



Laurel Organics Ltd.

Regd. Office/Works : Village Bhondsi, Tehsil Sohna, Distt. Gurgaon-122102 (Hr)
Telephone : 91 (0124) 2267351
E-mail : laurelorganicslimited@gmail.com, Web. : www.laurel.co.in
CIN No. : L24239HR1993PLC032120

Ref: Laurel/Sec/2016-17/004

Date: 19-10-2016

To,

Listing Department
Bombay Stock Exchange Limited (BSE)
PhirozeJeejeebhoy Towers,
Dalal Street, Mumbai-400001

Scrip code: 530313

Subject: Submission of Annual Report to the Stock Exchange under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/Madam,

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, we have enclosed herewith the Annual Report of the Company for the Financial Year ended on March 31, 2016.

Kindly take the same on records.

Thanking you,

Yours Faithfully,

For Laurel Organics Limited
For Laurel Organics Ltd.

SAMEER GOEL Director
(Chairman cum Managing Director)
DIN: 00161786

TODAY'S AGENDA-QUALITY

Laurel Organics Limited



For Laurel Organics Ltd.

Sanjay Solanki
Director

23rd Annual Report 2015-2016

Laurel Organics Limited

Registered Office: Village Bhondsi Tehsil Sohna Distt., Gurgaon-122102, Haryana, India,
Tel: 011-29535650, CIN No. L24239HR1993PLC032120
Website: www.laurel.co.in Email ID: laurelorganicslimited@gmail.com

NOTICE

NOTICE is hereby given that the 23rd Annual General Meeting (AGM) of the members of the Laurel Organics Limited will be held on Friday, 30th September, 2016 at 12.30 p.m. at the registered office of the Company at Village .Bhondsi, Tehsil Sohna Distt., Gurgaon-122102 (Haryana) to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements of the Company on standalone basis for the financial year ended 31st March, 2016, and the report of the Auditors and the Directors thereon.
2. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed thereunder, as amended from time to time and pursuant to the recommendations of the Audit Committee of the Board of Directors, and resolution passed by the members at the AGM held on 29th September, 2014, the appointment of **M/s A. K. Jalan & Associates, Chartered Accountants, (Registration No. 500107N)** as the Statutory Auditors of the Company from the conclusion of 23rd AGM till the conclusion of 24th AGM of the Company be and is hereby ratified and that the Board of Directors be and is hereby authorized to fix the remuneration payable to them as may be determined by the audit committee in consultation with the auditors."

SPECIAL BUSINESS :

3. **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 Sections 203, Section 196, and Section 197 read with Schedule V thereto and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) Article of Association of the Company, and on the recommendation of Nomination & Remuneration Committee, the approval of members be and is hereby accorded for the appointment of **Mr. Sameer Goel (DIN: 00161786)**, as Chairman cum Managing Director of the Company for a period of 5 years w.e.f. 29th March, 2016.

"RESOLVED FURTHER THAT Mr. Sameer Goel will not withdraw any remuneration during the tenure of his appointment and shall be liable to retire by rotation but if re-appointed, the same shall not be treated as break in the service.

"RESOLVED FURTHER THAT Board of Directors of the Company be and is hereby severally authorised to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to this resolution."

4. **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 Sections 203, Section 196, and Section 197 read with Schedule V thereto and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) , Article of Association and on the recommendation of Nomination & Remuneration Committee, the approval of members be and is hereby accorded for the appointment of **Mr. Sachin Goel (DIN: 00161762)**, as Whole Time Director of the Company for a period effective from 29th March, 2016 till 17th May, 2016.

"RESOLVED FURTHER THAT Mr. Sachin Goel will not withdraw any remuneration during the tenure of his appointment and shall be liable to retire by rotation but if re-appointed, the same shall not be treated as break in the service.

"RESOLVED FURTHER THAT Board of Directors of the Company be and is hereby severally authorised to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to this resolution."

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 Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 ("**Act**"), if any, and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act, **Mr. Jagdeep Dhawan (DIN No. 00778235)**, be and is hereby appointed as an Independent Director of the Company to hold the office for a period of five (5) consecutive years w.e.f. 29th March 2016 and shall not be liable to retire by rotation.

"RESOLVED FURTHER THAT Board of Directors of the Company be and is hereby severally authorised to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolution.

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 Sections 149, 152 and any other applicable provisions of the Companies Act, 2013, if any, and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, **Ms. Richa Gupta (DIN No. 07481646)**, be and is hereby appointed as an Independent Director of the Company to hold the office for a period of five (5) consecutive years w.e.f. 15th April, 2016 and shall not be liable to retire by rotation."

"RESOLVED FURTHER THAT Board of Directors of the Company be and is hereby severally authorised to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolution".

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

"RESOLVED THAT pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there (including any statutory modification(s) or reenactment thereof for the time being in force), the consent of the members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board", which expression shall be deemed to include any Committee duly constituted/ to be constituted by the Board to exercise its powers, including the powers conferred by this Resolution) to borrow, on behalf of the Company, any sum or sums of money, from time to time, as it may deem fit, in any manner, and without prejudice to the generality thereof, by way of term loans, non-convertible debentures, bonds, advances, credits, acceptance of deposits or otherwise in Indian rupees or any foreign currency, from any bank(s), any financial institution(s) other entity(ies), body(ies) corporate(s), person(s) etc., in India or abroad, and whether the same may be secured or unsecured, and if secured, whether by way of mortgage, charge, hypothecation, pledge or otherwise in any respect of all, or any, of the Company's assets and effects or properties including uncalled capital, stock-in-trade (including raw materials, stores, spares and components in stock or stock in transit), notwithstanding that the money to be borrowed together with the money already borrowed by the Company and remaining undischarged at any given time, will or may exceed the aggregate of its paid-up capital and free reserves of the Company, apart from temporary loans obtained from Company's bankers in the ordinary course of business provided that the total amount upto which the money may be borrowed by the Board at any time, shall not exceed, in the aggregate, the sum of **Rs . 100 Crores** (Rupees Hundred Crore only) including foreign currency in equivalent rupees."

"RESOLVED FURTHER THAT the Board or any committee or person(s) authorised by the Board, be and is hereby authorized to settle the terms and conditions on which all such monies are to be borrowed from time to time including as to interest, repayment, security or otherwise howsoever as it may think fit, to finalise, settle and execute such documents / deeds / writings / papers / agreements as may be required and to do all acts, deeds, matters and things as may in its / his / their absolute discretion deem necessary, proper or desirable to give effect to this resolution and to settle any question(s), difficulty(ies) or doubt(s) that may arise as aforesaid or other considered to be in the best interest of the Company.

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

"RESOLVED THAT pursuant to the provisions of Section 180(1)(a) and all other applicable provisions, if any, of the Companies Act, 2013 ('Act') and Rules made thereunder (including any statutory modification(s) or reenactment thereof for the time being in force), the consent of the members be and is hereby accorded to the Board of Directors (hereinafter referred to as "the Board", which expression shall be deemed to include any Committee duly constituted/ to be constituted by the Board to exercise its powers, including the powers conferred by this Resolution) to create mortgage and/ or charge, on such terms and conditions and at such time(s) and in such form and manner, and with such ranking as to priority as may be deemed fit, on the whole or substantially the whole of the Company's any one or more of the undertakings or all of the undertakings, including present or future properties, whether immovable or moveable assets, comprised in any undertaking of the Company, as may be agreed to in favour of the bank(s), financial institution(s) or other body(ies) corporate(s), other entity(ies), person(s) etc. in India or abroad, hereinafter referred to as the lender(s), and/or trustees to secure borrowings upto the limits approved under Section 180 (1) (c) and all other applicable provisions, if any, of the Act

read with the Rules made there under, as may be amended from time to time together with interest at the respective agreed rates in respect of bonds, term loans, non-convertible debentures and/ or other instrument(s) including foreign currency borrowings, to be issued in one or more tranches, to Indian/ foreign bank(s), institution(s), companies, other corporate bodies including any increase as a result of devaluation/ revaluation or fluctuation in the rates of exchange, together with interest, at the respective agreed rates, compound interest, additional interest, commitment charges, premium on prepayment or on redemption, costs, charges, expenses and other monies covered by the aforesaid financial assistance under the respective documents, created or entered into by the Company in respect of the said debentures/ bonds/ term loans/other instrument(s) evidencing such borrowings."

"RESOLVED FURTHER THAT the securities/ mortgages to be created by the Company aforesaid may rank prior/ pari-passu with or second / subservient/ subordinate with/ to the mortgages and/or charges already created or to be created in future by the Company and as may be agreed to between the concerned parties."

"RESOLVED FURTHER THAT the Board or any committee or person(s) authorised by the Board, be and is hereby authorized to settle the terms and conditions on which all such monies are to be borrowed from time to time including as to interest, repayment, security or otherwise howsoever as it may think fit , to finalise, settle and execute such documents / deeds / writings / papers / agreements as may be required and to do all acts, deeds, matters and things as may in its / his / their absolute discretion deem necessary, proper or desirable to give effect to this resolution and to settle any question(s), difficulty(ies) or doubt(s) that may arise as aforesaid or other considered to be in the best interest of the Company."

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

"RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions, if any, of the Companies Act, 2013, read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby severally authorized to do all such acts, deeds, matters and things, settle any question, difficulties or doubt that may arise in this regard and give such directions, as it may, in its absolute discretion, deem expedient, desirable and necessary to give effect to this Resolution."

**By order of the Board of Directors
For Laurel Organics Limited**

Sd/-

**Sameer Goel
(Chairman cum Managing Director)**

DIN: 00161786

**C-52, Rohit Kunj, Pitampura
New Delhi-110035**

Date: 13th August, 2016

Place: Gurgaon

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING MAY APPOINT A PROXY TO ATTEND AND VOTE ON A POLL ON HIS BEHALF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PERSON CAN ACT AS PROXY ON BEHALF OF NOT EXCEEDING FIFTY MEMBERS AND HOLDING IN THE AGGREGATE NOT MORE THAN 10% OF THE TOTAL EQUITY SHARE CAPITAL OF THE COMPANY. ANY MEMBER HOLDING MORE THAN 10% OF THE TOTAL EQUITY SHARE CAPITAL OF THE COMPANY MAY APPOINT A SINGLE PERSON AS PROXY AND IN SUCH A CASE, THE SAID PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR MEMBER. THE INSTRUMENT APPOINTING PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. Statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at the Annual General Meeting is annexed.
3. **Corporate Members** are requested to send to the Registered Office of the Company, a duly certified copy of the Board Resolution pursuant to Section 113 of the Companies Act, 2013, authorising their representative to attend and vote at the Annual General Meeting ('AGM').
4. All documents referred to in the accompanying Notice and the Statement shall be open for inspection at the Registered Office of the Company during normal business hours on all -days except Saturdays and Sunday, up to and including the date of the Annual General Meeting.
5. Members can inspect the register of director and key managerial personnel and their shareholding, required to be maintained under section 170 of the Companies Act, 2013 and register of contracts or arrangements in which the directors are interested, to be maintained under section 189 of the Companies Act, 2013 during the course of the meeting at the venue.
6. 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 details to the Company's RTA i.e. Beetal Financial & Computer Services (P) Ltd.
7. Members are requested to bring their copies of Annual Report and attendance slip at the Meeting and Members who wish to obtain information on the Financial Statements for the year ended March 31, 2016, may send their queries at least seven days before the Annual General Meeting to the Compliance Officer & Company Secretary at the registered/ or corporate office of the Company or by way of email on **laurelorganicslimited@gmail.com**
8. Electronic Copy of Notice of AGM along-with the Annual Report for the financial year 2015-16 is being sent to all the Members whose email IDs are registered with the Company / Depository Participants(s) for communication. For Members who have not registered their email address, physical copies of Notice of AGM along-with the Annual Report for 2015-16 is being sent by the permitted mode.

Members may also note that Notice along-with Annual Report will also being placed on the Company's official website i.e. **www.laurel.co.in** and on the website of Central Depository Services Limited (CDSL) i.e. **www.evotingindia.com** through whom facility have been provided to exercise

the right to vote by electronic means on the business items/resolutions set out in this Notice and the concerned stock exchange.

9. The Company has appointed M/s Beetal Financial and Computer Services Private Limited, Delhi as the Registrar and Share Transfer Agents with effect from January 19th, 2016. Members are requested to register/update/notify immediately about any change in their address/e-mail address /bank details to their Depository Participant (DP) in respect of their shareholding in Demat mode and in respect of their physical shareholding to M/s Beetal Financial and Computer Services Private Limited, Beetal House, 3rd Floor, 99 Madangir, Behind Local Shopping Centre, Near Dada Harsukhdas Mandir, Delhi 110062 either physically or by sending mail on beetalrta@gmail.com .
10. **Members who are still holding shares in physical form are advised to Dematerialize their shareholding to avail of the benefits of dematerialization which include easy liquidity since trading is permitted only in dematerialized form, electronic transfer, savings in stamp duty, prevention of forgery, etc.**

11. VOTING THROUGH ELECTRONIC MEANS (E-Voting)

Information and other instructions relating to e-voting are as under:

In compliance with provisions of Section 108 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, and the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Company is pleased to provide Members to exercise their right to vote on the resolutions proposed to be passed in 23rd Annual General Meeting ("**AGM**") by electronic means through remote e-voting.

The members may cast their votes using remote e-voting from a place other than the venue of the Annual General Meeting. The facility for voting through ballot paper system shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to vote at the AGM through Ballot paper system.

The members who have cast their vote by remote e-voting may also attend the AGM but shall not be entitled to cast their vote again. In case a member cast his or her vote both through the remote e-voting, and ballot paper at the AGM, then the vote cast by way of remote e-voting will only be considered.

The Board of Directors of the Company has appointed **Ms. Neha Seth, Practicing Company Secretaries (CP No. 12908)**, as Scrutinizer to Scrutinize the remote e-voting process and Ballot papers process in a fair and transparent manner and she has communicated his willingness to be appointed and will be available for same purpose.

Voting rights shall be reckoned on the paid up value of shares registered in the name of the member/beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. 23rd September, 2016.

A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e. 23rd September, 2016 shall be entitled to avail the facility of remote e-voting/Ballot Paper. A person who is not a member as on the cut-off date should treat this Notice for information purposes only.

The items of business as detailed in this Notice as may be transacted through remote e-voting services provided by Central Depository Services Limited (CDSL).

The instructions for e-voting services are as under:

- i. The voting period begins at 10.00 am on 26th September, 2016 and ends on 29th September, 2016 at 5:00 pm. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 23rd September, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii. The shareholders should log on to the e-voting website www.evotingindia.com.
- iii. Click on Shareholders.
- iv. Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- v. Next enter the Image Verification as displayed and Click on Login.
- vi. 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.
- vii. If you are a first time user follow the steps given below

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> 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.

- viii. After entering these details appropriately, click on "SUBMIT" tab.
- ix. Members holding shares in physical form will then directly reach 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.

- x. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xi. Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- xii. 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.
- xiii. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xiv. 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.
- xv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xvi. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- xvii. If Demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xviii. **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- xix. **Note for Non - Individual Shareholders and Custodians**
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- xx. 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.com, under help section or write an email to helpdesk.evoting@cdslindia.com or can contact the following person

Name: Mr. Rakesh Dalvi
Designation: Deputy Manager
Address: 16th Floor, Phiroze Jeejeebhoy Towers,
Dalal Street, Fort, Mumbai - 400001.
Email id: helpdesk.evoting@cdslindia.com
Phone number: 18002005533

- xxi. Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. 23rd September, 2016 may follow the same instructions for e-Voting.
12. The Scrutinizer shall, immediately after the conclusion of voting at the Annual general meeting, count the votes cast at the Annual General meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least 2 witnesses not in the employment of the Company. The Scrutinizer shall submit a consolidated Scrutinizer's report of the total votes cast in favor of or against, if any, not later than 48 hours after the conclusion of the AGM to the Chairman of the Company. The Chairman or any other person authorized by the chairman shall declare the result of the voting forthwith.
13. The results along with Scrutinizer's Report will be placed on the Company's website www.aajtak.intoday.in and the website of CDSL immediately after the result is declared by the Chairman or any other person authorized by the Chairman and the same shall be communicated to the Stock Exchanges where the shares of the Company are listed.

STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

1. In respect of Item No. 3:

Mr. Sameer Goel, (DIN: 00161786), aged 41 years, a Delhi University Commerce graduate, holds a stature in the Indian API market and has strong multi-dimensional capabilities in the areas of Business Development, Product Development, Strategic Marketing and Operations Management. As a co-founder of Biotavia Group, a group which deals in Pharmaceutical products, he had run the organization for 14 years and played a key leadership role in acquiring and aligning the strong support of professional networks, business partners and executive teams to accomplish expertise in manufacture, sales, marketing and trading of various APIs and its Intermediates. Mr. Goel Diverting away from the family partnership business, started Kimia Biosciences Pvt Ltd in 2012, a company based at Pitampura, New Delhi. Kimia is engaged in dealing of bulk drugs addressing to various high potential therapeutic segments. Kimia get its products manufactured on job work basis from facilities at Derabassi, Punjab and few other locations in the country that enables it to produce wide range of APIs.

He holds nerves of pharmaceutical APIs business and having in-depth knowledge about Industry, Market and products. He is well known face in amongst the APIs industries. He is great visionary with good sense of business.

Keeping in view his qualification and his leadership qualities supported by experience, the Board of Directors in their meeting held on 29th March 2016 had appointed Mr. Sameer Goel, as Additional Director & thereafter Chairman cum Managing Director for a period of five (5) years w.e.f. 29th March, 2016 subject to the approval of the shareholders .

