Syschem (India) Limited

Regd. Office & Works : Village Bargodam, Teh. Kalka,
Distt. Panchkula, Haryana -133302, India.
CIN : L24219HR1993PLC032195
Ph.: 7082923502, 7082923506
E-mail : info@syschem.in, URL : www.syschem.in

REF. No.SIL/2019-20/ Dated : 31/10/2020

General Manager,
Deptt of Corporate Services,
Bombay Stock Exchange Ltd.
PJ Tower, 25th Floor,
Dalal Street
Mumbai-400001

Sub: Submission of Annual Report for the year 2019-20

Dear Sir,

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Annual Report of the company for the Financial Year 2019-20.

This is for your information and records please.

Yours truly
For **Syschem (India) Limited**

Syschem (India) Limited Chandigarh

(Suninder Veer Singh)
Managing Director
DIN: 07693557

27TH ANNUAL REPORT

OF

SYSCHEM (INDIA) LIMITED

AS AT

31ST MARCH, 2020

BOARD OF DIRECTORS

MR. RANJAN JAIN
MR. SUNINDER VEER SINGH
MRS. NEENA KUMAR
MRS. NEENA BATRA
MRS. SIDHU JASVIRKAUR DALJEETSINGH
MR. RAHUL GOYAT

REGISTERED OFFICE

VILLAGE BARGODAM, TEHSIL KALKA, DISTT. PANCHKULA – 133 302
HARYANA
EMAIL : info@ syschem.in

CORPORATE OFFICE

SCO 825, 1ST FLOOR,
NAC, MANI MAJRA,
CHANDIGARH – 160 101
EMAIL- info@syschem.in
WEBSITE: www.syschem.in

AUDITORS

M/s Vinod Sumitra & Co.
#3130-P, SECTOR 22-D
CHANDIGARH – 160 022

COMPANY SECRETARY

Mrs. Amarjeet Kaur

CHIEF FINANCIAL OFFICER

Mr. Naresh Batra

BANKERS

PUNJAB NATIONAL BANK
SECTOR 22-D,
CHANDIGARH – 160 022

NOTICE

NOTICE is hereby given that 27th Annual General Meeting of the shareholders of Syschem (India) Limited will be held on Tuesday, the 24th day of November, 2020 at 3.00 P.M through Video Conferencing (VC) / Other Audio Visual Means (OAVM) to transact the following business. The venue for the meeting shall be deemed to be the Registered Office of the Company situated at Village Bargodam, Teh. Kalka, Distt. Panchkula, Haryana-133 302 :-

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2020 and the Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditor's thereon.

2. To appoint a Director in place of Mr. Suninder Veer Singh (DIN 07693557), who retires by rotation and being eligible, offers himself for re-appointment.

3. Appointment of Auditors and to fix their remuneration and for this purpose to consider and, if thought fit, to pass the following resolution with or without modification(s) as an ordinary resolution:

   "RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit & Auditors) Rules, 2014, M/s Singh V & Associates, Chartered Accountants, (Firm Registration No. 024510C) be and are hereby appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the Annual General Meeting of the Company to be held in 2025 at a remuneration plus Goods and Service Tax (GST) as applicable, to be fixed by the Board of Directors of the Company."

SPECIAL BUSINESS:

4. **TO APPROVE RELATED PARTY TRANSACTIONS AND TO CONSIDER AND, IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS ORDINARY RESOLUTION:**

   "RESOLVED THAT pursuant to the provisions of Section 188 of the Companies Act, 2013 read with Companies (Meeting of Board and Its Powers) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 and provisions of Regulation 23(8) of the SEBI (Listing Obligations and Disclosure Requirement), 2015 including statutory modification(s) or re- enactment thereof for the time being in force and as may be enacted from time to time, approval / ratification of the members be and is hereby accorded for the related party contracts for the transactions of sale and purchase with the related parties as detailed in the Explanatory Statement on such terms and conditions as defined in the related party contracts.

   RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do or cause to be done all such acts, deeds and things, settle any queries, difficulties, doubts that may arise with regard to any transactions with the related party, make such changes to the terms and conditions as may be considered necessary or desirable in order to give effect to this resolution in the best interest of the Company."

5. **APPROVE THE REMUNERATION OF THE COST AUDITORS FOR THE FINANCIAL YEAR ENDING MARCH 31, 2021 & TO CONSIDER AND IF THOUGHT FIT, TO PASS, WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS ORDINARY RESOLUTION:**

   "RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any Statutory Modification(s) or re-enactment thereof, for the time being in force), M/s C.L. Bansal &

Associates, Cost Auditors appointed by the Board on the recommendation of the Audit Committee of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2021, be paid the remuneration as set out in the Statement annexed to the Notice convening this Meeting;

"RESOLVED FURTHER THAT the Board of Directors of the Company or the Company Secretary, be and are hereby authorised to do all deeds and things which are necessary for the aforesaid appointment and to send the necessary intimation in prescribed form to Registrar of Companies".

6. TO APPOINT MR. RAHUL GOYAT AS DIRECTOR OF THE COMPANY AND TO CONSIDER AND, IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS ORDINARY RESOLUTION:

RESOLVED THAT pursuant to the Provisions of Sections 149, 152, Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors), Rules 2014 (including any statutory modification(s) or re-enactments thereof for the time being in force and Regulation 26 of the Listing Regulations, Mr Rahul Goyat (DIN 08602881), who was appointed as an additional Director of the Company on 05.11.2019 by the Board of Directors, who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member of the Company under Section 160 (1) of the Companies Act, 2013, proposing his candidature for the office of Director, be and is hereby appointed as Independent Director of the Company, not liable to retire by rotation to hold office for 5 (Five) consecutive years commencing from 5th November, 2019 upto 4th November, 2024."

7. TO CONSIDER PAYMENT OF REMUNERATION TO MR. RANJAN JAIN, WHOLETIME DIRECTOR AND TO CONSIDER AND, IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS SPECIAL RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197 and 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as the "Act") and the Rules framed thereunder, (including any statutory modifications or re-enactment thereof, for the time being in force) and the Articles of Association of the Company and subject to such other approvals as may be necessary, the approval of the Members be and hereby accorded for the payment of the remuneration to Mr. Ranjan Jain (DIN: 00635274), Wholetime Director, for the remaining period of two years of his existing tenure viz., from June 16, 2020 to June 15, 2022.

RESOLVED FURTHER THAT the terms of remuneration as set out in the Explanatory Statement of this Resolution shall be deemed to form part hereof and in the absence or inadequacy of profits in any financial year during the tenure of Mr. Ranjan Jain as aforesaid, the Company shall pay remuneration to Mr. Ranjan Jain as per his entitlement, subject to approval of other Statutory Authorities concerned, provided that such remuneration shall not exceed the limits specified under Schedule V to the Companies Act, 2013 or such limits as may be prescribed by the Central Government from time to time;

FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorized to do all acts, deeds, matters and things as may be necessary and expedient to give effect to the aforesaid Resolution."

8. TO CONSIDER PAYMENT OF REMUNERATION TO MR. SUNINDER VEER SINGH, MANAGING DIRECTOR AND TO CONSIDER AND, IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS SPECIAL RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197 and 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as the "Act") and

the Rules framed thereunder, (including any statutory modifications or re-enactment thereof, for the time being in force) and the Articles of Association of the Company and subject to such other approvals as may be necessary, the approval of the Members be and hereby accorded for the payment of the remuneration to Mr. Suninder Veer Singh (DIN: 07693557), Managing Director, for the remaining period of two years of his existing tenure viz., from June 16, 2020 to June 15, 2022.

RESOLVED FURTHER THAT the terms of remuneration as set out in the Explanatory Statement of this Resolution shall be deemed to form part hereof and in the absence or inadequacy of profits in any financial year during the tenure of Mr. Suninder Veer Singh as aforesaid, the Company shall pay remuneration to Mr. Suninder veer Singh as per his entitlement, subject to approval of other Statutory Authorities concerned, provided that such remuneration shall not exceed the limits specified under Schedule V to the Companies Act, 2013 or such limits as may be prescribed by the Central Government from time to time;

FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorized to do all acts, deeds, matters and things as may be necessary and expedient to give effect to the aforesaid Resolution."

Place: Chandigarh
Date: 26/10/2020

By order of the Board of Directors
For **SYSCHEM (INDIA) LIMITED**

Suninder Veer Singh
(Managing Director)
DIN : 07693557

NOTES :

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC / OAVM.

2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

3. The Members can join the AGM in the VC / OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC / OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

4. The attendance of the Members attending the AGM through VC / OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.

5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.

6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.syschem.in. The Notice can also be accessed from the websites of the Stock Exchanges i.e. B S E Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.

7. The AGM has been convened through VC / OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 Dated April 8, 2020 and MCA Circular No. 17/2020 Dated April 13, 2020 and MCA Circular No. 20/2020 Dated May 05, 2020.

8. In compliance with the aforesaid MCA Circulars and SEBI Circular Dated May 12, 2020, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company / Depositories. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website www.syschem.in website of the Stock Exchange i.e. B S E Limited at www.bseindia.com.

9. In compliance with the MCA Circulars, the Company has published a public notice by way of an advertisement made in Jansatta (In Hindi) and Financial Express (In English), advising the members whose e-mail ids are not registered with the Company, its Registrar and Share Transfer Agent (RTA) or Depository Participant(s) (DPs), as the case may be, to register their e-mail ids with them.

10. The Explanatory Statement as required under Section 102 of the Companies Act, 2013, in respect of item Nos. 4 to 8 of the Notice convening the Meeting is annexed hereto.

11. Since AGM will be held through VC / OAVM, the Route Map is not annexed in the Notice.

12. Members holding shares in physical form are requested to notify / send the following to the Registrar & Transfer Agent (RTA) of the Company M/s Beetal Financial & Computer Services Private Limited, having their office at Beetal House, 3rd Floor, 99, Madangir, Bh. Local Shopping Complex, Near Dada Harsukhdas Mandir, New Delhi – 110 062. Ph No. : 011-29961281-82.

    a. their **E-mail ID**, in case the same have not been sent earlier, for the purpose of receiving the communication electronically
    b. any change in their address / E-mail ID / ECS Mandate / Bank details
    c. Share Certificate(s), held in multiple accounts in identical names or joint accounts in the same order of names, for consolidation of such shareholding into one account
    d. their Bank account details in order to receive payment of dividend, whenever declared, through electronic mode, as and when it would be declared

    B. Members holding shares in dematerialized form are requested to notify to their Depository Participant :-

    a. their E-mail ID.
    b. all changes with respect to their address, E-mail ID, ECS mandate and Bank details.

13. The Securities and Exchange Board of India has notified that the shareholders / transferee of shares (including joint holders) holding shares in physical form are required to furnish a certified copy of their Income Tax Permanent Account Number (PAN) Card to the Company / RTA while transacting in the

securities market including transfer, transmission or any other corporate action. Accordingly, all the shareholders / transferees of shares (including joint holders) in physical form are requested to furnish a certified copy of their PAN Card to the Company / RTA while transacting in the securities market including transfer, transmission or any other corporate action.

14. The shares of the Company are under compulsory Demat trading. Members holding shares in physical form are requested to convert their shares into dematerialized form in their own interest and convenience purpose.

15. To support the Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with M/s Beetal Financial & Computer Services Private Limited in case the shares are held by them in physical form.

16. Details under Listing Regulations, 2015 in respect of the Directors seeking appointment / re-appointment at the AGM, is separately annexed hereto. The Directors seeking appointment / re-appointment have furnished the declaration under Rule 14 of the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Section 164(2) of the Companies Act, 2013 and other requisite declarations for their appointment / re-appointment.

17. Members holding shares in physical form and desirous of making a nomination or cancellation / variation in nomination already made in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013, are requested to submit to the RTA of the Company M/s Beetal Financial & Computer Services Pvt. Ltd. the prescribed Form SH 13 for nomination and Form SH 14 for cancellation / variation as the case may be. Members holding shares in demat mode may contact their respective Depository Participant for availing this facility.

18. Pursuant to the provisions of Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company will remain closed from 19-11-2020 to 24-11-2020 (both days inclusive) for the purpose of AGM.

19. 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.

20. Members are advised to refer to the Shareholders General Information as provided in the Annual Report.

THE INTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING ARE AS UNDER:

(i) The voting period begins on 21.11.2020 at 9.00 A.M. and ends on 23.11.020 at 5.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 23.10.2020 (record date) may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) The shareholders should log on to the e-voting website www.evotingindia.com.

(iv) Click on "Shareholders" module.

(v) 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. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

OR

Alternatively, if you are registered for CDSL's **EASI / EASIEST** e-services, you can log-in at https://www.cdslindia.com from Login - Myeasi using your login credentials. Once you successfully log-in to CDSL's **EASI / EASIEST** e-services, click on **e-Voting** option and proceed directly to cast your vote electronically.

(vi) Next enter the Image Verification as displayed and Click on Login.

(vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

(viii) If you are a first time user follow the steps given below :

	For Shareholders holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Departme (Applicable for both demat shareholders as well as physical shareholders) • Shareholders who have not updated their PAN with the Company / Depository Participant are requested to use the sequence number sent by Company / RTA or contact Company / RTA.
Dividend Bank Details **OR** Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as record in your demat account or in the Company records in order to login. • 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 (v).

(ix) After entering these details appropriately, click on "SUBMIT" tab.

(x) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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.

(xi) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

(xiii) 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.

(xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.

(xv) 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.

(xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

(xvii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.

(xviii) 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.

(xix) Shareholders can also cast their vote using CDSL’s mobile app “**m-Voting”.** The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE :

1. For Physical shareholders - please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company / RTA Email ID**.

2. For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to **Company / RTA Email ID**.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC / OAVM ARE AS UNDER:

1. Shareholder will be provided with a facility to attend the EGM / AGM through VC / OAVM through the CDSL e-Voting system. Shareholders may access the same at https://www.evotingindia.com under shareholders / members login by using the remote e-voting credentials. The link for VC / OAVM will be available in shareholder / members login where the EVSN of Company will be displayed.

2. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.

3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio / Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Shareholders who would like to express their views / ask questions during the meeting may register themselves as a speaker by sending their requesting advance atleast 10 **days prior to meeting** mentioning their name, Demat Account number / Folio Number, Email ID, Mobile Number at (Company Email ID). The shareholders who do not wish to speak during the AGM but have queries

may send their queries in advance 10 **days prior to meeting** mentioning their name, Demat Account Number / Folio Number, Email ID, Mobile Number at (Company Email ID). These queries will be replied to by the Company suitably by Email.

6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views / ask questions during the meeting.

INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.

2. Only those shareholders, who are present in the AGM through VC / OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.

3. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC / OAVM facility , then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

4. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

(xx) **Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution / Authority Letter etc. together with attested specimen signature of the duly Authorized Signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; info@syschem.in, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022-23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon

Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai – 400 013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542 / 43.

Place: Chandigarh
Date: 26/10/2020

By order of the Board of Directors
for **SYSCHEM (INDIA) LIMITED**

SD/-
Suninder Veer Singh
(Managing Director)
DIN : 07693557

EXPLANATORY STATEMENT PURSUANT TO PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 3

M/s Vinod Sumitra & Co., Chartered Accountants, Chandigarh, who was appointed as Statutory Auditors of the Company in the Annual General Meeting held on 30.09.2017 to hold office till the conclusion of Annual General Meeting to be held in the year 2022 resigned from the position of statutory Auditor w.e.f. 10.08.2020. On the recommendation of Audit Committee, the Board of Directors in its meeting held on 25th August, 2020 has appointed M/s. Singh V & Associates, Chartered Accountants (Firm Registration 024510C) as Statutory Auditors of the Company w.e.f. August 25, 2020 to fill the casual vacancy caused due to resignation of erstwhile Auditors. M/s Singh V & Associate, are appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the Annual General Meeting of the Company to be held in 2025. The Auditors have confirmed that their appointment, if made, would be within the limits prescribed under the Act. Brief profile of the Statutory Auditor is as follows:

- M/s Singh V & Associates (FRN 024510C) is a partnership firm having three partners namely CA Varinder Singh (M No. 542573), CA Tarun Kumar (M. No. 546172) and CA Anshul (M. No. 550520).
- The firm was constituted in the year 2018 and is peer reviewed and having its office at Chandigarh.
- All partners have a vast experience in Statutory Audits, Tax Audits, Internal Audits, Concurrent Audits.
- Partners are also having expertise in the field of Income Tax And GST.

ITEM NO. 4

Impetus Healthcare, a partnership Firm in which Mr Suninder Veer Singh, Managing Director of the Company is a partner is a 'Related Party' within the meaning of Section 2 (76) of the Companies Act, 2013 and Regulation 2 (1)(zb) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR"). The Board of Directors of the Company had, on the recommendation of the Audit Committee, passed a resolution at its meeting held on 24th April, 2020, approving the Sale & purchase of raw material and finished goods upto a value of Rs. 50.00 Crores to and from Impetus Healthcare.

The proposed transaction shall amount to a material related party transaction in terms of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, thus requiring approval of the members. Further, the provisions of Section 188 of Companies Act, 2013 requires prior approval of Board of Directors and in case the Paid-up Share Capital of the Company is Rs.10.00 crores or more, the prior approval of Shareholders by way of Ordinary Resolution is required.

The following disclosure(s) for rendering of any services to the related party is made in accordance with the provisions of Section 188 of the Companies Act, 2013 and Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014:

a	Name of the related party	Impetus Healthcare
b	Name of the Director or Key Managerial Personnel who is related, if any	Mr. Suninder Veer Singh, Managing Director
c	Nature of relationship	A firm in which Mr. Suninder Veer Singh is a partner
d	Nature, material terms, monetary value and particulars of the contract or arrangement	Sale & purchase of raw material and finished goods upto Rs. 50.00 crores
e	Any Advance Paid Or Received For The Contract Or Arrangement, If any	Nil
f	The Manner of determining the pricing and other commercial terms, both included as part of contract and not considered as part of the contract	The pricing is commensurate with the general trend in the industry for other development managers and is at the rates prevalent in the market for such services.
g	Whether all factors relevant to the contract have been considered, if not, the details of factors not considered with the rationale for not considering those factors;	Yes
h	Any other information relevant or important for the members to take a decision on the proposed resolution	The transaction for entering into agreement for providing services with its related parties is on 'arm's length' basis and is advantageous for the Company considering the experience of the related party and shall be in compliance with Section 188 and other applicable provisions of the Companies Act, 2013 and the rules thereto.

None of the Directors and key managerial personnel of the Company or their relatives are concerned or interested in the resolution except Mr Suninder Veer Singh, Managing Director of the Company.

The Board recommends passing of the proposed Ordinary Resolution.

ITEM NO.5:

The Board on the recommendation of the Audit Committee has approved the appointment of M/s. C.L. Bansal & Associates, Cost Auditors at remuneration of Rs. 60,000/- plus Goods and Service Tax (GST) as applicable to conduct the audit of the cost records of the Company for the financial year ending March 31, 2021.

In accordance with the provisions of the Sec 148 of the Act read with the Companies (Audit & Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly consent of the members is sought. The Directors recommends the resolution for members' approval as an Ordinary Resolution. None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise in this resolution.

ITEM NO 6:

Mr. Rahul Goyat (DIN 08602881) was appointed as an Additional Director of the Company with effect from 05.11.2019. In terms of Section 161 (1) of the Companies Act, 2013, Mr. Rahul Goyat (DIN 08602881) holds office only upto the date of the forthcoming Annual General Meeting but he is eligible for appointment as a

Director. A Notice under Section 160(1) of the Companies Act, 2013 has been received from a member signifying his intention to propose Mr. Rahul Goyat's appointment as Director of the Company for five years.

Mr. Rahul Goyat is graduate and has expertise in the field of Business and Management. He is appointed as Chairman of Audit Committee and Stakeholders Relationship Committee.

The Board recommends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the shareholders.

