bankda

Managing Director - Member

Shri Krishna Das Neema

Independent Director - Member

RISK MANAGEMENT COMMITTEE**Shri Vijay Bankda**

Managing Director - Chairman

Shri Krishna Das Neema

Independent Director - Member

Smt. Rinki Ankit Bankda

Women Director - Member

EXISTING STATUTORY AUDITOR**S.P. Moondra & Co.**

Chartered Accountants

Indore - 452 001 (M.P.)

PROPOSED STATUTORY AUDITOR**Sanjay Mehta & Associates**

Chartered Accountants

Indore - 452 018 (M.P.)

INTERNAL AUDITOR**Biyani Mittal & Co.**

Chartered Accountants

Bansal & Agrawal (wef 14.08.2017)

Chartered Accountants

SECRETARIAL AUDITOR**D.K. Jain & Co.**

Company Secretaries

Indore - 452 001 (M.P.)

COST AUDITOR**M. Goyal & Co.**

Cost Accountants

BANKERS

Dena Bank, Mumbai

REGISTERED OFFICE7, 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.sfi.in

CORPORATE OFFICE2nd Floor Tagore Centre,
Dawa Bazar, 13-14, R.N.T.Marg,
Indore (M.P.) 452001

Phone : 0731-3046870

Email : finance@sfil.in

Website : www.sfil.in

WORKS256-257, 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 : 0731-4281333 - 4065799

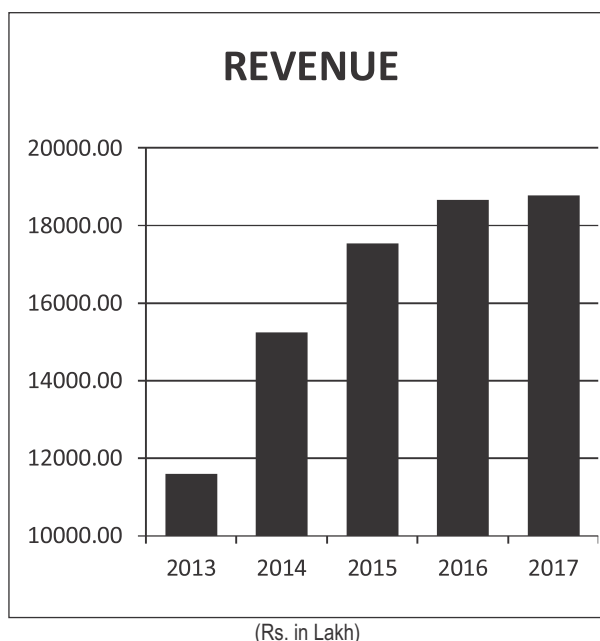
Email : ankit_4321@yahoo.com

Contents	Page No.
Notice	02
Director's Report	04
Auditor's Report	30
Balance Sheet	32
Profit & Loss Statement	33
Cash Flow Statement	34
Notes on Financial Statement	36
Auditor's Report on Consolidated	50
Balance Sheet & Annexure	51
Proxy Form / Admission Slip	71

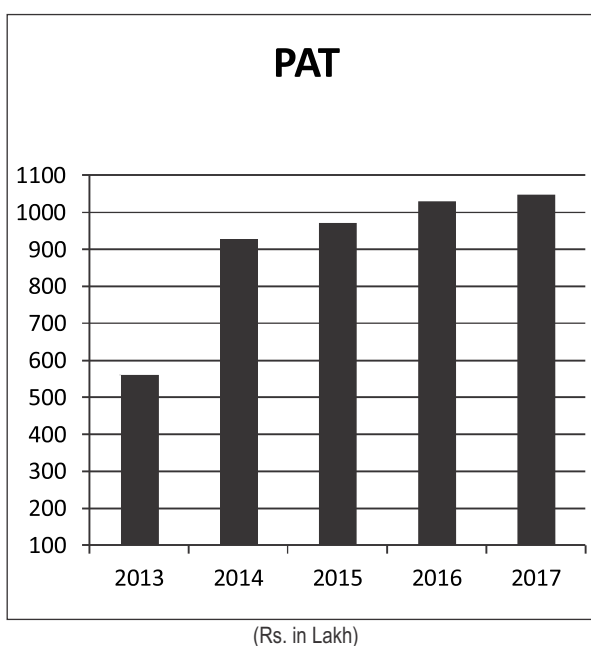
5 YEAR FINANCIAL HIGHLIGHTS

PARTICULARS	CONSOLIDATED (Rs. In Lacs)				
	2012-13	2013-14	2014-15	2015-16	2016-17
Revenue from Operations (Net) and Other Income	11609.81	15240.90	17536.80	18656.52	18761.32
PBDIT	1178.85	1735.91	2013.71	1927.17	1929.10
Depreciation & Amortisation	291.00	307.33	343.21	299.81	312.28
PBIT	887.85	1428.58	1670.50	1627.36	1616.82
Interest	42.94	35.53	21.26	7.08	28.17
Extraordinary Items	0.00	0.41	85.76	10.19	.90
PBT	844.91	1392.64	1563.48	1610.09	1587.75
Tax Expenses	279.32	460.98	587.83	574.53	534.33
Profit After Tax (PAT)	565.59	931.66	975.65	1035.56	1053.42
Equity Dividend	133.83	156.13	156.13	156.13	156.13
Tax on Equity Dividends	21.71	26.53	31.78	31.78	31.78
Dividend Per Share (In Rs.)	0.60	0.02	0.02	0.02	0.02
EPS (Basic and Diluted) on equity share (In Rs.)	2.54	0.12	0.13	0.13	0.13
Share Capital	2230.43	7806.52	7806.52	7806.52	7806.52
Face Value (In Rs.)	10.00	1.00	1.00	1.00	1.00
Book Value (in Rs.)	39.32	1.22	1.28	1.39	1.50