Information as required under Secretarial Standards -2 and SEBI (LODR) Regulations 2015 in respect of the aforesaid director is provided below:

S.No.	Particular	Details
	Remuneration last drawn	18 Lakh from Biotavia Labs Private Limited
	shareholding in the company held either by them or on a beneficial basis for any other persons	NIL
	Relationship with other Directors, Manager and other Key Managerial Personnel of the company	Brother of Mr. Sachin Goel
	The number of meetings of the Board attended during the year and	One Board Meeting has been attended by him during the financial year, 2015-16.
	Other Directorships, Membership/ Chairmanship of Committees of other Boards	<p>He Director on Board of Synthergy Pharma Private Limited, Kimia Biosciences Limited, SG Bullion Impex Private Limited, Nova Transbuild Solutions Private Limited, Biotavia Buildcon Private Limited and Sky India Infrapromoters Private Limited.</p> <p>There are no Un-listed companies in which he holds Chairmanship/ Membership of Committees of the board.</p> <p>There are no listed companies in which he holds directorship and the membership of Committees of the board except of Laurel Organics Limited</p>

As per his terms of appointment, He will not withdraw any remuneration during the tenure of his appointment and shall be liable to retire by rotation. The Company has received necessary notice of candidature in respect to Mr. Sameer Goel Under Section 160 of Companies Act, 2013.

None of the Directors, Key Managerial Personnel and their relatives except the appointee himself and Mr. Sachin Goel, shall be deemed to be concerned or interested in the resolution.

This explanatory statement together with the accompanying notice is, and may be treated as an abstract of terms of reappointment and memorandum of interest in respect of appointment of Mr. Sameer Goel under Section 196 or any other applicable provisions of the Companies Act, 2013.

The Board considers that, his appointment is in the best interest of the Company and therefore recommend the Resolution for your approval as Ordinary resolution.

The letter of appointment will be open for inspection at the registered office of the Company during normal business hours on all days except Saturday and Sunday upto and including date of Annual General Meeting.

2. In respect of Item No. 4 :

Mr. Sachin Goel, (DIN: 00161762), aged 42 years, holds strong multi-dimensional capabilities in the areas of Business Development, Product Development, Strategic Marketing and Operations Management. Currently He heads Biotavia group, a Group which deals in pharmaceutical products. He is responsible for providing overall leadership in achieving business & product development goals and formation of strategic partnerships in Business.

Laurel Organics Ltd.

He holds nerves of pharmaceutical APIs business and having in-depth knowledge about Industry, Market and products. He is well known face in amongst the APIs industries. He is great visionary with good sense of business.

Keeping in view his qualification and his leadership qualities supported by experience, the Board of Directors in their meeting held on 29th March 2016 had appointed Mr. Sachin Goel, as Additional Director & thereafter Whole-time Director effective from 29th March, 2016, subject to the approval of shareholder in ensuing General Meeting but due to pre occupation, he has resigned from the position of whole time director and continues to act as a non-executive director w.e.f 17th May, 2016.

He will not withdraw any remuneration during the tenure of his appointment and shall be liable to retire by rotation. The Company has received necessary notice of candidate in respect to Mr. Sachin Goel Under Section 160 of Companies Act, 2013.

Information as required under Secretarial Standards -2 and SEBI (LODR) Regulations 2015 in respect of the aforesaid director is provided below:

S.No.	Particular	Details
	Remuneration last drawn	48 Lakh from Kimia Biosciences Limited
	Shareholding in the company held either by them or on a beneficial basis for any other persons	NIL
	Relationship with other Directors, Manager and other Key Managerial Personnel of the company	Brother of Mr. Sameer Goel
	The number of meetings of the Board attended during the year and	One Board Meeting has been attended by him during the financial year, 2015-16.
	Other Directorships, Membership/ Chairmanship of Committees of other Boards	<p>He is Director on Board of Synergy Pharma Private Limited, Kimia Biosciences Limited, Biotavia Pharm Limited, Zenes Biosciences Private Limited, Biotavia Buildcon Private Limited, Biotavia Labs Private Limited.</p> <p>There are no Un-listed companies in which he holds Chairmanship/ Membership of Committees of the board.</p> <p>There are no listed companies in which he holds directorship and the membership of Committees of the board except of Laurel Organics Limited</p>

None of the Directors, Key Managerial Personnel and their relatives except the appointee himself and Mr. Sameer Goel, shall be deemed to be concerned or interested in the resolution.

The Board considers that, his appointment is in the best interest of the Company and therefore recommend the Resolution for your approval as Ordinary resolution.

The letter of appointment will be open for inspection at the registered office of the Company during normal business hours on all days except Saturday and Sunday upto and including date of Annual General Meeting.

4. In respect of Item No. 5

As per the provisions of Section 149 of the Companies Act, 2013 ('the Act'), provides that every listed public company shall have at least one third of the total number of directors as independent directors. The independent Director can be appointed for any period up to 5 years but can be reappointed for other term of not more than 5 years by passing a special resolution. The Board of Directors of the Company appointed, **Mr. Jagdeep Dhawan (DIN: 00778235)** as an Additional, Independent Director of the Company to hold the office for a period of five (5) consecutive years w.e.f. 29th March 2016 subject to the approval of shareholders.

Mr. Jagdeep Dhawan is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director. The Company has received a declaration from, Mr. Jagdeep Dhawan that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act. The Company has received necessary notice of candidature in respect to Mr. Jagdeep Dhawan Under Section 160 of Companies Act, 2013.

Mr. Jagdeep Dhawan, is having rich experience in marketing of API& Pharmaceutical products and wide range of experience of pharmaceutical industry and is a successful entrepreneur. Mr. Dhawan has been associated with various renowned pharma companies in the country & is having experience of more than 18 years in the industry keeping in view his vast expertise and knowledge; it will be in the interest of the Company that, Mr. Jagdeep Dhawan is appointed as an Independent Director.

Further in the opinion of the Board, the independent directors proposed to be appointed fulfill the conditions specified in the Act and the rules made there under and that the proposed directors are independent of management.

Information as required under Secretarial Standards -2 and SEBI (LODR) Regulations 2015 in respect of the aforesaid director is provided below:

S. No.	Particulars	Mr. Jagdeep Dhawan
1.	Age	46
2.	Qualifications	Graduate
3.	Experience	10 Years
4.	terms and conditions of appointment	Appointed for a period of 5 Years
5.	remuneration last drawn	NA
6.	date of first appointment on the Board	29.03.2016
7.	shareholding in the company held either by them or on a beneficial basis for any other persons	NIL
8.	Relationship with other Directors, Manager and other Key Managerial Personnel of the company	N.A
9.	the number of Meetings of the Board attended during the year and other Directorships, Membership/ Chairmanship of Committees of other Boards	1
10.	names of listed entities in which he holds the directorship and the membership of Committees of the board.	NIL

Save and except, Mr. Jagdeep Dhawan and his relatives, none of the other Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

The Board considers that, his appointment is in the best interest of the Company & thereafter recommends the resolution for your approval as ordinary resolution.

The letter of appointment along with declaration of independence will be open for inspection at the Registered Office of the Company during normal business hours on all days except Saturdays and Sunday, up to and including the date of the Annual General Meeting.

5. In respect of Item No. 6

As per the provisions of Section 149 of the Companies Act, 2013('the Act'), provides that every listed public company shall have at least one third of the total number of directors as independent directors. The independent Director can be appointed for any period up to 5 years but can be reappointed for other term of not more than 5 years by passing a special resolution. The Board of Directors of the Company appointed, Ms. Richa Gupta (DIN: 07481646) as an Additional, Independent Director of the Company to hold the office for a period of five (5) consecutive years w.e.f. 15th April, 2016 subject to the approval of shareholders.

Ms. Richa Gupta is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director. The Company has received a declaration from, Ms. Richa Gupta that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act. The Company has received necessary notice of candidature in respect of Ms. Richa Gupta Under Section 160 of Companies Act, 2013.

Brief resume of, Ms. Richa Gupta, nature of his expertise in specific functional areas is mention below. Keeping in view his vast expertise and knowledge, it will be in the interest of the Company that, Ms. Richa Gupta is appointed as an Independent Director.

Further in the opinion of the Board, the independent directors proposed to be appointed fulfill the conditions specified in the Act and the rules made there under and that the proposed directors are independent of management.

Information as required under Secretarial Standards -2 and SEBI (LODR) Regulations 2015 in respect of the aforesaid director is provided below:

S. No.	Particulars	Ms. Richa Gupta
1	Age	36
2	Qualifications	Graduate
3	Experience	8 Years
4	Terms and conditions of appointment	Appointed for a period of 5 year
5	Remuneration last drawn	NA
6	Date of first appointment on the Board	15.04.2016

7	Shareholding in the company held either by them or on a beneficial basis for any other persons	NIL
8	Relationship with other Directors, Manager and other Key Managerial Personnel of the company	NA
9	The number of Meetings of the Board attended during the year	NIL
10	Other Directorships, Membership/ Chairmanship of Committees of other Boards	NIL

Save and except, Ms. Richa Gupta and his relatives, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice.

The Board considers that her appointment is in the best interest of the Company and therefore recommends the resolution for your approval as ordinary resolution.

The letter of appointment along with declaration of independence will be open for inspection at the Registered Office of the Company during normal business hours on all -days except Saturdays and Sunday, up to and including the date of the Annual General Meeting.

6. In respect of Item No. 7 & 8

Due to suspension of business operations, the Company is incurring losses and in order to meet the requirement of working capital, it has to resort to external resources for funds. As per Section 180(1)(c), approval of shareholders is required to borrow funds in excess of the paid-up share capital and free reserves of the Company apart from temporary loans obtained from the company's bankers in the ordinary course of business. Keeping in view the current position, the fund requirement will exceeds the aggregate of the existing paid-up share capital and free reserves of the Company and therefore the approval of shareholders of the Company is required to borrow in excess of the same but the total amount to be borrowed including the amount already borrowed shall not at any time will exceed Rs. 100 crore.

Pursuant to section 180 (1)(a) of the Companies Act, 2013 approval of shareholders is required to sell, lease or otherwise dispose off the whole or substantially the whole of the undertaking of the Company or where the Company owns more than one undertaking, of the whole, or substantially the whole of any such undertakings. In order to borrow funds from banks, financial institutions etc., the Company will be required to create charge, mortgage, hypothecation etc., on its existing or future movable and immovable property and therefore need approval of shareholders for the same.

None of the Directors, Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution

Accordingly, the Board of Directors of the Company commends the Special Resolutions set out at Item no. 8 & 9 of the accompanying notice for the approval of the members.

7. In respect of Item No. 9

The Articles of Association ("AoA") of the Company as presently in force were what they were when the Company was incorporated in 1993. The existing AoA are based on the Companies Act, 1956 and several regulations in the existing AoA contain references to specific sections of the Companies Act, 1956 and some regulations in the existing AoA are no longer in conformity with the Companies Act, 2013('the Act'). With the coming into force of the Act several regulations of the existing AoA of the Company require alteration or deletions in several articles. Given this position, it is considered expedient to wholly replace the existing AoA by a new set of Articles. The new AoA to be substituted in place of the existing AoA are based on Table 'F' of the Act which sets out the model articles of association for a company limited by shares.

Alteration of Articles of Association under the provisions of the Companies Act 2013 requires approval of shareholders by way of special resolution.

None of the Directors, Key Managerial Personnel of the Company and their relatives, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 9 of the Notice.

The Board commends the Resolution for approval of the members as Special Resolution.

The draft AOA will be open for inspection at the Registered Office of the Company during normal business hours on all -days except Saturdays and Sunday, up to and including the date of the Annual General Meeting.

By Order of the Board of Directors

Sameer Goel
(Chairman cum Managing Director)
DIN: 00161786
Add: C-52, Rohit Kunj, Pitampura,
New Delhi-110034

Registered Office of the Company :
Village Bhondsi, Sohna Tehsil Distt.,
Gurgaon- 122102, Haryana
CIN: L24239HR1993PLC032120
E-mail: laurelorgancisltd@gmail.com

DIRECTORS' REPORT

To,
The Members,
Your Board of Directors are pleased to present the 23rd Annual Report covering the business and operations of the Company together with the Audited Financial Statements of the Company for the financial year ended 31st March, 2016.

FINANCIAL RESULTS

The Financial Performance of your Company for the year ended March 31, 2016 is mentioned below :-

	2015-16	2014-15
	(Rs. In lakh)	(Rs. In lakh)
Net sales/income from operation	19.21	174.68
Other Income	18.67	69.65
	-----	-----
Total Income	37.88	244.34
Cost of Raw Material Consumed	7.75	56.84
Staff Cost	213.43	198.07
Other Expenses	135.60	111.02
Depreciation	29.35	43.58
Finance Charges	55.71	4.04
Change in Inventory/Stock in Trade	0.43	0.54
	-----	-----
Total expenditure	414.27	414.10
	-----	-----
Profit / (Loss) for the year	(405.31)	(169.76)
Add/(Less):Deferred Tax	(0.92)	(0.52)
Balance carried to Balance Sheet	(405.30)	(170.28)
	-----	-----
Earning Per Equity Share (Basic/Diluted)	(5.49)	(2.31)
	-----	-----

OPERATIONAL REVIEW

During the year under review, the operations were adversely affected due to lower level of capacity utilization by M/s Ranbaxy Laboratories Limited ("RLL"), sluggish and competitive market and overall economic recession.

The gross-receipts/turnover of the Company has fallen which is Rs. 19.21 lakh as compared to Rs. 174.68 lakh during previous year. Despite of best efforts being made by the Company in reducing the finance cost which is Rs. 55.71 lakh as compared to Rs. 5.04 lakh, during previous year, other manufacturing expenses which are Rs. 115.60 lakh as compared to Rs. 111.02 lakh during previous year, the Company has not able to recover its operating costs and has, therefore, incurred a loss of Rs. 405.31 Lakh as compared to loss of Rs. 169.76 lakh during previous year

During the current year the Company has not sufficient orders in hand to run the plant at full capacity, therefore, it had slow/close down entire manufacturing operations during the financial year and on the other hand fixed cost continued to be same during the period, which has increased the losses of the Company.

CHANGE IN NATURE OF BUSINESS

There had been no change in the nature of business of the Company.

DIVIDEND

In view of accumulated losses of the Company, your Board does not recommend any dividend.

LOANS, GUARANTEES AND INVESTMENTS

Details of Loans, Guarantees and Investments by Company under the provisions of Section 186 of the Companies Act, 2013, during the year, are provided in Note 3 to the Financial Statements.

CHANGE IN MANAGEMENT

On October 30, 2015, promoters of the Company entered into the Share Purchase Agreement for transfer of their entire shareholding i.e. 3,629,500 Equity Shares ("SPA shares") representing 49.15% of the paid up share capital of the Company to Kimia Biosciences Limited (Formerly known as Kimia Biosciences Private Limited). Kimia Biosciences Limited ("Acquirer") made Takeover Open Offer on the same day under Regulation 3(1) and 4 of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 to acquire substantial shares and control over the Company, and in the Board Meeting held on March 29, 2016, the authorised representatives of Acquirer Mr. Sameer Goel, Mr. Sachin Goel and Mr. Jagdeep Dhawan were appointed on the Board of the Company and accordingly, the management of the Company was changed. However, the SPA shares are under lock-in till August 30, 2016. **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

Pursuant to the change in management, Mr. K S Varma, Mr. Abhishek Sahay, Mrs. Sakuntala Prasad, Mr. Sandeep Gupta, Mr Binod Roy, Mr. Prabhat C Jha w.e.f 30th March, 2016 and Mrs Vandana Varma, w.e.f. 31st March, 2016, has resigned from the Company, during the year under review. Further following directors were appointed on the board of the Company during the year under review subject to approval of shareholders in the ensuing Annual General meeting.

NAME	DIN NO	Date of Appointment
Mr. Sameer Goel (Chairman & Managing Director)	00161786	29/03/2016
Mr. Sachin Goel* (Non executive Director)	00161762	29/03/2016
Mr. Jagdeep Dhawan (Independent director)	00778235	29/03/2016
Mrs. Richa Gupta (Independent director)	07481646	15/05/2016

Mr. Gaurav Kumar and Mr. Raman Thakur, were appointed as the Company Secretary and Chief Financial Officer (CFO) w.e.f. 12th March, 2016 and 17th May, 2016 respectively.

Note: * Mr. Sachin Goel has been appointed as whole time director of the Company w.e.f. 29th March, 2016, subject to the approval of shareholder in ensuing General Meeting but due to pre-occupation, he has resigned from the position of whole time director and continue to act as a non-executive director w.e.f 17th May, 2016.

TRAINING OF INDEPENDENT DIRECTORS

The Company through its Managing Director / Executive Director / Key Managerial Personnel conducts programmes / presentations periodically to familiarize the Independent Directors with the strategy, operations and functions of the Company. Such programmes / presentations provide an opportunity to the Independent Directors to interact with the Senior Management of the Company and help them to understand the Company's strategy, business model, operations, service and product offerings, markets, organization structure, finance, human resources, technology, quality, facilities and risk management and such other areas as may arise from time to time. The programmes/presentations also familiarize the Independent Directors with their roles, rights and responsibilities. When a new Independent Director comes on the Board of the Company, a meeting is arranged with the Chairperson, Managing Director, Chief Financial Officer to discuss the functioning of the Board and the nature of the operation of the Company's business activities. New Independent Directors are provided with copy of latest Annual Report, Code of Conduct, Code of Conduct for Prevention of Insider Trading and terms and references of Committees.

Laurel Organics Ltd.

The Company provides the Directors with the tours of company's facilities from time to time. A detailed Appointment Letter incorporating the role, duties and responsibilities, remuneration and performance evaluation process, insurance cover, Code of Conduct and obligations on disclosures, is issued for the acceptance of the Independent Directors.

