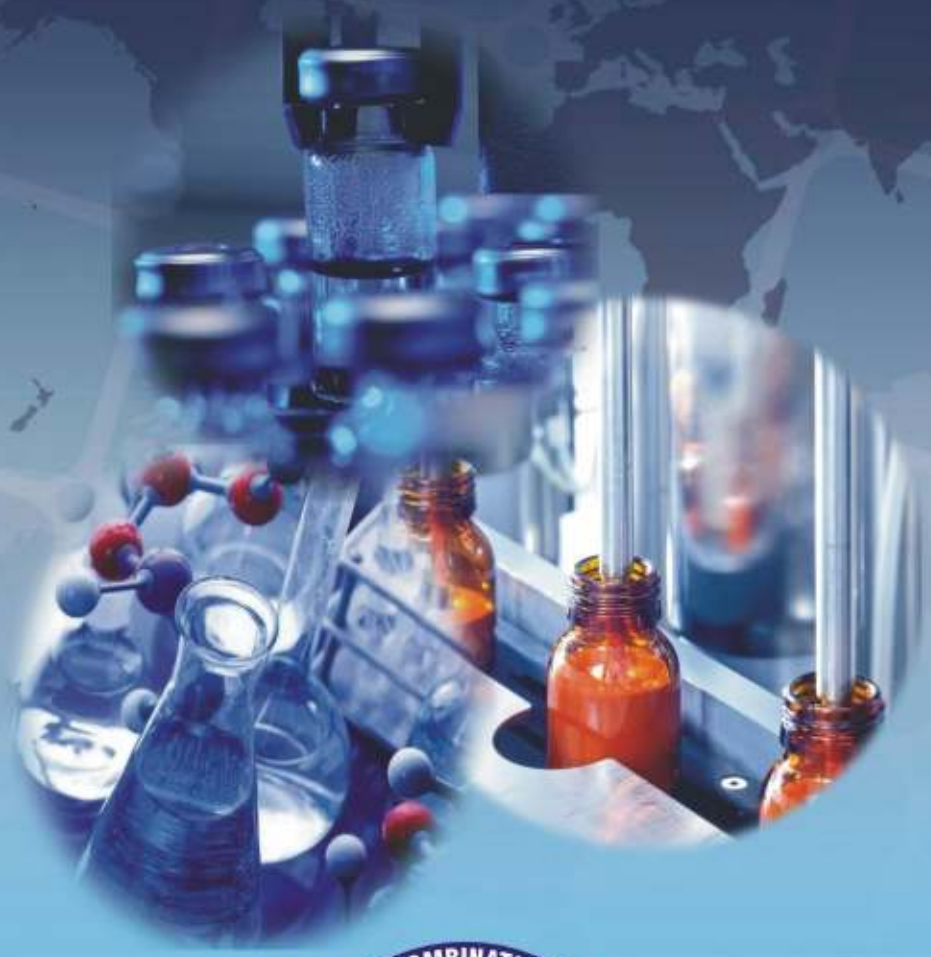
25th ANNUAL REPORT 2012-13



SYNERGISTIC COMBINATION FOR HEALTH
CELEBRATING 25 years SYNCOM

SYNCOM
FORMULATIONS (INDIA) LIMITED

A WHO-GMP & ISO 9001-2008 Certified Company

Synergistic Combination for Health

SYNCOM FORMULATIONS (INDIA) LIMITED

Board of Directors

Kedarmal Bankda
Chairman

Vijay Bankda
Managing Director

C.A. Sanjay Mehta (upto 12.07.2012)

Vinod Kabra

Krishna Das Neema

Praveen Jindal (from 12.07.2012)

Audit Committee

Krishna Das Neema (Chairman)

C.A. Sanjay Mehta (upto 12.07.2012)

Vinod Kabra

Praveen Jindal (from 12.07.2012)

Shareholders/Investors Grievance Committee

Krishna Das Neema (Chairman)

C.A. Sanjay Mehta (upto 12.07.2012)

Vinod Kabra

Praveen Jindal (from 12.07.2012)

Remuneration Committee

Krishna Das Neema (Chairman)

C.A. Sanjay Mehta (upto 12.07.2012)

Vinod Kabra

Praveen Jindal (from 12.07.2012)

Auditors

S.P. Moondra & Co.,
Chartered Accountants,
53/8, Kanchan Bagh,
Indore 452 001

Cost Auditors

M. Goyal & Co.
Cost Accountants, Jaipur

Company Secretary

Mrs. Shikha Sethi

Bankers

Dena Bank

Registered Office

7, Niraj Industrial Estate, Off Mahakali Caves Road, Andheri (East), MUMBAI - 400 093.
Tel. 91-22-30887744
Fax 91-22-30887755
E-mail: info@sfil.in
Website: www.sfil.in

Corporate Office

2nd Floor, "Tagore Centre", (Dawa Bazar),
13-14, R.N.T. Marg, INDORE (M.P.) - 452 001
P.O. Box No. GPO. 610
Tel. 91-731-3046868
Fax 91-731-3046869
E-mail: info@sfil.in

Works

256-257, Sector 1, PITHAMPUR
(Dhar) M.P. 454 775
Tel. / Fax 91-7292 - 253404, 403122
E-mail: info@sfil.in

Share Transfer Agent

Ankit Consultancy Pvt. Ltd.
Plot No. 60, Electronic Complex,
Pardeshi Pura, INDORE (M.P.)
E-mail: ankit_4321@yahoo.com

Contents

	Page No.
Notice	1-3
Director's Report	4-5
Report on Corporate Governance	5-9
Auditor's Report	9-10
Balance Sheet	11
Profit & Loss Statement	12
Cash Flow Statement	13-14
Notes on Financial Statement	15-27
Auditor's Report on Consolidate Balance Sheet & Annexure	28-47
Proxy Form / Admission Slip	48

NOTICE FOR THE 25th ANNUAL GENERAL MEETING

Notice is hereby given that the **Twenty Fifth Annual General Meeting** of the members of **SYNCOM FORMULATIONS (INDIA) LTD.** will be held on Monday, the 5th day of August, 2013, at 2:30 P.M. at the registered office of the company at 7, Niraj Industrial Estate, Off Mahakali Caves Road, Andheri (East), Mumbai-400093 to transact the following businesses:

I. ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2013 and the Statement of Profit and Loss and Cash Flow Statement for the year ended 31st March 2013 together with the Reports of the Board of Directors and Auditor thereon.
2. To consider and approve the dividend on the equity shares of the Company.
3. To appoint a director in place of Shri Vinod Kumar Kabra, who is liable to retire by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors to hold office from conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

II SPECIAL BUSINESS:

Increase in Authorised Share Capital

5. To consider and, if thought fit, to pass with or without modification, if any, the following resolution as an **Ordinary Resolution:-**

"RESOLVED THAT pursuant to the provisions of section 94 of the Companies Act, 1956, and other applicable provisions of the Companies Act, 1956, the Authorised Share Capital of the company be and is hereby increased from Rs. 25,00,00,000/- (Rupees Twenty Five Crores) to Rs. 80,00,00,000/- (Rupees Eighty Crores) divided into 80,00,00,000 (Eighty Crores) Equity shares of Rs. 1 (Rupees One Only) each."

