

28TH ANNUAL REPORT

OF

SYSCHEM(INDIA) LIMITED

AS AT

31ST MARCH, 2021

BOARD OF DIRECTORS

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

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 S T A V & CO
#3130-P, SECTOR 22-D
CHANDIGARH – 160022

COMPANY SECRETARY

Mrs. Shikha Kataria

CHIEF FINANCIAL OFFICER

Mr. Sanjeev Agrawal

BANKERS

PUNJAB NATIONAL BANK, MANIMAJRA,
CHANDIGARH-160101

NOTICE

NOTICE is hereby given that 28th Annual General Meeting of the shareholders of Syschem (India) Limited will be held on Saturday, the 28th day of August, 2021 at 4.00 P.M through Video Conferencing (VC) / Other Audio Visual Means (OAVM)to transact the following business :-

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2021 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 Ms. Neena Batra (DIN 07846399 who retires by rotation and being eligible, offers himself for re-appointment.
3. To ratify the appointment of Auditors and 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 S T A V & CO ,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(subject to the rectification of their appointment at every AGM) at remuneration plus Service tax as applicable, to be fixed by the Board of Directors of the Company.”

SPECIAL BUSINESS:

4. INCREASE IN AUTHORISED SHARE CAPITAL

“RESOLVED THAT pursuant to provision of Section 61(1)(a) of the Companies Act, 2013, and any other applicable provisions and the relevant rules framed there under and in accordance with the provisions of the Articles of Association of the Company, the Authorised Share Capital of the Company be and is hereby increased from 25,00,00,000/- (Rupees Twenty Five Crores only) divided into 2,30,00,000 (Two Crore Thirty Lac only) Equity Shares of 10/- each and 2,00,00,000 (Two crore only) Non-cumulative Non-Convertible Preference shares of Rs. 1/- each to 30,00,00,000/- (Rupees Thirty Crores only) divided into 2,80,00,000 (Two Crore Eighty Lac only) Equity Shares of 10/- each and 2,00,00,000 (Two Crore only) Non-cumulative Non-Convertible Preference Shares of Rs.1/- each by creating additional 50,00,000 (Fifty Lac only) Equity Shares of 10/- each.

RESOLVED FURTHER THAT the new Equity shares shall rank paripassu with the existing Equity shares.”

5. TO AMEND THE MEMORANDUM OF ASSOCIATION & TO CONSIDER AND IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S) THE FOLLOWING RESOLUTION AS A SPECIAL RESOLUTION

“RESOLVED THAT the consent of the Company be and is hereby accorded under provisions of section 13 of the Companies Act, 2013 to amend the existing Clause V of Memorandum of Association of the Company by substituting first four lines by following lines as mentioned here under:

V. The Authorised Share Capital of the Company is Rs 30,00,00,000/- (Rupees Thirty Crores only) divided into 2,80,00,000 (Two Crores Eighty Lac only) Equity Shares of 10/- each and 2,00,00,000 (Two Crore only) Non-cumulative Non-Convertible Preference Shares of Rs.1/- each

6. TO AMEND THE ARTICLES OF ASSOCIATION & TO CONSIDER AND IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S) THE FOLLOWING RESOLUTION AS A SPECIAL RESOLUTION:

“RESOLVED THAT in order to reflect the increase in Authorised share capital of the Company, the consent of the Board is hereby accorded to amend the existing Article 3 of the Articles of Association of the Company with the following:

3. The Authorised Share Capital of the Company is Rs 30,00,00,000/- (Rupees Thirty Crores only) divided into 2,80,00,000 (Two Crore Eighty Lac only) Equity Shares of 10/- each and 2,00,00,000 (Two Crore only) Non-cumulative Non-Convertible Preference Shares of Rs.1/- each

7. PREFERENTIAL ALLOTMENT OF CONVERTIBLE EQUITY WARRANTS OF THE COMPANY & TO CONSIDER AND, IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION, IF ANY, THE FOLLOWING RESOLUTIONS A SPECIAL RESOLUTION:

“RESOLVED THAT in terms of Sections 42 and 62(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013 and Rule 14 of Companies (Prospectus and Allotment of Securities) Rules, 2014 and other relevant rules made there-under (including any statutory modification(s) or re-enactments thereof for the time being in force), Memorandum and Articles of Association of the Company, Listing Agreement entered into by the Company with the Stock Exchange where the Company’s shares are listed, and in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosures Requirements) Regulation 2018 (“SEBI ICDR Regulations”), and SEBI (Listing Obligation and Disclosure Requirements), 2015 (“LODAR Regulations”) as may be applicable to the preferential issue of Equity Shares and other applicable regulations/guidelines of SEBI, if any and subject to such conditions and modifications as may be considered appropriate by the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall include any committee thereof for the time being to which all or any of the powers hereby conferred on the Board by this resolution, have been delegated) and subject to such, consents and approvals of SEBI, Stock Exchanges, Government of India, or such other bodies or authorities as may be required by law and as may be necessary and subject to such conditions and modifications as may be imposed upon and accepted by the Board while granting such consents and approvals and which may be agreed to by or any other authorities as may be necessary for that purpose, the consent of the members of the Company be and is hereby accorded to the Board to offer, issue, and allot, from time to time in one or more tranches, 31,00,000 Convertible warrants (“Convertible Warrants”/“Warrants”) on a preferential basis, entitling the warrant holder(s) to exercise option to convert and get allotted one equity share of face value of Rs. 10/- (Rupees Ten only) each fully paid-up against each warrant within 18 (Eighteen) months from the date of allotment of warrants, in such manner and on such terms and conditions as set out in the Explanatory Statement annexed to the notice and at a price of Rs. 10 (Rupees Ten Only) per equity share (**hereinafter referred to as the “Issue Price”**), determined in accordance with the relevant provisions of Chapter V of SEBI ICDR Regulations, in such manner and on such other terms and conditions, as may be approved or finalized by the Board, to the following ‘**Proposed Allottees**’ as detailed herein below:

Sr. No.	Name of Proposed Allottees	Category	Number of warrants proposed to be allotted
1	Mr. Ranjan Jain	Promoter	3000000
2	Ms. Chhaya Rani	Non-Promoter	100000
	TOTAL		3100000

“RESOLVED FURTHER THAT the offer, issue and allotment of the aforesaid warrant(s) to the proposed allottee(s) and the equity shares resulting from the exercise of the entitlement of the said warrant(s), shall be subject to applicable guidelines, notifications, rules and regulations and on the terms and conditions given herein below:

a) The “**Relevant Date**” pursuant to Regulation 161 of the SEBI (ICDR) Regulations in relation to the above mentioned Preferential Issue of Warrants, is **Thursday, 29th July, 2021**, being the date, which is

30 days prior to the date on which the resolution will be deemed to be passed i.e. **Saturday, 28th August, 2021.**

b) Amount payable on Allotment of Warrants shall be 25% of the price per warrant and amount payable before the date of conversion of Warrants into Equity Shares would be 75% of the total consideration.

c) The said Warrants shall be issued and allotted by the company to the Promoter and Non-Promoter within a period of 15 days from the date of passing of this resolution in dematerialized form provided that in case the allotment of the said warrants is pending on account of pendency of any approval or permission by any regulatory authority or the Government of India, the allotment shall be completed within a period of 15 days from the date of receipt of last such approval or permissions.

d). The equity shares allotted on conversion of the warrants shall rank pari -passu in all respects (including voting powers and the right to receive dividend), with the existing equity shares of the company from the date of allotment thereof and shall be subject to the provisions of the Memorandum and Articles of Association of the company.

e) The tenure of warrants shall not exceed 18 (eighteen) months from the date of allotment of the warrant(s).

f) The proposed allottee (s) of warrant(s) shall be entitled to exercise option to convert warrants, in one or more tranches for allotment of one equity share of face value of Rs. 10/- (Rupees Ten only) for every warrant, within a period of 18 (eighteen) months from the date of allotment of such warrant(s).

g) In case the warrant holder does not apply for the conversion of the outstanding warrant(s) into equity shares of the Company within 18 (eighteen) months from the date of allotment of the said warrant(s), then the amount paid on each of the said outstanding warrant(s) shall be forfeited and all the rights attached to the said warrant(s) shall lapse automatically.

h) The said warrant(s) by themselves until exercise of conversion option and equity shares allotted, does not give to the warrant holder any rights with respect to that of the shareholders of the Company.

i) The warrants shall be exercised in a manner that is in compliance with the minimum public shareholding norms prescribed for the Company under the LODR Regulations and the Securities Contracts (Regulation) Rules, 1957.

j) The issue of the warrants as well as equity shares arising from the exercise of the warrants shall be governed by the regulations and guidelines issued by SEBI or any other statutory authority as the case may be including any modifications thereof.

k) The warrants and the equity shares allotted pursuant to exercise of such warrants shall be subject to a lock-in for such period as specified under applicable provisions of the ICDR Regulations and allotted equity shares shall be listed on the stock exchanges subject to the receipt of necessary permissions and approvals.

l) The company shall procure the listing and trading approvals for the equity shares to be issued and allotted to the warrant holders upon exercise of the Warrants from the relevant Stock Exchanges in accordance with the LODR Regulations and all other applicable laws, rules and regulation.

“RESOLVED FURTHER THAT the Board be and is hereby authorized to issue and allot such equity shares as may be required to be issued and allotted upon conversion of the said warrants and that equity shares shall be subject to the provisions of the Articles of Association of the Company and shall rank paripassu in all respects, including entitlement for dividend, with the existing Equity Shares of the Company.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to decide and approve other terms and conditions of the issue of the warrants and/or equity shares and shall also be entitled to vary, modify or alter any of the terms and conditions, as it may deem fit, subject however to the compliance with the applicable guidelines, notifications, rules and regulations.”