The details of such familiarization programmes for Independent Directors are posted on the website of the Company i.e. www.laurel.co.in.

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received declaration pursuant to Section 149(7) of the Companies Act, 2013 from each Independent Director.

AUDITORS

The Auditors of the Company, M/s A K Jalan & Associates, Chartered Accountants, (Registration No. 500107N) hold office until the conclusion of 24th Annual General Meeting (AGM) of the Company subject to ratification of their appointment by the Members of the Company at every Annual General Meeting ("AGM"). Your Board is of the opinion that continuation of M/s A K Jalan & Associates as Statutory Auditors during and for certifying the financial statements for FY 2016-17, will be in the best interests of the Company and therefore recommends their ratification in ensuing Annual General Meeting.

FRAUD

No frauds have been reported by the auditors during the year under review.

SECRETARIAL AUDITOR

Pursuant to the provisions of the Companies Act, 2013, the Board had appointed Mr. Himanshu Manchanda (M.No 36956), (COP 15106), Practicing Company Secretary, to conduct Secretarial Audit for the financial year 2015-16. The Secretarial Audit Report for the financial year ended March 31, 2016 is **annexed herewith to this Report as Annexure A**.

COMMITTEES

Audit Committee

The Member of Audit Committee duly met two times on 20th August, 2015 and 1st March, 2016, during the financial year 2015-2016, The Composition of Audit Committee of the Board during the year under review is as follow:

S. No	Name of Committee	DIN/PAN No.	Category (Chairperson/ Executive/ Independent/ Nominee)	No. of Meeting Held during the year	No. of Meeting Attended
1	Mr. Prabhat Chandra Jha	00459610	Chairman, (Independent Director)	2	2
2	Mr. Binood Roy	00277440	Non Executive Director (Independent Director)	2	2
3	Mrs. Shakuntala Prasad	02471057	Non Executive Director (Independent Director)	2	2

Composition of Audit Committee of the Board as on date is follows :

S.NO	Name	DIN No	Nature of Directorship	Designation in Committee
1	Mr. Jagdeep Dhawan	00778235	Non Executive (Independent)	Chairman
2	Ms. Richa Gupta	07481646	Non Executive(Independent)	Member
3	Mr Sameer Goel	00161786	Managing Director	Member

Board of Directors has accepted all recommendations made by the Audit Committee during the F.Y 2015-16

Nomination and Remuneration ('NR') Committee

The members of NR Committee, duly met once during the financial year 2015-2016 i.e. on 29th March, 2016, Composition of NR Committee of the Board during the year under review is as follow:

S. No	Name of Committee	DIN/PAN No.	Category (Chairperson/ Executive/ Independent/ Nominee)	No. of Meeting Held during the year	No. of Meeting Attended
1	Mr. Kumar Sahay Varma	00161976	Executive Director (Managing Director)	1	1
2	Mrs. Vandana Verma	00162002	Executive Director (Whole Time Director)	1	1
3	Mr. Abhishek Sahay Varma	00161942	Executive Director (Whole Time Director)	1	1

Composition of NR Committee of the Board as on date is follows:

S.NO	Name	DIN No	Nature of Directorship	Designation in Committee
1	Mr. Jagdeep Dhawan	00778235	Non Executive)(Independent)	Chairman
2	Ms. Richa Gupta	07481646	Non Executive)(Independent)	Member
3	Mr. Sameer Goel	00161786	Managing Director	Member

Stakeholders Relationship Committee ("SR")

No Meeting of SR Committee took place during the year under review. Composition of SR Committee during the year under review is as follows :

S. No	Name of Committee	DIN/PAN No.	Category (Chairperson/ Executive/ Independent/ Nominee)	No. of Meeting Held during the year	No. of Meeting Attended
1	Mr. Binood Roy	00277440	Chairman Non Executive(ID)	NIL	NIL
2	Mrs. Shakuntala Prasad	02471057	Non Executive(ID)	NIL	NIL
3	Mr. Prabhat Chandra Jha	00459610	Non Executive (ID)	NIL	NIL

Composition of the Committee after the year under review is follows:

S.NO	Name	DIN No	Nature of Directorship	Designation in Committee
1	Mr. Jagdeep Dhawan	00778235	Non Executive)(Independent)	Chairman
2	Ms. Richa Gupta	07481646	Non Executive)(Independent)	Member
3	Mr Sameer Goel	00161786	Managing Director	Member

VIGIL MECHANISM

The Company promotes ethical behavior in all its business activities and has put in place a mechanism for reporting illegal or unethical behaviour. To ensure high level of honesty, integrity and ethical behaviour amongst its employees the Company has a Vigil mechanism and Whistle blower policy under which the persons covered under the policy are free to report misuse or abuse of authority, fraud or suspected fraud, violation of Company rules, manipulations, negligence causing danger to public health and safety, misappropriation of monies, and other matters or activity on account of which the interest of the Company is

affected. The reportable matters may be disclosed to the vigilance officer which operates under the supervision of the Audit Committee. Persons covered under the Policy may also report to the Chairman of the Audit Committee.

During the year under review, no employee was denied access to the Audit Committee. The Policy on vigil mechanism or whistle blower policy may be accessed on the Company's website at the www.laurel.com.

BOARD EVALUATION

The Board evaluates its own performance along with that of the Directors and committees at the end of every financial year. Due to change in management of the Company, all earlier directors had resigned during March 2016 and new Board was constituted thereon, therefore the Board has not carried out the performance evaluation for the financial year 2015-16 as mandated under the Companies Act 2013.

BOARD MEETINGS

The Board duly met 6 times on 15th May 2015, 20th August, 2015, 14th November, 2015, 15th February, 2016, 1st March, 2016 and 29th March, 2016 during the year under review. In respect of which meetings, proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose. The intervening gap between two consecutive meetings was not more than one hundred and twenty days.

The details regarding the category and attendance of each Director at the Board meetings held during the year under review are given below :

S. No	Name	Category	Number of Board Meeting Attended held on out of 6 held during the year
1.	K.S Verma	Executive	6
2.	Abhihek Sahay Verma	Executive	6
3.	Vandana Verma	Executive	6
4.	Sakuntala Prasad	Non Executive	2
5.	Sandeep Gupta	Non Executive	2
6.	Binod Roy	Non Executive	2
7.	Prabhat C Jha	Non Executive	2
8.	Sameer Goel	Executive	2
9.	Sachin Goel	Executive	2
10.	Jagdeep Dhawan	Non Executive	2

POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION

The Policy of the Company on Directors appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of director and other matters provided under Sub-section (3) of the Section 178 of the Companies Act, 2013, is included in the Nomination and Remuneration Policy

adopted by the Board and this full policy may accessed at Company's website i.e. www.laurel.co.in . We affirm that the remuneration paid to directors is as per the terms laid out in the Nomination and Remuneration Policy of the Company.

Key Feature of Nomination and Remuneration Policy

The Nomination and Remuneration Policy ("NR Policy") of the Company, inter alia, covers the following aspects:

1. framework in relation to appointment, removal and remuneration of Directors, and Key Managerial Personnel;
2. evaluation of the performance of Independent Directors and the Board;
3. to preserve Board diversity and assist the Board in ensuring that plan is in place for orderly succession for appointments to the Board; and
4. to ensure a transparent board nomination process with the diversity of thought, experience, knowledge, perspective and gender in the Board.

RELATED PARTY TRANSACTIONS

All related party transactions made during the financial year 2015-16 were on arm's length basis and in the ordinary course of business. There are no material related party transaction during the year under review. The details of related party transactions are provided in the accompanying financial statements and thus, no disclosure is annexed in **Form AOC-2** to this Board's Report.

DISCLOSURE OF REMUNERATION

As per the provisions of Section 197 read with rule 5(1) and 5(2) of the Companies (Appointment and Managerial Personnel) Rules, 2014, statement with regard to disclosure of remuneration paid to the directors and employees, is annexed herewith and forms part of the Board Report as **Annexure-B**.

INTERNAL FINANCIAL CONTROL

The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial disclosures.

BUSINESS RISK MANAGEMENT

During the year under review, the Company has identified and evaluated elements of business risk. Business risk, inter-alia, further includes Raw Material Procurement Risk, Environmental & Safety Risk, Working Capital Risk, Market Risk and Business Operations Risk. The Company has a Risk Management Policy in its place which clearly defines the risk management approach and includes periodic review of such risk and also documentation, mitigating controls and reporting mechanism of such risks. The Board and senior management team currently assess the operations and operating environment to identify potential risks and take necessary mitigation actions.

BOARD'S EXPLANATIONS OR COMMENTS ON THE QUALIFICATIONS, RESERVATIONS, OR ADVERSE REMARKS BY AUDITORS'/SECRETARIAL AUDITORS IN THEIR REPORT:

QUALIFICATION IN STATUTORY AUDITOR'S REPORT	EXPLANATION/MANAGEMENT REPLIES
The Company has accumulated losses and its Net Worth has been fully eroded. The Company's current liabilities exceeded its current assets as at the balance sheet date, business of the Company has remained suspended for major part of the financial year, and were unable to discharge its liabilities in time and also the Company incurred net loss during the current and previous year(s) affecting the going concern assumptions. Appropriateness of the assumption of 'going concern' is dependent upon Company's ability to raise sufficient resources/ generate cash flows in future to meet its obligations	Pursuant to the change in the management, the Company is making fresh efforts to rejuvenate its business by undertaking manufacturing for new client. Further the Board has approved a restructuring exercise, which involves reduction of capital and merger of company engaged in similar business with itself.
Comment in respect of statutory dues The Company has delayed deposit of the undisputed statutory dues relating to Income Tax Deducted at Source, PF, ESI, Labor Welfare Fund contribution, Service Tax and sales tax amounts, which have not been paid in time due to various reasons including financial sickness.	Due to suspension of business operations, the financial position of the Company has deteriorated during the last financial year. The Company is making all efforts to improve its financial health and to deposit all undisputed statutory dues in the due course of time.
QUALIFICATION IN SECRETARIAL AUDITOR'S REPORT	EXPLANATION/MANAGEMENT REPLIES
The Company has not complied with the provision of Section 203 of the Companies Act, 2013, with regard to appointment of Chief Financial Officer ("CFO") in respect of the period under review. However Company has appointed CFO w.e.f 17th May, 2016.	The qualification is self-explanatory and needs no explanation

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The Company is committed to provide a safe and conducive work environment to its employees. During the year under review, no cases were reported under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

CORPORATE SOCIAL RESPONSIBILITY

Provisions of Corporate Social Responsibility are not applicable on the Company.

HEALTH AND SAFETY

We believe that Health and Safety ("HS") are crucial and important pillars for sustainable growth of our business. In the journey of sustainable development in every respect, we have developed policies and guidelines that provide technical support and assistance to all the sites on HS matters. The Company continues to accord high priority to health and safety of employees. During the year under review, a health & safety week was organized several times in its factory and the training programmer and workshop for safety, awareness was also conducted for all employees at the plant. The comprehensive health check up of the employees was also carried out at the plant.

ENVIRONMENT

The plant is maintained strictly in compliance with the provisions of the Pollution Control Act. All the effluents either of water or Air being generated during the manufacturing process are released after proper treatment strictly as per the Pollution Control Regulations and Rules.

INSURANCE OF ASSETS

All the fixed assets, finished goods, semi-finished goods, raw materials, packing materials and other goods and assets of the Company have been insured against fire, burglary, transit, riots, strike, malicious damage and allied risks.

CHANGES OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

Redeemable Non-Convertible Preference Shares (RNCPS)

Company has raised an amount of Rs 4 Crores by way of issue of 40,00,000, 0.1% Redeemable Non-Convertible Preference Shares of Rs 10/- on 17th May, 2016 to non-promoter entity on private basis. Consequent to issuance of the said Preference Shares, the overall paid-up Share Capital of the Company as on date stand increased to 11,38,50,000/-, comprising of 73,85,000 Equity Shares of Rs 10/- each and 40,00,000 Preference Shares of Rs 10/- each. The said RNCPS are not listed on any Stock exchanges.

Corporate Office

Keeping in mind the integration of operations of all the divisions of the Company, with effect from 8th June, 2016 the Corporate Office of the Company has been shifted to Office No. 380-381, Aggarwal Millennium Tower-II, Pitampura, New Delhi-110034.

Revocation of Shares on BSE

Company's trading was suspended due to non-compliance of Listing Agreement. After fulfilling all the compliances, the suspension of trading successfully revoked w.e.f 09th May, 2016 .

Net Worth

The Net Worth of the Company was negative during the financial year 2015-16. Pursuant to issue of RNCPS amounting to Rs. 4 4 Cr. On 17th May, 2016, the Net Worth of the Company turned into positive direction w.e.f. 17th May, 2016. Further the Company is making necessary efforts to revive its business and is also in the process of undertaking necessary corporate restructuring to clean the Balance Sheet and improve its performance.

Merger of Kimia Biosciences Private Limited

The Board in its meeting held on 2nd August, 2016 has approved the Scheme of Merger of the Company with Kimia Biosciences Ltd. ('Kimia'). Kimia engaged in the business of manufacturing of pharmaceuticals products specifically bulk drugs. Kimia has its manufacturing facilities at Derabassi, Punjab and Bhiwadi, Haryana that enables it to produce wide range of APIs (Active Pharmaceutical Ingredients)/Bulk Drugs. Merger of Kimia with Company will create economies of scale and will enable the Company to expand its operations.

DIRECTORS' RESPONSIBILITY STATEMENT

As per the provisions of section 134(3) (c) of the Companies Act, 2013, your Directors hereby state that:-

- a) in the preparation of the Annual Accounts for the financial year ended March 31, 2016, the applicable accounting standards have been followed. There are no material departures from the applicable accounting standards;
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors had prepared Annual Accounts on a going concern basis;
- e) the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis Report in terms of Regulation 34, of the SEBI (Listing Obligations and Disclosure Requirements), 2015 which forms a part of this Report as **Annexure-C**.

EXTRACT OF ANNUAL RETURN

As required under the provisions of Section 134(3)(a) and of Section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the extract of annual return in Form No. MGT-9 forms a part of this Report as **Annexure-D**.

CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION

In terms of the requirement of clause (m) of sub-section (3) of Section 134 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014, the particulars with respect to "Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo" as follows:

A. Conservation of Energy

Business of the Company was suspended hence no activity towards conservation of energy take place during the year under review. Now Company in the process of modernization of their manufacturing plant to meet the standards prescribed by the respective authorities and for providing better working environment

B. Technology Absorption

NIL- (Previous year -NIL-)

C. Foreign Exchange Earnings and Outgo

The Company has neither used nor earned any foreign exchange during the year under review.

INDUSTRIAL RELATIONS

Industrial relations continued to be cordial during the year under review.

GENERAL

- 1 No significant and material orders has been passed by the Regulators or courts or tribunals impacting the going concern status and company's operations in future
- 2 Your company has not accepted fixed deposits from the members or public, by public invitation during the year.
- 3 The Company doesn't have any Subsidiary, Associate Company and Joint Venture.

ACKNOWLEDGEMENTS

Your Directors acknowledge the vital role played by hard working employees of the Company at all levels towards its overall success, other stakeholders, bankers and business associates, who have continued to lend their valuable support to the Company in its efforts to success. The Directors take this opportunity to record their appreciation in this regard.

For and on behalf of the Board
For Laurel Organics Limited
Sameer Goel
(Chairman cum Managing Director)
DIN: 00161786

Date : 13.08.2016
Place: Gurgaon

ANNEXURE-A

SECRETARIAL AUDIT REPORT

For the Financial Year ended on March 31, 2015

[Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members

LAUREL ORGANICS LIMITED

Vill. Bhondsi, Tehsil Sohna, Dist. Gurgaon

Haryana-122102

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Laurel Organics Limited (CIN: L24239HR1993PLC032120) (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2016 complied with the Statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2016 according to the provisions of;

1. The Companies Act, 2013 (the Act) and the rules made there under;
2. The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made there under;
3. The Depositories Act, 1996 and the Regulations and Bye-law framed there-under to the extent of Regulation 55A;
4. Foreign Exchange Management Act, 1999(FEMA) and the rules and regulations made there under to the extent of Foreign Direct Investment and Overseas Direct Investment:-
Not Applicable to the Company during Audit period;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India, 1992 ('SEBI Act');
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;- Not Applicable to the Company during Audit period;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;- Not Applicable to the Company during Audit period;
 - (f) The Securities and Exchange Board of India (Registration to an Issue and Share Transfers Agents) Regulations, 1993;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; - Not Applicable to the Company during Audit period; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; -Not Applicable to the Company during Audit period.
6. Other Laws specifically applicable on the Company;
 - I. The Drugs and Cosmetics Act, 1940;
 - II. The Drugs and Magic Remedies (Objectionable Advertisement) Act, 1954;
 - III. The Drug and Price Control Order, 2013;
 - IV. The Prevention of Cruelty to Animals Act, 1960;
 - V. The Water (Prevention and Control of Pollution) Act, 1974;
 - VI. The Water (Prevention and Control of Pollution) Cess Act, 1977; and
 - VII. Air (Prevention and Control of Pollution) Act, 1981.

We have also examined compliance with the applicable clause of the following;

- i. The Secretarial Standards (Mandatory in nature) issue by the Institute of Company Secretaries of India.

- ii. The Listing Agreements/Regulations entered into by the Company with Bombay Stock Exchange (BSE).

During the Audit period under review and as per representation and clarifications provided by the Management, we confirm that company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above, subject to the following observation:-

- A. The Company has not complied with the provision of section 203 of the Companies Act, 2013, with regard to appointment of Chief Financial Officer ("CFO") in respect of the period under review. However Company has appointed CFO w.e.f 17th May, 2016.

