

NOTICE

Notice is hereby given that the 8th Annual General Meeting of the members of **ROSSARI BIOTECH LIMITED** will be held at the registered office of the company at 201, A – B, 2nd Floor, Akruti Corporate Park, L.B.S. Marg, Next to GE Gardens, Kanjurmarg (W), Mumbai – 400079, on Friday, 29th September 2017, at 1.00 pm to transact the following business:

1. To consider and adopt the audited financial statement of the company for the financial year end 31st March, 2017, the reports of Board of Directors and Auditors thereon.
2. To receive, consider and if thought fit, to pass, with or without modification(s) , the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of section 139, 142 and Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), V. I. BHATIA & CO., Chartered Accountants (Firm Registration No. 101319W with the Institute of Chartered Accountants of India), whose appointment done at the annual General meeting held in the year 2015 for a period of 5 years be and is hereby confirmed for the continuance till the conclusion of next Annual General Meeting.”

Place : Mumbai
Date : 12/09/2017

On Behalf of the Board of Directors of
ROSSARI BIOTECH LIMITED



Edward Menezes
Managing Director
DIN: 00149205

NOTE:

- 1). A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself, and such proxy need not be a member of the company.
- 2). Proxies in order to be effective must be lodged to the Company's registered office not less than 48 hours before the meeting.

ROSSARI BIOTECH LIMITED

CIN: U2100MH2009PLC194818

Regd. Office : 201 A & B, Akruti Corporate Park, Next to GE Gardens, LBS Marg, Kanjurmarg (W). Mumbai - 400078. India. T +91-22-6123 3800 F +91-22-2579 6982

Factory : Plot No. 10 & 11, Survey No. 90/1/10 & 90/1/111/1, Kumbharwadi, Village Naroli, Dadra & Nagar Haveli (U.T.), Silvassa - 396 235. India. T 0260 - 6693000, +91-22-2577 7605

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REPORT OF THE DIRECTORS

Your Directors submit herewith their 8th Annual Report together with the Audited Accounts statements for the financial year ended 31st March 2017.

1. FINANCIAL RESULTS:

Particulars	<u>YEAR ENDED</u> 31.03.2017	<u>YEAR ENDED</u> 31.03.2016
	Rs.	Rs.
Revenue from operation	2,334,586,173	1,780,796,549
Other Income	9,397,750	4,366,290
Total Expenses	2,155,451,552	1,737,121,839
Profit before Tax	188,532,371	48,041,000
Tax Expenses:		
1)Current Tax:	41,435,654	17,448,897
Less: Mat Credit Entitlement	8,012,334	NIL
2)Deferred tax	(2,070,497)	(3,585,086)
Net Surplus for the year	157,179,549	34,177,189
Balance carried to Balance Sheet	157,179,549	34,177,189

2. OPERATIONAL PERFORMANCE:

There is a quantum jump in the turnover of the company, a growth of around 31.12 %. The net surplus of the company increased by Rs. 157,179,549/- from the previous year. The Company is working on future growth prospects and new areas of business wherein the Company can gain an extra market in the industry. With the GST coming in, the company is expecting a further growth in its revenue from operations alongwith business expansion.

3. DIVIDEND:

Considering the present financial condition & current market situation the Company declares a moderate dividend @ 5 % for the year.

4. INSURANCE:

All the assets of your Company including plant & machinery, equipment, building, vehicle etc. are adequately insured.



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5. MANAGEMENT DISCUSSIONS AND ANALYSIS:

A. Business Operations & Outlook:

Your Company's performance in the financial year 2016-17 has been good considering difficult economic conditions coupled with change in the currency notes and taxation process in the country. Despite such challenges your Company maintained its market. The demand for your Company products is steady in both domestic and international markets. This has been possible due to focused on customers, product innovation, greater effectiveness & efficiency everywhere & strengthening organizational leadership. During the year the Company has managed achieve net profit after tax amount to Rs. 157,179,549/- in the current year.

There has been a significant increase in sale of products for export and to the Export Oriented Units in India. This speaks for the quality of products, which are to world standards. Your company considers Export and sales to Export Oriented Units as a key thrust area as it involves direct competition against international makers.

B. R&D Recognition:

Your Company's two R&D In-House Units located at Mumbai & Silvassa have been recognized by the Department of Scientific & Industrial Research, Ministry of Science & technology, Govt. of India.

6. PUBLIC DEPOSITS:

During the period under review the Company did not accept deposits in terms of Section 73 of the Companies Act, 2013.

7. DIRECTORS:

The Board consists of 4 Directors namely, Mr. Sunil Chari, Mr. Edward Menezes, Mrs. Jyotishna Chari and Mrs. Anita Menezes.

8. BOARD MEETINGS:

The Board met nine times during the financial year 2016-17 on 23rd May, 2016, 28th July, 2016, 13th September, 2016, 17th November, 2016, 7th December, 2016, 25th January, 2017, 5th February, 2017, 7th February, 2017 and 20th February, 2017.

Details of the Directorship, Membership and Chairmanship in other companies for each Director of the Company and their shareholdings and Attendance at the meetings for the period ended on 31st March, 2017 are as follows:

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Name of Director	No. of Shares Held	Category	Attendance
Mr. Sunil Chari	19,52,620	Executive Director	9
Mr. Edward Menezes	19,52,620	Executive Director	9
Mrs. Jyotishna S. Chari	95,280	Non- Executive Director	6
Mrs. Anita Menezes	95,280	Non- Executive Director	6

9. AUDITORS:

V. I Bhatia & Co, Chartered Accountants, Mumbai, Auditors of the company retires at the ensuing General Meeting and consented to get appointed as the auditors of the Company for the financial year ended 2017-18.

10. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement under Section 134(3)(c) of the Companies Act, 2013, with respect to Director's Responsibility Statement, it is hereby confirmed that.

- (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; and
- (e) The directors, in the case of a listed company, 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.

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11. RESEARCH AND DEVELOPMENT (R&D):

a) Specific areas in which R & D carried out by the Company -

Up gradation of few of the microbial strains to get better yield and better application effects. Optimization of SMF conditions for cellulose enzymes. This resulted in better product and applicability. Developed and provided various formulations for Animal Health & nutrition export market. New products and process was developed for paper industries.