Sub Division/Split of Shares

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

"RESOLVED THAT pursuant to the provisions of section 94 of the Companies Act, 1956 other applicable provisions, if any, of the Companies Act, 1956, including any statutory modifications or re-enactments thereof for the time being in force) and in accordance with the Articles of Association of the Company and subject to such approvals, consent, permissions and sanctions, if any, as may be required from any authority and subject to such conditions as may be agreed to by the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall also include any Committee thereof), consent of the members of the Company be and is hereby accorded for sub-dividing the equity shares of the Company of the face value of Rs. 10/- (Rupees Ten Only) each into Ten equity shares of face value Rs. 1/- (Rupees One only) each and consequently the existing paid up Equity Share Capital of the Company of Rs. 22,30,43,480/- (Rupees Twenty Two Crores Thirty Lakhs Fourty Three Thousand Four Hundred Eighty) would comprise of 22,30,43,480 (Twenty Two Crores Thirty Lakhs Forty Three Thousand Four Hundred Eighty) Equity Shares of Rs. 1/- (Rupees One only) each w.e.f. the Record Date."

"RESOLVED FURTHER THAT pursuant to the sub-division of the Equity Shares of the Company, the issued, subscribed and paid-up equity shares of face value Rs.10/- (Rupees Ten Only) each shall stand sub-divided into Equity Shares of Rs. 1/- (Rupees One only) each, fully paid-up."

"RESOLVED FURTHER THAT no letter of sub-division shall be issued but the share certificates for the sub-divided new equity shares of face value of Rs. 1/- (Rupees One only) each be delivered to the shareholders who hold the existing shares in physical form without calling for surrender of share certificates held by them and the respective beneficiary account be credited with the sub-divided new equity shares of face value of Rs. 1/- (Rupees One only) each for such shareholders who hold the existing shares in dematerialized form."

"RESOLVED FURTHER THAT the sub-division of shares shall be effective simultaneously with the allotment of Bonus Equity Shares by the Board and/or as per the advice of the Stock Exchange"

"RESOLVED FURTHER THAT the Board be and is hereby authorized to do, perform, execute and delegate all such acts, deeds and things as it may consider necessary, expedient, usual or proper to give effect to this resolution including but not limited to fixing of the record date as per the requirement of the Listing Agreement, execution of all the necessary documents with the Stock Exchange(s) and the Depositories, Reserve Bank of India and/or any other relevant statutory authority, if any, cancellation or rectification of the existing physical share certificates in lieu of the old certificates and to settle any question of difficulty that may arise with regard to the sub-division of the Equity Shares as aforesaid or for any matters connected therewith or incidental thereto."

Alteration in the Memorandum of Association

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

"RESOLVED THAT pursuant to Sections 13, 16, 94 and all other applicable provisions, if any, of the Companies Act, 1956, including amendments thereto or re-enactments thereof, the existing Clause V of the Memorandum of Association of the Company be substituted by the following:

V. The Authorised capital of the Company is Rs. 80,00,00,000/- (Rupees Eighty Crores) divided into 80,00,00,000 (Eighty Crores) Equity Shares of Rs. 1/- (Rupees One only) each with the power to increase and reduce the Capital of the Company and to alter, convert, re-classify, into several classes of stock or shares and to divide or sub-divide and consolidate the same with the power to attach thereto respectively such preferential, deferred, or special rights, privileges or conditions or restrictions, as may be determined by or in accordance with the Articles of Association of the Company from time to time.

"RESOLVED FURTHER THAT the Board be and is hereby authorized to do, perform, execute and delegate all such acts, deeds and things as it may consider necessary, expedient, usual or proper to give effect to this resolution including but not limited to filing of the necessary forms with the Registrar of Companies and to comply with all other requirements in this regard and for any matters connected therewith or incidental thereto."

Issue of Bonus Shares

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

"RESOLVED THAT pursuant to the provisions of the Articles of Association of the company and in accordance with applicable provisions, if any, of the Companies Act, 1956, or any amendment or re-enactment thereof and upon recommendation of the Board of Directors and subject to the SEBI (Issue of Capital Disclosure Requirement) Regulations, 2009 (ICDR-Regulations) issued by the Securities and Exchange Board of India (SEBI), compliance of the Reserve Bank of India (RBI) in this behalf and further subject to such approvals, consents, permissions and/or sanctions, as may be necessary, consent of Members, be and is hereby accorded to the Board of directors of the Company ('the Board', which term shall be deemed to include any Committee thereof) for capitalization of such sum standing to the credit of the Capital Reserves, General Reserves and surplus credit balance of the profits laying in the Company's account as may be considered necessary by the Board, for the purpose of issue of 55,76,08,700 (Fifty Five Crores Seventy Six Lakhs Eight Thousand Seven Hundred) bonus equity shares of Rs. 1/- (Rupees One only) each, credited as fully paid-up Equity Shares to the existing eligible holders of the Equity Shares of the Company, whose names shall appear in the Register of Members or in the respective beneficiary accounts with their respective Depository Participants, on the 'Record Date' to be determined by the Board for the purpose, in the proportion of 5 (Five) bonus shares of Rs. 1/- (Rupees One Only) each for every 2 (Two) fully paid-up equity share of Rs. 1/- (Rupees One Only) each held by shareholders and that the bonus shares issued shall, for all purposes, be treated as an increase in the nominal amount in the capital of the company held by each such member, and not as income."

"RESOLVED FURTHER THAT the new equity shares shall be allotted subject to the Memorandum and Articles of Association of the Company and shall rank pari passu with the existing (sub-divided) fully paid-up equity shares of the Company."

"RESOLVED FURTHER THAT that no letter of allotment shall be issued in respect of the bonus shares but in the case of members who hold equity shares (or opt to receive the bonus shares) in dematerialized form, the bonus

shares shall be credited to the respective beneficiary accounts of the members with their respective Depository Participants and in the case of members who hold equity shares in physical certificate form, the share certificates in respect of the bonus shares shall be dispatched, within such time as prescribed by law and/or the relevant authorities."

"RESOLVED FURTHER THAT no fraction, if any, arising out of the issue and allotment of the bonus shares shall be allotted by the Company and the Company shall not issue any certificate or coupon in respect thereof but all such fractional entitlements shall be consolidated and the Bonus Shares, in lieu thereof, shall be allotted by the Board to nominee(s) to be appointed by the Board, who shall hold the same as trustee(s) for the members entitled thereto, and sell the said shares so arising at the prevailing market rate and pay to the company the net sale proceeds thereof, and after adjusting therefrom the cost and expenses in respect of such sale, for distribution to members in proportion to their fractional entitlements."

