

Mesco Pharmaceuticals Limited

29th Annual Report
2014-15

MESCO PHARMACEUTICALS LIMITED

Regd. Office: MOHABEWALAN INDUSTRIAL AREA, STATE BANK ROAD,
DEHRADUN, UTTARAKHAND-248001

CIN NO: L24111UR1986PLC015895 **EMAIL ID:** mescogroup@rediffmail.com **Tel:** 011-40587085

NOTICE

NOTICE is hereby given that the Twenty Ninth (29th) Annual General Meeting of the Members of Mesco Pharmaceuticals Limited will be held on Wednesday, the 30th day of September, 2015 at 10:00 A.M. at 271, Nashville Road, Dehradun-248001 to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Financial Statements of the Company as at 31st March 2015 including the Balance Sheet as at 31st March 2015, the Statement of Profit & Loss for the year ended on that date, and the Reports of the Auditor's and Directors' thereon.
2. To appoint a Director in place of Mr. Jitendra Kumar Singh (DIN: 00090649), who retires by rotation and being eligible, offers himself for re-appointment.
3. To ratify the appointment of M/s N. Dhawan & Co., Chartered Accountants, (FRN-007095N), as an Auditor who were appointed as Auditor for 3 years in 28th AGM held on 27th day of September, 2014 and to pass the following resolution, with or without modification as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sec. 139 and other applicable provisions, if any, of the Companies Act, 2013 and rules framed thereunder, as amended from time to time, the appointment of M/s N. Dhawan & Co., Chartered Accountants, (Firm Registration Number-007095N), be and is hereby ratified by the members of the Company, as Statutory Auditors of the company to hold office from conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting of the Company at such remuneration as shall be fixed by the Chairman/ Board of Directors of the Company.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all such act(s), deed(s) and thing(s) as may be considered necessary, proper or expedient in order to give effect to the above resolution.”

SPECIAL BUSINESS

4. 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 149, 152 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder (including any amendment(s) or modification(s) thereof for the time being in force), (here in after referred as ‘Act’), Mr. N. S. Parameswaran (DIN: 00091097) who was appointed as an Additional Director of the Company and who holds office upto the date of this Annual General Meeting in terms of Sec. 161 (1) of the Act and in respect of whom the Company has received a notice in writing from a member u/ Sec. 160 of the Act proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company.

RESOLVED FURTHER THAT any of the Board of Directors be and is hereby authorised to do all such act(s), deed(s) and thing(s) as may be considered necessary, proper or expedient in order to give effect to the above resolution.”

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

“RESOLVED THAT in pursuant to the provisions of Section 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and

Articles of Association of the Company and subject to the approval of Central Government or other authority, if any, and subject to the approval of shareholders of the Company, Mr. N.S. Parameswaran (DIN: 00091097) be and is hereby appointed as Managing Director of the Company for a period of three years with effect from 30.09.2015 on a consolidated remuneration of Rs. 10 Lakhs per annum on the terms and conditions including remuneration as set out in the Explanatory statement annexed to the Notice convening this Annual General Meeting.

RESOLVED FURTHER THAT subject to necessary permissions / approvals, the Board of Directors of the Company be and is hereby authorised to fix, vary, reduce or amend the remuneration and other terms of his re-appointment from time to time, as it may deem expedient or necessary during the tenure of his appointment or as may be prescribed by the authorities giving such sanction or approval.

RESOLVED FURTHER THAT the aggregate remuneration shall not exceed the limits provided in Section 197 of the Act and that the consent of the members be and is hereby accorded pursuant to Schedule V and other applicable provisions of the Act, if any, and subject to such approvals as may be necessary, including Central Government approval, that where in any Financial Year during the currency of tenure of Mr. N. S. Parameswaran as Managing Director, the Company has no profits or its profits are inadequate, the Company shall pay to him remuneration by way of salary and perquisites approved herein supra, as minimum remuneration.

RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall be deemed to include any Committee thereof which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution) be and is hereby authorized to do and perform or cause to be done all such acts, deeds, matters and things, as may be required or deemed necessary or incidental thereto, and to settle and finalize all issues that may arise in this regard, without further referring to the Members of the Company, including without limitation finalizing and executing any agreement, deeds and such other documents as may be necessary and to delegate all or any of the powers vested or conferred herein to any Director(s) or Officer(s) of the Company as may be required to give effect to the above resolutions.

RESOLVED FURTHER THAT Mr. J.K. Singh, Director of the Company be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and sign and execute all applications, documents and writings that may be required, on behalf of the Company and generally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid Resolution."

For and on behalf of the Board
For **Mesco Pharmaceuticals Limited**

Date: 04.09.2015
Place: New Delhi

N.S. Parameswaran
Chairman
DIN: 00091097

NOTES:

- 1) Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out the details relating to the Special Business to be transacted at Annual General Meeting is annexed hereto.
- 2) A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member of the company. The instrument appointing proxy should be deposited at the registered office of the company not less than forty-eight hours before commencement of the meeting.

- 3) A person can act as proxy on behalf of not more than fifty members and holding not more than ten percent of the total share capital of the company. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as proxy for any other person or shareholder. A Proxy form is sent herewith.
- 4) The instrument appointing proxy in order to be effective should be duly stamped, completed and signed and should be deposited at the Registered Office of the Company not later than 48 hours before the time fixed for the meeting.
- 5) Members/ proxies should bring the Attendance Slip duly filled in for attending the meeting. The form of attendance slip and proxy form are attached at the end of the Annual Report.
- 6) For members who have not registered their email address, physical copies of the Notice of the 29th Annual General Meeting of the Company along with Attendance Slip and Proxy Form is being sent in the permitted mode.
- 7) Members who hold shares in physical form may nominate a person in respect of all the shares held by them whether singly or jointly. Members are advised to avail of the nomination facility by filing Form SH-13 in their own interest. Blank forms will be supplied by the Company on request. Members holding shares in demat form may contact their respective Depository Participants for recording of nomination.
- 8) During the period beginning 24 hours before the time fixed for the commencement of the Annual General meeting and ending with the conclusion of the meeting, a Member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
- 9) As required under Clause 49 of the Listing Agreement, relevant information in respect of Directors recommended by the Board for appointment/re-appointment at the Annual General Meeting forms part of the 'Report on Corporate Governance' in the Annual Report.
- 10) Corporate Members intending to send their authorized representative to attend the meeting are requested to send a duly certified copy of the Board Resolution, pursuant to Section 113 of the Companies Act, 2013, authorizing their representatives to attend and vote on their behalf at the Annual General Meeting.
- 11) The Register of Directors and Key Managerial Personnel and their shareholding maintained under Companies Act, 2013 will be available for inspection by the members at the AGM.
- 12) The Register of Contracts or Arrangements in which directors are interested, as maintained under the Companies Act, 2013, will be available for inspection by the members at the AGM.
- 13) Members desiring to claim previous years' dividend(s), which remained unclaimed, are requested to correspond with the Company Secretary at the Company's registered office. Members to note that dividends not encashed or not claimed within 7 years from the date of transfer to the Company's Unpaid Dividend Account, shall as per Section 205A and 205C of the Companies Act, 1956, be transferred to the Investor Education and Protection Fund.
- 14) The Register of Members and Share Transfer Books will remain closed from Wednesday, September 23, 2015 to Tuesday, September 29, 2015 (both days inclusive).
- 15) The Securities 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 PAN with their Depository Participants with whom they are maintaining their demat accounts. It has also been made mandatory for the transferee to furnish a copy of PAN to the Company/ Company's Registrar and Share Transfer Agent for their registration of transfers and securities market transactions and off- market/ private transactions involving transfer of shares of listed Companies in physical form. Accordingly, members holding shares in physical mode should attach a copy of their PAN Card for every transfer request sent to the Company/ Company's Registrar and Share Transfer Agent.
- 16) In case of joint holders attending the Annual General Meeting, only such joint holder who is higher in the order of name and attending the meeting, will be entitled to vote.
- 17) Members are requested to bring their copy of the Annual Report to the Annual General Meeting.
- 18) Members who are holding Company's shares in dematerialized form are required to bring details of their Depository Account Number for identification.
- 19) Members holding shares in physical form are requested to notify/send any change in their address to the Company's Registrars and Share Transfer Agents or to the Company at its Registered Office. Members holding shares in dematerialized form are requested to notify/send any change in their address to the concerned depository participant (s).
- 20) Members desirous of obtaining any information / clarification concerning the Financial Statements for the financial year ended March 31, 2015 of the Company, may send their queries in writing atleast seven days before the Annual General Meeting to the Company Secretary at the Registered Office of the Company or at E-Mail Id : meskogroup@rediffmail.com
- 21) All the documents referred to in the accompanying Notice and the Statement pursuant to Section 102(1) of the Companies Act, 2013, will be available for inspection at the Registered Office of the Company during business hours on all working days up to the date of the declaration of the result of the 29th Annual General Meeting of the Company.
- 22) Route Map as per Secretarial Standard 2 is annexed herewith.
- 23) Members who hold shares in physical form in multiple folios in identical names or joint accounts in the same order of names are requested to send share certificates to the Company for consolidation into a single folio.
- 24) In all correspondences with the Company, members are requested to quote their account / folio numbers and in case their shares are held in the dematerialized form, they must quote their DP I.D. and Client I.D. No(s).

