



**FINANCIAL YEAR 2009-10**

**BOARD OF DIRECTORS**

**Ajay Bankda**  
Managing Director

**J.P. Bagaria**  
Director

**Bharat Kumar Doshi**  
Director

**Govind Das Pasari**  
Director

**Avichal Kasliwal**  
Director

**Company Secretary:**  
**J.C. Paliwal**

**Auditors :**  
**Sanjay Mehta & Associates**  
**Chartered Accountants**  
**204-206, Modi Tower**  
**MTH Compound**  
**Indore 452 001**

**Bankers:**

**Bank of India**  
**Saket Nagar Branch**  
**INDORE**

**Registered Office:**  
**221, Vyapar Bhawan, P.D'mello Road**  
**MUMBAI – 400 009, INDIA**  
**Tel : (022)23725193**

**Corporate Office:**  
**“SYNCOM HOUSE”**  
**40, Niranjapur, Dewas Naka**  
**A.B. Road, INDORE (M.P.) - 452 010**  
**TEL: (0731) 2577471 TO 73**  
**Rim : (0731) 3200888**  
**Fax : (0731) 2577470**  
**e-mail : shl@syncomhealthcare.com**

**Works:**  
**D-42, UPSIDC Industrial Area**  
**Selaqui (Dehradun)**  
**Uttarakhand -248 197**  
**Tel : (0135) 2699131, 2699017**  
**Fax : (0135) 2698220**  
**e-mail : works@syncomhealthcare.com**  
**Website: <http://www.syncomhealthcare.com>**

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**SYNCOM HEALTHCARE LIMITED**

Regd. Office: 221, Vyapar Bhawan, P.D. Mello Road, Mumbai - 400 009

**NOTICE**

**NOTICE** is hereby given that the Eighth Annual General Meeting of **M/S SYNCOM HEALTHCARE LIMITED** will be held on Thursday, the 5th Day of August, 2010 at 2.00 PM at Hotel Imperial Palace, Plot No. 163, Shere Punjab, Behind Tolani College, Andheri (E), Mumbai 400 093 to transact the following business:

**ORDINARY BUSINESS :**

1. To receive, consider and adopt the Audited Profit & Loss Account for the year ended March 31, 2010 and the Balance Sheet as at that date, together with Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. J.P. Bagaria, who retires by rotation and is being eligible offers himself for reappointment.
3. To appoint a Director in place of Mr. Bharat Kumar Doshi, who retires by rotation and is being eligible offers himself for reappointment.
4. To appoint Auditors and to fix their remuneration and in this regard to consider and, if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** M/s Sanjay Mehta & Associates, Chartered Accountants, be and are hereby appointed as Auditors of the Company, to hold office from the conclusion of this annual general meeting until the conclusion of the next annual general meeting of the Company on such remuneration as shall be fixed by the Board of Directors"

**SPECIAL BUSINESS :**

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

"RESOLVED that pursuant to the provisions of section 94, 97 and other applicable provisions, if any, of the Companies Act, 1956 and Article 3(a) of the Articles of Association of the company, the authorised capital of the company be increased from present Rs. 20,00,00,000/- (Rupees Twenty Crore only) divided into 2,00,00,000 (Two Crores) Equity shares of Rs.10/- (Rupees Ten only) each to Rs. 40,00,00,000 (Rupees Forty Crores only) divided into 4,00,00,000 (Four Crores) Equity shares of Rs.10/- (Rupees Ten only) each by the creation of 2,00,00,000 (Two Crore) Equity shares of Rs. 10/- (Rupees Ten only)."

6. To consider and, if thought fit, to pass, with or without modification, the following resolution as Ordinary Resolution:

"RESOLVED that pursuant to the provisions of section 16 and other applicable provisions, if any, of the Companies Act, 1956, the Memorandum of Association of the company be and is hereby altered and amended by substituting the existing clause V by the following clause:

V (a) The Authorised Share Capital of the Company is Rs. 40,00,00,000 (Rupees Forty Crores) divided into 4,00,00,000 (Four Crore) Equity shares of Rs. 10/- (Rupees Ten only) each. The Company shall have the power to increase or reduce the capital. The rights of the holders of any class of shares, for the time being forming part of the capital of the Company, be modified, affected, varied, extended or surrendered either with the consent in writing of the holders of three-fourths of the issued shares of the class or with the sanction of a Special Resolution passed at a separate meeting of the holders of those shares.