"RESOLVED FURTHER THAT that for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts/ deeds, matters and things and give such directions as may be necessary or expedient and to settle any question, difficulty or doubt that may arise in this regard as the Board in its absolute discretion may deem necessary or desirable and its decision shall be final and binding."

By order of the Board of Directors

Place: Indore
Date : 08th July, 2013

KEDARMAL BANKDA
CHAIRMAN

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.PROXY IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The Company has already notified closure of Register of Members and Share Transfer Books from 12th July, 2013 to 15th July, 2013 (both days inclusive) for the determining the names of members eligible for dividend on equity shares, if declared at the meeting.
   The Dividend on equity shares if declared at the meeting, will be credited/dispatched to those members whose names shall appear on the Company's Register of Members on 15th July, 2013 in respect of the shares held in dematerialized form, the dividend will be paid to members, whose names are furnished by NSDL/CDSL as beneficial owners as on that date.
3. Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend, the Company or its Registrar and Transfer Agent cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates, such changes are to be advised only to the depository participant of the members.
4. (a) Members are requested to notify immediately any change of address;
   (I) To their Depository Participants (DPs) in respect of their electronic share accounts; and
   (ii) To the Company to its Share Transfer Agents in respect of their physical shares folios, if any.
   (b) In case the mailing address on this Annual Report is without the PINCODE, members are requested to kindly inform their PINCODE immediately.
   (c) Non-resident Indian Shareholders are requested to inform Shar Transfer Agents immediately:
   (I) Change in the residential status on return to India for permanent settlement.
   (ii) The particulars of NRE Account with a bank in India, if not furnished earlier.
5. 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 Saturdays between 11.00 A.M. to 1.00 P.M. up to the date of meeting.
6. Members who are holding shares in identical order of names in more than one folio are requested to send to the Company the details of such folios together with the share certificates for consolidating their holdings in one folio. The share certificates will be returned to the members after making requisite changes thereon.
7. Members desirous of obtaining any information concerning Accounts and Operations of the Company are requested to address their questions in writing to the Company at least 7 days before the date of the Meeting so that the information required may be made available at the Meeting.
8. The Company has connectivity with the CDSL & NSDL and equity shares of the Company may also be held in the Electronic form with any Depository Participant (DP) with whom the members/Investors have their depository account. The ISIN for the Equity Shares of the Company is INE312C01017. In case of any query/difficulty, in any matter relating thereto, they may be addressed to the Share Transfer Agents Ankit Consultancy Pvt. Ltd. Plot No. 60, Electronic Complex, Pardeshipura, Indore (M.P.) 452010.
9. As per the provisions of the Companies Act, 1956, facility for making nominations is now available to INDIVIDUALS holding shares in the Company. The Nomination Form-2B prescribed by the Government can be obtained from the Share Transfer Agent or may be downloaded from the website of the Ministry of Company affairs.
10. Pursuant to the provisions of section 205A(5) and 205C of the Companies Act, 1956, the Company shall transfer the unpaid dividend amount for the year 2005-06 after expiry of 7 years period from transfer of the same to the Unpaid Dividend account. The Members are requested to please submit their request for revalidation of the dividend warrants for the unpaid divided if any for the year 2005-06 and onward.
11. There is no instance which requires to transfer undelivered shares to the separate escrow account as required under the Listing Agreement.
12. The SEBI has mandated the submission of PAN by every participant in securities market. Members holding shares in electronic form are therefore requested to submit their PAN to their depository participant with whom they are maintaining their D-mat Accounts. Members holding shares in physical form can submit their PAN details to the Company's Share Transfer Agent, M/s Ankit Consultancy Pvt. Ltd.
13. Pursuant to the Clause No.49 of the Listing Agreement, the requirement of the profile of the Director proposed for re-appointment is being given in a statement containing details of the concerned Director and is attached hereto.
14. The Ministry of Corporate Affairs ("MCA") Govt. of India by its Circular Nos. 17/2011 dt. 21.04.2011 & 18/2011 dt. 29.04.2011, has allowed companies to send annual report and other communications through electronic mode at the Registered email address of the members/ beneficiaries, keeping in view of the underline and the circulars issued by MCA, we propose to send future communications in electronic mode. Members who hold shares in physical form and desirous of receiving the documents in electronic mode are requested to please promptly provide their details (name, LF No., email ID) to the Registrar and Share Transfer agent of the Company. Accordingly, your Company proposes to henceforth affect electronic delivery of communication/documents including the Annual Reports and such other necessary communication/ documents from time to time to the Members, who have provided their e-mail address to their Depository Participant (DP).
    E-mail addresses as registered in your respective DP accounts in the records of the Depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) which will be periodically downloaded, will be deemed to be your registered e-mail address for serving the necessary communication/documents. Thus, the necessary communication would be sent in electronic form to the registered email address. Members who wish to inform any updates/changes of their e-mail address, are requested to promptly update the same with their DP.
    The annual report and other communications/documents sent electronically would also be displayed on the Company's website: **www.sfil.in** As a Member of the Company, you will be furnished, free of cost, a printed copy of

We request you to support this initiative and opt for the electronic mode of communication by submitting your e-mail address to your DP or to the Company's Registrar, as the case may be, in the interest of the environment.

STATEMENT REGARDING THE DIRECTOR PROPOSED FOR RE-APPOINTMENT

Name and Designation Of Appointee	Age/ Qualification Year	Expertise/ Experience	Date of Appointment	Other Directorship	No. of shares held & %age
Shri Vinod Kumar Kabra	61 years B.Ed., M.Com., LLB	Experience of more than 35 years years in the eucational field.	30/04/2007	Nil	Nil

ANNEXURE TO THE NOTICE
EXPLANATORY STATEMENT IN PURSUANT TO THE PROVISIONS OF SECTION 173(2) OF THE COMPANIES ACT, 1956 IN RESPECT TO THE SPECIAL BUSINESS

Item No. 5:

The present Authorized Share Capital of the Company is Rs. 25,00,00,000 (Rupees Twenty Five Crores) divided into 2,50,00,000 (Two Crores Fifty Lakhs) equity shares of Rs. 10 (Rupees Ten only) each. The Board of Directors of the company has proposed to issue bonus shares at their meeting held on 8th July, 2013, therefore, it has become essential to increase the present Authorized Share Capital to give effect to the said proposal. The Resolution is therefore to increase the Authorized Share Capital of the Company to Rs.80,00,00,000 (Rupees Eighty Crores) divided into 80,00,00,000 (Eighty Crores) Equity Shares of Rs.1/- (Rupees One only) Each.