- 25) Pursuant to Section 72 of the Companies Act, 2013, members holding shares in physical form may file nomination in the prescribed Form SH-13 with the Company's Registrar and Transfer Agent. In respect of shares held in electronic / demat form, the nomination form may be filed with the respective Depository Participant.
- 26) Guidelines for attending the ensuing Annual General Meeting of the Company:
- a) Entry to the venue will be strictly against the exchange of duly filled in, signed and valid Attendance Slip.
 - b) Any briefcase/bags/eatables or other articles are not allowed inside the Auditorium/Hall.
 - c) Member(s) are requested to bring the copy of the Annual Report to the meeting.
 - d) The voting rights of Members shall be in proportion to the shares held by them in the paid up equity share capital of the Company as on 31st March, 2015.
 - e) Members can opt for only one mode of voting, i.e., either by physical poll or e-voting. In case Members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through physical poll will be treated as invalid.
 - f) The results declared will also be communicated to the Stock Exchanges
- 27) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

For and on behalf of the Board
For **Mesco Pharmaceuticals Limited**

N.S. Parameswaran
Chairman
DIN: 00091097

Date: 04.09.2015
Place: New Delhi

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

ITEM No 4.

Mr. N.S. Parameswaran was appointed as an Additional Director of the Company by the Board of Directors on 01.01.2015. Notice under Section 160 of the Companies Act, 2013 has been received from a member proposing his candidature for the office of Director of the Company.

Your Board recommends the Ordinary Resolution as set out in Item No. 4 for your approval.

None of the Directors and/or Key Managerial Personnel of the Company or their relatives, except Mr. N. S. Parameswaran (whose regularisation is proposed in this resolution) are in any way concerned or interested in the resolution.

All documents referred to in the above item will be available for inspection at the Company's Registered Office on all working days, except Saturdays and Sundays between 2 P.M to 4 P.M upto the date of the Annual General Meeting.

ITEM No 5.

It is proposed to appoint Mr. N. S. Parameswaran as Managing Director of the Company w.e.f. 30.09.2015. He is a Company Secretary and had worked as Account Officer in one of the biggest Public Sector Undertaking of the Country. Further he has more than 50 years of experience.

As a group, as a whole require several Managerial personnel and one person cannot be appointed as managerial personnel in more than one entity. Mr. Parameswaran, as is very senior, experienced and reliable and is associated with the group since long, is recommended to be appointed as Managing Director of the Company.

He is largely responsible for the efficient operations of the Company, governance and its excellent financial performance. The Board of Directors, at their meeting held on 18.12.2014 considered and decided to entrust Mr. N S Parameswaran with increased role and responsibility by elevating him as Managing Director of the Company. The term of his appointment as Managing Director will be for a period of three years w,e,f 30.09.2015. He shall be paid a total remuneration of Rs. 10 lacs per annum including all perquisites except any re-imburement for which he shall be entitled as employee of the Company.

None of the Directors and/or Key Managerial Personnel of the Company or their relatives, except Mr. N. S. Parameswaran (whose regularisation is proposed in this resolution) are in any way concerned or interested in the resolution.

All documents referred to in the above item will be available for inspection at the Company's Registered Office on all working days, except Saturdays and Sundays between 2 P.M to 4 P.M upto the date of the Annual General Meeting.

For and on behalf of the Board
For **Mesco Pharmaceuticals Limited**

Date: 04.09.2015
Place: New Delhi

N.S. Parameswaran
Chairman
DIN: 00091097

MESCO PHARMACEUTICALS LIMITED

Regd. Office: MOHABEWALAN INDUSTRIES AREA, STATE BANK ROAD,
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CIN NO: L24111UR1986PLC015895 EMAIL ID: mescogroup@rediffmail.com Tel: 011-40587085

DIRECTORS' REPORT

TO

THE MEMBERS,
MESCO PHARMACEUTICALS LIMITED

Your Directors take pleasure in presenting the 29th Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2015.

1. Financial summary or highlights/ Performance of the Company

(Amount in Rs.)

Particulars	Financial Year ended	
	31 st March, 2015	31 st March, 2014
Revenue from Operations	0	0
Other income	0	327,779.44
Profit before Depreciation and Tax	(467,643,636)	(19,851)
less: Depreciation	0	0
Profit (loss) before Tax	0	0
Less: Provision for Tax	(6,277,609)	0
Add: Deferred Tax	0	0
Profit (Loss) after Tax	(461,366,027)	(19,851)

2. Dividend

No Dividend was declared for the current financial year due to losses incurred by the Company.

3. Reserves

No amounts were proposed by Board to be carried to the reserves.

4. Brief description of the Company's working during the year/State of Company's affairs

During the year under review, total loss of the Company was Rs. 461,366,027/- as against the loss of Rs. 19,851/- during previous year. Your Directors are putting in their best efforts to improve the performance of the Company.

5. Change in the nature of business

There was no change in the nature of business.

6. Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate on the date of this report.

7. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future

No significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

8. Details in respect of adequacy of internal financial controls with reference to the Financial Statements

The Company has designed and implemented process driven framework for internal financial controls within the meaning of explanation to Section 134 (5) (e) of the Companies Act, 2013. For the year ended 31 March, 2015, the Board is of the opinion that the Company has sound internal financial controls commensurate with the nature and size of its business operations; wherein controls are in place and operating effectively and no material weaknesses exist. The Company has a process in place to continuously monitor the existing controls and identify gaps, if any, and implement new and / or improved controls, wherever the effect of such gaps would have a material effect on the Company's operation.

9. Details of Subsidiary/Joint Ventures/Associate Companies

The Company does not have any Subsidiary, Joint venture or Associate Company.

10. Deposits

The Company has neither accepted nor renewed any deposits during the year under review.

11. Reports on Management Discussion Analysis and Corporate Governance

As required under the Listing Agreement with Stock Exchanges ("Listing Agreement"), management discussion and analysis and corporate governance report are annexed as **Annexure I** and **Annexure II** respectively to this Report

12. Auditors

M/s N. Dhawan & Co., Chartered Accountants, (Firm Registration Number-007095N), has been appointed as Statutory Auditors of the company for a period of 3 years in the Annual General Meeting held on 27/09/2014. Their continuance of appointment and payment of remuneration are to be confirmed/ratify and approved in the ensuing Annual General Meeting. The Company has received a certificate from the above Auditors to the effect that if they are reappointed, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

13. Auditors' Report

There are no qualifications, reservations or adverse remarks or disclaimers made by the Auditors in their report on the Financial Statements of the Company for the Financial Year ended 31st March, 2015.

14. A) Share Capital

During the Financial Year 2014-15, the paid up share capital of the Company was Rs. 197,381,000/- divided into 20,320,600 Equity Shares of Rs. 10/- each. (Paid up share capital- Rs. 203,206,000 less Allotment money in arrears- Rs. 5,825,000)

B) Issue of equity shares with differential rights/ Buy Back of Securities/ Issue of sweat equity shares/ Bonus Shares/ Provision of money by company for purchase of its own shares by employees or by trustees for the benefit of employees

During the year under consideration no transactions were covered under Companies (Share Capital and Debentures) Rules, 2014.

C) Issue of employee stock options

The Company has **not issued** any shares as employee stock options scheme during the year under consideration.

15. Extract of the annual return

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is furnished in **Annexure - III** and is attached to this Report.

16. Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

- a) **Conservation of Energy & Technology Absorption:** Since the Company is not engaged in any manufacturing activity, issues relating to conservation of energy and technology absorption are not given.
- b) **Export Activities:** There was no export activity in the Company during the year under review.
- c) **Foreign Exchange Earnings and Outgo:** The Income & Expenditure in foreign exchange is as under during the year under review:
- | | | |
|--------------------------|---|---------------------------------|
| Foreign Exchange outgo | : | Rs. Nil (previous year Rs. Nil) |
| CIF Value of Imports | : | Rs. Nil (previous year Rs. Nil) |
| Foreign Exchange Earning | : | Rs. Nil (previous year Rs. Nil) |

17. Corporate Social Responsibility (CSR)

The company is not covered in the limits prescribed under section 135 of the Companies Act, 2013 therefore Corporate Social Responsibility is **not applicable**.

18. Directors

A) Changes in Directors and Key Managerial Personnel

Mr. **Jitendra Kumar Singh** (DIN: 00090649) retires by rotation and being eligible, offers himself for **re-appointment** as director of the company.

Ms. Rita Singh was acting as Women Director in the Company who resigned on 26th May 2015.

In accordance with the provisions of Sec. 203 of the Act, Mr. Sandeep Nunwal has been appointed as Company Secretary from 13th day of May 2015.

During the year **Mr. Nurani Shankar Parameswaran** (DIN: 00091097) was **appointed** as Additional director w.e.f. 01/01/2015. In accordance with the provisions of Sec. 160 of the Act, he has been proposed to be regularized in the forthcoming Annual General Meeting. Further he has been proposed to be appointed as Managing Director in accordance with the provisions of Sec. 203 of the Act w.e.f. forthcoming Annual General Meeting, subject to approval of the members in the said meeting.

