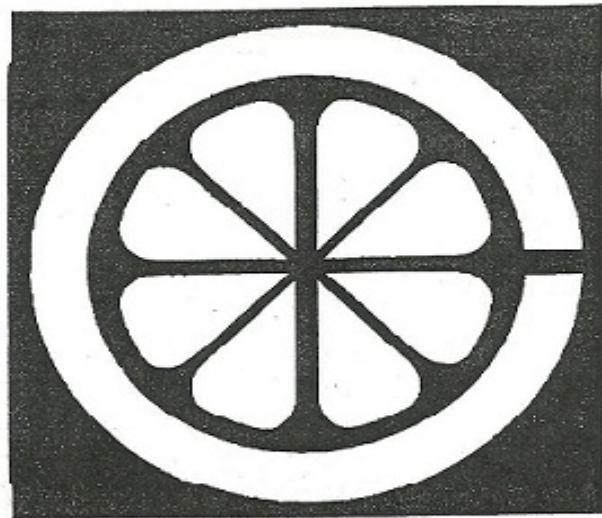


# **CITURGIA BIOCHEMICALS LIMITED**



**Annual Report**  
**2015-2016**

**Directors**

Mr. Akshod Kumar Sharma (Executive Director)  
Mr. Vivek Singh  
Ms. Neelam Khanna  
Mr. Ashok Marwah

**Bankers**

Union Bank of India  
HDFC Bank

**Auditors**

M/s Ranjan Gupta & Co.  
Chartered Accountants  
A-3/12, 2<sup>nd</sup> Floor, Janakpuri,  
New Delhi-110058

**Registered Office**

6/C, Ostwal Park,  
Building No. 4, CHSL Near Jesal Park,  
Jain Temple, Thane,  
Bhayander (East),  
Maharashtra-401105.

**Factory**

Rishikesh, Uttarakhand

**Registrar & Transfer Agents**

Skyline Financial Services Private Limited.  
D-153 A, 1st Floor, Okhla Industrial Area,  
Phase - I, New Delhi - 110 020  
Tel. : 011-26812682, 83, 011-64732681 to 88

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**CITURGIA BIOCHEMICALS LIMITED**  
**Registered Office: 6/C, OSTWAL PARK BUILDING NO. 4**  
**CHSL, NEAR JESAL PARK, JAIN TEMPLE, BHAYANDAR EAST,**  
**THANE - 401105**  
**CIN: L24100MH1974PLC017773**

**NOTICE CONVENING ANNUAL GENERAL MEETING**

**NOTICE** is hereby given that the Forty-First Annual General Meeting of the Shareholders of **CITURGIA BIOCHEMICALS LIMITED** will be held at Sadanand Veg Treat, Family Restaurant & Banquet Hall, Near Mahanagar Palika (MBMC), Church Street, Station Road, Bhayander (W) - 401101 on Saturday, 24<sup>th</sup> September, 2016 at 10.30 A.M. to transact the following business:

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Financial Statements for the year ended March 31, 2016, together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Akshod Kumar Sharma (DIN: [02112607](#)) who retires by rotation and being eligible, offered himself for re appointment.
3. To re-appoint M/s Ranjan Gupta & Co., Chartered Accountants., (Registration No. 17319N) as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration and for that purpose to pass the following Resolution which will be proposed as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 139 to 142 and 144 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 and any other Rules framed thereunder, M/s Ranjan Gupta & Co., Chartered Accountants., (Registration No. 17319N) the retiring Statutory Auditors, be and are hereby re-appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors of the Company.”

**SPECIAL BUSINESS**

4. To consider and determine the fees for delivery of any document through a particular mode of delivery to a member and in this regard, to consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to Section 20 and other applicable provisions, if any, of the Companies Act, 2013 read with Rules made thereunder, upon receipt of a request from a member for delivery of any document through a particular mode an amount of Rs.50/- (Rupees Fifty Only) per each such document, over and above reimbursement of actual expenses incurred by the Company, be levied as an by way of fees for sending the document to him in the desired particular mode.

**RESOLVED FURTHER THAT** the estimated fees for delivery of the document shall be paid by the member in advance to the Company, before dispatch of such document.

**FURTHER RESOLVED THAT** for the purpose of giving effect to this Resolution, the Key Managerial Personnel of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper, desirable or expedient and to settle any question, difficulty or doubt that may arise in respect of the matter aforesaid, including determination of the estimated fees for delivery of the document to be paid in advance.”

**By order of the Board of Directors,**  
For CITURGIA BIOCHEMICALS LIMITED  
Sd/-

**ASHOK MARWAH**  
**Non-Executive Director**  
**(DIN: [01787560](#))**

Place: Mumbai.  
Date: 25<sup>th</sup> August, 2016

Notes:

1. A Member entitled to attend and vote at the Annual General Meeting (The “Meeting”) is entitled to appoint a Proxy to attend and vote instead of himself and the Proxy need not be a Member of the Company. The instrument appointing the Proxy should, however, be deposited at the Registered Office of the Company not less than 48 (forty-eight) hours before the commencement of the Meeting.
2. A person can act as proxy on behalf of the members not exceeding 50 (fifty) and holding in the aggregate not more than ten percent of the total Share Capital of the Company carrying voting rights. A Member holding more than ten percent of the total Share Capital of the Company carrying voting rights may appoint a single person as Proxy and such shall not act as a Proxy for any other person or shareholder.
3. Corporate Members intending to send their Authorized Representative to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to

the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.

4. In terms of Section 152 of the Companies Act, 2013, Mr. Akshod Kumar Sharma (DIN: [02112607](#)), Director of the Company, retires by rotation at the Meeting and being eligible, offers himself for reappointment.
5. Members are requested to bring their attendance slips duly completed and signed mentioning therein details of their DP ID and Client ID/ Folio No. along with their copy of Annual Report to the Meeting.
6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. The Company has notified closure of Register of Members and Share Transfer Books from Wednesday, 21<sup>th</sup> September, 2016 to Saturday, 23<sup>th</sup> September, 2016 (both days inclusive) for determining the names of members eligible for dividend on Equity Shares, if declared at the AGM.
8. Relevant documents referred to in the accompanying Notice and the shall be open for inspection at the Registered Office of the Company during normal business hours on all working days except, Saturdays, upto and including the date of the Annual General Meeting of the Company.
9. Members holding shares in electronic form may note that bank particulars registered against their respective Depository accounts will be used by the Company for payment of dividend. The Company or its Registrars and Transfer Agents, Skyline Financial Services Private Limited cannot act on any request received directly from the members

holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant by the Members.

10. Members holding Shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding Shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company / Skyline Financial Services Private Limited
11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat account(s). Members holding shares in physical form can submit their PAN to the Company Skyline Financial Services Private Limited
12. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company.
13. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the Share Certificates to Skyline Financial Services Private Limited for consolidation into a single folio.
14. Non-Resident Indian Members are requested to inform M/s. Skyline Financial Services Private Limited., immediately of:
  - a) Change in their residential status on return to India for permanent settlement.
  - b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.

15. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
16. Members desiring any information relating to the accounts are requested to write to the Company well in advance so as to enable the management to keep the information ready.
17. The Securities and Exchange Board of India has mandated compulsory trading of the Company's Equity Shares in demat form for all the investors. The International Securities Identification number (ISIN) code is INE795B01023.
18. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
19. Members are requested to bring their copy of Annual Report to the Meeting. Pursuant to Section 72 of the Companies Act, 2013, shareholders 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 demat / electronic form, the nomination form may be filed with the respective Depository Participant. Corporate Members are requested to send to the Company, a duly certified copy of the Board resolution/Power of Attorney, authorising their representatives to attend and vote at the Annual General Meeting.
20. In compliance with provisions of Section 108 and 110 of the Act read with The Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Rules, 2015 and Regulation 44 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Company is

pleased to provide members to exercise the right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through E-Voting service. The facility of casting the vote by the members using an electronic voting system from a place other than venue of the Annual General Meeting (“Remote E-voting”) will be provided by the Central Depository Services (India) Limited (CDSL).

The Company has approached CDSL for providing e-voting services through our e-voting platform. In this regard, your Demat Account/Folio Number has been enrolled by the Company for your participation in e-voting on resolution placed by the Company on E-Voting system.

The Notice of the Annual General Meeting (AGM) of the Company inter alia indicating the process and manner of e-Voting process along with printed Attendance Slip and Proxy Form can be downloaded from the link [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or [www.citurgiabio.com](http://www.citurgiabio.com)

The e-voting period commences on 21<sup>st</sup> September, 2016 at 10.00 am and ends on 23<sup>rd</sup> September, 2016 at 5.00 pm. During this period shareholders’ of the Company, may cast their vote electronically. The e-voting module shall also be disabled for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

The voting rights of members shall be in proportion to their shares of the Paid up Equity Share Capital of the Company as on the **cut-off date** i.e., 17<sup>th</sup> September, 2016. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e., 17<sup>th</sup> September, 2016, may obtain the login ID and password by sending a request at **evoting@cdslindia.com** or **admin@skylinerta.com** .

The facility for voting through Poling Paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.



## PROCEDURE FOR REMOTE E-VOTING:

The voting period begins 21<sup>st</sup> September, 2016 at 10.00 am and ends on 23<sup>rd</sup> September, 2016 at 5.00 pm. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e., 17<sup>th</sup> September, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

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

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

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"><li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li><li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li></ul>
Dividend	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as

Bank Details <b>OR</b> Date of Birth (DOB)	<p>recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>
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- (vii) After entering these details appropriately, click on “SUBMIT” tab.
- (viii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for the relevant Bloom Industries Ltd on which you choose to vote.
- (xi) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvi) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) **Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30<sup>th</sup> June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xviii) **Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

(i) **In case of members receiving physical copy of Notice of AGM:**

- Please follow all steps from sr. no. (i) to sr. no. (xvii) above to cast vote.
- The voting period begins on 21st September, 2016 (10.00 am) and ends on 24<sup>th</sup> September, 2016 (05.00 pm). During this period shareholders’ of the Company, holding Shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 17<sup>th</sup> September, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

iii. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at <https://www.evotingindia.com> under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) .

21. The voting rights of Shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut off date 17th September, 2016.

22. A copy of this notice has been placed on the web site of the Company and website of CDSL. Dr. S. K. Jain, Practicing Company Secretary (Membership No. 1473) and Proprietor of S. K. Jain and Company has been appointed as scrutinizer to scrutinize the e voting process in a fair and transparent manner.

23. Since the Company is required to provide members facility to exercise their right to vote by electronic means, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 17th September, 2016 and not casting their vote electronically, may only cast their vote at the Annual General Meeting.
24. The Scrutinizer shall within a period of not exceeding three (3) working days from the conclusion of the e-Voting period unlock the votes in the presence of atleast two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Meeting of the Company or the Managing Director of the Company or to a person so authorised by any one of them in writing who shall countersign the same.
25. The Scrutinizer's decision on the validity of the vote shall be final and binding.
26. The Results shall be declared on or after the Annual General Meeting of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.citurgiabio.com](http://www.citurgiabio.com) and on the website of NSDL within two(2) days of passing of the resolutions at the Annual General Meeting of the Company on 24<sup>th</sup> September, 2016 and communicated to the BSE Limited.
27. The resolution shall be deemed to be passed on the date of the AGM, subject to receipt of sufficient votes through compilation of e-voting and voting held at the AGM.