None of the Directors of the Company is in any way interested or concerned in the Resolution, except to the extent of their shareholding and the shareholdings of their relatives, if any.

Your Directors recommend the above Resolution for your approval.

Item No.6:

At present the Equity Share Capital of Rs. 22,30,43,480/- (Rupees Twenty Two Crores Thirty Lakhs Forty Three Thousand Four Hundred Eighty only) of the Company are listed on the BSE Limited, the Face Value of the Equity Shares are Rs. 10/- (Rupees Ten only) each. In order to enhance the liquidity of the Company in the capital market, widen shareholder base and to make the shares affordable to small investors, the Board of directors at their meeting held on 8th July, 2013 have considered that it desirable to sub-divide (split in the face value) the existing face value of the equity shares of the Company form the present Rs. 10/- per Equity Share into 10 (Ten) Equity Shares of Rs. 1/- (Rupees One only) each.

As per the provision of Section 94 of the Companies Act, 1956, approval of the Shareholders are required for the sub-division of the shares. The Board recommends the resolution for approval of the shareholders as a special resolution.

None of the directors is concerned or interested in the resolution, except to the extent of their respective interest as shareholders of the Company.

Item No.7:

Consequent to the approval of resolutions as set-out in Item No.5 and 6, as above, the existing Clause V of Memorandum of Association of the company is required to be altered to reflect the present status of the capital of the company after increase in capital and sub-division/split of shares.

None of the Directors of the Company is in any way interested or concerned in the accompanying resolution, except of their respective shareholding and the shareholdings of their relatives, if any.

Your directors recommend the above Resolution for your approval as a special resolution.

Item No.8:

In order to reward the shareholders at the completion of its 25th years of the Company and in view of the Company's performance and looking to the comfortable reserves position, the Board of directors at their meeting held on 8th July, 2013 has recommended capitalization of a portion of reserves and surplus of the profits available to the extent of Rs.55,76,08,700/- (Rupees Fifty Five Crores Seventy Six Lakhs Eight Thousand Seven Hundred only) by issuance 55,76,08,700 (Fifty Five Crores Seventy Six Lakhs Eight Thousand Seven Hundred) Equity Shares of Rs. 1/- (Rupees One only) each in the proportion of 5:2 (i.e. 5 (Five) fully paid bonus share of face value of Rs. 1/- (Rupees One only) each for every 2 (Two) eligible existing fully paid (sub-divided) equity shares of Rs. 1/- (Rupees One only) each) held by the members as on the record date to be hereafter decided by the Board or its Committee thereof.

The Company has complied with all the conditions and requirements for issue of bonus equity shares contained in Chapter IX of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as presently in force.

None of the Directors of the Company is in any way interested or concerned in the accompanying resolution, except of their respective shareholding and the shareholdings of their relatives, if any.

By order of the Board of Directors

Place: Indore
Date : 08th July, 2013

KEDARMAL BANKDA
CHAIRMAN

DIRECTORS' REPORT

To,
The Members,
Syncom Formulations (India) Limited

Your Directors have pleasure in presenting their 25th Annual Report and Audited Statements of Account for the year ended 31st March 2013.

1. FINANCIAL PERFORMANCE

Financial Results of the Company for the year under review along with the figures for previous year are as follows:

Financial Results (₹ In Lacs)

Particulars	Year ended 31/03/2013	Year ended 31/03/2012
Net Sales and Other incomes	11609.81	11904.77
Profit before interest, depreciation and tax	**1178.86**	**859.35**
Less: Financial Charges	42.95	41.69
Less: Depreciation	291.00	271.58
Profit before Taxation	**844.91**	**546.08**
Provision for Taxation for current year	228.14	109.04
Difference in income tax for previous year	5.42	0.55
Deferred Tax	45.76	85.93
Net Profit after tax	**565.59**	**350.56**
Add: Balance brought forward from previous years	440.71	345.68
Amount available for appropriation	**1006.30**	**696.24**
Appropriation: Transfer to general Reserve	400.00	100.00
Proposed Dividend	**133.83**	**133.83**
Corporate Dividend Tax	21.71	21.71
Balance carried to the Balance Sheet	450.76	440.70
E.P.S. (in Rs.) (Annualized)	**2.54**	**1.57**

2. REVIEW OF OPERATIONS:

During the year under review Company has achieved a total turnover of **Rs.11609.81** lacs as compared to Rs 11904.77 lacs during the previous year. The Company has generated profit after tax of 565.59 lacs as compared to Rs 350.56 lacs during the previous year and registered growth of 61.34% in the profits on YOY basis.

Your management is hopeful for further improvement in the business climate in the coming period.

3. MARKETING AND EXPORT:

Despite unstable overseas market, during the year under review the company could achieve export turnover of Rs. 7491.54 lacs, as compared to Rs.9096.24 lacs during the previous year. The company has stepped up efforts in increase the export market to new geographical locations/countries and expects significant improvement in future years.

Company's prospects in domestic market

Cratus Life Care, domestic division of company, is now a known name and enjoy a good image in domestic market and has generated turnover of Rs. 3682.93 lacs as compared Rs.2126.28 lacs during previous year. The management is hopeful for further remarkable growth in the domestic market in the coming years.

The result of OTC, Generic and ethical division remains satisfactory. It is expected that the domestic division shall become driver of growth of company in coming years.

4. DIVIDEND:

Your Company always strives is to enhance stakeholders and customers satisfaction value. In pursuance of the same your directors are pleased to recommend payout of 22nd dividend @ Rs.0.60 (6%) per equity share of Rs.10/- each, and proposes to pay Rs. 133.83 Lacs to the members subject to approval by the members at the coming Annual General Meeting. (Previous year @ Rs 0.60 (6%) Rs.133.83 Lacs).

5. SHARE CAPITAL

In order to provide liquidity and broad base to the investors of the Company, your Board at its meeting held on 8th July, 2013 has decided to sub divide the present equity shares of Rs. 10/- (Rs. Ten only) each to Rs. 1/- (Rs. One only) each.

Further that your Board of directors are pleased to inform that upon completion of the 25th years of the Company, the Board announces for issuance of 55,76,08,700 (Fifty Five Crores Seventy Six Lacs Eight Thousand Seven Hundred only) Equity Shares of Rs. 1/- (Rupees One only) to the existing members in the proportion of 5 (Five) Equity shares of Rs.1/- (Rupees One only) for every 2 (Two) equity shares of Rs. 1/- (Rupees One only) held by the members as on the record date as may be declared by the Board.

6. TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND:

During the year, unclaimed dividend of Rs. 6,69,300/- for the year 2004-05 was transferred to the Investor Education and Protection Fund (IEPF), as required by the Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001. The Company is having un-paid/ unclaimed dividend amount of Rs. 16,15,438/- as at 31st March, 2013 (from 2005-06 to 2011-12).