REVENUE



PAT





NOTICE FOR THE 29th ANNUAL GENERAL MEETING

Notice is hereby given that **29th Annual General Meeting** of the members of **SYNCOM FORMULATIONS (INDIA) LIMITED** will be held on Friday the 29th day of September, 2017 at 12.30 p.m. at the **Supremo Activity Centre & Matoshri Sports Complex, Jogeshwari Vikhroli Link Road Andheri East, Mumbai - 400093** to transact the following businesses:

ORDINARY BUSINESSES:

- To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements containing the Balance Sheet as at 31st March, 2017, the Statement of Profit & Loss and Cash Flow Statement for the financial year ended 31st March, 2017 and the Reports of the Boards' and Auditors thereon.
- To declare dividend on equity shares of the Company for the financial year ended 31st March, 2017.
- To appoint a director in place of Shri Kedarmal Bankda (DIN:00023050) who is liable to retire by rotation and being eligible, offers himself for re-appointment.
- 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 139, 142 and other applicable provisions, if any, of Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 as amended from time to time, M/s Sanjay Mehta & Associates, Chartered Accountants (ICAI Firm Registration No. 011524C) be and are hereby appointed as Statutory Auditors of the company in place of M/s S.P. Moondra & Co. Chartered Accountants (Firm Registration No. 004879C) whose term shall be concluded on the conclusion of the ensuing Annual General Meeting, to hold the office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the 34th Annual General Meeting of the Company to be held in the year 2022, subject to ratification of their appointment at every Annual General Meeting on such remuneration as may be fixed by the Board."

SPECIAL BUSINESSES:

- 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(3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules) 2014, including any statutory modifications(s) or re-enactment thereof for the time being in force, M/s M. Goyal & Co., (Firm Registration No. 000051) appointed as the Cost Auditors by the Board of Directors of the Company for conducting Cost Audit for the financial year 2017-18 on a remuneration amounting to Re. 25,000/- plus GST be and is hereby ratified."
- To approve the expenses for service of documents to members and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:
"RESOLVED THAT pursuant to provisions of section 20 and other applicable provisions, if any, of the Companies Act, 2013 and relevant rules prescribed thereunder, the consent of the Company be and is hereby accorded to the Board of directors or the person authorized by the Board charge from member(s) fee in advance, a sum equivalent to the estimated actual expenses of delivery of the documents through a particular mode, if any request has been made by such member(s) for delivery of such document(s) to him through such mode of service as required and the same be provided upon such request in writing along with the requisite fee if has been duly received by the Company at least one week in advance of the dispatch of the document by the Company."
"RESOLVED FURTHER THAT the Board of directors and/or any person authorized by the Board be and are hereby authorized to do all acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty, doubt that may arise in respect of the matter aforesaid and further to do all acts, deeds, matters and things as may be necessary, proper or desirable or expedient to give effect to above resolution."

HIMSELF/HERSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

- 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 may appoint a single person as a proxy and such person shall not act as a proxy for any other person or Shareholder.
The instrument of proxy in order to be effective should be deposited at the Registered Office of the Company duly completed and signed not less than 48 hours before the time fixed for the Meeting. A Proxy form is sent herewith.
- The Explanatory Statement pursuant to section 102 of the Companies Act, 2013, which sets out details relating to special business at the meeting is annexed thereto.
- The company has notified closure of Register of Members and Share Transfer Books from 23rd September, 2017, Saturday to 29th September, 2017, Friday (both days inclusive) for the purpose of the Annual General Meeting.
- The Members are requested to:
 - Intimate changes, if any, in their registered addresses immediately.
 - Quote their ledger folio number in all their correspondence.
 - Hand over the enclosed attendance slip, duly signed in accordance with their specimen registered with the Company for admission to the meeting place.
 - Bring their Annual Report and Attendance Slips with them at the AGM venue.
 - 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.
- The report on the Corporate Governance and Management Discussion and Analysis also form part to the report of the Boards.
- 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.
- Members are requested to notify immediately correct address for any change in their address and also intimate their active 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.).
- Electronic copy of the Annual report for the year 2016-17 is being sent to the members whose email IDs are registered with the Share Transfer Agent of 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 reports being sent in the permitted mode.
- Members may also note that the Annual Report for year 2016-17 is also available on Company's website www.sfil.in.
- Corporate Members intending to send their authorized representatives to attend the Annual General Meeting pursuant to section 113 of Companies Act, 2013 are requested to send a duly certified copy of the Board Resolution together with the respective specimen signatures of those representatives authorized under the said resolution to attend and vote on their behalf at the Meeting.
- 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 Annual General Meeting.
- Members/proxies/authorized representatives are requested to bring the duly signed attendance slip in accordance with their specimen registered with the Company and a copy of Annual Report with them to attend the Meeting.
- 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.
- Members who has not received the dividend for the year 2009-10 to 2015-16 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 2009-10 for a period upto 7 years, i.e. 4th Nov., 2017 shall be transferred to the IEPF of the Central Government and no claim in respect thereof shall be entertained by the Company thereafter.
- The Company shall transfer the shares of those shareholders who could not encashed their dividend for any of the year 2008-09 till the cut off date 31st May, 2017 are liable to be transferred to the authority of the IEPF on such date as may be applicable and these shares along with the dividend and other corporate benefits shall be passed to the authority of the IEPF and such shareholders may claim their shares from the IEPF authority by applying in the Form IEPF-5 once the shares transferred by the Company.