7. To consider and, if thought fit, to pass, with or without modification, the following resolution as Ordinary Resolution:

"RESOLVED THAT pursuant to section 31 of the Companies Act, 1956, the Articles of Association be and are hereby altered in following manner:

Substitute the following Article for Article 3(a):

The Authorized Share Capital of the Company is Rs. 40,00,00,000 (Rupees Forty Crores) divided into 4,00,00,000 (Four Crores) Equity shares of Rs.10/- (Rupees Ten) each with power to increase, reduce, consolidate and subdivide its capital in accordance with the provisions of the Companies Act, 1956."

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

**"RESOLVED THAT** pursuant to Section 81 (1A) and all other applicable provisions of the Companies Act, 1956, (including any statutory modifications or re-enactment thereof, for the time being in force) and enabling provisions of

the Memorandum and the Articles of Association of the Company and the Listing Agreements entered into by the company with the Stock Exchanges where the Company's shares are listed and subject to the provisions of the applicable rules, regulations, guidelines or laws and /or any approval, consent, permission or sanction of the Central Government, Reserve Bank of India, Securities Exchange Board of India and the provisions of the Foreign Exchange Management Act, 1999, the Foreign Exchange Management (Transfer or issue of Security by a person Resident outside India) Regulations, 2000, the issue of Foreign Currency Convertible Bonds and Ordinary shares (through Depository Receipt Mechanism) Scheme, 1993, and subject to the approval, consent, permission and /or sanction of the Ministry of Finance(Department of Economic Affairs) and Ministry of Industry (Foreign Investment Promotion Board / Secretariat for Industrial Assistance) and all other Ministries/ Department of the Government of India, Securities and Exchange Board of India (SEBI) and/ or any other authorities, institutions or

bodies as may be relevant (hereinafter collectively referred to as "the appropriate authorities"), and any other statutory authorities, institutions or bodies granting any such approval, consent, permission, and /or sanction (herein after referred to as the "requisite approval"), the Board of Directors of the Company (hereinafter called the "Board" which term shall be deemed to include any committee which the Board may have constituted or herein after constitute to exercise its powers including the powers conferred by this resolution) be and is hereby authorized to create, offer, issue, and allot, in one or more tranches whether rupee denominated or denominated in foreign currency, in the course of domestic or international offerings to any persons as per the SEBI (issue of Capital and Disclosure Requirements) Regulations, 2009 and other allied regulations, any securities including Global Depositories Receipts and/or American Depository Receipts convertibles into equity shares, preference shares whether Cumulative/Redeemable/convertible at the options of the company and/or holder of the security and/or security linked to equity shares/preference shares and/or any instrument or securities representing convertibles securities such as convertible debentures, bonds or warrants convertible into equity shares/preference shares, (hereinafter referred to as "Securities") to be subscribed by foreign/domestic investors/institutions; corporate bodies/entities including mutual funds, banks, insurance companies, pension funds, Public Indian Companies, and/or individuals, employees of the company, non-resident Indians, or otherwise, whether or not such persons/entities/investors are Members of the Company; through public issues or private placement basis or a combination thereof at such time or times whether in one or more currency, at par or at such price or prices (at a discount or a premium to the market price), and on such terms and conditions and in such manner as the Board may, in its absolute discretion think fit, wherever necessary in consultation with the Lead Managers, Underwriters, Advisors or other intermediaries such that the total amount raised through the aforesaid securities should not exceed Rs.150 Crores (One hundred fifty Crores), including Greenshoe Option, if any, or its equivalent, of incremental funds for the Company.