New mutants of our existing collection of microbial cultures were screened for new enzymes and improved efficiency.

b) Benefits derived as a result of the above R & D -

New products were developed and introduced in the market which resulted in increase in the sales. Improved version of enzymes gave better effect and good applicability in small does. The improvement in the quality gave sustained leadership in the market.

c) Expenditure on R & D –

Particulars	Revenue Exp. For the year Rs.	Capital Investment Rs.	Total for the Year Rs.
Opening Balance as on 01.04.2016	NIL	8,77,27,371	
Incurred during the year	4,71,02,610	2,53,11,174	7,24,13,784
Total	47,496,604	11,30,38,545	

** This is a cumulative figure of Capital Expenditure incurred till year end.

Total R & D expenditure for the year as a percentage of total turnover = 2.02 %

(II) TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:

1. Efforts, in brief, towards Technology Absorption, adaptation and Innovation:

Efforts made towards Technology Absorption, adaption and innovation

Development of techniques for enzymes cellulases and pectinase with better applicability and yield. New technologies were adapted for the development of niche products for animal health care and we have applied for a Trademark related to our animal health care products. Technical personnel got trained for the latest trends in the biotechnological field to gear up for further research. One patent writing is underway.

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12. FOREIGN EXCHANGE EARNING AND OUTGO:

Total foreign exchange earned:	Rs.
FOB Value of Exports Sale	30,49,73,600
Total inflow	30,49,73,600
Total foreign exchange outgo:	
CIF Value of imported components	17,30,48,054
Travelling Expenses, Membership / Subscription & Others	1,30,99,503
Total outflow	18,61,47,557

ISO Certification:

Company's Silvassa Plant is certified for ISO 9001: 2008 and 14001: 2004 standards.

13. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:

Company has not given loan or provided any guarantees and does not make any investment during the year under consideration.

14. RELATED PARTY TRANSACTION UNDER SUB-SECTION (1) OF SECTION 188:

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. There are no materially significant related party transactions made by the company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large.

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

There are no material changes and commitments noticed by the Board between the end of the financial year of the company, i.e., 31.03.2017 and the date of the report.

16. PARTICULARS OF EMPLOYEES:

Details of Employees covered by the provisions of rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

No employee is drawing salary in excess of the limits specified under the above said Rule.



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17. ACKNOWLEDGEMENTS:

Your Directors would like to express their sincere appreciation of the co-operation and assistance received from shareholders, bankers, regulatory bodies and other business constituents during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the commitment displayed by all executives, officers and staff, resulting in the successful performance during the year.



On Behalf of the Board of Directors
For **ROSSARI BIOTECH LIMITED,**

Edward Menezes
Managing Director
DIN: 00149205

Sunil Chari
Whole Time Director
DIN: 00149083

Place: Mumbai

Dated: 12th September, 2017

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V. I. Bhatia & Co.

Chartered Accountants

Independent Auditors' Report

To the Members of **Rossari Biotech Limited**

1. **Report on the Financial Statements:**

We have audited the accompanying financial statements of **Rossari Biotech Limited** which comprise the Balance Sheet as at 31st March 2017, the Statement of Profit & Loss Account & Cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

2. **Management's Responsibility for the Financial Statements:**

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

3. **Auditors' Responsibility:**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

6. **Opinion:**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31st March 2017, its Profits for the year ended on that date and cash flow for the year ended on that date.

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7. **Report on Other Legal and Regulatory Requirements:**

As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143 (11) of the Act, we enclose in the **Annexure 'A'** a statement on the matters specified in paragraphs 3 and 4 of the said order.

8. 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 purpose of our audit;
- b. in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- c. the Balance sheet, the Statement of Profit & Loss and the Cash Flow statement dealt with by this report are in the agreement with the books of account;
- d. in our opinion, the financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014;
- e. On the basis of written representations received from the directors as on 31st March 2017 and taken on records by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2017 from being appointed as a director in terms of Section 164(2) of the Act;
- f. With respect to the adequacy of the Internal Financial Controls over Financial Reporting of the Company and operating effectiveness of such controls, we enclose our separate report in **Annexure 'B'**;
- g. In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014::
 - i. The Company in India does not have any pending litigations which would impact its financial position
 - ii. The Company in India did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise
 - iii. There has not been an occasion in case of the Company in India during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise
 - iv. The Company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company.

For V. I. Bhatia & Co.,

Chartered Accountants

Firm Registration No.101319W



Vijay Bhatia
(Proprietor)

Membership No.035497

Place: Mumbai

Date: 4th September 2017



ANNEXURE 'A' TO THE AUDITORS' REPORT
(Referred to in paragraph 7 of our Audit Report of even date)


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

- i. a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets;
- b. As explained to us, the fixed assets have been physically verified by the management at regular intervals; as informed to us no material discrepancies were noticed on such verification.
- c. The title deed of the immovable property is held in the name of the Company.
- ii. (a) The inventories have been physically verified by the management during the year at reasonable intervals;
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of the inventories followed by the management are reasonable and adequate in relation to the size of the company and nature of its business;
- (c) The Company has maintained proper records showing full particulars, including quantitative details and situation of inventories and discrepancies, if any, noticed during physical verification were properly dealt in the books of accounts;
- 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 of the Act.
- iv. The Company has not given any loans, investments guarantees, security and hence the provisions of section 185 and 186 of the Companies Act, 2013 are not applicable.
- v. The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- vi. As informed to us, the company has maintained cost records as prescribed by Central Government under sub-section (1) of Section 148 of the Act.
- vii. a. According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Income-Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at 31st March 2017 for a period of more than six months from the date on when they become payable.
- b. According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.

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- viii. Based on the audit procedures and according to informations and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to any financial institutions, banks, government or debenture holders during the year.
- ix. The Company did not raise any money by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable.
- x. Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable.
- xiii. According to the information and explanation given to us and based on our verification of the records of the Company and on the basis of review and approvals by the Board, the transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable. The details of such related party transactions, if any, have been disclosed in the financial statements as required by applicable accounting standard.
- xiv. According to informations and explanations given to us by the management and based on our examination of records the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable.
- xv. According to informations and explanations given to us by the management and based on our examination of records the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable.
- xvi. In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable.