During the year **Santosh Kumar Jha** (PAN: ACQPJ4530L) was appointed as **CFO** of the Company w.e.f. 25/02/2015 in accordance with the provisions of Sec. 203 of the Act.

B) Declaration by the Independent Director(s)/ Formal Annual Evaluation

The Provisions of declaration & Appointment of Independent director are **applicable** on the company. But due to non availability of independent Director(s) having experience in the field in which Company is working at competitive remuneration/ cost, presently the Company does not have any Independent Director on the Board.

19. Number of meetings of the Board of Directors

During the year the Board of Directors met Nine (9) times. The maximum interval between any two board meetings did not exceed 120 (one hundred and twenty) days.

20. Audit Committee

The committee presently consists of three directors out of which none is independent. The composition of the committee is not in conformity with the provision of section 177 of Companies' Act, 2013 read with clause 49 of the listing agreement.

Four meetings of the audit committee were held during the year 2014-15.

The name of the committee members as on 31.03.2015 are:-

- i. Mr. Jitendra Kumar Singh
- ii. Mr. Dushyant Kumar Singh
- iii. Mrs. Rita Singh

21. Details of establishment of vigil mechanism for directors and employees

The Company has established vigil mechanism for employees and Directors. The Company is committed to provide adequate safeguards against victimization of employees and Directors who express their concerns. The Company has also provided direct access to the directors for the issues concerning the interests of company employees. However due to non availability of independent directors the work of vigil mechanism committee is done by the members of the Audit Committee.

22. Nomination and Remuneration Committee

The committee presently consists of three directors out of which none is independent director. The composition of the committee is not in conformity with the provision of section 178 of Companies' Act 2013 read with clause 49 of the listing agreement.

The name of the committee members as on 31.03.2015 are:-

- i. Mr. Jitendra Kumar Singh
- ii. Mr. Dushyant Kumar Singh
- iii. Mrs. Rita Singh

23. Particulars of loans, guarantees or investments under section 186:

During the year there was no such transaction.

24. Particulars of contracts or arrangements with related parties:

There was no contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013.

For other details of related parties transactions (other than referred to in sub-section (1) of section 188 of the Companies Act, 2013) refer **Note-20**.

25. Policy on Directors Appointment and Remuneration

Company follows draft has policy on the Director's appointment while appointing any director. During the year under consideration the company has not paid any remuneration to the Directors. Further Managing Director's appointment and remuneration is being proposed for approval of shareholders in the forthcoming AGM.

26. Managerial Remuneration:

- A) There are no Directors/ employees drawing salary and thus the clause is not applicable.
- B) There are no employees drawing salary in excess of limits prescribed under section 197 of the Companies Act' 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.
- C) The company does not have any Holding or subsidiary company, therefore disclosure required under section 197 of the Companies Act, 2013 regarding remuneration or commission received by the directors from the holding or subsidiary company of the company is not applicable.

27. Secretarial Audit Report

During the year under review, Ms. Sugandh Jain, Practising Company Secretary who was appointed as the Secretarial Auditor of the Company has issued the audit report in respect of the secretarial audit

of the Company for the financial year ended March 31, 2015. The Secretarial Audit Report is annexed as **Annexure IV** to this report.

28. Risk management policy

The company follows well-established and detailed risk assessment and minimization procedures, which are periodically reviewed by the Board. The Company has in place a business risk management framework for identifying risks and opportunities that may have a bearing on the organization's objectives, assessing them in terms of likelihood and magnitude of impact and determining a response strategy.

29. Directors' Responsibility Statement

In accordance with the provisions of Section 134(5) of the Companies Act 2013, your directors confirm that:

- a) in the preparation of the annual accounts for the financial year ended 31st March, 2015, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the directors had 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 as at 31st March, 2015 and of the profit /loss of the Company for that period;
- c) the directors had 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 the annual accounts on a going concern basis;
- e) the Company has adequate internal financial control measures;
- 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.

30. Secure Workplace Policy

Your Company has implemented secure workplace policy in accordance with the requirement of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013.

31. Acknowledgement

Your Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Companies activities during the year under review. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your Company.

For Mesco Pharmaceuticals Limited

Date: 04.09.2015

Place: New Delhi

N.S. Parameswaraan

DIN: 00091097

Chairman

ANNEXURE I

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS ENVIRONMENT

Even though there is a global slowdown, Indian economy has recorded growth rate higher than the previous year although this is below expectation. Poor industrial growth is responsible for the below par performance of the company, though the situation has been salvaged to some extent by services and agriculture sector. Poor economic performance has been exacerbated by slippage on the fiscal point.

In such a scenario, low inflation is acting as a damper for creating demand. Lack of demand – both investment and consumption, has been identified as the root cause of the ills plaguing the economy.

MANAGING RISK AND TRANSFORMATION

While the economic outlook still looks uncertain, some signs of revival are visible. With most market participant expecting the coming of decade to represent after subbed environment for both, financial return and transaction activity, the industrial growth is positive on years of double digit returns/ volume.

THREATS & CONCERNS

The Company as being hit by financial crisis is unable to carry on any business activity during the year under review. Any slowdown in the growth of Indian economy or any volatility in global market, could also adversely affect the business. Moreover, the Company is also prone to risks pertaining to change in government regulations, tax regimes, other statutes.

GROWTH & FUTURE PROSPECTS

The management continues to be positive on the revival of the Company and is trying their level best for the same. Due to economy slow down and closure of the factory of the Company and other obstacles, Company was under immense pressure and still trying to come out of the same and is positive on the revival of the Company.

INSURANCE

All the properties of the Company have been adequately insured.

LISTING OF SHARES

The shares of the company are presently listed at Ahmedabad Stock Exchange, Bombay Stock Exchange, Kolkata stock exchanges, Madras Stock Exchange and Uttar Pradesh Stock Exchange.

CORPORATE GOVERNANCE

The management is trying to implement the requirements of Corporate Governance as provided in Clause 49 of the Listing Agreement. The Disclosures in respect whereof are forming part of this Annual Report.

Annexure to Directors' Report (Annexure II)

CORPORATE GOVERNANCE REPORT

(Pursuant to Clause 49 of the Listing Agreement with the Stock Exchange) Company's Philosophy on Corporate Governance

Securities & Exchange Board of India (SEBI) has prescribed mandatory standards of Corporate Governance which have been enshrined in the listing agreement with the Stock Exchange.

The Company had initiated good Corporate Governance 'practice' to the extent possible and is committed for further improvement by lying emphasis on 'Substance' over the 'form' and therefore, aims to increase the value for all the stakeholders. The good Corporate Governance Practice form an integral part of Company's Governance culture.

Our Philosophy on Corporate Governance envisages attainment of highest level of transparency, accountability and equity in all facets of its operations and interactions with its Stakeholders, including Shareholders, Employee, the Government and Lenders.

Board of Directors

The Company's Board consists of Four Directors, all being non – executive Directors. It is proposed to appoint Managing Director w.e.f. the date of Annual General Meeting, in accordance with the provisions of the Companies Act, 2013 and of Listing Agreement.

BOARD MEETINGS

Nine meetings of the Board of Directors were held during the year: 14th May, 2014, 27th June, 2014, 10th July, 2014, 14th August, 2014, 10th September, 2014, 14th November, 2014, 18th December, 2014, 21st January, 2015 & 14th February, 2015. The maximum interval between any two board meetings did not exceed 120 days. The Board meet atleast once in every quarter to discuss, review and approve the quarterly financial results in compliance with Clause 41 of the Listing Agreement along with other items of the Agenda.

The names of the members of the Company's Board of Directors, their attendance at the Company's Board meetings and last Annual General Meeting and the number of their other directorships are set out below:

Name of Director	Category of Directorship	No. of Board Meetings attended	Attendance at last AGM (27/09/2014)	No. of other Directorships held (Public & Private resp.)	No. Of Committee positions held in other Public companies	
					Chairman	Member
J. K. Singh	Promoter	9	Y	11	-	3
D. K. Singh	Promoter	9	Y	9	2	1
Rita Singh	Promoter	8	Y	7	-	3
N. S. Parameswaran	Non Executive	2	No	4	NIL	NIL

***None** of the Directors of the Company is a member of more than 10 Committees or chairman of more than 5 Committees across all companies in which he/she is a Director. For the purpose of calculation the above threshold, membership/chairmanship in Audit and Stakeholder Relationship Committee is considered.

Guidelines regarding appointment of Directors

The Board has formulated the Nomination & Remuneration policy for Directors, Key Managerial Personnel (KMPs) and other employees in terms of the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement. The said policy outlined the appointment criteria and qualification, the terms/ tenure of Directors on the Board of the Company and the matters related to remuneration of Directors.

The Board has constituted three Committees, viz. the Audit Committee, Nomination & Remuneration Committee, and Stakeholders Relationship Committee as required under the Companies Act, 2013 and Listing Agreement. The Board Committees are being chaired by the Non-Executive Directors.