7. BOARD OF DIRECTORS:

The Board consists of executive and non-executive directors including independent directors who have wide and varied experience in different disciplines of corporate functioning.

Shri Vinod Kumar Kabra, Director is liable to retire by rotation at the ensuing Annual General meeting and being eligible offers himself for re-appointment. Your directors recommend to pass necessary resolution as proposed in the notice of the Annual General Meeting.

8. DIRECTORS RESPONSIBILITY STATEMENT:

In accordance with the provisions of section 217(2AA) of the Companies Act, 1956, your directors state that:

- In the preparation of accounts, the applicable accounting standards and Schedule VI have been followed.
- Accounting policies selected were applied consistently. Reasonable and prudent judgments and estimates were made so as to give a true and fair view of the state of affairs of the Company as at the end of March 31, 2013 and the profit of the Company for the year ended on that date.
- Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities.
- The annual accounts of the Company have been prepared on a going concern basis.

9. PARTICULARS OF THE EMPLOYEES:

There were no employees in the company who, if employed throughout or part of the financial year, were in receipt of remuneration, whose particulars if so employed, are required to be included in the Report of directors in accordance with the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975.

10. CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTIONS AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The particulars as prescribed under section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosures of Particulars in the Report of Board of Directors) Rules, 1988 and particulars of employees are set out in the Annexure 1 attached to this report.

11. PUBLIC DEPOSITS:

Your Company has not accepted any public deposit within the meaning of provisions of section 58A and 58AA of the Companies Act, 1956 and there is no outstanding deposit due for re-payment.

12. AUDITORS AND THEIR REPORT:

M/s S.P. Moondra & Co., the statutory auditors of the Company (R.No. 004879C) will retire at the conclusion of the forthcoming Annual General Meeting and the company is in receipt of confirmation from them that if they are reappointed, their appointment will be in accordance with the limit mentioned in section 224(1B) of the Companies Act, 1956.

Comments of the Auditors in their report and the notes forming part of Accounts are self-explanatory and need no comments.

13. COST AUDITORS

The Company has appointed M/s M.Goyal & Co., (Membership No. 00051/07/2008) Cost Accountant as the Cost Auditors of the Company for the Financial Year 2012-13 after obtaining approval of the Central Government. The

Cost Audit Report for the year 2011-12 was filed on 30th Sept., 2012, and the Cost Audit Report for the year 2012-13 would be filed within the stipulated time. The Cost Auditors Report is self explanatory and needs no comments.

The Company has re-appointed the above firm as the Cost Auditors for the company for the financial year 2013-14.

14. CORPORATE GOVERNANCE:

Your Company is committed to good Corporate Governance Practices and follows the guidelines prescribed by the SEBI and Stock Exchanges from time to time. The Company has implemented all the mandatory requirements as applicable to the Company. A report on the Corporate Governance together with the Auditors Certificate is set out in the annexure 2 to this report.

15. PERSONNEL:

The Company continued to have cordial and harmonious relationship with its employees. In totality our employees have shown a high degree of maturity and responsibility in responding to the changing environment, economic and the market conditions.

16. ACKNOWLEDGMENTS:

Your directors take this opportunity to express their gratitude for the assistance and continued cooperation extended by the banks, government authorities, customers and suppliers. The directors are pleased to record their sincere appreciation for the devotion and sense of commitment shown by the employees at all levels and acknowledge their contribution towards sustained progress and performance of your company.

For and on behalf of the Board of Directors

Place: Indore
Date : 8th July, 2013

KEDARMAL BANKDA
CHAIRMAN

Annexure 1 to the Directors' Report:

[Information as per the Companies (Disclosure of particular in Report of Board of Directors) Rules, 1988]

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE:

Information as required under section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules 1988 is given hereunder:

I. CONSERVATION OF ENERGY:

The Company has taken many steps for the Conservation of Energy.

	Current Year (2012-2013)	Previous Year (2011-2012)
1. Electricity (Purchased) Units	18,99,600	23,27,526
Amount (₹)	1,46,67,160	1,61,27,371
Rate/ unit (₹)	7.72	6.73
2. Electricity (Generated) units	6,021	17,525
Amount (₹)	82,500	1,81,357
Unit per Litre of Diesel oil	4.01	4.34
Rate/unit (₹)	13.70	10.35

II. CONSUMPTION PER UNIT OF PRODUCTION:

In view of varied nature of products, of their units of measurement and of their packs, it is not feasible to give information on the accurate consumption per unit of production.

III. RESEARCH & DEVELOPMENT:

1 Specific areas in which the company carries out R&D:

The Scope of activities covers process development in drug and pharmaceutical formulations.

2 Benefits Derived from R&D

- Productivity and quality improvements.
- Improved process performance and better-cost management
- Enhancement of safety and better environmental protection

3 Future plan of action

- Develop cost effective process for existing and new products.
- Development of new drug delivery systems.
- Development of new products for international marketing.
- Improvements in quality and productivity.

4 Expenditure on Research and Development :

In Lacs (₹)	2012-13	2011-12
a. Capital	NIL	NIL
b. Revenue	NIL	NIL
c. Total	NIL	NIL

TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION:

The company has so far not imported any technology. The company manufactures standard products for which technology is established.

FOREIGN EXCHANGE EARNING AND OUTGO:

During the year company has earned foreign exchange by effecting export sales worth of Rs. 7,181.59 lacs (previous year Rs.8,874.30 lacs) (FOB value) and total foreign outgo was Rs. 37.03 Lacs (previous year Rs.41.15 Lacs).

For and on behalf of the Board of Directors

Place: Indore
Date : 8th July, 2013

KEDARMAL BANKDA
CHAIRMAN

Annexure 2 to the Directors' Report:
CORPORATE GOVERNANCE REPORT
REPORT OF COMPLIANCE WITH CLAUSE 49 OF THE LISTING AGREEMENT OF THE STOCK EXCHANGES

MANAGEMENT DISCUSSIONS AND ANALYSIS:

1. Industry Structure and Developments

(a) Industrial Scenario

Indian pharmaceutical industry is expected to grow at 19% in 2013.India is now among the top five pharmaceutical emerging markets.There will be new drug launches, new drug filings, and Phase II clinic trials throughout the year.On back of increasing sales of generic medicines, continued growth in chronic therapies and a greater penetration in rural markets, the domestic pharmaceutical market is expected to register a strong double-digit growth of 13-14 per cent in 2013.

Moreover, the increasing population of the higher-income group in the country will open a potential US$ 8 billion market for multinational companies selling costly drugs by 2015. Besides, the domestic pharma market is estimated to touch US$ 20 billion by 2015, making India a lucrative destination for clinical trials for global giants.