RESOLVED FURTHER THAT without prejudice to the generality of the above, the aforesaid issue of Securities may have all or any terms or combination of terms including as to conditions in relation to payment of interest, additional interest, premia on redemption, prepayment and any other debt service payments whatsoever, and all such other terms as are provided in Securities offerings of this nature including terms for this issue of such securities or variation of the conversion price of the Security during duration of the Securities

and the Company is also entitled to enter into and execute all such arrangements as the case may be with any lead managers, underwriters, bankers, financial institutions, solicitor, advisors, guarantors, depositories, custodians and other intermediaries in such offerings of Securities and to remunerate all such agencies including the payment of commissions, brokerage, fees or payments of their services or the like, and also to seek the listing of such Securities on one or more stock exchanges including international Stock Exchanges, wherever permissible.

RESOLVED FURTHER THAT the Board may enter into any arrangement with any agency or body on behalf of the Company for the issue of the Securities in registered or bearer form with such features and attributes as are prevalent in capital markets for instruments of this nature and to provide for the tradability or free transferability thereof including but not limited to the terms and conditions in relation to payment of interest, additional interest, premium on redemption, prepayment and any other debt service payments whatsoever including terms for issue of additional Equity Shares or variation of the conversion price of the Securities during the duration of the Securities and the Company be and is hereby authorized in its absolute discretion in such manner as it may deem fit, to dispose off such of the Securities that are not subscribed.

RESOLVED FURTHER THAT the Board may issue Depository Receipts(s) or Certificate(s) or Shares, representing the underlying Securities issued by the Company in registered or bearer form with such features and attributes as are prevalent in Indian and /or international capital markets for the instruments of this nature and to provide for the tradability or free transferability thereof, as per as the Indian/International practices and regulations and under the norms and practices prevalent in the Indian/ International markets.

RESOLVED FURTHER THAT the Board or any committee thereof be and is hereby authorized to issue and allot such number of shares as may be required to be issued and allotted upon conversion of any Securities referred to in

above or as may be necessary in accordance with the terms of the offering, all such shares being pari passu with the then existing shares of the company with all respects, as may be provided under the terms of the issue and in the offering document.

RESOLVED FURTHER THAT the Board be and are hereby authorized on behalf of the Company to finalize the pricing, terms and conditions relating to the issue of aforesaid Securities, determine the form, terms and timing of the issue(s), including the class of investors to whom the Securities are to be allotted, number of Securities to be allotted in each tranche, issue price, face value, premium amount on issue/conversion of Securities/exercise of warrants/redemption of Securities, rate of interest, redemption period, listings on one or more stock exchanges in India and/or abroad as the Board or committee in their absolute discretion deem fit and to make and accept any modifications in the proposal as may be required by the authorities involved in such issues in India and/or abroad, to do all acts, deeds, matters and things and to settle any questions or difficulties that may arise in regard to the issue(s).

RESOLVED FURTHER THAT such of these securities to be issued as are not subscribed may be disposed off by the Board to such persons and in such manner and on such terms as the Board in its absolute discretion thinks fit in the best interest of the company and as is permissible by law.

RESOLVED FURTHER THAT for the purpose of giving effect to any issue or allotment of Securities or instruments representing the same, as described above, the Board or any Committee thereof be and is hereby authorized on behalf of the company to do all such acts, deeds, matters and things as it may at its absolute discretion deem necessary or desirable for such purpose, including without limitation the entering into of underwriting, marketing and depository arrangement and institution/trustees/agent and similar agreements and to remunerate the Managers, (including Lead Managers), Merchant Bankers, Underwriters, Guarantors, Financial and/or Legal Advisors, Depositories, Custodians, Principal paying/Transfer/Conversion agents, Listing Agents, Registrars, Trustees and all other agencies, whether in India or abroad, and to finalize the terms and conditions (including the payment of fees, commission, out of pocket expenses and their charges subject to requisite approvals of Reserve Bank of India) of the aforesaid appointments, as they may in their absolute discretion think fit and also to seek the listing of such Securities on one or more National and International Stock Exchange(s).

RESOLVED FURTHER THAT for the purpose aforesaid, the Board be and is hereby authorized to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of Securities and utilization of the issue proceeds including but without limitation to the creation of such mortgage/charge under section 293(1) (a) of the said Act in respect of the aforesaid Securities either on pari passu basis or otherwise or in the borrowing of loans as it may in its absolute discretion deem fit without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT (i) the Securities to be so created, offered, issued and allotted shall be subject to the provisions of the Memorandum and Articles of Association of the Company; and

(ii) the underlying Equity Shares shall rank pari passu with the existing Equity shares of the Company.