Audit Committee

The Company had constituted an Audit Committee, which monitors and provides re-assurance to the Board on the existence of an effective internal control environment by supervising the financial reporting process, timely and proper disclosures and transparency, integrity and quality of financial reporting. The term of reference of the Audit Committee are in consonance with that required by Companies Act, 2013 and clause 49 of the Listing Agreement which includes as under:-

- (a) Oversight of financial reporting process and disclosure of its financial information to ensure the correctness, sufficiency and credibility of financial statements;
- (b) Recommending to the Board the appointment/ re-appointment (including their terms)/ replacement/ removal of the Statutory Auditors and fixing of their fees;
- (c) Approval of payment to statutory auditors for any other services rendered by them;
- (d) Reviewing with the management, the annual financial statements and auditors' report thereon before submission to the Board for approval;
- (e) Approval of Internal financial controls and Risk management systems;
- (f) Such other functions as may be prescribed by the Companies Act, 2013, Listing Agreement with Stock Exchanges or any other law or as may be delegated by the Board to be performed by the Committee.

Four Audit Committee Meetings were held during the year on 14th May, 2014; 14th August 2014; 14th November 2014; 14th February, 2015.

Composition:

The Composition of the Audit Committee comprises and the meetings attended by the directors as given below:

Name of the member	Category	No. of Meetings attended
J. K. Singh	Chairman	4
D. K. Singh	Member	4
Rita Singh	Member	4

Nomination & Remuneration Committee

The Nomination and Remuneration committees terms of reference includes as under:

- (a) To determine Remuneration Policy of the Company;
- (b) To recommend to the Board the remuneration, whether by way of salary, perquisites, commission, sitting fees or in combination thereof or otherwise, payable to Managing Director(s), Whole Time Director(s) and other Director(s), their relatives engaged in the employment of the Company;
- (c) To frame policies and compensation including salaries, incentives, bonuses, promotion, benefits, etc. For executives of the Company;
- (d) Such other functions as may be prescribed by the Companies Act, 2013, Listing Agreement with Stock Exchanges or any other law or as may be delegated by the Board to be performed by the Committee.

No meeting of Nomination and Remuneration Committee was held during the Year.

Stakeholders Relationship Committee

Pursuant to provisions of Section 178(5) of the Companies Act, 2013 and Listing Agreement, Stakeholders Relationship Committee of the Board was constituted replacing the 'Shareholders/Investors grievance Committee. The Stakeholders Relationship Committee comprises of Three non-executive Director. Mr. J.K. Singh, Non-executive Director of the Company acts as the Chairman of the Committee.

The Committee is entrusted with the responsibility of addressing the shareholders' and investors' complaints with respect to transfer of shares, non-receipt of annual report, non-receipt of declared dividend etc. and ensuring an expeditious share transfer process in line with the proceedings of the Share Transfer Committee. The Committee also evaluates performance and service standard of the Registrar and Share Transfer Agent of the Company and also provides continuous guidance to improve the service levels for the investors.

No meeting of Stakeholders Relationship was held during the Year.

Number of complaint regarding shares for the year ended 31st March, 2015 as enumerated below:

Particulars	Status
Complaints outstanding as on 1 st April, 2014	NIL
Complaints received during the year ended 31 st March, 2015	04
Complaints resolved during the year ended 31 st March, 2015	04
Complaints outstanding as on 31 st March, 2015	NIL

General Body Meetingsz

The details of the Annual General Meetings held in the last three years are given below:

Year	Venue	Date	Time	Special Resolution
2013-14	Old Grove, Middle China Mall, Birla Road, Tallital, Nainital-263 001, Uttarakhand	27 th September, 2014	10.00 A.M.	No Special Resolution passed
2012-13	271, Nashville Road, Dehradun-248 001, Uttarakhand	27 th September, 2013	10.00 A.M.	No Special Resolution passed
2011-12	271, Nashville Road, Dehradun-248 001, Uttarakhand	27 th September, 2012	10:30 A.M.	No Special Resolution passed

Disclosures

(a) The Company has complied with the requirements of the regulatory authorities on capital markets and no penalties have been imposed or strictures have been passed against the Company during the last three years.

(b) There are no materially significant transactions with the related parties, i.e. promoters, Directors or Management, their subsidiaries or their relatives, conflicting with the Company's interest.

General Shareholder Information

Annual General Meeting

Day, Date, Time, Venue

Wednesday; 30th September, 2015; 10.00 A. M.; 271, Nashville Road, Dehradun-248001

Dividend Payment Date: Not Applicable as Board has not proposed any dividend

Listing on Stock Exchange: The shares of the company are presently listed at Bombay, Madras. Ahmedabad, Uttar Pradesh and Kolkata Stock Exchange.

Market Price: No Market Price is available as the trading of the company is suspended.

**Information on Shareholding:
Shareholding Pattern as on March 31, 2015:**

Shareholder Category	Shares (Nos.)	Holding (%)
Promoters/ Directors/ Relatives of Directors	79,86,100	39.30
Body Corporate (excluding promoters)	5,15,082	02.54
Resident Individuals	1,03,70,403	51.03
Non-Resident Indians	14,48,515	07.13
TOTAL	2,03,20,600	100

DISTRIBUTION OF SHAREHOLDING (As on 31st March, 2015)

No. of Equity Shares held	No. of Equity Shareholders	% of Equity Shareholders	Total No. of Equity Shares held	% of Equity Shareholding
Upto 500	38,052	93.17	90,81,876	44.69
501 – 1000	2,224	05.45	15,71,706	07.73
1001 – 2000	339	00.98	5,70,522	02.81
2001 - 3000	81	00.20	2,04,236	01.01
3001 – 4000	25	00.06	88,500	00.44
4001 – 5000	15	00.04	71,010	00.35
5001 – 10000	21	00.05	1,46,150	00.72
10001 and above	23	00.06	85,86,600	42.26
TOTAL	40,840	100	2,03,20,600	100

Dematerialization of Shares and Liquidity

The Company has not got the electronic connectivity with NSDL and CDSL.

Registrar & Share Transfer Agent:

Skyline Financial Services Private Limited

D-153 A, 1st Floor, Okhla Industrial Area,

Phase-I, New Delhi - 110020.

Tel.: +91 11 26812682-83, 647326181-88 Fax: +91 11 26812682

Email:admin@skylinerta.com Website: www.skylinerta.com

Investor Correspondence

271, Nashvilla Road, Dehradun-248001

**Certificate by Managing Director (MD) and Chief Financial Officer (CFO)
Pursuant to Clause 49(V) of the Listing Agreement**

We hereby certify that Financial Results for the financial year ended on 31st March, 2015, on the basis of the review of the financial statements and to the best of our knowledge and belief:

- **These statements do not contain any materially untrue statements or omit to state a material fact or contain statement that might be misleading.**
- These statements together present a true and fair view of the Company's affairs and are in compliance with accounting standards, applicable laws and regulations.
- To the best of our knowledge and belief, no transactions entered into by the Company during the above said period are fraudulent, illegal or violate of the Company's Code of Conduct.
- We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of the internal control systems of the Company.
- We further certify that:-
 - a) There have been no significant changes in internal control over financial reporting during the period.
 - b) There have been no significant changes in accounting policies during the period.
 - c) There have been no instances of significant fraud of which we have become aware and the involvement therein, of management or an employee having a significant role in the Company's internal control system over financial reporting.

By order of the Board

For and on behalf of Mesco Pharmaceuticals Ltd

Date: 04.09.2015
Place: New Delhi

N.S. Parameswaran
Additional Director
DIN: 00091097

Santosh Kumar Jha
CFO
PAN: ACQPJ4530L

Compliance Certificate of the Auditors

The Company has obtained a Certificate from the Statutory Auditors regarding compliance of the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement and the same is annexed.