ITEM NO 7:

The Members of the Company vide EGM dated 17.07.2017, had appointed Mr. Ranjan Jain as the Chairman and Managing Director of the Company for a tenure of five years effective from June 16, 2017 to June 15, 2022. In the AGM held on 28.09.2019, the designation of Mr. Ranjan Jain was changed to Wholetime Director while all other terms and conditions remaining the same. Pursuant to Section II of Part II of Schedule V to the Companies Act, 2013, the remuneration payable to Mr. Ranjan Jain was approved for a period of three years w.e.f. June 16, 2017 to June 15, 2020. The approval of the Members pursuant to Section 197(1) of the Companies Act, 2013 as amended from time to time is now sought for the remuneration payable to Mr. Ranjan Jain as Wholetime Director of the Company for the remaining period of 2 years out of his existing tenure i.e. from June 16, 2020 to June 15, 2022 subject to such other approvals as may be necessary. In accordance with the Schedule V and other applicable provisions of the Companies Act, 2013, on the recommendation made by the Nomination & Remuneration Committee of the Company at its meeting held on 5th November, 2019, the Board of Directors of the Company at its meeting held on 24th April, 2020 have approved the payment of remuneration as detailed above, subject to such other approvals as may be necessary, as minimum remuneration to Mr. Ranjan Jain in the absence or inadequacy of profits in any Financial Year(s) during his remaining tenure i.e. upto June 15, 2022. The details are set out below:

Remuneration proposed: Upto Rs.2,00,000/- per month.

The aforesaid remuneration of Mr. Ranjan Jain falls within the maximum ceiling limits specified under Section 197 and other applicable provisions of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and provisions of the Rules framed thereunder.

The statement as required under Section II, Part II of the Schedule V of the Companies Act, 2013 with reference to Special Resolution at Item No. 7 is annexed hereto as Annexure 1.

None of the Directors, Key Managerial Personnel of the Company and their relatives other than Mr. Ranjan Jain, is in any way concerned or interested, financial or otherwise, in the said Resolution. The Board of Directors recommends the Special Resolution set out at Item No. 7 of the Notice for approval by the Members.

ANNEXURE 1: THE STATEMENT CONTAINING ADDITIONAL INFORMATION AS REQUIRED IN SCHEDULE V OF THE COMPANIES ACT, 2013:

I General Information		
1	Nature of Industry	Pharmaceutical Industry
2	Date or expected date of commencement of Commercial Production	Not applicable Manufacturing unit of the Company is already in production a expansion project is going on
3	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable
4	Financial performance based on giv indicators	

Particulars	**2017-18**	**2018-19**	**2019-20**
(Rs. In Lakh)			
Net Revenue from operations	7658.89	10959.95	8801.60
Other Income	0.33	8.43	9.02
Total	7659.22	10968.39	8810.62

		Profit/Loss before Tax	60.15	150.31	(220.03)
		Tax Expenses	26.42	75.06	(34.72)
		Net Profit / Loss after Tax	33.73	75.25	(185.31)
5	Foreign investments or collaborations any.	Not applicable			
II Information about the appointee					
1	Background details	Mr. Ranjan Jain, S/o Sh. Dharam Das Jain, R/o House No: 1691 Sector 33-D Chandigarh 160 022 is a commerce graduate. He has vast knowledge, experience and expertise in the field of Finance & Administration and his appointment shall be of immense benefit to the Company. He is having 25 years of experience in the chemical industry.			
	Past remuneration (Annual)	2019-20 Rs. 9,00,000			
	Recognition or awards	Nil			
	Job profile and his suitability	Looking after Finance & Administration and day to day activities of the Company			
	Remuneration proposed (Annual)	Rs. 24,00,000 per annum			
	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	The remuneration being paid and proposed is lower in pharmaceutical industry of the size of the Company and rich experience of the managerial personnel.			
	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	Mr. Ranjan Jain is a Director of the Company and is holding 480386 Equity Shares in the Company. Except directorship of the Company, no other pecuniary relationship directly or indirectly with Company			
III other information					
	Reasons of loss or inadequate profits	In the earlier financial years, the revenue earning of the company was very less due to inadequate market conditions and constraints of funds. The same has improved tremendously in the current financial year. The sales of the Company during the 2019-20 is Rs 8801.60 Lakh.			
	Steps taken or proposed to be taken for improvement	The Company has changed its product line from chemical production to pharmaceutical business. The Company is also strengthening its financial position through various means. The Company is hopeful of improving its position in the coming quarters of the year.			
	Expected increase in productivity a profits in measurable terms.	**YEAR**	**2020-2021**	**2021-2022**	**2022-2023 (Rs. in Lakh)**
		Turnover (Net of GST)	6,000.00	8,500.00	11,500.00
		EBITDA	-20.00	290.00	335.00
		Net Profit/(Loss)	-250.00	60.00	105.00

ITEM NO 8:

The Members of the Company vide EGM dated 17.07.2017, had appointed Mr. Suninder Veer Singh as the Joint Managing Director of the Company for a tenure of five years effective from June 16, 2017 to June 15, 2022. In the AGM held on 28.09.2019, the designation of Mr. Suninder Veer Singh was changed to Chairman cum Managing Director while all other terms and conditions remaining the same. Pursuant to Section II of Part II of Schedule V to the Companies Act, 2013, the remuneration payable to Mr. Suninder Veer Singh was approved for a period of three years w.e.f., June 16, 2017 to June 15, 2020. The approval of the Members pursuant to Section 197(1) of

the Companies Act, 2013 as amended from time to time is now sought for the remuneration payable to Mr. Suninder Veer Singh as Managing Director of the Company for the remaining period of 2 years out of his existing tenure from June 16, 2020 to June 15, 2022 subject to such other approvals as may be necessary. In accordance with the Schedule V and other applicable provisions of the Companies Act, 2013, on the recommendation made by the Nomination & Remuneration Committee of the Company at its meeting held on 5th November, 2019, the Board of Directors of the Company at its meeting held on 24th April, 2020 have approved the payment of remuneration as detailed above, subject to such other approvals as may be necessary, as minimum remuneration to Mr. Suninder Veer Singh in the absence or inadequacy of profits in any Financial Year(s) during his remaining tenure i.e. upto June 15, 2022. The details are set out below:

Remuneration proposed: Upto Rs.2,00,000/- per month.

The aforesaid remuneration of Mr. Suninder Veer Singh falls within the maximum ceiling limits specified under Section 197 and other applicable provisions of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and provisions of the Rules framed thereunder.

The statement as required under Section II, Part II of the Schedule V of the Companies Act, 2013 with reference to Special Resolution at Item No. 7 is annexed hereto as Annexure 1.

None of the Directors, Key Managerial Personnel of the Company and their relatives other than Mr. Suninder veer Singh, is in any way concerned or interested, financial or otherwise, in the said Resolution. The Board of Directors recommends the Special Resolution set out at Item No. 8 of the Notice for approval by the Members.

ANNEXURE 1: THE STATEMENT CONTAINING ADDITIONAL INFORMATION AS REQUIRED IN SCHEDULE V OF THE COMPANIES ACT, 2013:

I General Information		
1	Nature of Industry	Pharmaceutical Industry
2	Date or expected date of commencement of Commercial Production	Not applicable Manufacturing unit of the Company is already in production and expansion project is going on
3	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable
4	Financial performance based on given indicators	

Particulars	**2017-18**	**2018-19**	**2019-20**
(Rs. In Lakh)			
Net Revenue from operations	7658.89	10959.95	8801.60
Other Income	0.33	8.43	9.02
Total	7659.22	10968.39	8810.62
Profit / Loss before Tax	60.15	150.31	(220.03)
Tax Expenses	26.42	75.06	(34.72)
Net Profit / Loss after Tax	33.73	75.25	(185.31)

5	Foreign investments or collaborations, if any.	Not applicable
II Information about the appointee		
1	Background details	Mr. Suninder Veer Singh, S/o Sh. Lakhbir Singh, R/o House No: House No. 257 Anand Nagar-A, Tripuri Town Patiala 147001 is MBA Marketing. He has vast knowledge, experience and expertise in the field of Marketing and his appointment shall be of immense benefit to the Company. He is having 18 years of experience in the field of marketing.
	Past remuneration (Annual)	2019-20 Rs. 11,25,000
	Recognition or awards	Nil
	Job profile and his suitability	Looking after Finance & Administration and day to day

		activities of the Company
	Remuneration proposed (Annual)	Rs. 24,00,000 per annum
	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	The remuneration being paid and proposed is lower in pharmaceutical industry of the size of the Company and rich experience of the managerial personnel.
	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	Mr. Suninder Veer Singh is a Director of the Company and is holding 10,59,180 Equity Shares in the Company. The Company has some business transactions at arm's length with Impetus Healthcare, a partnership firm in which Mr. Suninder Veer Singh is a partner.
III other information		
	Reasons of loss or inadequate profits	In the earlier financial years, the revenue earning of the Company was very less due to inadequate market conditions and constraints of funds. The same has improved tremendously in the current financial year. The sales of the Company during the 2019-20 is Rs 8801.60 Lakh.
	Steps taken or proposed to be taken for improvement	The company has changed its product line from chemical production to pharmaceutical business. The Company is also strengthening its financial position through various means. The Company is hopeful of improving its position in the coming quarters of the year.
	Expected increase in productivity and profits in measurable terms.	

YEAR	**2020-2021**	**2021-2022**	**2022-2023 (Rs. in Lakh)**
Turnover (Net of GST)	6,000.00	8,500.00	11,500.00
EBITDA	-20.00	290.00	335.00
Net Profit/(Loss)	-250.00	60.00	105.00

INFORMATION REGARDING DETAILS OF THE DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT IN ANNUAL GENERAL MEETING PURSUANT TO REGULATION 36 OF THE SEBI (LODR) REGULATIONS, 2015 FORMING PART OF THE CORPORATE GOVERNANCE REPORT

Name of Director Mr. Suninder Veer Singh

Date of appointment as Director 30.12.2016
Date of Birth 26.03.1974
Designation Managing Director

Mr. Suninder Veer Singh, who is liable to retire and being eligible, is proposed to be re-appointed as the Director of the Company in the ensuing Annual General Meeting.

Expertise in Specific Functional Area

Mr. Suninder Veer Singh is MBA Marketing. He has vast knowledge, experience and expertise in the field of Marketing and his appointment shall be of immense benefit to the Company. He is having 15 years of experience in the field of marketing.

Qualification: Post Graduate

List of other Directorships: NIL

Names of other listed entities in which person also holds the directorship **NIL**

Chairman / Member of the Committee of the Directors of Syschem (India) Ltd:	**1**
Chairman/Member of the Committee of the Directors Of other Companies	None
Shareholding in the Company as on the date of this report	10,59,180 Equity Shares

Relationship between Directors inter-se and relationship with Manager and other KMP :- None of the Directors, Manager or KMP of the Company is related to Mr. Suninder Veer Singh.

Terms of reappointment	: Appointed as Director liable to retire by rotation.
Remuneration	: Rs. 11,25,000 per annum
Remuneration sought to be paid	: Rs. 24,00,000 per annum
No. of meetings of Board attended during the FY 2019-20	: 5

Justification for appointment and Remuneration : Mr. Suninder Veer Singh is MBA Marketing. He has vast knowledge, experience and expertise in the field of Marketing and his appointment shall be of immense benefit to the Company. He is having more than 18 years of experience in the field of marketing.

INFORMATION REGARDING DETAILS OF THE DIRECTORS SEEKING APPOINTMENT / REAPPOINTMENT IN ANNUAL GENERAL MEETING PURSUANT TO REGULATION 36 OF THE SEBI (LODR) REGULATIONS, 2015 AND SECRETARIAL STANDARDS FORMING PART OF THE CORPORATE GOVERNANCE REPORT

Name of Director	Mr. Rahul Goyat
Date of appointment as Director	05.11.2019
Date of Birth	25.07.1993
Designation	Independent Director

Mr. Rahul Goyat is appointed as Non-Executive Independent Director of the company.

Expertise in Specific Functional Area

Mr. Rahul Goyat (DIN 08602881) has expertise in General Administration.

Qualification:	Graduation
List of other Directorships:	NIL
Names of other listed entities in which person also holds the directorship	NIL
Chairman / Member of the Committee of the Directors of Syschem (India) Ltd:	**2**
Chairman / Member of the Committee of the Directors of other Companies	None
Shareholding in the Company as on the date of this report	NIL

Relationship :- None of the Directors, Manager or KMP of the Company is related to Mr. Rahul Goyat.

Terms of reappointment : Appointed as Independent Director for a period of 5 years.

Remuneration : Nil
Remuneration sought to be paid : Nil
No. of meetings of Board attended during the FY 2019-20: 4
Justification for appointment and Remuneration : He has expertise in Business and Management.

DIRECTORS' REPORT

Dear Members,

The Directors have pleasure in presenting before you the 27th Annual Report together with the Audited Accounts of the Company for the year ended 31st March, 2020.

FINANCIAL RESULTS :-

The financial results of the Company for the year under review are summarized for your consideration:

Particulars	2019-2020 (Amount in Lakh)	2018-2019 (Amount in Lakh)
Gross Income	8810.62	10968.38
Expenses	8813.87	10602.10
Profit / Loss Before Interest and Depreciation	(-3.25)	366.28
Interest	1.79	1.19
Depreciation	214.99	214.78
Exceptional Item	-	-
Net Profit / (Loss) Before Tax	220.03	150.31
Provision for Tax	-	-
Deferred Tax	(34.72)	(75.06)
Net Profit / (Loss) After Tax	(185.31)	75.25

STATE OF COMPANY'S AFFAIRS / BRIEF DESCRIPTION OF THE COMPANY'S WORKING DURING THE YEAR / HIGHLIGHTS / OPERATIONS

During the year under review, your Company registered a total revenue of Rs. 8810.62 lakh which is 19.67% less than the revenue of the previous year. Due to adverse market conditions, the Company had a net loss of Rs. 185.31 lakh as compared to net profit of Rs. 75.25 Lakh during the previous year. The management is optimistic about the future growth of the Company.

DIVIDEND :-

Your Directors have not recommended any dividend in the current financial year.

GENERAL RESERVE:

The Company has not transferred any amount to any reserves.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

The provisions of Section 125(2) of the Companies Act, 2013 do not apply to the Company as there were no amounts due to be transferred to the fund during the year under review.

DIRECTORS

In accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company, Mr. Suninder Veer Singh (DIN 07693557), Director of the Company retire by rotation in the ensuing Annual General Meeting and being eligible offer himself for re-appointment. Mr. Rahul Goyat was appointed as Additional director independent during the year. He is proposed to be appointed as Independent Director for a period of Five years commencing from 05.11.2019.

DECLARATION BY INDEPENDENT DIRECTORS

All Independent Directors of the Company have given declarations that they meet the criteria of Independence as laid down under Section 149 (6) of the Companies Act, 2013 and Regulation 25 of SEBI (LODR) Regulations.

KEY MANAGERIAL PERSONNEL

The Key Managerial Personnel (KMP) in the Company as per Section 2(51) and 203 of the Companies Act, 2013 are as follows:

Name	Designation
Mr. Suninder Veer Singh	Managing Director
Mr. Ranjan Jain	Wholetime Director
Ms. Amarjeet Kaur	Company Secretary
Mr. Naresh Batra	Chief Financial Officer

SHARE CAPITAL

During the year under review, there is no change in the Share Capital of the Company. The Authorised capital of the Company is Rs. 25,00,00,000 comprising of 2,30,00,000 equity shares of Rs. 10/- each and 2,00,00,000 preference shares of Rs. 1/- each. Issued, paid up and subscribed Share Capital of the Company is Rs. 19,79,04,000 comprising of 1,87,90,400 shares of Rs. 10/- each and 1,00,00,000 preference shares of Rs. 1/- each.

- The Company has not bought back any of its securities during the year under review.
- The Company has not issued any Sweat Equity Shares during the year under review.
- No Bonus Shares were issued during the year under review.

OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company has zero tolerance policy in case of sexual harassment at workplace and is committed to provide a healthy environment to each and every employee of the Company. The Company has in place “Policy for Prevention and Redressal of Sexual Harassment” in line with the requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (hereinafter referred to as ‘the said Act’) and Rules made there under. As per the provisions of Section 4 of the said Act, the Board of Directors has constituted the Internal Complaints Committee (ICC) at the Registered Office of the Company to deal with the Complaints received by the Company pertaining to gender discrimination and sexual harassment at workplace.

Further, as per the provisions of Section 21& 22 of the aid Act, the Report in details of the number of cases filed under Sexual Harassment and their disposal for the financial year under review, is as under:

Sr No	No. of cases pending as on the beginning of the financial year under review	No. of complaints filed during the financial year under review	No. of cases pending as on the end of the financial year under review
1.	NIL	NIL	NIL

EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS

There is no event occurred subsequent to the date of Financial Statements.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAS OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:

During the Financial Year 2020-21, the company has issued and allotted 27,50,000 Equity Shares of Rs. 10/- each on preferential basis to non-promoters of the Company by taking permission of the shareholders through postal ballot thereby increasing the issued, subscribed and Paid Up Share Capital to 2,15,40,400 Equity Shares of Rs. 10/- each

MAJOR CHANGES HAPPENING DURING THE FINANCIAL YEAR

Your Directors wish to inform that there have not been any changes during the Financial Year under review:

a. In the nature of Company's business

b. Generally in the class of business in which the Company has an interest.

LISTING WITH BSE LIMITED

The Equity Shares of the Company are listed at BSE Limited and are being regularly traded on the Main Board of Exchange.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO

The requisite information has been given by way of an Annexure D-1 to this Report.

INSIDER TRADING

The Board of Directors has adopted The Code Of Conduct For Prevention Of Insider Trading in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015. The Insider trading policy of the Company lays down guidelines and procedures to be followed and disclosures to be made while dealing with shares of the Company, as well as the consequences of violation.

CORPORATE GOVERNANCE

Your Company is committed to maintain the highest standards of Corporate Governance. As required under Listing Regulations, 2015, Report on Corporate Governance is annexed herewith and forms a part of this Annual Report. A Certificate from Mr. Anil Negi, a Practicing Company Secretary confirming compliance with the conditions of Corporate Governance is also annexed with the Annual Report.

BUSINESS RESPONSIBILITY REPORT

Regulation 34 (2) (f) the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not applicable to the Company.

POLICY ON DIRECTORS APPOINTMENT AND POLICY ON REMUNERATION

Pursuant to the requirement under Section 134(3)(e) and Section 178(3) of the Companies Act, 2013, the policy on appointment of Board members including criteria for determining qualifications, positive attributes, independence of a Director and the policy on remuneration of Directors, Key Management Personnel and other employees is attached as Annexure D-2, which forms part of this report.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

Management Discussion & Analysis Report for the year under review, as stipulated under Part B of Schedule V to the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is presented in a separate section as Annexure D-3 forming part of this Annual Report.

PARTICULARS OF REMUNERATION OF DIRECTORS / KMP / EMPLOYEES:-

The information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be

provided upon request. In terms of Section 136 of the Companies Act 2013, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard. The details under Section 197 (12) of the Companies Act, 2013 read with Rules 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given as Annexure D-4.

NUMBER OF MEETINGS OF BOARD

During the year 2019-20, 6 (Six) Board Meetings were held including 1 (One) Independent Directors meeting as required under Schedule IV of Companies Act, 2013 and as per Listing Regulations, 2015.

Date of Board Meeting	No. of Directors entitled	Attendance of Directors
30.05.2019	5	3
06.08.2019	5	4
05.11.2019	6	5
21.01.2020	6	5
14.03.2020	6	5
15.03.2020 (Independent Director Meeting)	3	3

PERFORMANCE EVALUATION OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

Pursuant to applicable provisions of the Companies Act, 2013 and the Listing Regulations, the Board, in consultation with its Nomination & Remuneration Committee, has formulated a framework containing, inter-alia, the criteria for performance evaluation of the entire Board of the Company, its Committees and Individual Directors, including Independent Directors. Accordingly, following is the criteria for evaluation:-

a. Criteria for evaluation of the Board of Directors as a whole :
   i. The Frequency of Meetings
   ii. Quantum of Agenda
   iii. Administration of Meetings
   iv. Flow and quantity of Information from the Management to the Board
   v. Number of Committees and their role.
   vi. Overall performance of the Company
b. Criteria for evaluation of the Individual Directors including Independent Directors;
   i. Experience and ability to contribute to the decision making process
   ii. Problem solving approach and guidance to the Management
   iii. Attendance and Participation in the Meetings
   iv. Personal competencies and contribution to strategy formulation
   v. Contribution towards Statutory compliances, monitoring of controls and Corporate Governance

The Independent Directors had met separately on 14.02.2019 without the presence of Non-Independent Directors and the members of management and discussed, inter-alia, the performance of non-Independent Directors and Board as a whole and the performance of the Chairman of the Company after taking into consideration the views of Executive and Non-Executive Directors.