RESOLVED FURTHER THAT the preliminary as well as the final offer document for the aforesaid issue(s) be finalized, approved and signed by any Director(s), duly authorized by the Board in this regard, for and on behalf of the company with authority to amend, vary, modify the same as may be considered desirable or expedient and for the purpose aforesaid to give such declarations, affidavits, certificates, consents, authorities as may be required from time to time.

RESOLVED FURTHER THAT the Company do open one or more bank accounts in the name of the Company in Indian currency or foreign currency (ies) with such Bank or Banks in India and/or such foreign countries as may be required in connection with the aforesaid issue(s), subject to requisite approvals from Reserve Bank of India and other overseas regulatory authorities, if any, in accordance with the approval of the Board or a Committee thereof duly authorized in this regard by the Board.

RESOLVED FURTHER THAT the Common Seal of the Company, if required, be affixed on any agreement, undertaking, deeds or other documents, in accordance with the Articles of Association of the Company.

RESOLVED FURTHER THAT the Board or a Committee thereof duly authorized in this regard by the Board be and is hereby authorized to do all such acts, deeds, and things as may be necessary in connection with the said issue of Securities, including but not limited to the following:

- i. Finalize the allotment of Securities in respect of the subscriptions received, basis of allotment in case of over-subscription, accept and appropriate the proceeds of the issue,
- ii. Authorizing the maintenance of a Register of holders of Securities, if so required, in India or abroad as may be deemed fit.
- iii. To authorize Directors/ Executives of the Company, including granting of Power of Attorneys to do such acts, deeds and things as may be necessary in connection with the issue and allotment of the Securities.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegates all or any of the powers herein conferred to any Committee of Directors or the Chairman or any other Office/Authorised Representatives of the Company to give effect to the aforesaid resolution”

#### **9. Increase in limits for FII Investment**

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

“RESOLVED THAT, pursuant to applicable provisions of the FEMA (Transfer of issue of Security by a person resident outside India) Regulations, 2000, Foreign Exchange Management Act 1999, (FEMA), the Companies Act 1956 and all other applicable rules, regulations, guidelines and laws (including any statutory modification or re-enactment for the time being in force) and subject to all requisite approvals, permission and sanctions and subject to such conditions as may be prescribed by any of the concerned authorities while granting such approvals, permissions, sanctions, which may be agreed to by the Board of Directors of the Company and/or a duly authorized committee thereof for the time being exercising the powers conferred by the Board of Directors (herein after referred to as” Board”), the consent of the company be and is hereby accorded for investments by Foreign Institutional Investors including their sub-account (herein after referred as “the FIIs”), in the shares or debentures convertible into shares of the Company, either by direct investment or by purchase or otherwise by acquiring from the market under the Portfolio investments Scheme under FEMA, subject to the condition that the total holding of all FII's put together shall not exceed 74 (seventy four) percent of the paid up equity share capital or paid up value of the respective series of the convertible debentures of the company as may be applicable or such other maximum limit as may be prescribed from time to time.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matter and things and execute all documents or writings as may be necessary, proper or expedient for the purpose of giving effect to this resolution and for the matters connected herewith or incidental thereto.

#### **10. Authority to investment, give loan and extend Guarantee.**

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

“RESOLVED THAT pursuant to the provisions of section 372 A and all other applicable provisions of the Companies Act, 1956, (including any statutory modification or re-enactment thereof, for the time being in force) and subject to the approval/consent of such appropriate authorities, the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company to make any loan(s) to any other body corporate or give any guarantee (s) or provide any security in connection with loan(s) made to and/or acquire by way of subscription, purchase or otherwise the securities of any person or body corporate (other than companies for which specific investment limit have been fixed and approved by the shareholders) which will exceed sixty percent of the paid up share capital and free reserves of this company or hundred percent of the free reserves of this company, whichever is more, provided that the total loan given or guarantee/security provided shall not exceed an amount of Rs. 200 cores (Rupees Two hundred Crores).