For V. I. Bhatia & Co.,
Chartered Accountants
Firm Registration No.101319W


Vijay Bhatia
(Proprietor)
Membership No.035497



Place: Mumbai
Date: 4th September 2017

Annexure 'B' to the Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub-Section 3 of Section 143 of the Companies Act, 2013 (Referred to in paragraph 8 (f) of our Audit Report of even date)

1. We have audited the internal financial controls over financial reporting of **Rossari Biotech Limited**, as of 31st March, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

2. Management's Responsibility for Internal Financial Controls

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

3. 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 Standards on Auditing, to the extent applicable to an audit of internal financial controls and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

4. Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

5. Inherent Limitations of Internal Financial Controls over Financial Reporting

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

6. Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2017, 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 V. I. Bhatia & Co.,
Chartered Accountants**

Firm Registration No.101319W



**Vijay Bhatia
(Proprietor)**

Membership No.035497



Place: Mumbai

Date: 4th September 2017

ROSSARI BIOTECH LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2017

(Amount In Rupees)

Particulars	Note No.	Figures as at 31.03.2017	Figures as at 31.03.2016
EQUITY AND LIABILITIES			
Shareholder's Funds			
Share Capital	3	44,000,000	44,000,000
Reserves and Surplus	4	561,887,623	408,596,985
Money received against share warrants		-	-
		605,887,623	452,596,985
Share application money pending allotment			
		-	-
Non-Current Liabilities			
Long-term borrowings	5	24,262,832	65,246,753
Deferred tax liability (Net)		-	-
Other long-term liabilities		-	-
Long-term provisions		-	-
		24,262,832	65,246,753
Current Liabilities			
Short-term borrowings	6	195,373,504	154,413,850
Trade payables	7	336,017,567	283,115,620
Other Current Liabilities	8	44,837,589	66,999,106
Short-term provisions	9	11,367,315	15,783,901
		587,595,975	520,312,477
Total		1,217,746,431	1,038,156,215
ASSETS			
Non-current assets			
Fixed assets	10		
i. Tangible Assets		368,338,298	358,635,243
ii. Intangible Assets		530,121	921,155
iii. Capital Work In Progress		78,957,158	75,484,379
iv Intangible assets under development		-	-
v Fixed assets held for sale		-	-
		447,825,577	435,040,777
Non-current Investments	11	2,000,400	2,000,400
Deferred tax assets (Net)		4,712,884	2,642,387
Long-term Loans and Advances	12	7,589,480	6,158,716
Other non-current assets		-	-
		14,302,764	10,801,503
Current assets			
Inventories	13	235,086,260	250,420,826
Trade receivables	14	473,392,802	289,622,513
Cash and cash equivalents	15	20,574,051	20,096,275
Short-term loans and advances	16	26,564,977	32,174,321
Other Current Assets		-	-
		755,618,090	592,313,935
Total		1,217,746,431	1,038,156,215

Significant Accounting Policies 1

Additional Notes to Accounts 2

See accompanying notes forming part of the financial statements 3 to 16
In terms of our report attached.

For V. I. Bhatia & Co.
Chartered Accountants

Vijay Bhatia
(Proprietor)

Place : Mumbai

Date : 4th September 2017



Edward Menezes
(Director)

DIN:00149205

601-602 Gem House

Hiranandani Gardens,

Powai, Mumbai : 400076

For Rossari Biotech Limited

Sunil Chari
(Director)

DIN:00149083

B-902, Valencia CHS

Hiranandani Gardens,

Powai, Mumbai : 400076

ROSSARI BIOTECH LIMITED

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

(Amount In Rupees)

Particulars	Note No	Figures as at 31.03.2017	Figures as at 31.03.2016
Revenue from operations	17	2,334,586,173	1,780,796,549
Other Income	18	9,397,750	4,366,290
Total Revenue		2,343,983,923	1,785,162,839
Expenses:			
Cost of materials consumed	19	1,666,029,924	1,238,847,850
Purchase of Stock-in-Trade		-	-
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	20	(5,101,072)	65,297,200
Employee benefit expense	21	141,332,517	114,413,148
Financial costs	22	21,231,372	34,269,646
Depreciation and amortization expense	10	42,679,691	45,038,054
Research & Development Expenses		47,102,610	13,305,382
Other expenses	23	242,176,510	225,950,559
Total Expenses		2,155,451,552	1,737,121,839
Profit before exceptional and extraordinary items and tax		188,532,371	48,041,000
Exceptional Items & Extraordinary Items		-	-
Profit before tax		188,532,371	48,041,000
Tax expense:			
(1) Current tax		41,435,654	17,448,897
Less : MAT Credit Entitlement		8,012,334	-
(2) Deferred tax		(2,070,497)	(3,585,086)
Profit (Loss) from the period from continuing operations		157,179,549	34,177,189
Earning per equity share:			
(1) Basic		35.72	7.77
(2) Diluted		35.72	7.77

Significant Accounting Policies

1

Additional Notes to Accounts

2

See accompanying notes forming part of the financial statements

17 to 23

In terms of our report attached.

For V. I. Bhatia & Co.