The Nomination and Remuneration Committee has also carried out evaluation of every Director`s performance. The performance evaluation of all the Independent Directors have been done by the entire Board, excluding the Director being evaluated. On the basis of performance evaluation done by the Board, it shall be determined whether to extend or continue their term of appointment, whenever the respective term expires. The Directors express their satisfaction with the evaluation process.

STATUTORY AUDITORS & AUDITORS REPORT:-

M/s Vinod Sumitra & Co., Chartered Accountants, Chandigarh, who was appointed as Statutory Auditors of the Company in the Annual General Meeting held on 30.09.2017 to hold office till the conclusion of Annual General Meeting to be held in the year 2022 resigned from the position of statutory Auditor w.e.f. 10.08.2020. On the recommendation of Audit Committee, the Board of Directors in its meeting held on 25th August, 2020 has appointed M/s. Singh V & Associates, Chartered Accountants (Firm Registration 024510C) as Statutory Auditors of the Company w.e.f. August 25, 2020 to fill the casual vacancy caused due to resignation of erstwhile Auditors. M/s Singh V & Associate, are appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the Annual General Meeting of the Company to be held in 2025. The Auditors have confirmed that their appointment, if made, would be within the limits prescribed under the Act.

There are some qualifications or observations marked by the auditors in the Auditors' Report regarding the Company has not paid the statutory dues. The Company is taking steps to clear all the dues shortly.

SECRETARIAL AUDITORS AND THEIR REPORT

Mr. Anil Negi (M. No. 46547), a Company Secretary in practice having CP No. 17213, was appointed as Secretarial Auditor of the Company for the Financial Year 2019-20 pursuant to Section 204 of the Companies Act, 2013. The Secretarial Audit Report submitted by him in the prescribed form MR- 3 is attached as Annexure D-5 and forms part of this report.

There are qualifications or observations or other remarks by the Secretarial Auditors in the Report issued which were duly complied with in the December Quarter ended on 31.12.2019.

FRAUDS REPORTED BY AUDITORS

There are no frauds reported by Auditors under sub-section (12) of section 143 including those which are reportable to the Central Government.

DISCLOSURE ABOUT COST AUDIT

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with Notifications/Circulars issued by the Ministry of Corporate Affairs from time to time and as per the recommendation of the Audit Committee, the Board of Directors at their meeting dated 25.08.2020, appointed M/s. C.L. Bansal & Associates, Cost Accountants as the Cost Auditors of the Company for the financial year 2020-2021. The remuneration proposed to be paid to the Cost Auditor, subject to the ratification by the members at the ensuing AGM, would not be exceeding Rs. 60,000/- (Rupees Sixty Thousand Only) plus out of pocket expenses, if any.

CONSOLIDATED FINANCIAL STATEMENTS

Consolidation of financial statement In terms of Rule 6 of Companies (Accounts) Rules, 2014, are not applicable as Company does not have any subsidiary or associates.

INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY

As required pursuant to provisions of section 134(1) (e) of the Act, the Company has a well placed, proper and adequate internal financial control system, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is well defined in the Organization. The internal financial control system ensures that all assets are safeguarded and protected and that the transactions are authorized, recorded and reported correctly.

DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT

The Company has in place comprehensive risk assessment and minimization procedures, which are reviewed by the Board periodically. During the year, as per the requirements of Listing Agreement with the Stock Exchanges, a Risk Management Committee was constituted by the Board of Directors with responsibility of preparation of Risk Management Policy, reviewing and monitoring the same on regular basis, to identify and review critical risks on regular basis The risks faced by the Company and their minimization procedures are assessed by the Board. Further, the Company identifies risks, and control systems are instituted to ensure that the risks in each business process are mitigated. The Board provides oversight and reviews the Risk

Management Policy on a regular basis. In the opinion of the Board there has been no identification of elements of risk that may threaten the existence of the Company.

DETAILS OF THE PERFORMANCE OF THE SUBSIDIARY / ASSOCIATE OR JOINT VENTURE

The Company does not have any Subsidiary / Joint Ventures / Associate Companies. Hence, the provisions regarding incorporation of a separate segment for disclosure of the financial positions and performance of the Subsidiary, Associate and Joint Venture companies is not applicable to the Company

DEPOSITS

The Company has neither accepted nor renewed any deposits during the Financial Year 2019-20 in terms of Chapter V of the Companies Act, 2013. Information in this regard, therefore, is NIL.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERNS STATUS AND COMPANY`S OPERATIONS IN FUTURE

The Company has not received any significant or material orders passed by any Regulatory Authority, Court or Tribunal which shall impact the going concern status and Company's operations in future.

AUDIT COMMITTEE

The Directors wish to inform that in Compliance with Section 177 of the Companies Act, 2013 and Regulation 18 of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 an Audit Committee has been duly constituted. The Audit Committee as on March 31, 2020 comprises of the following Independent Directors :

Mr. Rahul Goyat	Independent Director, Chairman
Ms. Neena Kumar	Independent Director, Member
Ms. Sidhu Jasvirkaur Daljeetsingh	Independent Director, Member
Ms. Neena Batra	Non-Executive Non-Independent Director, Member

Details of the Audit Committee have been separately given in the Corporate Governance report. Further, all recommendations of Audit Committee were accepted by the Board of Directors.

NOMINATION & REMUNERATION COMMITTEE

In terms of Regulation 19 of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to the provisions of Section 178 of the Companies Act, 2013, Nomination & Remuneration Committee as on March 31, 2020 comprises of the following Directors :

Ms. Neena Kumar	Independent Director, Chairman
Ms. Sidhu Jasvirkaur Daljeetsingh	Independent Director, Member
Ms. Neena Batra	Non-executive Non- Independent Director, Member

The details of Remuneration Policy and the Committee are furnished in the Report on Corporate Governance, which is annexed herewith.

STAKEHOLDERS RELATIONSHIP COMMITTEE

In terms of Regulation 20 of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has constituted Stakeholders Relationship Committee with following composition as on March 31, 2020 :-

Mr. Rahul Goyat	Independent Director, Chairman
Mr. Ranjan Jain	Wholetime Managing Director, Member

Mr. Suninder veer Singh	Managing Director, Member

EXTRACT OF ANNUAL RETURN

The extract of Annual Return as on March 31, 2020 in the prescribed Form No. MGT-9, pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12 (1) of the Companies (Management and Administration) Rules, 2014 is attached herewith as Annexure D-6 and forms part of this Report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

Pursuant to Section 134(3)(g) of the Companies Act, 2013 particulars of loans, guarantees or investments under Section 186 of the Act as at end of the Financial Year 2019-20 are attached as Annexure D-7 which forms part of this report.

CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES UNDER SECTION 188(1) OF THE COMPANIES ACT, 2013

With reference to Section 134(3)(h) of the Companies Act, 2013, all contracts and arrangements with related parties under Section 188(1) of the Act, entered by the Company during the financial year, were in the ordinary course of business and on an arm's length basis. Hence, provisions of Section 188 (1) are not applicable. However, as these transactions were in the ordinary course of business and on an arm's length basis, in the opinion of the Board these transactions are justified to be executed. The detail of these transactions is given in Annexure D-8, which forms part of this report.

During the year, the Company had not entered into any contract or arrangement with related parties which could be considered 'material' according to the policy of the Company on Materiality of Related Party Transactions. Your attention is also drawn to the Related Party disclosures set out in Note no. 16 of the Financial Statements.

VIGIL MECHANISM

The Company has established a Vigil Mechanism cum Whistle Blower Policy in terms of Section 177 (10) of the Companies Act, 2013 and also in terms of Listing regulations, 2015. The details of the said Vigil Mechanism cum Whistle Blower Policy is given in the Corporate Governance Section, which is annexed herewith. The Vigil Mechanism cum Whistle Blower Policy is also available on the Company's website http://www.syschem.in/DOWNLOAD/Whistleblower_Policy.pdf.

DIRECTORS' RESPONSIBILITY STATEMENT

(a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
(b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the Profit and Loss of the Company for that period;
(c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
(d) the Directors had prepared the annual accounts on a going concern basis;
(e) the Directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
(f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

COMPLIANCE

The Company has devised proper systems to ensure compliance of all laws applicable to the Company and the compliance reports issued by the Departmental Heads are placed before the Board every Quarter confirming compliance by the Company with all applicable Laws.

CEO / CFO CERTIFICATION

In accordance with Regulation 17 (8) read with Part B of Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the CFO have submitted necessary certificate to the Board of Directors stating the particulars specified under the said Regulation. The Certificate has been reviewed by the Audit Committee and taken on record by the Board of Directors.

DEMATERIALIZATION OF SHARES

As mentioned in Company's earlier Annual Reports, the Company's Equity Shares are in compulsory Demat mode in terms of SEBI Guidelines. This has been facilitated through arrangement with NSDL and CDSL. About 98.4% of the shares of the Company are already in dematerialized form. M/s Beetal Financial & Computer Services Pvt. Limited, New Delhi is acting as the Registrar and Share Transfer Agents for this purpose and acts as common share agency in terms of SEBI Guidelines.

TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

CORPORATE INSOLVENCY RESOLUTION PROCESS INITIATED UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (IBC)

No Insolvency resolution process has been initiated / filed by a financial or operational creditor or by the Company itself under the IBC before the NCLT.

ACKNOWLEDGEMENT :-

Your Directors wish to express their sincere appreciation to valued Clients, Company's Bankers, Associates, Shareholders and Employees of the Company for their continued support & co-operation.

For & On Behalf of the Board	**For & On Behalf of the Board**
(Suninder Veer Singh) **Managing Director** (DIN 07693557)	**(Ranjan Jain)** **Wholetime Director** (DIN 00635274)

PLACE: CHANDIGARH
Date: 26/10/2020

ANNEXURE D-1 TO THE DIRECTORS' REPORT:-

A. **Conservation of Energy** :

Though energy does not form a significant portion of the cost for the Company yet wherever possible and feasible, continuous efforts are being put for conservation of energy and minimize power cost. The Energy conservation measures include replacement of incandescent lights with low power consuming LED lights and compact Fluorescent Lights, replacement of old electrical units with new energy efficient units. Staff of the Company is regularly educated about conservation of power.

B. **Technology Absorption :**

The Company continues to absorb and upgrade modern technologies in its operations and back end support functions like Accounts, Human Resource Management, Operations and Compliance functions.

C. **Foreign Exchange Earnings and Outgo:**

The Foreign Exchange inward and outward remittances during the Financial Year is as under :-

Inward Remittance	: USD 6,37,246.75
Outward Remittance	: USD 59,250.00

ANNEXURE D-2 TO THE DIRECTORS' REPORT

NOMINATION AND REMUNERATION POLICY

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Listing Regulations, 2015, as amended from time to time. This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors.

Definitions:

"Remuneration" means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-Tax Act, 1961;
"Key Managerial Personnel" means :
i) Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time Director; ii) Chief Financial Officer; iii) Company Secretary; and iv) such other officer as may be prescribed.
"Senior Managerial Personnel" mean the personnel of the Company who are members of its core management team excluding Board of Directors. Normally, this would comprise all members of management, of rank equivalent to General Manager and above, including all functional heads.

Objective:

The objective of the policy is to ensure that
• The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
• Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
• Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

ROLE OF THE COMMITTEE :

The role of the NRC will be the following :
• To formulate criteria for determining qualifications, positive attributes and independence of a Director.
• To formulate criteria for evaluation of Independent Directors and the Board.
• To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
• To carry out evaluation of Director's performance.
• To recommend to the Board the appointment and removal of Directors and Senior Management.
• To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
• To devise a policy on Board diversity, composition, size.
• Succession planning for replacing Key Executives and overseeing.
• To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
• To perform such other functions as may be necessary or appropriate for the performance of its duties.

APPOINTMENT AND REMOVAL OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, Key Management Personnel or at Senior Management level and recommend his / her appointment, as per Company's Policy.
b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the position.
c) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution.
d) Criteria for Determining Qualifications, Positive Attributes & Independence of Director:

(i) **Qualifications**:- An Independent Director shall possess appropriate skills, Qualification, experience and knowledge in one or more fields of Finance, Law, Management, Sales, Marketing, Administration, Research, Corporate Governance, Operations or other disciplines related to the Company's business.

(ii) **Positive Attributes**:- An Independent Director shall be a person of integrity, who possesses relevant expertise and experience and who shall uphold ethical standards of integrity and probity; act objectively and constructively; exercise his responsibilities in a bona-fide manner in the interest of the Company; devote sufficient time and attention to his professional obligations for informed and balanced decision making; and assist the Company in implementing the best Corporate Governance practices.

(iii) **Independence:-** An Independent Director should meet the requirements of the Companies Act, 2013 and Listing Regulations, 2015 concerning Independence of Directors.

TERM / TENURE

a) **Managing Director / Whole-Time Director**:
The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

b) **Independent Director** :
An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report. No Independent Director shall hold office for more than two consecutive terms of upto maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven Listed Companies as an Independent Director and three Listed Companies as an Independent Director in case such person is serving as a Whole-Time Director of a Listed Company or such other number as may be prescribed under the Act.

EVALUATION

The Committee shall carry out evaluation of performance of Director, Key Management Personnel and Senior Management Personnel yearly or at such intervals as may be considered necessary.

REMOVAL

The Committee may recommend with reasons recorded in writing, removal of a Director, Key Management Personnel or Senior Management Personnel subject to the provisions and compliance of the Companies Act, 2013, rules and regulations and the policy of the Company.

RETIREMENT

The Director, Key Management Personnel and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, Key Management Personnel, Senior Management Personnel in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

POLICY FOR REMUNERATION TO DIRECTORS / KEY MANAGEMENT PERSONNEL / SENIOR MANAGEMENT PERSONNEL

1) **Remuneration to Managing Director / Whole-Time Directors**:

a) The objective of the policy is directed towards having a compensation philosophy and structure that will reward and retain talent. The Remuneration to Managing Director and Whole Time Directors shall take into account the Company's overall performance, Profitability, MD / WTD's contribution for the same & trends in the industry in general, in a manner which will ensure and support a high performance culture.
b) The Remuneration / Commission etc. to be paid to Managing Director / Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.
c) The Company has no stock option plans and hence, such instruments do not form part of the remuneration package of MD / WTDs.
d) Remuneration to Directors, Key Managerial Personnel and Senior Management will involve a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.
e) The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director / Whole-time Directors.

2) **Remuneration to Non- Executive / Independent Directors** :

a) The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.
b) All the remuneration of the Non - Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling / limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.
c) An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company.
d) Any remuneration paid to Non - Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:
    i) The Services are rendered by such Director in his capacity as the professional; and
    ii) In the opinion of the Committee, the Director possesses the requisite qualification for the practice of that profession.

3) **Remuneration to Key Managerial Personnel and Senior Management**:

a) The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company’s Policy.

b) The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, where applicable, contribution to Pension Fund etc. as decided from to time.
c) The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

IMPLEMENTATION

- The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.
- The Committee may Delegate any of its powers to one or more of its members.
- The above criteria and policy are subject to review by the Nomination & Remuneration committee & the Board of Directors of the Company
- The Board is authorized to deviate from the Remuneration Policy in deserving case.

ANNEXURE D-3 TO THE DIRECTORS' REPORT

MANAGEMENT DISCUSSION & ANALYSIS REPORT

BUSINESS REVIEW AND PRODUCTS

Syschem (India) Limited is engaged in the business of manufacturing of API / Intermediates. It has its manufacturing facility at Village Bargodam, Tehsil Kalka, Distt. Panchkula (Haryana).

- ☐ Amoxycillin Trihydrate
- ☐ Ampicillin Trihydrate
- ☐ Cloxacillin Sodium
- ☐ Dicloxacillin Sodium
- ☐ Flucloxacillin Sodium (For export only)
- ☐ Cephalexin
- ☐ Cefixime
- ☐ Cefadroxil
- ☐ Distillation of Speciality Solvents – DMF, Acetonitrile, Ethyl Acetate and THF

SWOT Analysis

STRENGTHS

(i) Promoters have worked for a good period of time in same industry. They have sufficient product knowledge and is thus beneficial for the Industry. We have huge capacities to cater to the market.
(ii) Lean manufacturing practices being followed by the Company ensure better and stable margins and a cushion to sustain input price pressures and output price competition. Our products quality is well accepted in the market.
(iii) Existing relations with agents and potential customers due to past working experience of promoters.
(iv) The location of plant is suitable for such type of Industry.

(v) The plant is located near to Baddi area where more than 600 pharma / formulations manufacturing units are located

WEAKNESSES

Working Capital

OPPORTUNITIES

(i) Increased usage of contract manufacturing services by large Pharmaceutical Companies / Pharmaceutical Traders.

(ii) Demand of antibiotics is high in unorganized market for branded as well us unbranded products.

(iii) Positive outlook for Indian generic business in general due to a lot many products going off patent in near future.

(iv) Low per capita consumption of medicines in Indian subcontinent offers opportunities for growth.

(v) Increasing income levels and health awareness in Asia is expected to result in increased spending power and usage of medicines.

Further Govt. of India is also promoting investment in Bulk Drug Industries so as to curtail the imports from China as more than 85% of the API Inputs are imported from China.

THREATS

(i) Don't see any big threat until unless we have funds to run the show and to grow.

(ii) Increasing regulation in US and other major pharmaceutical markets.

(iii) Emergence of new fully integrated generic firms which are less reliant on Indian "back-end" businesses.

INDUSTRY STRUCTURE & DEVELOPMENT

India is the largest provider of generic drugs globally. Indian pharmaceutical sector supplies over 50 per cent of global demand for various vaccines, 40 per cent of generic demand in the US and 25 per cent of all medicine in the UK. India enjoys an important position in the global pharmaceuticals sector. The country also has a large pool of scientists and engineers with a potential to steer the industry ahead to greater heights. Presently, over 80 per cent of the antiretroviral drugs used globally to combat AIDS (Acquired Immune Deficiency Syndrome) are supplied by Indian pharmaceutical firms.

Indian pharmaceutical sector is expected to grow to US$ 100 billion, while medical device market is expected to grow US$ 25 billion by 2025. Pharmaceuticals export from India stood at US$ 20.70 billion in FY20. Pharmaceutical export include bulk drugs, intermediates, drug formulations, biologicals, Ayush and herbal products and surgical. India's domestic pharmaceutical market turnover reached Rs 1.4 lakh crore (US$ 20.03 billion) in 2019, up 9.8 per cent y-o-y from Rs 129,015 crore (US$ 18.12 billion) in 2018.

Government is also taking several steps to promote the pharmaceutical sector in India.

Road Ahead

Medicine spending in India is projected to grow 9-12 per cent over the next five years, leading India to become one of the top 10 countries in terms of medicine spending. Going forward, better growth in domestic sales would also depend on the ability of companies to align their product portfolio towards chronic therapies for diseases such as such as cardiovascular, anti-diabetes, anti-depressants and anti-cancers that are on the rise.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

Our Company has built adequate systems of internal controls towards achieving efficiency and effectiveness in operations, optimum utilization of resources, and effective monitoring thereof as well as compliance with all applicable laws The internal control mechanism comprises a well-defined organization structure, documented policy guidelines, predetermined authority levels and processes commensurate with the level of responsibility.

HUMAN RESOURCES

Our Company continues to lay great stress on its most valuable resource people. Continuous training, both on the job and in an academic setting, is a critical input to ensure that employees at all levels are fully equipped to deliver a wide variety of products and services to the customer of the Company.

RESPONSIBILITY FOR THE MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Board of Directors have reviewed the Management Discussion and Analysis prepared by the Management. Statement in this report of the Company's objective, projections, estimates, exceptions, and predictions are forward looking statements subject to the applicable laws and regulations. The statements may be subjected to certain risks and uncertainties.

