

BOARD OF DIRECTORS

Mr. Jagmohan Arora
Mr. Rajesh Gupta
Mr. Balwant Singh Sandhu
Mr. Satish Chand Aggarwal

Wholetime Director
Wholetime Director
Independent Director
Independent Director

AUDITORS

Bansal Vijay & Associates,
Chartered Accountants
SCO 3017-18, Sector 22-D,
Chandigarh.

BANKERS

Punjab National Bank
Sector 22, Chandigarh

WORKS & REGISTERED OFFICE

Village Bargodam, Tehsil Kalka,
Distt Panchkula, Haryana -133 302

CIN: L24219HR1993PLC032195

CORPORATE OFFICE

S.C.O. 291, 1st Floor, Sector 32-D,
Chandigarh 160 031.

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NOTICE

Notice is hereby given that Twenty First Annual General Meeting of Syschem (India) Limited will be held on Saturday, 27th September, 2014 at 11.00 A.M. at Registered Office Village at Bargodam, Tehsil Kalka, Distt Panchkula, Haryana to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet of the company as on 31st March 2014 and statement of profit and loss during the year ended on that date along with the report of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Rajesh Gupta (Din: 03594434) who retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for reappointment.
3. To declare preference dividend.
4. To appoint the Statutory auditors of the Company and in this regard to pass the following resolution as ordinary resolution :

“RESOLVED that pursuant to the provisions of section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, M/s Bansal Vijay & Associates, Chartered Accountants (Firm Registration No. 014930N), be and is hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the Annual General Meeting to be held in the year 2017 (subject to the ratification of their appointment at every AGM), at a remuneration to be decided by the Board.”

SPECIAL BUSINESS:

5. **Appointment of Mr. Balwant Singh Sandhu (DIN 03365416) as an Independent Director of the Company.**

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Balwant Singh Sandhu (DIN 03365416) Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013 and whose period of office was liable to determination by retirement of Directors by rotation under the provisions of the Companies Act, 1956 and in respect of whom the Company has received a Notice in writing from a Member alongwith the deposit of the requisite amount under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, being so eligible, be and is hereby appointed as an Independent Director of the Company, whose term shall not be subject to retirement by rotation, to hold office for a term of five consecutive years commencing from 27th September, 2014.”

6. Appointment of Mr. Satish Chand Aggarwal (DIN 05159621) as an Independent Director of the Company.

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Satish Chand Aggarwal (DIN 05159621) Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013 and whose period of office was liable to determination by retirement of Directors by rotation under the provisions of the Companies Act, 1956 and in respect of whom the Company has received a Notice in writing from a Member alongwith the deposit of the requisite amount under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, being so eligible, be and is hereby appointed as an Independent Director of the Company, whose term shall not be subject to retirement by rotation, to hold office for a term of five consecutive years commencing from 27th September, 2014.”

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

“RESOLVED that in supersession of the Special Resolution adopted at the Extra Ordinary General Meeting held on 30th July, 2011 and pursuant to Section 180(1)(c) and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) 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 to borrow moneys in excess of the aggregate of the paid up share capital and free reserves of the Company, provided that the total amount borrowed and outstanding at any point of time, apart from temporary loans obtained/to be obtained from the Company's Bankers in the ordinary course of business, shall not be in excess of Rs. 75.00 Crores (Rupees Seventy Five Crores) over and above the aggregate of the paid up share capital and free reserves of the Company.”

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

“RESOLVED THAT in supersession of the Special Resolution adopted at the Extra Ordinary General Meeting held on 30th July, 2011 and pursuant to Section 180(1)(a) and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the shareholders of the Company be and is hereby accorded for creation by the Board of Directors on behalf of the Company, of such mortgages/ charges/ hypothecation and floating charges (in addition to the existing mortgages / charges / hypothecation created by the Company in favour of the lenders) in such form and in such manner as may be agreed to between the Board of Directors and the lenders, on all or any of the present and future immovable and / or movable properties of the Company wherever situated, of every nature and kind whatsoever to secure any Indian Rupee or foreign currency loans, Debentures, advances and all other moneys payable by the Company to the lenders concerned, subject, however, to an overall limit of 75.00 Crores (Rupees Seventy Five Crores only) of loans or

advances already obtained or to be obtained from, in any form including by way of subscription to debentures issued or to be issued by the Company to, any financial institution, bank, body corporate, company, insurer or to the general public.”