Place: Indore

Date : 14th August, 2017

Registered Office :

CIN: L24239MH1988PLC047759

7, Niraj Ind. Estate, Off Mahakali Caves Road,
Andheri (East), Mumbai (MH) 400093

By order of the Board

CS PRACHI RATHORE
Company Secretary &
Compliance Officer
ACS : 45273

Notes:

- 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



17. SEBI has also mandated that for registration of transfer of securities the transferee(s) as well as the transferor(s) shall furnish a copy their PAN to the Share Transfer Agent for registration of transfer of securities.

18. Members may also note that the Notice of 29th Annual General Meeting, Attendance Slip, Proxy Form, Route Map, Ballot Paper and the Annual Report for the year 2016-17 will also be available on the company website www.sfil.in for their download.

19. The Brief profile of the director seeking re-appointment at the ensuing annual general meeting is annexed with the Notice.

20. Voting through electronic means

I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (LODR), Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 29th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the 29th Annual General Meeting (AGM) ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

II. The facility for voting through polling paper which shall be available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

III. The members who have cast their vote by remote e-voting prior to the 29th Annual General Meeting (AGM) may also attend the AGM but shall not be entitled to cast their vote again.

IV. The remote e-voting period commences on **26th September, 2017, Tuesday (I.S.T. 9:00 A.M.) and ends on 28th September, 2017, Thursday (I.S.T. 5:00 P.M.)**. During this period members of the Company, holding shares either in physical or in dematerialized form, as on **the cut-off date of 22nd September, 2017**, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

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

V. The process and manner for remote e-voting are as under:

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

(i) Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.

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

(iii) Click on Shareholder - Login

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

(v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/ characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.

(vii) Select "EVEN" of "Syncom Formulations (India) Limited".

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

(ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.

(x) Upon confirmation, the message "Vote cast successfully" will be displayed.

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

(xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail: to finance@sfil.in with a copy marked to evoting@nsdl.co.in

B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy]:

(i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM

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.

VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.

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

NOTE: Shareholders who forgot the User Details/Password can use "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com

In case Shareholders are holding shares in demat mode, USER-ID is the combination of (DPID+ Client ID).

In case Shareholders are holding shares in physical mode, USER-ID is the combination of (Even No+ Folio No).

VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

IX. The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of 22nd Sept., 2017.

X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 22nd Sept., 2017 for eligible of the Notice and the Annual Report, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA.

XI. However, if a member is already registered with NSDL for remote e-voting then, he can use his existing user ID and password for casting his vote. If a member forgot his password, he can reset his password by using "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com or contact NSDL at the toll free no.: 1800-222-990.

XII. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.

XIII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

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

XV. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting by "Ballot Paper" or "Poling Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility. However, no remote e-voting facility shall be made available at the venue of the AGM.

XVI. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 48 hours of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favor or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

XVII. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.sfil.in and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.

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

IN RESPECT OF SPECIAL BUSINESS:

Item No. 4

The existing Auditors, **M/s S.P. Moondra & Co., Chartered Accountants, (F.R.N. 004879C)** were appointed for a term of three years at the Annual General Meeting of the Company held on 22nd Sept., 2014 is eligible to hold office till the conclusion of the ensuing Annual General Meeting. Pursuant to section 139 and other applicable provisions, as may be applicable of the Companies Act, 2013 read with Rule 33 of Companies (Audit and Auditors) Rules, your company is required to rotate the statutory auditors on completion of the maximum term permitted under the said section.

The Audit Committee and the Board of directors has proposed the appointment of **M/s Sanjay Mehta & Associates, Chartered Accountants (F.R.N. 011524C)** as the Statutory Auditors of the company to hold office for a term of 5 consecutive years from the conclusion of the 29th Annual General Meeting on 29th September, 2017 till the



conclusion of the 34th Annual General Meeting to be held in the year 2022 subject to the ratification of their appointment at every AGM.

None of the directors or Key Managerial Personnel (KMP) or their relatives are, concerned or interested financially or otherwise in the proposed Resolution.