**Shareholders are requested to bring their copy of Annual Report in the Meeting.**

**EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013.**

**ITEM NO. 4**

As per the provisions of Section 20 of the Companies Act, 2013 a document may be served on any member by sending it to him by Post or by Registered post or by Speed post or by Courier or by delivering at his office or address or by such electronic or other mode as may be prescribed. It further

provides that a member can request for delivery of any document to him through a particular mode for which he shall pay such fees as may be determined by the company in its Annual General Meeting. Therefore, to enable the members to avail this facility, it is necessary for the Company to determine the fees to be charged for delivery of a document in a particular mode, as mentioned in the Resolution.

Since the Companies Act, 2013 requires the fees to be determined in the Annual General Meeting, the Directors accordingly commend the Ordinary Resolution at item no. 4 of the accompanying Notice, for the approval of the members of the Company.

None of the Directors and/or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Resolution set out at item no.4 of the accompanying Notice.

**By order of the Board of Directors,**  
For CITURGIABIO CHEMICALS LIMITED  
Sd/-

**ASHOK MARWAH**  
**Non Executive Director**  
**(DIN : [01787560](#))**

Place: Mumbai.  
Date: 25<sup>th</sup> August, 2016

**Annexure II to Notice**

**Details of the Directors seeking appointment/re-appointment in forthcoming Annual General Meeting as per the Companies Act 2013 section 152(6).**

<b>Name</b>	<b>AKSHOD KUMAR SHARMA</b>
<b>Age</b>	49 Years
<b>Qualifications</b>	Graduate
<b>Experience</b>	30 years
<b>Terms and conditions of appointment including details of remuneration</b>	<b>Mr. Akshod Kumar Sharma will hold the office upto the ensuing AGM. Other terms and conditions are mentioned in the letter for appointment which is available for inspection by members on all working days except holidays from 11.00 a.m to 5.00 p.m at the registered office of the company.</b>
<b>Last drawn remuneration</b>	Nil
<b>Date of first appointment by the Board of Directors of the Company</b>	28/03/2008
<b>Shareholding in the Company</b>	Nil
<b>Relationship with other directors and Key Managerial of the Company</b>	None
<b>Number of meetings attended during the financial year 2015-16</b>	4
<b>Other directorship, membership / chairmanship of committees of other board</b>	Director/Designated partner in: Citurgia Biochemicals Limited Gem Info Solutions Private Limited Gandharva Holdings Limited Eco Friendly Textile Park Private Limited New Gen Textile Park Private Limited Satya Sheel Engineers And Miners Private Limited
<b>Justification for appointment of Independent Director</b>	NA
<b>Performance evaluation report</b>	NA

**Form No. MGT-11****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 Member(s)		
Registered Address		
E-mail Id	Folio No /Client ID	DP ID

Name :	E-mail Id:
Address:	
Signature , or failing him	

as my/ our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the company, to be held on Thursday, the September 24, 2016 at Sadanand Veg Treat, Family Restaurant & Banquet Hall, Near Mahanagar Palika (MBMC), Church Street, Station Road, Bhayander (W) - 401101 at 10.30 A.M and at any adjournment thereof in respect of such resolutions as are indicated below:

Sl. No.	Resolution(S)	Vote	
		For	Against
1.	To Consider & Adopt of statement of Profit & Loss, Balance Sheet, report of Director's and Auditor's for the financial year 31st March, 2016.		
2.	To appoint a Director in place of Shri Akshod Kumar Sharma (DIN: 02112607)		
3.	To re-appoint M/s Ranjan Gupta & Co., Chartered Accountants., (Registration No. 17319N) Auditors		
4.	To consider and determine the fees for delivery of any document through a particular mode of delivery to a member		

\* Applicable for investors holding shares in Electronic form.

Signed this \_\_\_\_ day of \_\_\_\_ 20\_\_



Signature of Shareholder    Signature of Proxy holder    Signature of the shareholder  
 across Revenue Stamp

Note:

- 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) The proxy need not be a member of the company.

**ELECTRONIC VOTING PARTICULARS**

EVEN (Remote E -Voting Event Number)	USER ID	PASSWORD

Notes: 1) Each equity share of the Company carries one vote.

2) Please read carefully the instructions printed overleaf before exercising the vote.

## ATTENDANCE SLIP

(To be handed over at the entrance of the meeting hall)

**Annual General Meeting on , the September 24, 2016 at Sadanand Veg Treat, Family Restaurant & Banquet Hall, Near Mahanagar Palika (MBMC), Church Street, Station Road, Bhayander (W) - 401101 at 10.30 A.M**

Full name of the members attending \_\_\_\_\_

(In block capitals)

Ledger Folio No./Client ID No. \_\_\_\_\_ No. of shares held: \_\_\_\_\_

Name of Proxy \_\_\_\_\_

(To be filled in, if the proxy attends instead of the member)

I hereby record my presence at the September 24, 2016 at Sadanand Veg Treat, Family Restaurant & Banquet Hall, Near Mahanagar Palika (MBMC), Church Street, Station Road, Bhayander (W) - 401101 at 10.30 A.M.

(Member's /Proxy's Signature)

**Note:**

- 1) Members are requested to bring their copies of the Annual Report to the meeting, since further copies will not be available.
- 2) A Proxy need not be a member of the Company.
- 3) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by Proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
- 4) The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.



## Route-Map for Annual General Meeting



## DIRECTORS' REPORT

Dear Shareholders,

We are pleased to present the 41<sup>st</sup> Annual Report on the affairs of the Company together with the Audited Statement of Accounts for the year ended March 31, 2016.

### 1. PERFORMANCE OF THE COMPANY

The Company's performance is summarized below:

- **FINANCIAL RESULTS**

*(Rs. in Lakhs except EPS and per share data)*

	2015-2016	2014-2015	YoY growth (%)
Gross Income	-	-	
Profit/(Loss) before Depreciation & Tax(PBDT)	(16.18)	(18.08)	
Less: Depreciation	(50.05)	(58.06)	
Profit/(Loss) before Taxation	(66.23)	(76.14)	
Less: Provision for Tax	-	-	-
Add/Less: Deferred Tax	-	-	-
Add: Earlier years adjustments	-	-	-
Net Profit/(Loss)	(66.23)	(76.14)	
<b>EPS (Rs.)</b>	(0.251)	(0.288)	

### 2. Working Results

The Company's operations at calcium carbonate division remained suspended throughout the year for the want of working capital and clearance from the Uttarakhand Environment Protection and Pollution Control Board. The Company has not earned any revenue during the year under report. The appeal filed by the Company before Hon'ble

Supreme Court against the order of Hon'ble High Court of Uttarakhand granting stay on construction work undertaken by the Company at Rishikesh site is still pending.

The Company has incurred a loss after tax of Rs. 66.23 Lakhs during the financial year 2015-16 against a loss after tax of Rs. 76.14 Lakhs in the previous year.

### **3. Dividend**

In view of the accumulated losses for the period under review, the Directors do not recommend payment of any dividend.

### **4. Rehabilitation Scheme:**

The Rehabilitation Scheme passed by Hon'ble BIFR is stayed by the Hon'ble Uttarakhand High Court and matter is still pending before the Supreme Court of India.

### **5. Future Plans:**

The Board of Directors are constrained to draw any future plans till contentious issues including Environmental Clearance from Uttarakhand Environment Protection and Pollution Control Board are resolved. The Board of Directors are also awaiting the verdict of the Hon'ble Supreme Court in the appeal filed by the Company against the order of the Hon'ble High court of Uttarakhand which is yet to be taken up for hearing.

### **6. Suspension in trading of the shares of the Company:**

Trading in the Shares of the Company is suspended due to penal reasons w.e.f. 16<sup>th</sup> January, 2013 and Company applied for the revocation of the Suspension and also the Company has obtained the in principal approval from BSE Limited.

### **7. Fixed Deposits:**

Your Company has not accepted any fixed deposits during the year under review.

### **8. PUBLIC DEPOSITS**

Your Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposit) Rules, 2014 during

the year under review. Hence, the requirement for furnishing of details of deposits which are not in compliance with the Chapter V of the Act is not applicable.

## **9. MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Management Discussion and Analysis Report, as required under the Listing Agreement and as per Regulation 34(e) read with Schedule V (B) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 with Stock Exchanges, is enclosed separately with this Annual Report.

## **10. DIRECTORS' RESPONSIBILITY STATEMENT**

As required by Section 134 (3) (c) of the Companies Act, 2013, your Board of Directors hereby state:

- (i) that in the preparation of the Annual Accounts for the year ended 31st March, 2016, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- (ii) that such accounting policies as mentioned in the Notes to the Financial Statements have been selected and applied them consistently and 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, 2016 and of the Profit & Loss of the Company for the year ended on that date;
- (iii) that the Directors have taken proper and sufficient care for 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;
- (iv) that the annual accounts have been prepared on a going concern basis;
- (v) that Directors has laid down internal financial controls to be followed by the Company and such Internal Financial Controls are adequate and operating effectively;
- (vi) that Directors have devised proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

## **11. CORPORATE GOVERNANCE**

The Board of Directors support and adheres the principles of Corporate Governance and in addition to basic Corporate

Governance issues the Board lays strong emphasis on transparency, accountability and integrity. Pursuant to Regulation 27 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, Corporate Governance Report and Auditor's Certificate regarding compliance of the condition of Corporate Governance are made part of the Annual Report.

## 12. **CONSERVATION OF ENERGY**

In accordance with the provisions of Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, required information relating to the Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo is given as hereunder

- **Conservation of Energy**

Conservation of Energy, Technology Absorption, Foreign Exchange earnings and Outgo under Section 134(3)(m) of the Companies Act, 2013.

The information pursuant to Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is given as "**Annexure 1**" to this Report.

## 13. **PARTICULARS OF EMPLOYEES AND OTHER DISCLOSURE**

The prescribed particulars of Employees required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith as "**Annexure 2**" to this Report.

The information required pursuant to Section 197(12) read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of Employees of the Company, will be provided on request. In terms of Section 136 of the Act, the Reports and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees particulars mentioned in rule 5(2) of the said rule which is available for inspection by the Members at the Registered Office of the Company during the business hours on working days of the Company upto the date of ensuing Annual General Meeting. If any Member is interest in inspecting the same, such Member may write to the Company Secretary in advance.

## 14. **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

The Company has received declarations under sub-section (7) of Section 149 of Companies Act, 2013 from the 2(two) Independent Directors of the Company confirming that they meet with the

criteria of independence as prescribed both under sub-section (6) of Section 149 of Companies Act, 2013, under Clause 49 of the Listing Agreement with the Stock exchanges and Regulation 17 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015

In accordance with the provisions of the Act and the Articles of Association of the Company, Mr. Akshod Kumar Sharma Whole time Director of the Company, retires by rotation at the ensuing AGM, and being eligible, has offered himself for re-appointment.