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take all such steps as may be required and to do, perform and execute all acts, deeds, matters and things as may be necessary, proper or expedient for giving effect to this Resolution and for matters connected herewith or incidental hereto.

#### **11. Authority to the Board under Section 293(1) (d) of the Companies Act, 1956 to borrow in excess of the present limit:**

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

“REVOLVED THAT, in suppression of the resolution passed at the Annual General Meeting of the Company held on 25th June, 2008 and pursuant to the provisions of section of Section 293(1)(d) and all other applicable provisions of the Companies Act, 1956, (including any statutory modification or re-enactment thereof, for the time being in force) the consent of the Company be and is hereby accorded to the Board of Directors of the Company to borrow from time to time all such sum(s) of money (including by way of External Commercial Borrowings in foreign denomination currencies from any foreign sources/foreign countries as prescribed by the guidelines in this regard as the Board may deem requisite for the purpose of the Company, notwithstanding that the money(s) to be borrowed together with the money(s) already borrowed by the company and outstanding (apart from temporary loans obtained or to be obtained from the Company's Bankers in the ordinary course of business), may exceed the aggregate of the paid up capital and its free reserve of the Company, that is to say, reserve not set apart for any specific purpose, and provided that the total amount borrowed/to be borrowed by the Board of Directors and outstanding at any time shall not exceed the limit Rs. 200 Crores (Two hundred Crores) apart from temporary loans obtained by the company from its bankers/other entities in the ordinary course of its business.



RESOLVED FURTHER 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 as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty, doubt that may arise in respect of the borrowing(s) aforesaid and further do all such acts, deeds and things and to execute all documents and writing as may be necessary, proper, desirable or expedient to give effect to this resolution.

## **12. Authority to the Board under Section 293(1) (a) of the Companies Act, 1956, for creation of charge/mortgages.**

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

“RESOLVED THAT the consent of the company be and is hereby granted in terms of Section 293 (1) (a) and all other applicable provisions of the Companies Act 1956, (including any statutory modification or re-enactment for the time being in force), to the Board of Directors(herein called the “Board” which term shall be deemed to include any committee which the Board may have constituted for this purpose) to mortgage and/or charge, in addition to the mortgages/charges created/to be created by the Company, in such from and manner and with such ranking and at such time and on such terms as the Board may determine, on all or any of the moveable and/or immovable properties of the company, both present and future and/or the whole and any part of the undertaking(s) of the company in favour of the Lenders for securing the borrowings available/to be availed by the company and/or any of the company’s holding/subsidiary/affiliates/associate company/by way of loan(s) (in foreign currency and/or rupee currency) and Securities(comprising fully/partly convertible Debentures and/or Non-Convertible Debentures with or without detachable or non – detachable Warrants and/or secured premium notes and/or floating rates notes/bonds or other debt instruments), issued/to be issued by the Company, from time to time, subject to the limits of Rs. 200 Crores (Two hundred Crores) together with interest at the respective agreed rates, additional rates and all other costs, charges and expenses, including any increased as a result of devaluation/revaluation/fluctuation in the rate of exchange and all other monies payable by the company in terms of the loan Agreement(s) Head of Agreement(s), Debentures Trust Deed(s) or any other documents, entered into/to be entered into between the Company and the Lenders/Agents and Trustees, in respect of the said loans/borrowings/debentures and containing such specific terms and conditions and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Board of Directors or Committee thereof and the Lender(s)/Agent(s) and Trustee(s);

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board and/or its duly constituted Committee be and is hereby authorized to finalize, settle and execute such documents/deeds/writings/paper/agreements as may be required and to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubts that may arise in regard to creating mortgages/charges as aforesaid”.

By Order Of the Board of Directors  
 For Syncom Healthcare Limited

Place: Indore

Date: 7th July, 2010

AJAY BANKDA  
 Chairman

### **Notes:**

1. **A member entitled to attend and vote at the annual general meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty eight hours before the commencement of the Meeting.**
2. Register of Members and Share Transfer Book shall remain closed from 2nd August, 2010 to 5th August, 2010 (both days inclusive).
3. Members are requested to notify to the Company/ Registrar & Transfer Agent of any change in address holding shares in physical form and to their Depository in case of shares held in Demat form.
4. Corporate members intending to send their authorised representatives to attend the meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
5. An explanatory statement pursuant to Section 173(2) of the Companies Act, 1956, relating to the Special Business to be transacted at the meeting is annexed hereto.
6. Members are requested to bring their copy of the annual report to the meeting.
7. In case of the joint shareholders attending the meeting, only such joint shareholder who is higher in the order of the names will be entitled to vote.
8. Members are requested to notify to the Company or to the Registrar and Share Transfer Agent of any change in address holding shares in physical form and to their Depository in case of shares held in Demat Form.