The Board recommends to pass necessary resolution as set out in the Item No. 4 of the notice as an Ordinary Resolution.

Item No. 5

The Board on the recommendation of Audit Committee has approved the appointment of M/s M. Goyal & Co., Cost Accountant (Firm Registration No. 00051) as the Cost Auditor of the Company for conducting Cost Audit for the year 2017-18 at a remuneration of Rs. 25,000/- plus applicable GST. In accordance with the provision of section 148 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 the remuneration payable to the Cost Auditor is required to be ratified by the Members of the company, accordingly consent of the members are sought for passing an Ordinary Resolution as set out in Item No. 5 of the notice for ratification of remuneration payable to the cost auditors.

None of the directors or Key Managerial Personnel (KMP) or their relatives are concerned or interested financially or otherwise in the proposed Resolution. The Board recommends to pass necessary resolution as set out in the Item No. 5 of the notice as an Ordinary Resolution.

Item No. 6

As per the provisions of section 20 of the Companies Act, 2013, a document may be served on any member by sending it to him by post or by registered post or by speed post or by courier or by delivery at his office or residence address or by such electronic or other mode as may be prescribed. Further, proviso to subsection (2) of section 20 states that a member may request for delivery of any document through a particular mode, for which member shall pay such fees in advance as may be determined by the company by ordinary resolution. Accordingly, the Board of Directors has proposed that a sum equivalent to the estimated actual expenses of delivery of the documents through a particular mode, if any request has been made by any member for delivery of such documents to him through such mode of service, be taken to cover the cost of such delivery as may be decided by the Board or the authorized person from time to time.

The Board recommends the Ordinary Resolution as set out at Item No. 6 of the Notice for approval of the members. None of the Directors or Key Managerial Personnel and their relatives, are concerned or interested (financially or otherwise) in the resolution.

Brief profile of the directors seeking re-appointment as per Item No. 3 of the notice at the ensuing Annual General Meeting as per SEBI (LODR) Regulations, 2015 and the Companies Act, 2013.

Name of Director	Shri Kedarmal Bankda
Designation	Chairman & Whole-time Director
Date of Birth	25.08.1952
Date of Appointment	13.04.1992
Expertise / Experience in specific functional areas	41 years' experience in Pharma filed in various capacity, he is the core promoter of the company, since its inception.
Qualification	M.Com
No. & % of Shares held	90194650 i.e. 11.55%
List of outside Company's directorship held	ARP Pharma Pvt. Ltd.
Chairman/Member of the Committees of the Board, Directors of other Companies in which he is director	Nil
Interse relations with other directors	Brother of Shri Vijay Bankda, Managing Director and father in law of Mrs. Rinki Bankda, Women Director.

Brief Resume :

Shri Kedar Mal Bankda is a Commerce Post Graduate and having experience of more than 41 years in Pharma Filed/Industry. He is one of the core promoter since incorporation of the company. He is also having all round experience and looking into all the manufacturing & administrative function of the Corporate Office at Indore and Plant at Pithampur.

Place: Indore

Date : 14th August, 2017

Registered Office :

CIN: L24239MH1988PLC047759

7, Niraj Ind. Estate, Off Mahakali Caves Road, Andheri (East), Mumbai (MH) 400093

By order of the Board

CS PRACHI RATHORE
Company Secretary &
Compliance Officer
ACS : 45273

BOARD'S REPORT & MANAGEMENT DISCUSSION AND ANALYSIS

To,

The Members,

Syncom Formulations (India) Limited

The Directors take pleasure in presenting their 29th Annual Report together with the audited consolidated and standalone financial statements of the Company (Syncom) for the year ended 31st March, 2017.

HIGHLIGHTS OF PERFORMANCE

- Consolidated income for the year increased to Rs. 18761.33 Lakhs as compared to Rs. 18656.52 Lakhs in the previous year;
- Consolidated net sales for the year was Rs.18482.24 Lakhs as compared to Rs. 18389.70 Lakhs in the previous year.
- Consolidated profit before tax for the year was Rs. 1587.74 Lakhs as compared to Rs. 1610.09 Lakhs in the previous year, and Consolidated Profit after tax for the year was Rs. 1053.41 Lakhs as compared to Rs. 1035.56 Lakhs in 2016.

FINANCIAL RESULTS

Particulars	Consolidated		Stand Alone	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016
Revenue from Operations (Net) and Other Income	18761.32	18656.52	18761.32	18656.52
Profit Before Tax (PBT)	1587.74	1610.09	1587.74	1610.09
Provision for Tax	534.33	574.53	534.33	574.53
Profit After Tax (PAT)	1053.41	1035.56	1053.41	1035.56
Balance brought forward from previous year	655.94	708.30	655.94	708.30
Profits available for Appropriations	1709.35	1743.85	1709.35	1743.85
Appropriations:				
Proposed Equity Dividend	156.13	156.13	156.13	156.13
Tax on Equity Dividends	31.78	31.78	31.78	31.78
Transferred General Reserve	700.00	900.00	700.00	900.00
Surplus carried to the next year's account	821.44	655.94	821.44	655.94
EPS (Basic and Diluted) on equity share of Rs.1/-	0.135	0.133	0.135	0.133

DIVIDEND

Syncom always strives to enhance stakeholders and customers satisfaction value. In pursuance of the same your directors are pleased to recommend payout of 26th dividend @ Rs. 0.02 (2%) on the equity share of Re.1 each, (Previous year @ Rs. 0.02 (2%) of the equity shares of Re.1 each) and proposes to pay Rs.156.13 Lakhs as dividend (Previous year Rs.156.13 Lacs) subject to approval by the members at the ensuing Annual General Meeting.