Chartered Accountants



Vijay Bhatia
(Proprietor)




Edward Menezes
(Director)

DIN:00149205

601-602 Gem House

Hiranandani Gardens,

Powai, Mumbai-400076

For Rossari Biotech Limited



Sunil Chari
(Director)

DIN:00149083

B-902, Valencia CHS

Hiranandani Gardens,

Powai, Mumbai-400076

Place : Mumbai

Date : 4th September 2017

ROSSARI BIOTECH LIMITED

NOTES FROMING PART OF BALANCE SHEET AS ON 31 ST MARCH 2017

	Particulars	Figures as at 31.03.2017	Figures as at 31.03.2016
	<u>Shareholders Funds :</u>		
3	<u>Share Capital</u>		
a	Authorized Share Capital 50,00,000 (P.Y. 50,00,000) Equity Share of Rs.10 each	50,000,000	50,000,000
	Total	50,000,000	50,000,000
b	Shares issued, subscribed and fully paid 44,00,000 (P.Y. 44,00,000) Equity Share of Rs.10 each	44,000,000	44,000,000
	Total	44,000,000	44,000,000
c	Details of Shares held by shereholders holding more than 5% of the aggregate shares in the Company		
	Sunil Chari 19,52,620 44.38%		
	Edward Menezes 19,52,620 44.38%		
4	<u>Reserves & Surplus</u>		
	Securities Premium Reserve	156,000,000	156,000,000
	<u>Surplus / (Deficit) in Statement of Profit and Loss</u>		
	Opening balance	252,596,985	221,109,319
	Add: Profit / (Loss) for the year	157,179,549	34,177,189
	Less : Prior Period Adjustments	-	7,036
	Less : Interest u/s 234 C (F.Y. 2014-15)	-	14,217
		409,776,533	255,265,255
	Less: Appropriations		
	Proposed Dividend on Equity Shares	2,200,000	2,200,000
	Corporate Social Responsibility Expenditure	1,241,042	-
	Tax on Proposed Dividend	447,868	468,270
	Profit after Appropriations	405,887,623	252,596,985
	Total	561,887,623	408,596,985
5	<u>Long-term borrowings</u>		
	<u>i) Secured Loans</u>		
	Vehicles Loans	19,308,866	2,743,238
	Term Loans	4,953,966	62,503,515
	Total	24,262,832	65,246,753
	<u>5.1 Details of Securities</u>		
	a). Vehicle Loans Secured by way of hypothecation of respective Vehicle.		
	b). Term Loan from Govt. of India under Biotechnology Industrial Partnership Programme (BIPP) under Dept. of Biotechnolgy (Ministry of Science & Technology) scheme included in Term Loan is secured by way of hypothecation of project related assets.		
	c). The Working Capital facilities and Term Loan from Bank are secured by way of hypothecation of entire stocks, book debts and other current assets as primary security and hypothecation of movable fixed assets and equitable mortgage of office premises, factory land & building as collateral security. Further they are secured by personal guarantees of Directors of the Company.		



ROSSARI BIOTECH LIMITED

NOTES FROMING PART OF BALANCE SHEET AS ON 31 ST MARCH 2017

	Particulars	Figures as at 31.03.2017	Figures as at 31.03.2016
6	<u>Short-term borrowings</u>		
	Secured Loans		
	Working Capital Loans From Banks	195,373,504	154,413,850
	Total	195,373,504	154,413,850
	<u>6.1 Details of Securities</u>		
	Ref Note No. 5.1 on securities		
7	<u>Trade Payable</u>		
	Payable to others	336,017,567	283,115,620
	Total	336,017,567	283,115,620
8	<u>Other Current Liabilities</u>		
	Security Deposits	26,676,985	23,350,841
	Current maturities of long-term debt	5,803,274	40,521,044
	TDS Payables	9,020,570	1,963,821
	Others Payables	3,336,760	1,163,400
	Total	44,837,589	66,999,106
9	<u>Short-term provisions</u>		
	Provision for employee benefits	8,719,447	13,136,025
	Proposed Dividend	2,200,000	2,200,000
	Tax on Dividend	447,868	447,876
	Total	11,367,315	15,783,901
11	<u>Non - Current Investments</u>		
	<u>Investment in Equity Instruments - Unquoted fully paid up</u>		
	<u>Investment in Subsidiary Company</u>		
	Neutron Impex Private Limited - Equity Shares		
	1000 P.Y.(1000 Equity Shares) Face Value Rs. 100/- each	1,975,000	1,975,000
	<u>Investment in Others</u>		
	Jostar Orgotech - Equity Shares	400	400
	10 (Face Value Rs. 10/- each) (P.Y. 10 Equity Shares)		
	Sarsaswat Bank Equity Shares	25,000	25,000
	2500 Equity Shares (Face Value Rs. 10/- each) (P.Y. 2500 Equity Shares)		
	Total	2,000,400	2,000,400
12	<u>Long - Term Loans and Advances</u>		
	<u>Unsecured, considered good</u>		
	Security & Business Deposits	5,306,697	4,206,207
	Advance to Employee	2,282,783	1,952,509
	Total	7,589,480	6,158,716



ROSSARI BIOTECH LIMITED

10. NOTES FORMING PART OF ACCOUNTS AS AT 31ST MARCH 2017

FIXED ASSETS -- Amount in Rupees

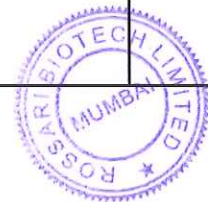
Description	Gross Block				Rate	Depreciation / Amortisation			Net Block	
	As at 01.04.2016	Additions	Deductions/ Adjustments	Deletion (Sale Value)		As at 01.04.2016	For the Year	Adjustment Reserves & Deductions/ Adjustments	Up to 31.03.2017	As at 31.03.2017
Tangible Assets										
Land	101,230,185	-	-	-	-	-	-	-	-	101,230,185
Building	257,768,922	3,147,163	-	-	9.5%/4.87%	10,407,616	-	124,062,359	136,853,726	144,114,179
Computers System	22,115,559	782,864	-	23,399	30.3%/63.16%	673,046	23,399	22,273,780	601,244	491,426
Furniture & Fixtures	19,597,568	27,240	-	-	25.89%	1,250,375	-	16,591,875	3,032,933	4,256,068
Motor Car	46,242,054	4,446,771	-	6,413,837	31.23%	9,400,898	5,685,847	24,118,190	20,156,798	25,838,915
Other Vehicle	724,677	109,896	-	-	25.89%	52,784	-	652,725	181,848	124,736
Office Equipment	9,065,848	729,375	-	-	45.07%	447,906	-	9,114,913	680,310	398,841
Plant & Equipments										
i) Plant & Machinery	169,014,149	27,017,825	-	-	13.91%/18.10%	14,861,872	-	111,315,973	84,716,001	72,560,048
ii) Lab Equipment	11,981,199	15,724,506	-	-	25.89%	3,564,460	-	11,073,068	16,632,637	4,472,591
iii) Electrical Installation	22,941,092	281,544	-	-	25.89%	1,467,558	-	18,970,024	4,252,612	5,438,626
Total - A	660,681,253	52,267,184	-	6,437,236		42,126,515	5,709,246	338,172,907	368,338,294	358,925,615
Intangible Assets										
Computers Software	16,763,483	452,519	-	-	39.3%/63.16%	553,177	-	16,685,881	530,121	630,779
Total - B	16,763,483	452,519	-	-		553,177	-	16,685,881	530,121	630,779
TOTAL (A+B)	677,444,736	52,719,703	-	6,437,236		42,679,692	5,709,246	354,858,788	368,868,415	359,556,394

Note:-

- The Above Fixed Assets includes the cost of acquisition of the assets procured & utilized for Research & Development in respective class of Assets.
- Depreciation is provided in WDV Method at the rates specified in Schedule II of the Companies Act, 2013, except on software utilised & included in Plant & Equipments, on which depreciations is provided at the rates prescribed for computer software.
- Depreciation on Additions for the assets put to use for more than Six Month is provided in full & for the assets put to use less than Six Month is provided @ 50% of the applicable rate.



	Particulars	Figures as at 31.03.2017	Figures as at 31.03.2016
13	<u>Inventories</u> (Taken as verified, valued and certified by the Directors)		
	Raw Materials	166,990,804	187,426,441
	Work-in-progress	15,700,656	6,993,320
	Finished goods	51,476,778	54,497,113
	Stock-in-trade (Trading Goods)	918,022	1,503,952
	Total	235,086,260	250,420,826
14	<u>Trade Receivable</u> <u>Unsecured, considered good;</u> <u>Outstanding for a period exceeding 6 months from the date</u> <u>of invoice</u>		
	From Related Parties	-	-
	From Others	14,231,400	14,992,320
	<u>Others:</u>		
	From Related Parties	-	-
	From Others	459,161,402	274,630,193
	Total	473,392,802	289,622,513
15	<u>Cash and cash equivalents</u>		
	Balances with banks	8,708,750	15,243,235
	Fixed Deposit	10,812,925	4,388,584
	Cash on hand	1,052,375	464,457
	Total	20,574,051	20,096,275
16	<u>Short-term loans and advances</u> <u>Unsecured, considered good</u>		
	Recoverable from Revenue Authorities	24,794,703	30,728,472
	Prepaid expenses	1,017,929	1,174,258
	Advance to suppliers	-	-
	Accrued Interest	491,275	193,354
	Gratuity Receivable	-	78,237
	Other Loans and Advances	261,070	-
	Total	26,564,977	32,174,321



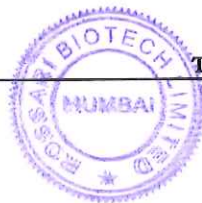
	Particulars	Figures as at 31.03.2017	Figures as at 31.03.2016
17	Revenue from operations		
	Sale of products	2,086,563,965	1,654,456,272
	Sale of trading goods	171,086,242	4,261,653
	Export Sales	316,350,708	274,104,541
	Other operating revenues	4,908,865	3,941,155
		2,578,909,781	1,936,763,622
	Less : Excise duty	244,323,608	155,967,073
	TOTAL	2,334,586,173	1,780,796,549
18	Other Income		
	Rent	80,000	480,000
	Grant-in-Aid (BIRAP)	-	200,000
	Net Gain / (Loss) on foreign currency transactions & translation	3,147,239	1,937,491
	Profit/Loss on Sales of Assets	22,009	
	Interest Income	1,531,928	247,131
	Write Back	4,002,188	1,500,773
	Insurance Claim Received	614,386	895
	TOTAL	9,397,750	4,366,290
19	Cost of materials consumed		
	Opening Stock of Raw Materials	187,426,441	183,563,050
	Add : Purchases (Net)	1,645,594,287	1,242,711,241
		1,833,020,728	1,426,274,291
	Less : Closing Stock of Raw Materials	166,990,804	187,426,441
	TOTAL	1,666,029,924	1,238,847,850
20	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade		
	Opening Stock		
	Work-in-progress	6,993,320	16,864,106
	Stock-in-Trade	1,503,951	1,503,950
	Finished Goods	54,497,113	109,923,528
		62,994,384	128,291,584
	Less : Closing Stock		
	Work-in-progress	15,700,656	6,993,320
	Stock-in-Trade	918,022	1,503,951
	Finished Goods	51,476,778	54,497,113
	TOTAL	68,095,456	62,994,384
	(Increase) / Decrease in Stock	(5,101,072)	65,297,200
21	Employee Benefits Expense		
	Salaries & Wages	129,879,372	106,170,364
	Contribution to provident and other funds	5,267,515	4,288,169
	Staff welfare expenses	6,185,630	3,954,616
	TOTAL	141,332,517	114,413,148
22	Financial Costs		
	Interest expense	16,914,319	27,702,435
	Other borrowing costs	4,317,052	6,567,211
	TOTAL	21,231,372	34,269,646



ROSSARI BIOTECH LIMITED

NOTES FORMING PART OF PROFIT AND LOSS ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2017

23	<u>Other Expenses</u>		
	Advertisement	564,940	215,961
	Directors Remunerations	12,500,000	3,588,000
	Commission on Sales	25,766,039	30,330,759
	Computer Expenses	1,269,834	1,168,812
	Consumable, Stores & Spares	4,337,553	1,226,870
	Conveyance & Petrol	5,527,223	5,800,524
	Electricity Charges - Factory	6,167,481	4,987,622
	Factory Expenses	14,785,423	13,045,221
	Repairs & Maintenance- Electricals	1,351,724	2,057,879
	Repairs & Maintenance- Plant & Machinery & Electronics	4,493,478	12,744,035
	Repairs & Maintenance- Building	1,687,923	5,907,637
	Repairs & Maintenance - Vehicle & Others	3,201,914	3,029,661
	Transport, Loading & Unloading	15,198,422	16,146,367
	Donation	485,568	227,361
	Electricity Charges - Office	3,068,480	2,953,462
	Exhibition, Conference & Seminars	5,781,573	9,282,811
	C & F & Other Export / Import Related Expenses	27,559,816	23,755,370
	Insurance Charges	5,423,618	3,892,651
	Membership & Subscription	213,255	124,451
	Mobile & Telephones Expenses	1,661,902	1,423,646
	Loss on sale of Assets	-	-
	Royalty	336,135	872,695
	Vehicle Hire Charges	1,791,420	1,105,578
	Society Charges	1,400,306	1,190,100
	Office Expenses	6,575,952	5,617,721
	Postage & Courier	1,698,690	1,602,306
	Printing & Stationery	1,768,630	1,907,593
	Professional Fees	15,592,916	17,845,332
	Rent For Office/Residence/Warehouses	13,743,891	12,087,863
	Rent, Rates & Taxes	1,905,458	2,986,695
	Sales Promotion Expenses	4,402,128	4,802,025
	Travelling Expenses	23,870,456	18,292,426
	Transport Outward	16,972,208	12,844,601
	Watch & Ward Expenses	1,799,634	1,696,930
	Miscellaneous expenses	8,831,522	789,594
	<u>Payments to the Auditors as</u>		
	Statutory & Tax Audit Fees	390,000	355,000
	For Certification Matters	51,000	45,000
	TOTAL	242,176,510	225,950,559



ROSSARI BIOTECH LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2017

PARTICULARS	31.03.2017	31.03.2016
A. Cash Flow from Operating Activities		
Net Profit Before Tax (PBT)	188,532,371	48,041,000
Adjustment for :		
Depreciation	42,679,691	45,038,054
Interest	21,231,372	34,269,646
Operating Profit before Working Capital Changes	<u>252,443,434</u>	<u>127,348,700</u>
Adjustment for Working Capital Changes		
(Increase)/Decrease in Stock in Trade	15,334,566	61,433,809
(Increase)/Decrease in Debtors	(183,770,289)	(45,545,800)
(Increase)/Decrease in Loans & Advances	4,178,580	28,560,116
(Increase)/Decrease in Other Current Asset	-	-
Increase/(Decrease) in Current Liabilities	24,253,347	77,147,064
	<u>(140,003,796)</u>	<u>121,595,189</u>
Cash Generated from Operation	112,439,638	248,943,889
Taxes Paid (IT+Deferred)	31,352,822	13,863,811
Dividend + DDT Paid	2,647,868	2,668,270
Cash Flow before Exceptional item & Prior Period Items	<u>78,438,948</u>	<u>232,411,808</u>
Prior Period Items	-	21,253
Corporate Social Responsibility Expenditure	1,241,042	-
Net Cash from Operating Activities	<u>77,197,906</u>	<u>232,390,555</u>
B. Cash Flow from Investing Activities		
(Purchase)/Sale of Fixed Assets	(55,464,491)	(46,525,494)
(Purchase)/Sale of Investments	-	-
Net Cash used in Investing Activities	<u>(55,464,491)</u>	<u>(46,525,494)</u>
C. Cash Flow from Financing Activities		
Increase in Secured/Unsecured Loan	(24,267)	(141,019,098)
Decrease in Secured/Unsecured Loan	-	-
Increase in Minority Interest	-	-
Interest Paid	(21,231,372)	(34,269,646)
Receipt / (Refund) of Share Application money	-	-
Net Cash used in Financing Activities	<u>(21,255,639)</u>	<u>(175,288,744)</u>
Net Increase/(Decrease) in Cash and Cash equivalents(A+B+C)	477,776	10,576,317
Opening Cash and Cash Equivalents	20,096,275	9,519,958
Closing Cash and Cash Equivalents	20,574,051	20,096,275
Closing Cash & Bank according to B/S	20,574,051	20,096,275

Notes:

- 1) The Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard 3 "Cash Flow Statements".
- 2) Previous year's figures have been reclassified to confirm to the current years' presentation.

For V. I. Bhatia & Co.
Chartered Accountants

Vijay Bhatia
(Proprietor)

Place : Mumbai
Date : 4th September 2017



For Rossari Biotech Limited

Edward Menezes
(Director)

DIN:00149205
601-602 Gem House
Hiranandani Gardens,
Powai, Mumbai : 400076

Sunil Chari
(Director)

DIN:00149083
B-902, Valencia CHS
Hiranandani Gardens,
Powai, Mumbai : 400076

NOTE-1: CORPORATE INFORMATION

The company "ROSSARI BIOTECH LIMITED" is incorporated in the year 2009 and having registered office at 201-A & B, Ackruti Corporate Park, L.B.S.Marg, Next to GE Garden, Kanjurmarg (West), Mumbai-400 078

NOTE-2: NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH' 2017**1) SIGNIFICANT ACCOUNTING POLICIES****a) Method of Accounting**

The Financial Statements are prepared in accordance with the historical cost convention & applicable standard and recognize the income & expenditure on accrual basis except those with significant uncertainty and unless referred to otherwise, are consistent with generally accepted accounting principles.

b) Revenue Recognition

Revenue from the sale of goods is recognized in the profit and loss account when the significant risks and rewards of ownership have been transferred to the buyer. Revenue from products is generally recorded as of the date of dispatch to the customer. Revenue is recognized when the Company has satisfied all of its obligations to the customer. Revenue, including any amounts invoiced for shipping and handling costs, represents the value of goods supplied to customers, net of returns, quantity / quality rebates and discounts except cash discount but excluding excise duty. Revenue from Export Benefit - Duty Drawback is accounted on receipt basis. The differences, if any arising due to income/expenditure provided on estimated basis in earlier years are charged to respective expenses on crystallization.

c) Fixed assets, Capital Work in Progress & Depreciation

Fixed assets are stated at cost including any cost attributable for bringing the asset to its working condition for its intended use less any accumulated depreciation and any impairment losses. Depreciation has been provided by Written Down Value method at rates prescribed in Schedule II of the Companies Act, 2013. In case of additions to fixed assets put to use for period More than 180 Days, depreciation for full year has been provided and if Additions to fixed assets put to use for period Less than 180 Days, depreciation at half of the amount of depreciation for full year has been provided.

Capital work in Progress represent cost of the Assets / Expenses incurred for the new project and include interest paid on Bank Loan availed for the acquisition of the Project related assets.

d) Research and Development

Revenue expenditure incurred on Research and Development has been charged to the Profit and Loss Account in the year it has been incurred. Capital expenditure has been included in the Cost of Acquisition of the appropriate Fixed Assets and Depreciation thereon has been charged at regular rates prescribed.

Contd....2/-

**ROSSARI BIOTECH LIMITED**

CIN: U2100MH2009PLC194818

Regd. Office : 201 A & B, Ackruti Corporate Park, Next to GE Gardens, LBS Marg, Kanjurmarg (W). Mumbai - 400078. India. T +91-22-6123 3800 F +91-22-2579 6982

Factory : Plot No. 10 & 11, Survey No. 90/1/10 & 90/1/111/1, Kumbharwadi, Village Naroli, Dadra & Nagar Haveli (U.T.), Silvassa - 396 235. India. T 0260 - 6693000, +91-22-2577 7605

E info@rossarimail.com W www.rossari.com

e) Impairment

The carrying amount of the Company's assets, other than inventories and deferred tax assets, are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount (being the greater of fair value less costs to sell and value in use) is assessed at each balance sheet date. Fair value less costs to sell is defined as the amount obtainable from the sale of an asset or cash-generating unit in an arm's length transaction between knowledgeable and willing parties, less the costs that would be incurred in disposal. Value in use is defined as the present value of the future cash flows expected to be derived through the continued use of an asset or cash-generating unit. In assessing value in use, the estimated future cash flows are discounted to their present value using a pretax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the future cash flow estimates have not yet been adjusted. The estimates of future cash flows exclude cash inflows or outflows attributable to financing activities and income tax. For an asset that does not generate largely independent cash flows, the recoverable amount is determined by reference to the cash generating unit to which the asset belongs. An impairment loss is recognized whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognized in the profit and loss account.

f) Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is arrived at as Follows:-

- (i) In case of Raw Materials, Packing Material and other inputs, Cost is determined on First in First out basis.
- (ii) In case of Work in process Cost is arrived at by taking in to consideration material consumed and percentage of related overheads.
- (iii) In case of Finished goods Cost is arrived at by taking in to consideration material consumed and percentage of related overheads.
- (iv) In case of Goods for resale Cost is determined on First in First out basis.

g) Employees Retirement Benefits

Contributions to the defined contribution schemes are recognized in the profit and loss account in the period in which the related service is received from the employee.

h) Foreign currency

A majority of the revenue of the Company is generated in Indian Rupees. The presentation currency of the Company is Indian Rupees. Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. The resulting gains and losses are charged / recognized in the profit and loss account for the year.

i) Forward exchange contracts

The Company has minimized its foreign exchange risk by taking Forward cover contracts to sell Indian Rupees forward for US Dollars. The premium or discount arising at the inception of such a forward exchange contract is amortized as expense or income over the life of the contract. Exchange differences on such a contract are recognized in the profit and loss account in the reporting period in which the exchange rates change.

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j) Tax (Current and Deferred)

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax expense is recognized in the profit and loss account.

Current tax represents the expected tax payable on the taxable profit for the year using tax rates enacted or substantively enacted at the balance sheet date and taking into account any adjustments stemming from prior years.

Deferred tax is provided on the basis of the timing differences method. Deferred tax assets and liabilities are not subject to discounting and are measured at the applicable tax rates.

The carrying amounts of deferred tax assets are subject to review at each balance sheet date and are derecognized to the extent that future taxable profits are considered to be inadequate to allow all or part of any deferred tax asset to be utilized.

k) Financial Expenses

Financing expenses comprise costs paid / payable on loans & borrowings and processing fees paid to bank & other bank charges.

Interest on Term Loan to the extent attributable to the Acquisition/Construction of the Fixed Assets which has not been put to use till the date of the Balance Sheet has been capitalized and added to the Cost of respective Fixed Assets.

In case of Interest on Term Loan to the extent attributable to the Capital Work in Progress has been classified under Capital Work in Progress to be included in the Cost of respective Fixed Assets, as and when the Fixed Asset will be put to use.

The interest pertaining to the assets put to use on or before date of the Balance Sheet and working capital facilities is written off to Profit & Loss Accounts.

l) Excise Duty

- (i) Material consumed is valued inclusive of excise duty, sales tax and any other cess actually paid or incurred, but excluding CENVAT
- (ii) Unutilized CENVAT credit at the year-end is reflected separately as an Asset under the head 'Loans and Advances'
- (iii) Excise duty is chargeable on production but is payable on clearance of goods. Accordingly, Excise Duty on goods manufactured by the company is accounted for at the time of their clearance.
- (iv) Excise Duty on clearance of Animal Health Nutrition products are paid by Company and accounted as an Expense. In case of Other Product It is recovered from Customers and accounted accordingly.



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2) OTHER NOTES

1. Disclosure on Specified Banking Notes

During the year, the Company had Specified Bank Notes (SBNs) or other denominations notes as defined in MCA Notification, G.S.R.308 (E), dated 31st March 2017. The details of SBNs held and transaction during the period 8th November 2016 to 30th December 2016, the denomination wise SBNs & other notes as per the notification are as follows:

Particulars	SBNs	Other Denomination Notes	Total Amount
Closing Cash in hand as on 08.11.2016	4,50,000	2,12,912	6,62,912
Add:- Withdrawals from Bank Accounts	--	7,15,000	7,15,000
Add:-Cash received for permitted transactions	--	8,01,211	8,01,211
Less:- Cash paid for permitted transactions	--	16,57,595	16,57,595
Less:- Deposited in bank accounts	4,50,000	--	4,50,000
Closing Cash in hand as on 30.12.2016	--	71,528	71,528

2. Contingent Liabilities not provided for:

(a) Outstanding Bank Guarantees: Rs. 11,39,000/- (Previous Year : Rs. 1,83,000/-)

(b) For Income Tax / Sales Tax matters: Rs. Nil (Previous Year: Rs. 20,19,040/-)

The Company has provided Margin Money by way of Lien marked Fixed Deposits of Face Value of Rs. 79,79,000/- (Previous Year: Rs. 15,00,000/-) to secure the aforesaid bank guarantees.

3. Segment wise Information:-

The Company operates in only one segment viz. Biochemical and hence no separate information for segment wise disclosure in accordance with the requirement of Accounting Standard-17 is given.

4. Related Party Disclosures

Information on related party as required by the Accounting Standard -18 "Related Party Disclosures" issued by the Institute of the Chartered Accountants of India is as given below:

i) Related Parties**a) Key Managerial Persons**

- I. Mr. Sunil Chari
- II. Mr. Edward Menezes
- III. Mrs. Jyotishna Chari
- IV. Mr. Mikhail Menezes



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b) Enterprises on which key managerial persons or their relatives are able to exercise significant influence

- I. Rossari Biotech India Pvt. Ltd.
- II. Neutron Impex Pvt. Ltd.
- III. Rossari Specialties
- IV. Rossari Manuchar India Pvt. Ltd.
- V. Glad Properties India Pvt. Ltd.
- VI. Sunjyot Properties Pvt Ltd
- VII. Buzil Rossari Pvt. Ltd.

ii) Transaction with the related parties in ordinary course of business is given below:

Nature of Transaction	Key Management Personnel / Relative	Enterprises on which key managerial persons or their relatives are able to exercise significant influence
Remuneration Paid	20,725,727	-
Rent Paid	86,70,000	8,40,000
Purchase of Material	-	27,30,164
Sale of material	-	5,91,02,585
Vehicle Hire Charges	3,30,960	-
Rent Received	-	80,000

5. Expenditure on Research and Development incurred during the year:

Particular	Amount Rs. 2016-17	Amount Rs. 2015-16
Revenue Expenditure	4,71,02,610	1,33,05,382
Capital Expenditure	2,53,11,174	3,92,955
Total	7,24,13,784	1,36,98,337

6. Deferred Tax:

Break up of Deferred Tax Assets /(Liability) arising on account of Timing Differences:

	Amount Rs. 2016-17	Amount Rs. 2015-16
Deferred Tax Assets/(Liability)	47,12,884	26,42,387

7. There are no micro, small and medium Enterprises to whom the company owes dues which are outstanding for more than 45 days at the Balance Sheet date, to the extent such parties have been identified on the basis of information available with the company.
8. Balances of Trade Receivables, Trade Payable, Loans and Advances given are subject to confirmation and reconciliation by the respective parties.

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9. Addition information pursuant to Schedule III of the Companies Act, 2013.

A) Particulars in respect of class of goods manufactured:

Class of products	Installed Capacity p.a. Qty. MT	Actual Production Qty.(Kgs.,Nos.& Ltrs.)
Specialty Bio-chemicals, Green/Eco Friendly Chemicals & Enzymes for various application	NA	F.Y.2016-17 : 3,36,85,890 F.Y.2015-16 : 3,03,13,871

Note:

- (i) Installed capacity has not been disclosed as these are variables and subject to changes in product mix.

B) Particulars in respect of Opening and Closing stock and Sales of Finished Product manufactured & traded:

Class of products	Opening Stock Value Rs.	Closing Stock Value Rs.	Sales Value Rs.
Specialty Bio-chemicals, Green / Eco Friendly Chemicals & Enzymes for various application	5,44,97,113 (10,99,23,528)	5,14,76,778 (5,44,97,113)	2,15,85,91,065 (1,77,25,93,740)
Chemicals & Others Goods Traded	15,03,951 (15,03,950)	9,18,021 (15,03,951)	17,10,86,242 (42,61,653)
Total	5,60,01,064 (11,14,27,478)	5,23,94,799 (5,60,01,064)	2,32,96,77,307 (1,77,68,55,393)

Figures mentioned in brackets are pertaining to F.Y.2015-16

10. Analysis of Raw Material consumed:

	Item Description	31 st March 2017 Value Rs.	31 st March 2016 Value Rs.
1	Agro Origin Raw Materials, Acetic acid, Citric acid, Polymers, Base oil, Ethoxylates, Surfactants, Enzymes etc.	1,660,928,852	1,30,41,45,050
	Total	1,660,928,852	1,30,41,45,050

11. The value of consumption of directly imported and indigenously obtained Raw Materials and percentage to that of the total consumption:

Particulars	31 st March 2017		31 st March 2016	
	Value (Rs.).	%	Value(Rs.)	%
Imported Raw Materials	39,09,31,150	24%	25,55,14,358	20%
Indigenous Raw Materials	1,269,997,702	76%	1,04,86,30,692	80%
Total	1,660,928,852	100%	1,30,41,45,050	100%

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12. Value of Imports on C.I.F. Basis:

Particulars	31 st March 2017 Rs.	31 st March 2016 Rs.
Raw Materials	17,30,48,054	25,52,79,224

13. Expenditure in Foreign Currency on account of:

Particulars	31 st March 2017 Rs.	31 st March 2016 Rs.
Traveling	67,41,761	59,10,216
Others	63,57,742	66,93,406
Total	1,30,99,503	1,26,03,622

14. Earning in Foreign Currency (F.O.B. Value):

Particulars	31 st March 2017 Rs.	31 st March 2016 Rs.
Sales	30,49,73,600	26,32,07,129

15. ISO Certification:

Company's Silvassa Plant is certified for ISO 9001: 2008 and 14001: 2004 standards.

16. R&D Recognition:

Company's two R&D In-House Units located at Mumbai & Silvassa have been recognized by the Department of Scientific & Industrial Research, Ministry of Science & technology, Govt. of India w.e.f. 06.10.2009.

17. Corporate Social Responsibility:

We firmly believe that we are a part of society and irrespective of statutory requirement, we are duty bound to contribute to the welfare of the society, accordingly, in our own way we have tried to discharge our corporate social responsibility for social cause.

18. Previous year's figures:

Previous figures have been re-grouped / re-arranged wherever necessary.

Signature on Note 1 to 23

For and on behalf of:
V. I. Bhatia & Co.,
Chartered Accountants,

Vijay Bhatia
(Proprietor)



For Rossari Biotech Limited

Sunil Chari
(Director)

Edward Menezes
(Director)

Place: Mumbai.

Date: 4th September, 2017

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