9. As per the provisions of the Companies Act, 1956, facility for making nominations is available to individuals holding shares in the Company. The nomination forms- 2B prescribed by the Government can be obtained from the Share Transfer Agent or can be down loaded from the web site of the Ministry of the Corporate Affairs.
10. Members desires 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.
11. Pursuant to Clause 49 of the Listing Agreement, profile of the directors proposed for re-appointment at the ensuing annual general meeting is annexed hereto.

Details of the Directors seeking re-appointment in the ensuing Annual General Meeting :

Name of the Directors	Mr. J.P. Bagaria	Mr. Bharat Kumar Doshi
Date of Birth	06.10.1947	21.03.1959
Date of Appointment	29.07.2002	28.05.2008
Expertise/ Experience	He is director of the Company science inception. He is having vide experience in purchase &, administration	He is having more than 25 years of experience in Planning, Designing Pharmaceutical, Biotech & API Facilities and Design of HVAC with Clean Room and BSL facility in India & Abroad.
Qualifications	B.Com Part I	B.E. (Mech) Hons
No. of Equity Shares held	100	NIL
List of out side Directorship held	1	1
Chairman/Member of the Committees of the Board of Directors of the Company	NIL	Chairman: Share Transfer & Investors Grievance Committee
Chairman/Member of the Committees of the Board of Directors of the Company	NIL	Member: Remuneration Committee NIL

By Order Of the Board of Directors  
For Syncom Healthcare Limited

Place: Indore  
Date: 7th July, 2010

AJAY BANKDA  
Chairman

#### **Explanatory Statement Pursuant to Section 173(2) of the Companies Act, 1956**

##### **Item No. 5.**

##### **Increase in authorized Capital:**

The company has proposed to expand its activities and hence it is desirable to increase the authorised share capital, so as to raise the capital whenever is required. Presently the Authorised share capital of the Company is Rs. 20,00,00,000 (Twenty Crores only) divided in to 2,00,00,000 (Two Crores only) Equity Shares of the face value of Rs. 10/- (Rupees ten) each which is required to be increased to Rs. 40,00,00,000 (Forty Crores) divided into 4,00,00,000 (Four Crores) Equity Shares of the face value of Rs. 10/- (Rupees ten) each. The additional 2,00,00,000 (Two Crore) Equity Shares of the face value of Rs. 10/- (Rupees ten) each will rank pari passu in all respects with the existing equity shares in the Company.

Having regard to the anticipated growth of the Company in future it is proposed to increase the Authorised Share Capital of the Company. The proposed increase in Authorised Share Capital requires the approval of members in general meeting. The Board recommends that the resolution be passed as special resolution.

None of the Directors of the Company is any way concerned or interested in the aforesaid resolution.

**Item No. 6. & 7**

The Memorandum and Articles of the company are required to be altered due to change in the authorized capital of the company. The consent of the members is required to be obtained for alteration of the memorandum and Articles of Association and therefore the resolution is to be passed in the Shareholders meeting.

None of the Directors of the Company is any way concerned or interested in the aforesaid resolution.

Your Directors consider the said resolution in the interest of the Company and therefore recommends the same for your approval.

**Item No. 8: Raising of Resources through issue of securities.**

The Board of Directors of the Company ("the Board") has been examining opportunities to further strengthen and/or consolidate the company's business. This can be achieved through investing in existing business, enlarging the proposed plan in hand and/or launching new business and/or acquisition opportunities. Such plans demand that the Company augments its funds position so that as and when an opportunity(s) arises the same can be materialized by the Company.