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board be and is hereby Authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, desirable and expedient for such purpose, including without limitation, issuing clarifications, resolving all questions of doubt, effecting any modifications or changes to the foregoing (including modification to the terms of the issue), entering into contracts, arrangements, agreements, documents (including for appointment of agencies, intermediaries and advisors for the Issue) and to authorize all such persons as may be necessary, in connection therewith and incidental thereto as the Board in its absolute discretion shall deem fit without being required to seek any fresh approval of the shareholders of the Company and to settle all questions, difficulties or doubts that may arise in regard to the offer, issue and allotment of the Convertible Warrants and Equity Shares and utilisation of proceeds of the Equity Shares, take all other steps which may be incidental, consequential, relevant or ancillary in this connection and to effect any modification to the foregoing and the decision of the Board shall be final and conclusive .

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of the Board or any Director(s) or Officer(s) of the Company and to generally do all such acts, deeds and things as may be required in connection with the aforesaid resolutions, including making necessary filings with the stock exchanges and regulatory authorities and execution of any documents on behalf of the Company and to represent the Company before any governmental authorities and to appoint any merchant bankers or other professional advisors, consultants and legal advisors to give effect to the aforesaid resolution.

RESOLVED FURTHER THAT” all actions taken by the Board or Committee(s) duly constituted for this purpose in connection with any matter(s) referred to or contemplated in the foregoing resolution be and are hereby approved, ratified and confirmed in all respects.”

8. PREFERENTIAL ALLOTMENT OF EQUITY SHARES OF THE COMPANY & TO CONSIDER AND, IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION, IF ANY, THE FOLLOWING RESOLUTION AS A SPECIAL RESOLUTION:

“RESOLVED THAT in terms of Sections 42 and 62 (1) (c) and all other applicable provisions, if any, of the Companies Act, 2013 and Rule 14 of Companies (Prospectus and Allotment of Securities) Rules, 2014 and other relevant rules made there-under (including any statutory modification(s) or re-enactments thereof for the time being in force), Memorandum and Articles of Association of the Company, Listing Agreement entered into by the Company with the Stock Exchange where the Company's shares are listed, and in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosures Requirements) Regulation 2018 (“SEBI ICDR Regulations”), and SEBI (Listing Obligation and Disclosure Requirements), 2015 (“LODAR Regulations”) as may be applicable to the preferential issue of equity shares and other applicable regulations / guidelines of SEBI, if any and subject to such conditions and modifications as may be considered appropriate by the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall include any committee thereof for the time being to which all or any of the powers hereby conferred on the Board by this resolution, have been delegated) and subject to such, consents and approvals of SEBI, Stock Exchanges, Government of India, or such other bodies or authorities as may be required by law and as may be necessary and subject to such conditions and modifications as may be imposed upon and accepted by the Board while granting such consents and approvals and which may be agreed to by or any other authorities as may be necessary for that purpose, the consent of the members of the Company be and is hereby accorded to the Board to offer, issue, and allot upto 17,50,000 Equity Shares of Rs.10/- each on preferential basis, at a price of Rs. 10/- each per equity share (Rupee Ten Only) , (**hereinafter referred to as the “Issue Price”**)”, determined in accordance with the relevant provisions of Chapter V of SEBI ICDR Regulations, in such manner and on such other terms and conditions, as may be approved or finalized by the Board, to the following ‘Proposed Allottees’ as detailed herein below, .”

Sr. No.	Name of Proposed Allottees	Category	Number of equity shares proposed to be allotted
1	Ms. Ruchika Jain	Promoter	1750000
	TOTAL		1750000

RESOLVED FURTHER THAT, in accordance with provisions of Regulation 161 of the ICDR Regulations, the “**Relevant Date**” for the purpose of calculating the issue price for the issue of equity shares is **Thursday, 29th July, 2021**, being the date, which is 30 days prior to the date on which the resolution will be deemed to be passed i.e. **Saturday, 28th August, 2021**.

RESOLVED FURTHER THAT the equity shares shall be issued and allotted by the Company to the Investor in dematerialized form within a period of 15 days from the date of passing of this resolution provided that where the allotment of the said equity shares is pending on account of pendency of any approval for such allotment by any regulatory authority or the Central Government, the allotment shall be completed within a period of 15 days from the date of such approval.

RESOLVED FURTHER THAT the equity shares to be offered, issued and allotted shall be subject to lock-in as provided under the provisions of SEBI Regulations and the equity shares so offered, issued and allotted will be listed subject to the receipt of necessary regulatory permissions and approvals.

RESOLVED FURTHER THAT the equity shares to be issued and allotted in the manner aforesaid shall rank paripassu with the existing equity shares of the Company in all respects including as to dividend and shall be subject to the provisions of the Memorandum of Association and the Articles of Association of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, desirable and expedient for such purpose, including without limitation, issuing clarifications, resolving all questions of doubt, effecting any modifications or changes to the foregoing (including modification to the terms of the issue), entering into contracts, arrangements, agreements, documents (including for appointment of agencies, intermediaries and advisors for the Issue) and to authorize all such persons as may be necessary, in connection therewith and incidental thereto as the Board in its absolute discretion shall deem fit without being required to seek any fresh approval of the shareholders of the Company and to settle all questions, difficulties or doubts that may arise in regard to the offer, issue and allotment of the equity shares and utilization of proceeds of the equity shares, take all other steps which may be incidental, consequential, relevant or ancillary in this connection and to effect any modification to the foregoing and the decision of the Board shall be final and conclusive.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of the Board or any Director(s) or Officer(s) of the Company and to generally do all such acts, deeds and things as may be required in connection with the aforesaid resolutions, including making necessary filings with the stock exchanges and regulatory authorities and execution of any documents on behalf of the Company and to represent the Company before any governmental authorities and to appoint any merchant bankers or other professional advisors, consultants and legal advisors to give effect to the aforesaid resolution.

RESOLVED FURTHER THAT all actions taken by the Board or Committee(s) duly constituted for this purpose in connection with any matter(s) referred to or contemplated in the foregoing resolution be and are hereby approved, ratified and confirmed in all respects.”

9. 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.”

10. APPROVE THE REMUNERATION OF THE COST AUDITORS FOR THE FINANCIAL YEAR ENDING MARCH 31, 2022& 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, 2022, be paid the remuneration of Rupee 45000/- 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 authorized 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”.

11. 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) after prior approval from Punjab National Bank (hereby referred as “the Bank”) in the form of No Objection Certificate dated 18.06.2021 as the company defaulted in payment of dues to the Bank. In this regards the Company has received the Non Objection Certificate from the Bank(Punjab National Bank).

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.”

12. 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 after the prior approval from Punjab National Bank (hereby referred as the Bank) in the form of No objection Certificate dated 18.06.2021, for the remaining period of one year viz., from June 15, 2021 to June 16, 2022. In this regards the Company has received the Non Objection Certificate from the Bank(Punjab National Bank).

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.”

13. TO RE-CLASSIFY THE STATUS OF MR. RAJESH GUPTA FROM ‘PROMOTER’ CATEGORY TO ‘PUBLIC’ CATEGORY OF THE COMPANY AND TO CONSIDER AND, IF THOUGHT FIT, TO PASS THE FOLLOWING RESOLUTION AS A SPECIAL RESOLUTION:

“RESOLVED that pursuant to Regulation 31 A of the securities and exchange Board of INDIA (Listing Obligations and Disclosure Requirement) Regulations, 2015(‘ Listing Regulations’) (Including statutory modifications or enactments thereof for the time being in force) and other applicable laws and subject to necessary approvals from the Securities and Exchange Board of India (SEBI), Stock Exchanges and other appropriate statutory authorities as may be required, the consent of the Members of the Company be and is hereby accorded to re-classify the status of Mr. Rajesh Gupta from ‘Promoter category to ‘Public’ category of the Company.

RESOLVED FURTHER That Mr. Rajesh Gupta. Shall not hold more than ten percent of the paid-up equity share capital of the Company nor shall have any special right through formal or informal arrangements and shall not directly or indirectly exercise control, over the affairs of the Company.

RESOLVED FURTHER That on approval of the Securities and Exchange Board of India/Stock Exchange(s) for the said re-classification, the Company shall effect such re-classification in the statement showing holding of securities and shareholding pattern of the Company from immediate succeeding quarter under Regulation 31 of the Listing Regulations and in compliance with Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, and other applicable laws.

RESOLVED FURTHER That Mr. Suninder Veer Singh, Managing Director and/or, Mr. Ranjan Jain, Whole Time Director, Mrs. Shikha Kataria, Company Secretary and/or such other personas authorized by them, be and are hereby jointly and severally authorized to submit the application for re-classification to the Stock Exchanges, where the securities of the Company are listed or any other

regulatory body, as may be required and to do all such acts,deeds,matters and things as may be necessary or expedient and to settle any questions, difficulties or doubts that may arise in this regard without requiring to secure any further consent or approval of the Members of the Company or of the Board.”

Place: Chandigarh
Date: 27/07/2021

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

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

NOTES:

1. In view of the outbreak of COVID-19 pandemic and its continuation in the current year, the Ministry of Corporate Affairs (the "MCA"), Government of India, has vide its General Circular No. 14/ 2020 dated 8th April 2020, General Circular No. 17/ 2020 dated 13th April 2020, in relation to "Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by Covid-19", General Circular No. 20/ 2020 dated 5th May 2020, in relation to "Clarification on holding of annual general meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)" and General Circular No. 02/ 2021 dated 13th January 2021, in relation to "Clarification on holding of annual general meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)" (collectively referred to as "MCA Circulars") and Securities and Exchange Board of India vide Circular No. SEBI/HO/ CFD/CMD1/CIR/P/2020/79 dated 12th May 2020, in relation to "Additional relaxation in relation to compliance with certain provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 - Covid-19 pandemic" and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January 2021, in relation to "Relaxation from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 due to the CoVID -19 pandemic" (collectively referred to as "SEBI Circulars") have permitted the holding of the Annual General Meeting ("AGM") through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM"), without the physical presence of the Members at a common venue. In compliance with the applicable provisions of the Companies Act, 2013 (the "Act") (including any statutory modification or re-enactment thereof for the time being in force) read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (the "Rules"), as amended from time to time, read with the MCA Circulars, SEBI Circulars and pursuant to Regulation 44 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Annual General Meeting ("AGM") of the Company is scheduled to be held on Saturday, 28th August 2021, at 4 p.m. (IST) through VC/OAVM and the voting for items to be transacted in the Notice to this AGM is only through remote electronic voting process ("e-Voting"). The deemed venue for the 28th AGM will be VILL-Bargodam Tehsil –Kalka Distt Panchkula, Hararyana.
2. In Compliance with the aforesaid, this Notice together with annual report 2020-21 is being sent only through electronic mode to those members whose email address are registered with the company/ depositories. Copies of the Notice and annual report will be uploaded on the company's website at https://www.syschem.in/investors_RESOURCES.html, website of stock exchange of India Ltd. at www.bseindia.com.
3. Members attending AGM through VC/OAVM, shall be counted for the purpose of reckoning the quorum be counted for the purpose of reckoning the quorum under the provisions of the Act.
4. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM shall be counted for the purpose of reckoning the quorum under the provisions of the Act.
5. Since the AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility to appoint proxies by the members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
6. The Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to Special Business to be transacted at the meeting is annexed hereto and forming part of this Notice.