N. Dhawan & Co.

Chartered Accountants

411, Bhera Enclave, Paschim Viah, Outer Ring Road, Delhi-110087

**CORPORATE COMPLIANCE CERTIFICATE
TO THE MEMBERS OF
Mesco Pharmaceuticals Limited**

1. We have reviewed the compliance of conditions of Corporate Governance by **Mesco Pharmaceuticals Limited** during the year 2014-15 with the relevant records and documents maintained by the Company, furnished to us for our review and the report on Corporate Governance as approved by the Board of Directors.
2. The compliance of conditions of Corporate Governance is the responsibility of the management. Our review was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.
3. In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of corporate Governance as stipulated in the above-mentioned Listing Agreement.
4. We state that no investor grievances are pending for a period exceeding one month against the company as per the records maintained by the company.
5. We further state that such compliance is neither assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

For **M/s N. Dhawan & Co.**

Firm Registration No. 007095N
Chartered Accountants

(Naresh Dhawan)

Proprietor

M.No. 85968

Place: New Delhi

Dated: 04.09.2015

ANNEXURE-III
Form No. MGT-9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR
ENDED ON **31/03/2015**

*[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	L24111UR1986PLC015895
ii.	Registration Date	12/08/1986
iii.	Name of the Company	Mesco Pharmaceuticals Limited
iv.	Category/Sub-Category of the Company	Public/ Limited by Shares
v.	Address of the Registered office and contact details	Upper Kesalton, Tallital, Nainital-263 001 Uttarakhand Phone No. 09871862796
vi.	Whether listed company	Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Skyline Financial Services Private Limited Registered office: D-153A, First Floor, Okhla Industrial Area, Phase-I, New Delhi – 110020 Phone No. – 011-26812682-83

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
No Business done by the Company during the year under review			

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name And Address Of The Company	CIN/GLN	Holding/ Subsidiary /Associate	%of shares held	Applicable Section
1.	N/A	N/A	N/A	N/A	N/A

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				% Change during The year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
1) Indian		.							
a) Individual/ HUF	0	10,24,400	10,24,400	5.04%	0	10,24,400	10,24,400	5.04%	
b) Central Govt	0	0	0	0	0	0	0	0	
c) State Govt(s)	0	0	0	0	0	0	0	0	
d) Bodies Corp	0	69,61,700	69,61,700	34.26%	0	69,61,700	69,61,700	34.26%	
e) Banks / FI	0	0	0	0	0	0	0	0	
f) Any Other	0	0	0	0	0	0	0	0	
Sub-total(A)(1):-		79,86,100	79,86,100	39.30%		79,86,100	79,86,100	39.30%	
2) Foreign									
g) NRIs- Individuals	0	0	0	0	0	0	0	0	
h) Other- Individuals	0	0	0	0	0	0	0	0	
i) Bodies Corp.	0	0	0	0	0	0	0	0	
j) Banks / FI	0	0	0	0	0	0	0	0	
k) Any Other....	0	0	0	0	0	0	0	0	
Sub-total(A)(2):-	0	0	0	0	0	0	0	0	
B. Public Shareholding									
1. Institutions	0	0	0	0	0	0	0	0	
a) Mutual Funds	0	0	0	0	0	0	0	0	
b) Banks / FI	0	500	500	0	0	500	500	0	
c) Central Govt.	0	0	0	0	0	0	0	0	
d) State Govt.(s)	0	0	0	0	0	0	0	0	
e) Venture Capital Funds	0	0	0	0	0	0	0	0	
f) Insurance Companies	0	0	0	0	0	0	0	0	
g) FIIs	0	0	0	0	0	0	0	0	
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	
i) Others (specify)	0	0	0	0	0	0	0	0	
Sub-total(B)(1)	0	500	500	0	0	500	500	0	

2. Non Institutions									
a) Bodies Corp. (i) Indian (ii) Overseas	0	5,13,182	5,13,182	2.53%	0	5,13,182	5,13,182	2.53%	
b) Individuals	0				0				
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh		1,02,49,603	1,02,49,603	50.44%		1,02,49,603	1,02,49,603	50.44%	
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh		1,20,800	1,20,800	0.59%		1,20,800	1,20,800	0.59%	
c) Others (Specify) NRI	0	14,48,515	14,48,515	7.13%	0	14,48,515	14,48,515	7.13%	
d) Others (Specify) OCBs	0	1,900	1,900	0.01%	0	1,900	1,900	0.01%	
Sub-total(B)(2)	0	1,23,34,000	1,23,34,000	60.70%	0	1,23,34,000	1,23,34,000	60.70%	
Total Public Shareholding (B)=(B)(1)+(B)(2)	0	1,23,34,500	1,23,34,500	60.70%	0	1,23,34,500	1,23,34,500	60.70%	
C. Shares held by Custodian for GDRs & ADRs	0	0	07	0	0	0	07	0	
Grand Total (A+B+C)	0	2,03,20,600	2,03,20,600	100%	0	2,03,20,600	2,03,20,600	100%	

ii. Shareholding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	
1.	Ashoka Kumari	30000	0.15	-	30000	0.15	-	-
2.	Kusum Singh	30000	0.15	-	30000	0.15	-	-
3.	Gunjan Munjal	32000	0.16	-	30000	0.16	-	-
4.	Shipra Singh	47000	0.23	-	47000	0.23	-	-
5.	Chitra Singh	50000	0.25	-	50000	0.25	-	-
6.	Natasha Singh	77800	0.38	-	77800	0.38	-	-
7.	D.K. Singh	87100	0.43	-	87100	0.43	-	-
8.	D.K. Singh (HUF)	97500	0.48	-	97500	0.48	-	-
9.	Rita Singh	171000	0.84	-	171000	0.84	-	-
10.	J.K. Singh	192000	0.94	-	192000	0.94	-	-
11.	J.K. Singh (HUF)	210000	1.03	-	210000	1.03	-	-

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

Sr. no		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
	At the beginning of the year	79,86,100	39.30%	79,86,100	39.30%
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc)	No change	No change	No change	No change
	At the End of the year	79,86,100	39.30%	79,86,100	39.30%

iv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and holders of GDRs and ADRs):

Sr. no	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.	Radico Khaitan Finance Ltd	285700	1.41	285700	1.41
2.	Bank of India A/c BOI Mutual Fund	181600	0.89	181600	0.89
3.	T.S. Dhillon	30600	0.15	30600	0.15
4.	Deepak Singh	27400	0.13	27400	0.13
5.	Poonam Singh	27300	0.13	27300	0.13
6.	Kailash Khandelwal	14300	0.07	14300	0.07
7.	Ashok P Nanavati	12400	0.06	12400	0.06
8.	Om Prakash	10600	0.05	10600	0.05
9.	Mohanlal Daga	10600	0.05	10600	0.05
10	Om Prakash	9600	0.05	9600	0.05

v. Shareholding of Directors and Key Managerial Personnel:

Sr. no		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
	For Each of the Director and KMP				
	At the beginning of the year	J K Singh – 192000 D K Singh – 87100 Rita Singh – 171000	00.94 00.43 00.84	J K Singh – 192000 D K Singh – 87100 Rita Singh – 171000	00.94 00.43 00.84
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc)	No change	No change	No change	No change
	At the End of the year (or on the date of separation, if separated during the year)	J K Singh – 192000 D K Singh – 87100 Rita Singh – 171000	00.94 00.43 00.84	J K Singh – 192000 D K Singh – 87100 Rita Singh – 171000	00.94 00.43 00.84

V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	NIL	109,761,895	NIL	109,761,895
ii) Interest due but not paid				
iii) Interest accrued but not				
Total(i+ii+iii)	NIL	109,761,895	NIL	109,761,895
Change in Indebtedness during the financial year				
- Addition	NIL	2,053,247	NIL	2,053,247
- Reduction				
Net Change	NIL	2,053,247	NIL	2,053,247
Indebtedness at the end of the financial year				
i) Principal Amount	NIL	111,815,142	NIL	NIL
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	NIL	111,815,142	NIL	111,815,142

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
1.	Gross salary (a)Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961 (b)Value of perquisites u/s 17(2) Income-tax Act, 1961 (c)Profits in lieu of salary under Section 17(3) Income- tax Act, 1961	NIL	NIL	NIL	NIL	NIL
2.	Stock Option	NIL	NIL	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL	NIL	NIL
4.	Commission - as % of profit - others, specify...	NIL	NIL	NIL	NIL	NIL
5.	Others, please specify	NIL	NIL	NIL	NIL	NIL
6.	Total(A)	NIL	NIL	NIL	NIL	NIL
	Ceiling as per the Act	NIL	NIL	NIL	NIL	NIL

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
	<u>Independent Directors</u> ·Fee for attending board committee meetings ·Commission ·Others, please specify	NIL	NIL	NIL	NIL	NIL
	Total(1)	NIL	NIL	NIL	NIL	NIL
	<u>Other Non-Executive Directors</u> ·Fee for attending board committee meetings ·Commission ·Others, please specify	NIL	NIL	NIL	NIL	NIL

Total(2)	NIL	NIL	NIL	NIL	NIL
Total(B)=(1+2)	NIL	NIL	NIL	NIL	NIL
Total Managerial Remuneration	NIL	NIL	NIL	NIL	NIL
Overall Ceiling as per the Act	NIL	NIL	NIL	NIL	NIL

C. Remuneration to Key Managerial Personnel Other Than MD/ Manager/ WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary (a)Salary as per provisions contained in section17(1)of the Income-tax Act,1961 (b)Value of perquisites u/s 17(2)Income-tax Act,1961 (c)Profits in lieu of salary under section 17(3)Income-tax Act,1961	NIL	NIL	NIL	NIL
2.	Stock Option	NIL	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL	NIL
4.	Commission - as % of profit -others specify...	NIL	NIL	NIL	NIL
5.	Others please specify	NIL	NIL	NIL	NIL
6.	Total	NIL	NIL	NIL	NIL

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment/Compound ing fees imposed	Authority [RD /NCLT/Court]	Appeal made. If any(give details)
A. Company					
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA
B. Directors					
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA
C. Other Officers In Default					
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF M/s MESCO PHARMACEUTICALS LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of M/s Mesco Pharmaceuticals Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information

Management's Responsibility for the Financial Statements

The Board of Directors of the Company are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the act') 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 thereunder.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 of the state of affairs of the Company as at 31st March 2015, its loss and its cash flows for the year ended on that date

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters Specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by section 143(3) of the Act and Companies (Audit and Auditors) Rule 2014, 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 purpose of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books of accounts;
- (c) There is no branch office of the company;
- (d) The Balance sheet, the Profit and loss statement and the Cash Flow Statement dealt with this report are in agreement with the books of account;
- (e) In our opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

- (f) In our opinion, there are no adverse observations or comments on the financial transactions or matters which have any adverse effect on the functioning of the company;
- (g) On the basis of the written representations received from the directors as on 31st March, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015, from being appointed as a director in terms of sub-section (2) of section 164;
- (h) In our opinion, there are no qualifications, reservation or adverse remark relating to the maintenance of accounts and other matters connected therewith;
- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit & 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, if any, of pending litigations as at 31st March, 2015 on its financial position in its financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts as at 31st March. 2015.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For N. Dhawan & Company
Chartered Accountants
Firm Registration No. 007095N

(Naresh Dhawan, FCA)
Proprietor
Membership No. 85968

Place: Delhi
Date: 04.09.2015

Report under The Companies (Auditor's Report) Order, 2015

Referred to in paragraph 1 under the heading of "Report on other Legal and Regulatory Requirements" of the Independent Auditors' Report of even date to the members of Mesco Pharmaceuticals Limited on the financial statements as of and for the year ended March 31, 2015.