We further report that during the year under review:

- A. Company's trading was suspended due to non compliance of Listing Agreement and Company has filed application for "Revocation of Suspension of Trading on BSE" and suspension of trading successfully revoked.
- B. On October 30, 2015, promoters of the Company entered into the Share Purchase Agreement for transfer of their entire shareholding i.e. 3,629,500 Equity Shares ("SPA shares") representing 49.15% of the paid up share capital of the Company to Kimia Biosciences Limited (Formerly known as Kimia Biosciences Private Limited). Kimia Biosciences Limited ("Acquirer") made Takeover Open Offer on the same day under Regulation 3(1) and 4 of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 to acquire substantial shares and control over the Company, and in the Board Meeting held on March 29, 2016, the authorised representatives of Acquirer Mr. Sameer Goel, Mr. Sachin Goel and Mr. Jagdeep Dhawan were appointed on the Board of the Company and accordingly, the management of the Company was changed. However, the SPA shares are under lock-in till August 30, 2016.
- C. Company has reclassified and increased authorized share capital of the Company.
- D. Company has approved issuance of redeemable preference shares on private placement basis, up to 4,000,000 (Forty Lacs) 0.1% Redeemable Non-Convertible Cumulative Preference Shares ("RPS") of face value of Rs.10/- (Rupees Ten only).
- E. Management of the Company has been changed w.e.f 29th March, 2016.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting.

All decision at Board Meetings and Committee Meetings are carried unanimously as recorded in the minutes of the Meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**For HM & Company
(Company Secretary)**

(Himanshu Manchanda)
ACS: 36956
CP: 15106

Place: Gurgaon

Date: 18/05/2016

Note: This report is to be read with our letter of even date which is annexed as "ANNEXURE A" and forms an integral part if this report.

To,
The Members
LAUREL ORGANICS LIMITED
Vill. Bhondsi, Tehsil Sohna, Dist. Gurgaon
Haryana-122102

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Where ever required, we have obtained the Management representation about compliance of laws, rules and regulations and happenings of events etc.
5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of efficacy or effectiveness with which the management has conducted the affairs of the Company.

For HM & Company
(Company Secretary)

(Himanshu Manchanda)
ACS: 36956
CP: 15106

Place: Gurgaon

Date: 18/05/2016

Disclaimer: This is Secretarial Audit as required to be carried out pursuant to provisions of Section 204 of the Companies Act, 2013, read with applicable rules, and has been carried accordingly, hence must be construed and interpreted accordingly.

ANNEXURE B

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- i. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2015-16 and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2015-16:

Sl. No.	Name of the Director/ Key Managerial Person and their Designation	Remuneration of Director/ Key Managerial Person for financial year 2015-16 (In Rs.)	% increase in Remuneration in the Financial Year 2015-16	Ratio of remuneration of each Director to median remuneration of employees
1.	Mr. K. S. Varma* Chairman cum Managing Director	500000	-39.23	3.70
2.	Mrs. Vandana Varma** Whole Time Director	350000	5.75	2.59
3.	Mr. Abhishek S Varma* Whole Time Director	550000	140.94	4.07
4.	Mr. Binod Roy* Independent Director	0	0	0
5.	Mr. Prabhat Chandra Jha* Independent Director	0	0	0
6.	Mr. Sandeep Kumar Gupta* Independent Director	0	0	0
7.	Ms. Shakuntala Prasad* Independent Director	0	0	0
8.	Mr. Sachin Goel# Non Executive Director	0	NA	0
9.	Mr. Sameer Goel## Managing Director	0	NA	0
10.	Mr. Jagdeep Dhawan## Independent Director	0	NA	0
11.	Ms. Richa Gupta### Independent Director	0	NA	0
12.	Mr. Raman Kumar Thakur \$ CFO	NA	NA	NA
13.	Mr. Gaurav Kumar @ Company Secretary	12345	NA	NA

Mr. K S Varma, Mr. Abhishek S Varma, Mr. Binod Roy, Mr. Prabhat Chandra Jha, Mr. Sandeep Kumar Gupta and Ms. Shakuntala Prasad has resigned from the post of the director w.e.f 30th March, 2016

** Mrs. Vandana Varma has resigned w.e.f. 31st March, 2016

Mr. Sachin Goel, had been appointed as a Whole-time Director of the Company w.e.f. 29th March, 2016, subject to the approval of shareholder in ensuing General Meeting but due to pre occupation he has resigned from the position of whole time director and continues to act as a non-executive director w.e.f 17th May, 2016

Mr. Sameer Goel and Mr. Jagdeep Dhawan has been appointed on the Board of the Company w.e.f. 29th March 2016.

Ms. Richa Gupta has been appointed on the Board of the Company w.e.f. 15th April, 2016

\$ Mr. Raman Kumar Thakur has been appointed on the Board of the Company w.e.f. 17th May 2016

@ Mr. Gaurav Kumar has been appointed w.e.f 12th March, 2016.

- The median remuneration of employees of the Company during the financial year was Rs.1,35,240. During the financial year, there was an increase of 15.54% in the median remuneration of employees;
- There were 94 permanent employees on the rolls of Company as on March 31, 2016;
- Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2015-16 was -8.27 % whereas the increase in the managerial remuneration for the same financial year was 2.19 %.

Note: Managerial personnel includes the Executive Directors and KMP as on March 31, 2016

- It is hereby affirmed that the remuneration paid is as per the as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

Particulars of employees as required under rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 for the year ended March 31, 2016

S.No.	Name of Employee	Designation	Remuneration Rs.	Qualification	Experience (in years)	Date of Joining	Age	Last Employment	Share-holding (In %)	Relationship with any Director/Manager
1	Mr. ANIL KUMAR SINGH	Manager	810818.63	B.Sc, B.ed	18	01-Feb-99	50	-	0.01	-
2	Mr. RAKESH KR. VERMA	Manager	777,600	M.B.A. in Personnel Marketing	20	01-May-98	52	-	0	-
3	Mr. RAJENDER SINGH	Dy. Manager	630,000	B.Sc	19	17-Oct-99	45	-	0	-
4	Mr. ABHISHEK S VARMA	Whole Time Director	550,000	MBA	15	30-Mar-98	42	-	0	Son of KS Verma
5	Mr. K. S. VARMA	Managing Director	500,000	Garduate	28	30-Mar-98	71	-	3,010,600	Father of Abhishek Verma
6	Mr. RAMAN KR.THAKUR	Astt. Manager Accounts	478,560	B.Com	16	01-Jan-07	43	M&M Machine Craft Pvt. Ltd.	0	-
7	Mr. RAMAVTAR SINGH	Product In-Charge	361,800	B.Sc	17	15-Nov-11	46	-	0	-
8	Mr. KRISHAN DHIMAN	In- Charge QA	354,000	B.Sc, B.Ed	9	23-Aug-11	32	-	0	-
9	Mrs. VANDANA VARMA	Executive Director	350,000	Garduate	18	14-Feb-98	65	-	10500	Wife of KS Verma
10	Mr. RAJ PAL SINGH	Shift Officer	334,800	B.Sc	19	15-Sep-09	44	-	0	-

Note :

- (i) All employee are the permanent employee of the Company.
- (ii) No employee of the Company withdraw remuneration more than 8.5 Lakh pm.

For and on behalf of the Board

Place: Gurgaon

Date: 13th August, 2016

Sameer Goel
(Chairman cum Managing Director)
DIN : 00161786

Laurel Organics Ltd.



ANNEXURE - C

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE AND DEVELOPMENTS

Global Pharma Market

Demographic trends in both developed and emerging markets stimulate the growth in the pharmaceuticals sector. Across the globe, Governments and health care organizations are looking for ways to reduce the cost of rapidly rising healthcare. According to a research by IMS Institute for Healthcare Informatics, total spending on medicines will reach \$1.4 trillion by 2020 due to greater patient access to chronic disease treatments and breakthrough innovations in drug therapies.

Source: <http://www.imshealth.com/en/about-us/news/ims-health-forecasts-global-drug-spending-to-increase-30-percent-by-2020>

Global spending is expected to grow at a 4-7 percent compound annual rate over the next five years. The demand for medicines is growing more rapidly in the emerging economies than the industrialized economies. Overall drug approvals given by the US Food and Drug Administration (USFDA) to Indian companies have nearly doubled to 201 in FY 2015-16 from 109 in FY 2014-15, an increase of 84 per cent as per analysis by USFDA.

Source: http://indiainbusiness.nic.in/newdesign/index.php?param=industryservices_landing/347/1

Domestic Pharma Market

The Indian pharmaceuticals market is expected to grow to US\$ 55 billion by 2020, thereby emerging as the sixth largest pharmaceutical market globally by absolute size. India has also maintained its lead over China in pharmaceutical exports with a year-on-year growth of 7.55 per cent to US\$ 12.54 billion in 2015, according to data from the Ministry of Commerce and Industry.

Source: http://indiainbusiness.nic.in/newdesign/index.php?param=industryservices_landing/347/1

By 2020, India is likely to be among the top three pharmaceutical markets in terms of incremental growth. India's cost of production is significantly lower than that of the US and almost half of that of Europe. It gives a competitive edge to India over others. Indian pharmacy industry, which is expected to grow over 15 per cent per annum between 2015 and 2020, will outperform the global pharmacy industry, which is set to grow at an annual rate of 5 per cent between the same periods. Government focus is on prevention rather than treatment. Government has made public healthcare as one of its top priorities by launching policies and schemes such as "Swachh Bharat Abhiyan" which will benefit the mass population and create awareness among all the sections of the society.

Source: <http://www.ibef.org/industry/pharmaceutical-india.aspx>

OPPORTUNITIES AND CHALLENGES

India is the largest exporter of formulations with 14% market share and ranks 12th in the world in terms of export value. Double-digit growth is expected over the next five years. The purported rise of lifestyle diseases in India is expected to boost industry sales figures. Over USD 200 Billion is expected to be spent on medical infrastructure in the next decade.

With the objective of promoting the development of Pharma Sector, government (DIPP) has recently through its press note no. 5 (2016 series) issued on 24th June, 2016 permitted FDI up to 100 per cent under automatic route and in Brownfield permitted FDI up to 74 per cent through automatic route and beyond that by government route.

Source: <http://drugdiscoveryconference.org/investment-opportunities/>

One of the key challenges in this sector is the price control on medicines introduced by the Government where the prices and margins are monitored very closely. The main concern is to develop new medicines that can prevent or cure currently incurable diseases. There is also stiff competition from generic medicine producers from other developing nations.

SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

Since the Company's operations are restricted to contract manufacturing, therefore segment-wise or product-wise performance cannot be provided.

However, in the context of contract manufacturing, increased revenue from job work reflects the productive performance of the Company.

OUTLOOK

The Indian Pharmaceutical industry has been an important component of the pharma sector globally due to the recent changes in patent laws, rising use of generics, cost competitiveness, and availability of the large scientific talent pool. The outlook of the pharmaceutical industry remains largely positive over the next few years. Company is in continuous efforts for creating solvent recovery facility/plant and business generations from other major pharmaceuticals companies.

RISKS AND CONCERNS

Though the pharmaceutical products, and particularly bulk drug intermediates, which can be manufactured by the Company, are internationally traded but at present Company has no production of its own. It is dependent on contract manufacturing on the job basis. Therefore, no risk areas like market fluctuations or import tariffs are identified but major risk area is job order itself

As a part of overall risk management strategy, the Company has carried out its operations on contract manufacturing basis for five years with M/s Ranbaxy Laboratories Limited, duly renewed for another five years w.e.f. 01/01/2013 for manufacturing Bulk Drug intermediates as per their specifications and requirements on variable charges per KG basis. Therefore, risk depends on the volume of job work being provided which is further depending on the overall market situation.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company's internal control framework is designed specifically to ensure effectiveness and efficiency of operations, reliability of financial reporting and compliance of laws and regulations. A proper and extensive system of internal control is practiced by your Company, to ensure that all its assets are safeguarded and protected, and that transactions are authorized, recorded and reported properly.

An adequate programme of internal audits, reviews by management and documented policies, guidelines and procedures, supplement the internal control system which is designed to ensure reliability of financials and all other records, ultimately based on which periodical financial statements and other data are prepared.

During the year, Company has appointed the SRB & CO., Chartered Accountants to conduct internal audit of the Company. Top management and audit committee of the Board reviews the findings and recommendation of internal auditors.

The Company is also following written procedures in all its departments with special emphasis on manufacturing and quality assurance activities.

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The job work done by the company for the year 2015-16 is Rs. 19.21 Lacs in comparison to the year 2014-15 which was Rs. 193.19 Lacs.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

In the context of people employed, there have been significant change in workforce employed during the financial year 2015-16 is 94 as compared to the previous financial year which was 120.

For and on behalf of the Board

Place: Gurgaon

Date: 13th August, 2016

Sameer Goel
(Chairman cum Managing Director)
DIN : 00161786

ANNEXURE - D

Form No. MGT - 9

Extract of Annual Return

As on the financial year ended on 31st March, 2016

[Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

i) CIN No	L24239HR1993PLC032120
ii) Registration Date	27th September 1993
iii) Name of the Company	Laurel Organics Limited
iv) Category / Sub-Category of the Company	Company Limited by Shares, Indian Non-Government Company
v) Address of the Registered Office and contact details	Vill Bhondsi, Tehsil Sohna, Dist Gurgaon, Haryana 122 102: +91.1242267351 Email ID: laurelorganicslimited@gmail.com Website: www.laurelorganics.co.in
vi) Whether Listed company	Bombay Stock Exchange (BSE)
vii) Name, Address and contact details Of Registrar and Transfer Agent	Beetal Financial & Computer Services (P) Ltd. Note: W.e.f 19 th January 2016, M/s. Beetal Financial & Computer Services (P) Ltd.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All business activities contribution 10% or more of the total turnover of the company shall be stated:

Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the Company
1.	Bulk Drug Pharmaceutical	99623700	0
2.	Services & Others	NA	0

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of shares held	Applicable section
	NIL				

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Share	% of Change during the year
A. Promoters									
(1) Indian									
a) Individual/HUF	-	3021100	3021100	40.91	-	3021100	3021100	40.91	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	-	608400	608400	8.24	-	608400	608400	8.24	-
e) Bank/Financial Institution	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A)(1)	-	3629500	3629500	49.15	-	3629500	3629500	49.15	
(2) Foreign									
a) NRI-Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Bank/Financial Institution	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A)(2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A)									
(A)=(A)(1)+(A)(2)	-	3629500	3629500	49.15	-	3629500	3629500	49.15	-

B. Public Shareholding

(1) Institution

a) Mutual Funds	-	100000-	100000-	1.35-	-	100000-	100000-	1.35-	-
b) Banks/Financial Institution	-	-	--	-	-	-	-	-	-
c) Central Govt.(s)	-	-	--	-	-	-	-	-	-
d) State Govt.(s)	-	-	--	-	-	-	-	-	-
e) Venture Capital Funds	-	-	--	-	-	-	-	-	-
f) Insurance Cos.	-	-	0	-	-	0	-	--	-
g) Foreign Institutional Investor(FII)	-	723300	723300	9.79	-	723300	723300	9.79	-
h) Foreign Capital Funds	-	-	--	-	-	-	-	-	-
i) Others (Specify)	-	-	--	-	-	-	-	-	-
Sub-total (B)(1)	-	823300	823300	11.15	-	823300	823300	11.15	-
(2) Non-Institution									
a) Bodies Corporate									
i) Indian	-	311500	311500	4.22	-	311500-	311500	4.22	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individual									
i) Individual shareholders holding nominal share upto Rs. 1 lakh	-	2456500	2456500	33.26	200	2456300	2456500	33.26	-
ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	-	164200	164200	2.22	-	164200	164200	2.22	-
c) Others (specify)									
Total Public Shareholding (B)		2932200	2932200	39.7	-	2932200	2932200	39.7	-
(B)=(B)(1)+(B)(2)									
Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	-
Grand Total (A+B+C)	-	7385000	738500	100	200	7384800	7385000	100	-

(ii) Shareholding of Promoters

Shareholding at the beginning of the year				Shareholding at the end of the year				
Sl	Shareholders Name	No. of Shares	% of total Shares of Company	% of shares Pledged /Encumbered of Total shares	No. of Shares	% of total Shares of Company	% of shares Pledge /Encumbered of Total Shares	% change in shareholding during the year
1-	Kumar Sahay Varma	3010600	40.77	Nil	3010600	40.77	Nil	Nil
2.	Vandana Varma	10500	0.14	Nil	10500	0.14	Nil	Nil
3.	Bijwasan Agro Ltd	508400	6.88	Nil	508400	6.88	Nil	Nil
4.	Agora Agro Private Ltd	100000	1.35	Nil	100000	1.35	Nil	Nil
TOTAL		3629500	49.15	Nil	3629500	49.15	Nil	Nil

(iii) Change in Promoters Shareholding (please specify if there is no change)

		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
Sl	Particulars	No. of Shares Company	% of total Shares of	No. of Shares	% of total Shares of Company
	At the beginning of the year	3629500	49.15	3629500	49.15
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):				
	At the end of the year	3629500	49.15	3629500	49.15

(iv) (iv) Shareholding Pattern of top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