7. The Register of members and share transfer Books of the Company will be closed from 22th August, 2021 to 28th August, 2021 (both days inclusive).
8. 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 5th May, 2020 and 13th January, 2021 read with other previous circulars issued in that connection, 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.
9. 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.
10. 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.
11. 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. BSE 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.
12. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA. dated 5th May, 2020 and 13th January, 2021 read with other previous circulars issued in that connection (collectively referred as "MCA Circulars"),.
13. In compliance with the aforesaid MCA Circulars and SEBI Circular Dated May 12, 2020, Notice of the AGM along with the Annual Report 2020-21 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 2020-21 will also be available on the Company's website www.syschem.in website of the Stock Exchange i.e. BSE Limited at www.bseindia.com.
14. In compliance with the MCA Circulars, the Company has published a public notice by way of an advertisement made dated 28.07.2021 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.
15. The Explanatory Statement as required under Section 102 of the Companies Act, 2013, in respect of item Nos. 4 to 13 of the Notice convening the Meeting is annexed hereto.
16. Since AGM will be held through VC/OAVM, the Route Map is not annexed in the Notice.
17. 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.
18. 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.
19. 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.
20. 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.
21. 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.
22. 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.
23. 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 22-08-2021 to 28-08-2021 (both days inclusive) for the purpose of AGM.
24. 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.
25. 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 25/08/2021at 9.00 A.M. and ends on 27/08/2021 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 22/07/2021(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 Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none">• 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 recorded in your demat account or in the Company records in order to login. <ul style="list-style-type: none">• 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 – 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

Place: Chandigarh
Date: 27/07/2021

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.4,5&6

The Company proposes to raise funds by issuing further equity shares/ convertible warrants on preferential basis. The existing Authorised Share Capital of the Company is 25,00,00,000/- (Rupees Twenty Five Crores only) divided into 2,30,00,000 (Two Crore Thirty Lac only) Equity Shares of 10/- each and 2,00,00,000 (Two Crore only) Non-cumulative Non-Convertible preference shares of Rs. 1/- each which would not be sufficient to cover the proposed amount of issue. In view of this, the Company proposes to increase the existing Authorised Equity Capital from Rs. 25,00,00,000/- (Rupees Twenty Five Crores only) to Rs. 30,00,00,000/- (Rupees Thirty Crores only) by creating additional 50,00,000 (Fifty Lacs only) equity shares of 10/- each thereby increasing the existing Authorised Share Capital from Rs. 25,00,00,000/- (Rupees Twenty Five Crores only) to Rs. 30,00,00,000/- (Rupees Thirty Crores only) divided into 2,80,00,000 (Two Crore Eighty Lac only) Equity Shares of 10/- each and 2,00,00,000 (Two Crore only) Non-cumulative Non-Convertible Preference Shares of Re. 1/- each. The proposed increase in Authorised Share Capital will consequently require alteration in Capital Clause V of Memorandum of Association of the Company and Article 3 of Articles of Association. The Special resolution is therefore proposed at Item No. 4, 5 & 6 of the notice to increase the Authorised Share Capital of the Company, for making necessary alterations in Capital clause V of Memorandum of Association of the Company and Article 3 of Articles of Association. The Directors recommend these Resolutions at Item No.4, 5 & 6 of the accompanying Notice for the approval of the Members of the Company.

None of the Directors and Key Managerial Personnel of the Company or their relatives is directly or indirectly concerned or interested in this Resolution.

ITEM NO.7&8

Preferential issue of Equity Shares and Convertible Warrants of the Company:

BRIEF NOTE ON JUSTIFICATION FOR THE PROPOSED PREFERENTIAL ISSUES

The Board of Directors in their meeting held on 27th July, 2021 subject to necessary approval(s), has approved the proposal for raising funds and for that decided to issue and allot up to maximum of 17,50,000 equity shares and 31,00,000 convertible warrants to the Promoter and Non-Promoter entities on preferential basis.

The details of the issue and other particulars as required in terms of the Companies Act and SEBI (ICDR) Regulations, 2018 as amended in relation to the aforesaid Special Resolution are given as under:

Salient features of the preferential issue of Equity Shares and Convertible Warrants are as under:

The proposed issue and allotment of equity shares and convertible warrants, on a preferential basis, shall be governed by the applicable provisions of the ICDR Regulations and the Companies Act, 2013 read with the applicable provisions of the rules made there under.

Further, in terms of Regulation 163(1) of the SEBI ICDR Regulations, certain disclosures are required to be made to the Members of the Company which forms part of this Explanatory Statement to the Notice. Without generality to the above, the salient features of the preferential issue of equity shares and convertible warrants are:

- The “**Relevant Date**” as per the ICDR Regulations for determining the minimum price for the preferential issue of equity shares and convertible warrants is **Thursday, 29th July, 2021**, which is a date 30 days prior to the date on which the resolution is deemed to be passed.
- The Convertible warrants shall be exercised within a period of 18 (eighteen) months from the date of their allotment, in one or more tranches.
- In case the option to subscribe to equity shares against such Convertible warrants is not exercised by the Proposed Allottee within 18 months, the consideration paid by such Allottee in respect of such Convertible warrants shall be forfeited by the Company.
- The Equity Shares and Convertible Warrants and the equity shares allotted pursuant to exercise of options attached to warrants issued on preferential basis shall remain locked-in from such date and for such periods as specified under Chapter V of the SEBI ICDR Regulations. The entire pre-preferential allotment shareholding of the Proposed Allottee(s), if any, shall be locked-in terms of applicable provisions of Regulation 167(6) of SEBI ICDR Regulations;
- the equity shares to be issued and allotted in the manner aforesaid shall rank pari passu with the existing equity shares of the Company in all respects including as to dividend and shall be subject to the provisions of the Memorandum of Association and the Articles of Association of the Company and
- The equity shares allotted on exercise of convertible warrants shall rank pari passu in all respects (including with respect to voting rights and dividend), with the then existing fully paid up equity shares of the Company.

Details of the Issue:

1. The allotment of the equity shares and convertible warrants is subject to the Proposed Allottee(s) not having sold any equity shares of the Company during the 6 (Six) months preceding the Relevant Date.

The Proposed Allottee(s) have represented that the allottee(s) have not sold any equity shares of the Company during the 6 (Six) months preceding the Relevant Date.

2. The relevant disclosures as required under Regulation 163(1) of Chapter V of the SEBI ICDR Regulations are set out below :

(a) The Object of the Issue through preferential offer

- i. To fund long term capital requirements for future growth of the company;
- ii. To meet working capital requirement; and
- iii. To repay old debts of the company.

(b) The proposal of the Promoters/Directors/Key Management Personnel of the issuer to subscribe to the offer

The Promoters of the company intend to subscribe to the proposed issue. However no directors or key managerial personnel of the Company intend to subscribe to the proposed issue except one of the director namely Mr. Ranjan Jain who intends to subscribe to the proposed issue.

(c) The Shareholding Pattern of the Issuer before and after the preferential issue of equity shares and warrants

- (i) **Shareholding pattern before and after the proposed preferential issue of equity shares is as follows:**

Sr. No.	Category	Pre Issue		Post Issue	
		No. of Shares held	% of share Holding	No. of Shares Held	% of share holding
A	Promoters' holding :				
1.	Indian				
	Individuals/ HUF	2054913	9.54	38,04,913	16.34
	Bodies Corporate	-	-	-	-
	Trust	-	-	-	-
2.	Foreign Promoters	-	-	-	-
	Sub Total (A)	2054913	9.54	38,04,913	16.34
B	Non-Promoters' holding:				
1.	Institutional Investors	-	-	-	-
	Mutual Funds	-	-	-	-
	Venture Capital Funds	-	-	-	-
	Alternate Investment Funds	-	-	-	-
	Foreign Venture Capital Investors	-	-	-	-
	Foreign Portfolio Investors	-	-	-	-
	Financial Institutions/Banks	-	-	-	-
	Insurance Companies	-	-	-	-
	Provident Funds/Pension Funds	-	-	-	-
	Any other (Specify)	-	-	-	-
	Trust	-	-	-	-
2	Central Government/State Government(s)/ President of India	-	-	-	-
3	Non-Institution Investors				
	Individual shareholders holding nominal share capital up to Rs.2 Lakhs	4381659	20.34	4381659	18.81
	Individual shareholders holding nominal share capital in	11717568	54.40	11717568	50.31

	excess of Rs. 2 Lakhs				
	NBFCs Registered with RBI	-	-	-	-
	Employee Trusts	-	-	-	-
	Any Other	1003923	4.65	1003923	4.31
	Non Resident Indians	193322	0.90	193322	0.83
	Clearing Members	135941	0.63	135941	0.58
	Bodies Corporate	1041748	4.84	1041748	4.47
	HUF	1011326	4.70	1011326	4.34
	Foreign Nationals	-	-	-	-
	Trust	-	-	-	-
	I E P F	-	-	-	-
	Sub Total (B)				
	TOTAL (A+B)	19485487	90.46	19485487	83.66
C	Employee Stock Grant Scheme (ESGS) Grant Outstanding	-	-	-	-
	Sub Total (C)				
	GRAND TOTAL (A+B+C)	2,15,40,400	100	2,32,90,400	100

(ii) Shareholding pattern before and after the proposed preferential issue of convertible warrants is as follows:

Sr. No.	Category	Pre Issue		Post Issue	
		No. of Shares held	% of share Holding	No. of Shares Held	% of share Holding*
A	Promoters' holding :				
1.	Indian				
	Individuals/ HUF	2054913	9.54	6804913	25.79
	Bodies Corporate	-	-	-	-
	Trust	-	-	-	-
2.	Foreign Promoters	-	-	-	-
	Sub Total (A)	2054913	9.54	6804913	25.79
B	Non-Promoters' holding:				
1.	Institutional Investors	-	-	-	-
	Mutual Funds	-	-	-	-
	Venture Capital Funds	-	-	-	-
	Alternate Investment Funds	-	-	-	-
	Foreign Venture Capital Investors	-	-	-	-

	Foreign Portfolio Investors	-	-	-	-
	Financial Institutions/Banks	-	-	-	-
	Insurance Companies	-	-	-	-
	Provident Funds/Pension Funds	-	-	-	-
	Any other (Specify)	-	-	-	-
	Trust	-	-	-	-
2	Central Government/State Government(s)/ President of India	-	-	-	-
3	Non-Institution Investors				
	Individual shareholders holding nominal share capital up to Rs.2 Lakhs	4381659	20.34	4481659	16.98
	Individual shareholders holding nominal share capital in excess of Rs. 2 Lakhs	11717568	54.40	11717568	44.40
	NBFCs Registered with RBI	-	-	-	-
	Employee Trusts	-	-	-	-
	Any Other	1003923	4.65	1003923	3.80
	Non Resident Indians	193322	0.90	193322	0.73
	Clearing Members	135941	0.63	135941	0.52
	Bodies Corporate	1041748	4.84	1041748	3.95
	Foreign Nationals	1011326	4.70	1011326	3.83
	Trust	-	-	-	-
	I E P F	-	-	-	-
	Sub Total (B)	19485487	90.46	1,95,85,487	74.21
	TOTAL (A+B)				
C	Employee Stock Grant Scheme (ESGS) Grant Outstanding	-	-	-	-
	Sub Total (C)	-	-	-	-
	GRAND TOTAL (A+B+C)	2,15,40,400	100	2,63,90,400	100

Note:

- (1) * This percentage has been calculated on the basis of post preferential capital assuming full conversion of 3100000 warrants in to equity shares and proposed allotment of 1750000 equity shares
- (2) This shareholding includes 1750000 equity shares as well as 3000000 warrants proposed to be allotted.
- (3) The above table shows the expected shareholding pattern of the company upon issuance of 1750000 equity shares and assuming full conversion of 3100000 warrants as proposed to be allotted and assuming that holding of all other shareholders shall remain the same post issue as they were on the date on which the pre issue shareholding pattern was prepared.

(d) The Time within which preferential issue shall be completed

In terms of the SEBI ICDR Regulations, the proposed preferential issue to proposed allottee(s) pursuant to the Special Resolution will be completed within a period of 15 (fifteen) days from the date of passing of resolution as set out at Item No. 7 & 8, Provided that the allotment to any of the proposed allottee(s) is subject to receipt of requisite approval from any other regulatory authority, if any, Provided further that where the allotment is pending on account of pendency of any application for approval or permission by any regulatory authority, the allotment would be completed within 15 (fifteen) days from the date of such approval or within such further period as may be prescribed or allowed by SEBI, Stock Exchange(s) or other concerned authorities.

(e) Maximum number of specified securities to be issued:

The resolutions set out in this Notice authorize the Board to issue up to 1750000 equity shares and up to 31,00,000 convertible warrants convertible in to equal number of equity shares of face of Rs 10/- each at a price of Rs. 10/- per share/warrant as per the table specified below:

Sr. No.	Name of Proposed Allottees	Category	Type of Securities	Maximum Number of equity shares/warrants proposed to be allotted
1	Mr. Ranjan Jain	Promoter	Warrants	30,00,000
2	Ms. Ruchika Jain	Promoter	Equity Shares	17,50,000
3	Ms. Chhaya Rani	Non-Promoter	Warrants	1,00,000

(f) Identity of the natural persons who are the ultimate beneficial owners of the shares proposed to be allotted and/or who ultimately control the proposed allottee, the percentage of post-preferential issued capital that may be held by the said allottee and change in control, if any, in the Company consequent to the preferential issue.

Sr. No.	Name and address of the Proposed Allottee	Category	PAN	Ultimate Beneficial Owner	Pre Issue Equity Holding and percentage	Maximum No. of equity shares to be allotted	Maximum No. of warrants to be allotted	Post Issue Equity Holding and percentage after proposed allotment of equity shares and warrants and assuming full conversion of warrant(s)

1	Mr. Ranjan Jain Address: House No. 1691, Sector- 33-D, Chandigarh- 160020	Promote Group	ABEPJ5005H	N.A	480386	2.23%	Nil	3000000	3480386	13.19%
2	Ms. Ruchika Jain Address: House No. 1691, Sector- 33-D, Chandigarh- 160020	Promote Group	ACDPJ5965A	N.A	101954	0.47%	1750000	Nil	1851954	7.02%
3	Ms. Chhaya Rai Address: Flat No. SG-4/901, Saya Gold Avenue, Indirapuram, Ghaziabad- 201014	Non- Promote	ALVPR5866H	N.A	Nil	N.A	Nil	100000	100000	0.38%

- Note: The pre preferential percentage of shareholding has been calculated on the basis of present equity share capital of company.
- The post preferential percentage of shareholding has been calculated on the basis of post emerging equity share capital of company assuming full conversion of 3100000 warrants as proposed to be allotted and allotment of 1750000 equity shares..

(g) Requirement as to re-computation of price and lock-in of specified securities

Since the company's equity shares are frequently traded and have been listed on a recognized Stock Exchange for more than 26 weeks prior to the Relevant Date, there is no need for the company to re-compute the price of equity shares to be issued and therefore, the company is not required to submit the undertakings specified under the relevant provisions of the SEBI ICDR Regulations.

(h) Pricing of the Preferential issue

The equity shares of the company are listed on BSE Limited (BSE). In terms of Regulation 164(5) of the SEBI ICDR Regulations, 2018, the shares of the Company are frequently traded on BSE; therefore, the aforesaid equity shares and warrant(s) shall be allotted in accordance with the price determined in terms of Regulation 164(1) of the SEBI (ICDR) Regulations, 2018. As per the said Regulation, if the shares are frequently traded, the price is needed to be determined by taking into account following parameters:

If the equity shares of the issuer have been listed on a recognized stock exchange for a period of twenty six weeks or more as on the relevant date, the price of the equity shares to be allotted pursuant to the preferential issue shall be not less than higher of the following:

a. the average of the weekly high and low of the volume weighted average price of the related equity shares quoted on the recognized stock exchange during the twenty six weeks preceding the relevant date which is **7.93**; or

b. the average of the weekly high and low of the volume weighted average prices of the related equity shares quoted on a recognized stock exchange during the two weeks preceding the relevant date which is **9.67**.

“Stock Exchange” for this purpose shall mean any of the recognized stock exchanges in which the equity shares are listed and in which the highest trading volume in respect of the equity shares of the Company has been recorded during the preceding twenty six weeks prior to the relevant date.

“Frequently traded shares” means the shares of the issuer, in which the traded turnover on any recognized stock exchange during the twelve calendar months preceding the relevant date, is at least ten per cent of the total number of shares of such class of shares of the issuer.

Equity Shares of the Company are listed on BSE Limited and are frequently traded at BSE. Accordingly, the minimum issue price has been calculated on the basis of trading at BSE at which highest trading volume in respect of equity shares of the company has been recorded during the twelve calendar months preceding the relevant date. Therefore, in terms of Regulation 164(1) of the SEBI ICDR Regulations, the Issue Price has been computed as Rs. 10.00 per Equity Shares/Warrant.

A Certificate has been obtained from Statutory Auditor confirming the minimum price for the preferential issue as per Preferential Issue Regulation as described in Chapter V of SEBI (ICDR) Regulations, 2018 along with the calculation thereof and the same will be made available for inspection at the Registered Office of the Company.

- The allotment of equity shares and warrants are subject to the Investor(s) not having sold any equity shares during the six months preceding the Relevant Date (defined below) and the Investor not acquiring or selling any equity shares until completion of the allotment under the proposed preferential issue.
- The Company, Its Promoters and Directors is not declared as wilful defaulter by Reserve Bank of India and also not declared as fugitive economic offender under Fugitive Economic offender Act, 2018.

(i) Relevant date with reference to which the issue price has been arrived.

The **“Relevant Date”** in terms of Regulation 161 of the ICDR Regulations for determination of minimum price is **Thursday, 29th July, 2021**, being a date which is 30 (Thirty) days prior to the date of passing of special resolution i.e. **28th August, 2021**, being the date on which resolutions deemed to be passed.

(j) Auditor’s Certificate

A copy of the certificate from the Statutory Auditors of the Company, M/s STAV& Co (Firm Registration No. 024510C), Chartered Accountants, certifying that the issue of the equity shares

and warrants is being made in accordance with the requirements of SEBI Regulations for Preferential Issues, will be available for inspection at the Registered Office of the Company during 11.00 A.M. and 1.00 P.M. on any working day (Except Saturday) prior to the date of meeting.

(k) Lock-in Period

The equity shares to be issued and allotted and equity shares to be issued and allotted pursuant to conversion of warrants on preferential basis shall be subject to lock-in as provided in the applicable provisions of the Regulation 167 of the SEBI ICDR Regulations.

The entire pre-preferential allotment shareholding of the allottee(s), if any, shall be locked-in from the relevant date up to a period of six months from the date of trading approval.

Provided that in case of convertible securities or warrants which are not listed on stock exchanges, the entire pre-preferential allotment shareholding of the allottees, if any, shall be locked-in from the relevant date up to a period of six months from the date of allotment of such securities.