- (i) (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;

(b) Fixed assets have been physically verified by the management at reasonable intervals; and no material discrepancies were noticed on such verification.
- (ii) The Company does not have any inventory, consequently clause (ii) of paragraph 3 of the Order is not applicable to the Company.
- (iii) In respect of the loans, secured or unsecured, granted by the Company to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013:
 - a) receipt of the principal amount is not due, also no interest is charged; and
 - b) In respect of the said loans and interest thereon, there are no overdue amounts.
- (iv) In our opinion and according to the information and explanation given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business, for the purchase of fixed assets. During the course of our audit, no major weaknesses has been noticed or reported.
- (v) In our opinion and according to the information and explanation given to us, the company has not accepted any deposits, consequently clause (v) of paragraph 3 of the Order is not applicable.
- (vi) In our opinion and according to information and explanations given to us, since there is no manufacturing activity during the year, no cost records under sub-section (1) of section 148 of the Companies Act are required to be maintained by the company;
- (vii) (a) In our opinion, the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities. There are no arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable;

- (b) According to information and explanation given to us, there are no dues on account of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess, which have not been deposited on account of any dispute;
- (c) According to information and explanation given to us, there is no amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under.
- (viii) The accumulated losses of the Company at the end of the financial year are more than the fifty of its net worth. The Company has incurred cash losses during the financial year covered by the audit and in the immediately preceding financial year;
- (ix) According to the information and explanations given to us, and as per books of records examined by us, the company has no dues to a financial institution or bank or debenture holder, consequently clause (ix) of paragraph 3 of the Order is not applicable.
- (x) In our opinion and according to information and explanations given to us, the company has not given any guarantee for loans taken by others from bank or financial institutions;
- (xi) In our opinion and according to information and explanations given to us, the company has not taken any term loan during the year;
- (xii) According to information and explanations given to us, no fraud on or by the company has been noticed or reported during the year.

For N. Dhawan & Company
Chartered Accountants
Firm Registration No. 007095N

(Naresh Dhawan)
Proprietor
Membership No. 85968

Place: Delhi
Date : 04.09.2015

Mesco Pharmaceuticals Limited Balance Sheet as at 31st March, 2015				
	Particulars	Note no.	As at	As at
			31st March, 2015	31st March, 2014
			(Rs.)	(Rs.)
I.	Equity and Liabilities			
	Shareholders' funds			
	(a) Share Capital	2	197,381,000	197,381,000
	(b) Reserves and surplus	3	(299,176,994)	162,189,032
	Non-Current Liabilities			
	(a) Long-term borrowings	4	111,815,142	109,761,895
	Current liabilities			
	(a) Trade Payables	5	2,595	7,680,607
	(b) Short-term provisions	6	-	6,277,609
	Total		10,021,743	483,290,144
II.	Assets			
	Non-current assets			
	(a) Fixed assets	7		
	(i) Tangible assets		1,593,114	137,862,645
	(ii) Intangible assets		-	53,344,000
	(iii) Capital work-in-progress		-	281,335,095
	(b) Non-current Investment	8	285,000	785,000
	(c) Long Term Loans and Advances	9	8,123,576	8,123,576
	Current Assets			
	(a) Trade receivables	10	-	1,010,261
	(b) Cash and cash equivalents	11	20,053	149,237
	(c) Short-term loans and advances	12	-	680,330
	(d) Other current assets		-	-
	Total		10,021,743	483,290,144
III.	Notes forming part of the Financial Statements	1-28		

As per our Audit Report of even date attached hereto
For N. Dhawan & Co.
Chartered Accountants
Firm Registration No. 007095N

For and on behalf of the board

(Naresh Dhawan)
Proprietor
M. No. 85968

(J.K. Singh) (N S Parameswaran)
Director Additional Director
DIN 00090649 DIN 00091097

Place: Delhi
Dated: 04.09.2015

(Santosh Kumar Jha)
CFO

Mesco Pharmaceuticals Limited
Statement of Profit and Loss for the year ended 31st March, 2015

S.No.	Particulars	Note no.	For the year ended	For the year ended
			31st March, 2015	31st March, 2014
			(Rs.)	(Rs.)
I.	Revenue from operations		-	-
II.	Other income	13	-	327,779.44
III.	Total Revenue (I+II)		-	327,779.44
IV.	Expenses:			
	Finanace Cost	14	2,052,736.00	328,508.00
	Other expenses	15	465,590,900	19,122
	Total Expenses		467,643,636	347,630
V.	Profit before tax (III-IV)		(467,643,636)	(19,851)
VI.	Tax expenses:			
	Current tax		-	-
	Earlier years		(6,277,609)	-
	Deferred tax		-	-
VII.	Profit/ (Loss) for the period (V-VI)		(461,366,027)	(19,851)
VIII.	Earnings per Equity share:			
	Basic & Diluted	22	(22.70)	(0.00)
IX.	Notes forming part of the Financial Statements	1-28		

As per our Audit Report of even date attached hereto
For N. Dhawan & Co.
Chartered Accountants
Firm Registration No. 007095N

For and on behalf of the board

(Naresh Dhawan)
Proprietor
M. No. 85968

(J.K. Singh)
Director
DIN 00090649

(N S Parameswaran)
Additional Director
DIN 00091097

Place: Delhi
Dated: 04.09.2015

(Santosh Kumar Jha)
CFO

Mesco Pharmaceuticals Limited
Cash Flow Statement for the year ended 31st March, 2015

Particulars	Note no.	For the year ended	For the year ended
		31st March, 2015	31st March, 2014
		(Rs.)	(Rs.)
A. Cash Flow from Operating Activities			
Net Profit (Loss) before Tax & extra ordinary Item		(467,643,636)	(19,851)
Adjustments for:			
Provision for Income tax reversal			
Amortisation and Write off		465,587,605	6,900,000
Operating profit before working capital changes		(2,056,031)	6,880,149
Working Capital changes:			
Trade receivables			-
Short term loans and advances			-
Short Term Provisions			
Trade payable		(126,400)	(316,279)
Other current assets			-
Other Liabilites			-
Cash generated from operations		(2,182,431)	6,563,870
Direct Taxes Paid		-	-
Net Cash from operating activities		(2,182,431)	6,563,870
B. Cash Flow from Investing Activities			
Change in Fixed Asset			
Loans & Advances			
Interest on deposits		-	-
Net Cash from investing activities		-	-
C. Cash Flow from Financing Activities			
Proceeds from issue of Share Capital		-	-
Proceeds from Borrowings		2,053,247	(6,563,947)
Net cash from financing activities		2,053,247	(6,563,947)
Net change in cash & cash equivalent (A+B+C)		(129,184)	(77)
Cash & Cash equivalents opening balance		149,237	149,314
Cash & Cash equivalents closing balance	11	20,053	149,237
Notes forming part of the Financial Statements	1-28		

As per our Audit Report of even date attached hereto
For N. Dhawan & Co.
Chartered Accountants
Firm Registration No. 007095N

(Naresh Dhawan)
Proprietor
M. No. 85968

For and on behalf of the board

(J.K. Singh) (N S Parameswaran)
Director Additional Director
DIN 00090649 DIN 00091097

Place: Delhi
Dated: 04.09.2015

(Santosh Kumar Jha)
CFO

Mesco Pharmaceuticals Limited

Notes forming Part of Accounts for the year ended 31st March 2015

1) SIGNIFICANT ACCOUNTING POLICIES

a. System of Accounting:

The financial statements have been prepared and presented under the historical cost convention and in accordance to Generally Accepted Accounting Principles in India, including Accounting Standards notified under the relevant provisions of the Companies Act, 2013.

b. Use of Estimates

The preparation of financial statements requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the year. The management believes that the estimates made in the preparation of financial statements are prudent and reasonable. Actual results could differ from those estimates. Any revision of accounting estimates is recognized prospectively in current and future periods.

c. Revenue Recognition:

Revenue from sale of goods is recognized when of all significant risk and rewards of ownership are transferred to buyer, it can be reliably measured and it is reasonable to expect ultimate collection. The amount recognized as sale excludes sales tax and trade and quantity discounts.