SI	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	Satish Chander Shah				
	At the beginning of the year	102,500	1.39	102,500	1.39
	Changes during the year	-	-	-	-
	At the end of the year	102,500	1.39	102,500	1.39
2	Soptex Developments Ltd				
	At the beginning of the year	100,000	1.35	100,000	1.35
	Changes during the year	-	-	-	-
	At the end of the year	100,000	1.35	100,000	1.35
3	Indian Bank A/C IndMutual Fund				
	At the beginning of the year	94,700	1.28	94,700	1.28
	Changes during the year	-	-	-	-
	At the end of the year	94,700	1.28	94,700	1.28
4	Atul Pravinbhai				
	At the beginning of the year	91,700	1.24	91,700	1.24
	Changes during the year	-	-	-	-
	At the end of the year	91,700	1.24	91,700	1.24
5	Southern India Depository Service P Ltd.				
	At the beginning of the year	81,100	1.10	81,100	1.10
	Changes during the year	-	-	-	-
	At the end of the year	81,100	1.10	81,100	1.10
6	Vipin Bansal				
	At the beginning of the year	36,100	0.49	36,100	0.49
	Changes during the year	-	-	-	-
	At the end of the year	36,100	0.49	36,100	0.49
7	Narendra K Bansal				
	At the beginning of the year	30,000	0.41	30,000	0.41
	Changes during the year	-	-	-	-
	At the end of the year	30,000	0.41	30,000	0.41
8	Hitesh J Shah				
	At the beginning of the year	30,000	0.41	30,000	0.41
	Changes during the year	-	-	-	-
	At the end of the year	30,000	0.41	30,000	0.41
9	Mahendra J Shah				
	At the beginning of the year	30,000	0.41	30,000	0.41
	Changes during the year	-	-	-	-
	At the end of the year	30,000	0.41	30,000	0.41
10	Parveen Kumar Gupta				
	At the beginning of the year	24,000	0.32	24,000	0.32
	Changes during the year	-	-	-	-
	At the end of the year	24,000	0.32	24,000	0.32

(v) Shareholding of Directors and Key Managerial Personnel

SI	Shareholding of each Director & KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	Kumar Sahay Varma MD				
	a) At the Beginning of the year	3010600	40.77	3010600	40.77
	b) Changes during the year				
	c) At the end of the year	3010600	40.77	3010600	40.77

2	Vandana Varma , WTD				
	a) At the Beginning of the year	10500	0.14	10500	0.14
	b) Changes during the year				
	c) At the end of the year	10500	0.14	10500	0.14
3	Sameer Goel (MD)				
	a) At the Beginning of the year	-	-	-	-
	b) Changes during the year				
	c) At the end of the year	-	-	-	-
4	Sachin Goel (WTD)				
	a) At the Beginning of the year	-	-	-	-
	b) Changes during the year				
	c) At the end of the year	-	-	-	-
5	Gaurav Kumar (CS)				
	a) At the Beginning of the year	-	-	-	-
	b) Changes during the year				
	c) At the end of the year	-	-	-	-

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment

Rs. in lakhs				
	Secured Loan excluding Deposits	Unsecured Loan	Deposits	Total Indebtedness
Indebtedness at the beginning of the Financial Year i.e. on 01.04.2015				
i) Principal Amount	3.86	5.91	-	9.77
ii) Interest due but not paid	0	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	3.86	5.91	-	9.77
Change in Indebtedness during the Financial Year				
Addition(Utilization)	291	383.76	-	674.76
Reduction	3.86	5.91	-	9.77
Net Change	287.14	377.85	-	664.99
Indebtedness at the end of the Financial Year i.e. on 31.03.2016				
j) Principal Amount	2.91	386.76	-	674.76
ii) Interest due but not paid	0	-	-	-
iii) Interest accrued but not due	31.38	3.23	-	34.61
Total (i + ii + iii)	322.38	386.99	-	709.37

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Wholetime Director and/or Manager:

Sl No.	Particulars of Remuneration	Name of the Managing Director Shri Kumar Sahay Varma*	Name of the Managing Director Shri Abhishek Sahay Varma*	Name of the Managing Director Shri Vandana Varma*	Total Amount Rs.
					Rs.
1	Gross Salary	5.00	5.50	3.50	14.00
	Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961				
	Value of perquisites u/s 17(2) of the Income Tax Act, 1961	2.83	0.09	1.54	4.46
	Profit in lieu of salary under section 17(3) of the Income Tax Act, 1961				
2	Stock Option	Nil	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil	Nil
4	Commission – As a % of Profit	Nil	Nil	Nil	Nil
	Others, specify				Nil
5	Less :Waived/forgo as per consent	Nil	Nil	Nil	Nil
	TOTAL(A)	7.85	5.59	5.04	18.46

Note : * Mr. Kumar Sahay Verma, Mr. Abhishek Sahay Verma & Ms. Vandana Verma did not borrowed any remuneration after 31st August, 2015.

B. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

S.No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount Rs.
		CFO	Company Secretary*	
1.	Gross Salary	NIL	20861	Nil
	Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961			
	Value of perquisites u/s 17(2) of the Income Tax Act, 1961			
	Profit in lieu of salary under section 17(3) of the Income Tax Act, 1961			
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - As a % of Profit	-	-	-
	Others, specify			
5.	Others, please specify	-	-	-
	Total A	NIL	NIL	NIL

Note: * Mr. Gaurav Kumar, Company Secretary of the Company has been appointed w.e.f 12th March, 2016.

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding Fees imposed	Authority RD/NCLT/ COURT	Appeals made if any (give details)
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
OTHER OFFICERS IN DEFAULT					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

By order of the Board of Directors
For Laurel Organics Limited
Sd/-

Sameer Goel
(Chairman cum Managing Director)

DIN: 00161786

C-52, Rohit Kunj, Pitampura
New Delhi-110035

Date: 13th August, 2016

Place: Gurgaon

INDEPENDENT AUDITOR'S REPORT

To

**The Members,
M/s Laurel Organics Limited**

Report on the Financial Statements

We have audited the accompanying financial statements of M/s LAUREL ORGANICS LTD which comprise the Balance Sheet as at 31/03/2016, Statement of Profit and Loss and the Cash Flow Statement for the year ended on that date, and a summary of significant accounting policies and other explanatory information.

Management Responsibility for the Financial Statements

The management and Board of Directors of the Company are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with rule 7 of Companies (Accounts) Rules, 2014. This responsibility includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements, that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's management and Board of Directors, as well as evaluating the overall presentation of the financial statements

We believe that audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Qualified Opinion

The Company has accumulated losses and its net worth has been fully eroded. The Company's current liabilities exceeded its current assets as at the balance sheet date, business of the Company has remained suspended for major part of the financial year, and were unable to discharge its liabilities in time and also the Company incurred net loss during the current and previous year(s) affecting the going concern assumptions. Appropriateness of the assumption of 'going concern' is dependent upon Company's ability to raise sufficient resources/ generate cash flows in future to meet its obligations. Management of the company has, though, expressed positive hope in this regard due to change in management and Board of Directors and infusion of funds. However, the financial statements of the Company have been prepared on a going concern basis.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In case of the Balance Sheet, of the state of affairs of the Company as at 31/03/2016;
- (b) In case Statement of Profit and Loss Account, Loss of the for the year ended on that date;
- (c) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure-I a statement on the matters specified in the paragraphs 3 and 4 of the said Order.
2. As required by section 143(3) of the Act, we further report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph;
 - (e) In our opinion, though the matter described in the basis of qualified opinion above has potential adverse effect on the functioning of the Company in future, the changed management and Board of Directors, which has already taken place and ownership change process is under way, has expressed their belief that this matter will not have adverse effect on the functioning of the Company in view of positive steps being undertaken to comply with all obligations, past as well as future, and also step-up operations in coming future.
 - (f) On the basis of the written representations received from the directors as on 31 March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164 (2) of the Companies Act, 2013.
 - (g) Report on the internal financial controls under clause (i) of sub-section 3 of section 143 of the Companies Act 2013 is enclosed as Annexure-II to this report.
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations, if any, on its financial position, in its financial statements.
 - ii. The Company did not have long-term contracts including derivatives contracts for which there were material foreseeable losses.
 - iii. No amount is required to be transferred to the Investor Education and Protection Fund by the Company as on 31 March, 2016.

For A K Jalan & Associates
Chartered Accountants
(FRN 500107N)

Place: New Delhi

Date : 30/05/2016

Sd/-
(CA A K Jalan, FCA), Partner
Membership No.052776

Annexure referred to in Paragraph (1) under Report on Other Legal and Regulatory Requirements of our Report of even date to the members of LAUREL ORGANICS LTD on the accounts for the year ended 31st March 2016.

Report under the Companies (Auditor's Report) Order, 2016, under sub-section (11) of section 143 of the Act of the Companies Act, 2013 ("the Act")

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

1. Fixed Assets:

- (a) The company has maintained records showing particulars, including quantitative details and situation of its Fixed Assets on computer assisted system.
- (b) As per information and explanations given to us, the Fixed Assets of the Company have been physically verified by the management during the year and it seems that the procedure of physical verification employed was reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were found on such verification.
- (c) According to the information and explanation given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties are held in the name of the company.

2. Inventories:

As per information and explanation given to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.

3. Loans granted by the Company:

As per information and explanations given to us, the company has not granted loans, secured or unsecured to companies, firms, LLP or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, paragraph 3(iii) of the order is not applicable.

4. Loans to Directors and Investment by company:

As per information and explanations given and books and records examined by us, no loan has been given to directors and company has made no investment. Hence, paragraph 3(iv) of the order is not applicable.

5. Acceptance of Deposits:

The company has not accepted deposits from the public and therefore the directions of the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder are not applicable to the Company. Hence, paragraph 3(v) of the order is not applicable.

6. Maintenance of Cost Records:

The Central Govt. has prescribed Rules for the maintenance of the cost records u/s 148(1) of the Companies Act, 2013. Company has appointed Cost Audit for the Financial Year 2013-14 and thereafter due to upward change in the quantum of applicability of provisions, under which the Company does not fall, no audit was appointed.

7. In respect of Statutory Dues:

- (a) According to the information and explanation given to us and on the basis of our examination of records of the Company, the Company has delayed deposit of the undisputed statutory dues relating to Income Tax Deducted at Source, PF, ESI, Labor Welfare Fund contribution, Service Tax and sales tax amounts, which have not been paid in time due to various reasons including financial sickness. However, in other cases the Company is generally regular in depositing the undisputed statutory dues as applicable with appropriate authorities in India.
- (b) According to the information and explanation given to us and the records of the Company examined by us, no disputed statutory dues were outstanding for payments before any forum for relief or otherwise.

8. Repayment of Loans:

Company has not raised term loans from Banks/Financial Institutions during the year under audit. Hence, paragraph 3(viii) of the order is not applicable.

9. Utilisation of IPO and further Public offer:

In terms of the information and explanations given to us, no moneys have been raised by way of initial public offer or further public offer (including debt instruments) and term loans by the Company during the Financial year under review. Hence, paragraph 3(ix) of the order is not applicable.

10. Reporting of Fraud:

According to the information and explanations given to us and based on the audit procedures performed and representation obtained from the management, we report that the fraud on or by the Company, having material misstatement on the financial statements has not been noticed or reported during the year under audit.

11. Approval of Managerial Remuneration:

In our opinion, and according to the information and explanations given to us, Managerial remuneration has been paid or provided in terms of section 197 read with Schedule V to the Companies Act, 2013 to the outgoing management for and upto August, 2015.

12. Nidhi Company:

In terms of the information and explanations given, the Company is not a Nidhi Company. Hence, paragraph 3(xii) of the order is not applicable.

13. Related Party Transactions:

As per information and explanations given and the books and records examined by us, we state that transactions with the related parties are in compliance with section 188 of Companies Act, 2013 and proper disclosure have been made in the Financial Statement under audit at appropriate places(s).

14. Private Placement or Preferential Issues:

As per information and explanations given to us, the company has not made preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Hence, no comment is offered. Hence, paragraph 3(xiv) of the order is not applicable.

15. Non Cash Transactions:

As per information and explanations given and the books and records examined by us, we state that the company has not entered into any non-cash transactions with directors or persons connected with them. Hence, paragraph 3(xv) of the order is not applicable.

16. Register under RBI Act 1934:

The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, paragraph 3(xvi) of the order is not applicable.

Place: New Delhi
Date : 30/05/2016

For A K Jalan & Associates
Chartered Accountants
(FRN 500107N)

Sd/-
(CA A K Jalan, FCA), Partner
Membreship No.052776

Annexure referred to in Paragraph [2(f)] under Report on Other Legal and Regulatory Requirements of our Report of even date to the members of LAUREL ORGANICS LTD on the accounts for the year ended 31st March 2016.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have examined the internal financial controls over financial reporting of M/s LAUREL ORGANICS LTD ('the Company') as on 31-Mar-2016 in connection with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note 168 require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31-Mar-2016.

Place: New Delhi
Date : 30/05/2016

For A K Jalan & Associates
Chartered Accountants
(FRN 500107N)

Sd/-
(CA A K Jalan,FCA),
Partner
Membreship No.052776

BALANCE-SHEET AS AT 31st MARCH 2016

	Particulars	Note No.	As at 31.03.2016 (Rs.)	As at 31.03.2015 (Rs.)
I.	EQUITY & LIABILITIES :			
	1 Shareholder's Fund:			
	(a) Share Capital	1	73,850,000	73,850,000
	(b) Reserves and Surplus/(Loss)	2	(112,642,461)	(72,111,937)
			(38,792,461)	1,738,063
	2 Non-current Liabilities			
	(a) Long-term borrowings	3	67,476,053	976,744
	(b) Deferred tax liabilities (Net)	4	2,834,416	2,742,475
	(c) Other Long-term liabilities	5	-	2,174,781
	(d) Long-term provisions	6	2,728,296	4,021,529
			73,038,765	9,915,529
	3 Current Liabilities			
	(a) Short-term borrowings		-	-
	(b) Trade payables	7	157,099	10,552,318
	(c) Other current liabilities	8	6,691,366	24,017,880
	(d) Short-term provisions	9	-	-
			6,848,465	34,570,198
	TOTAL		41,094,769	46,223,789
II.	ASSETS			
	1. Non-current Assets			
	(a) Fixed Assets	10		
	(i) Tangible assets		32,042,569	34,109,126
	(ii) Intangible assets		2,538	3,604
	(iii) Capital work-in-progress		-	-
	(iv) Intangible assets under development		-	-
	(b) Deferred Tax Assets		-	-
	(c) Non-current investments		-	-
	(d) Long-term loans and advances	11	1,311,490	1,273,317
	(e) Other non-current assets	12	1,675,000	1,675,000
			35,031,597	37,061,047
	2. Current Assets			
	(a) Current Investments		-	-
	(b) Inventories	13	738,017	772,333
	(c) Trade receivables	14	910,376	2,726,671
	(d) Cash and cash equivalents	15	115,974	30,850
	(e) Short-term loans and advances	16	4,037,882	4,707,732
	(f) Other current assets	17	260,923	925,156
			6,063,172	9,162,742
	Total		41,094,769	46,223,789

The accompanying notes are an integral part of the financial statements

In terms of our attached report of even date

For A K Jalan & Associates

Chartered Accountants

(FRN 500107N)

CA A K Jalan, FCA

Partner

M. No. 052776

New Delhi, May 30, 2016

For and on behalf of the Board

Sameer Goel
CMD

Sachin Goel
Director

Gaurav Kumar
Company Secretary
Bhondsi, May 30, 2016

Raman Kr. Thakur
CFO

PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31st MARCH 2016

	Particulars	Note- No.	YEARENDED 31.03.2016 (Rs.)	YEARENDED 31.03.2015 (Rs.)
I.	Revenue from operations	18	1,921,045	17,468,274
II.	Other income	19	1,866,954	6,965,812
III.	Total Revenue (I + II)		3,787,999	24,434,086
IV.	Expenses:			
	Cost of raw material consumed		774,732	5,684,181
	Change in inventories of finished goods, work-in-progress and Stock-in-trade	20	42,531	53,541
	Employee benefit expense	21	21,343,043	19,807,790
	Finance costs	22	5,570,594	404,465
	Depreciation and amortization expense	10	2,935,645	4,357,684
	Other expenses	23	13,560,037	11,102,276
	Total Expenses		44,226,582	41,409,938
V.	Profit before exceptional and extraordinary items and tax (III - IV)		(40,438,583)	(16,975,852)
VI.	Exceptional Items		-	-
VII.	Profit before extraordinary items and tax (V - VI)		(40,438,583)	(16,975,852)
VIII.	Extraordinary Items		-	-
IX.	Profit before tax (VII - VIII)		(40,438,583)	(16,975,852)
X.	Tax Expense:			
	- Current Tax		-	-
	- Deferred Tax (L/(A))	4	91,941	52,326
XI.	Profit for the year from continuing operations (VII - VIII)		(40,530,524)	(17,028,178)
XII.	Profit from discontinuing operations		-	-
XIII.	Tax expense of discontinuing operations		-	-
XIV.	Profit from Discontinuing opearitions (after tax) (XII - XIII)		-	-
XV.	Profit for the period (XI + XIV)		(40,530,524)	(17,028,178)
XVI.	Earnings per equity share (Basic/Diluted) (Rs.) :		(5.49)	(2.31)

The accompanying notes are an integral part of the financial statements

In terms of our attached report of even date

For A K Jalan & Associates

Chartered Accountants

(FRN 500107N)