The resolution in the accompanying Notice being proposed as a Special Resolution is essentially an enabling and relates to a proposal to offer, issue and allot Equity Shares/Depository Receipts and/or other appropriate securities upto an amount not exceeding Rs.150 Crores (Rs. One hundred fifty Crores) or its equivalent in foreign currency, inclusive of premium on Equity Shares, in the course of domestic/international offerings. Such securities are proposed to be issued to any eligible person as per SEBI(ICDR) Regulations, 2009 including but not limited to resident investors and foreign investors (whether individuals, mutual funds, incorporated bodies, institutions or otherwise), Foreign Institutional Investors and Qualified Institutional Buyers, etc. The detailed terms and conditions of the offer will be determined by the Board in consultation with the advisor(s), lead manager(s), underwriter(s), and such other authority(ies) and agency(ies) as may be required. This will be done after considering the prevailing market conditions and all other relevant factors. To the extent applicable, the pricing of the offering(s) will be market related subject to "Floor Price" as determined in accordance with applicable laws. As the pricing of the offering(s) will be decided at a later stage the exact number of securities to be issued will depend upon the price so decided.

Securities issued through such proposed offering, if required, may be listed on either International Stock Exchange(s) and/or Indian Stock Exchanges, as appropriate.

The proposed issue requires the approval of Shareholders through a Special Resolution as per the provisions of Section 81 (1A) of the Companies Act, 1956 and the Listing Agreement entered into by the Company with the Stock Exchanges.

Your Directors recommend the resolution for your approval.

The Directors of the Company are deemed to be concerned or interested in the resolution only to the extent of shares held by them in the Company.

**Item No. 9: Increase in limits for FII investment**

The Reserve Bank of India had through its Master circular dated July1, 2006 on Foreign Investments in India permitted the companies to increase limit of investments by Foreign Institutional Investors (FII) upto the sectoral cap or statutory limit as applicable, by passing a resolution by its Board of Directors followed by a special resolution to that effect by its General body. The Sectoral cap applicable to the company is 100% of its paid up capital. The resolution at item no.9 of the notice seeks shareholder approval for increases in the permitted FII investment limits upto 74%. The Board considers the increased investment by FII to be in the interest of the company.

The Board recommends the resolution for increasing the maximum limit of FII investment in the company to 74% of the paid up equity capital of the company.

Your Directors recommend the resolution for your approval. None of the Directors of the Company is, in any way, concerned or interested in the said resolution.

**Item No. 10: Authority to investment, give loan and extend Guarantee**

The Company may explore making investments in areas of business(s) similar to that of the company. To achieve greater financial flexibility and to enable optimal financial structuring to facilitate any such proposal, it is proposed that the Board of Directors be authorized to invest upto Rs.200 Crores over and above the higher of (a) 60% of the paid up share capital & free reserves or (b) 100% of the free reserves by way of subscription and/or purchase of equity/equity related securities and/or debentures, grant of loan, guarantee and/or providing or security from time to time to a body corporate.



As per Section 372A of the Companies Act, 1956, a Company can not make investment, give loan or guarantee or provide any security in excess of the limits set out therein unless it is previously authorized by a special resolution. Hence, it is necessary to obtain approval for the same from the Members by passing a resolution. The funds required for the investment may be sourced through internal accruals, equity proceeds and/or borrowings.

Your Directors recommend the resolution for your approval. None of the Directors of the Company is, in any way, concerned or interested in the said resolution.

**Item No. 11: Authority to the Board under Section 293(1) (d) of the Companies Act, 1956 to borrow in excess of the present limit.**

As per the provisions of Section 293(1) (d) of the Companies Act, 1956, the Board of Directors of the company can not, except with the permission of the Shareholders in General Meeting, borrow money in excess of the aggregate of the paid up capital of the company and its free reserves.

The increasing business operations and future growth plans of the Company necessitate restructuring of the borrowing limits by authorizing the Board of Directors to borrow monies which may exceed at any time the aggregate of the paid up capital of the company and its free reserves but not exceeding an aggregate of Rs. 200 Crores.

Your Directors recommend the resolution for your approval. None of the Directors of the Company is, in any way, concerned or interested in the said resolution.