Various Industry body estimates indicate the healthcare market in India to reach US$ 31.59 billion by 2020.

(b) Threats, Risks and Concerns:

Over the past decade, pharmaceutical companies have entered a difficult period where shareholders, the market, and regulators have created significant pressures for change within the industry. The core issues for most of drug companies are declining productivity of in-house R & D, patent expiration of number of blockbuster drugs, increasing legal and regulatory concern, and pricing issue.

Current global financial conditions and the threat of a broad recession accelerated the timetable for implementing transformational changes in global organizations, as the industry confronts lower corporate stock prices and an increasingly cost-averse customer.

(c) Opportunity:

The Indian pharmaceutical industry currently tops the chart amongst India's science-based industries with wide ranging capabilities in the complex field of drug manufacture and technology. A highly organized sector, the Indian pharmaceutical industry is estimated to be worth $ 4.5 billion, growing at about 8 to 9 percent annually.

It ranks very high amongst all the third world countries, in terms of technology,

quality and the vast range of medicines that are manufactured. It ranges from simple headache pills to sophisticated antibiotics and complex cardiac compounds, almost every type of medicine is now made in the Indian pharmaceutical industry.

The Indian pharmaceutical sector is highly fragmented with more than 20,000 registered units. It has expanded drastically in the last two decades

The Pharmaceutical industry in India meets around 70% of the country's demand for bulk drugs, drug intermediates, pharmaceutical formulations, chemicals, tablets, capsules, orals, and injectibles.

(d) Outlook

The Indian Pharmaceutical Industry, particularly, has been the front runner in a wide range of specialties involving complex drugs' manufacture, development, and technology. With the advantage of being a highly organized sector, the pharmaceutical companies in India are growing at the rate of $ 4.5 billion, registering further growth of 8 - 9 % annually.

Your company has a pool of personnel with high managerial and technical competence as also skilled workforce, which provides Professional services.

While keeping its focus on achieving a higher sales growth, the company continues to work on generating cost efficiency in all areas of business management and administration.

Your company is committed to a free market economy and globalization. Above all, it is tapping the 70 million middle class Indian consumer market, which is continuously growing.

We believe that 2013-2014 could be an improvement over the previous years with the economic environment expected to improve on the back of expected government reforms

(e) Internal control systems and their adequacy:

The Company has an adequate system of internal controls which ensures that its assets are protected against loss from unauthorized use or disposition and all transactions are authorized, recorded and reported in conformity with generally accepted accounting principles.

The internal control systems are documented with clearly defined authority limits. These systems are designed to ensure accuracy and reliability of accounting data, promotion of operational efficiency and adherence to the prescribed management policies. These policies are periodically updated to meet current business requirements.

The Company has a system for regular review of internal controls to assess its effectiveness and the controls are suitably revised to keep pace with changing business environment. Internal Control Systems and processes are reviewed and tested by internal Auditors on a regular basis. The scope of Audit Program is agreed upon with the Audit Committee. Audit observations and recommendations are reported to the Audit Committee, which monitors the implementation of the said recommendations. Further that the Company is carrying the cost audit from the cost auditors and it reviews the cost audit report and take corrective steps to reduce the cost of production.

The Audit Committee addresses the business risk on continuous basis. The Company has taken the initiative to institutionalize an enterprise-wide risk management program and integrate the same with internal Controls.

(f) Cautionary statement:

Statement in the management discussion and analysis describing company's objectives, projections, estimates and expectations may constitute "forward looking statement" within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied.

2. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

The Company has been committed to healthy corporate governance practices. Being a value driven organization, the Company's corporate governance practices and disclosures have been duly complied with the statutory and regulatory requirements of the Companies Act, 1956, Securities and Exchange Board of India Act, 1992, together with all the rules and regulations framed there under and the provisions of the listing Agreement and all other applicable laws. The Company's corporate governance policies and practices are in accordance with the provisions of Clause 49 of the Listing Agreement and has complied with all the mandatory requirement as applicable to the Company.

In addition to that the Company has also complied with non-mandatory requirements as given in Annexure – I D, except of submission of half yearly results to the shareholders, training to the Board members and mechanism for evaluation of non executive directors.

3. BOARD OF DIRECTORS:

(a) Constitution of the Board of Directors.

The Company is having whole-time executive Chairman and Managing Director, who discharge their duties and obligations under the superintendence and control of the Board of Directors of the Company. In the Board of Directors as on 31st March 2013 of the Company, the majority of the directors are independent and non-executive having varied and rich experience.

Details of the directors are as under:

Director	Executive /Independent	No. of outside directorship held
Shri Kedarmal Bankda	Promoter & Executive	1
Shri Vijay Bankda	Promoter & Executive	0
Shri Vinod Kumar Kabra	Independent/NED	0
Shri Krishna Das Neema	Independent/NED	0
Shri Sanjay Mehta*	Independent/NED	0
Shri Praveen Jindal*	Independent/NED	0

*CA Sanjay Mehta has ceased to be director and Shri Praveen Jindal was appointed as an Additional Director w.e.f 12th July 2012

(b) Details of director reappointment/seeking appointment.

Shri Vinod Kumar Kabra, Director of the company, is liable to retire by rotation and seeks his re-appointment.

(c) Dates of the Board Meetings and Attendance Record of the Directors:

During the financial year 2012-2013 Six (6) meetings of the Board of directors were held. The following table gives the attendance record of all the directors at the Board Meetings.

Dates of Meetings	Name of Director					
	Mr. Kedarmal Bankda	Mr. Vijay Bankda	Mr. Vinod Kr. Kabra	Praveen Jindal	Mr. Krishna Das Neema	Mr. Sanjay Mehta
14/05/2012	Yes	Yes	Yes	NA	Yes	Leave
12/07/2012	Yes	Yes	Yes	NA	Yes	NA
14/08/2012	Yes	Yes	Yes	Yes	Leave	NA
22/08/2012	Yes	Yes	Leave	Yes	Yes	NA
10/11/2012	Yes	Yes	Yes	Yes	Leave	NA
13/02/2013	Yes	Yes	Leave	Yes	Yes	NA

* CA Sanjay Mehta resigned and ceased to be director and Shri Praveen Jindal was appointed as a Director w.e.f 12th July 2012.

4. AUDIT COMMITTEE:

As a measure of good Corporate Governance and to provide assistance to the Board of Directors and to meet the requirement of section 292A of the Companies Act, 1956 and the Clause 49 of the Listing Agreement and in fulfilling the Board's overall responsibilities, an Audit Committee consisting of only independent directors is continuously functioning since its formation. The Audit Committee inter-alias has all the powers and played its role in terms of the Clause 49 of the Listing Agreement:

(a) Composition of the Audit Committee:

The Audit Committee of the Company was constituted comprising of the following independent directors:

S. No.	Name	Designation	Position in Committee
1.	Shri Krishna Das Neema	Director	Member/Chairman
2.	C.A. Sanjay Mehta*	Director	Member
3.	Shri Vinod Kabra	Director	Member
4.	Shri Praveen Jindal*	Director	Member

*CA Sanjay Mehta is ceased to be director and Shri Praveen Jindal was appointed as an Additional Director w.e.f 12th July 2012.

Shri Devendra Maheshwari, General Manager (Accounts) and Compliance officer is also functioning as the Secretary of the Committee. The Chairman and Statutory Auditor of the Company are the special invitees to the meeting of the Audit Committee.

(b) Meetings and Attendance during the year:

Name of the Director	Mr. Vinod Kabra	Mr. Praveen Jindal	Mr. Krishna Das Neema	CA Sanjay Mehta
Dates of the Meeting				
14.05.2012	Yes	N.A.	Yes	Leave
14.08.2012	Yes	Yes	Leave	N.A.
22.08.2012	Leave	Yes	Yes	N.A.
10.11.2012	Yes	Yes	Leave	N.A.
13.02.2013	Leave	Yes	Yes	N.A.

5. SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE:

(a) Brief description of terms of reference:

The Company has a `Shareholders Grievance & Transfer Committee' at the Board level to look into the redressing of shareholders and investor's complaints like:

(I) Transfer of Shares, transmissions and delay in confirmation in D-mat of shares;

(ii) Non-receipt of Annual Report, etc.

(iii) Non-receipt of the dividend warrants.

(b) Composition of Shareholders Grievance and Transfer Committee:

S. No.	Name	Designation	Position in Committee
1.	Shri Krishna Das Neema	Director/NED	Member/Chairman
2.	C.A. Sanjay Mehta*	Director/NED	Member
3.	Shri Vinod Kabra	Director/NED	Member
4.	Shri Praveen Jindal*	Director/NED	Member

* CA Sanjay Mehta has ceased to be director and Shri Praveen Jindal was appointed as a member w.e.f 12th July 2012

Shri Devendra Maheshwari, the GM (Accounts) and Compliance officer is also functioning as the Secretary of the Committee.

(c) Name and designation of Compliance Officer : Shri Devendra Maheshwari, G.M. (Accounts)

(d) Status of the investors/shareholders Complaints :

(i) Number of complaints received during the year : 26

(ii) Number of complaints solved during the Year : 26

(iii) Number of complaints pending at the end of the year : NIL

The Company has authorized to implement transfer, transmission and D-mat of Shares to the Share Transfer Agent and to resolve the relating problems as professional agency. The Committee meets only on specific nature of complaints not resolved within a period of 14 days from the date of its receipts.

6. REMUNERATION/COMPENSATION COMMITTEE:

(a) Brief description of terms of reference:

The terms of reference of the Committee are to review and recommend compensation payable to the executive directors. The Committee also ensures that the compensation policy of the Company provides for performance-oriented incentives to management.

(b) Composition of the Committee

S. No.	Name	Designation	Position in Committee
1.	Shri Krishna Das Neema	Director/NED	Chairman
2.	C.A. Sanjay Mehta*	Director/NED	Member
3.	Shri Vinod Kabra	Director/NED	Member
4.	Shri Praveen Jindal*	Director/NED	Member

* CA Sanjay Mehta is ceased to be member and Shri Praveen Jindal was appointed as a member w.e.f 12th July 2012.

No meeting of the remuneration committee was required to be held during the year 2012-13.

(c) Remuneration of Executive and Non Executive Directors:

The terms of remuneration of Mr. Kedarmal Bankda, The Chairman and Whole-time Director and Mr. Vijay Bankda, the Managing Directors are in accordance with the approval of shareholders and are within the limits of Schedule XIII of the Companies Act, 1956.

Director	Sitting Fees (₹)	Salary & Perquisites (₹)	Commission (₹)	Total (₹)
Shri Kedarmal Bankda	0	4,20,000	0	4,20,000
Shri Vijay Bankda	0	4,20,000	0	4,20,000
Shri Vinod Kabra	7,500	0	0	7,500
C.A. Sanjay Mehta	0	0	0	0
Shri Krishna Das Neema	7,500	0	0	7,500
Praveen Jindal	7,500	0	0	7,500

7. GENERAL MEETINGS:

The last three Annual General Meeting of the Company were held at the registered office of the Company on the following dates and times:

	Date	Time	No. of Special business Transacted	No. of resolutions passed by postal ballot process
24th AGM	28th September, 2012	02.30 p.m.	2	-
23rd AGM	30th September, 2011	03.00 p.m.	9	-
22nd AGM	29th September, 2010	02.00 p.m.	1	-

The Chairman/Member of the Audit Committee was also present at the Annual General Meeting.

8. DISCLOSURES

The Board of directors of the Company do hereby state and confirm that:

(I) There are no material significant related party transactions made by the Company with its promoters, directors or the management, their subsidiaries or relatives that may have potential conflict with the interests of Company at large. The register of contracts containing transactions in which directors are interested is placed before the Board regularly for its approval.

(ii) During the last three years there were no penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority, on any matter related to capital markets.

9. WHISTLE-BLOWER POLICY:

We have established a mechanism for employee to report concerns about unethical behavior, actual or suspected fraud, or violation of our code of conduct or ethics policy. The mechanism also provides for adequate safeguard against victimization of employee who avails of the mechanism and also provides for direct access to the Chairman of the audit committee in exceptional cases. We further affirm that during the financial year 2012-13, no employee has been denied access to the audit committee.

10. CODE OF CONDUCT

1. The Company has in place a code of conduct for prevention of insider trading.

2. The Board has lay down a code of conduct for all Board members and senior management of the company. The code of conduct has been posted on the notice Board/website of the company and all Board members and senior management personnel have affirmed compliance with the code on an annual basis.

11. MEANS OF COMMUNICATION:

Quarterly results of the Company are published in leading newspapers such as Navshakti Maratha being the Marathi vernacular newspaper and the Free press Journal, English newspaper. The results are promptly submitted to the Stock Exchanges where the shares of the Company are listed.

12. GENERAL INFORMATION TO SHAREHOLDERS & INVESTORS

(i) Date, Time and Venue of Annual General Meeting : 5th Aug., 2013 at 2.30 P.M. at the Registered Office of the Company.