The Company assumes no responsibility in respect of forward looking statements that may be amended or modified in future on the basis of subsequent developments, information or events.

KEY INDICATORS

Ratios	2019-20	2018-19	% Increase/ (Decrease)	Reason for change
Debtors Turnover (No. of days)	40.89	17.96	128%	Due to market competition more credit period has been allowed to customers
Inventory Turnover (No. of days)	94.46	64.22	47%	Due to fluctuation in prices of raw materials and finished products, more stocks have been kept
Interest Coverage Ratio	-	-	-	-
Current Ratio	0.81	0.87	-8%	Change in current ratio is negligible and is due to normal business transactions taken place
Debt Equity ratio	1.38	1.07	29%	Due to market competition more credit period has been allowed by the vendors
Operating Profit Margin	-2.50%	1.37%	-282%	Decline of sales due to competition in the market, fluctuation in prices and fixed cost
Net Profit Margin (%)	-2.50%	1.37%	-282%	Decline of sales due to competition in the market, fluctuation in prices and fixed cost
Change in Net Worth ratio (%)	-0.17	0.32	-151%	Due to losses during the year

ANNEXURE D-4 TO THE DIRECTORS' REPORT

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

(i) Ratio of the remuneration of each Executive Director to the median remuneration of the Employees of the Company for the financial year 2019-20, the percentage increase in remuneration of Chief Executive Officer, Chief Financial Officer and other Executive Director and Company Secretary during the financial year 2019-2020.

Sr. No.	Name of Director/KMP	Designation	The Ratio of the remuneration of each Director to the median remuneration of the employees	The percentage increase in remuneration
1	Suninder Veer Singh	Managing Director	4.02%	-25%
2	Ranjan Jain	Wholetime Director	3.22%	-25%
3	Naresh Batra	CFO	2.36%	0.00%

4	Amarjeet Kaur	CS	1.29%	0.00%

ii. The percentage increase in the median remuneration of Employees for the financial year was 7.28%

iii. The Company has 83 permanent Employees on the rolls of Company as on 31st March, 2020.

iv. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year, its comparison with the percentile increase in the managerial remuneration, justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Average percentage increase made in the salaries of Employees other than the managerial personnel in the financial year was 8%.

v. Affirmation that the remuneration is as per the remuneration policy of the Company:

It is affirmed that the remuneration is as per the 'Remuneration Policy for Directors, Key Managerial Personnel and other employees' adopted by the Company.

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2020

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

To,

The Members,
Syschem (India) Limited,
Village Bargodam, Tehsil Kalka,
Distt: Panchkula, Haryana.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by SYSCHEM (INDIA) 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 my opinion thereon.

Based on my verification of the SYSCHEM (INDIA) LIMITED's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2020 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 SYSCHEM (INDIA) LIMITED ("the Company") for the financial year ended on March 31, 2020 under the provisions of below mentioned regulations, which were shared with me. It is informed that due to prevailing nationwide lockdown in light of COVID-19, I was not able to carry out physical inspection of the said records:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(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 and The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) (Amendment) Regulations, 2013.
b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and the amendments thereof: Not Applicable, as none of the securities of the Company were delisted during the audit period.
d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations 2014- Not Applicable as the Company has not provided any share based benefits to the employees during the year.

f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and Chapter V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015- Not applicable as the Company has not issued any debt securities during the financial year under review.
g) 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- Not applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the financial year under review.
h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018- Not applicable as the Company has not bought back any of its securities during the financial year under review.

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

a) Secretarial Standards issued by The Institute of Company Secretaries of India.
b) The SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, being listed on BSE Limited.

During the period under review the Company has complied with the provisions of the act, rules, regulations, guidelines, standards, etc. mentioned above.

Based on our examination and the information received and records maintained, I further report that:

1. The Board of Directors of the Company was not duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors ***as the composition of Board was not in compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarters ended 30.06.2019 and 30.09.2019 due to delay in filling the vacancy in the office of Independent Director***.

2. Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent well 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.

3. All decisions are carried out through majority, while the dissenting members' views, if any, are captured and recorded as part of the minutes.

4. The Company has proper board processes.

Based on the compliance mechanism established by the Company and on the basis of the compliance certificate(s) issued by the Company Secretary / Officers and taken on record by the Board of Directors in their meeting(s), I am of an opinion 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:

a. the compliance to the provisions of the labour laws and other specific industrial laws applicable to the company could not be verified.
b. the Copy of the Annual Report for FY 2018-19 was not submitted to Stock Exchange simultaneously with commencement of dispatch to the shareholders of the Company. The Company has subsequently filed the Annual Report and has compounded the offence by payment of penalty levied by BSE Limited.

Apart from the business stated above, there were no instances of:

(i) Public / Rights / Preferential issue of Shares / debentures / sweat equity.

(ii) Redemption / buy-back of securities.
(iii) Major decisions taken by the Members in pursuance to Section 180 of the Companies Act, 2013.
(iv) Merger / Amalgamation / Reconstruction etc.
(v) Foreign Technical Collaborations.

Place: Shimla
Date :30.07.2020

ANIL NEGI
M. No. 46547
C.P. NO. 17213
UDIN: A046547B000531911

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

"Annexure-A"

To,

The Members,
Syschem (India) Limited
Village Bargodam, Tehsil Kalka,
Distt: Panchkula, Haryana

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. 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 secretarial records. The verification was done on test basis to ensure that the correct facts are reflected in secretarial records. I believe that the processes and practices, we followed, provide a reasonable basis for my opinion.

3. I have not verified the correctness and appropriateness of 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 extent of verification of procedures on test basis.

6. The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Shimla
Date :30.07.2020

ANIL NEGI
M. No. 46547
C.P. NO. 17213
UDIN: A046547B000531911

ANNEXURE D-6 TO THE DIRECTORS' REPORT

The extract of Annual Return – MGT 9

As on financial year ended on 31.03.2020

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. **REGISTRATION & OTHER DETAILS** :

1.	CIN	L24219HR1993PLC032195
2.	Registration Date	31.12.1993
3.	Name of the Company	Syschem (India) Limited
4.	Category / Sub-category of the Company	Chemicals
5.	Address of the Registered Office & contact details	Village Bargodam, Tehsil Kalka, Distt. Panchkula, Haryana – 133 302 Tel. No. 0172-5070472
6.	Whether listed Company	Yes, BSE Limited
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Beetal Financial & Computer Services Pvt. Ltd , Beetal House, 99, Madangir behind Local Shopping Centre, Near Dada Harsukh Dass Mandir, New Delhi – 110 062 Tel. No. 011-29961281

II. **PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All** the business activities contributing 10 % or more except Solvents of the total turnover of the Company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the Company
1.	**Solvents**		
	a. Mix Solvents	3414043	
	b. Methanol	3413102	04%
2	Amoxycillin & preparations	3525019	96%

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

NOT APPLICABLE

SN	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING / SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	Applicable Section
1					

VI. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2019]				No. of Shares held at the end of the year[As on 31-March-2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) **Indian**									
a) Individual/ HUF	44,33,286	0.00	44,33,286	23.59	14,47,780	5,25,000	19,72,780	10.50	(13.09)
b) Central Govt	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c) State Govt (s)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d) Bodies Corp.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
e) Banks / FI	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
f) Any other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total shareholding of Promoter (A)	44,33,286	0.00	44,33,286	23.59	14,47,780	5,25,000	19,72,780	10.50	(13.09)
B. Public Shareholding									
1. Institutions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
a) Mutual Funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b) Banks / FI	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c) Central Govt	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d) State Govt (s)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
e) Venture Capital Funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
f) Insurance Companies	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
g) FIIs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
h) Foreign Venture Capital	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Funds									
i) Others (specify)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sub-total (B)(1):-	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2. Non-Institutions									
a) Bodies Corp.	23,89,157	6,81,900	30,71,057	16.34	16,26,597	1,81,900	18,08,497	9.62	(11.55)
i) Indian	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
ii) Overseas	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b) Individuals	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
i) Individual shareholders holding nominal share capital up to Rs. 2 lakh	41,92,846	1,49,222	43,42,068	23.11	41,58,693	1,48,622	43,07,315	22.92	(0.19)
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	47,86,312	8,80,000	56,66,312	30.16	8777911	4,25,000	92,02,911	48.98	18.82
c) Others (specify)									
Non Resident Indians	3,42,172	1,73,300	5,15,472	2.74	3,42,782	1,71,500	5,14,282	2.74	-
Overseas Corporate Bodies	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Foreign Nationals	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Clearing Members	665	0.00	665	0.00	4	0.00	4	0.00	0.00
Trusts	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Foreign Bodies - D R	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
HUF	7,61,540	0.00	7,61,540	4.05	9,84,311	0.00	9,84,311	5.24	1.19
Sub-total (B)(2):-									
Total Public Shareholding (B)=(B)(1)+ (B)(2)	1,24,72,692	18,84,422	1,43,57,114	76.41	1,59,80,298	8,37,322	1,68,17,620	87.18	10.77
C. Shares held by Custodian for GDRs & ADRs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Grand Total (A+B+C)	**1,58,80,978**	**29,09,422**	**1,87,90,400**	**100.00**	**17,33,8078**	**14,52,322**	**1,87,90,400**	**100.00**	**0.00**

B) Shareholding of Promoter -

S N	Shareholder's Name	Shareholding at the beginning of the year (01.04.2019)			Shareholding at the end of the year (31.03.2020)			% 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 held	
1	RANJAN JAIN	28,65,892	15.25	55.83	4,05,386	2.16	0.00	(13.09)
2	RUCHIKA JAIN	1,01,954	0.54	0.00	1,01,954	0.54	0.00	0.00
3	RAJESH GUPTA	4,06,260	2.16	98.46	4,06,260	2.16	98.46	0.00
4	SUNINDER VEER SINGH	10,59,180	5.64	0.00	10,59,180	5.64	0.00	0.00

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

S.No.	Particulars	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	Ranjan Jain				
	At the beginning of the year	28,65,892	15.25	28,65,892	15.25
	Bought during the year	0	0.00	28,65,892	15.25
	Sold during the year	24,60,506	(13.09)	4,05,386	2.16
	At the end of the year	4,05,386	2.16	4,05,386	2.16
2	Ruchika Jain				
	At the beginning of the year	1,01,954	0.54	1,01,954	0.54
	Bought during the year	0	0.00	1,01,954	0.54
	Sold during the year	0	0.00	1,01,954	0.54
	At the end of the year	1,01,954	0.54	1,01,954	0.54
3	Rajesh Gupta				
	At the beginning of the year	4,06,260	2.16	4,06,260	2.16
	Bought during the year	0	0.00	4,06,260	2.16
	Sold during the year	0	0.00	4,06,260	2.16
	At the end of the year	4,06,260	2.16	4,06,260	2.16
4	Suninder Veer Singh				
	At the beginning of the year	10,59,180	5.64	10,59,180	5.64

	Bought during the year -Allotted During the year Sold during the year At the end of the year	0 0 10,59,180	0.00 0.00 5.64	10,59,180 10,59,180 10,59,180	5.64 5.64 5.64

D) Shareholding Pattern of top ten Shareholders :
(Other than Directors, Promoters and Holders of GDRs and ADRs):

For Each of the Top 10 Shareholders	Shareholding		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1. VIRENDRA POPATLAL SHAH				
At the beginning of the year				
Bought during the year	8,07,500	4.29	8,07,500	4.29
Sold during the year	0	0.00	8,07,500	4.29
At the end of the year	0	0.00	8,07,500	4.29
	8,07,500	4.29	8,07,500	4.29
2. MEHUL JAGDISH KHOKHANI				
At the beginning of the year				
Bought during the year	8,05,700	4.28	8,05,700	4.28
Sold during the year	0	0.00	8,05,700	4.28
At the end of the year	0	0.00	8,05,700	4.28
	8,05,700	4.28	8,05,700	4.28
3. KK ASSOCIATES REAL ESTATES PRIVATE LIMITED				
At the beginning of the year	6,50,250	3.46	6,50,250	3.46
Bought during the year	0	0.00	6,50,250	3.46
Sold during the year	0	0.00	6,50,250	3.46
At the end of the year	6,50,250	3.46	6,50,250	3.46
4. MAHESH J KHOKHANI				
At the beginning of the year	5,00,000	2.66	5,00,000	2.66
Bought during the year	0	0.00	5,00,000	2.66
Sold during the year	0	0.00	5,00,000	2.66
At the end of the year	5,00,000	2.66	5,00,000	2.66
5. Dextsoft Solutions Pvt Ltd				
At the beginning of the year	3,93,102	2.09	3,93,102	2.09
Bought during the year	0	0.00	3,93,002	2.09
Sold during the year	100	0.00	3,93,002	2.09
At the end of the year	3,93,002	2.09	3,93,102	2.09
6. **CLASSIC SECURITIES PVT LTD**				
At the beginning of the year	3,50,000	1.86	3,50,000	1.86
Bought during the year	0	0.00	3,50,000	1.86
Sold during the year	0	0.00	3,50,000	1.86
At the end of the year	3,50,000	1.86	3,50,000	1.86
7. ASHOK KUMAR				
At the beginning of the year	2,85,928	1.52	2,85,928	1.52
Bought during the year	15,538	0.08	3,01,466	1.60

Sold during the year	0	0.00	301466	1.60
At the end of the year	301466	1.60	301466	1.60
8. **RULD** PAL				
At the beginning of the year	3,00,000	1.59	3,00,000	1.59
Bought during the year (Allotment)	0	0.00	3,00,000	1.59
Sold during the year	0	0.00	3,00,000	1.59
At the end of the year	3,00,000	1.59	3,00,000	1.59
9. GAURAV KUKREJA				
At the beginning of the year	3,00,000	1.59	300000	1.59
Bought during the year (Allotment)	0	0.00	300000	1.59
Sold during the year	0	0.00	300000	1.59
At the end of the year	3,00,000	1.59	300000	1.59
10. ABODH BORAR				
At the beginning of the year	2,72,176	1.45	2,72,176	1.45
Bought during the year	0	0.00	2,72,176	1.45
Sold during the year	0	0.00	2,72,176	1.45
At the end of the year	2,72,176	1.45	2,72,176	1.45

E) **Shareholding of Directors and Key Managerial Personnel:**

SN	**Shareholding of each Directors and each Key Managerial Personnel**	**Shareholding**		**Cumulative Shareholding during the year**	
		No. of shares	**% of total shares of the company**	**No. of shares**	**% of total shares of the company**
1	Ranjan Jain				
	At the beginning of the year	28,65,892	15.25	28,65,892	15.25
	Bought during the year	0	0.00	28,65,892	15.25
	Sold during the year	0	0.00	28,65,892	15.25
	At the end of the year	24,60,506	(13.09)	4,05,386	2.16
		4,05,386	2.16	4,05,386	2.16
2	Suninder Veer Singh				
	At the beginning of the year	10,59,180	5.64	10,59,180	5.64
	Bought during the year	0	0.00	10,59,180	5.64
	-Allotted During the year	0	0.00	10,59,180	5.64
	Sold during the year	0	0.00	10,59,180	5.64
	At the end of the year	1059180	5.64	10,59,180	5.64
3	Naresh Batra				
	At the beginning of the year	1,50,455	0.800	1,50,455	0.800
	Bought during the year	0	0.00	1,50,455	0.800
	-Allotted during the year	0	0.00	1,50,455	0.800
	Sold during the year	0	0.00	1,50,455	0.800
	At the end of the year	1,50,455	0.800	1,50,455	0.800

F) **INDEBTEDNESS -**Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	**Unsecured Loans**	**Deposits**	**Total Indebtedness**
Indebtedness at the beginning of the financial year				
i) Principal Amount	1280.78	183.18	0.00	1463.96
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i+ii+iii)	1280.78	183.18	0.00	1463.96
Change in Indebtedness during the financial year				
*** Addition**	0.00	241.28	0.00	241.82
*** Reduction**	-59.46	0.00	0.00	59.46
Net Change	-59.46	241.28	0.00	181.82
Indebtedness at the end of the financial year				
i) Principal Amount	1221.32	424.46	0.00	1645.78
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i+ii+iii)	1221.32	424.46	0.00	1645.78

XI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

SN.	**Particulars of Remuneration**	**Name of MD/WTD/ Manager**		**Total Amount**
		Ranjan Jain	Suninder Veer Singh	
1	**Gross salary**	9,00,000	11,25,000	20,25,000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0.00	0.00	0.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.00	0.00	0.00
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0.00	0.00	0.00
2	**Stock Option**	0.00	0.00	0.00
3	**Sweat Equity**	0.00	0.00	0.00
4	**Commission** **- as % of profit** **- others, specify…**	0.00	0.00	0.00
5	**Others, please specify**	0.00	0.00	0.00
	Total (A)	**9,00,000**	**11,25,000**	**20,25,000**
	Ceiling as per the Act			

B. Remuneration to other directors **- Not Applicable**

SN.	Particulars of Remuneration	Name of Directors				Total Amount
		-----	----	----	---	
1	**Independent Directors**					
	Fee for attending board committee meetings					
	Commission					
	Others, please specify					
	Total (1)					
2	**Other Non-Executive Directors**					
	Fee for attending board committee meetings					
	Commission					
	Others, please specify					
	Total (2)					
	Total (B)=(1+2)					
	Total Managerial Remuneration					
	Overall Ceiling as per the Act					

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

S.No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	**CS**	**CFO**	**Total**
1	**Gross salary**	0.00	3,60,000	6,60,000	10,20,000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0.00	0.00	0.00	0.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.00	0.00	0.00	0.00
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0.00	0.00	0.00	0.00
2	**Stock Option**	0.00	0.00	0.00	0.00
3	**Sweat Equity**	0.00	0.00	0.00	0.00
4	**Commission**	0.00	0.00	0.00	0.00
	- as % of profit	0.00	0.00	0.00	0.00
	others, specify…	0.00	0.00	0.00	0.00
5	**Others, please specify**	0.00	0.00	0.00	0.00
	Total	**0.00**	**3,60,000**	**6,60,000**	**10,20,000**

XII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

NOT APPLICABLE

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

ANNEXURE D-7 TO THE DIRECTORS' REPORT: NOT APPLICABLE

Details of Loans			
Sr. No.	Name of Entity/Person	Amount (in Rs.)	Purpose
1	No Loan have been given during the Financial year 2019-20		
2			
	TOTAL		

Details of Guarantees			
Sr. No.	Name of Entity/Person	Amount	Purpose
1	No Guarantees have been given during the Financial year 2019-20		

Details of Investments			
Sr. No.	Name of Entity/Person	Amount	Purpose
1	No Investments have been made during the Financial year 2019-20		

ANNEXURE D-8 TO THE DIRECTORS' REPORT

FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis. – **NIL**
2. Details of contracts or arrangements or transactions at Arm's length basis

a)

SL. No.	Particulars	Details
	Name (s) of the related party & nature of relationship	Impetus Healthcare, a partnership Firm in which Suninder Veer Singh, Managing Director is a partner
	Nature of contracts / arrangements / transaction	Sale & purchase of raw material and finished goods
	Duration of the contracts / arrangements / transaction	One year
	Salient terms of the contracts or arrangements or transaction including the value, if any	Sale & purchase of raw material and finished goods upto Rs. 50.00 Crore
	Justification for entering into such contracts or arrangements or transactions'	Sale & purchase of raw material and finished goods at very reasonable price besides good quality of products
	Date of approval by the Board	24/04/2020
	Amount paid as advances, if any	N.A.
	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	N.A.

REPORT ON CORPORATE GOVERNANCE

1. **COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE**

The Company firmly believes in the principal of good Corporate Governance and is committed in adopting the best global practice of Corporate Governance. The Company fully realises the rights of its shareholders to information on the performance of the Company and considers itself a trustee of its shareholders. The Company provides detailed information on various issues concerning the Company's business and financial performance, to its shareholders.

The Company continues to commit itself to maintain the standards of integrity, transparency, accountability and equity in all facets of its operations and all its interactions with its stakeholders including the shareholders, employees and government. The basic philosophy of Corporate Governance in the Company is to achieve business excellence and dedicate itself for increasing long-term shareholders value, keeping in view the needs and interests of all its stakeholders.

The Company is committed to transparency in all its dealings and places emphasis on business ethics.

2. **BOARD OF DIRECTORS**

(i) **Composition and category of Directors**

The strength of Board is 6 (Six) Directors as on 31st March 2020. The Board consisted of Two Executive Directors, one non-Executive non-independent Director, Three Non-Executive Independent Directors.

The Non-Executive Independent Directors with their diverse knowledge, vast experience and relevant expertise brings in their independent judgment, knowledgeable and professional view to the deliberations and decisions of the Board.

Apart from the sitting fees being paid for attending Board / Committee Meetings, the non-executive Directors did not have any material pecuniary relationship or transaction with the Company during the year 2019-2020 or even after the close of Financial year upto the date of this report.

The Company has an Executive Chairman and as per the requirements of Listing Regulations, the Company shall have half of the Board consist of Independent Directors. The Composition of the Board as on 31.03.2020 is given below:

1. Mr. Suninder Veer Singh - Managing Director
2. Mr. Ranjan Jain - Wholetime Director
3. Mrs. Neena Batra - Non-Executive Non-Independent Director
4. Mrs. Neena Kumar - Non-Executive Independent Director
5. Mr. Rahul Goyat - Non Executive Independent Director
6. Ms. Sidhu Jasvirkaur Daljeetsingh - Non Executive Independent Director

(ii) The attendance at Board Meetings and at the Last Annual General Meeting and the No. of Other Directorships and Committee Memberships / Chairmanships of Directors is given below :-

NAME		**Ranjan Jain**	**Suninder Veer Singh**	**Neena Kumar**	**Rahul Goyat**	**Neena Batra**	**Sidhu Jasvirkaur Daljeetsingh**
CATEGORY		Executive	Executive	Independent & Non-Executive	Independent & Non Executive Director	Non-Executive	Independent & Non Executive Director
Board Meetings attended during the year		3	5	5	4	3	5
Attendance at the AGM held on 28.09.2019		YES	YES	YES	YES	YES	YES
***No. of other Boards in which Member or Chairperson**		NIL	NIL	NIL	NIL	NIL	NIL
No. of other Board Committees in which Member or Chairperson	**Member**	NIL	NIL	NIL	NIL	NIL	NIL
	Chairperson	NIL	NIL	NIL	NIL	NIL	NIL

***Note:**
For the above purpose, all Public Limited Companies, whether listed or not, have been included and all other companies including Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013 has been excluded.

1. For the purpose of Membership & Chairmanship in a Committee only Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee have been considered.
2. The above composition and the information is as at 31.03.2020.

None of the Directors of the Board serve as Member of more than 10 Committees nor do they Chair more than 5 Committees.

(iii) Number of Board Meetings held, dates on which held:

Total 5 Board meetings were held during the period from 1st April, 2019 to March 31, 2020 on the following dates:

30.05.2019, 06.08.2019, 05.11.2019, 21.01.2020 and 14.03.2020

And 1 (One) Independent Directors meeting was held on 15.03.2020 as required under Schedule IV of Companies Act, 2013

During the year under review, the gap between two meetings did not exceed 120 days as per SEBI (LODR) Regulations, 2015 and Section 173 of the Companies Act, 2013.

(iv) Chart on the Core skills/expertise/competence of Directors

Name of Director	Category	Core skills/expertise/competence
Suninder Veer Singh	Managing Director	Marketing/Management
Ranjan Jain	Wholetime Director	Marketing, liasioning, finance, accounts and commercial
Rahul Goyat	Non-executive Independent Director	Business and Management
Sidhu Jasvirkaur Daljeetsingh	Non-executive Independent Director	General Management
Neena Kumar	Non-executive Independent Director	General Management
Neena Batra	Non-executive Non-Independent Director	General Management

(v) Shareholding of Non Executive Directors: None of the Non-executive Directors hold except Mrs. Neena Batra who is holding 11775 shares in the Company.

(vi) Opinion of the Board about Independent Directors: In the opinion of the Board, the Independent Directors satisfy the criteria to be appointed as such in the company.

(vi) Information placed before the Board

The Agenda is circulated well in advance to the Board Members. The items in the Agenda are backed by comprehensive background information to facilitate meaningful discussions and to enable the Board to take efficient decisions. The Board of Syschem (India) Limited is presented with all relevant information on various vital matters affecting the working of the Company in addition to the matters set out in the SEBI (LODR), Regulations, 2015. Also, extensive information is provided on various critical matters such as Risk Assessment, Growth, Expansion, Related party transactions, sales, financial performance, foreign exchange exposure, Appointment of Key Management personnel, legal proceedings, share transfer compliance, quarterly financial results, significant labour and human relation matters.

3. AUDIT COMMITTEE

TERMS OF REFERENCE:

Powers of the Audit Committee

The powers of the Audit Committee shall include the following:

1. To investigate any activity within the terms of reference
2. To seek information from any employee
3. To obtain outside legal or other professional advice
4. To secure attendance of outsiders with relevant expertise, if it considers necessary

Role of Audit Committee

The role of the Audit Committee shall include the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.

2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the Statutory Auditor and the fixation of Audit Fee.

3. Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors.

4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:

    a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956.
    b. Changes, if any, in accounting policies and practices and reasons for the same.
    c. Major accounting entries involving estimates based on the exercise of judgment by management.
    d. Significant adjustments made in the financial statements arising out of audit findings.
    e. Compliance with listing and other legal requirements relating to financial statements.
    f. Disclosure of any related party transactions
    g. Qualifications in the draft audit report.

5. Reviewing, with the management, the Quarterly Financial Statements before submission to the Board for approval.

6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer Document / Prospectus / Notice and the report submitted by the monitoring agency, monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.

7) Reviewing, with the management, performance of Statutory and Internal Auditors, and adequacy of the internal control systems.

8) Reviewing the adequacy of Internal Audit function, if any, including the structure of the Internal Audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of Internal Audit.

9) Discussion with Internal Auditors any significant findings and follow up there on.

10) 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.

11) Discussion with Statutory Auditors before the Audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

12) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.

13) To review the functioning of the Whistle Blower mechanism, in case the same is existing.

14) Approval of appointment of CFO (i.e., the Whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.

15) Carrying out any other function which the Board of Directors of the Company can refer to Audit Committee from time to time.

16) the recommendation for appointment, remuneration and terms of appointment of Auditors of the Company,

17) review and monitor the Auditor's independence and performance, and effectiveness of audit process;

18) examination of the financial statement and the Auditors' report thereon,

19) approval or any subsequent modification of transactions of the Company with related parties,

20) scrutiny of inter-corporate loans and investments;

21) valuation of undertakings or assets of the Company, wherever it is necessary,

22) evaluation of internal financial controls and risk management systems;

23) monitoring the end use of funds raised through public offers and related matters.

Review of information by Audit Committee

The Audit Committee shall review the following information:

1. Management discussion and analysis of financial condition and results of operations;

2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;

3. Management letters / letters of internal control weaknesses issued by the Statutory Auditors;

4. Internal Audit Reports relating to internal control weaknesses; and

5. The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee

Composition of Audit Committee

As on 31.03.2020, the Audit Committee of the Company comprises of two non-executive Independent Directors and one non-executive Non-Independent Director, who are well qualified and financially literate. Following is the composition of the Audit Committee:

Mr. Rahul Goyat	Independent Director, Chairman
Ms. Neena Kumar	Independent Director, Member
Mrs. Sidhu Jasvirkaur Daljeetsingh	Independent Director, Member

Mrs. Neena Batra	Non-executive Director, Member

Meetings of Audit Committee and attendance during the year 2019-20

4 meetings of the Audit Committee have been held during the year 2019-20 on the following dates:

30.05.2019, 06.08.2019, 05.11.2019, 21.01.2020

The attendance at the Audit Committee Meetings during the period from 01.04.2019 till 31.03.2020 is given below:

Name	Title	No. of Meetings held	No. of Meetings attended
Mr. Rahul Goyat	Independent Director and Chairman of Committee	4	2
Ms. Neena Kumar	Independent Director	4	4
Ms. Sidhu Jasvirkaur Daljeetsingh	Independent Director	4	4
Mrs. Neena Batra	Non-executive Director	4	1

5. NOMINATION AND REMUNERATION COMMITTEE

BRIEF DESCRIPTION OF TERMS OF REFERENCE

Nomination and Remuneration Committee of the Board of Directors is in place in terms of Section 178 of the Companies Act, 2013, Listing Regulations, 2015 and RBI Guidelines. The Committee, earlier known as Nomination Committee was reconstituted as Nomination and Remuneration Committee in terms of Section 178 of the Companies Act, 2013. The Committee has been formed with a view to carry out the objectives as enshrined in these respective Statutes. The terms of reference of the Nomination and Remuneration Committee include:-

a. To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in the Companies Act, 2013, Rules framed thereunder from time to time, Listing Regulations, 2015 and RBI Guidelines.
b. To make recommendations to the Board about appointment and removal of Directors and Senior Management.
c. To carry out evaluation of every Director's performance.
d. To formulate criteria for determining qualifications, positive attributes and independence of a Director
e. To formulate and recommend to the Board a Nomination and Remuneration Policy.

COMPOSITION:-

Following was the composition of the Nomination and Remuneration Committee as on 31-03-2020 :

Mrs. Neena Kumar	Independent Director, Chairperson
Mrs. Neena Batra	Non-Executive Director, Member
Mrs. Sidhu Jasvirkaur Daljeetsingh	Independent Director, Member

Meetings of Nomination and Remuneration Committee and attendance during the year 2019-20

Two meetings of the Nomination and Remuneration Committee has been held during the year 2019-20 on 07.08.2019 and 05.11.2019

The attendance at the Audit Committee Meetings during the period from 01.04.2019 till 31.03.2020 is given below:

Name	Title	No. of Meetings held	No. of Meetings attended
Ms. Neena Kumar	Independent Director	2	2
Mrs. Neena Batra	Non-executive Director	2	1
Ms. Sidhu Jasvirkaur Daljeetsingh	Independent Director	2	1

4. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee of the Board has been constituted to look into complaints like Transfer of Shares, non-receipt of Balance Sheet, non-receipt of Annual Report etc. The Committee is headed by Ms Neena Batra, who is a Non Executive Director. Mr Ranjan Jain and Mr Suninder Veer Singh, Directors are other Members of the Committee. One meeting of the committee held on 21.01.2020.

NAME AND DESIGNATION OF COMPLIANCE OFFICER

Mrs. Amarjeet Kaur, Company Secretary is the Compliance Officer of the Company. The Compliance Officer can be contacted at:

info@syschem.in

TEL: 0172-5070472

Pecuniary relationships of directors with the company: None of the Directors hold any pecuniary relationship with the company.

Bifurcation of the remuneration paid to the executive directors:

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Ranjan Jain	Suninder Veer Singh	
1	**Gross salary**	9,00,000	11,25,000	20,25,000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0.00	0.00	0.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.00	0.00	0.00
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0.00	0.00	0.00
2	**Stock Option**	0.00	0.00	0.00
3	**Sweat Equity**	0.00	0.00	0.00
4	**Commission** **- as % of profit** **- others, specify…**	0.00	0.00	0.00
5	**Others, please specify**	0.00	0.00	0.00
	Total (A)	**9,00,000**	**11,25,000**	**20,25,000**
	Ceiling as per the Act			

COMPOSITION:

Following is the composition of the Stakeholders' Relationship Committee:

Ms Neena Batra	Non-Executive Independent Director, Chairman
Mr Ranjan Jain	Executive Director, Member
Mr Suninder Veer Singh	Executive Director, Member

No shareholder complaint has been received by the Company during the year under review.

5. GENERAL BODY MEETINGS

(i) Location and time of Annual General Meetings held in the last 3 years:

YEAR	**2017**	**2017**	**2018**	**2019**
Type of Meeting	EGM	AGM	AGM	AGM
Date	17/07/2017	30.09.2017	28.09.2018	28.09.2019
Venue	Village Bargodam, Tehsil Kalka, Distt. Panchkula, Haryana.	Village Bargodam, Tehsil Kalka, Distt. Panchkula, Haryana.	Village Bargodam, Tehsil Kalka, Distt. Panchkula, Haryana.	Village Bargodam, Tehsil Kalka, Distt. Panchkula, Haryana.
Time	10.30 AM	1.00 PM	1.00 PM	3.00 PM
Special Resolution passed	YES	YES	YES	YES

(ii) Details of the Special Resolutions passed in the last three Annual General Meetings

Year 2016-17

EGM

1. To increase the Authorised Share Capital
2. To amend the Memorandum of Association
3. To amend the Articles of Association
4. Preferential allotment of Equity Shares of the Company
5. Preferential allotment of Convertible Equity Warrants of the Company

AGM

1. Appointment of Ms Neena Batra as Director of the Company

Year 2017-18

1. To re-classify the status of M/s Classic Securities Pvt. Ltd. from 'Promoter' category to 'Public' category of the Company

Year 2018-19

1. To approve change in designation of Mr, Ranjan Jain as Wholetime Director
2. To approve change in designation of Mr, Suninder Veer Singh as Chairman cum Managing Director

In the ensuing Annual General Meeting the resolutions are being passed through remote e-voting at AGM. The e-voting process has already been explained in the Notes to the Notice of the Annual General Meeting.

8. DISCLOSURES

(i) **Related Party Transactions**

The Audit Committee accords omnibus approval to Related Party Transactions which are foreseen and repetitive in nature. The Audit Committee reviews, on a quarterly basis, the details of the Related Party Transaction entered pursuant to the aforementioned omnibus approval.

The details of Related Party Transactions under Section 188(1) of the Act required to be disclosed under Form AOC - 2 pursuant to Section 134(3) of the Act is enclosed as Annexure D-8.

The Company has framed a policy on determining materiality of Related Party Transaction and dealing with Related Party Transaction. The said policy has been uploaded on the website of the Company and can be accessed at the following link: http://www.syschem.in/DOWNLOAD/RPT_Policy.pdf.

(ii) **Details of Non-Compliances**:

There is no non-compliance by the Company and there are no penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority on any matter related to capital markets, during the last three years.

(iii) **Whistle Blower Policy**

The 'Whistle Blower Policy' cum Vigil Mechanism is in place which is reviewed by the Audit Committee on regular basis and the text of the same is given at the end of this Corporate Governance Report. No personnel has been denied access to the Audit Committee. The same is also available on the Website of the Company http://www.syschem.in/DOWNLOAD/Whistleblower_Policy.pdf.

(iv) **Compliance With Mandatory Requirements Of SEBI (LODR), Regulations, 2015**

The Company has complied with all the mandatory conditions of Corporate Governance and is planning to adopt non-mandatory requirements also in a phased manner.

(v) **Disclosure of Accounting Treatment**

The Financial Statement of Company are prepared as per the prescribed Accounting standards and reflects true and fair view of the business transactions in the Corporate Governance.

(vi) **Reconciliation Of Share Capital Audit**

A reconciliation of Share Capital Audit was carried out by a qualified practicing Company Secretary on quarterly basis for reconciling the total admitted capital with National Securities Depository Limited (NSDL) and Central Depositary Services (India) Limited (CDSL) and the total Issued & Listed Capital. The Audit inter alia confirms that the total Issued / Paid up Capital is in agreement with the total number of shares held in Physical Form and the total number of dematerialized shares with NSDL & CDSL.

(vii) **Code For Prevention Of Insider Trading**

The Company has instituted a comprehensive Code of Conduct for Prevention of Insider Trading for its designated employees, in compliance with Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, as amended from time to time. After these Regulations having been amended by SEBI in 2015, the Code of Fair Disclosure and Prevention of Insider Trading Code under Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015 have been adopted and displayed on the website of the Company www.syschem.in. These Codes lay down guidelines vide which it advises the

designated employees on procedures to be followed and disclosures to be made, while dealing with the shares of the Company and caution them of the consequences of violations.

(viii) **Material Subsidiaries**

The Company has no subsidiary as defined under Listing Regulations.

(vii) Disclosure Regarding Appointment Or Re-appointment Of Directors:

Mr. Suninder Veer Singh, Director of the Company retire by rotation in the ensuing Annual General Meeting and being eligible offer himself for re-appointment. Mr. Rahul Goyat, who has been appointed as Additional Director (Independent) has been appointed as regular Director w.e.f. 05.11.2019 for five years. Their brief Resumes are already given as part of the Notice of Annual General Meeting.

RELATIONSHIP OF DIRECTORS INTER SE

- No directors are related to each other in any manner.

(vi) **COMPLIANCE WITH NON-MANDATORY REQUIREMENTS**

1. **The Board**
   The Chairman of the Company is an Executive Director. His office is maintained at the Company's expense and also allowed reimbursement of expenses incurred in performance of his duties.

2. **Shareholder Rights**
   Since the Company publishes its Quarterly Results in Newspapers (English and Hindi) having wide circulation and the results are also displayed on the website of the Company and the Stock Exchanges, the Company does not send any declaration of Half Yearly performance to the shareholders.

3. **Audit Qualifications**
   There are no Audit qualifications on the Financial Statements of the Company for the year 2019-20.

4. **Reporting of Internal Auditor**
   At the moment, the reporting of the Internal Audit is not directly to the Audit Committee. However, the significant findings of the internal audit are placed before the Audit Committee on regular basis.

(viii) Code of Conduct

(i) The Board of Directors has laid down Code of Conduct for all Board Members and Senior Management of the Company. The copy of Code of Conduct as applicable to the Directors (including Senior Management of the Company) is uploaded on the website of the Company www.syschem.in.

(ii) The Members of the Board of Directors and Senior Management personnel have affirmed compliance with the Code applicable to them during the year ended March 31, 2020. The Annual Report of the Company contains a Certificate duly signed by the Director in this regard.

(ix) Board Disclosures - Risk Management

The Company manages risks as an integral part of its decision making process. The Company has laid down procedures to inform the Board of Directors about the Risk Management and its minimization procedures. The Audit Committee and the Board of Directors review these procedures periodically.

(x) Proceeds from Public Issues, Rights Issues, Preferential Issues, etc.

During the year under review, no money has been raised by the Company by way of Public Issues, Rights Issues, Preferential Issues etc.

9. Management Discussion & Analysis Report:

Management Discussion & Analysis Report forms part of the Annual Report and include discussions on various matters specified under Listing Regulations, 2015.

10. MEANS OF COMMUNICATIONS

a. Quarterly Results :

The Quarterly, Half yearly and Annual Results of the Company are sent to BSE Limited in accordance with the Listing Regulations. The said Results are normally published in English and Hindi newspapers and also displayed on Company's website www.syschem.in.

b. Presentations to the Institutional Investors or to the Analysts:

No presentations have been made to institutional investors or to the analysts during the year under review.

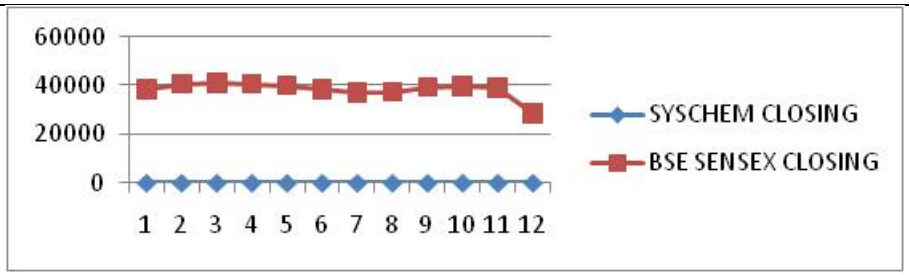
c. BSE Corporate Compliance and Listing Centre:-

All periodical compliance filings like Shareholding Pattern, Corporate Governance Report, Quarterly Results etc. are filed electronically with the Listing Centre of BSE. Company is also regular in paying annual listing fee.

11. GENERAL SHAREHOLDER INFORMATION

AGM : Date, time	Tuesday, the 24th day of November, 2020 at 3.00 P.M.
AGM venue	Through VC/OAVM
Financial year	April 1st, 2019 to March 31st, 2020
Date of Book closure	19.11.2020 to 24.11.2020 (both days inclusive)
Dividend Payment Date	N/A
Listing on Stock Exchanges	BSE Limited
ISIN	INE121D01036
Scrip Code	531173
Market Price Data: High, Low during each month in last financial year	

Month	High Price	Low Price
Apr-19	9.65	8.01
May-19	9.49	7.66
Jun-19	9.00	6.60
Jul-19	8.85	6.41
Aug-19	7.10	5.51
Sep-19	7.50	6.18
Oct-19	7.20	5.88
Nov-19	7.59	6.31
Dec-19	6.80	5.54
Jan-20	8.55	5.56
Feb-20	9.39	7.75
Mar-20	8.80	6.63

Performance in comparison to broad-based indices such as BSE Sensex, CRISIL index etc.	
Registrar and Transfer Agents	Beetal Financial & Computer Services Pvt. Ltd ,Beetal House, 99, Madangir behind Local Shopping Centre, Near Dada Harsukh Dass Mandir, New Delhi, - 110 062
Share Transfer System	To expedite the share transfer process in the physical segment, the process is undertaken by Common Registry M/s Beetal Financial & Computer Services Pvt. Ltd, New Delhi. Share Transfers are processed and approved by them and taken note of by Share Transfer Committee, i.e. Stakeholders' Relationship Committee. The said Committee of the Company meets on regular basis to review the work of Transfer, transmission and issue of duplicate Share Certificates etc. The Equity Shares of the Company are traded in dematerialized form only. Presently, the share transfers, which are received in physical form, are processed and the Share Certificates returned within a period of 15 days from the date of receipt by the RTA, subject to documents being valid and complete in all respects. All requests for Dematerialization of Shares are processed and the confirmation is given to the Depositories within 15 days by RTA subject to documents being valid and complete in all respects. Grievances received from Members and other miscellaneous correspondence on change of address, mandates etc. are processed by the Registrar within 15 days.
Dematerialization of shares and liquidity	Liquidity :- 98.4% of the shareholding of the Company have been dematerialized as on 31.03.2020 and there is sufficient liquidity in the stock.
Address for correspondence	The Compliance Officer, SCO No. -825, 1st Floor, NAC, Mani Majra Chandigarh. Ph. 0172-5070472 E-mail: info@syschem.in

(a) **Distribution of Shareholding (No. of Shares) as on March 31, 2020 is as under :-**

No. of Shares	No. of Shareholders	% of Shareholders	Total No. of Shares	% of Holding
1 – 5000	6348	79.40	9,77,484	5.20
5001 – 10000	742	9.28	6,36,691	3.38
10001 – 20000	351	4.39	5,58,613	2.97
20001 – 30000	132	1.65	3,39,282	1.80
30001 – 40000	62	0.77	2,23,884	1.19
40001 – 50000	60	0.75	2,84,282	1.51
50001 – 100000	106	1.32	7,98,406	4.24
100001 and above	193	2.41	1,49,71,758	79.67
Total	7,994	100.00	1,87,90,400	100.00

Shareholding Pattern as on 31st March, 2020 :-

Category	No. of Shares held

Promoters	19,72,780
Institutional Investors	0
Mutual Funds & UTI	0
Banks, Financial Institutions and Insurance Companies	0
FII's	0
Others	0
Private Corporate Bodies	18,08,497
Indian Public	1,35,10,226
NRIs/OCBs	5,14,582
HUF	9,84,311
Clearing Members	4

12. Total Fees for all services paid by the listed and its subsidiaries.

The detail of payment of total fees to the Statutory Auditor is as under:

Statutory Audit	2,00,000
Tax Audit	-
Total	2,00,000

13. CEO / CFO CERTIFICATION

In terms of the requirements of SEBI (LODR), 2015, the Director and the CFO have submitted necessary certificate to the Board of Directors stating the particulars specified under the said Clause. The Certificate has been reviewed by the Audit Committee and taken on record by the Board of Directors.

14. SUBSIDIARY COMPANIES

The Company has no subsidiary.

15. FAMILIARISATION PROGRAMME

Your Company follows a structured orientation and familiarization programme through various programs / presentations for Independent Directors with a view to update them on the Company's policies and procedures on a regular basis. Periodic presentations are made at the Board Meetings on Company's strategy, business model, operations, service and product offerings, markets, organization structure, finance, human resources, technology, quality, facilities and risk management and such other areas as may arise from time to time. The details of familiarization programme have been posted on the website of the Company under the web link http://www.syschem.in/DOWNLOAD/Familiarization_Policy.pdf.

16. The disclosures of the compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 shall be made in the section on corporate governance of the annual report.

Comply duly complies with all the corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 shall be made in the section on corporate governance of the annual report.

VIGIL MECHANISM CUM WHISLTE BLOWER POLICY

1. General

Syschem (India) Limited (the Company) expects its Directors, Officers, Employees, and other representatives to observe high standards of business and personal ethics in the conduct of their duties and responsibilities. As employees and representatives of the Company, we must practice honesty and integrity in fulfilling our responsibilities and comply with all applicable laws and regulations.

Section 177 (9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meeting of Board and its Powers) Rules, 2014 mandates the following classes of companies to constitute a vigil mechanism –

- Every Listed Company;
- Every other Company which accepts deposits from the public;
- Every Company which has borrowed money from banks and public financial institutions in excess of Rs. 50 crores.

Further, Listing Regulations, 2015 provides for a mandatory requirement for all listed companies to establish a mechanism called the 'Whistleblower Policy' for Directors and Employees to report concerns of unethical behaviour, actual or suspected, fraud or violation of the Company's Code of Conduct or Ethics Policy.

2. Definitions

The definitions of some of the key terms used in this Policy are given below.

a. **"Audit Committee"** means the Audit Committee constituted by the Board of Directors of the Company in accordance with Section 177 of the Companies Act, 2013 and read with Listing Regulations, 2015
b. **"Employee"** means every employee of the Company including the Directors in the employment of the Company.
e. **"Protected Disclosure"** means any communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity.
c. **"Whistleblower"** means an employee or director making a Protected Disclosure under this Policy.

3. Reporting Responsibility

It is the responsibility of all directors, officers, and employees to report Wrongful Conduct in accordance with this Whistleblower Policy.

4. Wrongful Conduct

"Wrongful Conduct" is defined in this Whistleblower Policy to includes a serious violation of Company's policy; a violation of applicable state and federal law; or the use of Company's property, resources, or authority for personal gain or other non organization-related purpose except as provided under the policy

This definition of Wrongful Conduct is not intended to be an exclusive listing of the illegal or improper activity encompassed by the Whistleblower Policy. Rather, the Whistleblower Policy is intended to serve as a means of reporting all serious improprieties that potentially impact the integrity and effective operation of the Company.

5. No Retaliation

No Director, Officer, or Employee who in good faith reports Wrongful Conduct will suffer harassment, retaliation or adverse employment consequence. Any Director, officer, or employee who retaliates against anyone who has reported Wrongful Conduct in good faith is subject to discipline up to and including termination of employment or removal from the board or directors, as applicable. This Whistleblower Policy is intended to encourage and enable employees and others to raise serious concerns within the Company prior to seeking resolution outside the Company.

6. Reporting Wrongful Conduct

Syschem (India) Limited encourages its Directors, Officers, and Employees to share their questions, concerns, suggestions, or complaints with someone who can address them properly. Any Director, officer, or employee may report Wrongful Conduct to the Executive Director or the Chairman of the Board of Directors / Audit committee. If the Wrongful Conduct implicates one or both of the Executive Director or the Chairman of the Board of Directors / Audit Committee, or if the reporting individual is not comfortable speaking with or not satisfied with response of the foregoing individuals, the issue may be reported to any member of the Board of Directors. The Executive Director, Chairman of the Board of Directors, and all members of the Board of Directors to whom a report of Wrongful Conduct is made are required to immediately advise the full Board of Directors of such report of Wrongful Conduct.

7. Acting in Good Faith

Anyone filing a complaint of Wrongful Conduct must be acting in good faith and have reasonable grounds for believing the information disclosed indicates Wrongful Conduct. Any allegations that prove not to be substantiated and which prove to have been made maliciously or knowingly to be false will be viewed as a serious disciplinary offense.

8. Confidentiality

Reports of Wrongful Conduct or suspected Wrongful Conduct may be submitted on a confidential basis by the complainant or may be submitted anonymously. Reports of Wrongful Conduct or suspected Wrongful Conduct will be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation.

9. Handling of Reported Wrongful Conduct

A representative of the Board of Directors will notify the sender and acknowledge receipt of the reported Wrongful Conduct or suspected Wrongful Conduct within five business days, unless such report was submitted anonymously. All reports will be promptly investigated and appropriate corrective action will be taken if warranted by the investigation.

10. Retention of documents

All Protected Disclosures in writing or documented along with the results of investigation relating thereto shall be retained by the Company for a minimum period of seven years.

11. Amendment

The Company reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever. However, no such amendment or modification will be binding on the Employees and Directors unless the same is notified to the Employees and Directors in writing.

DECLARATION OF THE DIRECTOR

This is to certify that the Company has laid down code of conduct for all Board Members and Senior Management of the Company and the copies of the same are uploaded on the website of the Company www.syschem.in. Further certified that the Members of the Board of Directors and Senior Management personnel have affirmed having complied with the code applicable to them during the year ended March 31, 2020.

Sd/-

Place: CHANDIGARH **Suninder Veer Singh**

Date: 24.04.2020 **Managing Director**

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To
The Members of Syschem (India) Limited

We have examined the compliance of conditions of Corporate Governance by Syschem (India) Limited for the year ended March 31, 2020, as stipulated in the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

The Compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring

the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 except for composition of Board/committee.

We further state that such compliance 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.

SD/-

Date: 26.10.2020 ANIL NEGI

Place: Chandigarh **COMPANY SECRETARY IN PRACTICE**

M. No. 46547

UDIN: A046547B001063851 C.P. NO. 17213

CEO/CFO DECLARATION

The Board of Directors of, **Date: 25.06.2020**
Syschem (India) Limited,
Village Bargodam, Tehsil Kalka,
Distt Panchkula
Haryana.

We hereby certify that for the financial year ending 31-03-2020, on the basis of review of Financial Statements and the Cash Flow Statement for the year and that to the best of our knowledge and belief:

1. These Statements of Syschem (India) Limited for the Financial year ending 31-03-2020, do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

3. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

4. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Statutory Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and we have taken steps from time to time to rectify these deficiencies.

5. We further certify that we have indicated to the Auditors and the Audit Committee that:

   a) there have been no significant changes in internal control over financial reporting during the year;
   b) there have been no significant changes in accounting policies during the year and
   c) there have been no instances of significant fraud of which we have become aware and

the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Sd/-	Sd/-
(Naresh Batra)	**(Suninder Veer Singh)**
CFO	**Managing Director**

Disclosures under Para A of Schedule V of Listing Regulations

SR. NO.	In the account of	Disclosures of amounts at the year end and the maximum amount of loans/ advances/ Investments outstanding during the year.
1	Holding Company	• Loans and advances in the nature of loans to subsidiaries by name and amount. • Loans and advances in the nature of loans to associates by name and amount. • Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount. NA
2	Subsidiary	Same disclosures as applicable to the parent company in the accounts of subsidiary company. **NA**
3	Holding Company	Investments by the loanee in the shares of parent company and subsidiary company, when the company has made a loan or advance in the nature of loan. **NIL**

For details of transactions of the Company with the person or entity belonging to the promoter/promoter group which hold(s) 10% or more shareholding in the Company, if any, kindly refer to "Related Party Transaction" provided in notes to financial statements.

	Sd/-
Place: CHANDIGARH	**Suninder Veer Singh**
Date: 24.04.2020	**Managing Director**

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members of
Syschem (India) Limited,
Village Bargodam, Tehsil Kalka,
Distt Panchkula
Haryana.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Syschem (India) Limited** having CIN L24219HR1993PLC032195 and having registered office at **VILL-BARGODAM TEHSIL KALKA DIST. PANCHKULA (HARYANA)** and (hereinafter referred to as 'the Company'), produced before me / us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the **Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me / us by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2020 have been debarred or

disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	RANJAN JAIN	00635274	13/01/2015
2.	SUNINDER VEER SINGH	07693557	30/12/2016
3.	NEENA KUMAR	07138103	27/03/2015
4.	NEENA BATRA	07846399	16/06/2017
5.	SIDHU JASVIRKAUR DALJEETSINGH	08321273	31/12/2018
6.	RAHUL G0YAT	08602881	05/11/2019

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Chandigarh
Date : 26.10.2020

UDIN: A046547B001063926

Sd/-
Anil Negi
M. No. 46547
C.P. NO. 17213

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INDEPENDENT AUDITORS REPORT

TO THE MEMBERS OF

SYSCHEM (INDIA) LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of **SYSCHEM (INDIA) LIMITED** ("the Company") which comprise the balance sheet as at 31st March 2020, the statement of profit and loss including other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as “the financial statements”).

In our opinion and to the best of our information and according to the explanation given to us, the aforesaid financial statements give the information required by the Companies Act 2013 ("the Act") in the manner so required and give a true and faire view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) specified under section 133 of the Act, of the state of affairs (financial position) of the company as at March 31, 2020, its losses (financial performance including other comprehensive income), and its cash flows and the changes in equity, for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the standards on auditing (SAs) specified under section 143(10) of the Companies Act 2013. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the financial statement section of our report. We are independent of the company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provision of the Companies Act, 2013

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and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion on the financial statement.

Key Audit Matters

We have determined that there are no key audit matters to communicate in our report.

Emphasis of Matter

1. **Interest provisioning on facilities from bank**
   The company's variour credit facilities have been declared NPA (Non-Performing Assets) by the bank. There is usual practice that bank discontinue to account for as Income in respect to the accrued interest on such assets, subsequent to the declaration of these as NPA. The bankers of the company too have not accounted as Income in respect to the interest subsequent to NPA declaration date. In order to achieve the desired congruency on this issue and uncertainty of the amount liable to be paid, the management of the company has not provided for such interest i.e. interest on credit facilities subsequent to the date of declaration of these credit facilities as NPA. Such interest amounting to Rs. 141.00 Lakhs for the current financial year which has resulted in the understatement of liabilities and expenses to that extent.

Other Matter–Scope of Limitation due to COVID-19

The *unmodified* opinion expressed in the present audit report is based on the information, facts and inputs made available to us through electronic means by the management from time to time. We wish to highlight that due to the COVID-19 induced restrictions, the audit team could not visit the premises of the company for undertaking the required audit procedures as prescribed under ICAI issued Standards on Auditing, including but not limited to:

a) Inspection, observation, examination, detailed discussions and verification of the original documents / files.
b) Examination of the Fixed Asset registers, physical verification process / Inventory

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records.

c) Observations with regard to access controls and data security.

d) Physical verification of cash / inventory including adequate internal controls thereof.

Information other than the financial statement and Auditor's Report Thereon

The Company's Board of Director is responsible for the preparation of the other information. The other information comprise the information included in the Board's Report including Annexures to Board's Report but does not include the financial statement and our auditor's report thereon.

Our opinion on the financial statement does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our report of the financial statements our responsibility is to read the other information and in doing so, consider whether, the other information is materially inconsistent with the financial statement or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report the fact. We have nothing to report in this regard.

Responsibility of Management for Financial Statements

The company's Board of Directors is responsible for the matter stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flow of the company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standard (Ind AS) specified under section 133 of the Act. This responsibility also includes 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 frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making

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judgment and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management in responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matter related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Those Board of directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objective are to obtain reasonable assurance about whether the financial statement as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatement can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(I) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and theoperating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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Materiality is the magnitude of misstatement in the financial statement that individually or in aggregate make it probable that the economic decision of a reasonably knowledgeable user of the financial statement may be influenced. We consider quantitative materiality and qualitative factor in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statement.

Report on Other Legal and Regulatory Requirements

1. 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 accounts as required by law have been kept by the company so far as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid 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 the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2020 from being appointed as a director in terms of section 164(2) of the Act.

f) with respect to adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such control, refer to our separate report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operative effectiveness of the Company's internal financial control over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirement of the section 197(16) of the Act, as amended;

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- In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in not accordance with the provisions of section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i) The Company has disclosed the impact of pending litigations on its financial position in its Ind AS Financial Statements. (Refer Note No. 28 to the Standalone Ind AS Financial Statements)

ii) The company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

2. 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 Act, we give in the Annexure "B" a statement on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.

for VINOD SUMITRA & CO.
Chartered Accountants
(Firm Registration No. 014398N)

(CA VINOD KUMAR BANSAL)
PARTNER
M. No. 093341

DATED : 25.06.2020
PLACE : CHANDIGARH

UDIN : 20093341AAAACJ2190

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ANNEXURE A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred in paragraph 1(f) under "Report on other Legal and Regulatory requirements' section of our report to the members of **SYSCHEM (INDIA) LIMITED** of even date;

Report on the Internal Financial Controls Over Financial Reporting 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 **SYSCHEM (INDIA) LIMITED** ("the Company") as of March 31, 2020 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 board of directors of the Company is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting ("IFCOFR") 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 (the "Guidance Note") 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 respective 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 Act.

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 the Audit of Internal financial control over financial reporting ("the Guidance Note"),

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issued by Institute of Chartered Accountants of India and the standard on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of Internal Financial Controls. 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 were 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 IFCOFR included obtaining an understanding of IFCOFR, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence, we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's IFCOFR.

Meaning of Internal Financial Controls Over Financial Reporting

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

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Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of IFCOFR, 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 IFCOFR to future periods are subject to the risk that IFCOFR 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, to the best of our information and according to the explanation given to us, 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 March 31, 2020, 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 VINOD SUMITRA & CO.
Chartered Accountants
(Firm Registration No. 014398N)

(CA VINOD KUMAR BANSAL)
PARTNER
M. No. 093341

DATED : 25.06.2020
PLACE : CHANDIGARH

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ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 2 under "Report on Other Legal and Regulatory Requirements" section of our Report of even date on the accounts for the year ended on 31st March, 2020 of **SYSCHEM (INDIA) LIMITED.**

On the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanation given to us during the course of audit, we state that : -

(i) (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of its fixed assets.

(b) The fixed assets of the company have been physically verified by the management at reasonable intervals and no discrepancies were noticed on such verification.

(c) Title deeds of immovable properties are held in the name of erstwhile name of the company i.e. Anil Pesticides Limited. The name of company was changed from Anil Pesticides Limited to Syschem (India) Limited w.e.f. 26.12.2001. However name in the revenue records have not been updated.

(ii) As explained to us, the physical verification of the inventory has been conducted by the management at reasonable intervals during the year. No material discrepancies have been noticed on physical verification. The balances of stock as established on physical verification as at the year-end have been incorporated in the books of accounts. Consequently, the shortage / excess, if any have been adjusted in the consumption of materials.

(iii) 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. Accordingly, paragraph 3 (iii) of the Order is not applicable.

(iv) The company, has not granted any loans, made investment or given any guarantees

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and security in terms of section 185 & section 186. Accordingly, paragraph 3 (iv) of the Order is not applicable.

(v) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits with the meaning of section 73 of the Companies Act, 2013. Accordingly, paragraph 3(v) of the Order is not applicable.

(vi) We have broadly reviewed the cost records maintained by the company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and prescribed by the Central Government under section 148 (1) of the Companies Act, 2013 and are of the opinion that prima facie the prescribed cost records have been made and maintained. As informed to us, cost audit will be conducted in due course of time. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) (a) According to the information and explanations given to us and on the basis of records produced before us, the Company is not regular in depositing undisputed statutory dues including provident fund, income tax, sales tax, service tax with appropriate authorities applicable to the Company. The arrears of outstanding statutory dues as at the last day of financial year for a period of more than six months from the date they became payable is as under : -

S.NO.	Nature of Statutory Dues	Amount (In Lacs)
1.	Provident Fund	21.09
2.	Service Tax	4.51

(b) According to the information and explanations given to us, there are no material dues of income tax, sales tax, wealth tax, service tax, custom duty, excise duty, value added tax or any other cess applicable to the Company which have not been

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deposited with the appropriate authorities on account of any dispute except the following : -

S.No	Name of the Statute	Nature of Dues	Amount (In Lacs)	Forum where dispute is pending
1	Central Excise Act, 1944	Excise Duty	14.94	Central Excise Department

(viii) In our opinion and according to the information and explanations given to us, the Company has defaulted in repayment of dues to Banks & Financial Institutions. The amount of default is Rs.1221.32 Lakhs since the account is NPA. Details of lender is as under:

S.NO.	NAME OF THE LENDER	AMOUNT (In Lakhs)
1	Punjab National Bank, Sector 22-D, Chandigarh	1221.32

The company does not have any loans or borrowings from any financial institution, Government or Debenture holder during the year.

(ix) The company did not raise money by way of initial public offer or further offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable.

(x) According to information given to us, no fraud by or on the company by its officers or employees has been noticed or reported during the course of our audit.

(xi) In our opinion and according to the information and explanation given to us, managerial remuneration has n been provided in accordance with the provisions of section 197 read with Schedule V to the Companies Act.

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(xiI) The company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanation given to us and based on examination of the record of the company, transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) The company has not made any preferential allotment or private placement of shares or fully or party convertible debenture during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable.

(xv) The company has not entered into any non-cash transactions with directors or person connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) The company is not required to be registered under section 45-IA of Reserve Bank of India act 1934.

for VINOD SUMITRA & CO.
Chartered Accountants
(Firm Registration No. 014398N)

(CA VINOD KUMAR BANSAL)
PARTNER
M. No. 093341

DATED : 25.06.2020
PLACE : CHANDIGARH

SYSCHEM (INDIA) LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2020

Rupees in Lakh

	Particulars	Note	31st March, 2020	31st March, 2019
I	**ASSETS**			
	Non-Current Assets			
	(a) Property, Plant and Equipment	1	**2733.26**	2664.37
	(b) Capital Work-in-Progress	-	**66.31**	1.27
	(c) Investment Property	-	**0.00**	0.00
	(d) Intangible Assets	2	**22.03**	30.03
	(e) Intangible Assets Under Development	-	**0.00**	0.00
	(f) Deferred Tax Assets (Net)	3	**172.04**	137.32
	(g) Other Non-Current Assets	4	**140.99**	118.52
	Total Non-Current Assets		**3134.63**	2951.51
	Current Assets			
	(a) Inventories	5	**2052.59**	2368.36
	(b) Financial Assets			
	(i) Investments	-	**0.00**	0.00
	(ii) Trade Receivables	6	**986.06**	539.39
	(iii) Cash and Cash Equivalents	7	**13.55**	31.62
	(iv) Other Bank Balances	8	**2.85**	0.00
	(v) Other Financial Assets	9	**0.75**	1.96
	(c) Other Current Assets	10	**54.90**	299.95
	Total Current Assets		**3110.70**	3241.28
	TOTAL ASSETS		**6245.33**	6192.79
II	**EQUITY AND LIABILITIES**			
	Equity			
	(a) Equity Share Capital	11	**1879.04**	1879.04
	(b) Other Equity (Refer SOCE)	-	**-877.87**	-676.97
	Total Equity		**1001.17**	1202.07
	LIABILITIES			
	Non-Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	12	**1,380.17**	1,282.94
	(ii) Trade Payable	-	**0.00**	0.00
	(iii) Other Financial Liabilities	-	**0.00**	0.00
	(b) Long Term Provisions	-	**0.00**	0.00
	(c) Deferred Tax Liabilities (Net)	-	**0.00**	0.00
	(d) Other Non-Current Liabilities	13	**0.00**	0.00
	Total Non-Current Liabilities		**1380.17**	1282.94
	Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	14	**265.61**	181.01
	(ii) Trade Payables	15	**3281.89**	3002.43
	(iii) Other Financial Liabilities	16	**0.00**	0.00
	(b) Short Term Provisions	17	**13.42**	14.84
	(c) Other Current Liabilities	18	**303.07**	509.49
	Total Current Liabilities		**3863.99**	3707.78
	TOTAL EQUITY AND LIABILITIES		**6245.33**	6192.79
	Significant Accounting Policies & Notes on Accounts	-		
	Notes on Financial Statements	1 to 30		

The Notes referred to above form an integral

As per our report of even date attached

for VINOD SUMITRA & CO.
Chartered Accountants
(Firm Registration No. : 014398N)

FOR AND ON BEHALF OF THE BOARD

(VINOD KUMAR BANSAL)
Partner
Membership No. 093341

(AMARJEET KAUR)
Company Secretary
PAN : ALTPK5846C

(RANJAN JAIN)
Whole Time Director
DIN : 00635274

(NARESH BATRA)
Chief Financial Officer
PAN : AGRPB3187C

(SUNINDER VEER SINGH)
Managing Director
DIN : 07693557

Chandigarh, 25th June, 2020

SYSCHEM (INDIA) LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2020

Rupees in Lakh

Particulars	Note	31st March, 2020	31st March, 2019
Revenue from operations (Gross)	19	**8801.60**	10959.95
Other Income	20	**9.02**	8.43
Total Income		**8810.62**	10968.38
EXPENSES			
Cost of Raw Materials Consumed	21	**6716.15**	8563.09
Changes in Inventories of Finished Goods and Work-in-Progress	22	**127.20**	(230.43)
Excise duty, Service Tax & GST		**1109.29**	1649.10
Employee Benefits Expense	23	**299.36**	295.97
Finance Cost	24	**1.79**	1.20
Depreciation and Amortisation Expense	1 & 3	**214.99**	214.78
Other Expenses	25	**561.87**	324.37
Total Expenses		**9030.65**	10818.08
Profit Before Exceptional items and Tax		**(220.03)**	150.30
Exceptional Items		**0.00**	-
Profit Before tax		**(220.03)**	150.30
Tax Expense			
(1) Current tax	-	**0.00**	0.00
(2) Deferred tax	-	**(34.72)**	75.06
(3) Income Tax - Earlier Years	-	**0.00**	0.00
Total Tax expense		**(34.72)**	75.06
Profit After tax		**(185.31)**	75.24
Other Comprehensive Income		0.00	0.00
A (i) Items that will not be reclassified to profit and loss		0.00	0.00
(ii) Income tax related to above		0.00	0.00
B (i) Items that may be reclassified to profit and loss		0.00	0.00
(ii) Income tax related to above		0.00	0.00
Total Comprehensive Income for the period		**-185.31**	75.24
Earning per Equity Share :	26		
(1) Basic Earning Per Share (Rs.)		**-0.99**	0.43
(2) Diluted Earning Per Share (Rs.)		**-0.99**	0.43
Significant Accounting Policies & Notes on Accounts	-		
Notes on Financial Statements	1 to 30		

The Notes referred to above form an integral

As per our report of even date attached

FOR AND ON BEHALF OF THE BOARD

for VINOD SUMITRA & CO.
Chartered Accountants
(Firm Registration No. : 014398N)

(AMARJEET KAUR)
Company Secretary
PAN : ALTPK5846C

(RANJAN JAIN)
Whole Time Director
DIN : 00635274

(VINOD KUMAR BANSAL)
Partner
Membership No. 093341

(NARESH BATRA)
Chief Financial Officer
PAN : AGRPB3187C

(SUNINDER VEER SINGH)
Managing Director
DIN : 07693557

Chandigarh, 25th June, 2020

SYSCHEM (INDIA) LIMITED
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2020

Rupees in Lakh

Particulars	31st March, 2020	31st March, 2019
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax for the year	**(220.03)**	150.30
Adjustments for:		
Depreciation and amortisation	**214.99**	214.78
Employee Stock Compensation	**0.00**	0.00
Loss on sale of FA	**2.59**	50.19
Interest (Received) / Paid (Net)	**1.63**	1.06
Actuarial Gain/(Loss) on re-measurement of Defined Benefit Liability	**0.00**	0.00
Operating Profit Before Working Capital Changes	**(0.82)**	**416.33**
Movements in working capital:		
(Increase)/decrease in trade and other receivables (Non-Current/Current)	**(257.60)**	439.02
(Increase)/decrease in inventories	**315.76**	(1083.34)
(Decrease)/increase in trade and other payables (Non-Current/Current)	**253.45**	132.26
Cash generated from operations	**310.79**	**(95.73)**
Income taxes paid (Net of refund)	**34.72**	**(75.06)**
Cash Flow Before Extraordinary Items	**345.51**	**(170.79)**
Extraordinary Items	**-**	-
Net cash generated from operating activities	**345.51**	**(170.79)**
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Bank Deposit (Placed) / Matured (Net)	**(2.85)**	4.16
Interest received	**0.16**	0.14
Purchase of Property, Plant and Equipment & Intangible^	**(282.25)**	(105.39)
Proceeds from share capital	**(15.59)**	219.29
Proceeds from disposal of Property, Plant and Equipment	**(61.26)**	64.85
Net cash (used in) / generated from investing activities	**(361.79)**	**183.05**
(^excludes Capital Advances)		
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid to owners of the Company (including DDT)	**0.00**	0.00
Interest and Finance Charges paid	**(1.79)**	(1.20)
Net cash used in financing activities	**(1.79)**	**(1.20)**
Net increase / (Decrease) in Cash and Cash Equivalents	**(18.07)**	11.06
Cash and Cash Equivalents at the beginning of the year	**31.62**	20.56
Cash and cash equivalents at the end of the year	**13.55**	**31.62**

Note : Previous year figures have been regrouped wherever found necessary.

As per our report of even date attached

FOR AND ON BEHALF OF THE BOARD

for VINOD SUMITRA & CO.
Chartered Accountants
(Firm Registration No. : 014398N)

(AMARJEET KAUR)
Company Secretary
PAN : ALTPK5846C

(RANJAN JAIN)
Whole Time Director
DIN : 00635274

(VINOD KUMAR BANSAL)
Partner
Membership No. 093341

(NARESH BATRA)
Chief Financial Officer
PAN : AGRPB3187C

(SUNINDER VEER SING
Managing Director
DIN : 07693557

Chandigarh, 25th June, 2020

SYSCHEM (INDIA) LIMITED

COMPANY'S OVERVIEW, SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES FOR THE YEAR ENDED 31ST MARCH, 2020

1. **Company's Overview**

Syschem India Limited (the 'Company') was incorporated on 31.12.1993 and is engaged in production of Active Pharmaceuticals Ingredients (APIs) and bulk drugs. The Shares of the Company are listed on BSE Limited.

2. **Summary of significant accounting policies**

2.1 ***Basis of preparation***

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis, the provisions of the Companies Act , 2013 (`Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Effective from 01st April, 2017, the Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101 *First time adoption of Indian Accounting Standards*. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

2.2 ***Property, Plant & Equipments***

Tangible Assets are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses, if any. Subsequent expenditures related to an item of fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Items of fixed assets that have been retired from active use and are held for disposal are stated at the lower of their net book value and net realizable value and are shown separately in the financial statements. Any expected loss is recognized immediately in the Statement of Profit and Loss.

Losses arising from the retirement of, and gains or losses arising from disposal of fixed assets which are carried at cost are recognized in the Statement of Profit and Loss.

Depreciation is provided on the Straight Line Method over the useful life of the assets as prescribed under Schedule II Part C of the Companies Act, 2013. Depreciation on assets sold during the year is provided upto the date of sale of fixed assets.

Intangible Assets

Cost of development in case of self generated asset is recognized on the basis of actual cost incurred and directly attributable expenses incurred thereon.

2.3 ***Borrowing Costs***

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognized in Statement of Profit and Loss in the period in which they are incurred.

2.4 ***Impairment***

Assessment is done at each Balance Sheet date as to whether there is any indication that an asset may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased.

2.5 ***Revenue Recognition***

As per the requirements of the Companies (Amendment) Act, 1988, all expenses and income are generally accounted for on accrual basis. Income of Shows / Live concerts recognised on the day of show held / concert perform, net of service tax.

2.6 ***Current and deferred tax***

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing. Deferred tax is recognized for all timing differences, subject to the consideration of prudence in respect of deferred tax assets.

Deferred tax assets in respect of timing differences on account of unabsorbed business loss and unabsorbed depreciation as per Income tax laws, are recognized and carried forward only to the extent that there is a virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Deferred tax assets in respect of timing differences, other than unabsorbed business loss and unabsorbed depreciation as per Income tax laws, are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. At each Balance Sheet date, the Company reassesses unrecognized deferred tax assets, if any.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities.

Minimum Alternative Tax credit is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

*2.7 **Provisions and Contingent Liabilities***

Provisions: Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

Contingent Liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is termed as a contingent liability.

*2.8 **Inventories***

The stocks of raw materials and stores & spares are valued at cost price. Finished Goods have been valued at cost or net realizable value whichever is lower. Cost includes purchase price, freight inward, clearing charges, custom duty and other related expenses. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale. Work in progress is valued at estimated cost. Goods in transit are carried at cost.

*2.9 **Earnings Per Share***

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of Equity Shares outstanding during the period. Earning considered in ascertaining the Company's earnings per share is the net profit for the period after deducting taxes thereto for the period. The weighted average number of Equity Shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential Equity Shares that have changed the number of Equity Shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

2.10 Employee Benefits

The contribution to provident fund, under the defined contribution plans is charged to revenue. The Company has also provided towards the Gratuity benefits, of the eligible employees. No provision is made towards bonus during the year. The provisions for the above benefit relating to the current year are charged to the revenue.

2.11 Foreign Currency Transactions

Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency, and the foreign currency at average rate at each month.

Conversion –

Foreign currency monetary items are reported using the closing rate. Non-Monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of transaction.

Exchange Differences –

Exchange differences arising on the settlement of monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements are recognized as income or as expense in the year in which they arise.

2.12 Cash and Cash equivalents

Cash and cash equivalents at the end of the year represent cash and deposit with banks. The cash flow statement is made using the indirect method.

3. **Other Notes and disclosures:**

3.1 The management has certified cash in hand as on 31st March, 2020.

3.2 Deferred tax resulting from "timing difference" between books and taxable profits is recognized using tax rates and laws that have been enacted as on Balance Sheet date.

3.3 The balance of Security Deposits and Advances recoverable are subject to the confirmation of the parties.

3.4 In the opinion of the Board of Directors, current assets and advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.

3.5 In terms of notification no. G.S.R. 719(E) dated November 16, 2007 issued by the Central Government of India, the disclosure of payments due to any supplier as at March 31, 2020 are as follows:

Particulars	**As at 31.03.2020**
	Rs. in lacs
Balance of Sundry Creditors as on March 31, 2020	**3281.89**
Principal amount due to Micro, Small and Medium Enterprises	**1.01**
Principal amount due to Others	**3280.88**
Total	**3281.89**
Interest accrued and due as on March 31, 2020	
Interest on payments due to Micro, Small and Medium Enterprises	**-**
Interest on payments due to Others	**-**
Interest due and payable on amounts paid during the year to Micro, Small and Medium Enterprises beyond the appointed date	**-**
Paid during the year	

Principal amount (including interest) paid to Micro, Small and Medium Enterprises beyond the appointed date	
Principal amount	-
Interest thereon	-
Principal amount (excluding interest) paid to Micro, Small and Medium Enterprises beyond the appointed date	-
Others	
Interest accrued in the prior year and paid during the year	-
Interest accrued during the year and paid during the year	-

The above disclosure is based on information available with the Company regarding status of the suppliers as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006.

3.6 Details of non-resident shareholdings

	31.03.2020	**31.03.2019**
Number of non resident share holders	157	158
Number of shares held by non resident shareholders	5,14,582	5,15,475
Amount remitted during the year in foreign currency on account of dividends	-	-

3.7 The management has certified the Fixed Assets installed and put to use & relied upon by the Auditors, being a technical matter. During the year, Borrowings cost and other cost capitalized up to March 31, 2020 is Rs. Nil (As at March 31, 2019 is Rs. Nil)

3.8 Previous year's figures have been re-arranged and reclassified wherever necessary to make them comparable with the current year's figures. The amounts have been rounded off to nearest lakh.

3.9 In March 2020, the World Health Organization (WHO) declared COVID 19 to be a pandemic. Supply chain disruptions as a result of the outbreak started with restrictions on the movement of goods, closure of borders, etc., in several countries followed by a global lockdown in March, 2020 announced by the various governments, to contain the spread of COVID 19. Since the Company manufactures and supplies Bulk Drugs & Chemical Intermediate products which are categorized with minimal disruptions. The situation is likely to further improve with an easing of restrictions in the coming days. In light of these circumstances, the Company has adopted measures to curb the spread of infection in order to protect the health of its employees and ensure business continuity with minimal disruption including remote working, maintaining social distancing, sanitization of workplaces etc. The Company has considered internal and external information while finalizing various estimates in relation to its financial statement up to the date of approval on the financial statements by the Board of Directors and has not identified any material impact on the carrying value of tangible and intangible assets, financial assets, inventory, receivables etc. as well as borrowings and liabilities accrued.

As mentioned above, since the Company is into manufacturing and supply of Bulk Drugs & Chemical Intermediate products and there is no significant impact on the overall demand of the goods and its supply chain. The Company has not observed any significant delay in the collection from customers thus there is no significant increase in credit risk. Further, the Company's liquidity position is adequate to service all its near-term debts and other financing arrangements / liabilities. The actual impact of the global health pandemic may be different from what has been estimated, as the COVID 19 situation evolves globally. The Company will continue to closely monitor any material changes to future economic conditions.

3.10 **Approval of financial statements**

The financial statements are approved by the Company's Board of Directors and authorised for issue on 25th June 2020.