As per the information available with the Company, none of the Directors of the Company are disqualified for being appointed as a Directors as specified in Section 164(2) of the Companies Act, 2013.

#### **15. FAMILIARIZATION PROGRAMME**

The Company at its various Meetings held during the Financial year 2015-16 had familiarize the Independent Directors under Regulation 25(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with regard to the roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, the Business models of the Company etc. The Independent Directors have been provided with necessary documents, reports and internal policies to familiarize then with the Company's policies, procedures and practices.

Periodic presentations are made to the Board and Board Committee meeting on Business and performance updates of the Company, Business strategy and risks involved.

Quarterly updates on relevant statutory changes and judicial pronouncements and encompassing important amendments are briefed to the Directors

#### **16. DISCLOSURES RELATED TO BOARD, COMMITTEES AND POLICIES**

##### **a) BOARD MEETINGS**

During the year, 4(Four) Board Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

## **b) BOARD EVALUATION**

Pursuant to the applicable provisions of the Act and the Listing Regulations, the Board has carried out an annual evaluation of its own performance, performance of the Directors as well as the evaluation of the working of its Committees.

The Nomination and Remuneration Committee has defined the evaluation criteria, procedure and time schedule for the Performance Evaluation process for the Board, its Committees and Directors.

The Board's functioning was evaluated on various aspects, including inter alia degree of fulfilment of key responsibilities, Board structure and composition, establishment and delineation of responsibilities to various Committees, effectiveness of Board processes, information and functioning.

Directors were evaluated on aspects such as attendance and contribution at Board/ Committee Meetings and guidance/ support to the management outside Board/ Committee Meetings. In addition, the Chairman was also evaluated on key aspects of his role, including setting the strategic agenda of the Board, encouraging active engagement by all Board members and motivating and providing guidance to the Managing Director & CEO.

Areas on which the Committees of the Board were assessed included degree of fulfilment of key responsibilities, adequacy of Committee composition and effectiveness of meetings.

The performance evaluation of the Independent Directors was carried out by the entire Board, excluding the Director being evaluated. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the 2 Independent Directors, who also reviewed the performance of the Board as a whole. The Nomination and Remuneration Committee also reviewed the performance of the Board, its Committees and of the Directors.

The Chairman of the Board provided feedback to the Directors on an individual basis, as appropriate. Significant highlights, learning and action points with respect to the evaluation were presented to the Board.

**c) AUDIT COMMITTEE**

The Board has well-qualified Audit Committee with majority of Independent Directors including Chairman. They possess sound knowledge on Accounts, Audit, Finance, Taxation, Internal Controls etc. The details of the Composition of the Audit Committee are given in the Corporate Governance Report.

During the year, there are no instances where the Board had not accepted the recommendations of the Audit Committee.

**d) NOMINATION & REMUNERATION AND COMPENSATION COMMITTEE & ITS POLICY**

The Company has duly constituted Nomination and Remuneration and Compensation Committee to align with the requirements prescribed under the provisions of the Companies Act, 2013, the revised Clause 49 of the Listing Agreement and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The details of the Composition of the Nomination and Remuneration and Compensation Committee are given in the Corporate Governance Report.

**e) RISK MANAGEMENT**

The Company has in place a Risk Management Policy, pursuant to Section 134 of the Act. During the year, the Company has constituted a new internal Risk Management Committee as a measure of good governance. The Committee reviews the key risks, mitigation plans and progress of the risk management process at periodic intervals.

This robust Risk Management framework enables identification and evaluation of business risks and opportunities, seeks to create transparency, minimize adverse impact on business objectives and enhance the Company's competitive advantage. It also describes the risk management approach across the enterprise at various levels.

Major risks identified by the business and functions are systematically addressed through mitigation actions on a periodic



basis. Existing control measures are evaluated against the relevant Key Performance Indicators.

The Company has laid down procedures to inform the Audit Committee as well as the Board of Directors about risk assessment and management procedures and status. These procedures are periodically reviewed to ensure that the executive management monitors and controls risks.

The Internal Audit Department is responsible for co-ordinating with the various heads of Departments with respect to risk identification, assessment, analysis and mitigation. The major risks forming part of the Enterprise Risk Management process are linked to the audit universe and are also covered as part of the annual risk based audit plan.

## **17. AUDITORS AND REPORTS**

The matters related to Auditors and their Reports are as under:

### **Statutory Auditor and their Report:**

At the 41<sup>st</sup> Annual General Meeting held on September 24, 2016, M/s. Ranjan Gupta & Co., Chartered Accountant, were appointed as Statutory Auditors of the Company to hold office till the conclusion of next Annual General Meeting. In terms of the first proviso to section 139 of the Companies Act, 2013, the appointment of the Auditors is to be placed for ratification at the Annual General Meeting. Accordingly the appointment of M/s. Ranjan Gupta & Co., Chartered Accountants, as Statutory Auditors of the Company is placed for ratification by the Shareholders. In this regard the Company has received a Certificate from the Auditors to the effect that if they are appointed it would be in accordance with the provision of section 141 of the Companies Act, 2013.

The Report given by the Statutory Auditors for the Financial Statements for the year ended March 31, 2016 read with explanatory notes thereon do not call for any explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

### **18. Secretarial Auditor & his Report:**

Mrs. Averil F. Pinto, Practicing Company Secretary was appointed to conduct Secretarial Audit of the Company for the Financial Year 2015-16 as required under section 204 of the Companies Act, 2013 and the rules there under. The Secretarial Audit report for the financial year 2015-16 forms part of the annual report as

**“Annexure 3”** to the Boards Report. The said report does not contain any observation or qualification requiring explanation or comments from the Board under Section 134 (3) of the Companies Act, 2013.

#### **19. VIGIL MECHANISM / WHISTLE BLOWER POLICY**

The Company has adopted a Whistle Blower Policy, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit Committee.

#### **20. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMAN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace, in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under. The Policy aims to provide protection to employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure.

The Company has not received any complaint of sexual harassment during the financial year 2015-16.

#### **21. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

No material changes and commitments affecting the Financial Position of the Company which have occurred between the end of the Financial year of the Company to which the Financial Statement relate and the date of this report.

#### **22. RELATED PARTY TRANSACTIONS**

There are no Related Party Transactions during the year under review.

#### **23. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

During the year under review, the Company has not given any loans and guarantees. Details of Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the Notes to the Financial Statements.

#### **24. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has in place an adequate system of internal controls. It has documented policies and procedures covering all financial and operating functions and processes. These have been designed to provide a reasonable assurance with regard to maintaining of proper accounting controls for ensuring reliability of financial reporting, monitoring of operations, protecting assets from unauthorized use or losses and compliance with regulations.

Details of the internal controls system are given in the Management Discussion and Analysis Report, which forms part of the Board's Report.

#### **25. EXTRACT OF ANNUAL RETURN**

Pursuant to the provisions of Section 134 (3) (a) of the Companies Act, 2013, Extract of the Annual Return for the financial year ended 31st March, 2016 made under the provisions of Section 92 (3) of the Act in Form MGT-9 is annexed herewith as "**Annexure 4**".

#### **26. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:**

No Significant and Material orders has been passed by Securities Exchange Board of India, Stock Exchanges, Tribunal or Courts during the year under Report.

#### **27. HUMAN RESOURCES INDUSTRIAL RELATIONS:**

The Company takes pride in the commitment, competence and dedication shown by its employees in all areas of Business. The Company is committed to nurturing, enhancing and retaining top talent through superior Learning and Organizational Development. This is a part of Corporate HR function and is a critical pillar to support the Organisation's growth and its sustainability in the long run.

#### **28. CAUTIONARY STATEMENT:**

Statements in this Directors Report and Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning of applicable securities law and

regulations. Actual results could defer materially from those expressed or implied. Important factors that could make difference to the Company's operations include changes in Government regulations, Tax regimes, Economic developments within India and the countries in which the Company conducts Business and other ancillary factors.

## **29. ACKNOWLEDGEMENT AND APPRECIATION**

The Directors take this opportunity to thank Company's customers, shareholders, suppliers, bankers, Central and State Government for their consistent support to the Company. The Board also wishes to place on record their appreciation for the hard work, dedication and commitment of the employees at all levels. The enthusiasm and unstinting efforts of the employees have enabled the Company to grow in the competitive environment. The Board looks forward to their continued support and understanding in the years to come.

On behalf of the Board of Directors

**FOR CITURGIA BIOCHEMICALS LIMITED**

Sd/-  
**AKSHOD KUMAR SHARMA**  
**(EXECUTIVE DIRECTOR)**

Sd/-  
**ASHOK MARWAH**  
**(DIRECTOR)**

**ANNEXURE TO THE DIRECTORS' REPORT**  
**Annexure 1**  
**INFORMATION AS PER SECTION 134(3)(m) READ WITH RULE 8(3) OF THE**  
**COMPANY'S ACCOUNTS RULES, 2014.**

**(A) CONSERVATION OF ENERGY**

(a) Measures taken	:	Nil
(b) Additional Investments & Proposals	:	Nil
(c) Impact of measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods	:	Not Applicable
(d) Total energy consumption and energy consumption per unit of production	:	Nil

**FORM A: FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY**

<b>A. Power and Fuel Consumption</b>	:	Nil
<b>B. Consumption per unit of production</b>	:	Nil

<b>On behalf of the Board of Directors</b>	
<b>FOR CITURGIA BIOCHEMICALS LIMITED</b>	
Sd/-	Sd/-
<b>ASHOK MARWAH</b>	<b>AKSHOD KUMAR SHARMA</b>
<b>(EXECUTIVE DIRECTOR)</b>	<b>(DIRECTOR)</b>

**Registered Office:**  
6/C, Ostwal Park,  
Building No. 4, CHSL,  
Near Jesal Park,  
Jain Temple, Thane,  
Bhayander (East),  
Maharashtra-401105.

Place: Mumbai  
Date: 25<sup>th</sup> August, 2016

**ANNEXURE TO THE DIRECTORS' REPORT**

**Annexure 2**

**DISCLOSURE UNDER SECTION 197 (12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 ARE GIVEN BELOW:**

1	The ratio of the remuneration of each Director to the median Remuneration of the employees of the company for the financial year;	Ashok Marwah  Nil	Akshod Kumar Sharma  Nil
2	the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	Since the Company does not pay any remuneration to any Director and the Key Managerial Personnel, the percentage increase is NIL.	
3	the percentage increase in the median remuneration of Employees in the financial; year	The Median remuneration paid to the Employees in the Financial Year has reduced by 9.81%	
4	the number of Permanent Employees on the rolls of the Company;	2	
5	the explanation on the relationship between average increase in remuneration and Company performance;	Not Applicable  The Company does not pay any remuneration to its Directors and Key Managerial Personnel.	

6	comparison of the remuneration of the Key Managerial Personnel against the performance of the Company;	<p style="text-align: center;">Not Applicable</p> <p>The Company does not pay any remuneration to its Directors and Key Managerial Personnel</p>			
7	variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and	Particulars	As at 31/03/2016	As at 31/03/2015	% change
		Market Capitalisation (Rs. Lakhs)	*Not Applicable	*Not Applicable	0.00
*Since the Company has been suspended by SEBI's Order dated 16/01/2013.					
		Price Earnings Ratio	(0.251)	(0.288)	(35.89)
8	Percentage increase or decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last Public offer	<p>Since the trading in Shares of the Company was suspended w.e.f. 16/01/2013, there is no market quotation since then. The share was last traded on 11/01/2013 at closing price of Rs. 158.20/- per share.</p>			

9	average percentile increase already made in the Salaries of Employees other than the Managerial Personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	NIL	
10	comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company;	Name of the person	Mr. Akshod Kumar Sharma (Whole Time Director)
		Remuneration in FY 2015-16 (Rs. In lakhs)	Nil
		Revenue (Rs. in lakhs)	Nil
		Remuneration as % of Revenue	Nil
		Profit after Tax (Rs. In Lakhs)	Nil
		Remuneration as % of PAT	Nil



1	The key parameters for any variable component of remuneration availed by the Directors;	The employees are paid variable components only after ascertaining their individual performance rating for the year in addition to their jobs fundamentals. It is hereby affirmed that the remuneration paid during the year is as per remuneration policy of the Company.				
2	The ratio of the remuneration of the highest paid Directors to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year; and	Name of the Highest Paid Director	Remuneration of the Highest Paid Directors	Name of employees who are not directors but receive remuneration in excess of the highest paid director	Remuneration of employees who are not directors but receive remuneration in excess of the highest paid director	Ratio
		Mr. Akshod Kumar Sharma	Nil			NA
		Mr. Ashok Marwah	Nil			NA
1 3	Affirmation that the remuneration is as per the remuneration policy of the Company.	The Company affirms remuneration is as per the remuneration policy of the Company.				

**ANNEXURE TO THE DIRECTORS' REPORT**  
**MANAGEMENT DISCUSSION AND ANALYSIS**

**INDUSTRY STRUCTURE AND DEVELOPMENTS**

The Company's operations continued to be suspended throughout the year. The lock out declared at Rishikesh factory with effect from 29<sup>th</sup> September, 2003 continues to be in force till date. The production and sales were nil during the year under review. Material developments in industry structure have been dealt with in the directors report under the head 'Rehabilitation Scheme' and 'Future plans' which should be treated forming part of this Management Discussion and Analysis.

**OUTLOOK, OPPORTUNITIES AND THREATS**

Discussions on outlook & opportunities have already been dealt with in Directors Report which should be treated as forming part of the Management Discussion and analysis.

**RISKS AND CONCERNS**

This is not discussed in detail since the Company's operations continued to be suspended throughout the year.

**INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has not conducted internal audit for the year under report.

**FINANCIAL PERFORMANCE**

Discussion on financial performance with reference to operational performance has been dealt with in the Directors' Report which should be treated as forming part of this Management Discussion and Analysis.

**HUMAN RESOURCES**

Material development in human resources/ industrial relations front has been dealt with in the Directors' Report, under the head 'Operations' and 'Industrial Relations', which should be treated as forming part of this Management and Discussion Analysis. As at 31<sup>st</sup> March, 2016, the employee strength (on permanent rolls) of the Company was Nil.

**CAUTIONARY STATEMENT**

Statement in this Management Discussion and analysis describing the Company's objectives, projections, estimates, expectations or predictions may be forward-looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. The Company undertakes no obligation to publicly update or revise any forward looking statements, whether as a result of new information, future events or otherwise. Readers are cautioned not to place undue reliance on these forward-looking statements that speak only as of their dates.

Place: Mumbai

Date: 25<sup>th</sup> August, 2016

**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2016

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

To,  
The Members,  
**Citurgia Biochemicals Limited**  
6/C, Ostwal Park Building No. 4,  
CHSL, Near Jesal Park,  
Jain Temple,  
Bhayandar East,  
Thane - 401105.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practice by **M/s. Citurgia Biochemicals Limited** (hereinafter called "**the Company**"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on my verification of **M/s. Citurgia Biochemicals Limited's** Books, Papers, Minutes Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the financial year ended 31<sup>st</sup> March, 2016, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s. Citurgia Biochemicals Limited**, as given in "**Annexure I**", for the financial year ended on 31<sup>st</sup> March, 2016, according to the provisions of:

- (i) The Companies Act, 2013 and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and Regulations and the Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment (FDI), Overseas Direct Investment (ODI) and External Commercial Borrowings (ECB) (**Not applicable to the Company during Audit period as the Company has not received any FDI, ECB and made any ODI.**)
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (applicable upto May 14, 2015) and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 effective w.e.f. May 15, 2015;
  - (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;
- (vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company under the financial year under report:-
- (a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (**Not applicable to the Company during Audit period as the Company has not made any further issue of the shares**);
  - (b) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, presently known as SEBI (Share Based Employee Benefits) Regulations, 2014(**Not applicable to the Company during Audit period as the Company has not introduced any such Scheme**);
  - (c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (**Not applicable to the Company during Audit period as the Company has not issued any Debt Securities**);
  - (d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (**Not applicable to the Company during Audit period as the Company has not delisted /proposes to de-list any equity shares from any stock Exchange**);
  - (e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (**Not applicable to the Company during Audit period as the Company has not brought back / proposed to Buy back any Securities**);
- (vii) There are no specific laws applicable to the Company.
- (viii) I have relied on the Representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibly of the management. My examination was limited to the verification of procedure on test basis.
- (ix) In case of Direct and Indirect Tax Laws like Income Tax Act, Service Tax Act, Excise & Custom Acts we have relied on the Reports given by the Statutory Auditors of the company.

**I have also examined compliance with the applicable clauses of the following:**

- i. Secretarial Standards SS-1 and SS-2 issued and notified with effect from July 01, 2015 by the Institute of Company Secretaries of India;
- ii. The Listing Agreements entered into by the Company with Stock Exchange(s)
- iii. Securities and Exchange Board of India with (Listing Obligations and Disclosures Requirements) Regulations 2015 w.e.f. 1<sup>st</sup> December 2015
- iv. The Company entered into the new Listing Agreement entered with BSE Limited on November 14, 2015 under Regulation 109 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

**During the financial year under report, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:**

- i. The Company has not appointed Company Secretary and Chief Financial Officer under Section 203 of the Companies Act, 2013 read with Rule 8 of the Companies (Appointment of and Remuneration of Managerial Personnel) Rules, 2014.
- ii. The Company has not appointed an Internal Auditor under Section 138 of the Companies Act, 2013 read with Rule 13 of the Companies (Accounts) Rules, 2014.

**I further report that** during the year/audit period under report, the Company has undertaken the following events/ actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

- i. The trading in Shares of the Company continues to be suspended due to penal reason w.e.f. 16<sup>th</sup> January, 2013.
- ii. The Rehabilitation Scheme passed by Hon'ble BIFR continues to be stayed and the Company's appeal against the order passed by the Hon'ble High Court of Uttarakhand is pending before Supreme Court of India.

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

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

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

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

**I further report that** during the year under report, the Company has undertaken event / action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

**Place:** Mumbai  
**Date:** 28<sup>th</sup> May, 2016

**For Averil Pinto**

**Company Secretary**  
**ACS: 30272**  
**COP: 12643**

## **ANNEXURE – I**

In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished and representations made to me by the Company, its officers and agents, I report that the Company has, during the financial year under review, complied with the provisions of the Acts, the Rules made thereunder the Memorandum & Articles of Association of the Company with regard to:-

1. Minutes of the Meetings of the Board of Directors, Committee meetings held during the Financial Year under Report;
2. Minutes of General Body Meetings held during the Financial Year under report;
3. Maintenance of various Statutory Registers and Documents and making necessary entries therein;
4. Notice and Agenda papers submitted to all the Directors for the Board Meetings;
5. E-Forms filed by the Company, from time-to-time, under applicable provisions of the Companies Act, 2013 and attachments thereof during the financial year under report;
6. Intimations / documents / reports / returns filed with the Stock Exchanges pursuant to the provisions of Listing Agreement during the financial year under Report;
7. Declarations received from the Directors of the Company pursuant to the provisions of Section 184 of the Companies Act, 2013 and attachments thereto during the Financial Year under Report;
8. Appointment and remuneration of Statutory Auditor;
9. Closure of Register of Members/record date for dividends;

**Place:** Mumbai  
**Date:** 25<sup>th</sup> August, 2016

**For Averil Pinto**

**Company Secretary**  
**ACS: 30272**  
**COP: 12643**

**Citurgia Biochemicals Limited**

6/C, Ostwal Park Building No. 4,  
CHSL, Near Jesal Park,  
Jain Temple,  
Bhayandar East,  
Thane - 401105.

My report of even date is to be read along with this letter:

- 1) Maintenance of Secretarial record is the responsibility of the Management of the Company. My responsibility is to express an opinion on these Secretarial Records based on my audit.
- 2) I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
- 3) I have not verified the correctness and appropriateness of the financial records and Books of Accounts of the Company.
- 4) Wherever required, I have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.
- 5) The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of the Management. My examination was limited to the verification of procedures on test basis.
- 6) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**Place:** Mumbai  
**Date:** 28<sup>th</sup> May, 2016

**For Averil Pinto**

**Company Secretary**  
**ACS: 30272**  
**COP: 12643**



**ANNEXURE - 4**  
**EXTRACT OF ANNUAL RETURN**

**as on the Financial year ended 31<sup>st</sup> March, 2016**

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

**I. REGISTRATION AND OTHER DETAILS:**

CIN	L24100MH1974PLC017773
Registration Date	13/09/1974
Name of the Company	Citurgia Biochemicals Limited
Category / Sub-Category of the Company	Public Company/Limited by Shares
Address of the Registered Office and Contact Details	6/C, OSTWAL PARK BUILDING NO. 4, CHSL, NEAR JESAL PARK, JAIN TEMPLE, BHAYANDAR EAST, Thane 401105 Email Id: <a href="mailto:citurgia_bio@yahoo.com">citurgia_bio@yahoo.com</a> Website: <a href="http://www.citurgiabio.com">www.citurgiabio.com</a>
Whether Listed Company	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	Skyline Financial Services Private Limited, D-153 A, 1st Floor, Okhla Industrial Area, Phase - I, New Delhi - 110 020  Tel. : 011-26812682, 83, 011-64732681 to 88 Fax : 011-26812682 Website: <a href="http://www.skylinerta.com/">http://www.skylinerta.com/</a>

**II . PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

Sr. No	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1	NA	NA	NA

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sr. No	Name of Company	Address of Company	CIN/GLN	Holding / Subsidiary / Associate	% of Shares held*	Applicable section
1.	NA	NA	NA	NA	NA	NA

\* Representing aggregate % of shares held by the Company and/or its subsidiaries



e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	842	0	842	0.00	842	0	842	0.00	-
g) FIIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	<b>1012</b>	<b>69</b>	<b>1081</b>	<b>0.00</b>	<b>1012</b>	<b>69</b>	<b>1081</b>	<b>0.00</b>	<b>-</b>
<b>2. Non-Institutions</b>									
<b>a) Bodies Corp.</b>									
i) Indian	3554	242	3796	0.01	2898	242	3140	0.01	0.00
ii) Overseas	-	-	-	-	-	-	-	-	-
<b>b) Individuals</b>									
i) Individual Shareholders holding nominal share capital upto ` 2 lakh	63541	17088	80629	0.31	64355	16919	81274	0.31	
ii) Individual Shareholders holding nominal share capital in excess of 2 lakh	679	95	774	0.00	-	-	-	-	
<b>c) Others</b>									
i) Non Resident Indian	-	-	-	-	690	95	785	0.00	100%
ii) Trusts	14	0	14	0.00	14	0	14	0.00	
iii) Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-Total (B)(2):</b>	<b>67788</b>	<b>17425</b>	<b>85213</b>	<b>0.32</b>	<b>67957</b>	<b>17256</b>	<b>85213</b>	<b>0.32</b>	<b>-</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>68800</b>	<b>17494</b>	<b>86294</b>	<b>0.33</b>	<b>68969</b>	<b>17325</b>	<b>86294</b>	<b>0.33</b>	<b>-</b>
<b>C. SHARES HELD BY CUSTODIAN FOR GDRS &amp; ADRS</b>									
	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>3297626</b>	<b>23121437</b>	<b>26419063</b>	<b>100</b>	<b>3297795</b>	<b>2312126</b>	<b>26419063</b>	<b>100</b>	<b>-</b>
						<b>8</b>			

**(ii) Shareholding of Promoters**

Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in shareholding 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	
Sateye Sheel Engineers & Miners Pvt Ltd	31,90,000	12.07	-	31,90,000	12.07	-	-
Sateye Sheel Engineers & Miners Pvt Ltd	1,28,30,000	48.56	-	1,28,30,000	48.56	-	-
Dev Varsha Jetro Valley Pvt Ltd	71,70,000	27.14	-	71,70,000	27.14	-	-
Gandharva Holding Ltd	15,30,000	5.79	-	15,30,000	5.79	-	-
Gems Infotech Solutions Ltd	15,20,000	5.75	-	15,20,000	5.75	-	-
Archway Investments Company Ltd	15,560	0.06	-	15,560	0.06	-	-
Nowrosjee Wadia & Sons Ltd	15,340	0.06	-	15,340	0.06	-	-
Jehreen Investments Ltd	13147	0.05	-	13147	0.05	-	-
Lochness Investment Ltd	10,000	0.04	-	10,000	0.04	-	-
Elite Capital & Management Services Ltd	6324	0.02	-	6324	0.02	-	-
Nusli & Wadia	4,704	0.02	-	4,704	0.02	-	-
The Bombay Burmah Trading Ltd	4,486	0.02	-	4,486	0.02	-	-
Nulsi Nevelle Wadia	4,112	0.02	-	4,112	0.02	-	-
Nessvile Trading Ltd	4,486	0.02	-	4,486	0.02	-	-
N W Exports Ltd	3,127	0.02	-	3,127	0.02	-	-
Sunflower Investments & Textiles Pvt Ltd	890	0.00	-	890	0.00	-	-

Macrofill Investments Ltd	767	0.00	-	767	0.00		
Dina Nevile Wadia	376	0.00	-	376	0.00		
N W Exports Ltd	372	0.00	-	372	0.00		
Nowrojee Wadia & Sons Ltd	313	0.00	-	313	0.00		
Maureen N Wadia	102	0.00	-	102	0.00		
Jehangir N Wadia	1	0.00	-	1	0.00		
Ness N Wadi	1	0.00	-	1	0.00		
<b>Total</b>	<b>2,63,32,769</b>	<b>99.67</b>		<b>2,63,32,769</b>	<b>99.67</b>	<b>-</b>	<b>-</b>

	Date wise Increase/Decrease in Share holding during the year						
	At the end of the year		1,60,20,000	60.63	1,60,20,000	60.63	
<b>2.</b>	<b>Dev Varsha Jetro Valley Pvt Ltd</b>						
	At the beginning of the year		71,70,000	27.14	71,70,000	27.14	
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/sweat equity etc)						
	At the end of the year		71,70,000	27.14	71,70,000	27.14	
<b>3.</b>	<b>Gandharva Holding Limited</b>						
	At the beginning of the year		15,30,000	5.79	15,30,000	5.79	
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/sweat equity etc)						
	At the end of the year		15,30,000	5.79	15,30,000	5.79	
<b>4.</b>	<b>Gems Infotech Solutions Ltd</b>						
	At the beginning of the year		15,20,000	5.75	15,20,000	5.75	

	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/sweat equity etc)	-	-	-	-
	At the end of the year	15,20,000	5.75	15,20,000	5.75
5.	<b>Archway Investments Company Ltd</b>				
	At the beginning of the year	15,560	0.06	15,560	0.06
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/sweat equity etc)				
	At the end of the year	15,560	0.06	15,560	0.06
6.	<b>Nowrosjee Wadia &amp; Sons</b>				
	At the beginning of the year	15,340	0.06	15,340	0.06
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/sweat equity etc)				
	At the end of the year	15,340	0.06	15,340	0.06
7.	<b>Jehreen Investments Ltd</b>				
	At the beginning of the year	13,147	0.06	13,147	0.06
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/sweat equity etc)				
	At the end of the year	13,147	0.06	13,147	0.06
8.	<b>Lochness Investment Ltd</b>				
	At the beginning of the year	13,147	0.06	13,147	0.06
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/sweat equity etc)				
	At the end of the year	13,147	0.06	13,147	0.06

9.	<b>Elite Capital &amp; Management Services Ltd</b>				
	At the beginning of the year	10,000	0.04	10,000	0.04
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/sweat equity etc)				
	At the end of the year	10,000	0.04	10,000	0.04
10.	<b>Nusli &amp; Wadia</b>				
	At the beginning of the year	6,324	0.02	6,324	0.02
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/sweat equity etc)				
	At the end of the year	6,324	0.02	6,324	0.02

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

There is no change in the Promoters' Shareholding

**(ii) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

**(iii) Shareholding of Directors and Key Managerial Personnel:**

Sr. No	Shareholder's Name	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.	Akshod Kumar Sharma	NIL	NIL	NIL	NIL
2.	Ashok Marwah	NIL	NIL	NIL	NIL
6.	Vivek Singh	NIL	NIL	NIL	NIL
7.	Neelam Khannaa	NIL	NIL	NIL	NIL

**I. INDEBTEDNESS**

Indebtedness of the Company including interest outstanding/accrued but not due for payment. (Rs. in Lacs)

<b>Particulars</b>	<b>Secured Loans excluding deposits</b>	<b>Unsecured Loans</b>	<b>Deposits</b>	<b>Total Indebtedness</b>
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	4,46,03,980	3,40,000	4,49,43,980
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	4,46,03,980	3,40,000	4,49,43,980
Change in Indebtedness during the financial year				
<b>Addition</b> - Vehicle Loans - Working Capital Facilities - Interest accrued but not due	-	1,00,000	-	1,00,000
<b>Reduction</b> - Term Loans - Vehicle Loans - Interest accrued but not due	-	-	-	-
<b>Net Change</b>				
Indebtedness at the end of the financial year	-	4,47,03,980	3,40,000	4,50,43,980
i) Principal Amount - Term Loans - Vehicle Loans	- - -	- - -	- - -	- - -



- Working	-	-	-	-
- Unsecured Loans	-	4,47,03,980	3,40,000	4,50,43,980
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	4,47,03,980	3,40,000	4,50,43,980

## II. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (In Rs.)

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

Sr. 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			
	(c) Profits in lieu of Salary under Section 17(3) Income Tax Act, 1961	-	-	-
		-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission -as % of profit	-	-	-
	-others, specify	-	-	-
5.	Others, please specify	-	-	-
	<b>Total (A)</b>	-	-	-

Ceiling as per the Act	-	-	-
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**B. Remuneration to other Directors:**

Sl. No.	Particulars of Remuneration	Name of Directors					Total Amount
	1. Independent Directors						
	Fee for attending Board / Committee Meetings	-	-	-	-	-	-
	Commission	--	--	--	--	--	--
	Others, please specify	--	--	--	--	--	--
	<b>Total (1)</b>	-	-	-	-	-	-
	2. Other Non-Executive Directors						
	Fee for attending Board / Committee meetings	-	-	-	-	-	-
	Commission	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-
	<b>Total (2)</b>	-	-	-	-	-	-
	<b>Total (B)=(1+2)</b>	-	-	-	-	-	-
	Total Managerial Remuneration	-	-	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-	-	-

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

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		CEO	Company Secretary	CFO	
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	-	-	-	-
	(c) Profits in lieu of Salary under Section 17(3) Income Tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission -as % of profit -others, specify	- -	- -	- -	- -
5.	Others, please specify	-	-	-	-
	<b>Total (A)</b>	-		-	

**III. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES  
(Under the Companies Act): None**

On behalf of the Board  
For Citurgia Biochemicals Limited

Place: Mumbai  
Date : 25<sup>th</sup> August, 2016

ASHOK MARWAH  
DIRECTOR  
DIN- 01787560

## REPORT ON CORPORATE GOVERNANCE

The detailed report on Corporate Governance for the financial year ended March 31, 2016, as per the disclosure requirements prescribed in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is set out below:

### 1. Company's Philosophy on Code of Governance:

Your Company is fully committed to the principles of transparency, integrity and accountability in all spheres of its operations and has been practicing the principles of good corporate governance over the years. In keeping with this commitment, your Company has been upholding fair and ethical business and corporate practices and transparency in its dealings and continuously endeavors to review, strengthen and upgrade its systems and procedures so as to bring in transparency and efficiency in its various business segments.

### 2. Board of Directors:

The Board of Directors of the Company is comprised of committed persons with considerable experience in various fields. The Board is properly constituted as per Clause 49 of the Listing Agreement and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. There are 4 (Four) Directors of which one is Executive Director and one is Non Executive Non Independent Director and remaining 2 are Non Executive Independent Directors.

None of the Directors on the Board is a Member of more than 10 Committees or Chairman of more than 5 Committees across all the Companies in which he is a Director. Necessary Disclosures regarding Committee positions in other Public Companies as on March 31, 2016 have been made by the Directors.

During the financial year ended 31<sup>st</sup> March, 2016, 4 (Four) Board Meetings were held; the dates being 30/05/2015, 14/08/2015, 14/11/2015, 12/02/2016.

Name of Directors	Category of Directors	No. of Board Meetings attended during 2015-16	Whether attended last AGM	Number of Directorship in other Public Limited Companies	No of membership of audit committee and Share Holders & Investors Grievance Committee in other Limited Companies	Chairmanship of audit committee and Share Holders & Investors Grievance Committee in other Limited Companies
Mr. Akshod Kumar Sharma	Executive Director (Chairman)	4	Yes	01	Nil	Nil

Mr. Ashok Marwah	Non-Executive Non Independent Director	4	Yes	01	Nil	Nil
Mr. Vivek Singh	Non-Executive Independent Director	4	No	NIL	Nil	Nil
Ms. Neelam Khannaa	Non-Executive Independent Director	4	No	13	Nil	Nil

# Excludes alternate directorships and directorships in foreign Companies and Private Companies which are neither a subsidiary nor a holding Company of a Public Company.

# Excludes Committees other than Audit Committee and Shareholders'/Investors' Grievance Committee and Companies other than Public Limited Companies.

The Board periodically reviews compliance reports of all the laws applicable to the Company and has put in place procedures to review steps to be taken by the Company to rectify instances of non-compliance, if any.

In terms of the provisions of Clause 49 of the Listing Agreement, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and contemporary practices of good Corporate Governance, the Board has laid down a Code of Conduct for all Board Members and Senior Management of the Company.

**Details of Directors being re-appointed and appointed:**

1. Shri Akshod Kumar Sharma who is a Whole Time Director of the Company and liable to be retire by rotation has offered himself for reappointment

(In pursuance of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

Name: AKSHOD KUMAR SHARMA

Age: 49 yrs

Qualification: B.Com

Expertise: Finance & Marketing

Other Directorships

in Public Companies: 6

#### **MEETING OF INDEPENDENT DIRECTORS:**

During the year under review, the Independent Directors met once on March 29, 2016, *inter alia*, to:

- i. Evaluate the performance of non-independent directors and the Board as a whole;
- ii. Evaluate the quality, quantity and timelines of flow of information between the executive management and the Board.

The suggestions made at the meetings of the Independent Directors were communicated to the Executive Director for taking appropriate steps. All Independent Directors were present at the meeting.

#### **FAMILIARIZATION PROGRAM**

At the time of appointment a formal letter is issued to the Director, which explains the roles, rights and responsibilities expected of him as a Director of the Company. The Director is also explained in detail the compliances required from him under the Companies Act, Clause 49 of the Listing Agreement and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Code of Conduct, Prohibition of Insider Trading Code, RBI directions and other relevant regulations.

The Independent Directors of the Company are given opportunity to familiarize themselves with the Company, its management and operations so as to understand the Company.

The details of the familiarization program for Independent Directors has been uploaded on the Company's website i.e. on [citurgia\\_bio@yahoo.com](mailto:citurgia_bio@yahoo.com)

### **3. Board Committees**

As of 31<sup>st</sup> March, 2016 your Company has three Board Committees. These are:

1. Audit Committee
2. Stakeholders Relationship Committee
3. Nomination and Remuneration Committee

#### **Audit Committee**

- i) The Audit Committee of the Company is constituted in line with the provisions of Clause 49 of the Listing Agreement and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges read with Section 177 of the Companies Act, 2013.

- ii) The terms of reference stipulated by the Board to the Audit Committee are as contained under Clause 49 of the Listing Agreement and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as follows:
- Overseeing the Company's financial reporting process and the disclosure of its financial information so as to ensure that the financial statements depict a true and fair view of the Company's affairs.
  - Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
  - Reviewing with management the Annual Financial Statements before submission to the board, focusing primarily on:
    - (i) Any changes in accounting policies and practices,
    - (ii) Major accounting entries based on exercise of judgment by Management,
    - (iii) Qualifications in draft Audit Report,
    - (iv) Significant adjustments arising out of Audit,
    - (v) The going concern assumption,
    - (vi) Compliance with Accounting Standards,
    - (vii) Compliance with Stock Exchange and legal requirements concerning financial statements and
    - (viii) Any related party transaction i.e. transactions of the company of material nature, with promoters or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of Company at large.
  - Reviewing with the Management, External and Internal Auditors, the adequacy of Internal Control Systems.
  - Reviewing the adequacy of Internal Audit Functions.
  - Discussion with Internal Auditors any significant findings and follow up there on.
  - Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of Internal Control Systems of a material nature and reporting the matter to the Board.
  - Discussion with External Auditors before the audit Commences, about the nature and scope of audit as well as the post-audit discussion to ascertain any area of concern.
  - Reviewing the Company's financial and risk management policies. To look into the reasons for substantial defaults in the payment to the creditors.

### **iii. Composition**

**The Audit Committee comprises of Shri Vivek Singh as Chairman and Smt Neelam Khannaa and Shri Ashok Marwah, are the other Members of the Committee.**

**All Members of the Audit Committee are financially literate and possess Accounting and related Financial Management expertise.**

**Meetings & Attendance:**

There were four meetings of the Audit Committee viz. on 30/05/2015, 14/08/2015, 14/11/2015 and 12/02/2016.

**The Attendance of the Members of Audit Committee at the Meetings of the Audit Committee held during the year is given below:**

Name	Category	No. of Meetings during the year 2015-16	
		Held	Attended
Mr. Vivek Singh(Chairman)	Non – Executive Independent Director	4	4
Mr. Neelam Khannaa	Non –Executive Independent Director	4	4
Mr. Ashok Marwah	Non Executive	4	4

The necessary Quorum was present at all the Meetings.

The Audit Committee Meetings are usually held at the Registered Office of the Company situated at 6/C, Ostwal Park, Building No. 4, CHSL Near Jesal Park, Jain Temple, Bhayander (East), Thane - 401105.

**Nomination and Remuneration Committee**

The Remuneration Committee comprises of Mr. Vivek Singh, Chairman of the Remuneration Committee, Mr. Ashok Marwah and Mrs. Neelam Khannaa, are the other Members of the Committee.

**Meetings & Attendance:**

There were four meetings of the Stakeholder Grievance Committee viz. on 30/05/2015, 14/08/2015, 14/11/2015 and 12/02/2016.

**The Composition of the Remuneration Committee and the details of Meetings attended by the Members of the Nomination and Remuneration Committee are given below:**



Name	Category	No. of Meetings held	During the year 2015-16
		Held	Attended
Mr. Vivek Singh(Chairman)	Non – Executive Independent Director	4	4
Mr. Neelam Khanna	Non –Executive Independent Director	4	4
Mr. Ashok Marwah	Non Executive	4	4

\* No Remuneration paid during the financial year.

### Stakeholder Relationship Committee

The Board has set up a Shareholders/Investors Grievance Committee to take care of matters relating to transfer, transmission, split, duplicate etc. of the shares issued by the Company from time to time. In addition to the above, the Committee is authorized to look into Shareholder's complaints such as delay in transfer, non-receipt of shares, Balance Sheet etc and also review the dematerialized shares.

The Stakeholder Grievance Committee was reconstituted as Stakeholder Relationship Committee. The Shareholders/Investors Grievance Committee is chaired by Mr. Vivek Singh with Mr. Ashok Marwah, Director and Mrs. Neelam Khanna, Director as its Members.

Mr. Ashok Marwah is the Compliance Officer of the Company.

### Meetings & Attendance:

There were four meetings of the Stakeholder Grievance Committee viz. on 30/05/2015, 14/08/2015, 14/11/2015 and 12/02/2016.

**The Attendance of the Members of Shareholder/ Investors Grievance Committee at the Meetings of the Shareholder/ Investors Grievance Committee held during the year is given below:**

Name	Category	No. of Meetings during	the year 2014-15
		Held	Attended
Mr. Vivek Singh(Chairman)	Non – Executive Independent	4	4

	Director		
Mr. Neelam Khanna	Non –Executive Independent Director	4	4
Mr. Ashok Marwah	Non Executive	4	4

The necessary Quorum was present at all the Meetings.

The Shareholder/ Investors Grievance Committee Meetings are usually held at the Registered Office of the Company situated at 6/C, Ostwal Park, Building No. 4, CHSL Near Jesal Park, Jain Temple, Bhayander (East), Thane - 401105.

### The functions of the committee include:

To specifically look into redressing investors' grievances pertaining to:

- Transfer of Shares
- Dividends
- De-materialization of Shares
- Replacement of lost/stolen/mutilated share certificates
- Non-receipt of right/bonus/split share certificates
- Any other related issues

### Complaints:

Sr. No.	Nature of the complaint	Received	Replied	Pending
1	Non-receipt of shares certificates lodged for transfer	0	0	0
2	Non-receipt of dividend warrants	0	0	0
3	Non-receipt of dividend warrants after revalidation	0	0	0
4	Non-receipt of share certificates lodged for split/ Bonus shares	0	0	0
5	Non Receipt of duplicate shares certificates	0	0	0
6	Letters from SEBI / stock Exchange	0	0	0
7	Letters from Department of Company Affairs / Other Statutory Bodies	0	0	0
	<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>

During the year NIL complaints regarding non-receipt of shares sent for transfer, demat queries were received from the shareholders. The Company had no transfers pending at the close of 31.03.2016.

### Requests:

<b>Sr. No.</b>	<b>Nature of the Requests</b>	<b>Received</b>	<b>Replied</b>	<b>Pending</b>
1	Receipt of dividend warrants for revalidation	0	0	0
2	Request for Change of address	0	0	0
3	Request for duplicate Dividend warrant	0	0	0
4	Request for copy of Annual Report	0	0	0
5	Request for TDS Certificate	0	0	0
6	Request for exchange of split Share certificate	0	0	0
7	Endorsement of Share Certificate	0	0	0
8	Correction of name / Address	0	0	0
	<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>

### **C. General Body Meeting:**

Date, Venue and Time for the last three Annual General Meeting

<b>Year</b>	<b>Venue</b>	<b>Date</b>	<b>Time</b>
2012-2013	Azad Mahila Sangh, Plot No. 91, Road No.25, Sion (West), Mumbai- 400 022	28 <sup>th</sup> September, 2013	10.00 am
2013-2014	C-102, Jaisal Kipa Building, Cabin Cross Road, Bhayender (East), Thane – 401105.	29 <sup>th</sup> September, 2014	3.30 pm
2014-2015	Azad Mahila Sangh, Plot No. 91, Road No.25, Sion (West), Mumbai- 400 022	30 <sup>th</sup> September, 2015	10.00 am

- No Special Resolutions passed in previous 3 Annual General Meeting
- No Special Resolution was passed through Postal Ballot last year. At this AGM there is no item on the agenda that needs approval by Postal Ballot.

### **D. Disclosures:**

#### **a. Subsidiary Companies**

The Company does not have any subsidiary Company during the Year under review.

#### **b. Disclosures of transactions with Related Parties**

No related party transactions occurred during the year.

**c. Disclosures of Accounting Treatment in preparation of Financial Statements**

The Company has followed the Accounting Standards laid down by the Institute of Chartered Accountants of India (ICAI), in preparation of its Financial Statements.

**d. Risk management**

The Company has laid down procedures to inform Board Members about Risk assessment and minimization procedures and these procedures are periodically reviewed.

**e. Proceeds from Public Issues, Rights Issue, Preferential Issue etc.**

The Company has not raised any Money through Public Issue, Rights Issue, Preferential Issue etc, during the year there under.

**f. Remuneration of Directors and details of Directors' Shareholding**

Details of Directors Remuneration and their Shareholding in the Company are as under;

Name of Director	Remuneration	No. of Equity Shares Held
Mr. Akshod Kumar Sharma (Whole Time Director)	Nil	NIL
Mr. Ashok Marwah (Non Executive Director)	Nil	NIL

The Company does not have any scheme for grant of stock options to its directors or employees.