(ii) Financial Calendar :	April 2013 to March 2014
Result for the quarter ended 30.06.2013	Before 14th August, 2013
Result for the quarter ended 30.09.2013	Before 14th Nov., 2013
Result for the quarter ended 31.12.2013	Before 14th Feb., 2014
Result for the quarter ended 31.03.2014	Before 30th May, 2014
(iii) Board meeting for consideration : of Annual Accounts	30th May, 2013
(iv) Posting of Annual Report:	11/07/2013
(v) Last date for receipt of Proxy:	03/08/2013

(vi) Dates of Book Closure: 12/07/2013 to 15/07/2013 (Inclusive both days)
(vii) Date of dispatch of Dividend Warrants/Cheques: On or before 03/09/2013
(viii) Listing on Stock Exchanges : The BSE Limited
(ix) Stock Code: BSE Code 523144
(x) D-mat ISIN No. for CDSL and NSDL: INE312C01017
(xi) No. of Shareholders on 31.03.2013: 5025
(xii) Stock Market Data:
The monthly High and Low stock quotations during the financial year ended 31st March 2013 on BSE are as under (Source the Website: bseindia.com)

Month	High (₹)	Low (₹)	Volume of shares traded	Total No. of shares traded
April, 2012	65.90	45.10	868	2,16,537
May, 2012	48.00	33.50	356	3,54,962
June, 2012	61.60	37.50	1,078	4,86,836
July, 2012	61.10	49.10	905	3,06,996
Aug., 2012	61.75	51.65	1,255	13,62,690
Sep., 2012	59.40	47.30	1,432	15,02,862
Oct., 2012	58.80	34.50	2,015	14,36,584
Nov., 2012	43.00	34.60	383	91,971
Dec., 2012	44.00	35.50	373	92,774
Jan., 2013	72.10	39.30	1,819	2,96,399
Feb., 2013	91.80	61.85	1,925	3,39,653
Mar., 2013	87.65	69.40	861	2,19,394

(xiii) Share Transfer System:
Shareholders/Investors' Grievance Committee also approves share transfers and meets at frequent intervals. The Company's Share Transfers Agent Ankit Consultancy Pvt. Ltd. Process these transfers. Share transfers are registered and returned within a period of 15 days from the date of receipt, if the documents are clear in all respects. In cases where shares are transferred after sending notice to the transferors, in compliance of applicable provisions, the period of transfer is reckoned from the date of expiry of the notice.

(xiv) Dematerialisation/Rematerialisation:
Based on a SEBI directive, Company's shares are traded in electronic form. As on 31st March, 2013, the Company's 2,21,40,417 shares are held by shareowners in dematerialized form, aggregating 99.26% of the Equity Share Capital.
CDSL: 84,39,760 forming 37.84% of the total paid up capital
NSDL: 1,37,00,657 forming 61.42% of the total paid up capital.

(xv) Distribution of shareholding pattern as on 31st March' 2013

Shareholding of Nominal Value ₹	No. of shareholder	%	Shares Amount in ₹	%
Up to1000	2,527	50.29	19,97,230	0.90
1001-2000	989	19.68	18,83,580,	0.84
2001-3000	430	8.56	12,36,210	0.55
3001-4000	170	3.38	6,60,740	0.30
4001-5000	283	5.63	13,97,760	0.63
5001- 10000	305	6.07	24,49,250	1.10
10001-20000	140	2.79	22,02,710	0.99
20001-30000	60	1.19	15,61,630	0.70
30001-40000	27	0.54	9,64,290	0.43
40001-50000	18	0.36	8,20,340	0.37
50001-100000	23	0.46	16,23,330	0.73
100000-Above	53	1.05	20,62,46,410	92.47
Total	**5025**	**100.00**	**22,30,43,480**	**100.00**

(xvii) Categories of Shareholders as on 31st March, 2013:

S.No.	Categories	No. of Shares Held	% of Share holding
1.	Indian promoters	1,40,25,449	62.88
2.	Foreign promoters	0	0
3.	Institutions	0	0
4.	Bodies Corporate	41,38,898	18.56
5.	Individual SHs holding nominal sh. cap. up to Rs. 1 Lakh	15,36,057	6.89
6.	Individual SHs holding nominal sh. cap. in excess of Rs. 1 Lakh	25,55,303	11.45
7.	Clearing Members	12,813	0.06
8.	NRI/ OCBs	35,828	0.16
Total		**2,23,04,348**	**100.00**

(xvi) Details of the promoter's shares under pledge: NIL

(xvii) Details of shares credited in the suspense account:
There were no instance for returning the undelivered shares therefore, no shares were credited in the escrow account as per Clause 5(a) of the Listing Agreement.

(xviii) Address for Communication:
Shareholders should address their correspondence to the Company's Share Transfer Agent Ankit Consultancy Pvt. Ltd., Plot No. 60, Electronic Complex, Pardeshi Pura, Indore (M.P.) and may also contact at the Corporate & Head office of the Company.

(xix) Location of Registered office : 7, Niraj Industrial Estate, Off Mahakali Caves Road, Andheri (East), Mumbai - 400 093
Phone : 091 22 26873851, 26873895
Fax : 091 22 26870293
E-mail: info@sfil.in

(xx) Location of Plant : 256-257, Sector-I, Pithampur
Dist. Dhar (M.P.) 454 775
Ph.: 091 7295 503122, 507039

(xxi) Location of Corporate Office : 2nd Floor, "Tagore Centre" (Dawa Bazar), 13-14, RNT Marg,
Indore - 452 001
Phone : 091 731 2704381
Fax : 091 731 2704380
E-mail: info@sfil.in

(xxii) Website of the Company : **www.sfil.in**

For and on behalf of the Board of Directors

Place: Indore
Date : 08th July, 2013

KEDARMAL BANKDA
CHAIRMAN

MANAGEMENT RESPONSIBILITY STATEMENT

The financial statements are in full conformity with the requirements of the Companies Act, 1956 and the Accounting Standards issued by the Institute of Chartered Accountants of India. The Management of Company accepts responsibility for the integrity and objectivity of these financial statements, as well as, for estimates and judgments relating to matters not concluded by the year-end. The management believes that the financial statements for the year 2012-13 reflect fairly the form and substance of transactions and reasonably presents the Company's financial condition, and results of operations. To ensure this, the Company has installed a system of internal controls, which is reviewed, evaluated and updated on an ongoing basis. Our internal auditors have conducted periodic audits to provide reasonable assurance that the Company's established policies and procedures have been followed. However, there are inherent limitations that should be recognized in weighing the assurances provided by any system of internal controls. These financial statements have been audited by M/s. S.P. Moondra & Co., Chartered Accountants, Statutory Auditors of the Company.

Place : Indore **Vijay Bankda** **Devendra Maheshwari**
Date : 08th July, 2013 **Managing Director** **G.M. (Accounts)**

DECLARATION

This is to confirm that all the members of the Board of Directors and the Senior Management personnel have affirmed compliance with the Code of Conduct, applicable to them as laid down by the Board of Directors in terms of clause 49(1)(D)(ii) of the Listing Agreement entered into with the Stock Exchanges, for the year ended March, 31, 2013 .

Place: Indore
Date : 08th July, 2013

KEDARMAL BANKDA
CHAIRMAN