As per our attached report of even date
for VINOD SUMITRA & CO.
Chartered Accountants

For & on behalf of the Board

(CA VINOD KUMAR BANSAL)	**(SUNINDER VEER SINGH)**	**(RANJAN JAIN)**
PARTNER	**Mg. DIRECTOR**	**DIRECTOR**
M. No. 093341	**DIN : 07693557**	**DIN : 00635274**
FRN No. 014398N		

DATE : 25th June, 2020
PLACE : CHANDIGARH

STATEMENT OF CHANGES IN EQUITY (SOCE) FOR THE YEAR ENDED 31ST MARCH, 2020

A. Changes in Equity Share Capital — **Rupees in Lakh**

Particulars	**As at 31st March 20**	31st March 19
Outstanding at the beginning	**1879.04**	1621.04
Changes in Equity Share Capital during the year	**-**	258.00
Outstanding at the end	**1879.04**	1879.04

A. Changes in Other Equity

For the year ended 31st March, 2020

Rupees in Lakh

Particulars	**Reserves and Surplus**				**Preference Share**	**Money received against shares warrants**	**Total**
	Retained Earnings	**General Reserve**	**Capital Reserve**	**Securities Premium Reserve**			
As at 1st April 2019	**(937.24)**	**0.00**	**6.28**	**119.21**	**100.00**	**34.78**	**(676.97)**
Profit / (Loss) for the Year	**(185.31)**	0.00	0.00	0.00	0.00	**0.00**	**(185.31)**
Premium on Equity Shares issued during the year	**0.00**	0.00	0.00	0.00	0.00	**0.00**	**0.00**
Share Warrants issued during the year	**0.00**	0.00	0.00	0.00	0.00	**(15.59)**	**(15.59)**
As at 31st March 2020	**(1122.55)**	**0.00**	**6.28**	**119.21**	**100.00**	**19.19**	**(877.87)**

For the year ended 31st March 2019

Rupees in Lakh

Particulars	**Reserves and Surplus**				**Preference Share**	**Money received against shares warrants**	**Total**
	Retained Earnings	**General Reserve**	**Capital Reserve**	**Securities Premium Reserve**			
As at 1st April 2018	(1012.48)	0.00	6.28	80.51	100.00	112.19	(713.50)
Transitional Changes due Ind-AS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Restated Balance as at 1st April 2018	(1012.48)	0.00	6.28	80.51	100.00	112.19	(713.50)
Profit / (Loss) for the Year	75.24	0.00	0.00	0.00	0.00	0.00	75.24
Premium on Equity Shares issued during the year	0.00	0.00	0.00	38.70	0.00	0.00	38.70
Share Warrants issued during the year	0.00	0.00	0.00	0.00	0.00	(77.41)	(77.41)
As at 31st March 2019	(937.24)	0.00	6.28	119.21	100.00	34.78	(676.97)

As per our report of even date attached

for VINOD SUMITRA & CO.
Chartered Accountants
(Firm Registration No. : 014398N)

FOR AND ON BEHALF OF THE BOARD

(VINOD KUMAR BANSAL)
Partner
Membership No. 093341

(AMARJEET KAUR)
Company Secretary
PAN : ALTPK5846C

(RANJAN JAIN)
Chairman cum Mg. Director
DIN : 00635274

(NARESH BATRA)
Chief Financial Officer
PAN : AGRPB3187C

(SUNINDER VEER SINGH)
Joint Mg. Director
DIN : 07693557

Chandigarh, 25th June, 2020

SYSCHEM (INDIA) LIMITED

Notes to the financial statements for the year ended 31st March, 2020

1 Property, Plant and Equipment

Following are the changes in the carrying value of Property, Plant and Equipment for the year ended 31st March, 2020 :

Rupees in Lakh

Description of Assets		**Land**	**Buildings**	**Plant and Equipment**	**Office Equipments**	**Furniture & Fixture**	**Electrical Installation**	**Vehicles**	**Computer**	**Total**
Gross Carrying Value as at 1st April 2019		**19.07**	**605.88**	**3459.64**	**24.77**	**5.28**	**169.80**	**32.56**	**11.63**	**4328.63**
Additions during the year*		**0.00**	**4.70**	**267.59**	**0.46**	**0.14**	**6.79**	**0.00**	**2.57**	**282.25**
Disposals during the year		**0.00**	**0.00**	**7.50**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**7.50**
Gross Carrying Value as at 31st March 2020	**(A)**	**19.07**	**610.58**	**3719.73**	**25.23**	**5.42**	**176.59**	**32.56**	**14.20**	**4603.38**
Accumulated depreciation as at 1st April 2019		**0.00**	**194.63**	**1324.62**	**23.48**	**4.49**	**78.37**	**28.20**	**10.47**	**1664.26**
Depreciation expense for the year		**0.00**	**19.22**	**168.21**	**0.05**	**0.50**	**15.29**	**2.74**	**0.98**	**206.99**
Accumulated depreciation on disposal/adjustment during the year		**0.00**	**0.00**	**1.13**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**1.13**
Accumulated depreciation as at 31st March 2020	**(B)**	**0.00**	**213.85**	**1491.70**	**23.53**	**4.99**	**93.66**	**30.94**	**11.45**	**1870.12**
Carrying Value as at 31st March 2020	**(A-B)**	**19.07**	**396.73**	**2228.03**	**1.70**	**0.43**	**82.93**	**1.62**	**2.75**	**2733.26**

Following are the changes in the carrying value of Property, Plant and Equipment for the year ended 31st March, 2019 :

Rupees in Lakh

Description of Assets		Land	Buildings	Plant and Equipment	Office Equipments	Furniture and Fixtures	Electrical Installations	Vehicles	Computer	Total
Gross Carrying Value as at 1st April 2018		19.07	589.20	3499.12	24.77	4.71	160.32	32.56	10.76	4340.51
Others - Classified as Investment Property		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Restated Gross Carrying Value as at 1st April 2018		19.07	589.20	3499.12	24.77	4.71	160.32	32.56	10.76	4340.51
Additions during the year		0.00	16.68	77.79	0.00	0.57	9.48	0.00	0.87	105.39
Disposals/Adjustment during the year		0.00	0.00	117.27	0.00	0.00	0.00	0.00	0.00	117.27
Gross Carrying Value as at 31st March 2019	(A)	19.07	605.88	3459.64	24.77	5.28	169.80	32.56	11.63	4328.63
Accumulated depreciation of 1st April 2018		0.00	175.78	1188.77	23.23	4.43	63.77	24.33	9.20	1489.51
Others- Classification of Investment Property		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Restated Accumulated depreciation as at 1st April 2019		0.00	175.78	1188.77	23.23	4.43	63.77	24.33	9.20	1489.51
Depreciation expense for the year		0.00	18.85	167.88	0.25	0.06	14.60	3.87	1.27	206.78
Accumulated depreciation on Disposal / Adjustment during the year		0.00	0.00	32.03	0.00	0.00	0.00	0.00	0.00	32.03
Accumulated Depreciation as at 31st March 2019	(B)	0.00	194.63	1324.62	23.48	4.49	78.37	28.20	10.47	1664.26
Carrying Value as at 31st March 2019	(A-B)	19.07	411.25	2135.03	1.29	0.79	91.43	4.36	1.16	2664.37
Carrying Value as at 1st April 2019		19.07	413.42	2310.35	1.54	0.28	96.55	8.23	1.56	2851.00

SYSCHEM (INDIA) LIMITED
Notes to the financial statements for the year ended 31st March, 2020

2 Intangible Assets

Following are the changes in the carrying value of Intangible Assets for the year ended 31st March, 2020 :

		Rupees in Lakh
Description of Assets		**Process know-how**
Gross Carrying Value as at 1st April 2019		**80.00**
Additions during the year		**-**
Disposals/Adjustment during the year		**-**
Gross Carrying Value as at 31st March 2020	**(A)**	**80.00**
Accumulated depreciation as at 1st April 2019		**49.97**
Amortisation expense for the year		**8.00**
Accumulated depreciation on disposal/adjustment during the year		**-**
Accumulated depreciation as at 31st March 2020	**(B)**	**57.97**
Carrying Value as at 31st March 2020	**(A-B)**	**22.03**

Following are the changes in the carrying value of Intangible Assets for the year ended 31st March, 2019 :

		Rupees in Lakh
Description of Assets		**Process know-how**
Gross Carrying Value as at 1st April 2018		80.00
Additions during the year		-
Disposals/Adjustment during the year		-
Gross Carrying Value as at 31st March 2019	(A)	80.00
Accumulated depreciation as at 1st April 2018		41.97
Amortisation expense for the year		8.00
Accumulated depreciation on disposal/adjustment during the year		-
Accumulated depreciation as at 31st March 2019	(B)	49.97
Carrying Value as at 31st March 2019	(A-B)	30.03
Carrying Value as at 1st April 2019		38.03

Notes to the financial statements for the year ended 31st March, 2020

3 Current Tax and Deferred Tax

(a) Deferred Tax

Rupees in Lakh

Particulars	As at 31st March, 2020	31st March, 2019
Deferred Tax Assets		
- On Property, Plant & Equipment	172.04	137.32
Deferred Tax Assets		
- On Employee benefits	0.00	0.00
Deferred Tax Liabilities / (Assets)	**172.04**	**137.32**

(b) Income Tax recognised in Profit and Loss

Rupees in Lakh

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
Current Tax	0.00	0.00
Deferred Tax	-34.72	75.06
Total income tax expense	**(34.72)**	**75.06**

4 Other Non-Current assets

Rupees in Lakh

Particulars	As at 31st March, 2020	31st March, 2019
Capital advances - Considered Good		
Secured	**-**	-
Unsecured	**-**	1.93
Security Deposits-Considered Good		
Unsecured	**11.13**	11.16
Other advances -Unsecured, Considered Good		
Income Tax (Net of Provisions)	**-**	-
Advances to Suppliers	**24.50**	7.29
Others	**105.36**	98.14
Total	**140.99**	118.52

5 Inventories

Rupees in Lakh

Particulars	As at 31st March, 2020	31st March, 2019
Raw Materials & Components	**1453.75**	1615.76
Work-in-progress	**546.97**	627.15
Finished goods	**24.48**	71.50
Stores and Spares	**27.39**	53.95
Total	**2052.59**	2368.36

Notes to the financial statements for the year ended 31st March, 2020

6 Trade Receivables

Rupees in Lakh

Particulars	As at 31st March, 2020	31st March, 2019
Unsecured, considered good	**986.06**	539.39
Of the above, Trade Receivables from:		
- Related Parties	**0.00**	0.00
- Others	**986.06**	539.39

7 Cash and Bank Balance

Rupees in Lakh

Particulars	As at 31st March, 2020	31st March, 2019
Cash and Cash equivalents		
Balances with banks	**0.44**	22.96
Cash in hand	**13.11**	8.66
Total	**13.55**	31.62

8 Other Bank Balances

Rupees in Lakh

Particulars	As at 31st March, 2020	31st March, 2019
Balances with Bank held as Margin Money & Deposit against Guarantees.	**2.85**	0.00
Fixed Deposits with Original maturity greater than 3 months but upto 12 months	**0.00**	0.00
Earmarked balances with banks - Unpaid/Unclaimed Dividend	**0.00**	0.00
Total	**2.85**	0.00

9 Other Financial Assets

Rupees in Lakh

Particulars	As at 31st March, 2020	31st March, 2019
Financial assets at carrying value		
Bank Deposit with Original Maturity for more than 12 months	**0.00**	0.00
Interest Accrued on Deposits	**0.00**	0.00
Advances to Employees	**0.75**	1.96
Total	**0.75**	1.96

10 Other Current Assets

Rupees in Lakh

Particulars	As at 31st March, 2020	31st March, 2019
Unsecured, considered good		
Balance with Excise Authorities	**0.00**	0.00
Prepaid Expenses	**2.81**	4.33
Other Advances recoverable in cash or kind		
- CENVAT	**0.00**	0.00
- Value Added Tax	**0.00**	0.00
- Goods and Service Tax	**35.73**	289.32
- Others	**16.36**	6.30
Total	**54.90**	299.95

SYSCHEM (INDIA) LIMITED

Notes to the financial statements for the year ended 31st March, 2020

11 Equity Share Capital

Rupees in Lakh

Particulars	As at 31st March, 2020	As at 31st March, 2019
Authorised:		
Equity Shares, Rs. 10/- par value	**2500.00**	2500.00
2,50,00,000 (Previous Year : 2,50,00,000) Equity Shares		
Issued, Subscribed and Paid-Up:	**1879.04**	1879.04
Equity Shares, Rs. 10/- par value		
1,87,90,400 (Previous Year : 1,87,90,400) Equity Shares fully paid-up		
	1879.04	**1879.04**

The Company has issued only one class of shares referred to as Equity Shares having a par value of Rs. 10/- Each. Equity Shareholder is entitled to one vote per share.

Proposed Dividend

The Board of Directors, in their meeting held on 25th June, 2020, has not declared any dividend for the current Financial Year 2019-20

(i) Equity Shareholders holding more than 5%

Name of shareholder	31st March, 2020		31st March, 2019	
	Number of shares held	**% of Shareholding**	Number of shares held	% of Shareholding
Mr Suninder Veer Singh	**10,59,180**	**5.64%**	1059180	5.64%
Mr Ranjan Jain	**4,05,385**	**2.16%**	28,65,892	15.25%

(ii) Reconciliation of the number of Shares outstanding and the amount of Share Capital :

Description	31st March, 2020		31st March, 2019	
	No. of Shares	**Share Capital**	No. of Shares	Share Capital
		(Rs. in lacs)		(Rs. in lacs)
Number of Equity Shares at the beginning	**1,87,90,400**	**1879.04**	1,62,10,400	1621.04
Movement in Equity Shares during the year	**-**	**-**	25,80,000	258.00
Number of Equity Shares at the closing	1,87,90,400	1,879.04	1,87,90,400	1,879.04

(iii) In the last 5 years, the Company has not :

- allotted any shares as fully paid up pursuant to contract(s) without payment being received in cash
- allotted any bonus shares,
- bought back its shares.

SYSCHEM (INDIA) LIMITED

Notes to the financial statements for the year ended 31st March, 2020

12 Borrowings

Rupees in Lakh

Particulars	As at 31st March, 2020	As at 31st March, 2019
1) Secured Loans :		
a) Term Loans		
- from Banks	**778.18**	922.24
- from Others	**0.00**	0.00
b) Letter of Credit		
- from Banks	**177.53**	177.53
c) Other Loans @	**-**	**-**
Total (1)	**955.71**	**1,099.77**
2) Unsecured Loans :		
a) Loans and advances from related parties #	**424.46**	**183.17**
b) Other Loans @	**-**	-
Total (2)	**424.46**	**183.17**
Total Borrowings (1+2)	**1,380.17**	**1,282.94**

 # includes loans from Directors and Corporates

@ loans from NBFC's

13 Other Non-Current Liabilities

Particulars	As at 31st March, 2020	As at 31st March, 2019
a) Advances	0.00	0.00
b) Others	0.00	0.00
Total	0.00	0.00

SYSCHEM (INDIA) LIMITED
Notes to the financial statements for the year ended 31st March, 2020

14 Borrowings

Rupees in Lakh

Particulars	As at 31st March, 2020	31st March, 2019
1) Secured Loans :		
a) Cash Credit from PNB	**265.61**	181.01
Total	**265.61**	181.01
2) Unsecured Loans :	**0.00**	**0.00**
Total	**265.61**	181.01

15 Trade Payables

Rupees in Lakh

Particulars	As at 31st March, 2020	31st March, 2019
Trade payable - Micro, Small and Medium enterprises	**0.00**	0.00
Trade payable - Other than Micro, Small and Medium enterprises	**3281.89**	3002.43
Total	**3281.89**	3002.43

16 Other Financial Liabilities

Rupees in Lakh

Particulars	As at 31st March, 2020	31st March, 2019
Current maturities of long term debt	0.00	0.00
Total	**0.00**	0.00

17 Short Term Provisions

Rupees in Lakh

Particulars	As at 31st March, 2020	31st March, 2019
Provision for Employee Benefits		
- Provision for Gratuity	**13.42**	14.84
- Provision for Leave Encashment	**0.00**	0.00
Total	**13.42**	14.84

18 Other Current Liabilities

Rupees in Lakh

Particulars	As at 31st March, 2020	31st March, 2019
Advances received from customers	**0.00**	90.58
Expenses payable	**139.63**	128.42
Statutory dues payable	**163.44**	290.49
Total	**303.07**	509.49

19 Revenue from Operations

Rupees in Lakh

Particulars	31st March, 2020	31st March, 2019
Revenue from sale of products (including Goods and Service Tax)	**8735.65**	10877.46
Revenue from rendering of services	**37.80**	52.20
Other operating revenue	**28.15**	30.29
Total	**8801.60**	10959.95

SYSCHEM (INDIA) LIMITED
Notes to the financial statements for the year ended 31st March, 2020

20 Other Income

		Rupees in Lakh
Particulars	**31st March, 2020**	31st March, 2019
Interest Income	**0.16**	0.14
Misc Income	**8.86**	8.29
Total	**9.02**	8.43

21 Cost of materials consumed

		Rupees in Lakh
Particulars	**31st March, 2020**	31st March, 2019
Opening stock	**1615.76**	774.78
Add: Purchases	**6554.14**	9404.07
	8169.90	10178.85
Less:		
Closing Stock	**1453.75**	1615.76
Total	**6716.15**	8563.09

22 Changes in inventories of Finished Goods and Work-in-Progress

		Rupees in Lakh
Particulars	**31st March, 2020**	31st March, 2019
Inventories at the end of the year:		
Finished goods	**24.48**	71.50
Work-in-progress	**546.97**	627.15
	571.45	698.65
Inventories at the beginning of the year:		
Finished goods	**71.50**	35.55
Work-in-progress	**627.15**	432.67
	698.65	468.22
Net (increase) / decrease	**127.20**	(230.43)

23 Employee Benefits Expense

		Rupees in Lakh
Particulars	**31st March, 2020**	31st March, 2019
Salaries and Wages	**263.12**	270.58
Contribution to provident and other funds	**16.71**	13.21
Staff welfare expenses	**19.53**	12.18
Total	**299.36**	**295.97**

SYSCHEM (INDIA) LIMITED
Notes to the financial statements for the year ended 31st March, 2020

24 Finance Cost

Particulars	31st March, 2020	Rupees in Lakh 31st March, 2019
Interest	**1.30**	0.77
Bank Charges	**0.49**	0.43
Exchange Fluctuation	**0.00**	0.00
Total	**1.79**	1.20

25 Other Expenses

Particulars	31st March, 2020	Rupees in Lakh 31st March, 2019
Direct Expenses		
Power, Fuel & Water Charges	**189.17**	157.44
Consumption of Stores & Spares	**81.57**	5.67
Rent - DG Set	**4.80**	0.00
Repairs and Maintenance		
- Buildings	**2.95**	1.06
- Machinery	**12.43**	4.52
Watch & Ward	**0.00**	4.27
Indirect Expenses		
Advertisement & Publicity	**2.01**	7.79
Rates and Taxes	**18.86**	8.41
Insurance	**2.26**	1.58
Legal & Professional Expenses	**89.60**	41.78
Rent - Office	**18.50**	15.60
Postage & Telephone	**2.91**	2.34
Printing & Stationery	**3.96**	1.86
Travelling & Conveyance	**15.98**	11.37
Auditors' Remuneration		
- Statutory Audit Fee	**2.00**	2.00
- Cost Audit Fee	**0.60**	0.00
Fines & Penalties	**4.09**	1.01
Other Marketing Expenses	**9.69**	7.40
Loss on disposal of Property, Plant and Equipment	**2.59**	50.19
Previous Year Expenses	**77.56**	0.00
Miscellaneous Expenses	**20.34**	0.08
Total	**561.87**	324.37

26 Earning per Share

Particulars	31st March, 2020	Rupees in Lakh 31st March, 2019
Profit for the year	**-185.31**	75.24
Profit for the year for diluted earning per share	**-185.31**	75.24
Weighted average number of Ordinary Equity Shares used in Computing basic earning per share	**18790400**	17350400
Effect of potential Ordinary Equity shares on employee stock options	**0**	0
Weighted average number of Ordinary Equity Shares used in Computing diluted earning per share	**18790400**	17350400
Basic earning per share (Rs.) (Face Value of Rs. 10 per share)	**-0.99**	**0.43**
Diluted earning per share (Rs.)	**-0.99**	**0.43**

SYSCHEM (INDIA) LIMITED
Notes to the financial statements for the year ended 31st March, 2020

27 Related Party Transactions

Key Management Personnel

Suninder Veer Singh - Managing Director
Ranjan Jain - Whole Time Director
Naresh Batra - Chief Financial Officer
Amarjeet Kaur - Company Secretary

Enterprises significantly influenced by key management personnel

Impetus Healthcare
Rajesh Modi & Co

Relatives of key management personnel

Ruchika Jain - Director's Spouse
Gurcharan Kaur - Director's Spouse
Rajesh Gupta
Deepanshu Batra

Details of transaction between the Company and its related parties are disclosed below:

		Rupees in Lakh
Particulars	**31st March, 2020**	31st March, 2019
i) Key Management Personnel		
a) Remuneration	**30.45**	**28.80**
b) Loans received / paid (Net)	**154.68**	**-129.60**
Aggregate balances outstanding as at the year end		
a) Loans	**307.24**	**20.30**
ii) Enterprises significantly influenced by key management personnel		
a) Sales	**251.56**	**921.78**
b) Purchases	**237.63**	**880.83**
Aggregate balances outstanding as at the year end		
- Receivables	**0.00**	**0.00**
- Payables	**23.33**	**14.64**
iii) Relatives of Key Management Personnel		
a) Remuneration	**46.20**	**24.90**

28 Contingent Liabilities and Commitments (To the extent not provided for)

		Rupees in Lakh
	As at	
Particulars	**31st March, 2020**	31st March, 2019
Contingent Liabilities		
- Excise matters in dispute	**14.94**	14.94
- Other monies for which company is contigently liable	**170.00**	170.00
Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances and deposits)	**0.00**	0.00

Notes to the financial statements for the year ended 31st March, 2020

29 Segment Reporting

The Company is working under one business segment only i.e. Pharmceuticals. These pharmaceutical products are having different applications. Besides there is not any significant variances on geographical basis, so the segment reporting defined under Ind AS 108 is not applicable.

30 Details related to Long term Borrowings

a) **Details of security**

Term Loan and Cash Credit from Punjab National bank are secured against hypothecation of Land & Building, Plant & Machinery and Misc Fixed Assets and personal guarantees of Whole Time Directors

b) **Terms of repayment of term loans and others**

Pariculars	Period of Maturity	No. of Installments Due*	Amount of Installments Due*
PNB Term Loan		19.5	778.18

** Term Loan is NPA*