**Item No. 12: Authority to the Board under Section 293(1) (a) of the Companies Act, 1956 for creation of charge/mortgages.**

The borrowings by a company, in general, is required to be secured by mortgage or charge on all or any of the movable or immovable properties of the company in such form, manner and ranking as may be determined by the Board of Directors of the Company from time to time, in consultation with the lender(s).

The mortgage and/or charge on any of the movable and/or immovable properties and/or the whole or any part of the undertaking(s) of the company, to secure borrowings of the company or of any of its holding, subsidiary, affiliate or associate company, with a power to the charge holders to take over the management of the business and concern of the company in certain events of default, may be regarded as disposal of the Company's undertaking(s) within the meaning of section 293(1) (a) of the Companies Act, 1956. Hence, it is necessary for the Members to pass a resolution under the said Section.

The Board of Directors accordingly recommends the resolution set out in the accompanying Notice for the approval of the Members.

None of the Directors of the Company is, in any way, concerned or interested in the said resolution.

By Order Of the Board of Directors  
For Syncom Healthcare Limited

Place: Indore  
Date: 7th July, 2010

AJAY BANKDA  
Chairman

## Director's Report

The Shareholders,  
**Syncom Healthcare Limited,**  
 Mumbai- 400 009

Your Directors have pleasure in presenting their Eighth Annual Report along with the audited annual accounts for the year ended 31st March 2010 to the members of the Company.

### FINANCIAL RESULTS :

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

	(Rs. In Lacs)	
	Year ended 31/03/2010	Year ended 31/03/2009
Sales and other income	6842.93	6057.50
Profit before Interest and Depreciation	906.00	975.74
Less : Interest	267.61	337.73
Profit before Depreciation	638.39	638.01
Less : Depreciation	186.85	203.75
Profit before Taxation	451.54	434.26
Provision for Taxation	81.11	51.00
Provision for Fringe Benefit Tax	-	5.22
Provision for deferred tax Liability	-	-
Profit after Taxation	370.43	378.04
Prior year Income/ (Expenses)	-	3.27
Balance carried to Balance Sheet	370.43	381.31

### REVIEW OF OPERATIONS :

During the year under review the Company has achieved a total turnover of Rs. 6842.93 Lacs as against the turnover of Rs. 6057.50 Lacs in the previous year thereby registering an increase in turnover of 13%. The Company has earned a net profit of Rs. 451.54 Lacs before tax during the year as against the profit of Rs. 434.26 Lacs in the previous year registering a marginal increase of profit. These results could be achieved due to manufacture of a wide range branded quality of Ethical, OTC, Generic and Herbals products in its own Plant, contract manufacturing & other operations and marketing through an established distribution network. However, the operating profit was slightly lower due to increase in the prices of raw materials. The Company has carried out contract manufacturing for Rs. 10.00 Crores from the well known Pharma players in the industry during the year under review. The Company intends to expand the contract manufacturing activities in near future.

### DIVIDEND :

In order to conserve the financial resources for the future plans the Directors do not recommend any dividend to the members.

### FUTURE PLAN

The Company entered in the capital market at the end of January, 2010 through Initial Public Issue of 7500000 equity shares of Rs. 10/- each at an issue price of Rs. 75/- per equity shares aggregating Rs.56.25 Crores. The issue got good response of the market and subscribed over 5 times. The issue proceeds are proposed to be utilized for setting up a Unit for Pharmaceutical Formulation in SEZ at Pithampur for catering the needs of global requirement. The Company also planned to broad base its marketing net work by opening its own office in Mumbai to cater the overseas marketing operations. The Company also planned to add additional equipments in the existing Plant at Dehradun in Uttarakhand for smoothening of the existing production facilities. The provision for meeting the working capital needs and general corporate use also envisaged. The Company has carried almost complete upgradation in the existing unit at Dehradun as scheduled. The SEZ authority already confirmed for the allotment of land and the same is being allotted and necessary steps for setting up the Unit for Pharmaceutical Formulation at Pithampur is initiated. The Company has utilized up to 31.03.2010 Rs. 24.59 Crores on the project. The remaining amount was lying in the current account with the Bank (Rs. 15.54 Crores) and in the temporary deposits (Rs. 16.12 Crores)