CA A K Jalan, FCA

Partner

M. No. 052776

New Delhi, May 30, 2016

For and on behalf of the Board

Sameer Goel
CMD

Sachin Goel
Director

Gaurav Kumar
Company Secretary
Bhondsi, May 30, 2016

Raman Kr. Thakur
CFO

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2016

DESCRIPTION	YEAR ENDED 31.03.2016 (Rs.)	YEAR ENDED 31.03.2015 (Rs.)
A Cash flow from operating activities :		
Net profit before tax from continuing operation	(40,438,583)	(16,975,852)
Adjustments for:		
Depreciation	2,935,645	4,357,684
Amortisation	-	-
Finance Costs	5,570,594	404,465
Interest Income	(24,104)	(19,599)
Loss on assets discarded	131,207	115,377
Operating profit before Working Capital Changes	(31,825,241)	(12,117,925)
Adjustment for Changes in Working Capital :		
(Increase)/Decrease in Trade Receivables	1,816,295	1,103,703
(Increase) in Other Current Assets	664,233	2,714,112
(Increase) in Long Term Loans & Advances	(38,173)	(36,890)
(Increase)/decrease in Other non-current Assets	-	(125,000)
(Increase)/decrease in Inventories	34,316	(96,868)
(Increase)/decrease in Short Term Loans & Advances	669,850	589,353
Increase/(Decrease) in Trade Payables	(10,395,219)	1,361,319
(Decrease) in Long Term liabilities	(2,174,781)	(2,419,824)
Increase/(Decrease) in Other current liabilities	(17,326,514)	9,493,298
Increase in Long term provisions	(1,293,233)	(85,893)
Increase in Short term provisions	-	-
Net Cash from operating activities (A)	(59,868,466)	379,386
B Cash Flow from investing activities :		
Purchase of Fixed Assets	(1,000,050)	-
Capital Work in Progress	-	105,518
Interest Received	24,104	19,599
Preliminary Expenses	-	-
Net Cash (Used in) investing activities (B)	(975,946)	125,117
C Cash flow from financing activities :		
Payments to Long Term Borrowings	66,499,309	(238,154)
Finance costs paid	(5,570,594)	(404,465)
Net Cash (Used in) financing activities (C)	60,928,715	(642,619)
Net Increase in cash and equivalents (A+B+C)	84,303	(138,117)
Cash & Cash equivalents (opening balance)	30,850	168,967
Cash & Cash equivalents at the end of the year	115,153	30,850

The accompanying notes are an integral part of the financial statements

In terms of our attached report of even date

For A K Jalan & Associates

Chartered Accountants

(FRN 500107N)

CA A K Jalan, FCA

Partner

M. No. 052776

New Delhi, May 30, 2016

For and on behalf of the Board

Sameer Goel
CMD

Sachin Goel
Director

Gaurav Kumar
Company Secretary
Bhondsi, May 30, 2016

Raman Kr. Thakur
CFO

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

	AS AT 31.03.2016	Amount in Rs. AS AT 31.03.2015
1. SHARE CAPITAL		
AUTHORISED :		
Equity Shares - 73,85,000 of Rs. 10 each (Previous Year 90,00,000 of Rs. 10 each)	73,850,000 <u>73,850,000</u>	90,000,000 <u>90,000,000</u>
Preference shares: 0.1% Redeemable Non-Convertible Cumulative Preference Shares - 40,00,000 of Rs. 10 each (Previous Year -Nil-)	40,000,000 <u>113,850,000</u>	- <u>90,000,000</u>
Issued, Subscribed and paid up :		
Equity Shares - 73,85,000 of Rs. 10 each fully paid up (Previous Year 73,85,000 of Rs. 10 each)	73,850,000 <u>73,850,000</u>	73,850,000 <u>73,850,000</u>
i) Reconciliation of the number of shares outstanding		
	As at 31.03.2016	As at 31.03.2015
	No. of Shares	No. of Shares
Issued, Subscribed and paid-up shares		
At the beginning of the year	7,385,000	7,385,000
Issued during the year	-	-
Shares bought back during the year	-	-
Shares outstanding as at the end of the year	<u>7,385,000</u>	<u>7,385,000</u>
ii) Details of each shareholder holding more than 5% shares		
	As at 31.03.2016	As at 31.03.2015
	No. of Shares held	No. of Shares Held
	% Holding	% Holding
Mr. K S Varma	3,010,600	3,010,600
Bijwasan Agro Ltd.	508,400	508,400
	41%	41%
	7%	7%
iii) There is no change in the Issued, Paid up Share Capital during the year and no Bonus/Right, Buy-back of shares in the preceding five years. However, the Authorised share capital has been reclassified & increased from 9,00,00,000 (comprising of 90,00,000 Equity Shares of Rs.10/- each) to 11,38,50,000 (comprising of 73,85,000 Equity Shares of Rs.10/-each and 40,00,000 Preference Shares of Rs.10/-each (0.1% Redeemable Non-Convertible Cumulative Preference Shares redeemable within a period of 10 yrs.) during the year.		
iv) Shares issued/boughtback during the year: -NIL-		
v) Further disclosures - please refer Note 25 (ii) .		
2. RESERVE AND SURPLUS/(LOSSES)		
(i) Detail of Surplus/(Defecit) in Profit and Loss Statement:		
Profit/(Loss) in Profit and Loss Statement from Previous Year	As at 31.03.16 (72,111,937.42)	As at 31.03.15 -55083759
Profit / (Loss) for the year	(40,530,524)	-17028178
Transfer to General Reserve	-	-
Surplus/(Defecit) in Profit and Loss Statement carried to Balance sheet	<u>(112,642,461)</u>	<u>-72111937</u>
3. LONG TERM BORROWINGS		
SECURED LOANS		
Vehicle Loans from corporarion bank	-	385,966
Loan from Kimia Biosciences Pvt. Ltd. (Payable in one year with interest @11% p.a.)	29,100,000	-
	<u>29,100,000</u>	<u>385,966</u>
UNSECURED LOANS		
Other Loans from Bodies Corporate & individuals (Payable on demand with interest @11% p.a.)	38,376,053	590,778
	<u>38,376,053</u>	<u>590778</u>
Total	<u>67,476,053</u>	<u>976744</u>

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

- i) Vehicle Loans were secured against hypothecation of respective cars, repaid fully during the year. Charges so created, required to be satisfied. Unsecured loans borrowed in P.Yrs. for business exigencies from private lending institutions @ 19.93% p.a. through Director concerned, paid fully during the year. Unsecured loan taken to meet short term requirements in the name of employees from Banks @ 14.5% p.a. is repaid during the year.
- ii) Based on business requirements & to pay off over due statutory liabilities company has taken secured borrowings to the tune of Rs. 2,91,00,000 during the year from Kimia Biosciences Pvt. Ltd for a period of one year term as per agreement at interest rate of 11% p.a. against creation of respective charge on Immovable property of the company.
- iii) In view of long term business association and manufacturing facility requirements by KIMIA, the company has been advanced from time to time to mitigate its running liabilities during the year. The said loan/advance repayable on demand also bears interest @ 11% p.a.

	AS AT 31.03.2016	Amount in Rs. AS AT 31.03.2015
4. DEFERRED TAX LIABILITIES (NET)		
i) Deferred Tax Liabilities on account of timing difference		
-Depreciation	3,800,483	3,746,236
Total (i)	<u>3,800,483</u>	<u>3,746,236</u>
ii) Deferred Tax Asset on account of timing differences		
-Provision for employees long term benefits (Gratuity/EL)	818,489	975,394
-Provision for Doubtful debts	-	-
-Others	147,578	28,367
Total (ii)	<u>966,067</u>	<u>1,003,761</u>
Total Net Liabilities/(Assets) (i-ii)	<u>2,834,416</u>	<u>2,742,475</u>
iii) Deferred Tax Assets and Deferred Tax Liabilities have been offset as they relate to the same governing laws.		
5. OTHER LONG TERM LIABILITIES		
Unsecured Borrowings-Non Current (Due, pending for payments)	-	2,000,000
Others:		
- Advances received	-	174,781
	-	2,174,781
6. LONG TERM PROVISIONS		
Provision for employee long term benefits (refer Note 25-xxii)	2,728,296	4,021,529
	<u>2,728,296</u>	<u>4,021,529</u>
7. TRADE PAYABLES		
Due to Micro & small enterprises	-	-
Others	157,099	10,069,525
Cheques issued from Current A/c (in excess)	-	482,793
	<u>157,099</u>	<u>10,552,318</u>
8. OTHER CURRENT LIABILITIES		
Current Maturities of Long Term debt:		
-Secured	-	313,640
-Unsecured	-	451,623
Loans/adv. From Directors	-	4,612,473
Advance from Customers	23,323	1,176,538
Other Payables:		
-Employee related liabilities	2,096,508	7,741,087
-Statutory dues payables	742,775	4,862,408
-Expenses payables	367,631	4,860,111
-Other payables	-	-
-Interest Payable on Unsecured Loans	3,461,129	-
	<u>6,691,366</u>	<u>24,017,880</u>
9. SHORT TERM PROVISIONS		
Provision for Employee Benefits	-	-
Others:		
- Provision for Payables	-	-
	<u>-</u>	<u>-</u>

10. FIXED ASSETS

Particulars	Gross Block at cost				Depreciation				Net Block	
	As at 31.03.15	Additions	Sales/Cap. Adjustment	As at 31.03.16	Upto 31.03.15	For the Period/year	Sales/ Adjustment	Upto 31.03.16	As at 31.03.16	As at 31.03.15
(i) Tangible Assets										
Land	4745884			4745884					4745884	4745884
Building	18592785			18592785	10969098	544,616		11513714	7079071	7623687
Plant & Machinery	77840462	920250	2842287	75918425	62980213	1,109,946	2830597	61259563	14658863	14860249
Office Equipment	783563		346003	437560	667725	34,243	328705	373264	64296	115837
Lab Equipment	8830936		307151	8523785	4098815	880,356	276584	4702587	3821198	4732120
Weigh Bridge	498883			498883	433150	3,307		436457	62426	65733
Motor Vehicles	3820101		394054	3426047	2277874	255,885	330927	2202832	1223215	1542226
Cycle	2887		1400	1487	2743	-	1330	1413	74	144
Furniture & Fixtures	1180613		16300	1164313	936143	35,152	14254	957041	207272	244470
Electric Installation	1693970		1715	1692255	1609272	-	1629	1607642	84613	84699
Computer	895557	79800	538229	437128	801482	71,894	531905	341471	95657	94076
Total	118,885,641	1,000,050	4,447,138	115438553	84,776,515	2,935,399	4,315,931	83,395,983	32,042,569	34,109,126
(ii) Intangible Assets										
Computer Software	98,861		48,100	50761	95,257	246	47,279	48,223	2,538	3,604
Total	98,861	-	48,100	50761	95,257	246	47,279	48,223	2,538	3,604
(iii) Capital work in progress	-	-	-	-	-	-	-	-	-	-
Total	118,984,502	1,000,050	4,495,238	115489314	84,871,772	2,935,645	4,363,210	83,444,207	32,045,107	34,112,730
Previous Year	119,364,111	-	379,609	118984502	80,672,802	4,357,684	158,714	84,871,772	34,112,730	38,691,309

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

	AS AT 31.03.2016	Amount in Rs. AS AT 31.03.2015
11. LONG TERM LOANS & ADVANCES		
Unsecured, considered good, unless otherwise stated:		
Security Deposits	1,266,490	1,217,920
Advances recoverable in cash or in kind or for value to be received (provided for)	-	-
Prepaid Expenses (licensing)	45,000	55,397
	<u>1,311,490</u>	<u>1,273,317</u>
Less: Provision For Doubtful Debts/advances	-	-
	<u>1,311,490</u>	<u>1,273,317</u>
12. OTHER NON - CURRENT ASSETS		
Unsecured, considered good, unless otherwise stated:		
Deposits (TDR) with banks	175,000	175,000
Receivables for asset discarded	-	-
Capital Investment subsidy	1,500,000	1,500,000
Misc. Expenditures (to the extent not written off)	-	-
	<u>1,675,000</u>	<u>1,675,000</u>
Less: Provision For Doubtful Debts	-	-
	<u>1,675,000</u>	<u>1,675,000</u>
13. INVENTORIES (At lower of cost and market value)		
Raw Materials	-	204,832
Work-in-Process	-	-
Finished Goods	-	-
Stock-in-trade	-	42,531
Consumables Stores and Spares	248,017	524,970
Realisable Scrap (Assets discarded)	490,000	-
	<u>738,017</u>	<u>772,333</u>
14. TRADE RECEIVABLES		
Unsecured, unless otherwise stated, considered good:		
Trade receivables over six months		
- Considered good	-	-
- Considered doubtful	-	-
Others debts :		
- Considered good	910,376	2,354,252
- Considered good (unbilled receivables)	-	372,419
	<u>910,376</u>	<u>2,726,671</u>
Less: Provision For Doubtful Debts	-	-
	<u>910,376</u>	<u>2,726,671</u>
15. CASH & CASH EQUIVALENTS		
Balances with Banks		
- on Current Accounts	102,429	29,936
- on Deposit Account	-	-
Cash on hand	13,545	914
	<u>115,974</u>	<u>30,850</u>
16. SHORT TERM LOANS & ADVANCES (Considered Good)		
Unsecured, unless otherwise stated:		
Advances recoverable in cash or in kind or for value to be received		
- Considered good	23,042	70,129
- Considered doubtful	-	-
Advance to Suppliers (Revenue)	36,684	61,684
Advance to Suppliers (Capital items)	1,290,000	740,000
Advance tax & tax deducted at source	2,546,024	3,835,919
VAT	466	-
Cenvat Credit/Service Tax Receivable	141,667	-
	<u>4,037,882</u>	<u>4,707,732</u>

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

	AS AT 31.03.2016	Amount in Rs. AS AT 31.03.2015
17. OTHER CURRENT ASSETS		
Interest accrued on Fixed Deposits	57,675	35,301
Prepaid Expenses (licensing)	203,248	-
DHBVN Ltd. (Advance)	-	889,855
	<u>260,923</u>	<u>925,156</u>
18. REVENUE FROM OPERATIONS		
Sales (including deemed sales)	1,534,594	10,021,778
Job/Processing Charges Income	386,451	7,446,496
	<u>1,921,045</u>	<u>17,468,274</u>
19. OTHER INCOME		
Miscellaneous Income	377,087	365,966
Interest income on fixed deposits with bank/ others	24,104	19,599
Asset discarded/scrapped (Net of reliable scrap value)	357,972	-
Liability no longer required w/back	1,107,791	4,729,248
Income from Sale of Capital Goods	-	1,850,999
	<u>1,866,954</u>	<u>6,965,812</u>
20. CHANGE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE		
Closing value	-	42,531
Less: Opening value	42,531	96,072
Increase/(Decrease) in Stocks	<u>(42,531)</u>	<u>(53,541)</u>
21. EMPLOYEE BENEFIT EXPENSES		
Salaries, Wages, Bonus	17,779,123	17,373,913
Contribution to Provident and other Funds	1,486,281	1,491,767
Gratuity/EL provisions (refer Note 25-xxi)	1,260,722	375,116
Staff Welfare	816,917	566,995
	<u>21,343,043</u>	<u>19,807,790</u>
22. FINANCE COST		
Interest Expenses	5,550,318	390,534
Bank Charges	20,276	13,931
	<u>5,570,594</u>	<u>404,465</u>
23. OTHER EXPENSES		
Consumables store & spares consumed/billed	304,816	872,635
Power, Fuel & water Charges	3,087,330	6,643,507
Repairs and maintenance		
- Plant & Machinery	947,390	669,173
- Building	-	123,868
- Others	38,415	76,402
Freight & Cartage	23,467	26,740
Laboratory Expenses	69,814	412,794
Lease Rent (Machinery)/storage facility charges	80,898	107,865
EHS/ETP expenses	248,418	130,091
Travelling & conveyance expenses	743,358	408,967
Printing and stationery	136,067	155,854
Postage & courier expenses	126,619	129,881
Communication/telephone exp.	231,245	237,651
Legal and professional charges	1,008,670	534,824
Rates, taxes & Fees	666,276	220,514
Insurance expenses	169,307	181,083
Advertisement & Business Promotion expenses	103,551	100,613
Directors sitting Fees	15,000	46,668
Miscellaneous expenses	14,320	23,146
Security Services	477,840	-
Debtors non reliable w/off (deductions against receivables)	1,334,689	-
Prior Period adjustments	3,732,547	-
	<u>13,560,037</u>	<u>11,102,276</u>

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

24. SIGNIFICANT ACCOUNTING POLICIES:

i) BASIS OF PREPARATION OF FINANCIAL STATEMENTS:

- (i) The financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP). GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.
- (ii) The Financial Statements of the Company are prepared under the historical cost convention and as going concern in accordance with applicable accounting standards. Mercantile system of accounting is followed in preparation of the accounts.
- (iii) All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle to be 12 months for the purpose of current and non-current classification of assets and liabilities.
- (iv) **Use of Estimates:** - The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires management of the Company to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure thereof as on the relevant date of the financial statements and the reported amounts of revenue and expenses during the accounting period under consideration. Actual results could differ from these estimates. Difference between the actual results and estimates are recognized in the period in which results materialize.

ii) Revenue Recognition:

All the items of cost/expenditure and revenue/income have been accounted for on accrual basis.

iii) Fixed Assets:

- (i) All the fixed assets are stated at cost less accumulated depreciation using the historical cost concept. The costs of respective assets comprising purchase price/cost of construction and directly attributable cost of bringing the assets to working condition for its intended use.
- (ii) Improvement/modification cost of Plant & Machinery, if any, of enduring nature will be capitalized in the respective plant & machinery A/c.
- (iii) Worn-out/discarded assets are identified annually and removed/written-off from the respective assets block.

iv) Depreciation:

Fixed Assets are depreciated on Straight line method on pro-rata basis from the date on which each asset is put to use. Schedule II to the Companies Act, 2013 has been applied for the year and necessary changes in the process of charging depreciation according to the said Schedule - II to the CA2013 has been implemented to charge depreciation on the basis of useful life concept instead of percentage of depreciation since last FY 2014-15.

v) Impairment of Assets:

Company has assessed as at the balance sheet date whether there was any indication of impairment in its cash generating units (CGU) and losses, if any, were recognized, wherever carrying amount of assets of CGU exceeded their recoverable amount.

vi) Inventories are valued as follows :

- (i) Raw Materials, store & Spares, components and consumables are valued at cost on FIFO method.
- (ii) Finished goods are valued at cost or realizable value whichever is lower. Processed stocks are valued at direct raw material cost and appropriate share of overheads.
- (iii) Solvents/spents, part & partial of stock considered as stock in trade are valued at the price at which these are procured from the principal.
- (iv) Raw materials and store items found damaged/expired on physical verification are written off and charged to revenue a/c.

vii) Excise Duty:

- i) Excise Duty payable on finished goods is accounted for on clearance of goods from the factory premises, if any.
- ii) On Goods dispatched under Job work challans, no excise is payable as raw materials received and manufactured goods sent back on delivery Challans for and on behalf of the Principals only.
- iii) Manufactured goods under direct job work for and on behalf of principal was dispatched/ transferred on payment of excise duty. Excise Duty paid in discharge of liability on clearance of manufactured goods by the company, net of CENVAT credit, was reimbursed by the principal manufacturer, hence has not been shown in the revenue account

viii) Research and Development:

Research & Development expenditure of revenue nature is written off in the year in which it is incurred.

ix) Sales:

- a) Sales, is recognized at the point of dispatch of goods to the customers and is reported net of sales tax but inclusive of excise duty. However, utilization of consumables and indirect raw materials for carrying out contract manufacturing is recognized as deemed sales, net of Sales Tax.
- b) Sale (deemed) of recovered/spent solvent, netted off with conversion charges of some of products, taken as stock in trade and, recognized at the point of dispatch of such goods to the customers.

x) Job work charges:

- Job charges are recognized as per Job Invoices raised during the year, on per Kg conversion Charges basis.
- Revenue has been recognized on unbilled fully processed, approved goods as at the end of the accounting year as per agreed per Kg. job charges basis. Terms of Gain/efficiency on account of higher yield against standard consumption norms agreed in previous year, not extended by the principal (RLL/Sun Pharmaceutical Ind. Ltd), not considered in revenue account. However, deductions made and/or likely debit on account of excess consumption/yield loss, if any, provided in revenue of the year.

xi) Employee Benefits:

- Provisions for Gratuity & Earned Leave encashment on actuarial valuation by independent actuaries by using Projected Unit Credit (PUC) method has been made for the employees continuing their services as on the Balance sheet date. Accumulation of Earned leave is restricted to 30 days for availing in future. However, encashment allowed for employees separated, retrenched and retired & accounted on payment basis. (Previous year also accounted for on Actuarial valuation basis).
- Gratuity liability was fully provided during the year in compliance of AS-15(revised) of the ICAI.
- Provident fund, ESIC contributions and other short term employee benefits recognized as an expense and charged to profit & loss account on accrual basis.

xii) Taxation:

- Current Tax is determined as the amount of tax payable in respect of taxable income for the year.
- Deferred Tax is recognized subject to consideration of prudence, on timing differences, being difference between taxable and accounting income/expenditure that originate in one period and are capable of reversal in one or more subsequent period(s). Deferred Tax assets are not recognized unless there is "virtual certainty" that sufficient future taxable income will be available against which such deferred tax assets will be realized.

xiii) Earnings per share:

Basic earnings per share is computed by dividing net profit or loss for the period attributable to equity shareholders by the weighted average number of shares outstanding during the year. Diluted earnings per share amount computed after adjusting the effects of all dilutive potential on equity shares. The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share, and also the weighted average number of equity shares, which could have been issued on the conversion of all dilutive potential shares. In computing dilutive earnings per share, only potential equity shares that are dilutive and that decrease profit per share are included.

xiv) Cash and Cash Equivalents:

In the cash flow statement, cash and cash equivalent includes cash in hand, demand deposits with banks, if 6 months or less maturity only, other short term highly liquid investments with original maturities of six months or less.

xv) Provision and Contingent Liabilities and contingent assets:

The company recognizes a provision when there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or present obligation that the likely hood of outflow of resources is remote, no provision/disclosure is made. Contingent assets are neither recognized nor disclosed in the financial statements.

25. GENERAL NOTES:

The Company was incorporated on 27th September,1993 and started its commercial production on 5th May,1995.The main activity of the company is manufacturing and sales of pharmaceutical-bulk drugs(API-Active Pharmaceutical Ingredients) since beginning. The Company is having its manufacturing facility at Village-Bhondsi, Tehsil - Sohna, Distt. Gurgaon, Haryana. Notes on various aspects of operations of the company during the financial year are summarized as below:

i) Contingent Liabilities not acknowledged as debts and provided for:

PF/ESIC: E.S.I.C. has not claimed/quantified additional demand of interest/damages, if any, on delayed deposit/payment of ESI dues during current & earlier periods yet, hence not acknowledged/provided for. Quantum could not be ascertained.

ii) Disclosure relating to Share Capital:

Rights, Preferences and Restrictions attached to the Equity Shares:

During the year, the current Authorized Share Capital of the Company i.e. 9,00,00,000 (Rupees Nine Crores only) comprising of 90,00,000 (Ninety Lacs) Equity Shares of Rs. 10/- (Rupees Ten only) is reclassified by cancelling 16,15,000 (Sixteen Lacs Fifteen Thousand) Equity Shares of Rs. 10/- (Rupees Ten only) each and concurrently creating 16,15,000(Sixteen Lacs Fifteen Thousand) Preference Shares of Rs. 10/- (Rupees Ten only) each

Authorized Share Capital of the Company is increased from 9,00,00,000 (Rupees Nine Crores) comprising of 9,000,000 (Ninety Lacs) Equity Shares of Rs. 10/- (Rupees Ten only) to Rs. 113,850,000 (Rupees Eleven Crore Thirty Eight Lacs Fifty Thousand only) comprising of 7,385,000 (Seventy Three Lacs Eighty Five Thousand) Equity Shares of Rs. 10/- each and 4,000,000 (Forty Lacs) Preference shares of Rs. 10/- each. The reclassification and increase in Authorised capital was approved by members in their EGM held on 30th March.2016.

The Members of the company also approved to create, offer, issue and allot, on private placement basis, up to 4,000,000 (Forty Lacs) 0.1% Redeemable Non-Convertible Cumulative Preference Shares ("RPS") of face value of Rs.10/- (Rupees Ten only) each fully paid-up for cash at an issue price of Rs.10/- (Rupees Ten only) to the persons belonging to non-Promoter Category on the following conditions, accordingly vide Board meeting dated 17th May'2016 RPS were issued by the company:

The said Preference Shares shall rank for dividend in priority to the equity shares for the time being of the Company.

The said Preference Shares shall in winding up be entitled to rank, as regards repayment of capital and arrears of dividend, whether declared or not, up to the commencement of the winding up, in priority to the equity shares but shall not be entitled to any further participation in profits or assets or surplus fund.

The payment of dividend shall be on cumulative basis.

The said Preference Shares shall be Non-Convertible.

The voting rights of the persons holding the said Preference Shares shall be in accordance with the provisions of Section 47 of the Companies Act 2013 (including any statutory modifications or re-enactments thereof for the time being in force).

At the option of the issuer, at any time within a period not exceeding ten years from the date of allotment as per the provisions of the Act.

Each holder of equity shares is entitled to one vote per share. The dividend, if any, to be proposed by the Board of Directors is subject to approval of the shareholders in Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the share holders.

Nil equity shares have been allotted as fully paid up without payment being received in cash during the period of five years immediately preceding the date as at which the Balance Sheet is prepared.

iii) Secured/Unsecured Loans:

During the year Company has taken secured loans to the tune of Rs.291 lacs secured by exclusive mortgage of the land property of the company to revive the working and pay off long pending Statutory & other liabilities of the company, bearing interest @11% p.a. Charge to this effect has been created in the name of Lender. Company has further taken unsecured loans from time to time to cope-up with the funds requirements to meet statutory & labour related obligations totaling to Rs. 383.76 lacs. Interest @11% has been provided and payable on the unsecured loan amounts, repayable on demand.

iv) Trade Payables and Trade receivable balances are subject to reconciliation and confirmation from the parties concerned.

v) As per AS-22 issued by ICAI, deferred tax asset and liability has been recognized and necessary effects were given in profit & loss account during the year. Detail break-up of accumulated deferred tax assets and liability after adjustment as on 31.03.2016 is given in Note No.4.

vi) Particulars of the consumption of Materials:

There has been no substantial business activity during the year. However, Company has been manufacturing goods for a pharmaceutical Company M/s SUN Pharmaceuticals Ind. Ltd. (SPIL) and others on Job charges/outright sale basis during the Previous year. Raw materials supplied by the principal manufacturer as per requirements of products manufactured were received on excise invoices as stock transfers or otherwise as well and finished goods manufactured by the company were again transferred/ dispatched back on excise invoices as stock transfers/outright sale as well. Stock transfer case, therefore, was not forming part of company's own manufacturing and, hence, details of raw materials consumed and goods manufactured etc. were not pertaining to the company directly, hence not given herein below to that extent. However, small quantities manufactured on own account for which cost of direct raw materials consumed is given below. In addition, the raw materials/ items consumed for carrying out the direct job manufacturing activity by the company out of its own stock were mainly of consumable in nature and, therefore, had been billed as deemed sales to the principal Company on cost basis.

Description	Year ended 31.03.2016		Year ended 31.03.2015	
	Value (Rs. lacs)	%age	Value (Rs. lacs)	%age
(a) Raw Material				
Imported/Indigenous	7.75	100	56.84	100
(Imported-Nil)				
(b) Stores, Spares & consumables				
Indigenous	3.05	100	8.73	100
(Imported-Nil)				

vii) Prior Period Adjustments:

- Company has provided and paid additional demand of Interest/damages on delayed deposit/payment of P.F. dues during earlier periods raised by concerned authorities. Management considered the demand to be taken in accounts on paid basis.
- Electricity addnl. Charges, interest, penalty etc. Rs.13.74 lacs were demanded for reconnection/resumption of power supply in May, 2015, which was disconnected in December, 2014 i.e. FY2014-15 due to non-payment. The demand, so raised was paid on 08/05/2015 and power supply was resumed to the Company in May, 2015. Management considered the demand to be taken in accounts on paid basis.
- Company has settled (out of court, as per circular of State Electricity Department in 50% of outstanding demand) and paid a sum of Rs.9.77 lacs towards demands raised in earlier years by Electricity department for which matter was referred to Civil Courts, Gurgaon. The matter has been withdrawn from the court's purview.

- viii) (a) During the year company has carried its operation based on a manufacturing Contract for five years with M/s Ranbaxy Laboratories Ltd., executed in 2008 and extended on 01/01/2013 for further period of five years there from for manufacturing Bulk Drug intermediates as per their specification and requirements. Accordingly, revenue for the year has been accounted for on a/c of the qty. manufactured/discharged on per kg basis. Due to change in management of M/s RLL to SPIL, the job volumes reduced during the year. However, Company has manufactured and supplied goods to other Pharma Cos. i.e. M/s SRF Ltd., Jubilant Life Sciences Ltd., Gujarat Fluorochem Ltd. etc. during the year either on job charges basis and/or outright sale basis. Accordingly, transactions for the FY have been accounted for in accounts.
- (b) In view of the negligible job work volume from RLL/Sun Pharmaceutical Ind Ltd, during last FY 2014-15 and current FY 2015-16, Company management has decided to discontinue job work agreement entered with the said Company, so as to utilize the installed capacity for alternate uses. Accordingly, company has served required notice to the above named principal company for discontinuation of arrangement, to which the principal company has agreed on and from the end of the current FY 2015-16 without obligation.
- ix) Sales include a sum of Rs. 15.35 lacs for the goods manufactured & sold on company's own account including Deemed Sales on account of sale of saleable by products i.e. recovered non-usable solvents & reimbursements and bills raised for use of consumables and indirect raw materials in job manufacturing processes for the principal manufacturer during the year on cost basis and on which CST/VAT has been charged & paid and the same has been treated in accounts accordingly. Procurement cost of materials has been shown in Profit & Loss a/c.
- x) In the opinion of the management the realizable value of non-current and current assets, loans & advances in the ordinary course of business would be, at least, equal to the amount at which they are stated in the balance sheet.
- xi) Travelling, conveyance and vehicle running expenses include Rs.4.24 lacs (Previous Year Rs. 1.73 lacs) spent by the directors for business purposes undertaken by them.
- xii) Company has provided for bonus @8.33% for all employees of the Company covered under the provisions of the Payment of Bonus Act. Accordingly an amount of Rs.4.98 lacs has been provided during the year in revenue account.
- xiii) Interest on outstanding inter corporate deposits amounting to Rs.11.11 lacs has been paid as one time settlement arrived with them, being outstanding for >18 yrs., the entire outstanding ICD's have been paid off during the year.
- xiv) Funds provided/arranged for during earlier years by the Directors and/or companies in which directors are interested, have been fully paid off during the year. Further, outstanding amounts received during earlier year as unsecured loans from promoters/directors, repayable on demand to meet urgent cash requirements of the Company have been paid without interest during the year.
- xv) Repairs and maintenance expenses of Plant and Machinery amounting to Rs. 9.47 lacs as per Note No.-23 include cost of repairs, replacement of partial worn out assets to keep them as usable.
- xvi) Laboratory Expenses amounting to Rs.0.70 lacs as per Note No.-23 include HPLC /GC spares/column and accessories and reagents/solvents/consumable, which are consumed for carrying out lab testing of products and raw materials.
- xvii) Company has taken insurance cover for fire on building, plant & machinery, inventories of the company as well as against Public Liability amounting to Rs.1437 lacs & 1500 lacs respectively. Adequacy of risk cover is justified by the management on the basis of risk assessment carried out by them based on internal inputs made available in the matter. Insurance cover towards inventory of raw materials, work-in-progress and finished goods etc. belonging to the principal manufacturer, were taken by them, for which no risk and responsibility lies on the company.
- xviii) Certain assets including plant & machinery, worn out/non usable discarded by the company upon physical verification, partially has been sold as scrap. Provision for realizable scrapped value of the same also made and provided in books of accounts under Note No.19.
- xix) The works of the company were covered by ESIC with effect from June'08. All the workers having salary within the limit of ESIC are covered under ESIC scheme and the company has complied with the provisions of the ESIC Act regularly. Contribution payable for the year provided in accounts and outstanding payables are shown under current liabilities.
- xx) A sum of Rs.7.43 lacs was outstanding liability towards the Statutory dues as at the close of the financial year on a/c of Excise duty, P.F., ESIC, TDS. As per practice, all these current statutory dues are paid within the time allowed under the relevant laws and/or the Income Tax Act,1961 generally, excepting certain liability, specifically stated otherwise, if any.
- xxi) **Accounting Standard (AS-15) on Employee Benefits**
(a) Contributions are made to Employees Provident Fund, Family Pension Fund, ESIC and other Statutory Funds which covers all regular employees as per provision of these respective Acts. The contributions are normally based on a certain proportion of the employee's salary. Amount recognized as an expense in respect of these defined contribution plans are as under:

(Rs. Lacs)

	Year ended 31.03.2016	Year ended 31.03.2015
Contribution to Provident & Family Pension Fund	10.52	10.37
Contribution to ESIC including EDLI	4.10	4.30
Contribution to Labour Welfare Fund	0.24	0.25

Laurel Organics Ltd.

(b) Provision for Gratuity and Earned leave liability is based on actuarial valuation done by an independent actuary as at the end of the year. Based on the actuarial valuation, provision (accumulated) is made for a sum of Rs.41.07 lacs and it covers all regular employees. Major drivers in actuarial assumptions are, years of service and employee compensation. Commitments are actuarially determined using "Projected Unit Credit" method. Gains and Losses on changes in actuarial assumptions are accounted for in the Statement of Profit & Loss, details are as under:

(Rs. Lacs)

Particulars	As at 31.03.2016		As at 31.03.2015	
	Gratuity	EL liability	Gratuity	EL liability
Reconciliation of liability recognised in the Balance Sheet				
Present value of commitments (as per Actuarial Valuation)	23.76	3.52	36.63	3.59
Fair value of plan assets	-	-	-	-
Net Liability in th Balance Sheet	23.76	3.52	36.63	3.59
Movement in net Liability recognised in the Balance Sheet				
Net Liability as at the beginning of the year	36.63	3.59	36.28	4.8
Net expense recognised in the Statement of Profit & Loss	11.72	0.89	3.97	-0.22
Contribution/paid during the year	-24.59	-0.95	-3.62	-0.99
Net Liability as at the end of the year	23.76	3.52	36.63	3.59
Expense recognised in the Statement of Profit & Loss				
Current service cost	2.59	0.53	3.32	0.59
Interest cost	2.93	0.29	3.08	0.41
Expected return on plan asset	0	0	0	0
Actuarial Loss/(Gain)	6.20	0.07	-2.43	-1.22
Expense charged to the Statement of Profit & Loss	11.72	0.89	3.97	-0.22
Return on plan assets				
Expected return on plan asset	-	-	-	-
Actuarial gain	-	-	-	-
Actual return on plan assets	-	-	-	-
Reconciliation of defined-benefit commitments				
Commitments as at the beginning of the year	36.63	3.59	36.28	4.8
Current service cost	2.59	0.53	3.32	0.59
Interest cost	2.93	0.29	3.08	0.41
Paid benefits	-24.59	-0.95	-3.62	-0.99
Actuarial loss	6.20	0.07	-2.43	-1.22
Commitments as at the end of the year	23.76	3.52	36.63	3.59
Reconciliation of Plan Assets				
Plant assets as at the beginning of the year	-	-	-	-
Expected return on plan asset	-	-	-	-
Contribution during the year	-	-	-	-
Paid benefits	-	-	-	-
Actuarial gain	-	-	-	-
Plant assets as at the end of the year	-	-	-	-
Principal actuarial assumptions as at the Balance Sheet date				
Discount rate	8	8	8	8
Estimated rate of return on plan assets	-	-	-	-
Expected rate of salary increase	5.5	5.5	5.5	5.5
Attrition rate %	2 & 3	2 & 3	2 & 3	2 & 3
Mortality Table	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)

xxii) Income/Expenditure in Foreign Currency: -Nil- (P.Y. -Nil-).

xxiii) Auditors Remuneration :

Legal & Professional expenses includes Auditors' Remuneration amounting to Rs.1.69 lacs to Statutory Auditors.

xxiv) SEGMENT REPORTING:

Information regarding primary segment reporting as per AS-17 for the year ended 31/03/2016:

The Company is engaged in the primary business segment - Pharmaceutical Bulk drug and drug intermediate (API- Active Pharmaceutical Ingredients) manufacturing on job charges basis only. Therefore, there is single segment assets and liabilities only. There was no geographical segment as well.

xxv) Accounting Standard (AS-20) on Earnings Per Share:

As required by Accounting Standards 20 issued by the Institute of Chartered Accountants of India, the earning per share (EPS) is calculated by dividing the profit attributable to the equity share holders by the average number of equity shares outstanding during the year and is ascertained as follows:

Laurel Organics Ltd.