9. To consider and if thought fit to pass with or without modification(s) the following Resolution as a Ordinary Resolution :-

“RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and Rules framed thereunder, as amended from time to time and such other permissions as may be necessary, the Members hereby ratify the remuneration of 50,000/- plus service tax, out-of- pocket, travelling and living expenses payable to M/s Balwinder & Associates, Cost Accountants, who are appointed by the Board of Directors of the Company to conduct audit of the Cost records of the Company for the Financial Year ending March 31, 2015.

RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution.”

10. 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 188 read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules 2014 and all other applicable provisions, if any, of the Companies Act, 2013 and subject to such approvals, consents, sanctions and permissions as may be necessary, consent of the members of the Company be and is hereby accorded for the sale and purchase of bulk drug intermediates, chemicals and solvents from Allychem Laboratories Pvt. Ltd. and vice versa.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to perform and execute all such acts, deeds, matters and things including delegation of such authority, as may be deemed necessary, proper or expedient to give effect to this resolution and for the matters connected herewith or incidental hereto.”

11. Amendment in Article 86, 87A & 117 of Articles of Association

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

"RESOLVED THAT pursuant to the provisions of Section 14 and any other applicable provisions of the Companies Act, 2013, the Articles of Association (AOA) of the Company be and is hereby amended as follows :

Article 86: Number of Directors

The following words in the Article 86 of the existing AOA

The Board of the company shall consist of not less than three and not more than Twelve Directors including the Directors nominated by the Financial Institution, Banks and Debenture Directors, if any. The Directors of the company shall not be required to hold any qualification shares be and are hereby replaced with the following words:

“The Board of Directors of the Company shall consist of not less than three and not

more than fifteen Directors including the Directors nominated by the Financial Institution, Banks and Debenture Directors, if any until and unless otherwise determined by the Company in General Meeting by means of a special resolution. The Directors of the company shall not be required to hold any qualification shares”

Article 87(A): Present Directors

Article 87(A) giving details of present directors be and is hereby deleted.

Article 117: Appointment of Managing or Whole-time Directors

Existing Article 117 be and is hereby substituted with the following new Article

"Subject to the provisions of the Act, the Board of Directors by a resolution passed at the meeting of the Board may from time to time appoint one or more of their member to the office of Managing Director or Whole-time Director for such period and on such terms and conditions as the Board may think fit and, subject to the terms of any agreements entered into with him, may revoke such appointment. In making such appointment(s), the Board shall ensure compliance with the requirement of law and shall seek and obtain such approvals as are prescribed by the Act. Further, unless necessitated to comply with the provisions of the Act, the Director so appointed shall not be subject to retire by rotation, but his appointment shall be automatically terminated if he ceases to be a Director.

Provided, however, that if at any time the number of Directors (including the Managing Director or Whole-time Director) as are not subject to retirement by rotation shall exceed one-third of the total number of Directors (excluding Independent Directors) for the time being, then such Managing Director or Whole-time Director or Whole-time Directors as the Board shall from time to time select shall be appointed as Director(s) liable to retire by rotation to the intent that the Directors not liable to retire by rotation shall not exceed one-third of the total number of Directors (excluding Independent Directors) for the time being.

A Whole-time Director (including Managing Director), who is reappointed as a Director immediately on retirement by rotation, shall continue to hold his office of Managing Director or Whole-time Director and such re-appointment as such Director shall not be deemed to constitute a break in his appointment, as Managing Director or Whole-time Director.”

For Board of Directors
M/S SYSCHEM (INDIA) LTD.

Sd/-

DATE : 29/08/2014
PLACE : CHANDIGARH

WHOLETIME DIRECTOR

NOTES

1. Explanatory statement as required under Section 102(1) of the Companies Act, 2013 is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.
3. The instrument appointing a proxy must be deposited with the Company at its Registered Office not less than 48 hours before the time for holding the Meeting.
4. The Company's Registrar and Share Transfer Agents for its Share Registry Work (Physical and Electronic) are M/s Beetal Financial & Computer Services Private Limited, having their office at Beetal House, 3rd Floor, 99 Madangir, Bh-Local Shopping Complex, Near Dada Harsukhdas Mandir, New Delhi-110 062.
5. The Register of Members and Share Transfer Books of the Company will be closed from 20th September, 2014 to 27th September, 2014 (both days inclusive).
6. Members/Proxies are requested to bring their attendance slips and copy of Annual Report to the Meeting.
7. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their questions in writing to the Company at least 10 days before the date of the Meeting so that information required may be compiled and made available at the Meeting.
8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/Registrar.
9. Members can avail of the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of Section 72 of the Companies Act, 2013. Members desiring to avail of this facility may send their nomination in the prescribed Form SH13 duly filled in to Company's Registrar and Share Transfer Agents, Beetal Financial & Computer Services Private Limited, at their abovementioned address. Members holding shares in electronic mode may contact their respective Depository Participants for availing this facility.
10. For receiving all shareholder communications faster, including annual reports, the shareholders are requested to kindly register/update their e-mail address with their respective Depository Participant, where shares are held in electronic mode. If, however, shares are held in physical form, shareholders are advised to register their e-mail address with Company's Registrar and Share Transfer Agent, Beetal Financial & Computer Services Private Limited, New Delhi.
11. Members are requested to:
 - Intimate to the Company's Registrar and Share Transfer Agents, Beetal Financial & Computer Services Private Limited at their abovementioned address, changes, if any, in their registered addresses at an early date, in case of shares held in physical form.
 - Intimate directly to the respective Depository Participant, changes, if any, in their registered addresses, nomination, power of attorney etc. at an early date, in case of shares held in dematerialised form. The Company will not take cognizance of any such requests directly from shareholders.