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

Dividend income is recognised when the right to receive payment is established.

d. Fixed Assets and Depreciation:

Tangible Assets

Tangible assets are carried at cost of acquisition net of recoverable taxes and discounts less accumulated depreciation and impairment loss, if any. Cost is inclusive of all expenses directly attributable to bring the assets to their working condition for intended use.

Subsequent expenditures related to an item of Tangible Asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Intangible Assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation/depletion and impairment loss, if any. Cost is inclusive of all expenses directly attributable to bringing the asset to its working condition for the intended use and net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

Depreciation and Amortisation

Company is following Straight Line Method for calculation of depreciation. Depreciation on the assets has been provided on the basis of useful life of the assets as prescribed in Schedule II to Companies Act, 2013 after retaining 5% residual value of Gross.

e. Leases:

Operating Leases: Rentals are expensed on a straight line basis with reference to the lease terms and other considerations.

Finance leases: The lower of the fair value of the assets and present value of the minimum lease rentals is capitalised as Fixed Assets with corresponding amount disclosed as lease liability. The principal component in the lease rental is adjusted against the lease liability and the interest component is charged to Profit and Loss Statement.

f. Investments:

Current investments are carried at lower of cost and quoted/fair value, computed category-wise. Non Current investments are stated at cost. Provision for diminution in the value of Non Current investments is made only if such a decline is other than temporary.

g. Inventories:

Inventories are valued at lower of cost or estimated net realizable value. Cost of raw material is determined on first in first out (FIFO) basis.

h. Impairment:

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Statement in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

i. Foreign Currency Transactions:

- (i) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction.
- (ii) At the Balance sheet date all monetary assets & liabilities denominated in foreign currency are reported at the exchange rate prevailing at the Balance sheet date.
- (iii) The difference between the exchange rate of the balance sheet date and transaction date is recognized as income/expenses.

j. Retirement Benefits:

Employee benefits are charged to Statement of Profit and loss as and when paid.

k. Borrowing Costs

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalized, till the date on which the asset is put to use, as part of the cost of that asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

l. Taxation:

Current Tax: Provision of current income tax is recognized based on the estimated tax liability computed after taking credit for allowances and exemptions in accordance with the provisions of the Income Tax Act, 1961.

Deferred Tax: Deferred Tax assets and liabilities are recognized for the future tax attributable to timing difference that result between the profit/loss offered for income taxes and the profit/loss as per the financial statements. Deferred tax assets and liabilities are measured using the tax rates and the tax laws that have been enacted at the Balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in the future.

m. Contingent Liabilities:

Contingent liabilities are disclosed separately in the Notes to Accounts. Provisions are made on all present obligations on which reliable estimates are possible and for which there is probability of outflow of cash.

Mesco Pharmaceuticals Limited

	As at 31st March, 2015 (Rs.)	As at 31st March, 2014 (Rs.)
2) SHARE CAPITAL		
Authorised		
i) 30000000 (Previous Year: 30000000) equity shares of Rs. 10/- each	300,000,000	300,000,000
	<u>300,000,000</u>	<u>300,000,000</u>
Issued, Subscribed & Paid up		
20320600 (Previous Year: 20320600) equity shares of Rs. 10/- each fully paid up	203,206,000.00	203,206,000.00
Less: Allotment money in arrears- by others	<u>5,825,000.00</u>	<u>5,825,000.00</u>
	<u>197,381,000.00</u>	<u>197,381,000.00</u>

A) Reconciliation of number of shares

	As at 31st March, 2015		As at 31st March, 2014	
	No. of shares	in Rs.	No. of shares	in Rs.
Equity Shares				
Opening Balance	20320600	197,381,000	20,320,600	197,381,000
Changes during the year	-	-	-	-
Closing Balance	20320600	<u>197,381,000.00</u>	20320600	<u>197,381,000.00</u>

B) Rights, preferences and restrictions attached to shares

Equity Shares

The company has one class of equity shares having a par value of Rs. 10 each, rank pari passu in all respects including voting rights and entitlement to dividend.

C) Shareholders holding more than 5% of the ordinary shares in the company

	As at 31st March, 2015		As at 31st March, 2014	
	No. of shares	%	No. of shares	%
Equity Shares:				
Twenty First Century Finance Ltd.	6763700	33.28	6763700	33.28

3) RESERVES AND SURPLUS

Share Premium Account

Opening Balance	378,347,000	378,347,000
Add: Adjustment during the year	-	-
Closing Balance	<u>378,347,000</u>	<u>378,347,000</u>

General Reserve

Opening Balance	103,502,034	103,502,034
Add: Adjustment during the year	-	-
Closing Balance	<u>103,502,034</u>	<u>103,502,034</u>

Debenture Redemption Reserve

Opening Balance	107,915,000	107,915,000
Add: Adjustment during the year	-	-
Closing Balance	<u>107,915,000</u>	<u>107,915,000</u>

Surplus to the Profit & Loss A/c

Opening Balance	(427,575,001)	(427,555,151)
Add: Profit/(Loss) during the year	<u>(461,366,027)</u>	<u>(19,851)</u>
Closing Balance	<u>(888,941,028)</u>	<u>(427,575,001)</u>
	<u>(299,176,994)</u>	<u>162,189,032</u>

7) FIXED ASSETS

Description	GROSS BLOCK			DEPRECIATION/AMORTISATION					NET BLOCK		
	Total as at 01.04.2014	Addition/Adjustment during the year	Deductions/Adjustments during the year	Impairment/(reversal) during the year	Total as at 31.03.2015	Total as at 01.04.2014	Provided during the year	Amortisation during the year*	Deductions/Adjustments during the year	Total as at 31.03.2015	Total as at 01.04.2014
i) Tangible assets											
Land at Site Development	1,459,195	-	-	-	1,459,195	-	-	-	-	1,459,195	1,459,195
Land at Kialo (Gujrat)	133,919	-	-	-	133,919	-	-	-	-	133,919	133,919
Factory Building	80,121,635	-	-	-	80,121,635	581,000	79,540,635	-	-	-	79,540,635
Plant & Machinery	44,925,196	-	-	-	44,925,196	2,400,000	42,525,196	-	-	-	42,525,196
Electrical Insulation	994,700	-	-	-	994,700	592,000	402,700	-	-	-	402,700
Air Conditioner	1,758,000	-	-	-	1,758,000	-	1,758,000	-	-	-	1,758,000
Office Equipment	3,554,000	-	-	-	3,554,000	592,000	2,962,000	-	-	-	2,962,000
Generator	1,545,000	-	-	-	1,545,000	-	1,545,000	-	-	-	1,545,000
Road & Building	7,536,000	-	-	-	7,536,000	-	7,536,000	-	-	-	7,536,000
Total	142,027,645	-	-	-	142,027,645	4,165,000	136,269,531	-	-	1,593,114	137,862,645
Previous year	142,027,645	-	-	-	142,027,645	4,165,000	136,269,531	-	-	1,593,114	137,862,645
ii) Intangible assets											
Total	53,344,000	-	-	-	53,344,000	-	53,344,000	-	-	53,344,000	53,344,000
Previous year	53,344,000	-	-	-	53,344,000	-	53,344,000	-	-	53,344,000	53,344,000
iii) Capital work in Progress											
Total	281,335,095	-	-	-	281,335,095	-	281,335,095	-	-	281,335,095	281,335,095
Previous year	281,335,095	-	-	-	281,335,095	-	281,335,095	-	-	281,335,095	281,335,095
Grand Total	476,706,740	-	-	-	476,706,740	4,165,000	470,948,626	-	-	1,593,114	472,541,740

* The carrying amount of assets has been adjusted on the basis of the useful life as provided in the Schedule II of the Companies Act, 2013. The net carrying amount of the assets whose useful life has expired as on 01.04.2014 are fully amortised amounting to Rs. 470,948,626 and have been charged to Profit and loss statement.