Particulars	Year ended 31.03.2016	Year ended 31.03.2015
Profit/(Loss) available to the equity shares	Rs. (40,530,524)	(17028178)
Weighted average no. of equity shares	7385000	7385000
Nominal value of equity shares	Rs. 10	10
Earning per share of Rs.10 each (basic/diluted)	Rs (5.49)	(2.31)

xxvii) The company has not received intimation from suppliers regarding their status under the micro, small and medium enterprises and hence disclosure, if any, relating to balance outstanding including interest thereon, if any, as at the Balance Sheet date could not be ascertained, hence has not been furnished. Company has undertaken steps to prepare a panel of such suppliers and seek all the relevant information, so as to classify and monitor relevant information in future.

xxviii) A sum of Rs.25.46 lacs is receivable on account of TDS deducted on Job charges from the Income Tax department for the F.Y. 2012-13, 2014-15 and 2015-16. Income tax returns for the year 12-13 & 14-15 have already been filed within time and refunds are under process. However, TDS for 15-16 would be refundable/ claimed from the Department on filing of ITR for the year concerned. These will be adjusted, as and when returns are processed and orders/refunds are received by the Company.

xxix) Cenvat/Service Tax Input credit taken/ paid on input cost/services, availed against goods manufactured and under reverse charge obligation of the Company during the year.

xxx) A sum of Rs.7.77 lakh liability against supplies considered non payable in view one time settlement arrived at with respective suppliers and their consent for waiver of their dues has been received from concerned parties, written back during the year to revenue account of the Company.

xxx) Related Party disclosure:

List of related parties with whom transactions have taken place during the year:

1. Related Parties where common control exists:

Bijwasan Agro Ltd.

Agora Agro Pvt. Ltd.

Kimia Biosciences Pvt. Ltd.*

2. Key Management Personnel:

Mr. K S Varma, CMD

Mr. Abhishek S Varma, Wholetime Director

Mrs. Vandana Varma, Wholetime Director

Mr. Sameer Goel*

Mr. Sachin Goel*

3 Transactions:

	2015-16	(Rs.lacs) 2014-15
Outstanding balance Payable		
Bijwasan Agro Ltd.	0.00	1.75
Kimia Biosciences Pvt. Ltd.*	674.76	0.00
Interest Payable to Kimia Biosciences Pvt. Ltd.	34.61	0.00
Remuneration to Key Managerial Personnel:		
Remuneration -CMD & Wholetime Directors	16.71	33.60
Less: Waived off as per consent received	0.00	26.77
Net amount charged to P&L A/C	16.71	6.83
Outstanding Balance-Remuneration Payable	0.00	0.00
Rent paid to Mrs. V. Varma	1.75	0.42

*. These parties considered as related parties effective from 29th March,2016, subsequent to Share Purchase Agreements (Subject to SEBI Approvals) and Appointment as Directors on the Board of the company.

xxxi) Previous year figures have been regrouped/re-arranged wherever necessary to correspond with the current year's classification/ disclosure and rounded off to nearest one rupee.

xxxii) Notes 1 to 25 form an integral part of the statement of accounts of the company comprising Balance Sheet as on 31st March'2016 and the Profit & Loss Statement for the year ended on that date.

Signed for identification.

For A K Jalan & Associates
Chartered Accountants
FRN 500107N

For and on behalf of the Board
Laurel Organics Ltd.

(Sameer Goel)
CMD

(Sachin Goel)
(Director)

CA A K Jalan
FCA, Partner
M. No. 052776
Place : New Delhi, May 30, 2016

(Gaurav Kumar)
Company Secretary

(Raman Kr. Thakur)
CFO

Bhondsi, May 30, 2016



Laurel Organics Limited

CIN: L24239HR1993PLC032120
Regd. Office: Vill. Bhondsi, Tehsil Sohna
Distt. Gurgaon (Haryana) - 122102, Haryana
E- mail ID: laurelorganicslimited@gmail.com
Website: www.laurel.co.in

Attendance Slip

ATTENDANCE SLIP FOR 23rd ANNUAL GENERAL MEETING
on Friday, 30th September, 2016 at 12:30 PM

Folio No. / DP ID Client ID No.	
Name of First named Member/Proxy/ Authorised Representative	
Name of Joint Member(s), if any:	
No. of Shares held	

I/we certify that I/we am/are member(s)/proxy for the member(s) of the Company.

I/we hereby record my/our presence at the (Meeting number) Annual General Meeting of the Company being held on (Day & Date) at (time) at (Venue address).

.....

Signature of First holder/Proxy/Authorised Representative

Signature of 1st Joint holder

Signature of 2nd Joint holder

Note (s): 1. Please sign this attendance slip and hand it over at the Attendance Verification Counter at the MEETING VENUE.

2. Only shareholders of the Company and/or their Proxy will be allowed to attend the Meeting.

Note: Please fill up this attendance slip and hand over at the entrance of the meeting hall.



Laurel Organics Limited

CIN: L24239HR1993PLC032120
Regd. Office: Vill. Bhondsi, Tehsil Sohna
Distt. Gurgaon (Haryana) - 122102, Haryana
E- mail ID: laurelorganicslimited@gmail.com
Website: www.laurel.co.in

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013
and Rule 19(3) of the Companies
(Management and Administration) Rules, 2014]

Name of Member(s) :

Registered address :

E-mail Id :

Folio No. / Client ID :

DP ID :

I/We being member(s) of shares of the above named Company, hereby appoint :

(1) Name :

Address :

Email Id :

Signature :, or failing him

(2) Name :

Address :

Email Id :

Signature :, or failing him

(3) Name :

Address :

Email Id :

Signature :, or failing him

as my/our proxy to attend and vote (on poll) for me/us and on my/our behalf at the 23rd Annual General meeting of the Company to be held on **Friday, 30th September, 2016 at 12.30 P.M.** at the registered office of the Company at Village .Bhondsi, Tehsil Sohna Distt., Gurgaon-122102 (Haryana) and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolutions Number	Resolutions	Favor	Against
Ordinary Business			
1	To receive, consider and adopt the audited financial statements of the Company on standalone basis for the financial year ended 31st March, 2016, and the report of the Auditors and the Directors thereon.		
2	Ratification of A. K. Jalan & Associates, Chartered Accountants, (Registration No. 500107N) as the Statutory Auditors of the Company from the conclusion of 23rd AGM till the conclusion of 24th AGM of the Company from the conclusion of 23rd AGM till the conclusion of 24th AGM		
Special Business			
3	Appointment of Mr. Sameer Goel (DIN: 00161786), as Chairman cum Managing Director of the Company for a period of 5 years w.e.f. 29th March, 2016		
4	Appointment of Mr. Sachin Goel (DIN: 00161762), as Whole Time Director of the Company for a period effective from 29th March, 2016 till 17th May, 2016		
5	Appointment of Mr. Jagdeep Dhawan (DIN No. 00778235), as an Independent Director of the Company to hold the office for a period of five (5) consecutive years w.e.f. 29th March 2016 and shall not be liable to retire by rotation		
6	Appointment of Mrs. Richa Gupta (DIN No. 07481646) as an Independent Director of the company to hold the office for a period of five (5) consecutive years w.e.f. 15th April, 2016 and shall not be liable to retire by rotation.		
7	Approval to the Board of Directors of the Company, to borrow, on behalf of the Company under the provisions of section 180 of the Companies Act, 2013		
8	Approval to the Board of Directors of the Company, to create mortgage and/ or charge on the whole or substantially the whole of the Company's any one or more of the undertakings or all of the undertakings, including present or future properties, on behalf of the Company under the provisions of section 180 of the Companies Act, 2013		
9	Adoption of new Articles of Association of the Company		

Signed this day of2016.

.....
Signature of Member

.....
Signature of proxy holder(s)

Affix revenue stamp
(not less than
Rs. 0.15)

Notes:

1. This form of proxy, in order to be effective, should be duly stamped, completed, signed and deposited at the registered office of the Company, not less than 48 hours before the meeting.
2. It is optional to indicate your preference. Please put 'X' in the appropriate column against the resolution indicated in the Box. If you leave the For or Against column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate
3. A Proxy need not be a member of the Company.
4. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
5. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
6. In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

Laurel Organics Ltd.

ROUTE MAP TO THE VENUE OF THE EXTRAORDINARY GENERAL MEETING OF THE COMPANY TO BE HELD ON FRIDAY, THE 30TH SEPTEMBER, 2016 AT 12:30 P.M.



LAUREL ORGANICS LIMITED

Registered Office: Village Bhondsi Tehsil Sohna Distt., Gurgaon-122102, Haryana, India,
Tel: 011-29535650, CIN No. L24239HR1993PLC032120

Website: www.laurel.co.in Email ID: laurelorganicslimited@gmail.com

An Addendum to the Notice of 23rd Annual General Meeting (AGM) dated 13th August, 2016 of Laurel Organics Limited ('the Company') is hereby given for obtaining approval for payment of managerial remuneration. Accordingly, the following resolution will be taken up for consideration of the members in the ensuing 23rd AGM of the Company, scheduled to be held on Friday, 30th September, 2016 at 12.30 p.m. at the registered office of the Company at Village Bhondsi, Tehsil Sohna Distt., Gurgaon-122102 (Haryana), as part of the Special Businesses of the AGM, in the form of Special Resolution, as set forth below:

ITEM NO. 10

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

“RESOLVED THAT pursuant to the provisions of Sections 203, Section 196, and Section 197 read with Schedule V thereto and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof), Article of Association and on the recommendation of Nomination & Remuneration Committee, the approval of members be and is hereby accorded for payment of remuneration of Rs. 7.85 Lakh to Mr. Kumar Sahay Verma (DIN: 00161976), Managing Director of the Company for a period from 1st April 2015 till 31st August, 2015.

“RESOLVED FURTHER THAT Board of Directors of the Company be and is hereby severally authorised to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolution”

ITEM NO. 11

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

“RESOLVED THAT pursuant to the provisions of Sections 203, Section 196, and Section 197 read with Schedule V thereto and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof), Article of Association and on the recommendation of Nomination & Remuneration Committee, the approval of members be and is hereby accorded for payment of remuneration of Rs. 5.59 Lakh to Mr. Abhishek Verma (DIN: 0161942) Whole Time Director of the Company for a period from 1st April 2015 till 31st August, 2015.

“RESOLVED FURTHER THAT Board of Directors of the Company be and is hereby severally authorised to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolution”

ITEM NO. 12

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

“RESOLVED THAT pursuant to the provisions of Sections 203, Section 196, and Section 197 read with Schedule V thereto and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof), Article of Association and on the recommendation of Nomination & Remuneration Committee, the approval of members be and is hereby accorded for payment of remuneration of Rs. 5.04 Lakh to Mrs. Vandana Verma (DIN: 00162002) Whole time Director of the Company for a period from 1st April 2015 till 31st August, 2015.

ADDENDUM TO ANNUAL GENERAL MEETING NOTICE

“RESOLVED FURTHER THAT Board of Directors of the Company be and is hereby severally authorised to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolution”

**On behalf of the Board,
For Laurel Organics Ltd.**

Place: Gurgaon

(Sameer Goel)

Date: 17th August, 2016

DIN: 00161786

Chairman cum Managing Director

NOTES:

1. The Statement pursuant to Section 102 of the Companies Act, 2013 (“the Act”), which sets out details relating to Special Business to be transacted at the AGM, is annexed hereto.
2. Notes and other information mentioned in the Notice of 23rd AGM forms integral part of this Addendum to Notice.
3. Revised proxy form is enclosed herewith.

APPENDIX-I**STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013****ITEM NO 10 TO 12**

The shareholders in the Annual General Meeting held on 29th September 2014 have approved the payment of remuneration of Rs 1.50 Lakhs per month and Rs 1.25 Lakhs per month, along with perquisites and allowances, to Mr. Kumar Sahay Verma (Managing Director) and Mr. Abhishek Verma (Whole-time Director)

Due to weak financial performance of the Company during the financial year 2015-16, the following Directors of the Company have withdrawn only a part of the salary as approved by the shareholders. The payment of the remuneration was approved by Nomination and Remuneration Committee.

Name	Amount in Rs.	Period
*Mr. Kumar Sahay Verma (Managing Director)	Rs. 7.85 Lakhs	1 st April 2015 till 31 st August, 2015
*Mr. Abhishek Verma (Whole-time Director)	Rs. 5.59 Lakhs	1 st April 2015 till 31 st August, 2015

*** resigned w.e.f. 30th March 2016**

Further Mrs. Vandana Verma (Whole-time Director) has also withdrawn a salary of Rs 5.04 Lakhs for a period from 1st April 2015 till 31st August, 2015 on the recommendation of the Nomination and Remuneration Committee. Further Mrs. Verma has also resigned from the directorship of Company w.e.f. 31st March 2016.

Pursuant to Section 196 197 read with Schedule V thereto and other applicable provisions, if any, of the Companies Act, 2013, in case of losses and negative effective capital, the Company can pay remuneration to each managerial personnel not exceeding Rs 30 Lakhs per annum subject to the approval of the shareholders by way of special resolution and compliance of other prescribed conditions.

The statement required under Schedule V, Part II, Section II is given below

I.	GENERAL INFORMATION			
1.	Nature of Industry	Pharmaceuticals		
2.	Date or expected date of commencement of commercial production	Within six month from the date of Annual General Meeting		
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not applicable		
4.	Financial performance based on given indicators	Manufacturing of the Company is suspended		
5.	Export performance and net foreign exchange collaborations	Nil		
6.	Foreign investments or collaborators, if any	Nil		
II.	INFORMATION ABOUT THE APPOINTEE:			
S. No	Particulars	Mr. KS Verma	Mr. Abhishek Verma	Mrs. Vandana Verma
1.	Background details	Aged 71 years,	Aged 42 years,	Aged 65 years,

ADDENDUM TO ANNUAL GENERAL MEETING NOTICE

		Graduate having rich experience of 28 years	MBA having rich experience of 15 years	graduate having rich experience of 15 years
2.	Past Remuneration	8.12 Lakh	2.28 Lakh	3.3 Lakh
3.	Recognition or awards	N.A		
4.	Job profile and his/her suitability	Responsible for the financial performance of the company	Responsible for the operational performance of the company	Responsible for the operational performance of the company
5.	Remuneration proposed	As mentioned in the resolution		
6.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	As the company is in losses, no comparatives are available. Payment made is far below the Industry Standards		
7.	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	Father of Abhishek Verma and Husband of Vandana Verma	Son of Kumar Sahay Verma and Vandana Verma	Wife of Kumar Sahay Verma and mother of Abhishek Verma
III.	OTHER INFORMATION			
1.	Reasons of loss or inadequate profits	Company is a job manufacturer and currently undertaken manufacturing for only one client, capacity underutilization and increasing fixed costs, has resulted into losses.		
2.	Steps taken or proposed to be taken for improvement	The management of the Company has changed and is making all the efforts to revive the business. As the current operation of the Company are suspended therefore it is difficult to assess the impact of the revival efforts taken by the new management.		
3.	Expected increase in productivity and profits in measurable terms			
IV.	DISCLOSURES			
1.	Remuneration package of the managerial person	The remuneration package of Mr. Kumar Sahay Verma, Mr. Abhishek Verma and Mrs. Vandana Verma is mentioned above. There is no other managerial person.		
2.	Disclosure in Corporate Governance Report, if any.	Not applicable		

Additional details as per Secretarial Standard-2 is given below:

S. No.	Particulars	Mr. KS Verma	Mr. Abhishek Verma	Mrs. Vandana Verma
2	Date of first appointment on the Board	09/08/2004	09/11/2009	05/01/2000
3	Shareholding in the company held either by them or on a beneficial basis for any other persons	3010600	-	10500
4	Relationship with other Directors, Manager and other Key Managerial Personnel of the company	NA	NA	NA

ADDENDUM TO ANNUAL GENERAL MEETING NOTICE

5	The number of Meetings of the Board attended during the year	6	6	6
6	Other Directorships, Membership/ Chairmanship of Committees of other Boards	Bijwasan Agro Ltd	Bijwasan Agro Ltd, Agora Agro Private Limited	Agora Agro Private Limited

The Board recommends the aforesaid resolutions for approval of members as a special resolution.

None of the Directors, Key Managerial Personnel and their relatives are interested or concerned financially or otherwise in this resolution.

**On behalf of the Board,
For Laurel Organics Ltd.**

Place: Gurgaon

Date: 17th August, 2016

**(Sameer Goel)
DIN:00161786
Chairman cum Managing Director**