(l) Change in control

There shall be no change in management or control of the Company pursuant to this proposed issue.

(m) The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer.

This is not applicable in the present case since the Company being a listed Company the pricing is in terms of ICDR Regulations. Further, the proposed allotment is for cash consideration.

(n) Undertaking to put Equity Shares under lock-in till the re-computed price is paid:

The Company undertakes that if the amount payable on re-computation of the price is not paid within the time stipulated in the SEBI (ICDR) Regulations, the Equity Shares shall continue to be locked-in till such time such amount is paid by the allottees.

(o) Compliances:

The company has complied with the requirement of listing obligation i.e., maintaining a minimum of 25% of the paid up capital in the hands of the public.

(p) Approval under the Companies Act:

Section 62 of the Companies Act, 2013 provides inter-alia, that when it is proposed to increase the issued capital of a company by allotment of further shares or specified securities etc., such further shares/specified securities shall be offered to the existing member(s) of the company in the manner laid down in the section unless the Members in general meeting decide otherwise by passing a Special Resolution. Therefore, the consent of the shareholders is being sought pursuant to the provisions of

section 62(1) of the Companies Act, 2013 and all other applicable provisions, SEBI Guidelines or regulations and the provisions of the Listing Agreement with the Stock Exchange(s) for authorizing the Board to offer, issue and allot equity shares/convertible warrants as stated in the resolution, which would result in a further issuance of securities of the Company to the promoters and non-promoters on a preferential allotment basis, in such form, manner and upon such terms and conditions as the Board may in its absolute discretion deem fit.

(q) Declaration about Wilful Defaulter and Fugitive Economic Offender

None of the Company, Its Promoters and Directors is declared as wilful defaulter by Reserve Bank of India and also none of the company, its promoters and directors is declared as fugitive economic offender under Fugitive Economic Offender Act, 2018.

Regulation 160(b) of the ICDR Regulations provides that preferential issue of specified securities by a listed Company would require approval of its shareholders by way of a Special Resolution. The Board, therefore, recommends the above mentioned resolutions to be passed as a Special Resolutions.

None of the Directors / Key Managerial Personnel of the Company or their relatives are concerned or interested in the resolution except to the extent of their shareholding in the Company, if any and the shares proposed to be issued to them/ their relatives/ their associates except Mr. Ranjan Jain, director of the company and Ms. Ruchika Jain his relatives to whom shares/warrants proposed to be allotted.

ITEM NO. 9

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 10th May, 2021, approving the Sale & purchase of raw material and finished goods upto a value of Rs. 50.00 Crores to and from Impetus Healthcare.

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 Special 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	Mr. Suninder Veer Singh is a partner in the firm
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 Special Resolution.

ITEM NO.10:

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. 45,000/- 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, 2022.

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 NO11:

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 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 Chairman cum Managing Director of the Company for the remaining period from June 16, 2021 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: UptoRs.500000/- 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. As the Company defaulted in the payment of dues from Punjab National Bank, so there is a requirement to obtain the No Objection Certificate from the Bank in case there is increase in the remuneration of director, the shareholders, please note the same certificate from PNB has been obtained Dated 18.06.2021.

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. 10 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. 10 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 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 given indicators	Particulars	2018-19	2019-20	2020-21
(Rs. In Lacs)					
Net Revenue from operations		10959.95	8801.60	7441.48	
Other Income		8.43	9.02	25.56	
Total		10968.39	8810.62	7467.04	
Profit/Loss before Tax		150.31	(220.03)	(731.49)	
Tax Expenses		75.06	(34.72)	(174.90)	
Net Profit/Loss after Tax		75.25	(185.31)	(556.59)	
5	Foreign investments 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	2020-21			
	Recognition or awards	Nil			
	Job profile and his suitability	Looking after Finance & Administration and day to day activities of the company			
	Remuneration proposed	Rs. 60,00,000 p.a			
	Comparative remuneration profile with respect to industry, size of the company, profile of	The remuneration being paid and proposed is lower in pharmaceutical industry of the size of the company and rich experience of the managerial personnel.			

	the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)																	
	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 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 2020-21 is Rs 7441.48 Lacs .																
	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 measurable terms.	<table border="1"> <thead> <tr> <th>YEAR</th> <th>2021-2022</th> <th>2022-2023</th> <th>2023-2024</th> </tr> </thead> <tbody> <tr> <td>Turnover (Net GST)</td> <td>7500.00</td> <td>9500.00</td> <td>10450.0</td> </tr> <tr> <td>EBITDA</td> <td>80.00</td> <td>105.00</td> <td>115.50</td> </tr> <tr> <td>Net Profit/(Loss)</td> <td>-220.00</td> <td>-195.00</td> <td>-214.50</td> </tr> </tbody> </table>	YEAR	2021-2022	2022-2023	2023-2024	Turnover (Net GST)	7500.00	9500.00	10450.0	EBITDA	80.00	105.00	115.50	Net Profit/(Loss)	-220.00	-195.00	-214.50
YEAR	2021-2022	2022-2023	2023-2024															
Turnover (Net GST)	7500.00	9500.00	10450.0															
EBITDA	80.00	105.00	115.50															
Net Profit/(Loss)	-220.00	-195.00	-214.50															

ITEM NO 12:

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 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. As the default by Non Payment of Loan from Punjab National Bank continues, so there is requirement to obtain No Objection certificate from the same the Company obtained the same dated 18.06.2021, the shareholders, kindly note the same. The details are set out below:

Remuneration proposed: Upto Rs.500000/- 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 there under.

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. 11 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. 10 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 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 given indicators	Particulars	2018-19	2019-20
		(Rs. In Lacs)		
		Net Revenue from operations	10959.95	8801.60
		Other Income	8.43	9.02
		Total	10968.39	8810.62
		Profit/Loss before Tax	150.31	(220.03)
		Tax Expenses	75.06	(34.72)
		Net Profit/Loss after Tax	75.25	(185.31)
5	Foreign investments collaborations, if any.	Not applicable		
II Information about the appointee				
1	Background details	Mr. Ranjan Jain, s/o Sh. Dharam Das Jain, R/o House No: 17 Sector 33-D Chandigarh 160022 is a commerce graduate. He has vast knowledge, experience and expertise in the field 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	2020-21Rs. 12,00,000		
	Recognition or awards	Nil		
	Job profile and his suitability	Looking after Finance & Administration and day to day activities of the company		
	Remuneration proposed	Rs. 60,00,000 p.a		
	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 than the pharmaceutical industry of the size of the company and the 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 4,80,386 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 constraint of funds. The same has improved tremendously in the current financial year. The sales of the company during the 2020-21		

		Rs7441.48Lacs.			
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 all strengthening its financial position through various means. The company is hopeful of improving its position in the coming quarter of the year.			
Expected increase in productivity and profits in measurable terms.	YEAR	2021-2022	2022-2023	2023-2024	
	Turnover (Net GST)	7500.00	9500.00	10450.0	
	EBITDA	80.00	105.00	115.50	
	Net Profit/(Loss)	-220.00	-195.00	-214.50	

ITEM NO.13 :

The Company is required to disclose the individuals and entities forming part of its 'Promoter & Promoter Group' category and 'Public' category, separately under various provisions of the Companies Act, 2013, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as 'Listing Regulations'), Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and other applicable laws as in force.

Regulation 31A of the listing Regulation empower the Stock Exchange to allow re-classification or modification of the existing status of individual or entities from Promoter & Promoter Group category to 'Public' category or vice –a-versa, only subject to the fulfillment of the conditions as provided therein.

The Company has received a request letter from Mr. Rajesh Gupta. belonging to the existing 'Promoter' category of the Company to re-classify its status from 'Promoter' category to 'Public' category of the Company in terms of Regulation 31 A of the Listing Regulations. A copy of the said request letter is available for inspection at the registered office of the Company during the business hours from 10:00 A.M. to 2:00 P.M. on all working days till 24th August, 2021.

Mr. Rajesh Gupta. is the 'promoter' of the company since the year 2011-2012. It presently holds 4,06,260 Equity Shares (being 1.89% of the Paid-up Equity Share Capital) of the Company

Mr Rajesh Gupta is not connected, directly or indirectly, whatsoever, with any activity of the Company and in no way has any control over the affairs or decision making process of the Company and do not have rights through formal or informal arrangements with the Company or promoters or any person in the promoter group.

In view of the above the Board of Director of the Company at the meeting held on 27th July, 2021 have favourably considered the request for the above re-classification subject to the approval of the shareholders, stock Exchange(s), etc, as Mr. Rajesh Gupta. Does not:

- hold more than 10% of the total Share Capital of the Company;
- have any direct or indirect control over the affairs of the Company;
- hold any key managerial position in the Company;
- have any representations on the Board of Directors in the Company;
- engage in any management or day to day affairs of the Company;
- have any influences on the decision taken by the Company;
- have any special right through formal or informal arrangements or any shareholding agreement with the Company.

Post re-classification the remaining Members of the existing 'Promoter and Promoter Group Category' of the Company will be as follows:

Sl. No.	Name of the Members	No. of shares held as on 30.06.2021	Percentage (%)
	Promoter:		
1.	Ranjan Jain	480386	2.23
2.	Ruchika Jain	101954	0.47
3.	Suninder Veer Singh	1059180	4.92
4.	Gurcharan Kaur	7133	0.03
	TOTAL	1648653	7.65

Further the requirement under Rule 19A of the Securities Contracts (Regulation) Rules, 1957 regarding the minimum public shareholding requirement of atleast 25% of the total share capital is already fulfilled as on date of this Notice without taking into account the shareholding of Mr. Rajesh Gupta.

The Board therefore commends the Special Resolutions set out Item No. 13 of the Notice for approval of the Members.

None of the Directors and Key Managerial Personnel of the company and/ or their relatives are in any way, concerned or interested, financially or otherwise, in the resolution as set out at Item no. 13 of the Notice.

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	Ms. Neena Batra
Date of appointment as Director	16.06.2017
Date of Birth	05.07.1965
Designation	Non Executive Non Independent Director

Ms. Neena Batra, 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

Ms. Neena Batra has expertise in the field of corporate administration and her appointment shall be immense benefit to the Company.

Qualification:	Higher Secondary
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	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 Ms. Neena Batra. Ms. Neena Batra is the spouse of our Internal Auditor of the Company Mr. Naresh Batra.

Terms of reappointment	: Re-designated as Non Executive Non Independent Director liable to retire by rotation.
Remuneration	: Rs. 24000 per annum
Remuneration sought to be paid	: Rs. 24000 per annum
No. of meetings of Board attended during the FY 2020-21	: 5
Justification for appointment and Remuneration	: Ms. Neena Batra has expertise in the field of corporate administration and her appointment shall be immense benefit to the Company.

DIRECTORS' REPORT

Dear Members,

The Directors have pleasure in presenting before you the 28th Annual Report together with the Audited Accounts of the Company for the year ended 31st March, 2021.

FINANCIAL RESULTS :-

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

Particulars	2020-2021 (Amount in Lakh)	2019-2020 (Amount in Lakh)
Gross Income	7441.48	8810.62
Expenses	8198.53	8813.87
Profit / Loss Before Interest and Depreciation	(731.49)	(-3.25)
Interest	5.32	1.30
Depreciation	235.49	214.99
Exceptional Item		-
Net Profit / (Loss) Before Tax	(731.49)	220.03
Provision for Tax		-
Deferred Tax	(179.90)	(34.72)
Net Profit / (Loss) After Tax	(262.77)	(185.31)

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 7467.04 lakh which is 15.24 % less than the revenue of the previous year. Due to adverse market conditions, the Company had a net loss of Rs.556.59as compared to net loss of Rs. 185.31 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, Ms. Neena Batra (DIN 07846399), 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 the Chairman of the Meetings of the Board in place of Mr. Suninder Veer Singh, and Ms. Neena Kumar Resigned from the Directorship wef30.10.2020.

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 as on 31st March 2021 are as follows:

Name	Designation
Mr. Suninder Veer Singh	Managing Director
Mr. Ranjan Jain	Whole Time Director
Ms. ShikhaKataria	Company Secretary
Mr. Naresh Batra	Chief Financial Officer

However Naresh Batra has now resigned and company has appointed Mr. Sanjeev Agrawal as the Chief Financial Officer with effect from 29.06.2021

SHARE CAPITAL

During the year under the company issued 2,750,000 equity shares by way of preferential Allotment and thus 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. 22,54,04,000 comprising of 21,54,04,000 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 said 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 Change in the Chief Financial Officer of the Company, Mr. Naresh Batra resigned from the position and Company on the recommendation of Audit and Nomination and remuneration Committee appoints Mr.Sanjeev Agrawal as Chief Financial Officer and Key Managerial Personnel.

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:

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. Kanwaljit Singh, 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 2020-21, 10 (Ten) 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
25.04.2020	6	3
25.06.2020	6	4
27.07.2020	6	4
25.08.2020	6	4
26.10.2020	6	6
30.10.2020	6	5
17.11.2020	5	4
30.12.2020	5	5
06.02.2021 (Independent Director)	2	2
08.02.2021	5	4

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
- Criteria for evaluation of the Individual Directors including Independent Directors;
 - vii. Experience and ability to contribute to the decision making process
 - viii. Problem solving approach and guidance to the Management
 - ix. Attendance and Participation in the Meetings
 - x. Personal competencies and contribution to strategy formulation
 - xi. Contribution towards Statutory compliances, monitoring of controls and Corporate Governance

The Independent Directors had met separately on 06.02.2021 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 S T A V & CO, Chartered Accountants (Firm registration No: 024510C), who was appointed as Statutory Auditors of the Company in the last Annual General Meeting to hold office till the conclusion of Annual General Meeting to be held in the year 2025.

There is no qualifications or observations marked by the auditors in the Auditors' Report regarding a part that company the Company has not paid the statutory dues of Bank and Company various credit facilities have been declared NPA (Non Performing Assets) by the Bank. 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 2020-21 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 is no qualifications or adverse remarks by the Secretarial Auditors in the Report issued on 26 July, 2021 which were duly complied

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 29.06.2021, appointed M/s. C.L. Bansal & Associates, Cost Accountants as the Cost Auditors of the Company for the financial year 2021-2022. 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. 45,000/- (Rupees Forty 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, 2021 comprises of the following Independent Directors:

Mr. Rahul Goyat	Independent Director, Chairman
Ms. Neena Batra	Non-Independent Director, Member
Ms. Sidhu Jasvirkaur Daljeetsingh	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, 2021 comprises of the following Directors:

Ms. Sidhu Jasvirkaur Daljeetsingh	Independent Director, Chairman
Ms. Neena Batra	Non-executive Non- Independent Director, Member
Mr. Rahul Goyat	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, 2021 :-

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, 2021 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 2020-21 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:27/07/2021

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 8,88,693
Outward Remittance	: USD 22,800

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 as 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\$ 2.3 billion in FY21. Government is also taking several steps to promote the pharmaceutical sector in India.

OUTLOOK

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.

OUTLOOK

Combatting the Pandemic and driving continued growth across Key Market.

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.

FINANCIAL PERFORMANCE WITH RESPECT TO THE OPERATIONAL PERFORMANCE

During the Year 2020-21 Company incurred a loss of 556.59 lakhs as compared to previous year 2019-20 which was 185.31 lakhs, the loss increased. However the total revenue from operating activity is 7,441.48 lacs during 2020-21, which was 8,801.60 Lacs in 2019-20.

Conclusion: The loss increased by 373.28 Lacs and on the other hand the income from operations reduced by 1360.12 Lacs.

RISK AND CONCERNS

The Company continues to operate in the challenging and dynamic environment. The Nature of the Pharma business exposes the Company to various competitive and regulatory risks in Long Term:

- Evolving pressures on commoditization in India led by disruptive business models and potential impact on the branded generics business.
- Consolidated customer base, high competition, regulatory requirements impacting product approvals and continued pricing pressure.
- Shifts in drug usage and healthcare delivery in developed and developing markets, on account of Covid-19

However inspite of the challenges our Company is trying to recover the loss and increase sale.

KEY INDICATORS

Ratios	2019-20	2020-21	% Increase/ (Decrease)	Reason for change
Debtors Turnover (No. of days)	40.89	28.13	-31%	Due to covid-19 company did not achieved the targeted sales and recovered outstanding amount.
Inventory Turnover (No. of days)	94.46	133.07	41%	Due to slow down of sales and suddenly faced problem Pandemic COVID-19. Hence, increase in stock.
Interest Coverage Ratio	-	-	-	-
Current Ratio	0.81	1.03	28%	As above due to slowdown of sales due to Pandemic COVID-19. Could not payback to creditors
Debt Equity ratio	1.38	4.09	197%	
Operating Profit Margin	-2.50%	-9.83%	293%	Decline of sales due to COVID-19, the Company could not achieved the sales target
Net Profit Margin (%)	-2.50%	-9.83%	293%	Decline of sales due to COVID-19, the Company could not achieved the sales target
Change in Net Worth ratio (%)	-0.17%	29%	-273%	

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 2020-21, the percentage increase in remuneration of Chief Executive Officer, Chief Financial Officer and other Executive Director and Company Secretary during the financial year 2020-2021.

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	5.71	6.66%
2	Ranjan Jain	Whole time Director	5.71	33.33%
3	Naresh Batra	CFO	3.71	18.18 %
4	Shikha Kataria	CS	1.85	8.33%

ii. The percentage increase in the median remuneration of Employees for the financial year was 5.04%

iii. The Company has 97 permanent Employees on the rolls of Company as on 31st March, 2021.

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 Nil, due to Covid-19, the salaries of Employees does not increase.

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, 2021

[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, 2021 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, 2021 under the provisions of below mentioned regulations, which were shared with me:

- (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 is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors as at the end of the audit period. The changes in the composition of the Board of Directors that took place during the year, were carried out in compliance with the applicable Act and Regulations.
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 during the audit period, the company has issued and allotted 27,50,000 fully paid up equity shares of Rs. 10/- each on preferential Issue basis.

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

- (i) Redemption / buy-back of securities.
- (ii) Major decisions taken by the Members in pursuance to Section 180 of the Companies Act, 2013.
- (iii) Merger / amalgamation / reconstruction etc.
- (iv) Foreign technical collaborations.

Place: Shimla

Date :26.07.2021

UDIN: A046547C000687550

ANIL NEGI
M. No. 46547
C.P. NO. 17213

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: 26.07.2021

UDIN: A046547C000687550

ANIL NEGI
M. No. 46547
C.P. NO. 17213

ANNEXURE D-6 TO THE DIRECTORS' REPORT

The extract of Annual Return – MGT 9

As on financial year ended on 31.03.2021

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 & Sodium 2 EHA	3414043	25.75%
2	Amoxycillin & preparations	3525019	74.25%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

NOT APPLICABLE

S N	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 Holdi

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2020]				No. of Shares held at the end of the year[As on 31-March-2021]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	14,47,780	5,25,000	19,72,780	10.50	20,54,913	0.00	20,54,913	9.54	(0.96)
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)	14,47,780	5,25,000	19,72,780	10.50	20,54,913	0.00	20,54,913	9.54	(0.96)
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) FIs	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									
) Others (specify)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sub-total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(B)(1):-									
2. Non-Institutions									
a) Bodies Corp.	16,26,597	1,81,900	18,08,497	9.62	16,97,415	31,900	17,29,315	8.03	(1.59)
) Indian	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
i) 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
) Individual shareholders holding nominal share capital up to Rs. 2 lakh	41,58,693	1,48,622	43,07,315	22.92	41,44,620	1,22,622	42,67,242	19.81	(3.11)
i) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	8777911	4,25,000	92,02,911	48.98	1,19,57,516	0:00	1,19,57,516	55.51	(6.53)
c) Others (specify)									
Non Resident Indians	3,42,782	1,71,500	5,14,282	2.74	3,41,035	1,71,800	5,12,835	2.38	(0.36)
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	4	0.00	4	0.00	12,301	0:00	12,301	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	9,84,311	0.00	9,84,311	5.24	10,06,278	0:00	10,06,278	4.67	(0.57)
Sub-total									
(B)(2):-									
Total Public Shareholding (B)=(B)(1)+ (B)(2)	1,59,80,298	8,37,322	1,68,17,620	87.18	1,91,59,165	3,26,322	1,94,85,497	90.39	(12.16)
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)	17,33,8078	14,52,322	1,87,90,400	100.00	2,12,14,078	3,26,322	2,15,40,400	100.00	0.00

B) Shareholding of Promoter -

S N	Shareholder's Name	Shareholding at the beginning of the year (01.04.2020)			Shareholding at the end of the year (31.03.2021)			% change in shareho lding during the year
		No. of Shares	% of total Shares of the Compa ny	%of Shares Pledged / encumb ered to total shares	No. of Shares	% of total Shares of the Company	%of Shares Pledged / encumb ered to total shares held	
1	RANJAN JAIN	4,05,386	2.16	0.00	4,80,386	2.2302	0.00	0.07
2	RUCHIKA JAIN	1,01,954	0.54	0.00	101954	0.4733	0.00	(0.0667)
3	RAJESH GUPTA	4,06,260	2.16	98.46	4,06,260	1.886	98.45	(0.274)
4	SUNINDER VEER SINGH	10,59,180	5.64	0.00	10,59,180	4.91	0.00	(0.27)
5	GURCHARAN KAUR	0	0.00	0.00	7,133	0.03	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	4,05,386	2.16	4,05,386	2.16
	Bought during the year	75,000	00.07	75,000	0.07
	Sold during the year	-		-	-
	At the end of the year	4,80,386	2.23	4,80,386	2.23
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	0.00	0.00
	Sold during the year	0	0.00	0.00	0.00
	At the end of the year	1,01,954	0.47	1,01,954	0.47
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	0.00	0.00
	Sold during the year	0	0.00	0.00	0.00
	At the end of the year	4,06,260	1.89	4,06,260	1.89
	*As the Company issue new shares through				

	preferential Allotment so, there is a dilution in percentage of promoters shareholding				
4	Suninder Veer Singh At the beginning of the year Bought during the year -Allotted During the year Sold during the year At the end of the year	10,59,180 0 0 10,59,180	5.64 0.00 0.00 4.92	10,59,180 0 0 10,59,180	5.64 0.00 0.00 4.92
5	Gurcharan Kaur At the beginning of the year Bought during the year -Allotted During the year Sold during the year At the end of the year	0.00 0.00 0.00 0	0.00 0.00 0.00 0.00	7,133 0.00 0.00 7,133	0.03 0.00 0.00 0.03

**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 Sold during the year At the end of the year	8,07,500 5,00,000 0.00 1307500	4.29 2.32 0.00 6.07	8,07,500 2.32 0.00 1307500	4.29 2.32 0.00 6.07
2. DINESH JAGDISH KHOKHANI At the beginning of the year Bought during the year Sold during the year At the end of the year	0.00 1000000 0.00 1000000	0.00 4.64 0.00 4.64	0.00 10,00,000 0.00 10,00,000	0.00 4.64 0.00 4.64
3. MAHESH JAGDISH KHOKHANI At the beginning of the year Bought during the year Sold during the year At the end of the year	5,00,000 3,75,000 0.00 875000	2.66 1.74 0.00 4.06	5,00,000 3,75,000 0.00 8,75,000	2.66 1.74 0.00 4.06
4. MEHUL JAGDISH KHOKHANI At the beginning of the year Bought during the year Sold during the year At the end of the year	8,05,700 0.00 0 8,05,700	4.06 0.00 0.00 3.74	8,05,700 0.00 0.00 8,05,700	4.06 0.00 0.00 3.74
5. BHAVESH VIRENDRA SHAH At the beginning of the year	2,50,000	1.33	2,50,000	1.33

Bought during the year	4,37,500	2.03	4,37,500	2.03
Sold during the year	0.00	0.00	0.00	0.00
At the end of the year	6,87,500	3.19	6,87,500	3.19
6. BIMAL VIRENDRA SHAH				
At the beginning of the year	2,50,000	1.33	2,50,000	1.33
Bought during the year	4,37,500	2.03	4,37,500	2.03
Sold during the year	0.00	0.00	0.00	0.00
At the end of the year	6,87,500	3.19	6,87,500	3.19
7. 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	0	0.00
Sold during the year	0	0.00	0	0.00
At the end of the year	6,50,250	3.02	6,50,250	3.02
8. 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	0	0
Sold during the year	100	0.00	0	0
At the end of the year	3,93,002	*1.82	3,93,102	*1.82
<ul style="list-style-type: none"> Due to increase in shareholding the percentage of shareholding diluted. 				
9. 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	0	0
Sold during the year	0	0.00	0	0
At the end of the year	3,50,000	1.62	3,50,000	1.62
10. TELU RAM				
At the beginning of the year	3,05,852	1.62	3,05,852	1.62
Bought during the year	1,256	0.0	1,256	0.0
Sold during the year	0	0.00	0	0.00
At the end of the year	3,07,180	1.43	3,07,180	1.43

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	4,05,386	2.16	4,05,386	2.16
	Bought during the year	75,000	0.07	75,000	0.07
	Sold during the year	0	0.00	0	0
	At the end of the year	4,80,386	2.23	4,80,386	2.23
		4,80,386	2.23	4,80,386	2.23
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	0	0.00
	-Allotted During the year	0	0.00	0	0

	Sold during the year	0	0.00	0	0
	At the end of the year	1059180	*4.92	10,59,180	*4.92
	*Due to increase in total shareholding by allotment of shares the percentage of shareholding diluted.				
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	0.000.00	0.0
	-Allotted during the year	0	0.00	0.00	0.00
	Sold during the year	0	0.00	0.00	0.00
	At the end of the year	1,50,455	0.800	1,50,455	0.800
	<ul style="list-style-type: none"> Now he has resigned from the position with effect from 29/06/2021. 				

Note: Due to increase in shareholding during the year the percentage of shareholding diluted.

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	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
Change in Indebtedness during the financial year				
* Addition	0.00	0.00	0.00	0.00
* Reduction	-3.89	-121.37	0.00	-125.26
Net Change	-3.89	-121.37	0.00	-125.26
Indebtedness at the end of the financial year				
i) Principal Amount	1217.43	304.09	0.00	1521.52
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)	1217.43	304.09	0.00	1521.52

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	12,00,000	12,00,000	24,00,000

	(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)	12,00,000	12,00,000	24,00,000
	Ceiling as per the Act			

B. Remuneration to other directors -Applicable

SN.	Particulars of Remuneration	Name of Directors				Total Amount
		----	----	----	---	
1	Independent Directors	Rahul Goyat	Neena Kumar			
	Fee for attending board committee meetings	24,000	12,000			36,000
	Commission	0	0			0
	Others, please specify	0	0			0
	Total (1)	24,000	12,000			36,000
2	Other Non-Executive Directors	Neena Batra				
	Fee for attending board committee meetings	24,000				24,000
	Commission	0				0
	Others, please specify	0				0
	Total (2)	24,000				24,000
	Total (B)=(1+2)	48,000	12,000			60,000
	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	3,90,000	7,80,000	11,70,000
	(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	3,90,000	7,80,000	11,70,000

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

<u>Details of Loans</u>			
Sr. No.	Name of Entity/Person	Amount (in Rs.)	Purpose
1	No Loan have been given during the Financial year 2020-21		
2			
	TOTAL		
<u>Details of Guarantees</u>			
Sr. No.	Name of Entity/Person	Amount	Purpose
1	No Guarantees have been given during the Financial year 2020-21		
<u>Details of Investments</u>			
Sr. No.	Name of Entity/Person	Amount	Purpose
1	No Investments have been made during the Financial year 2020-21		

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 uptoRs. 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	10/05/2021
	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 5 (Six) Directors as on 31st March 2021. The Board consisted of Two Executive Directors, one non-Executive non-independent Director, Two 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 2020-2021 or even after the close of Financial year upto the date of this report.

The Company has an Non Executive Independent Director as Chairman and as per the requirements of Listing Regulations, the Company shall have one third of the Board consist of Independent Directors. The Composition of the Board as on 31.03.2021 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. | Mr. Rahul Goyat | - Non Executive Independent Director |
| 5. | Ms. Sidhu JasvirkaurDaljeetsingh | - 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	Rahul Goyat	NeenaBatra	Sidhu JasvirkaurDaljeetsingh
CATEGORY		Executive	Executive	Independent & Non Executive Director	Non-Executive	Independent & Non Executive Director
Board Meetings attended during the year		9	9	9	4	4
Attendance at the AGM held on 24.11.2020		YES	YES	YES	YES	YES
*No. of other Boards in which Member or Chairperson		NIL	NIL	NIL	NIL	NIL
No. of other Board Committees in which Member or Chairperson	Member	NIL	NIL	NIL	NIL	NIL
	Chairperson	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.

2. For the purpose of Membership & Chairmanship in a Committee only Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee have been considered.
3. The above composition and the information is as at 31.03.2021.

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 9 Board meetings were held during the period from 1st April, 2020 to March 31, 2021 on the following dates:

25.04.2020, 25.06.2020, 27.07.2020, 25.08.2020, 26.10.2020, 30.10.2020, 17.11.2020, 30.12.2020, and 08.02.2021

And 1 (One) Independent Directors meeting was held on 06.02.2021 as required under Schedule IV of Companies Act, 2013

A total of 10 meeting of Board of directors were held including one independent Directors meeting.

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.