SHARE CAPITAL & RESERVES

The paid up Capital of Syncom as on 31st March, 2017 was Rs. 78,06,52,180 divided into 78,06,52,180 equity shares of Re. 1/- each. During the year under review, Syncom has neither issued shares with differential voting rights nor granted stock options nor sweat equity. As on 31st March, 2017, none of the Directors of Syncom hold convertible instruments. Promoters are not holding any security convertible into equity shares during the year 2016-17.

Transfer to Reserves

During the year under review your company proposes to transfer Rs.700.00 Lakhs to the general reserves (Previous year Rs. 900.00 Lakhs).

FINANCE

Cash and cash equivalent as at 31st March, 2017 was Rs.651.95 Lakhs as compared to Rs. 569.41 Lakhs in previous year. 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.

DEPOSITS

The details relating to deposits, covered under Chapter V of the Act, -

- Accepted during the year : Nil
- Remained unpaid or unclaimed as at the end of the year: Nil
- Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved: Nil

Details of deposits which are not in compliance with the requirements of Chapter V of the Act:

The Company has not accepted any deposit which are not in compliance of the Companies (Acceptance of Deposits) Rules, 2014 during the financial year.



PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Your company has not given any guarantee or provided any security to the other business entity during the financial year but the company has made investment and details of the investment is disclosed as per the requirement Section 186 of Companies Act, 2013 & Regulation 34(3) of the SEBI (LODR) Regulations, 2015 read with Schedule V of the Listing Regulations is given as under.

Name of the Company	Nature of Transactions/ Relationship	Investment made/ Guarantee /Loans Provided	Opening Balance as on 01/04/2016	Transactions made during the year	Closing Balance as on 31/03/2017
Ravi Kumar Distilleries Ltd.	Non-Current	Investment Made	17926033	-	17926033
Bil Energy Ltd.	Non-Current	Investment Made	6868519	-	6868519
PFL Infotech Ltd.	Non-Current	Investment Made	17444039	-	17444039
Risa International Ltd.	Non-Current	Investment Made	5674407	-	5674407
Rutron International Ltd.	Non-Current	Investment Made	3943231	-	3943231
Upsurge Investment & Finance Ltd.	Non-Current	Investment Made	10462339	-	10462339
Lupin Ltd.	Non-Current	Investment Made	1462212	1462212	0
Trade Services FZE*	Wholly Owned Subsidiary	Investment in Share	1067896 (1 Share of Face Value AED 65000)	-	1067896 (1 Share of Face Value AED 65000)

ECONOMIC SCENARIO AND OUTLOOK

The Indian Pharmaceutical Industry is the 3 largest pharmaceutical market in terms of volume and 10 largest in terms of value, contributing towards 10% of global production. India holds an important position in the World pharmaceutical market.

The India's GDP grew by 7% approx in 2016-17, making the country one of the fastest growing economy amongst G20. The Indian Pharmaceutical market has seen growth of >10% in last one year. Indian drugs are exported to more than 200 countries in the world and India supply 20 per cent of global generic medicines market exports in terms of volume, making the country the largest provider of generic medicines globally and expected to expand even further in coming years.

The Pharma Industry in India has remained on a strong growth path, over the past few years, and is expected to increase to USD 48 billion by 2017-18 at a CAGR of 13-14%.

The World pharmaceuticals market is forecast to grow with approx 12% percent or more from up till 2020 which can be increased if companies invest more in drug research sector as well as promotion. Over the upcoming years the growth will be more as compared to the current standing position. The Government of India unveiled 'Pharma Vision 2020' aimed at making India a global leader in end-to-end drug manufacture.

In the Union Budget 2017, the government has demonstrated its commitment to increase healthcare spending. The National Health plan has been approved by the cabinet and aims at holistic approach to address the healthcare problems of all sectors of society and their solutions with participation from private sector as strategic partners in this mission.

Approval time for new facilities has been reduced to boost investments. Further, the government introduced mechanisms such as the Drug Price Control Order and the National Pharmaceutical Pricing Authority to deal with the issue of affordability and availability of medicines.

INDUSTRY STRUCTURE AND OPPORTUNITIES

In this economic scenario, the Indian Pharmaceuticals Market has seen almost double digit growth in last 1-2 year. A compound annual rate growth of 11-12% before 2020 in the Indian Pharmaceutical market is forecasted. By 2020, India is likely to be among the top three pharmaceutical markets by incremental growth and sixth largest market globally in absolute size. The Union Cabinet has given its nod for the amendment of the existing Foreign Direct Investment (FDI) policy in the pharmaceutical sector in order to

allow FDI up to 100 per cent under the automatic route for manufacturing of medical devices subject to certain conditions; this will result in rapid growth in the Indian pharma industry.