**g. Code of Business Conduct and Ethics for Directors and Management Personnel**

The Code of business conduct and Ethics for Directors and Senior Managements has been circulated to all the Members of the Board and Senior Management and the compliance of the same has been affirmed by them. A declaration signed by Mr. Akshod Kumar Sharma, Whole Time Director is given below:

“I hereby confirm that the Company has obtained from all the Members of the Board and Senior Management affirmation that they have complied with the code of Business conduct and Ethics for Directors and Senior Management in respect of Financial Year 2015-2016”

#### **h. Code for Prevention of Insider Trading Practices**

In compliance with SEBI's Regulations on Prevention of Insider Trading the Company has instituted a comprehensive Code of Conduct for its designated employees. The Code lays down guidelines on procedures to be followed and disclosures to be made while dealing with the shares of the Company and cautioning them of the consequences of violations.

#### **i. Compliance of Regulatory requirements**

The trading in the shares of the company continues to be suspended throughout the year. The Company is yet to comply with the norm of Minimum 25% Public shareholding as Mandated by Securities Exchange Board of India (SEBI).

#### **Means of Communication**

(a) Quarterly results:

The un-audited quarterly results are announced within 45 days from the end of the quarter and the audited annual results within two months from the end of the last quarter, as stipulated under the listing agreement with the BSE Limited.

(b) Newspapers wherein normally published :

The Company is a Sick Company, However, it is regularly publishing its Un-audited/ Audited Financial Results in newspapers.

(c) Any Website, wherein displayed : Yes

(d) Whether Website also displays official news releases: Yes

(e) Whether presentations made to institutional investors or to the analysts: No

#### **E. The Management Discussion & Analysis Report**

**The Management Discussion and Analysis Report (MDA) have been attached to the Directors Report and forms part of this Annual Report.**

#### **F. Compliance with Mandatory requirements**

The Company has complied with all the mandatory requirements of Clause 49 of the Listing Agreement and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 relating to Corporate Governance.

#### **G. General Shareholders Information**

#### **Forth Coming AGM**

The next Annual General Meeting of the Company will be held on Saturday 24<sup>th</sup> September 2016 at 10.30 a.m. at Sadanand Veg Treat, Family Restaurant & Banquet Hall, Near Mahanagar Palika (MBMC), Church Street, Station Road, Bhayander (W) - 401101.

**Financial Reporting for the quarter ending (tentative & subject to change)**

<b>Tentative Schedule</b>	<b>Likely Board Meeting Schedule</b>
June 30, 2016	Within 45 Days of the end of the quarter
September 30, 2016	Within 45 Days of the end of the quarter
December 31, 2016	Within 45 Days of the end of the quarter
March 31, 2017 (Audited)	Within 60 Days of the end of the Financial
Book Closure Date	Monday 19 <sup>th</sup> September, 2016 to Monday 24 <sup>th</sup> September, 2016 (Both days inclusive)
Registered Office	6/C, Ostwal Park, Building No. 4, CHSL Near Jesal Park, Jain Temple, Bhayander (East), Thane - 401105.
Listing on Stock Exchange	<ul style="list-style-type: none"> <li>The Stock Exchange, Mumbai(BSE)</li> </ul> (The Listing Fees have been paid for the year 2015-2016)
Mumbai Stock Exchange Code	506373
<b><u>Demat ISIN no. for NSDL and CDSL</u></b>	INE795B01023
<b><u>Registrar and Share Transfer Agents</u></b>	<b>Skyline Financial Services Pvt. Ltd</b> D-153-A, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi – 110020 Tel: 011 - 26812682 / 83

**Distribution of Shareholding as on March 31, 2016**

Sr. No.	Group of shares	No. of shareholders	%age to Total shareholder
1	Below 500	5425	99.359
2	501 - 1000	14	0.256
3	1001 - 2000	5	0.092
4	2001 - 3000	0	0.000

5	3001	4000	1	0.018
6	4001	5000	4	0.073
7	5001	10000	2	0.037
8	10001 and above		9	0.165
<b>TOTAL</b>			<b>5460</b>	<b>100.000</b>

### SHAREHOLDING PATTERN AS ON MARCH 31, 2016

	Category	No. of shares held	Percentage of shareholding
<b>A.</b>	<b>Promoter's holding</b>		
1	Promoters		
	- Indian Promoters	26332769	99.67%
	- Foreign Promoters		
2.	Persons acting in concert		
	<b>Sub-Total</b>	<b>26332769</b>	<b>99.67%</b>
<b>B.</b>	<b>Non-Promoters Holding</b>		
3.	Institutional Investors		
a.	Mutual Funds and UTI	104	0
b.	Banks, Financial Institutions, Insurance Companies (Central/State Govt. Institutions/Non-government Institutions)	977	0
c.	FII's	0	0
	<b>Sub-Total</b>	<b>1081</b>	<b>0</b>
4.	Non-Institutions (Others)		
a.	Private Corporate Bodies	3140	0.01%
b.	Indian Public	81274	0.31%
c.	NRIs/OCBs	785	0
d.	HUF	-	-
e.	Any other (Trust)	14	0
	<b>Sub-Total</b>	<b>86294</b>	<b>0.33%</b>
	<b>GRAND TOTAL</b>	<b>26419063</b>	<b>100%</b>

**Stock Code: Bombay Stock Exchange Limited: 506373**

**Stock Market Data relating to Equity Share listed in India:** No trading in shares due to Suspension of the Company

Month (2015-16)	Price on BSE during each month		Volume traded In Rs.
	High	Low	

April	-	-	-
May	-	-	-
June	-	-	-
July	-	-	-
August	-	-	-
September	-	-	-
October	-	-	-
November	-	-	-
December	-	-	-
January	-	-	-
February	-	-	-
March	-	-	-

\* Suspended from 16/01/2013 due to penal reason.

### **Share Transfer System:**

The Company has appointed Skyline Financial Services Pvt. Ltd as the share transfer agents. In order to ensure timely registration of transfer and return of certificates and also prompt redressal of Shareholders' Grievances, the Company monitors the Registrar's work closely on a day-to-day basis. The address of the Registrar is:

**M/s. Skyline Financial Services Pvt. Ltd,  
D-153-A, 1st Floor,  
Okhla Industrial Area, Phase-I,  
New Delhi - 110020**

### **C. Investor Services:**

No Complaints received during the year relating to Transfer, Transmission, Dividend, Interest, Demat & Remat and change of address etc.

### **D. Dematerialization of Shares and Liquidity:**

12.48% Equity Shares have been dematerialized as on 31<sup>st</sup> March, 2016.

### **E. ISIN Number: INE795B01023**

### **F. Investor Correspondence:**

Registrar and Transfer Agents:  
**M/s. Skyline Financial Services Pvt. Ltd,  
D-153-A, 1st Floor,  
Okhla Industrial Area, Phase-I,  
New Delhi - 110020  
011 - 26812682 / 83**



**G. Outstanding GDRs/ADRs/ Warrants or any convertible instruments, conversion date and likely impact on equity.**

There were no Outstanding GDRs/ADRs/ Warrants or any convertible instruments, conversion date and likely impact on equity during the year under review.

**H. Plant Location:**

Rishikesh, Uttaranchal.

**DECLARATION**

I declare that as provided under Clause 49 of the Listing Agreement and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges, the Board Members and the Senior Management Personnel have individually affirmed compliance with the Code of Conduct for the year ended 31<sup>st</sup> March, 2016.

Place: Mumbai  
Date: 25<sup>th</sup> August, 2016

Sd/-  
Akshod Kumar Sharma  
(Whole Time Director & CEO)

**CEO/CFO Certification:**

**CEO / CFO Compliance Certificate**

The Board of Directors  
**CITURGIA BIOCHEMICALS LIMITED**  
6/C, Ostwal Park Building No. 4 CHSL,  
Near Jesal Park, Jain Temple,  
Bhayandar East,  
Thane- 401105

**Re: CEO / CFO Certificate**

**I, Akshod Kumar Sharma, Whole Time Director & Chief Executive Officer of Citurgia Biochemicles limited do hereby certify the following:-**

- a) We have reviewed the standalone Financial Statements and Cash flow statements for the year ended 31<sup>st</sup> March, 2016 and that to the best of our knowledge and belief:
  - i) these statement do not contain any materially untrue statements or omit any material fact or contains statements that might be misleading ;

- ii) these statements together presents a True and fair view of the Company's affairs and are in Compliance with existing Accounting Standards, applicable laws and regulations.
  
- b) There are, to the Best of our Knowledge and belief, no transactions entered into by the Company during the year ended 31<sup>st</sup> March, 2016, which are fraudulent, illegal or violative of the Company's Code of conduct.
  
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and they have disclosed to the auditors and the Audit Committee, deficiencies in the design or operations of such internal controls, if any, of which they are aware and the steps they have taken or proposes to take to rectify these deficiencies.
  
- d) We hereby indicated to the Auditors and the Audit Committee,
  - i) Significant changes in Internal control over financial reporting during this year;
  
  - ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the Financial statements ;and
  
  - iii) Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Listed entity's internal control system over financial reporting.

**Akshod Kumar Sharma**  
**(Whole Time Director & CEO)**

Place: Mumbai  
Date: 25th August , 2016

To the Members of **CITURGIA BIOCHEMICALS LIMITED**

We have received the implementation of Corporate Governance produced by CITURGIA BIOCHEMICALS LIMITED, during the year ended 31<sup>st</sup> March, 2015 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.

Compliance with the condition of Corporate Governance is the responsibility of the management. Our examination was limited to the procedure and implementation thereof, adopted by the Company for ensuring compliances with the conditions of Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statement of the Company.

In our opinion and to the best of our information and according to the explanation given to us and the representations made by the Directors and the Management, my opinion that the Company has complied with the conditions of the Corporate Governance stipulated in Clause 49 of the above mentioned Listing Agreement. However Company has not appointed CFO as required under Clause 49V of the Listing Agreement.

We have to state that based on the report given by the Registrar of the Company to the Share Transfer and Shareholder/Investor Grievance Committee, there were no investor Complaints pending for action to be taken by the Company for a period of a month.

We further state that such compliance is neither an assurance as to the further viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For M/s. Ranjan Gupta & Co**  
**Chartered Accountants**

**Sd/-**

**Mr. CA.Ranjan Gupta**

**(Prop.)**

**Membership No. 082408**

**FRN: 17319N**

**Date: 25.08.2016**



- 110058

**Ranjan Gupta & Co.**  
**Chartered Accountants**

ADD: 518, Kirti Shikhar, Janakpuri Dist. Centre, Janakpuri, New Delhi

**INDEPENDENT AUDITORS' REPORT**

**TO,**

**THE MEMBERS**

**M/S CITURGIA BIOCHEMICALS LIMITED**

**Report on the Financial Statements**

We have audited the accompanying financial statements of **CITURGIA BIOCHEMICALS LIMITED** (CIN: L24100MH1974PLC017773) ("the company"), which comprise the Balance Sheet as at 31 March 2016, the Statement of Profit and Loss, the 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 Company's Board of Directors is responsible for the matters 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 the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's 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 on the financial statements.

### **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;

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

### **Report on other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2016, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d) 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.

e) On the basis of written representations received from the directors as on 31 March, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2016, from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **“Annexure B”**

Thanking you.

Yours faithfully,

**For M/s. Ranjan Gupta & Co**  
**Chartered Accountants**

**CA.Ranjan Gupta**  
**(Prop.)**  
**Membership No. 082408**  
**FRN: 17319N**

**Date: 28.05.2016**  
**Place: New Delhi**

## **CITURGIA BIOCHEMICALS LIMITED**

### **“Annexure A” to the Independent Auditors’ Report**

#### **Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the financial statements of the Company for the year ended March 31, 2016:**

- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;  
  
(b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.  
  
(c) The title deeds of immovable properties are held in the name of the company..
- 2) (a) The management has conducted the physical verification of inventory at reasonable intervals.  
(b) The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.
- 3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts

payable in respect of the above were in arrears as at March 31, 2016 for a period of more than six months from the date on when they become payable.

(b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.

- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.



Thanking you.

Yours faithfully,

**For M/s. Ranjan Gupta & Co  
Chartered Accountants**

**Sd/-  
CA.Ranjan Gupta  
(Prop.)  
Membership No. 082408  
FRN: 17319N**

**Date: 28.05.2016  
Place: New Delhi**

## **CITURGIA BIOCHEMICALS LIMITED**

### **“Annexure B” to the Independent Auditors’ Report**

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

We have audited the internal financial controls over financial reporting of **Classic Global Finance & Capital Limited** (“the Company”) as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on “the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India”. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls over Financial Reporting**

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

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For M/s. Ranjan Gupta & Co**  
**Chartered Accountants**

**S/d-**  
**CA.Ranjan Gupta**  
**(Prop.)**  
**Membership No. 082408**  
**FRN: 17319N**

**Date: 28.05.2016**  
**Place: New Delhi**

**CITURGIA BIOCHEMICALS LIMITED**

Reg. Office: 6/C, Ostwal Park Building No. 4, CHSL, Near Jesal Park, Jain Temple, Bhayandar East, Thane  
Maharashtra-401105  
CIN: L24100MH1974PLC017773

**Balance Sheet as at 31st March, 2016**

Particulars	Note No.	Amt in Rs.	
		Current Year 2015	Previous Year 2014
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) SHAREHOLDER'S FUNDS</b>			
(a) Share Capital	1	264,190,630.00	264,190,630.00
(b) Reserves and Surplus	2	(315,119,673.45)	(308,496,239.56)
(c) Money received against share warrants		25,000,000.00	25,000,000.00
<b>(2) SHARE APPLICATION MONEY PENDING ALLOTMENT</b>		-	-
<b>(3) NON-CURRENT LIABILITIES</b>			
(a) Long-term borrowings	3	44,603,980.00	44,403,980.00
(b) Deferred tax liabilities (Net)	4	17,105,990.00	17,105,990.00
(c) Other Long term liabilities	5	1,172,620.00	1,174,620.00
(d) Long term provisions	6	-	62,982,590.00
<b>(4) CURRENT LIABILITIES</b>			
(a) Short-term borrowings	7	340,000.00	340,000.00
(b) Trade payables	8	36,311,905.00	38,151,525.00
(c) Other current liabilities	9	37,000,690.00	26,185,508.00
(d) Short-term provisions	10	5,101,483.40	5,101,483.40
<b>TOTAL</b>		<b>115,807,624.95</b>	<b>111,515,876.84</b>

<b>II. Assets</b>				
<b>(1) NON-CURRENT ASSETS</b>				
(a) Fixed Assets				
(i) Tangible assets	11	64,249,920.00		
Less; Depreciation		32,613,638.91		
Net Block		31,636,281.09	31,636,281.09	36,641,494.94
(ii) Intangible assets		-	-	
(iii) Capital work-in-progress		-	-	
(iv) Intangible assets under development		-	-	
(b) Non-current investments	12	2,000.00		2,000.00
(c) Deferred tax assets (net)	13	-		-
(d) Long term loans and advances	14	21,075,000.00		20,499,000.00
(e) Other non-current assets	15	-	21,077,000.00	-
<b>(2) CURRENT ASSETS</b>				
(a) Current investments	16	-		-
(b) Inventories	17	61,195,075.00		51,697,196.00
(c) Trade receivables	18	-		-
(d) Cash and cash equivalents	19	771,058.86		1,547,975.90
(e) Short-term loans and advances	20	120,210.00		120,210.00
(f) Other current assets	21	1,008,000.00	63,094,343.86	1,008,000.00
<b>TOTAL</b>			<b>115,807,624.95</b>	<b>111,515,876.84</b>

NOTES TO ACCOUNTS

**CITURGIA BIOCHEMICALS LIMITED**

Reg. Office: 6/C, Ostwal Park Building No. 4, CHSL, Near Jesal Park, Jain Temple, Bhayandar East, Thane  
Maharashtra-401105

CIN: L24100MH1974PLC017773

Notes forming part of the financial statements

Note 1

Fixed Assets	Gross Block					Accumulated Depreciation					Net Block	
	As on 01.04.15	Additions/ (Disposals)	Acquired through business combinations	Revaluations/ (Impairments)	As on 31.03.16	As on 01.04.15	Depreciated on charge for the year	Adjustment due to revaluations	On disposals	As on 31.03.16	As on 31.03.15	As on 31.03.16
<b>Tangible Assets</b>												
Buildings	2,292,000.00	-	-	-	2,292,000.00	797,550.00	149,445.00	-	-	946,995.00	1,494,450.00	1,345,005.00
Freehold Land	135,000.00	-	-	-	135,000.00	-	-	-	-	-	135,000.00	135,000.00
Office Furniture, Fittings & Equipments	21,250.00	-	-	-	21,250.00	21,250.00	-	-	-	21,250.00	-	-
Plant and Machinery	61,599,670.00	-	-	-	61,599,670.00	26,744,902.27	4,848,298.20	-	-	31,593,200.48	34,854,767.74	30,006,469.52
Roads & Drains	189,000.00	-	-	-	189,000.00	31,722.79	7,470.64	-	-	39,193.43	157,277.21	149,806.57
Tools & Laboratory Equipments	13,000.00	-	-	-	13,000.00	13,000.00	-	-	-	13,000.00	-	-
Others (specify nature)	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>64,249,920.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>64,249,920.00</b>	<b>27,608,425.07</b>	<b>5,005,213.84</b>	<b>-</b>	<b>-</b>	<b>32,613,638.91</b>	<b>36,641,494.94</b>	<b>31,636,281.09</b>
<b>Intangible Assets</b>												
	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>G. Total</b>	<b>64,249,920.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>64,249,920.00</b>	<b>27,608,425.07</b>	<b>5,005,213.84</b>	<b>-</b>	<b>-</b>	<b>32,613,638.91</b>	<b>36,641,494.94</b>	<b>31,636,281.09</b>



## **CITURGIA BIOCHEMICALS LIMITED**

### **Note: 29**

### **NOTES TO ACCOUNT ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2016**

#### **1. GENERAL**

The Financial Statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles in India and the provisions of the Companies Act, 2013 as adopted consistently by the company.

#### **2. ACCOUNTING POLICIES**

(a) Income and Expenses are being accounted for an accrual basis.

(b) No Fixed Assets has been purchased by the company during the year.

3. Figures of previous year have been regrouped, re-cast or rearranged to make them comparable with Current year's figures wherever deemed necessary.

4. Figures in bracket indicate negative figure.

#### **5. FIXED ASSETS AND DEPRECIATIONS**

Company has provides depreciation (WDV Based) of Fixed Assets during the year.

For Ranjan Gupta & Co.  
Chartered Accountants

CITURGIA BIOCHEMICALS LIMITED

Place: New Delhi  
Dated: 25.08.2016

## **CITURGIA BIOCHEMICALS LIMITED**

Reg. Office: 6/C, Ostwal Park Building No. 4, CHSL, Near Jesal Park, Jain Temple, Bhayandar East, Thane Maharastra-401105

**Cash Flow Statement**

For the Year Ending 31-Mar-2016	Amounts Rs.	Amounts Rs.
Particulars	31.03.16	31.03.15
<b><u>(A) CASH FLOW FROM OPERATING ACTIVITIES:-</u></b>		
1.Net profit before tax	(6,623,434)	(7,614,180)
<b>2.Adjustment for:</b>		
Add: Depreciation & Amortisation Expenses	5,005,214	5,805,556
<b>Operating Profit before Working capital changes</b>		<b>(1,808,624)</b>
<b><u>3.Working Capital Changes:</u></b>		
Decrease (Increase) in Trade & Other Receivables	-	-
Decrease (Increase) in Loan & Advances (Assets)	(576,000)	-
Decrease (Increase) in Inventories	(9,497,879)	(5,354,350)
Decrease (Increase) in Other Current Assets	-	-
Increase (Decrease) in Trade & Other Payables	-	(1,839,620)
Increase (Decrease) in Current Liabilities & Provisions	10,815,182	8,533,648
Increase (Decrease) in Long Term Borrowings	100,000	200,000
Increase (Decrease) in Current Liabilities & Provisions	0	(2,000)
<b>Net Changes in Working Capital</b>	<b>841,303</b>	<b>1,537,678</b>
<b>Cash Generated from Operations</b>	<b>(776,917)</b>	<b>(270,946)</b>
<b>Adjustment of Taxes</b>	-	-
<b>Net Cash Flow from Operating Activities (A)</b>	<b>(776,917)</b>	<b>(270,946)</b>
<b><u>(B.) CASH FLOW FROM INVESTING ACTIVITIES :</u></b>		
Purchase of Fixed Assets	-	-
(Increase) Decrease in Other Non Current Assets	-	-
<b>Net Cash Flow from Investing Activities (B)</b>	-	-
<b><u>(C.) CASH FLOW FROM FINANCING ACTIVITIES :</u></b>		
Issue of share capital and Proceeds from Share Application Money	-	-
Preliminary Expenses incurred	-	-
Loan From Promoters	-	-

<b>Net Cash Flow from Financing Activities (C)</b>	-	-
<b>Net Increase / (Decrease) in Cash &amp; Cash Equivalents ( A-B+C )</b>	<b>(776,917)</b>	<b>(270,946)</b>
<b>Cash and cash equivalents at the beginning of the year / Period</b>	<b>1,547,976</b>	<b>1,818,922</b>
<b>Cash and cash equivalents at the end of the year/ Period</b>	<b>771,059</b>	<b>1,547,976</b>
<b>* Note: The above Cash Flow Statement has been prepared under "Indirect Method" as set out in the Accounting Standard (AS) – 3 on Cash Flow Statements" issued by the Institute of Chartered of Accountants of India.</b>		

### FORM A

Format of covering letter of the annual audit report to be filed with the Stock Exchange

1. Name of the company	CITURGIA BIOCHEMICALS LTD
2. Annual financial statements for the year ended	31 <sup>st</sup> March, 2016
3. Type of Audit observation	Un-qualified
4. Frequency of observation	Not Applicable
5. To be signed by-	
<ul style="list-style-type: none"><li>• CEO/Managing Director</li><li>• CFO</li><li>• Auditor of the company</li><li>• Audit Committee Chairman</li></ul>	