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 31.03.2021, the Audit Committee of the Company comprises of one non-executive Independent Directors and Two 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
Mrs. Sidhu Jasvirkaur Daljeet Singh	Independent Director, Member
Mrs. NeenaBatra	Non-executive Director, Member

Meetings of Audit Committee and attendance during the year 2020-21

5 meetings of the Audit Committee have been held during the year 2020-21 on the following dates:

25.06.2020, 27.07.2020, 25.08.2020, 30.10.2020 and 06.02.2021

The attendance at the Audit Committee Meetings during the period from 01.04.2020 till 31.03.2021 is given below:

Name	Title	No. of Meetings held	No. of Meetings attended
Mr. Rahul Goyat	Independent Director and Chairman of Committee	5	5
Ms. Sidhu Jasvirkaur Daljeet Singh	Independent Director	5	4
Mrs. Neena Batra	Non-executive Director	5	4

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 31-03-2021:

Mrs. Sidhu JasvirkaurDaljeetsingh	Independent Director, Chairperson
Mrs. NeenaBatra	Non-Executive Director, Member
Mrs. Rahul Goyat	Independent Director, Member

Meetings of Nomination and Remuneration Committee and attendance during the year 2020-21

One meetings of the Nomination and Remuneration Committee has been held during the year 2020-21 on 30.10.2020

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 Rahul Goyat, who is a Non ExecutiveIndependent Director. Mr Ranjan Jain and MrSuninder Veer Singh, Directors are other Members of the Committee. One meeting of the committee held on 06.02.2021.

NAME AND DESIGNATION OF COMPLIANCE OFFICER

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

info@syschem.in, shikhakataria@syschem.in

TEL: 0172-5070472

COMPOSITION:

Following is the composition of the Stakeholders' Relationship Committee:

Mr. Rahul Goyat	Non-Executive Independent Director, Chairman
Mr Ranjan Jain	Executive Director, Member
MrSuninder 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	2018	2019	2020
Type of Meeting	EGM	AGM	AGM
Date	28.09.2018	28.09.2019	24.11.2020
Venue	Village Bargodam, Tehsil Kalka, Distt. Panchkula, Haryana.	Village Bargodam, Tehsil Kalka, Distt. Panchkula, Haryana.	Village Bargodam, Tehsil Kalka, Distt. Panchkula, Haryana.
Time	1.00 P.M.	3.00 PM	3.00 PM
Special Resolution passed	YES	YES	YES

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

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

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

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

Year 2019-20

1. To consider the payment of remuneration to Mr. Ranjan Jain, hole Time Director
2. To consider the payment of remuneration to Mr. Suninder Veer Singh, Managing Director.

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 was penalty imposed for late/Non compliance with certain provisions of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015. The details of which are given below:

Quarter/ Year end	Regulation of SEBI (LODR) Regulations, 2015	Fine Levied (in Rs.) (including GST@18%)	Fine Paid	O/s Fine Payable
Sep-19	17(1) Board of Director	542800	-	542800
Dec-19	17(1) Board of Director	206500	206500	
Total		749300	206500	542800

In this regards, company had already paid the Penalty.

(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 Depository 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:**

Mrs. Neena Batra, Director of the Company retire by rotation in the ensuing Annual General Meeting and being eligible offer himself for re-appointment. 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 2020-21.

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, 27,500,000 money has been raised by the Company by way of Preferential Issues of shares and 2,750,000 Equity shares were allotted.

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 Agreement. 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	Saturday, the 28th day of August, 2021 at 4.00 P.M.		
AGM venue	Through VC/OAVM		
Financial year	April 1 st , 2020 to March 31 st , 2021		
Date of Book closure	22.08.2021 to 28.08.2021 (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-20	7.73	5.77
	May-20	6.58	5.65
	Jun-20	7.37	5.70
	Jul-20	7.66	5.65

	<table border="1"> <tr><td>Aug-20</td><td>6.55</td><td>5.44</td></tr> <tr><td>Sep-20</td><td>7.20</td><td>5.54</td></tr> <tr><td>Oct-20</td><td>7.35</td><td>5.58</td></tr> <tr><td>Nov-20</td><td>6.59</td><td>5.60</td></tr> <tr><td>Dec-20</td><td>8.01</td><td>5.90</td></tr> <tr><td>Jan-21</td><td>8.30</td><td>6.30</td></tr> <tr><td>Feb-21</td><td>9.45</td><td>7.01</td></tr> <tr><td>Mar-21</td><td>8.74</td><td>6.71</td></tr> </table>	Aug-20	6.55	5.44	Sep-20	7.20	5.54	Oct-20	7.35	5.58	Nov-20	6.59	5.60	Dec-20	8.01	5.90	Jan-21	8.30	6.30	Feb-21	9.45	7.01	Mar-21	8.74	6.71			
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<p>Performance in comparison to broad-based indices such as BSE Sensex, CRISIL index etc.</p> <p>Note: Here Series1 is Sensex and Series2 is Syschem(India)Limited</p>	<table border="1"> <caption>Chart Data</caption> <thead> <tr> <th>Month</th> <th>Series1 (Sensex)</th> <th>Series2 (Syschem(India)Limited)</th> </tr> </thead> <tbody> <tr><td>Aug-20</td><td>0</td><td>32,000</td></tr> <tr><td>Sep-20</td><td>0</td><td>31,000</td></tr> <tr><td>Oct-20</td><td>0</td><td>35,000</td></tr> <tr><td>Nov-20</td><td>0</td><td>38,000</td></tr> <tr><td>Dec-20</td><td>0</td><td>39,000</td></tr> <tr><td>Jan-21</td><td>0</td><td>41,000</td></tr> <tr><td>Feb-21</td><td>0</td><td>52,000</td></tr> <tr><td>Mar-21</td><td>0</td><td>51,000</td></tr> </tbody> </table>	Month	Series1 (Sensex)	Series2 (Syschem(India)Limited)	Aug-20	0	32,000	Sep-20	0	31,000	Oct-20	0	35,000	Nov-20	0	38,000	Dec-20	0	39,000	Jan-21	0	41,000	Feb-21	0	52,000	Mar-21	0	51,000
Month	Series1 (Sensex)	Series2 (Syschem(India)Limited)																										
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Mar-21	0	51,000																										
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	<p>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.</p> <p>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.</p> <p>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.</p>																											

Dematerialization of shares and liquidity	Liquidity:- 98.4%of the shareholding of the Company have been dematerialized as on 31.03.2021 and there is sufficient liquidity in the stock.
Address for correspondence	The Compliance Officer, SCO No. -825, 1 st Floor, NAC, Mani Majra Chandigarh. Ph. 0172-5070472 E-mail: info@syschem.in , Shikhakataria@syschem.in

(a) **Distribution of Shareholding (No. of Shares) as on March 31, 2021 is as under :-**

No. of Shares	No. of Shareholders	% of Shareholders	Total No. of Shares	% of Holding
1 – 5000	6276	79.41	9,44,688	4.38
5001 – 10000	734	9.28	62,95,340	2.92
10001 – 20000	346	4.37	5,44,912	2.52
20001 – 30000	132	1.67	3,38,589	1.57
30001 – 40000	61	0.77	2,19,360	1.01
40001 – 50000	55	0.69	2,59,756	1.20
50001 – 100000	110	1.39	8,38,038	3.89
100001 and above	189	2.39	1,77,65,52	82.47
Total	7903	100.00	21540400	100.00

Shareholding Pattern as on 31st March, 2021:-

Category	No. of Shares held
Promoters	20,54,913
Institutional Investors	0
Mutual Funds & UTI	0
Banks, Financial Institutions and Insurance Companies	0
FII's	0
Others	0
Private Corporate Bodies	17,29,315
Indian Public	1,62,24,758
NRIs/OCBs	5,12,835
HUF	10,06,278
Clearing Members	12,301

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.

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 include 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, 2021.

Place: CHANDIGARH
Date: 10.05.2021

Sd/-
Suninder Veer Singh
Managing Director

CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
Syschem (India) Limited

We have examined the compliance of the conditions of Corporate Governance by Syschem (India) Limited (“the Company”) for the Financial Year ended 31st March, 2021, as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as referred to in Regulation 15 (2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of the conditions of Corporate Governance is the responsibility of the management of the Company. Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with 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, and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as mentioned in the above mentioned Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable.

We further state that such compliance 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.

Date: 26.07.2021
Place: Chandigarh

UDIN: F005901C000688682

Kanwaljit Singh Thanewal
Company Secretary
M. No. 5901
C.P.No. 5870

CEO/CFO DECLARATION

**The Board of Directors of,
Syschem (India) Limited,
Village Bargodam, Tehsil Kalka,
DisttPanchkula
Haryana.**

Date: 29.06.2020

We hereby certify that for the financial year ending 31-03-2021, 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 31-03-2021, 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/-
(NareshBatra)
CFO

Sd/-
(Suninder Veer Singh)
Chairman cum Managing Director

DISCLOSURE UNDER PARA A of SCHEDULE V of Listing Regulations

S.NO	In Account of	Disclosure of Amount at the Year end and the Maximum amount of loans/advances investment outstanding during during the Year.

<u>1</u>	Holding Company	<ul style="list-style-type: none"> Loans and advances in the nature of loans to subsidiaries by name and account. Loans and advances in the nature of loans to associates by name and amount. Loans and advance in the nature of loans to firms/companies in which directors are interested by name and amount. NA
<u>2</u>	Subsidiary	Some disclosures as applicable to the Parent company in the accounts of subsidiary Company. NA
<u>3</u>	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.

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

Place: CHANDIGARH

Date: 10.05.2021

Sd/-
Suninder Veer Singh
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,
Vill-Bargodam, Tehsil-Kalka,
Distt: Panchkula Haryana.

We 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 Village Bargodam, Tehsil: Kalka, Distt: Panchkula, Haryana (hereinafter referred to as 'the Company'), produced before 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 our opinion and to the best of our 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 us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2021 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 the Director	DIN	Date of appointment in the company
1.	Mr. Suninder Veer Singh	07693557	30.12.2016
2.	Mr. Ranjan Jain	00635274	13.01.2015
3.	Mrs. Neena Kumar*	07138103	27.03.2015
4.	Mrs. Neena Batra	07846399	16.06.2017
5.	Mrs. Sidhu Jasvir Kaur Daljeet Singh	08321273	31.12.2018
6.	Mr. Rahul Goyat	08602881	05.11.2019

*Ceased on account of resignation w.e.f. 30.10.2020.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our 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.

Date: 26.07.2021

Place: Chandigarh

UDIN: F005901C000687857

Kanwaljit Singh Thanewal

M No. 5901

C P No. 5870