The Union Budget 2017-18 announced certain changes connected to the healthcare sector and there was a increase of health outlay in the Financial Year 2017-2018 as compared to the previous Financial Year. Increase in funding to the National Health Mission will help strengthen efforts towards measles vaccination along with reduction in Maternal Mortality Rate. Higher medical education will receive a much – needed boost by an increase in the number of post- graduate seats and adding more hospitals to offer the Diplomate National Board (DNB) degree and enhance specialty care in fields like endocrinology and oncology. In addition, primary care's focus will be broadened with the conversion of 1.5 lakh health centres into health Wellness Centres.

RISKS & CONCERNS

The company operates in various developed and emerging markets across the world as a result general global economic and political conditions can affect the business of the company, similarly as the company is a generic pharmaceutical player operating in different countries across the globe, there are large number of players in the market ultimately resulting in cut throat competition. This competition constantly puts the pressure on the prices of the generic products which company charges to the customers. During the past few years industry has witnessed various changes. A few other concerns are regulatory risk, growth risk litigation risk, inflation which ultimately affect the business and volume of the products of the company.

The recent amendment was in DPCO policy which had number of drug formulations with an increase in price control. The other remaining formulations will be soon under the price control, under new DPCO that will also pose challenges for pharma companies in the near future.

A few other concerns are low per capita consumption of medicines, unstable political environment in developing and under developed countries including India, currency fluctuations, regulatory issues, inflation which has resulted in an all round increase in input costs.

Syncom has a Risk Management Policy in force to review and mitigate risks relevant to environmental, operational & business risks to safeguard its interest. Syncom's 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.

The government introduced mechanisms like Drug Price Control Order and the National Pharmaceutical Pricing Authority to deal with the issue of affordability and availability of medicines. Also there is a talk of separate Pharma Ministry for the sector for better coordination of the work.

CSR INITIATIVES

In view of the profits and turnover of Syncom during the previous three years, it is required to undertake social responsibility (CSR) projects during the year 2016-17 under the provisions of the section 135 of the Companies Act, 2013 and the rules made there under. As part of its initiatives under CSR, Syncom has undertaken projects in the areas of Education and Health. 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 available at the website of the Company at www.sfli.in. The Board confirms that the Company has obtained the responsibility statement of the CSR Committee on the implementation and monitoring of the CSR Policy during the year as enclosed to the Board Report.

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 employee's safety, two key areas of focus identified were Facility Management for the employees and Equipment, Tools & Material Management. The Facility Management initiative was implemented to ensure adequate welfare facilities for the employees such as wash rooms with bathing facilities, rest rooms, availability of drinking water etc. The Equipment, Tools & Material Management program ensured that the tools used by the employee were safe. The process of screening of contractors was made more stringent to ensure that the employees were aligned with the Company's objectives to ensure 'Zero Harm'.

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.

- **Gender Equality:** Syncom as a company has a policy to promote Gender Equality We hire female employees and mentor and groom them to take higher managerial positions. We also encourage our female employee to have a good work life balance. 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.

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 available at the website at www.sfil.in.

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".

AUDITED FINANCIAL STATEMENTS OF THE COMPANY'S SUBSIDIARY

As on 31st March, 2017, Syncom has Trade Services FZE foreign subsidiary which is 100% Wholly Owned Subsidiary Company, however the same ceased to be in existence w.e.f. 25th April, 2017. Except that the Company does not have any associate or joint venture company at the beginning or any time during the year 2016-17.

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.

BOARD OF DIRECTORS, KMPs AND MEETINGS OF THE BOARD

Independent Directors

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, and they are 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. Further that the Board confirmed that all the independent directors fulfill the criteria laid under the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015.

Directors seeking re-appointment

In accordance with the provisions of the Companies Act, 2013 and in terms of the Articles of Association of the Company, Mr. Kedarmal Bankda (DIN 00023050) director is liable to retire by rotation and he is eligible for re-appointment. Your Board recommends to pass necessary resolution for his re-appointment.

Change in the Key Managerial Personnel's

CS Nafisa Vakil was performing the duties of Company Secretary & Compliance officer had resigned from the post of company Secretary w.e.f. 13th February, 2017. The Company has appointed CS Prachi Rathore w.e.f. 13th February, 2017 as the company Secretary, Compliance Officer and the Key Managerial Personnel of the company. Prachi Rathore has also resigned w.e.f. 14th August, 2017 and the Company has appointed CS Karishma Kakkar w.e.f. 16th August, 2017 in the meeting held on 14th August, 2017 as the company Secretary and Compliance Officer as the Key Managerial Personnel of the company. Except that there is no change in the key managerial personnel's of the Company.

Key Managerial Personnel's

Syncom is having 4 (Four) Key Managerial Personnel's viz Shri Ankit Kedarmal Bankda, Chief Financial Officer, Shri Vijay Shankarlal Bankda, Managing Director and Shri Kedarmal Shankarlal Bankda, Whole-time director and CS Prachi Rathore are functioning as the Key Managerial Personnel under section 203 of the Companies Act, 2013 as on 31st March, 2017.

Composition of the Board

Syncom is having total 6 (Six) directors in the Board including 3 (Three) independent directors and meeting the requirement of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015 as applicable to the Company Shri Kedarmal Bankda is the Chairman of the Board and the Company's meetings.

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 2016-17 viz., on **30th May, 2016, 30th July, 2016, 14th Nov., 2016 and 13th Feb., 2017**. The maximum interval between any two meetings did not exceed 120 days. The Company has complied with all the requirements of the Secretarial Standard-1 in respect of the Board and the Committee Meetings.

Board independence

The definition of 'Independence' of Directors is derived from SEBI (LODR) Regulations, 2015 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 Regulation 17(10) of the SEBI (LODR) Regulations, 2015 and section 149(6) of the Companies Act, 2013.

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.

Annual evaluation by the Board

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

- Attendance of Board Meetings and Board Committee Meetings
- Quality of contribution to Board deliberations
- Strategic perspectives or inputs regarding future growth of Company and its performance
- 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.

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:

- that in the preparation of the annual financial statements for the year ended 31st March, 2017, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- that such accounting policies as mentioned in Note 27.21 of the Standalone Notes to the Financial Statements have been selected and applied consistently and judgment 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 2017 and of the profit of the Company for the year ended on that date;
- 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;
- that the annual financial statements have been prepared on a going concern basis;
- that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

COMMITTEES OF THE BOARD

During the year, the Board has the five Committees, as required under the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 as follows:

- Audit Committee
- CSR Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee
- Risk management Committee

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

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 the Committee has accorded its Omni Bus Approval and also reviewed the same periodically 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

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

No significant material orders were passed by the Regulators/Courts which would impact the going concern status of the Company and its future operations of the Company during the year under review.

However, 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 Appellate Tribunal for deletion of the name of the Company. SEBI has also granted an Interim Relief vide letter SEBI/HO/ISD/ISD/OW/P/2016/0000001565 dated 22nd January, 2016 in the aforesaid matter and further orders was issued by the SEBI on 25th August, 2016 for providing reliefs for sale of the investments as per conditions stipulated therein. The Company is complying with the terms and conditions of the same

AUDITORS

Statutory Auditors

The Board takes pleasure in stating that no such observation has been made by the Auditors in their report which needs any further explanation by the Board.

According to applicable provisions of the Companies Act, 2013 M/s S.P. Moondra & Co., Chartered Accountant were appointed as statutory auditors of the company for a period of three years at the Annual General Meeting of the Company held on 22nd Sept., 2014, accordingly they will retire at the forthcoming AGM of the company.

The Audit Committee at their meeting held on 14th August 2017 has recommended and the Board of Directors has proposed the appointment of M/s Sanjay Mehta & Associates, Chartered Accountants (Firm Registration No. 011524C) as Statutory Auditors of the company for a period of 5 years' subject to approval of the members of the company in forthcoming General Meeting, in place M/s S.P. Moondra & Co., Chartered Accountants whose tenure is expiring on forthcoming AGM. They have confirmed their eligibility under Section 141(3)(g) of the Companies Act, 2013 and the Rules framed there under for appointment as Auditors of the Company.

The Company has obtained their eligibility letter as required under the Companies Act, 2013. Your Board recommend their appointment and pass necessary resolution as set out in the notice.

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 2017-18 on a remuneration of Rs. 25, 000/-plus GST 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 2015-16 to the Central Government on 05/01/2017, which was self-explanatory and needs no comments. The Company is in process to file the Cost Audit Report for the year 2016-17. Further that there is no qualification and observation raised by the auditors which needs clarification by the Board.

Secretarial Auditors

Pursuant to the provisions of section 204 of the Companies Act, 2013 read with 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 here with as "Annexure E". The Secretarial Audit Report for the Financial Year ended March 31, 2017 is self explanatory and needs no comments as such, except the following comments:

- Persons associated with the promoters has sold 72,11,9081 equity shares of Rs. 1/- each consisting of 9.24% of the total paid up capital during the financial year 2016-17 without complying with the Regulation 5 of SEBI (Prohibition of Insider Trading) Regulations, 2015 relating to submission of the Trading Plans and matters related thereto.

Management Comments: The promoters and their associates have obtained opinion of the Lead Manager Hence it can be concluded that the persons who are not in possession of unpublished price sensitive information and the persons other than persons who by virtue of his/her designation in the company are perpetually in possession of unpublished price sensitive information can trade in securities of such listed company without complying the Regulation 5 of SEBI (Prohibition of Insider Trading) Regulations, 2015 relating to the Trading Plan.

- SEBI has issued an Interim Order in 2014 in the matter of First Financial Services on 19th Dec., 2014 However, relaxation for dealing in the investment is provided by the SEBI by order of August, 2016 to the company subject to certain conditions.

Management Comments: The Company is complying the terms and conditions as provided in the relaxation given for dealing in the investments. However, the Company has also made an appeal before the SEBI Appellate Tribunal for set aside the orders of the SEBI against the Company, which is process with the SEBI Appellate Tribunal.

Internal Auditors

Pursuant to the provisions of section 138 of the Companies Act, 2013 the Board of Directors of the company at their Board Meeting held on 14th August, 2017 has appointed M/s Bansal & Agrawal, Chartered Accountants (FRN: 010803C) as recommend by the Audit Committee of the Company as the internal auditors of the



company in place of existing internal Auditors of the company M/s Biyani Mittal & Co., who have shown their unwillingness to act as internal auditors of the company.

ENHANCING SHAREHOLDERS VALUE

Your Company believes that its Members are among its most important stake holders. 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 stake holders by ensuring that its corporate actions positively impact the socio-economic and environmental dimensions and contribute to sustainable growth and development.

CORPORATE GOVERNANCE

As per SEBI (LODR) Regulations, 2015 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".

MD & CFO certification

Certificate obtained from Shri Vijay Bankda Managing Director and Mr. Ankit Kedarmal Bankda, Chief Financial Officer, pursuant to Regulation 17(8) of SEBI (LODR) Regulations, 2015 and for the year under review was placed before the Board at its meeting held on 30th May, 2017.

A copy of the certificate on the financial statements for the financial year ended March, 31, 2017 is annexed along with this Report as "Annexure G".

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 ICAI form part of this Annual Report.

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 here with as "Annexure H".

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL STATUS OF THE COMPANY

The Company has commenced two more business segments relating to renting of property and merchant trading of commodities during the year under review, except that there have been no material changes and commitments, if any, affecting the financial position of the Company as well as after the close of financial year i.e. since 31st March, 2017.

APPLICABILITY OF THE IND-AS

Rule 4(1)(iii)(a) of the Companies (Indian Accounting Standards) Rules, 2015 notified vide Notification No.G.S.R.111(E) on 16th Feb., 2015, provides that if the company is a listed company or having a net worth of less than Rs. 500 Crore then Company is required to comply with the Indian Accounting Standards (INDAS) w.e.f. 1st April, 2017. Therefore, the company has complied the same w.e.f. 1st April, 2017.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return for the year 2016-17 in Form MGT-9 is annexed here with as "Annexure I".

RATIO OF THE REMUNERATION OF EACH DIRECTOR TO THE MEDIAN EMPLOYEE'S REMUNERATION AND PARTICULARS OF EMPLOYEES.

Pursuant to provision of section 197(12) of Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and the details of Top 10 employees given in the "Annexure J".

During the year, none of the employees received remuneration in excess of Rs. One Crore Two Lakhs or more per annum or Rs. Eighty Lakhs Fifty Thousand per month for the part of the year. Therefore, there is no information to disclose in terms of the provisions of the Companies Act, 2013.

FAMILIARISATION PROGRAM FOR INDEPENDENT DIRECTORS

The Company has in place a Familiarisation Program for Independent Directors to provide insights into the company to enable the Independent Directors to understand its business in depth and contribute significantly to the company's success. The Company has devised and adopted a policy on Familiarisation Program for Independent Directors and is also available at the company's website at www.syncomformulations.com/index.php?option=com_docman&task=cat_view&gid=66&Itemid=105.

PREVENTION OF INSIDER TRADING

In view of the SEBI (Prohibition of Insider Trading) Regulation, 2015 the Company

has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed.

CAUTIONARY STATEMENT

The statements made in this Report and Management Discussion and Analysis Report relating to the Company's objectives, projections, outlook, expectations and others may be "forward looking statements" within the meaning of applicable laws and regulations. Actual results may differ from expectations those expressed or implied. Some factors could make difference to the Company's operations that may be, due to change in government policies, global market conditions, foreign exchange fluctuations, natural disasters etc.

ACKNOWLEDGEMENTS

Your Directors thank the various Central and State Government Departments, Organizations and Agencies for the continuous 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.

For and on behalf of the Board

KEDARMAL BANKDA
Chairman & Whole time Director
DIN 00023050

Place: Indore

Date : 14th August, 2017

ANNEXURE 'A'

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

- (i) 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>
- (ii) Turnover: Rs. 18482.24 Lakhs
- (iii) Net Worth: Rs. 11735.46 Lakhs
- Composition of the CSR Committee:
 - Shri Kedarmal Shankarlal Bankda : Whole-Time Director-Chairman
 - Shri Vijay Shankarlal Bankda : Managing Director- Member
 - Shri Krishna Das Neema : Independent Director- Member
- Average net profit of the Company for last three financial years:

Financial Year	Profit (Rs. in Lakhs)
2015-16	1610.08
2014-15	1563.48
2013-14	1392.64
Total (A)	4566.20
Average of above said Profit	1522.06

- Prescribed CSR Expenditure (two percent of the amount as in item 3 above):
The Company is required to spend Rs.30.44 Lakhs towards CSR and your company has expended Rs.31.00 Lakhs towards the CSR activities for the year 2016-17. Thus, the Company is not required to carry forward the amount.
- Details of CSR spend for the financial year
 - Total amount spent during the financial year 2016-17 : Rs. 31.00 Lakhs
 - Amount unspent if any : Nil
 - Manner in which the amount spent during the financial year is detailed below : (Rs. In Lakhs)