- Quote their folio numbers/Client ID/ DP ID in all correspondence.
- consolidate their holdings into one folio in case they hold shares under multiple folios in the identical order of names.

12. Voting through electronic means

- In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 21st Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Securities Limited (CDSL):

The instructions for members for voting electronically are as under:-

In case of members receiving e-mail:

- Log on to the e-voting website www.evotingindia.com
- Click on “Shareholders” tab.
- Now Enter your User ID
 - For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- Next enter the Image Verification as displayed and Click on Login.
- If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
	Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.

- (vii) After entering these details appropriately, click on “SUBMIT” tab.
- (viii) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for Syschem (India) Limited which is 140830045.
- (xi) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvi) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
 - (B) The voting period begins on 21st September, 2014 (9:00 am) and ends on 23rd September, 2014 (6:00 pm). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 29th August, 2014 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.
- II. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
 - III. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
 - IV. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date, the 29th August, 2014.
 - V. Mr. Kanwaljit Singh Thanewal, Practicing Company Secretary (Membership No. F-5901), has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
 - VI. The Scrutinizer shall within a period not exceeding three(3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two(2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith.
 - VII. The Results shall be declared on or after the AGM of the Company. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website www.syschem.in and on the website of CDSL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the Bombay Stock Exchange Limited and Delhi Stock Exchange, where the shares of the Company are listed.
13. In respect of the information to be provided under Clause 49 of the Listing Agreement pertaining to the Directors being appointed / re-appointed, members are requested to kindly refer the Chapter on Corporate Governance in the Annual Report.

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

ITEM NO. 5 & 6

As per Section 149 of the Companies Act, 2013 ("the Act"), the Company should have at least one third of the total number of Directors as Independent Directors. An Independent Director shall hold office for a term up to five consecutive years on the Board of a Company and no Independent Director shall hold office for more than two consecutive terms. The provisions relating to retirement by rotation shall not be applicable to the Independent Directors.

Mr. Balwant Singh Sandhu and Mr. Satish Chand Aggarwal are Independent Directors of the Company in terms of Clause 49 of the Listing Agreement.

Pursuant to the recommendations of the Nomination & Remuneration Committee, the Board of Directors at its Meeting held on 13th August, 2014 has proposed the appointment Mr. Balwant Singh Sandhu and Mr. Satish Chand Aggarwal as Independent Directors, who shall hold office on the Board of the Company for a period of five consecutive years.

The Company has received respective Notices in writing from the Members alongwith the deposit of the requisite amount under Section 160 of the Act proposing the candidatures of each of the Directors mentioned above for the office of Directors of the Company. The Company has received declarations from each of the Directors mentioned above that they meet with the criteria of independence as prescribed under Section 149(6) of the Act. Further, the above Directors are not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent in writing to act as Directors of the Company.

All the above mentioned Directors are persons of integrity and possess appropriate skills, experience, knowledge and qualifications in their respective fields which are beneficial to the interests of the Company.

In the opinion of the Board, the above mentioned Directors fulfill the conditions for appointment as Independent Directors as specified in the Act including the Rules framed thereunder.

These Directors are independent of the management. A brief profile and other details of each of the above mentioned directors are given in the "Details of Directors seeking appointment/re-appointment (as required under clause 49 of the Listing agreement)", which is part of the Notice. Copies of the Draft Letters of Appointment of Mr. Balwant Singh Sandhu and Mr. Satish Chand Aggarwal as an Independent Director setting out the terms and conditions would be available for inspection by the members at the Registered Office of the Company during normal business hours on working days.

None of the above mentioned directors hold any shares in the Company.

Except the above, none of the other Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in these Resolutions except to the extent of their shareholding interest, if any, in the Company.

Keeping in view the vast experience and knowledge, which these Directors possess, the