4) LONG TERM BORROWINGS		
Unsecured Loan		
From Companies (related parties) (refer note no. 20)	111,815,142	109,761,895
	111,815,142	109,761,895
5) TRADE PAYABLE		
Trade payables	2,595	7,680,607
	2,595	7,680,607
6) SHORT TERM PROVISIONS		
Income tax	-	6,277,609
	-	6,277,609
8) NON- CURRENT INVESTMENT		
Quoted		
Mideast (India) Limited		
150000 (150000) equity shares of Rs. 10 each fully paid up*	285,000	285,000
(*Market value not available as trading of the security was suspended)		
Unquoted		
Dhana Pharmaceutical Private Limited		
5000 (5000) equity shares of Rs. 10 each fully paid up	-	500,000
	285,000	785,000
Aggregate amount of Quoted investments	285,000	285,000
Aggregate amount of Unquoted investments	-	500,000
9) LONG TERM LOANS AND ADVANCES		
(Unsecured, Considered good)		
To Companies (related parties) (refer note no. 20)	8,123,576	8,123,576
	8,123,576	8,123,576
10) TRADE RECEIVABLES		
Trade Receivables	-	1,010,261
	-	1,010,261
11) CASH AND CASH EQUIVALENTS		
Balances with banks	4,852	5,136
Cash in hand	15,201	144,101
	20,053	149,237
12) SHORT TERM LOANS AND ADVANCES		
(Unsecured, Considered good)		
Deposits and Securities	-	680,330
Other Advances	-	-
	-	680,330
	For the year	For the year
	ended 31st	ended 31st
	March, 2015	March, 2014
	(Rs.)	(Rs.)
13) OTHER INCOME		
Mis. Expenses W/off	-	327,779
	-	327,779
14) FINANCE COST		
Interest Charges	2,052,736	328,508
	2,052,736	328,508
15) OTHER EXPENSES		
Payment to Auditors as:		
a) Auditor	2,500	2,500
b) Others	-	-
Bank Charges	284	77
Printing & Stationary	-	8,000
Postage and Telegram	-	1,000
Legal & Professional	-	3,000
Rent, Rates and Taxes	512	4,545
Amortisation	465,587,604	-
	465,590,900	19,122

16) **Contingent Liabilities not provided for in respect of:**

Particulars	31 st March'15	(Rs. In Lacs)
		31 st March'14
Contingent Liabilities:		
a) Guarantee given to the bank on behalf of the Company	Nil	60.51
b) Letter of Credit opened by bank	Nil	20.75
c) Claim against the company not acknowledge as debt	Nil	Nil

17) **Deferred Tax**

No Provision of deferred tax is made as there is no timing difference in terms of Accounting Standard-22 issued by the Institute of Chartered Accountants of India.

18) **Breakup of Director's Remuneration:**

Particulars	2014-15	(Rs.)
		2013-14
i) Remuneration to Directors	Nil	Nil

19) Balances outstanding in Trade Receivables, Loans & Advances and Trade Payables are subject to their confirmation from respective parties.

20) **Related Party transactions disclosure:**

a. Related parties:

Name	Relationship
Mr. J.K. Singh	Key Managerial Persons (KMP)
Mr. D.K. Singh	
Mr. Nurani Shankar Parameswaran (w.e.f. 01.01.2015)	
Mrs. Rita Singh	
Mr. Sandeep Nunwal	
Mr. Santosh Kumar Jha (w.e.f. 25.02.2015)	
M/s Mesco Airlines ltd.	Entities in which KMP can exercise significant influence
M/s Mesco Logistics Ltd.	
M/s Mesco Steel Ltd.	
M/s Mesco Kalinga Steel Ltd.	
M/s Mideast India Ltd.	

b. Details of transactions with related parties:

(Rs.)

Name	2014-15	2013-14	Nature	Relationship
M/s Mesco Airlines ltd.	Nil	Nil	Net Loan taken/ (Repaid)	Entities in which KMP can exercise significant influence
M/s Mesco Logistics Ltd.	Nil	Nil	Net Loan taken/ (Repaid)	
M/s Mesco Steels Ltd.	20,53,248	2,51,51,937	Net Loan taken/ (Repaid)	
M/s Mesco Kalinga Steel Ltd.	Nil	Nil	Net Loan given/ (Repaid)	
M/s Mideast (India) Ltd.	Nil	Nil	Net Loan given/ (Repaid)	

c. Balances Outstanding:

(Rs.)

Name	2014-15	2013-14	Nature	Relationship
M/s Mesco Airlines Ltd.	37,88,360	37,88,360	Loan taken	Entities in which KMP can exercise significant influence
M/s Mesco Logistics Ltd.	6,25,39,129	6,25,39,129	Loan taken	
M/s Mesco Steels Ltd.	4,54,87,654	4,34,34,406	Loan taken	
M/s Mesco Kalinga Steel Ltd.	5,15,998	5,15,998	Loan given	
M/s Mideast (India) Ltd.	76,07,578	76,07,578	Loan given	

21) In the opinion of the board and to the best of the knowledge and belief, the value of realization in respect of current assets, loans and advances in the ordinary course of business would not be less than the amount of which they are stated in the Balance sheet, the provision for all known determined liabilities is adequate and is not in excess of amount reasonably required.

22) **Earnings per Share**

The computation of basic/diluted earnings per share is set out below:

	2014-15	2013-14
Profit as per Statement of Profit & Loss	(46,13,66,027)	(19,851)
Net Profit/(Loss) attributable to Equity Shareholders – (A)	(46,13,66,027)	(19,851)
Basic/Weighted average number of Equity Shares outstanding during the year – (B)	2,03,20,600	2,03,20,600
Nominal Value of Equity Share	Rs. 10 each	Rs. 10 each
Basic/Diluted Earnings per Share	(22.70)	(0.00)

23) **Payment to Auditors:**

	2014-15	2013-14
(a) Statutory Audit Fee	2,500	2,500

24)

(Rs.)

a. **Expenditure in foreign currency:**

Particulars	2014-15	2013-14
Travelling	0	0
Technical Know How	0	0

b. **Earning in foreign currency (on accrual basis):**

Particulars	2014-15	2013-14
FOB Value of Export	0	0

c. **Value of Imports on CIF Basis:**

Particulars	2014-15	2013-14
Purchase of Raw Material	0	0
Capital Goods	0	0

25) **Employee's Benefit**

Gratuity and other terminal benefits are provided on payment basis.

26) **Segment reporting**

During the year there were no operations in the company, therefore segment details are not given.

27) Sundry Creditors (Due to Micro and Small Enterprises):

The company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the end of the year together with the interest paid/payable as required under the Act have not been furnished.

28) These financial statements have been prepared in the format prescribed by the Schedule III of the Companies Act, 2013. Previous year figures have been regrouped / recast whenever considered necessary to make these comparable with those of the current year.

For N Dhawan & Co.
Chartered Accountants
Firm Registration no.: 007095N

For and on behalf of the board

(Naresh Dhawan)
Proprietor
Membership No.: 85968

(J.K. Singh)
Director
DIN No: 00090649

(N S Parameswaran)
Director
DIN: 00091097

Place: Delhi
Dated: 04.09.2015

(Santosh Kumar Jha)
CFO

MESCO PHARMACEUTICALS LIMITED

CIN: L24111UR1986PLC015895

Registered Office: MOHABEWALAN INDUSTRIAL AREA, STATE BANK ROAD,
DEHRADUN, UTTARAKHAND-248001

E-mail: nsparameswaran@mescosteel.com, Tel No. 09871862796

ATTENDANCE SLIP

(To be presented at the entrance)

**29th Annual General Meeting of the Company held on Wednesday, 30th September, 2015 at
10:00 A.M. at 271, Nashville Road, Dehradun-248001**

Folio No.	
No. of Shares	

Name of the Shareholder:

Address of the Shareholder:

.....

.....

I hereby record my presence at the **29th Annual General Meeting** of the Company held on **Wednesday, 30th September, 2015 at 10:00 A.M. at 271, Nashville Road, Dehradun-248001** and at any adjournment thereof.

Signature of Shareholder/Proxy

1. Only Member/Proxy holder can attend the Meeting.
2. Member/Proxy holder should bring his/her copy of the Annual Report for reference at the Meeting.

MESCO PHARMACEUTICALS LIMITED

CIN: L24111UR1986PLC015895

Registered Office: MOHABEWALAN INDUSTRIAL AREA, STATE BANK ROAD,
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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 the Shareholder		Folio No:	
Registered address		E-mail id:	

I/We, being the member(s) of _____ Shares of Mesco Pharmaceuticals Ltd, hereby appoint:

1. of having e-mail id or failing him
2. of having e-mail id or failing him
3. of having e-mail id or failing him

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me /us and on my/our behalf at the 29th **Annual General Meeting** of the Company held on Wednesday, 30th September, 2015 at 10:00 A.M. at 271, Nashville Road, Dehradun-248001.

S. No.	Resolutions	For	Against
1.	To receive, consider and adopt the Audited financial statements of the Company for the financial year ended March 31, 2015 together with the reports of the Board of Directors and Auditors thereon		
2.	To appoint director in the place of Mr. Jitendra Kumar Sing (DIN 00090649), Director of the Company, who retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment		
3.	To ratify the appointment of Statutory Auditors of the Company.		
4.	Appointment of Mr. N.S. Parameswaran as Director of the Company		
5.	Appointment of Mr. N.S. Parameswaran as Managing Director of Company		

Affix
Revenue
Stamp of
Re. 1

Signed this,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,, day of 2015
Signature of Shareholder

.....
Signature of the 1st Proxy Holder Signature of 2nd Proxy holder Signature of 3rd Proxy holder

- Notes:**
1. **This form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.**
 2. **A Proxy need not be a member of the Company.**
 3. 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 may appoint a single person as proxy and such person shall not act as proxy for other person or share-holder.
 4. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
 5. In case of joint holders, the signatures of any holder will be sufficient, but names of all joint holders should be stated.

Route Map as per Secretarial Standards-2 issued by ICSI is as under:

