



**SANGAM HEALTH CARE
PRODUCTS LIMITED**

*Disposable Medical Devices
An ISO 9001:2008 Company*

**24th ANNUAL REPORT
2017-18**

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GREEN INITIATIVE

The Ministry of Corporate Affairs (MCA) has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the Companies Act. As per the Section 101 read with Rule 18 of Companies (Management and Administration) Rules, 2014 of Companies Act, 2013. A member of Company can receive notice in electronic mode via email. Your Company has decided to join the MCA in its environment friendly initiative.

Henceforth, the Company proposes to send documents such as Notice of the General Meetings, Annual Report and other communication to its shareholders via electronic mode to the registered e-mail addresses of shareholders. To support this green initiative of the Government in full measure, shareholders are requested to register/update their latest e-mail addresses with their Depository Participant (D.P.) with whom they are having Demat A/c or send the same to the Company via e-mail at: sangamlisting@gmail.com

We solicit your valuable co-operation and support in our endeavors to contribute our bit to the environment.

CORPORATE INFORMATION

BOARD OF DIRECTORS:

Mr. Bala Gopal Addepalli	-	Chairman and Managing Director (DIN: 01712903)
Mr. L. S. Patil	-	Director (DIN: 00731663)
Mrs. PadmaGhanakota	-	Director (DIN: 07078176)
Mr. Khushwant Singh	-	Independent Director (DIN: 00500962)
Mr. RajeshKakkera	-	Independent Director (DIN: 07931218)
Mr. RamuChaganti	-	Independent Director (DIN: 07931223)
Mr. MadhavaraoMandalapu	-	Independent Director (DIN: 07931672)

CHIEF FINANCIAL OFFICER :

Mr.Satish Kumar Varre

REGISTERED OFFICE:

205 & 206, Amarchand Sharma
Complex, S.P. Road, Secunderabad – 500002
Telangana, India

FACTORY:

Survey No.182, Yellampet Village,
MedchalMandal, MedchalDistrict, Telangana-501401

FACTORY -II:

Survey No.189/A, Durshed Village
Karimanagar District-505001

STATUTORY AUDITORS:

M/s K.R. Shekher
Chartered Accountants
Hyderabad.

SECRETARIAL AUDITOR:

Ms. Aakanksha,
Practicing Company Secretary,
Plot No. 8-2-603/23/3 & 8-2-603/23, 15,
2nd Floor, HSR Summit, Banjara Hills, Road No. 10,
Beside No. 1 News Channel office, Hyderabad – 500034

BANKERS:

- 1) State Bank India,
Commerical Bank,
Secunderabad
- 2.) State Bank of India
IFB, Ameerpet Branch,
Near Green park, Hyderabad

AUDIT COMMITTEE:

Mr. Khushwant Singh	-	Chairman
Mr. Rajesh Kakkera	-	Member
Mr. Bala Gopal Addepalli	-	Member

NOMINATION & REMUNERATION COMMITTEE:

Mr. Khushwant Singh	-	Chairman
Mr. Rajesh Kakkera	-	Member
Mrs. PadamGhanakota	-	Member

STAKEHOLDERS RELATIONSHIP COMMITTEE:

Mr. Khushwant Singh	-	Chairman
Mr. RamuChaganti	-	Member
Mr. Bala Gopal Addepalli	-	Member

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr. Khushwant Singh	-	Chairman
Mr. RamuChaganti	-	Member
Mr. Bala Gopal Addepalli	-	Member

REGISTRAR & SHARE TRANSFER AGENTS:

M/s. XL SOFTECH SYSTEMS LTD.,
3, Sagar Society, Road No.2,
Banjara Hills, Hyderabad
Phone # 040-23545913/14/15
Email: xlfield@rediffmail.com
xlfield@gmail.com

ISIN :

INE431E01011

WEBSITE:

www.sangamhealthcare.co.in

INVESTOR E-MAIL ID: sangamlisting@gmail.com

CORPORATE IDENTITY NUMBER: L24230TG1993PLC016731

NOTICE

Notice is hereby given that the 24th Annual General Meeting of the Shareholders of Sangam Health Care Products Limited will be held on Saturday, the 29th day of September 2018 at 02.00 P.M. at the registered office of the company at 205,206, Amarchand Sharma Complex, S.P. Road, Secunderabad – 500002, Telangana, India to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2018, the Statement of Profit & Loss and Cash Flow Statement for the year ended on that date together with the Notes attached thereto, along with the Reports of Auditors and Directors thereon.
2. To appoint a director in place of Mrs. Padma Ghanakota (holding DIN: 07078176), who retires by rotation and being eligible, offers herself for re-appointment.

To consider and if though fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Mrs. Padma Ghanakota (holding DIN: 07078176), who retires by rotation at this meeting and being eligible has offered herself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

SPECIAL BUSINESS:

3. **RE-APPOINTMENT OF MR. BALA GOPAL ADDEPALLI (DIN: 01712903) AS MANAGING DIRECTOR OF THE COMPANY:**

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, read with Schedule V and other applicable provisions if any, of the Companies Act, 2013 including any statutory modification(s) or re-enactment thereof for the time being in force and Articles of Association of the Company, consent of the members of the company be and is hereby accorded to reappoint Mr. Bala Gopal Addepalli (DIN: 01712903) as Managing Director of the Company for a period of three years with effect from

09.02.2018 to 08.02.2021 and to pay such remuneration as per terms and conditions as recommended by the nomination and remuneration committee and as set out in the explanatory statement annexed to the notice”.

“RESOLVED FURTHER THAT in terms of Schedule V of the Companies Act, 2013, as amended from time to time, the Board of Directors be and is hereby authorized to vary or increase the remuneration, perquisites, and allowances etc. within such prescribed limits”.

“RESOLVED FURTHER THAT in the event of losses or inadequacy of profits during his tenure the Company shall pay to Mr. Bala Gopal Addepalli, remuneration by way of salaries and allowances as specified above as minimum remuneration and in accordance with the limits specified under the Companies Act, 2013 read with Schedule V to the Companies Act 2013, or such other limit as may be prescribed by the Government from time to time”.

“RESOLVED FURTHER THAT the Board is hereby authorized to take all necessary steps as may be necessary to give effect to the above resolution including filing of all such necessary documents as may be required in this regard.”

**For and on behalf of the Board of
Sangam Health Care Products Limited**

Place: Hyderabad

Date: 14.08.2018

**Sd/-
Bala Gopal Addepalli
Chairman & Managing Director
(DIN: 01712903)**

NOTES:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

The instrument of Proxy in order to be effective shall be deposited at the Registered Office of the Company by not less than 48 hours before the commencement of the Meeting.

Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty (50) members and holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy, who shall not act as a proxy for any other person or shareholder. The appointment of proxy shall be in the Form No. MGT.11 annexed herewith.

- 2.** Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Business to be transacted at the Annual General Meeting as set out in the Notice is annexed hereto.
- 3.** The Register of Members and Share Transfer Books of the Company will remain closed from 24.09.2018 to 29.09.2018 (Both days inclusive).
- 4.** Members holding shares in the electronic form are requested to inform any changes in address/bank mandate directly to their respective Depository Participants.
- 5.** Members are requested to hand over the enclosed Attendance Slip, duly signed in accordance with their specimen signature(s) registered with the Company for admission to the meeting hall. Members who hold shares in dematerialised form are requested to bring their Client ID and DP ID Numbers for identification.
- 6.** Corporate Members are requested to send to the Company's Registrar & Transfer Agent, a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Annual General Meeting.
- 7.** In case of joint holders attending the Meeting, only such joint holders who are higher in the order of names will be entitled to vote.

8. The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) and Aadhar Number by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit PAN and Aadhar details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their PAN and Aadhar details to the Company/Registrar and Share Transfer Agents (XL Softech Pvt. Ltd.)
9. As a measure of austerity, copies of the annual report will not be distributed at the Annual General Meeting. Members are therefore, requested to bring their copies of the Annual Report to the Meeting.
10. With a view to using natural resources responsibly, we request shareholders to update their email address with their Depository Participants to enable the Company to send communications electronically.
11. Members holding shares in the same name under different ledger folios are requested to apply for consolidation of such folios and send the relevant share certificates to M/s. XL Softech Pvt. Ltd., Share Transfer Agents of the Company for their doing the needful.
12. Members are requested to send their queries at least 10 days before the date of meeting so that information can be made available at the meeting.
13. In respect of shares held in physical mode, all shareholders are requested to intimate changes, if any, in their registered address immediately to the registrar and share transfer agent of the company and correspond with them directly regarding share transfer/transmission/transposition, Demat /Remat, change of address, issue of duplicate shares certificates, ECS and nomination facility.
14. In terms of Section 72 of the Companies Act, 2013, a member of the company may nominate a person on whom the shares held by him/her shall vest in the event of his/her death. Members desirous of availing this facility may submit nomination in prescribed Form-SH-13 to the company/RTA in case shares are held in physical form, and to their respective depository participant, if held in electronic form.
15. The Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which Directors are interested under Section 189 of Companies Act, 2013 will be available for inspection at the Annual General Meeting.
16. Electronic copy of the Annual Report for 2017-2018 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the

same. For members who have not registered their email address, physical copies of the Annual Report for 2017-2018 is being sent in the permitted mode.

17. Members may also note that the Notice of the 24th Annual General Meeting and the Annual Report for 2017-2018 will also be available on the Company's website www.sangamhealthcare.co.in for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: sangamlisting@gmail.com.
18. SEBI has decided that securities of the listed companies can be transferred only in dematerialized form which effective from 05.12.2018. In view of the above and to avail various benefits of dematerialization, members are advised to dematerialize their shares which are held by them in physical form.

19. Voting through electronic means:

In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, and Secretarial Standard on General Meetings (SS2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Services (India) Limited.

The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

The remote e-voting period commences on 26.09.2018 (09.00 am) to 28.09.2018 (5.00 pm). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 22.09.2018, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is casted by the shareholder, the shareholder shall not be allowed to change it subsequently.

A person who has acquired shares & become a member of the company after the dispatch of notice of AGM & holding shares as of cut-off date, may obtain the login ID & password by sending a request at sangamlisting@gmail.com. However, if the person is already registered with the CDSL for remote e-voting then the existing user ID & password can be used for casting vote.

The instructions for shareholders voting electronically are as under:

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

For Members 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)-

Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN Field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.

DOB : Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.

Dividend Bank Details : Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- vii. After entering these details appropriately, click on "SUBMIT" tab.
- viii. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- ix. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- x. Click on the EVSN for the relevant <**Sangam Health Care Products Limited**> on which you choose to vote.
- xi. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xii. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xiii. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xiv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xv. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xvi. If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

xvii. Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.

xviii. Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
 - 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 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.
- xix. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
- 20.** The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of 22.09.2018.
- 21.** Ms. Aakanksha, Practicing Company Secretary has been appointed as the Scrutinizer to scrutinize the e-voting process in accordance with the law.
- 22.** The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

23. The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.sangamhealthcare.co.in and on the website of CDSL within two(2) days of passing of the resolutions at the AGM of the Company .
24. The Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011 dated April 21 and April 29, 2011 respectively), has undertaken a 'Green Initiative in Corporate Governance' and allowed companies to share documents with its shareholders through an electronic mode. Members are requested to support this green initiative by registering/uploading their email addresses, in respect of shares held in dematerialized form with their respective Depository Participant and in respect of shares held in physical form with the Company's Registrar and Share Transfer Agents.

**For and on behalf of the Board of
Sangam Health Care Products Limited**

**Place: Hyderabad
Date: 14.08.2018**

**Sd/-
Bala Gopal Addepalli
Chairman & Managing Director
(DIN: 01712903)**

EXPLANATORY STATEMENT
[Pursuant to Section 102 of the Companies Act, 2013]

ITEM NO.3:

Mr. Bala Gopal Addepalli(DIN: 01712903) was appointed as Managing Director of the Company upto 08.02.2018 at the 21stAnnual General Meeting held on 30.09.2015.

Based on the recommendations of the Nomination and Remuneration Committee, the Board of Directorsof the Company at their meeting held on 13.11.2017, approved the re-appointment of Mr. Mr. Bala Gopal Addepalli (DIN: 01712903) as Managing Director of the Company for a term of three years commencing from 09.02.2018 to 08.02.2021 at a remuneration of Rs. 1,00,000 p.m.

The Board of Directors recommends the passing of the above resolution as a Special Resolution setout in the item no. 3.

Except Mr. Bala Gopal Addepalli and Mrs. Padma Ghanakota, none of the other Directors/Key Managerial Personnel and their relatives is in any way interested or concerned financially or otherwise, in theResolution set out in the notice.

Information in accordance with Schedule V of Companies Act, 2013**I. GENERAL INFORMATION:**

- 1 Nature of Industry : Medical disposables
- 2 Date or expected date of commencement of commercial: The Company started its commercial operations in the year 1994
- 3 In case of new companies, expected date of commencement of business activities as per project approved by financial institutions appearing in the prospects: Not Applicable
- 4 Financial performance based on given indications

Particulars	2017-18 (Rs. in lakhs)	2016-17 (Rs. in lakhs)	2015-16 (Rs. in lakhs)
Turnover	2088.90	2361.69	2316.37
Net profit/loss after Tax	7.37	(6.85)	(1.53)

- 5 Foreign investments or collaborations, if any: Not Applicable

II. INFORMATION ABOUT THE APPOINTEE:

1. Background Details: Mr. Bala Gopal Addepalli, aged about 49 years and has a unit of manufacturing of IV Sets in the name of Sai Healthcare at Jeedimetala, Hyderabad. He is supplying IV Sets toGovt. ofAndhra Pradesh since 10 years. He is also in infrastructure business and presently constructing IIIT building at BASARA, Telangana. He is commerce graduate.
2. Past Remuneration: Rs. 1,00,000 per month.

3. Recognition or awards : Not Applicable.
4. Job Profile and his suitability: Aged about 49 years and has a unit of manufacturing of IV Sets in the name of Sai Healthcare at Jeedimetala, Hyderabad. He is supplying IV Sets to Govt. of Andhra Pradesh since 10 years. He is also in infrastructure business and presently constructing IIIT building at BASARA, Telangana. He is commerce graduate. His experience would be help for the growth and expansion of the Company.
5. Remuneration proposed:As set out in the explanatory statement for the item No.3 the remuneration to Mr. Bala Gopal Addepalli, Managing Director at Rs. 1,00,000 pm which is the same what he is drawing at present. There is no increase in his remuneration.
6. 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 w.r.t. the country of his origin):Taking into consideration of the size of the Company, the profile of Mr. Bala Gopal Addepalliand the responsibilities shouldered on him, the aforesaid remuneration package is commensurate with the remuneration package paid to managerial positions in other companies.
7. Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any:Besides the remuneration proposed, he is not having any other Pecuniary relationship directly or indirectly with the Company.Mrs. PadamaGhanakota, Director of the Company is the wife of Mr. Bala Gopal Addepalli.

III. OTHER INFORMATION:

1. Reasons for inadequate profits: The Company is in the mode of expansion of the business which generally requires spending lot of money on fixed assets, plant and machinery etc. All this expenditure will result in increased revenues and profitability over a period of next two to three years.
2. Steps taken or proposed to be taken for improvement: Necessary efforts are being made to increase the clientele who in turn contribute for the growth of the business as well as the profitability.
3. Expected increase in productivity and profit in measurable terms: The company is committed to build the business operations within budget and considering that the business operates on a going concern basis, it is believed that financial position of the company will improve considerably in the coming years.

**For and on behalf of the Board of
Sangam Health Care Products Limited**

Sd/-

**Bala Gopal Addepalli
Chairman & Managing Director
(DIN: 01712903)**

**Place: Hyderabad
Date: 14.08.2018**

DIRECTORS' REPORT

To the Members,

The Directors have pleasure in presenting before you the 24th Directors' Report of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2018. The Company's performance is summarized below:

1. FINANCIAL SUMMARY/HIGHLIGHTS:

The performance during the period ended 31st March, 2018 has been as under:
(Rs. in lakhs)

Particulars	2017-2018	2016-17
Turnover/Income (Gross)	3929.93	2373.69
Total Expenditure	3036.92	3057.68
Profit for the year before Depreciation	893.01	(683.99)
Less : Provision for taxation	7.36	1.66
Less : Deferred tax	(148.28)	-
Profit after Tax	737.37	(685.66)

2. REVIEW OF OPERATIONS:

During the year under review, the Company has recorded an income of Rs. **3929.93 lakhs** and profit of Rs. **737.37 lakhs** for the financial year ending 31.03.2018 as against the income of Rs. **2373.69 lakhs** and loss of Rs. **685.66 lakhs** in the previous financial year ending 31.03.2017.

3. MATERIAL CHANGES AND COMMITMENTS:

There were no material changes and commitments affecting financial position of the company between 31st March, 2018 and the date of Board's Report. (i.e. 14.08.2018)

4. CHANGE IN THE NATURE OF BUSINESS, IF ANY:

During the period under review and the date of Boards' Report there was no change in the nature of Business.

5. DIVIDEND:

Keeping the Company's revival plans in mind, your Directors have decided not to recommend dividend for the year.

6. TRANSFER TO RESERVES:

The Company has not carried any amount to reserves.

7. BOARD MEETINGS:

The Board of Directors duly met 4 (Four) times on 30.05.2017, 05.09.2017, 13.11.2017 and 13.02.2018.

8. DEPOSITS FROM PUBLIC:

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

9. DISCLOSURE UNDER SECTION 43(a)(ii) OF THE COMPANIES ACT, 2013:

The Company has not issued any shares with differential rights and hence no information as per provisions of Section 43(a) (ii) of the Act read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014.

10. DISCLOSURE UNDER SECTION 54(1)(d) OF THE COMPANIES ACT, 2013:

The Company has not issued any sweat equity shares during the year under review and hence no information as per provisions of Section 54(1)(d) of the Act read with Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014.

11. DISCLOSURE UNDER SECTION 62(1)(b) OF THE COMPANIES ACT, 2013:

The Company has not issued any equity shares under Employees Stock Option Scheme during the year under review and hence no information as per provisions of Section 62(1) (b) of the Act read with Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014.

12. DETAILS OF SIGNIFICANT MATERIAL ORDERS PASSED BY REGULATORS, COURTS, TRIBUNALS, IMPACTING THE GOING CONCERN BASIS OF THE COMPANY:

There were no significant material orders passed by regulators, courts, tribunals, impacting the going concern basis of the Company.

13. CORPORATE GOVERNANCE:

A Separate section titled "Report on Corporate Governance" along with the Auditor's Certificate on Corporate Governance as stipulated under Regulation 34 read with Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as a part of this Annual Report.

14. VIGIL MECHANISM

The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behavior. In line with the Code of Conduct, any actual or potential violation, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company. The role of the employees in pointing out such violations of the Code of conduct cannot be undermined. Pursuant to Section 177(9) of the Act, a vigil mechanism was established for directors and employees to report to the management instances of unethical behavior, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy. The Vigil Mechanism provides a mechanism for employees of the Company to approach the Chief Financial Officer of the Company for redressal.

15. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Management discussion and analysis report for the year under review as stipulated under Regulation 4(3) read with Schedule V, Part B of SEBI(Listing Obligations and Disclosure Requirements), Regulations 2015 with the stock exchange in India is presented in a separate section forming part of the annual report.

16. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

During the period under review the Directors namely Mr. Raman Ganakota , Mr. VenkataSubramanya Sharma Devarkondahave resigned w.e.f 17.02.2017 and Mr. PradyutWahray on 02.09.2017. The Board places on record its sincere appreciation for the services rendered by them during their tenure as directors of the Company.

In accordance with Section 152 of the Act, Mrs. Padma Ghanakota, Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment. The Board recommends her appointment as director of the Company.

Mr. Bala Gopal Addepalli (DIN: 01712903), Chairman and Managing Director of the Company will be re-appointed as Managing Director for a term of 3 years w.e.f 09.02.2018 to 08.02.2021 based on the recommendation made by Nomination and Remuneration committee in its meeting held on 13.11.2017.

As required under regulation 36 (3) of the SEBI (LODR), Regulations, 2015, brief particulars of the Directors seeking appointment/re-appointment are given as under:-

Name of the Director	Mr. BalaGopalAddepalli	Mrs. Padma Ghanakota
Date of Birth	25.08.1967	17.08.1964
Date of Appointment	02.02.2015	25.03.2015
Expertise in specific functional areas	He is about 49 years and has a unit of manufacturing of IV Sets in the name of Sai Healthcare at Jeedimetala, Hyderabad. He is supplying I V Sets to Govt. of Andhra Pradesh since 10 years. He is also in infrastructure business and presently constructing IIIT building at BASARA, Telangana	She has 10 years of experience in manufacturing IV sets and manufacturing pouches. She is handling operations of manufacture of IV sets at her Jeedimatla unit, Hyderabad.
Qualifications	Commerce Graduate	Commerce Graduate
Names of the Listed entities in which the person is holding Directorships or Board Committee Memberships	-	-
Inter se relationship among Directors	Husband of Mrs. Padma Ghanakota	Wife of Mr. BalaGopalAddepalli

17. BOARD EVALUATION:

Pursuant to the applicable provisions of the Companies Act, 2013 and SEBI Listing Regulations, the Board has carried out an Annual Evaluation of its own performance, performance of the Directors and the working of its Committees. The Board's functioning was evaluated on various aspects, including inter alia degree of fulfillment of key responsibilities, Board structure and composition, establishment and delineation of responsibilities to various Committees, effectiveness of Board processes, information and functioning.

Evaluation of the Committees performance was based on the criteria like composition, its terms of the reference and effectiveness of committee meetings, etc., Individual Director's performance evaluation is based on their preparedness on the issues to be discussed, meaningful and constructive discussions and their contribution to the Board and Committee meetings. The Chairperson was evaluated mainly on key aspects of his role. These performance exercises were conducted seeking inputs from all the Directors / Committee Members wherever applicable.

The evaluation procedure followed by the company is as mentioned below:

- i) Feedback is sought from each Director about their views on the performance of the Board, covering various criteria such as degree of fulfillment of key responsibilities, Board structure and composition, establishment and delineation of responsibilities to various Committees, effectiveness of Board processes, information and functioning, Board culture and dynamics, quality of relationship between the Board and the Management and efficacy of communication with

external stakeholders. Feedback was also taken from every Director on his assessment of the performance of each of the other Directors.

- ii) The Nomination and Remuneration Committee (NRC) then discusses the above feedback received from all the Directors.
- iii) Based on the inputs received, the Chairman of the NRC also makes a presentation to the Independent Directors at their meeting, summarizing the inputs received from the Directors as regards Board performance as a whole and of the Chairman. The performance of the Non-Independent Non-Executive Directors and Board Chairman is also reviewed by them.
- iv) Post the meeting of the Independent Directors, their collective feedback on the performance of the Board (as a whole) is discussed by the Chairman of the NRC with the Chairman of the Board. It is also presented to the Board and a plan for improvement is agreed upon and is pursued.
- v) Every statutorily mandated Committee of the Board conducts a self-assessment of its performance and these assessments are presented to the Board for consideration. Areas on which the Committees of the Board are assessed include degree of fulfillment of key responsibilities, adequacy of Committee composition and effectiveness of meetings.
- vi) Feedback is provided to the Directors, as appropriate. Significant highlights, learning and action points arising out of the evaluation are presented to the Board and action plans are drawn up. During the year under report, the recommendations made in the previous year were satisfactorily implemented.

The peer rating on certain parameters, positive attributes and improvement areas for each Board member are also provided to them in a confidential manner. The feedback obtained from the interventions is discussed in detail and, where required, independent and collective action points for improvements are put in place.

18. EXTRACT OF ANNUAL RETURN:

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in **MGT 9** as a part of this Annual Report.

19. COMMITTEES OF THE BOARD:

The Committees of the Board focus on certain specific areas and make informed decisions in line with the delegated authority.

The following statutory Committees constituted by the Board function according to their respective roles and defined scope:

- Audit Committee of Directors

- Nomination and Remuneration Committee
- Stakeholders Relationship Committee
- Corporate Social Responsibility Committee

Details of composition, terms of reference and number of meetings held for respective committees are given in the Report on Corporate Governance, which forms a part of this Report.

20. AUTHORISED AND PAID UP CAPITAL OF THE COMPANY:

The authorized capital of the Company stands at Rs. 15,00,00,000/- divided into 1,50,00,000 equity shares of Rs. 10/- each. The Subscribed, Issued and Paid-up capital of the Company stands at Rs. 14,86,07,000/- divided into 1,48,60,700 equity shares of Rs. 10/- each.

21. DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS:

The Company has received declarations from Mr. Khushwant Singh, Mr. Rajesh Kakker, Mr. Ramu Chaganti and Mr. Madhavarao Mandalapu, Independent directors of the company to the effect that they are meeting the criteria of independence as provided in Sub-section (7) of Section 149 of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

22. DIRECTOR'S RESPONSIBILITY STATEMENT:

In pursuance of section 134 (5) of the Companies Act, 2013, the Directors hereby confirm that:

- a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) The Directors had prepared the annual accounts on a going concern basis;
- 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 and

- 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.

23. INFORMATION ABOUT THE FINANCIAL PERFORMANCE / FINANCIAL POSITION OF THE SUBSIDIARIES / ASSOCIATES:

The company does not have any subsidiaries/Associate companies.

24. DETAILS IN REPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO CENTRAL GOVERNMENT.

There were no frauds reported by the auditors as per section 143 (12).

25. STATUTORY AUDITORS:

The members of the company in accordance with section 139 of the Companies Act, 2013 had passed a resolution for appointment of K.R.Shekhar, as Statutory Auditors of the company for a period of 5 years in the AGM held on 29.09.2017 to hold office up to the conclusion of 28th Annual General Meeting of the company to be held in the financial year 2020-22 which was subject to ratification as per the provisions of Companies Act, 2013.

However, pursuant to notification from the MCA dated 07.05.2018, ratification of appointment of statutory auditors at every Annual General Meeting has been omitted.

26. SECRETARIAL AUDIT:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed Ms. Aakanksha, Practicing Company Secretary, to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit carried out is annexed as the part of the annual report.

27. AUDIT REPORTS:

(a) Statutory Auditors Report:

The Board has duly reviewed the Statutory Auditor's Report on the Accounts for the year ended March 31, 2018 and has noted that the company has not made the payments of PF, ESI and TDS. However, the management noted the same and will arrange for the payment of the same at the earliest.

(b) Secretarial Audit Report:

The Board has duly reviewed the Secretarial Audit Report on the Compliances according to the provisions of section 204 of the Companies Act 2013 and the replies of the Board on the observations made by the Secretarial Auditor is as follows:

Secretaries auditor observation	Reply by management
Non appointment of Company Secretary	Management is in the process of identifying appropriate candidate for the post of Company Secretary
Connectivity with Central Depository Services Limited (CDSL) only	The Company will take steps to obtain the demat connectivity with NSDL
Delay in submission of information/ disclosures to BSE Limited.	Management commits that hence forth information will furnished to stock exchange promptly
Demat of shares held by promoters	Promoters are in the process of dematerialization of shares
Non- payment of Listing fees	The Company is making efforts to clear all the listing fees due to BSE

28. INDIAN ACCOUNTING STANDARDS

The Ministry of Corporate Affairs vide its notification dated 16th February, 2015 has notified the Companies (Indian Accounting Standards) Rules, 2015. In pursuance of the said notification, the Company will adopt Indian Accounting Standards with effect from 01st April, 2017. The implementation of Indian Accounting Standards (IAS) is a major change process for which the Company has set up a dedicated team and is providing desired resources for its completion within the time frame. The impact of the change on adoption of said IAS is being assessed.

29. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO:

The required information as per Sec.134 of the Companies Act 2013 is provided hereunder:

A. Conservation of Energy :

CONSUMPTION PER UNIT OF PRODUCTION

Product	
Medical Disposables (qty in Lakhs)	: 254.48
Electricity (kwh) per Lakh Nos	: 5444.11
Furnace Oil (Ltrs)	: NIL
Coal	: NIL
Others	: NIL

B. Technology Absorption: NIL

1. Research and Development (R&D): NIL
2. Technology absorption, adoption and innovation: NIL

C. Foreign Exchange Earnings and Out Go: NIL**30. CORPORATE SOCIAL RESPONSIBILITY POLICY:**

Since the Company is having a net profit of Rs.7.37crores i.e. more than 5.00 Crores during the financial year, section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility is applicable to the Company and hence the Company has adopted the Corporate Social Responsibility Policy in the year 2018-19 at the Board Meeting held on 14.08.2018.

The Corporate Social Responsibility Committee, formed under Section 135 of the Companies Act, 2013, comprises 3 members with One Independent Director and two executive Directors.

COMPOSITION:

Mr. Khushwant Singh	-	Chairman
Mr. Ramu Chaganti	-	Member
Mr. Bala Gopal Addepalli	-	Member

31. SECRETARIAL STANDARDS:

The company is in compliance with Secretarial Standards issued by The Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meetings.

32. INSURANCE:

The properties and assets of Company are adequately insured.

33. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The company has not given loans, Guarantees or made any investments attracting the provisions of Section 186 of the Companies Act, 2013 during the financial year under review.

34. DISCLOSURE OF INTERNAL FINANCIAL CONTROLS:

The Company has in place adequate internal control systems, which commensurate with its size, nature of business and complexity of its operations and are designed to provide a reasonable degree of assurance regarding the effectiveness and efficiency of operations, the adequacy of safeguard for assets, internal control over financial reporting, and compliance with applicable laws and regulations. Internal audit function evaluates the adequacy of and compliance with policies, plans, regulatory and statutory requirements.

35. RISK MANAGEMENT :

Your Company follows a comprehensive system of Risk Management. Your Company has adopted a procedure for assessment and minimization of probable risks. It ensures that all the risks are timely defined and mitigated in accordance with the well-structured risk management process.

36. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:

All contracts/arrangements/transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on arm's length basis. During the year, the Company had not entered into any contract/arrangement/transaction with related parties which could be considered material in accordance with the policy of the company on materiality of related party transactions.

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website.

Our Directors draw attention of the members to Note No. 15 to the financial statement which sets out related party disclosures.

37. DISCLOSURE ABOUT COST AUDIT:

Cost Audit is not applicable for the financial year 2017-18.

38. INDUSTRY BASED DISCLOSURES AS MANDATED BY THE RESPECTIVE LAWS GOVERNING THE COMPANY:

The Company is not a NBFC, Housing Companies etc., and hence Industry based disclosures is not required.

39. INDUSTRIAL RELATIONS:

Industrial relations remained cordial during the year. Employees' competencies and skills were enhanced by exposing them to several internal and external training programs. Various measures were taken to improve motivation level of employees.

40. HEALTH & SAFETY:

The Company provides a safe and healthy workplace for its employees by establishing the right safety culture across the organization. The senior leadership is fully committed to the ultimate goal of zero injury to its employees and all stakeholders who are associated with the Company's operations. Emphasis is laid on creating a participatory safety governance model.

41. ENVIRONMENT AND POLLUTION CONTROL:

The Company is well aware of its responsibility towards a better and clean environment. Our efforts in environment management go well beyond mere compliance with statutory requirements. The Company has always maintained harmony with nature by adopting eco-friendly technologies and upgrading the same from time to time incidental to its growth programs.

42. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has in place a Sexual Harassment Policy in compliance with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment. The Internal Complaints Committee (ICC) has been set up to redress complaints regarding sexual harassment, if any.

The Directors further state that during the year under review, there were neither pending cases nor any new case filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

43. LOANS REPAYMENT TO SBI – ONE TIME SETTLEMENT: The Company has made one time settlement with SBI, SAM Branch, Hyderabad towards repayment of loans by paying Rs. 17.5 crores out of the original amount of Rs. 33.06 crores.

44. DELISTING OF EQUITY SHARES FROM BSE:

The equity shares of the Company are de-listed on BSE Ltd w.e.f 11.05.2018, for non-compliance of provisions of SEBI (LODR) Regulations, 2015, including non-payment of listing fees. The Company has applied in Hon'ble SAT against the Order of BSE and Hon'ble SAT vide its Orders Dated 26.07.2018 has asked BSE to provide an opportunity of personal hearing to the Company for revocation of suspension in the trading of the shares of the Company. BSE has asked the Company to represent its case on 04.09.2018 and the Company is hopeful to revoke the suspension of trading in the shares of the Company.

The Company has not paid the listing fees for the year 2017-18 to BSE Limited.

45. APPRECIATION & ACKNOWLEDGEMENT:

Your Directors place on record their appreciation for the overwhelming co-operation and assistance received from the investors, customers, business associates, bankers, vendors, as well as regulatory and governmental authorities. Your Directors also thank the employees at all levels, who through their dedication, co-operation, support and smart work have enabled the company to achieve a moderate growth and is determined to poise a rapid and remarkable growth in the year to come.

**For and on behalf of the Board of
Sangam Health Care Products Limited**

**Place: Hyderabad
Date: 14.08.2018**

**Sd/-
Bala Gopal Addepalli
Chairman & Managing Director
(DIN: 01712903)**

**Sd/-
Mrs. Padma Ghanakota
Director
(DIN: 07078176)**

Form No. MGT-9

EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March, 2018

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

I. REGISTRATION AND OTHER DETAILS:

- | | | | |
|------|--|---|--|
| i. | CIN | : | L24230TG1993PLC016731 |
| ii. | Registration date | : | 12/13/1993 |
| iii. | Name of the Company | : | SANGAM HEALTH CARE PRODUCTS LTD |
| iv. | Category/Sub Category of the Company | : | Company Limited by Shares/
Indian Non-Government Company |
| v. | Address of the Registered Office and Contact details | : | 205, 206, Amarchand Sharma Complex,
S.P. Road, Secunderabad - 500002,
Telangana |
| vi. | Whether Listed Company | : | Yes |
| vii. | Name, Address and contact details of Registrar and Transfer Agent, if any | : | M/s. XL Softech Systems Limited3,
Sagar Society, Road No.2,
Banjara Hills, Hyderabad
Tel : 040-23545913, 23545914, 23545915
e-mail: xlfield@rediffmail.com |

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	Other human health activities n.e.c.	86909	99.49%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES: NIL

S. No	Name and address of the Company	CIN/ GLN	Holding/ subsidiary /Associate	% of shares held	Applicable section
	Nil				

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)									
i) CATEGORY-WISE SHARE HOLDING									
Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. PROMOTERS									
(1) INDIAN									
a) Individual/HUF	-	10421030	10421030	70.12	-	10421030	10421030	70.12	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	-	-	-	-	-	-	-	-	-
e) Bank/FI's	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-Total (A)(1):-	-	10421030	10421030	70.12	-	10421030	10421030	70.12	-
(2) Foreign									
a) NRI's-Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Bank/FI's	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-Total (A)(2):-	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A) = (A)(1) + (A)(2)	-	10421030	10421030	70.12	-	10421030	10421030	70.12	-

B) PUBLIC SHAREHOLDING									
1. INSTITUTIONS									
a) Mutual Funds	200,100	399100	599100	4.03	200000	399100	599100	4.03	-
b) Banks/FI's	400,100	253900	653900	4.40	400000	253900	653900	4.03	-
c) Central Govt.	-	-	-		-	-	-	-	-
d) State Govt.	-	-	-		-	-	-	-	-
e) Venture Capital Funds	-	-	-		-	-	-	-	-
f) Insurance Companies	-	-	-		-	-	-	-	-
g) FII's	-	-	-		-	-	-	-	-
h) Foreign Venture Capital	-	-	-		-	-	-	-	-
i) Others (Specify)	-	-	-		-	-	-	-	-
Sub-Total (B)(1):-	400,000	853,000	1,253,000		8.43	600000	653000	1253000	8.43
a) Bodies Corporate									
i) Indian	-	1,598,160	1,598,160	10.75	-	1598160	1598160	10.75	-
ii) Overseas						-	-	-	-
b) Individuals									
i) Individual Shareholders holding nominal share capital in upto of Rs. 2 Lakh	13200	679410	692610	4.66	13200	679410	692610	4.66	-
ii) Individual Shareholders holding nominal share capital in excess of Rs. 2 Lakh	188600	697300	885900	5.96	188600	697300	885900	5.96	-
c) Others (NRIs Repatriable)	-	10000	10000	0.07	-	10000	10000	0.07	-
Sub-Total (B)(2):-	201800	2984870	3186670	21.45	201800	2984870	3186670	21.44	689.5
Total Public Shareholding (B)=(B)(1)+(B)(2)	801800	3637870	4439670	29.88	601800	3837870	4439670	29.88	-
C. Shares held by Custodians for ADR's & GDR's	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	801,800	14058900		1486070	100	801800	14058900	1486070	100

ii) Shareholding of Promoters								
Sl. No	Shareholder's Name	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% Change during the year
		Demat	Total	% of Total Shares	Demat	Total	% of Total Shares	
								Nil
1.	ADDEPALLI BALA GOPAL	30,01,000	30,01,000	20.19	30,01,000	30,01,000	20.19	--
2.	DEVARA KONDA VENKATA SUBRAMANYA SHARMA	25,00,000	25,00,000	16.82	25,00,000	25,00,000	16.82	--
3.	GHANAKOTI RAMANA	22,55,230	22,55,230	15.18	22,55,230	22,55,230	15.18	--
4.	GHANAKOTA PADMA	20,00,000	20,00,000	13.46	20,00,000	20,00,000	13.46	--
5.	DEVARAKONDA V S KRISHNA TEJA	3,79,900	3,79,900	2.56	3,79,900	3,79,900	2.56	--
6.	SAI BALAJI KRISHNA TEJA ADDEPALLI	2,84,900	2,84,900	1.92	2,84,900	2,84,900	1.92	--

(iii) Change in Promoters' Shareholding (please specify, if there is no change). There no Change in Promoter shareholding during the financial year 2017-18.					
Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	--	---	--	---
	Date wise Increase /Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g.allotment / transfer /bonus/sweat equity etc)				
	At the End of the year	--	---	--	---

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):					
Shareholder Name	Shareholding at the beginning of the year		Cumulative Shareholding at during the year/Shareholding at the end of the year		
	No. of shares	% of total shares of The company	No. of shares	% of total shares of the company	
At the beginning of the year					
M/S BOIN MEDICA CO LTD	12,40,260	8.35	12,40,260	8.35	
ADMINISTRATOR OF THE SPECIFIED UNDERTAKING	3,00,000	2.02	3,00,000	2.02	
SHOBHA BEMBOLGI	2,60,000	1.75	2,60,000	1.75	
PRINCIPAL TRUSTEE COMPANY PVT LTD A/C PR	2,00,000	1.35	2,00,000	1.35	
DUNDUMULLA BHAGAT REDDY	2,00,000	1.35	2,00,000	1.35	
BANK OF INDIA A/C BOI MUTUAL FUND	1,99,700	1.34	1,99,700	1.34	
GIC ASSET MANAGEMENT COMPANY LIMITED	1,99,400	1.34	1,99,400	1.34	
INDIAN BANK	1,50,000	1.01	1,50,000	1.01	
Ajay Kumar Kayan	1,42,500	0.96	1,42,500	0.96	
SMIFS CAPITAL MARKETS LIMITED	1,42,400	0.96	1,42,400	0.96	
Date wise Increase /Decrease in Top Ten Share Holding during the year specifying the reasons for increase/ decrease(e.g. allotment / transfer /bonus/ sweat equity etc): NIL					
(v) Shareholding of Directors and Key Managerial Personnel:					
Sl. No.	For EachoftheDirectorsand KMP	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	ADDEPALLI BALA GOPAL				
	At the beginning of the year	30,01,000	20.19	--	--
Date wise Increase /Decrease in directors and key managerial personnelShareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/sweat equity etc):					
	At the End of the year	30,01,000	20.19	--	--
Sl. No	For EachoftheDirectors and KMP	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
2	GHANAKOTA PADMA				
	At thebeginningofthe year	20,00,000	13.46	20,00,000	13.46
Date wise Increase /Decrease in directors and key managerial personnelShare holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/sweat equity etc):					
	At the End of the year	20,00,000	13.46	20,00,000	13.46

V. INDEBTEDNESS				
Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	31,33,14,879	5,03,81,720		36,36,96,599
ii) Interest due but not paid	2,01,68,027			2,01,68,027
iii) Interest accrued but not due				
Total (i+ii+iii)	33,34,82,906	5,03,81,720		383864626
Change in Indebtedness during the financial year				
• Addition		52,04,469		52,04,469
• Reduction	23,32,36,331			23,32,36,331
Net Change	23,32,36,331	52,04,469		23,84,40,800
Indebtedness at the end of the financial year				
i) Principal Amount	10,00,00,000	5,55,86,189		15,55,86,189
ii) Interest due but not paid	2,46,575			2,46,575
iii) Interest accrued but not due				
Total (i+ii+iii)	10,02,46,575	5,55,86,189		15,58,32,764

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL						
<i>A. Remuneration to Managing Director, Whole-time Directors and/or Manager:</i>						
Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager:				Total Amount
		Mr. Addepalli Bala Gopal				
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	12,00,000 p.a		-		12,00,000 p.a
2.	Stock Option	--		--		--
3.	Sweat Equity	--		--		--
4.	Commission - as % of profit - Others, specify...	--		--		--
5.	Others, please specify	--		--		--
	Total (A)	12,00,000		-		12,00,000
	Ceiling as per the Act	--		-		--
B. Remuneration to other directors:						
Sl. no.	Particulars of Remuneration	Name of Director				Total Amount
	3. Independent Directors · Fee for attending board / committee meetings · Commission · Others, please specify	-	-	-	--	---
	Total (1)	-	-	-	--	---
	Other Non-Executive Directors · Fee for attending board / committee meetings · commission · Others, please specify	--	--	--	--	--
	Total (2)	--	--	--	--	--
	Total (B)=(1+2)	-	-	-	--	---
	Total Managerial Remuneration	--	--	--	--	--
	Overall Ceiling as per the Act	--	--	--	--	--

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD					
Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CF O	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit - others, specify...	-	-	-	-
5.	Others, please Specify	-	-	-	-
6.	Total	-	-	-	-
VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:					
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	--	--	--	--	--

FORM MR-3
SECRETARIAL AUDIT REPORT

(Pursuant to section 204(1) of the Companies Act, 2013 and
Rule 9 of the Companies (Appointment and Remuneration Personnel)
Rules, 2014

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018

To
The Members of
M/s. Sangam Health Care Products Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Sangam Health Care Products Limited (hereinafter called "the Company"). Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company'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, we hereby report that in our opinion, the company has, during the financial year commencing from 1st April, 2017 to 31st March, 2018, complied with the statutory provisions listed hereunder and also that the Company has proper Board process and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s. Sangam Health Care Products Limited ("The Company") for the financial year ended on 31st March, 2018, according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under.

- iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment (FDI) and Overseas Direct Investment and External Commercial Borrowings;
- 2. Compliance status in respect of the provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act) is furnished hereunder for the financial year 2017-18.
 - i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **Complied with yearly and event based disclosures.**
 - ii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **Not Applicable as the company has not issued any shares during the year under review.**
 - iii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **Not Applicable as the company has not delisted nor proposed to delist its equity shares during the year under review.**
 - iv. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **Not Applicable as the Company has not bought back/ proposed to buy-back any of its securities during the year under review.**
 - v. 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 year under review. However the company has "XL Softech Systems Limited" as its share transfer agent.**
 - vi. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008. **Not Applicable as the Company has not issued any debt securities during the year under review.**
 - vii. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **Not Applicable as the Company has not issued any Employee Stock Options during the year under review.**

viii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 Insider Trading Regulations; **The Company has framed code of conduct for regulating & reporting trading by insiders and for fair disclosure and displayed the same on the Company's website i.e. www.sangamhealthcare.co.in.**

ix. Other applicable laws include the following:

- Factories Act, 1948
- Payment Of Wages Act, 1936, and rules made there under,
- The Minimum Wages Act, 1948, and rules made there under,
- Employees' State Insurance Act, 1948, and rules made there under,
- The Employees' Provident Fund and Miscellaneous Provisions Act, 1952, and rules made there under,
- The Payment of Bonus Act, 1965, and rules made there under,
- Payment of Gratuity Act, 1972, and rules made there under,
- Water (Prevention and control of Pollution) Act, 1974 and the rules made thereunder;
- Air (Prevention and control of Pollution) Act, 1981 and the rules made thereunder;
- Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008
- The Environment Protection Act, 1986
- Industrial Disputes Act, 1947
- Drugs and Cosmetics Act, 1940 and Rules made thereunder
- Drugs Price Control Order, 2013 and notifications made thereunder

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 were complied with to the extent applicable.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above including the following:

- a) During the year the Company has conducted Four (4) meetings of the Board of Directors, Four (4) meetings of the Audit committee, One (1) Nomination and Remuneration committee, Four (4) Meeting of Stakeholder Relationship Committee and 1 meeting of Independent Directors. We have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company secretaries of India.
- b) As per the information and explanations provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we report that:
 - (i) The provisions of the Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of:
 - External Commercial Borrowings were not attracted to the Company under the financial year under report;
 - Foreign Direct Investment (FDI) was not attracted to the company under the financial year under report;
 - Overseas Direct Investment by Residents in Joint Venture/Wholly Owned Subsidiary abroad was not attracted to the company under the financial year under report.
 - (ii) As per the information and explanations provided by the company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we report that the Company has not made any GDRs/ ADRs or any Commercial Instrument under the financial year under report. We further report that the compliance by the Company of applicable financial laws like Direct and Indirect tax laws has not been reviewed thoroughly in this audit since the same have been subject to review by statutory financial audit and other designated professionals.

We further report that:

- i. The Company has a CFO namely Mr. V. Satishkumar.
- ii. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

- iii. Adequate notice of board meeting is given to all the directors along with agenda and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and meaningful participation at the meeting.
- iv. As per the Minutes of the meeting duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.
- v. 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.
- vi. During the year under report, the Company has not undertaken event/ action having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

We further report the following observations during the period under review:

- i. Pursuant to the provisions of the Section 203(1)(ii) of the Companies Act, 2013, the Company shall appoint company secretary. However the Company has not complied with the requirement, the post of the Company Secretary (KMP) is lying vacant till date.
- ii. Pursuant to the provisions of the Section 138 of the Companies Act, 2013, the company shall appoint the internal auditor. However the Company has not complied with the requirement.
- iii. The company is having electronic connectivity with Central Depository Services Limited (CDSL) only but not with National Securities Depository Services.
- iv. Delay in submission of information/filing of documents with BSE Limited pursuant to the Listing Regulations.
- v. Non-payment of listing fees to BSE Limited for the financial year 2017-2018.
- vi. 100% holding of promoters are not in demat mode.

Place: Hyderabad

Date: 14.08.2018

Aakanksha

Practicing Company Secretary,

M. No. – A49041

C.P.No: - 20064

Annexure A

To
The Members of
M/s. Sangam Health Care Products Limited

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have relied on the reports given by the concerned professionals in verifying the correctness and appropriateness of financial records and books of accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The secretarial Audit report is neither an assurance as to future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: Hyderabad

Date: 14.08.2018

Aakanksha

Practicing Company Secretary,

M. No. – A49041

C.P.No: - 20064

CORPORATE GOVERNANCE

In accordance with Regulation 34 (3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the report containing the details of Corporate Governance systems and processes at Sangam Health Care Products Limited as follows:

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

The Company's philosophy on Corporate Governance is backed by Principles of Concern, Commitment, Ethics, Excellence and Learning in all its acts and relationships with Stakeholders, Clients, Associates and Community at large. This philosophy revolves around fair and transparent governance and disclosure practices in line with the principles of Good Corporate Governance. The Corporate Governance Structure in the Company assigns responsibilities and entrusts authority among different participants in the organization viz. the Board of Directors, the Senior Management, Employees, etc. The Company believes that good Corporate Governance is a continuous process and strives to improve the Corporate Governance practices to meet shareholder's expectations.

2. BOARD DIVERSITY:

The Company recognizes and embraces the importance of a diverse board in its success. We believe that a truly diverse board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, ethnicity, race and gender, which will help us, retain our competitive advantage. The Board has adopted the Board Diversity Policy which sets out the approach to diversity of the Board of Directors.

3. SANGAM CODE OF CONDUCT FOR THE PREVENTION OF INSIDER TRADING:

The Board of Directors has adopted the Insider Trading Policy in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulation, 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. The policy has been formulated to regulate, monitor and ensure reporting of deals by employees and to maintain the highest ethical standards of dealing in Company securities.

The Insider Trading Policy of the Company covering code of practices and procedures for fair disclosure of unpublished price sensitive information.

4. ATTENDANCE AND DIRECTORSHIPS HELD:

As mandated by the SEBI (LODR) Regulations, 2015, none of the Directors are members of more than ten Board-level committees nor are they chairman of more than five committees in which they are members. Further all the Directors have confirmed that they do not serve as an independent director in more than seven listed companies or where they are whole-time directors in any listed company, and then they do not serve as independent director in more than three listed companies.

The names and categories of the Directors on the Board, their attendance at Board meeting during the year and at last Annual General Meeting, as also the number of Directorships and Committee memberships held by them in other companies are shown in **Table 1**.

Name of Director	Relationship with other Directors	Category	No. of Meetings Held	No. of Meetings Attended	Whether Attended Last AGM	No. of Outside Directorships of Public Companies	No. of Committee Memberships	No. of Committee Chairmanships
Mr. BalaGopal Addepalli	None	P & E D	4	4	yes	-	-	-
Mr. L.S. Patil	None	NID& N E D	4	0	No	1	-	-
Mrs. Padma Ghanakota	None	NID& NED	4	4	yes	-	-	-
Mr. Khushwant Singh	None	ID& NED	4	4	yes	-	-	-
Mr.Rajesh Kakkera	None	ID& NED	4	2	No	-	-	-
Mr.Ramu Chaganti	None	ID & NED	4	2	No	-	-	-
Mr.Madhavarao Mandalapu	None	ID & NED	4	2	No	-	-	-

5. INFORMATION SUPPLIED TO THE BOARD:

The Board has complete access to all information of the Company and is regularly provided advanced detailed information as a part of the agenda papers or is tabled therein. In addition, detailed quarterly performance report by the CFO is presented in the quarterly Board meeting, encompassing all facets of the Company's operations during the quarter, including update of key projects, outlook and matters relating to environment, health & safety, corporate social responsibility etc. The following information is provided to the Board as a part of the agenda papers:

- Annual and Quarterly financial statements for the Company and the Accounting Policy
- Minutes of the meetings of the Audit Committee and other Committees of the Board
- Annual business plan
- Information on recruitment and remuneration of senior officers just below the level of Board, including the appointment or removal of Chief Financial Officer and Company Secretary, whenever required
- Expansion projects and its status monitoring

- Fatal or serious accidents, injuries or any material environmental problems, if any
- Any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company, if any
- Significant labour problems and their proposed solutions, whenever necessary
- Any significant development in human resources / industrial relations including long-term wage agreement, major voluntary retirement scheme, etc.
- Quarterly details of foreign exchange exposures and the steps taken by the management to limit the risks of adverse exchange rate movement, if material
- Quarterly disclosure of all the investments made
- Material non-compliance of any regulatory, statutory nature or listing requirements and shareholders service, such as non-payment of dividend, delay in share transfer and others, if any.
- Quarterly review of compliance status under various laws applicable to the Company
- Substantial non-payment of goods sold by the Company except disputes
- Related Party Transactions, if they are not at arm's length and in the ordinary course of business
- Half-yearly summary of bank guarantees issued.
- All other matters required to be placed before the Board for its review / information / approval under the statutes, including SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

6. FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS:

The Board members are provided with necessary documents, reports, internal policies and site visits to enable them to familiarize with the Company's operations, its procedures and practices. Periodic presentations are made at the Board and Board Committee Meetings, on business and performance updates of the Company business, strategy and risks involved. Detailed presentations on the Company's business segments were made at the meetings of the Directors held during the year.

7. COMMITTEES OF THE BOARD:

The Company has four Board-level Committees - Audit Committee, Stakeholder Relationship Committee, Nomination & Remuneration Committee and Corporate Social Responsibility Committee.

All decisions pertaining to the constitution of Committees, appointment of members and fixing of terms of service for Committee members are taken by the Board of Directors. Details on the role and composition of these Committees, including the number of meetings held during the financial year and the related attendance, are mentioned below.

8. AUDIT COMMITTEE: (Audit Committee constituted in terms of sec. 177 of Companies Act, 2013 read with reg. 18 of SEBI (LODR) Regulations, 2015)

A. BRIEF DESCRIPTION OF TERMS OF REFERENCE: -

- Overview of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements reflect a true and fair position and that sufficient and credible information is disclosed.

- Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
- Discussion with external auditors before the audit commences, of the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- Reviewing the financial statements and draft audit report including quarterly / half yearly financial information.
- Reviewing with management the annual financial statements before submission to the Board, focusing on:
 - a. Any changes in accounting policies and practices;
 - b. Qualification in draft audit report;
 - c. Significant adjustments arising out of audit;
 - d. The going concern concept;
 - e. Compliance with accounting standards;
 - f. Compliance with stock exchange and legal requirements concerning financial statements and
 - g. Any related party transactions
- Reviewing the company's financial and risk management's policies.
- Disclosure of contingent liabilities.
- Reviewing with management, external and internal auditors, the adequacy of internal control systems.
- Reviewing the adequacy of internal audit function, including the audit character, the structure of the internal audit department, approval of the audit plan and its execution, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
- Discussion with internal auditors of any significant findings and follow-up thereon.
- Reviewing the findings of any internal investigations by the internal auditors into the 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.
- Looking into the reasons for substantial defaults in payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- Reviewing compliances as regards the Company's Whistle Blower Policy.

B. COMPOSITION, MEETINGS & ATTENDANCE:

There were four (4) Audit Committee Meetings held during the year on 30.05.2017, 05.09.2017, 13.11.2017, 13.02.2018.

Name	Designation	Category	No of Meetings held	No of Meetings attended
Mr. Khushwant Singh	Chairman	NED(I)	4	4
Mr. Rajesh Kakker	Member	NED(I)	4	2
Mrs. Padma Ghanakota	Member	NED(NI)	4	4

NED (I) : Non Executive Independent Director

ED : Executive Director

9. NOMINATION AND REMUNERATION COMMITTEE: (Committee constituted in terms of sec. 178 of Companies Act, 2013 read with reg. 19 of SEBI (LODR) Regulations, 2015)

The Committee comprises of three non-executive independent Directors

A. BRIEF DESCRIPTION OF TERMS OF REFERENCE:

- To approve the fixation/revision of remuneration of Executive Directors of the Company and while approving:
 - a. To take into account the financial position of the Company, trend in the industry, appointee's qualification, experience, past performance, past remuneration etc.
 - b. To bring out objectivity in determining the remuneration package while striking a balance between the interest of the Company and the Shareholders.
- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and /or removal.
- To carry out evaluation of every Director's performance.
- To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees.
- To formulate the criteria for evaluation of Independent Directors and the Board.
- To recommend/review remuneration of the Managing Director and Whole-time Director(s) based on their performance and defined assessment criteria.

B. COMPOSITION OF THE COMMITTEE, MEETINGS AND ATTENDANCE DURING THE YEAR:

There was 1 Nomination and Remuneration Committee Meetings held during the financial year.

Name	Designation	Category	No of Meetings held	No of Meetings attended
Mr. Khushwant Singh	Chairman	NED(I)	1	1
Mr. Rajesh Kakkera	Member	NED(I)	1	1
Mrs. Padma Ghanakota	Member	NED(NI)	1	1

NED (I) : Non Executive Independent Director

NED (NI) : Non Executive Non- Independent Director

10. STAKEHOLDERS' RELATIONSHIP COMMITTEE: (Committee constituted in terms of Sec. 178 of Companies Act, 2013 read with reg. 20 of SEBI (LODR) Regulations, 2015)

- i. The stakeholders' relationship committee is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations read with section 178 of the Act.
- ii. The broad terms of reference of the stakeholders' relationship committee are as under:
 - Consider and resolve the grievances of security holders of the Company including redressal of investor complaints such as transfer or credit of securities, non-receipt of dividend / notice / annual reports, etc. and all other securities-holders related matters.
 - Consider and approve issue of share certificates (including issue of renewed or duplicate share certificates), transfer and transmission of securities, etc.
 - The composition of the stakeholders' relationship committee and the details of meetings attended by its members are given below:

There were three (4) Stakeholders' relationship Committee Meetings held during the year on 30.05.2017, 05.09.2017, 13.11.2017, 13.02.2018.

Name	Designation	Category	No of Meetings held	No of Meetings attended
Mr. Khushwant Singh	Chairman	NED(I)	4	4
Mr. Rajesh Kakkera	Member	NED(I)	4	2
Mrs. Padma Ghanakota	Member	ED	4	4

NED (I) : Non Executive Independent Director

ED: Executive Director

11. PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS:

The performance evaluation criteria for Independent Directors are already mentioned under the head "Board Evaluation" in Directors' Report.

POLICY FOR SELECTION OF DIRECTORS AND DETERMINING DIRECTORS' INDEPENDENCE

Scope:

This policy sets out the guiding principles for the Nomination & Remuneration Committee for identifying persons who are qualified to become Directors and to determine the independence of Directors, in case of their appointment as independent Directors of the Company.

Terms and References:

- 2.1 **"Director"** means a director appointed to the Board of a Company.
- 2.2 **"Nomination and Remuneration Committee"** means the committee constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and Reg. 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 2.3 **"Independent Director"** means a director referred to in sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Policy:

1. The Nomination and Remuneration Committee, and the Board, shall review on annual basis, appropriate skills, knowledge and experience required of the Board as a whole and its individual members. The objective is to have a board with diverse background and experience that are relevant for the Company's operations.
2. In evaluating the suitability of individual Board member the NR Committee may take into account factors, such as:
 - General understanding of the company's business dynamics, global business and social perspective;
 - Educational and professional background
 - Standing in the profession;
 - Personal and professional ethics, integrity and values;
 - Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.
- 2.1 The proposed appointee shall also fulfil the following requirements:
 - shall possess a Director Identification Number;
 - shall not be disqualified under the companies Act, 2013;
 - shall endeavour to attend all Board Meeting and Wherever he is appointed as a Committee Member, the Committee Meeting;
 - shall abide by the code of Conduct established by the company for Directors and senior Management personnel;
 - shall disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made;

- Such other requirements as may be prescribed, from time to time, under the companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and other relevant laws.
- 3. Criteria of independence
 - 3.1 The Nomination & Remuneration Committee shall assess the independence of Directors at time of appointment/ re-appointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interest or relationships are disclosed by a Director.
 - 3.2 The criteria of independence shall be in accordance with guidelines as laid down in companies Act, 2013 and Regulation 16(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
 - 3.3 The independent Director shall abide by the “code for independent Directors “as specified in Schedule IV to the companies Act, 2013.
- 4. Other directorships/ committee memberships
 - 4.1 The Board members are expected to have adequate time and expertise and experience to contribute to effective Board performance. Accordingly, members should voluntarily limit their directorships in other listed public limited companies in such a way that it does not interfere with their role as director of the company. The NR Committee shall take into account the nature of and the time involved in a directors service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.
 - 4.2 A Director shall not serve as director in more than 20 companies of which not more than 10 shall be public limited companies.
 - 4.3 A Director shall not serve as an independent Director in more than 7 listed companies and not more than 3 listed companies in case he is serving as a whole-time Director in any listed company.
 - 4.4 A Director shall not be a member in more than 10 committees or act as chairman of more than 5 committee across all companies in which he holds directorships.

For the purpose of considering the limit of the committee, Audit committee and stakeholder's relationship committee of all public limited companies, whether listed or not, shall be included and all other companies including private limited companies, foreign companies and companies under section 8 of the companies Act, 2013 shall be excluded.

- 12. **NAME AND DESIGNATION OF COMPLIANCE OFFICER:**Mr. A. BalaGopal, Managing Director of the Company is the Compliance Officer of the Company.
- 13. **DETAILS OF COMPLAINTS/REQUESTS RECEIVED, RESOLVED AND PENDING DURING THE YEAR2017-18:**

NUMBER OF COMPLAINTS/TRANSFER	NUMBER
Number of complaints received from the investors comprising non-receipt of securities sent for transfer and transmission, complaints received from SEBI / Registrar of Companies / Bombay Stock Exchange / National Stock Exchange / SCORE and so on	NIL
Number of complaints resolved	NIL
Number of complaints not resolved to the satisfaction of the investors as on March 31, 2018	NIL
Complaints pending as on March 31, 2018	NIL
Number of Share transfers pending for approval, as on March 31, 2018	NIL

- 14. PECUNIARY RELATIONSHIP OR TRANSACTIONS OF THE NON-EXECUTIVE DIRECTORS VIS-A-VIS THE LISTED COMPANY:** None of the Non-Executive Directors had any pecuniary relationship or transaction with the company.

A. CRITERIA FOR MAKING PAYMENTS TO NON-EXECUTIVE DIRECTORS:

Policy:

1. Remuneration to Executive Director and key managerial personnel

- 1.1 The Board on the recommendation of the Nomination and Remuneration (NR) committee shall review and approve the remuneration payable to the Executive Director of the company within the overall limit approved by the shareholders.
- 1.2 The Board on the recommendation of the NR committee shall also review and approve the remuneration payable to the key managerial personnel of the company.
- 1.3 The remuneration structure to the Executive Director and key managerial personnel shall include the following components:
- (i) Basic pay
 - (ii) Perquisites and Allowances
 - (iii) Stock Options
 - (iv) Commission (Applicable in case of Executive Directors)
 - (v) Retrial benefits
- 1.4 The Annual plan and Objectives for Executive committee shall be reviewed by the NR committee and Annual performance Bonus will be approved by the committee based on the achievement against the Annual plan and Objectives.

2. Remuneration to Non – Executive Directors

- 2.1 The Board, on the recommendation of the NR Committee, shall review and approve the remuneration payable to the Non – Executive Directors of the Company within the overall limits approved by the shareholders.

2.2 Non – Executive Directors shall be entitled to sitting fees attending the meetings of the Board and the Committees thereof. The Non- Executive Directors shall also be entitled to profit related commission in addition to the sitting fees.

3. Remuneration to other employees

3.1. Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

B. REMUNERATION TO DIRECTORS PAID DURING THE FINANCIAL YEAR 2017-18 AND OTHER DISCLOSURES

Name of the Director	Salary(Rs)	Sitting fees(Rs)	Number of shares held	Service Contracts	Stock Option Details	Fixed Component	Performance Based Incentive
Mr. BalaGopalAddepalli	100000 p.m.	-	30,01,000	-	-	-	-
Mr.L. S .Patil	NIL		NIL				
Mrs. Padma Ghanakota	NIL		20,00,000				
Mr.Khushwant Singh	NIL		NIL				
Mr.Rajesh Kakkera	NIL		NIL				
Mr.Ramu Chaganti	NIL		NIL				
Mr.Madhavarao Mandalapu	NIL		NIL				

11. INDEPENDENT DIRECTORS' MEETING:

As per clause 7 of the schedule IV of the Companies Act (Code for Independent Directors), a separate meeting of the Independent Directors of the Company (without the attendance of Non-Independent directors) was held on 28.03.2018, to discuss:

1. Evaluation of the performance of Non Independent Directors and the Board of Directors as whole;
2. Evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors of the Company were present at the meeting.

As required under Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the company regularly familiarizes Independent Directors with the Company, their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company etc. The detail of the familiarization program is given at company's website (www.sangamhealthcare.co.in).

16. REMUNERATION POLICY:

The objectives of the remuneration policy are to motivate Directors to excel in their performance, recognize their contribution and retain talent in the organization and reward merit.

The remuneration levels are governed by industry pattern, qualifications and experience of the Directors, responsibilities should and individual performance.

17. DETAILS ON GENERAL BODY MEETINGS:

A. LOCATION, DATE AND TIME OF LAST THREE AGMS AND SPECIAL/ ORDINARY RESOLUTIONS THERE AT AS UNDER:

Financial Year	Date	Time	Location	Special / Ordinary Resolution
2016-17	29.09.2017	3.00 PM	205 & 206, Amarchand Sharma Complex, S.P. Road ,Secunderabad-500002 Telangana.	1. Appointment of Mr. Rajesh Kakker as Independent director. 2.Appointment of Mr. RamuChaganti as Independent director 3. Appointment of Mr. MadhavaraoMandalapu as Independent director
2015-16	30.09.2016	3.00 PM	205 & 206, Amarchand Sharma Complex, S.P. Road ,Secunderabad-500002 Telangana.	NIL
2014-15	30.09.2015	3.00 PM	205 & 206, Amarchand Sharma Complex, S.P. Road ,Secunderabad-500002 Telangana.	1. Appointment of Mrs. PadamGhanakota (DIN: 07078176) as Director. 2. Appointment of Ms. RamanaGhanakota (DIN: 07067685) as Director. 3. Appointment of Mr. Venkatasubramanya Sharma Devarkonda (DIN: 07067129) as Director. 4. Appointment of Mr. BalaGopalAddepalli (DIN: 01712903) as Director. 5. Appointment of Mr. BalaGopalAddepalli as Managing Director of the company. 6. To approve the material related contract with Sri Sai Gravure Prints 7. To approve the material related contract with Sri Sai Health Care Products 8. To borrow money in excess of paid

18. PASSING OF RESOLUTIONS BY POSTAL BALLOT

There were no resolutions passed by the Company through Postal Ballot during the financial year 2017-18.

19. MEANS OF COMMUNICATION

The Company regularly intimates its financial results, audited/limited reviewed, to the Stock Exchanges, as soon as the same are taken on record/approved. These results are not distributed/sent individually to the shareholders.

In terms of the requirements of SEBI (Listing Obligations & Disclosures Requirements), the un-audited financial results as well as audited financial results, shareholding pattern of the Company and Corporate Governance Report are electronically submitted, unless there are technical difficulties and are displayed through Corporate.

Filing and Dissemination System viz., on www.listing.bseindia.com. The un-audited financial results as well as audited financial results, shareholding pattern of the Company and Report on Corporate Governance are displayed on www.bseindia.com.

All important information and official press releases are displayed on the website for the benefit of the public at large. Analysts 'Reports/ Research Report, if any, are also uploaded on the website of the Company. The Company's website can be accessed at www.sangamhealthcare.co.in.

20. GENERAL SHAREHOLDER INFORMATION:**A. ANNUAL GENERAL MEETING:**

The 24th Annual General Meeting of the Company will be held as per the following schedule:

Day	Saturday
Date	29.09.2018
Time	02.00 P.M.
Venue	205 & 206, Amarchand Sharma Complex, S.P.Road, Secunderabad-500002 Telangana.

B. VENUE: FINANCIAL YEAR AND FINANCIAL YEAR CALENDAR 2018-19 (TENTATIVE SCHEDULE)

The financial calendar (tentative) shall be as under:

Financial Year	2018-19
First Quarterly Results	14.08.2018
Second Quarterly Results	14.11.2018
Third Quarterly Results	14.02.2019
Fourth Quarterly Results	29.05.2019
Annual General Meeting for year ending 31st March, 2018	30.09.2019

C. DIVIDEND PAYMENT DATE: No Dividend is declared during the Financial Year 2017-18.

D. NAME AND ADDRESS OF STOCK EXCHANGE WHERE THE COMPANIES SECURITIES WERE LISTED:

EXCHANGE:BSE LIMITED, PhirozeJeejeebhoyTowers,Dalal Street, Mumbai- 400001.

E. REGISTRAR AND SHARE TRANSFER AGENTS:

M/s. XL SOFTECH SYSTEMS LTD.,
3, Sagar Society, Road No.2,
Banjara Hills, Hyderabad
Phone # 040-23545913/14/15
Email: xlfield@rediffmail.com
xlfield@gmail.com

F. SHARE TRANSFER SYSTEM:

Shares received for transfer by the Company or its Registrar and Share Transfer Agent in physical mode are processed and all valid transfers are approved. The share certificate(s) is/are duly transferred and dispatched within a period of 15 days from the date of receipt.

G. DISTRIBUTION OF SHAREHOLDING AS ON 31STMARCH , 2018:

CATEGORY	NUMBER OF SHAREHOLDERS	%	AMOUNT	%
1 – 5000	343	53.85	1523100	1.02
5001 – 10000	140	21.98	1301000	0.88
10001 – 20000	29	4.55	476000	0.32
20001 – 30000	52	8.16	1284000	0.86
30001 – 40000	2	0.31	76000	0.05
40001 – 50000	19	2.98	893000	0.60
50001 – 100000	17	2.67	15272000	1.03
100001 and above	35	5.49	141526900	95.24
TOTAL	637	100.00	148607000	100.00

H. DEMATERIALISATION & LIQUIDITY OF SHARES:

Trading in Company's shares is permitted only in dematerialized form for all investors. The ISIN allotted to the Company's scrip is INE431E01011. The Company is not having demat facility with NSDL. Investors are therefore advised to open a demat account with a Depository participant of their choice to trade in dematerialized form. Shares held in demat and Physical mode as on March 31, 2018 is as follows:

Particulars	No. of Shares	% Share Capital
NSDL	Nil	0
CDSL	801800	5.40
PHYSICAL	14058900	94.60
Total	14860700	100

To enable us to serve our investors better, we request shareholders whose shares are in the physical mode to dematerialize their shares and update their bank accounts with respective depository participants.

I. PLANT LOCATIONS:

1. Survey No. 182, Yellampet Village, Medchal Mandal, MedchalMalkajgiri District.
2. Survey No.189/A, Durshed Village, Karimnagar District.

J. ADDRESS FOR CORRESPONDANCE: 205 & 206, Amarchand Sharma Complex, S.P. Road, Secunderabad- 500002 Telangana.

K. BOOK CLOSURE DATE:

The date of Book Closure for the purpose of Annual General Meeting shall be from 24.09.2018 to 29.09.2018 (both days inclusive)

L. LISTING ON STOCK EXCHANGES:

The equity shares of the Company are de-listed on BSE Ltd w.e.f 11.05.2018, for non-compliance of provisions of SEBI (LODR) Regulations, 2015, including non-payment of listing fees. The Company has applied in Hon'ble SAT against the Order of BSE and Hon'ble SAT vide its Orders Dated 26.07.2018 has asked BSE to provide an opportunity of personal hearing to the Company for revocation of suspension in the trading of the shares of the Company. BSE has asked the Company to represent its case on 04.09.2018 and the Company is hopeful to revoke the suspension of trading in the shares of the Company.

The Company has not paid the listing fees for the year 2017-18 to BSE Limited.

M. ELECTRONIC CONNECTIVITY: Demat ISIN Number: INE431E01011

N. CENTRAL DEPOSITORY SERVICES (INDIA) LIMITED

Marathon Futurex, A-Wing,
25th floor, NM Joshi Marg,
Lower Parel, Mumbai 400013

O. SHAREHOLDING PATTERN AS ON 31ST MARCH,2018:

S.No	Category	No. of shares held	Percentage of shareholding
A	Shareholding of Promoter and Promoter group		
1.	Indian		
	Individual	10421030	70.12
2.	Foreign		
	Individual		
	Sub-Total A	10421030	70.12
B	Public Shareholding		
1.	Institutions	1253000	8.43
2.	Non Institutions		
	a. Bodies Corporate	1598160	10.75
	b. Indian Public and others	1588510	10.69
	Sub Total B	3186670	29.88
	Grand Total (A+B)	14860700	100.00

28. OTHER DISCLOSURES:

A. COMPLIANCES:SEBI vide its Orders dated 15.05.2018 has imposed a penalty of Rs. 2 lakhs on the Company for violation of SEBI (SAST) Regulations, 2015 and the Company has paid the same.

B. WHISTLE BLOWER POLICY:

With a view to adopt the highest ethical standards in the course of business, the Company has a whistle blower policy in place for reporting the instances of conduct which are not in conformity with the policy. Directors, employees, vendors or any person having dealings with the Company may report non-compliance to the Chief Financial Officer of the company, who reviews the report. Confidentiality is maintained of such reporting and it is ensured that the whistle blowers are not subjected to any discrimination. No person was denied access to the Audit Committee.

C. WEB LINK WHERE POLICY ON DEALING WITH RELATED PARTY TRANSACTIONS:

In line with the requirements of the Companies Act, 2013 and Listing Regulations, your Company has formulated a Policy on Related Party Transactions which is also available on Company's Website: www.sangamhealthcare.co.in.The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties.

All Related Party Transactions are placed before the Audit Committee for review and approval. Prior omnibus approval is obtained for Related Party Transactions on a quarterly basis for transactions which are of repetitive nature and / or entered in the Ordinary Course of Business

and are at Arm's Length. All Related Party Transactions are subjected to independent review by a reputed accounting firm to establish compliance with the requirements of Related Party Transactions under the Companies Act, 2013 and Listing Regulations.

All Related Party Transactions entered during the year were in Ordinary Course of the Business and on Arm's Length basis.

D. COMPLIANCE WITH THE DISCRETIONARY REQUIREMENTS UNDER LISTING REGULATIONS:

The Board of Directors periodically reviewed the compliance of all applicable laws and steps taken by the Company to rectify instances of non-compliance, if any. The Company is in compliance with all mandatory requirements of Listing Regulations. In addition, the Company has also adopted the following non-mandatory requirements to the extent mentioned below:

- **Shareholders' rights:** The quarterly results along with the press release are uploaded on the website of the Company www.sangamhealthcare.co.in. The soft copy of the quarterly results is also sent to the shareholders who have registered their e-mail addresses.
- **Audit qualifications:** Company's financial statements have no qualifications.
- **Reporting of Internal Auditor:** The Internal Auditor of the Company directly reports to the Audit Committee on functional matters.

The Company has submitted quarterly compliance report on Corporate Governance with the Stock Exchanges, in accordance with the requirements of Regulation 27(2) (a) of the Listing Regulations.

**For and on behalf of the Board of
Sangam Health Care Products Limited**

**Place: Hyderabad
Date: 14.08.2018**

**Sd/-
Bala Gopal Addepalli
Chairman & Managing Director
(DIN: 01712903)**

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To,

The Members of

Sangam Health Care Products Limited

We have examined the compliance of conditions of corporate governance by **Sangam Health Care Products Limited** ('the Company') for the year ended 31 March, 2018, as stipulated in regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and paragraph C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing regulations.

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

For K.R. Sekhar & Co.
Chartered Accountants

Sd/-

Place: Hyderabad
Date: 30.05.2018

K.R. Sekhar
Partner
M. No. 214810

COMPLIANCE CERTIFICATE UNDER REGULATION 17(8) OF SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS) REGULATION, 2015

To,

The Board of Directors
Sangam Health Care Products Limited

We, the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of Sangam Health Care Products Limited ("the Company"), to the best of our knowledge and belief certify that:

- A. We have reviewed the financial statements and the cash flow statement for the financial year ended 31st March, 2018 and to the best of our knowledge and belief, we state that:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain any 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 the existing accounting standards, applicable laws and regulations.
- B. We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violate of the Company's code of conduct.
- C. We hereby declare that all the members of the Board of Directors and Management Committee have confirmed compliance with the Code of Conduct as adopted by the Company.
- D. We are responsible for establishing and maintaining internal controls and for evaluating the effectiveness of the same over the financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- E. We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and Audit Committee:
- (1) significant changes, if any, in the internal control over financial reporting during the year;
 - (2) significant changes, if any, in the accounting policies made during the year and that the same has been disclosed in the notes to the financial statements; and
 - (3) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

Place : Hyderabad
Date : 14.08.2018

Sd/-
Satish Kumar Varre
Chief Financial Officer

Sd/-
Bala Gopal Adepalli
Managing Director

MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

1. ECONOMY – REVIEW AND OUT LOOK: The year gone by was a challenging one for the Indian Pharmaceutical Industry as it faced couple of challenges during the year impacting its growth. National Pharmaceutical Pricing Authority (NPPA) announced reduction in the prices of more drugs in the beginning of the financial year affecting the pricing of such drugs adversely. As a result of this, portfolio of products under the National List of Essential Medicines (NLEM) de-grew in value terms though it registered volume growth during the year.

2. OPPORTUNITIES & THREATS: The pharmaceutical industry is highly competitive and the challenges are from both the Indian manufacturers who have similar production facilities as well as those abroad. Human resources with similar skills, talent and experiences in the industry are mobile between competing companies. Price pressures from foreign players are expected to stay. Going forward, there is a risk of inability to maintain current margins on its products. Price sensitivities get tested in a crowded market where price tends to sag while volume business gets done. Competing pharmaceutical companies have several similar bio-equivalent products in the same market manufactured at facilities that have been approved by the highest regulatory authorities. All of them stay focused in the same markets resulting in price elasticity being tested and margins eroding.

3. CERTIFICATION & QUALITY: The Company is accredited with ISO 9001:2008 certification for Manufacturing and supply of Medical Devices including sterile infusion sets (IV sets) sterile transfusion sets (B.T.Sets) Sterile Hypodermic Needles, Sterile Syringes and Urine Bags.

4. SEGMENT WISE / PRODUCT WISE PERFORMANCE: The Company manufactures IV sets, Disposable Syringes and Disposable Needles. The Annual Capacity of IV sets is 40 millions, Disposable Syringes is 264 Millions and Disposable Needles is 135 Millions per Annum. As the Company has completed the de-bottlenecking of the IV sets, Capacity is increased to 40 millions from July 07 onwards.

5. OUTLOOK: Healthcare should be extended to the people at an affordable cost and the industry needs to set its priorities straight by treating healthcare activity as a service activity rather than a business activity.

Our Company has emerged as one of the leaders in the Medical Disposables market and it's continuous efforts for a strong presence in the domestic market. There has been growing awareness among the end users about the threats posed while using Low Quality Infusion sets produced and marketed by the Unorganized Sector. There were conscious efforts from the government which helped the cause more. The share of unorganized sector is falling drastically and there was a corresponding spurt in the demand for quality products in addition to the normal increase in demand.

The Company is making all efforts to meet the increase in demand for our products.

6. RISKS: There is no visible silver lining in the job market yet. With government extending price controls over the medical devices and proposing generic prescriptions, healthcare industry foresee millions of employees losing jobs in the next two years.

7. INTERNAL CONTROL SYSTEMS: The Company has sound and adequate internal control systems commensurate with its size and nature of business. We constantly upgrade our systems for incremental improvements, because we firmly believe that 'change is the only permanent thing'. The Audit Committee of the Board periodically reviews these systems. These systems ensure protection of assets and proper recording of transactions and timely reporting.

8. FINANCIAL PERFORMANCE:

Turnover: The Gross Sales of the Company is Rs. 3929.92 lakhs in FY 17-18 and Rs. 2373.69 Lakhs in F.Y. 2016-17.

Reserves & Surplus: The Reserves and Surplus of the Company has down from a native balance of Rs. 4021.01 lakhs in F.Y. 2016-17 to 3041.00 lakhs in FY 2017-18

Secured/unsecured loans: There was Decrease of loans as the present F.Y. 2017-18 is Rs. 1906.92 lakhs as compared to previous F.Y. 2016-17 is Rs. 3962.15 lakhs

Tax: the Company has provided for a sum of Rs. 7.36 lakhs as current year tax.

Dividend: Board has not recommended any dividend for the financial year 2017-18.

Share Capital: The Company has not allotted any shares during the year under review and the paid up share capital as on march, 31, 2018 is Rs. 1486.07 lakhs divided in to 148.60 Lakhs Equity shares of Rs. 10/- each.

Net Worth: The net worth of the Company has decreased from a negative figures of Rs. 2299.34_ lakhs to a negative figure of 13.73.41 lakhs

Fixed Assets: The Company's Fixed Assets are at the present F.Y 2017-18 is 1992.85 lakhs as compared to previous F.Y. 2016-17 is Rs. 2,144.11 lakhs

Net Profit: The Company's Net profit after Tax and extraordinary expenses during the FY 2017-18 was Rs. 737.37 lakhs compared to Rs. 685.66 lakhs loss in FY 2016-17

EPS: Earning per share has been in 5.37 for fy 2017-18 compared with FY 2016-17 is - 4.36

9. HUMAN RESOURCES: Sangam is a professionally managed company with high competent and committed industry professionals forming a tight-knit team of dedicated colleagues. The corporate promises to focus on performing and delivering on patient-safety. The knowledge, expertise and skills of the team form a strong foundation of the Company's progress, and hence considerable strategic emphasis is laid at people development and leadership. The overall target is to enhance business growth by enabling engagement and performance. This is achieved by having the right people supported by leadership of able management working together towards organizational goals. Appreciation for the support and co-operation that the company received from the customers, auditors, consultants and all other associated with the company.

The company always looked upon them as partners in its progress and has happily shared the rewards of growth. It will be the company's endeavor to build and nurture strong links with trade based on mutuality, respect and co-operation.

INDEPENDENT AUDITOR'S REPORT

To the Members of **SANGAM HEALTH CARE PRODUCTS LIMITED.**

Report on the Financial Statements

We have audited the accompanying financial statements of SANGAM HEALTH CARE PRODUCTS LIMITED"), which comprise the Statement of Financial Position as at March 31, 2018 and the Statement of Profit and Loss and Other Comprehensive for the year ended 31st March 2018, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the Indian Accounting Standards referred to in Section 133 of the Companies Act, 2013 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of the Statement of Financial Position(Balance Sheet), of the state of affairs of the Company as at March 31, 2018;
- b) In the case of the Statement of Profit and Loss and Other Comprehensive Income, Operating and Non Operating profit for the year ended on that date March 31, 2018;
- c) In the case of cash flow, the movement of cash in the company for the period
- d) In case of Changes in Equity, the movement of net flows in other Equity for the period.

Report on Other Legal and Regulatory Requirements

1. This report include a statement on the matters specified in paragraphs 3 and 4 of the Companies (Auditor s Report) Order 2016, issued by the Department of Companies Affairs, in terms of sub section (11) of section 143 of the Companies Act 2013, since in our opinion and according to the information and explanations given to us, the said order is applicable to the company.
2. As required by section 143(3) of the Companies Act, 2013, we report that:
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
 - c) The Statement of Financial Position and Statement of Profit and Loss, dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the Statement of Financial Position and Statement of Profit and Loss comply with the Accounting Standards referred to in Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- e) On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of sub section 2 of section 164 of the Companies Act, 2013.
- f) With respect to the other matters to be included in the Auditors Report in accordance with Rule.11 Of the Companies (Audit and Auditors) Rules,2014, in our Opinon and to the best of our information and according to the explanation given to us
- I. The Company Doesn t have any pending litigations which would impact its financial position.
 - II. The Company didn t have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - III. There were no amounts which were required to be transferred to the Investor Education and Protection fund by the company.

For **K.R.Shekher & Co.,**
Firm Registration Number: 010828S
Chartered Accountants

Hyderabad, May 30, 2018.

Sd/-
Rajashekhar Kaparti
Partner M.No.214810

Annexure to the Auditors' Report

The annexure as referred in „Report on other Legal and Regulatory requirements of our independent auditors report to the members of **SANGAM HEALTH CARE PRODUCTS LIMITED** on the financial statements for the year ended March 31, 2018, we report that

- i. a) The company has maintained proper records showing full particulars including quantitative details and situation of its principal fixed assets.
 - b) Other than the location of furniture and fixture and office equipments, which are under compilation, accordingly the fixed assets are physically verified by the management according to the programme of periodical verification in a phased manner, designed to cover all items over a period of one year which, in our opinion, is reasonable having regards to the size of the company and the nature of its assets. Pursuant to the management during the year and no material discrepancies have been noticed on such verification.
 - c) The Title Deed of the Immovable property as disclosed in Schedule III of Financial Statements are held in the Name of Company as at the Balance Sheet date.

Particulars	Land	Factory Building
Gross Block as on 31st March,2018	7,90,50,000	6,51,30,130
Net Block as on 31st March,2018	7,90,50,000	4,05,58,119

- ii. The inventory other than in transit has been physically verified at reasonable intervals during the year by the management. In our opinion, the frequency of such verification is adequate.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- iv. According to the information and explanations given to us, the Company has not given any guarantees for loans taken by Directors from banks and financial institutions, and no investments, Guarantees, Securities given by the company.
- v. The Company has not accepted any deposits during the year from the public

within the meaning of the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and rules made there under. Hence, the Clause (v) of the order is not applicable.

- vi. The Central Government has not prescribed maintenance of the cost records under Section 148(1) of the Companies Act, 2013 in respect to the Company's product. Hence, the Clause (vi) of the order is not applicable.
- vii. **a)** According to the information and explanations given to us and the records examined by us, the Company is not regularly depositing with appropriate authorities in respect of provident fund, employees' state insurance and, sales tax, wealth tax, service tax, value added tax, income-tax, goods and services tax and other statutory dues wherever applicable, undisputed arrears of statutory dues were outstanding as at 31st March 2018.
- b)** According to the information and explanations given to us, there are dues of Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Sales Tax, Wealth Tax, Goods and Services Tax, Excise Duty and Cess which have not been deposited on account of any dispute.
- c)** On the basis of our examination the following are the undisputed statutory dues which were arrears as at 31st March, 2018.

Name of the statute	Nature of dues	Amount (Rs. In lakhs)	Period to which the amount relates	Remarks
The Employee's Provident Funds And Miscellaneous Provisions Act, 1952	Provident Fund	90.44	Nov 2013 & Sep 2017	Not Deposited
Employee's State Insurance Act, 1948	ESI	12.85	Apr 2017 & Sep 2016	Not Deposited
Income Tax Act, 1961	TDS	7.84	Jul 2017, Oct 2017, Jan 2018	Not Deposited

- viii. Based on our audit procedures and the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to banks.

- ix. The nature of Company is Public limited, the Company has not raised any money by way of Initial Public offer, further public offer including debt instruments during the year. Accordingly the provisions of Clause 3(ix) of the Order not applicable to the Company.
- x. On the basis of our examination and according to the information and explanations given to us, no fraud, on or by the Company, has been noticed or reported during the year.
- xi. According to the information and explanations given to us and based on our examination of the records, the company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the act.
- xii. On the basis of our examination the company is not a Nidhi company hence the paragraph 3(xiii) of the order is not applicable.
- xiii. In our opinion and according to the information and explanations given to us, the company entered into related party transactions (the details of such transactions were enclosed in the financial statements).
- xiv. On the basis of our examination the company has not issued or allotted any preferential shares/debentures hence the paragraph 3(xiv) of the order is not applicable.
- xv. In our opinion and according to the information and explanations given to us, the company didn't entered into non-cash transactions with directors or persons concerned and such transactions were disallowed while calculating the income tax as per Income Tax Act.
- xvi. The nature of Business is such that, the Clause (xvi) of Order- Register under RBI Act 1934 is not applicable.

Annexure - B to the Auditors' Report**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **SANGAM HEALTH CARE PRODUCTS LIMITED** as of 31 March 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to

provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **K.R.Shekher & Co.,**
Firm Registration Number: 010828S
Chartered Accountants
Sd/-
Rajashekhhar Kaparti
Partner M.No.214810

Hyderabad, May 30, 2018.

SANGAM HEALTH CARE PRODUCTS LIMITED
CIN NO- L24230TG1993PLC016731
Statement of Financial Position as at March 31, 2018 (in Rupees)

	Note No.	As at 31st March 2018	As at 31st March 2017
I ASSETS			
1 Non-current assets			
(a) Property, plant and equipment	3	19,92,85,303	21,44,11,869
(b) Capital work in progress			-
(c) Other non-current asset	4	33,59,223	1,40,32,897
Total non-current assets (A)		20,26,44,526	22,84,44,766
2 Current assets			
(a) Financial assets			
(i) Trade receivables	5.1	83,148	5,61,795
(ii) Cash and cash equivalents	5.2	17,00,188	15,86,497
(iii) Inventories	5.3	90,03,169	4,82,54,872
(iv) other financial assets	6	83,75,312	4,54,273
(b) Other current assets		-	-
Total current assets (B)		1,91,61,817	5,08,57,437
Total assets (A+B)		22,18,06,343	27,93,02,203
II EQUITY AND LIABILITIES			
1 Equity			
(a) Equity share capital	7	14,86,07,000	14,86,07,000
(b) Other equity	8	(28,59,48,291)	(37,85,41,232)
Total equity (A)		(13,73,41,291)	(22,99,34,232)
2 Liabilities			
(i) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	9	13,91,24,982	28,35,95,529
(b) Long term provisions	10	74,78,935	83,67,279
Total non-current liabilities (B)		14,66,03,917	29,19,62,808
(ii) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	9	3,34,14,381	8,90,59,943
(ii) Trade payables	11.1	5,26,32,290	5,53,51,058
(iii) Other financial liabilities	11.2	9,64,40,710	7,27,78,246
(b) Other current liabilities	12	3,00,56,336	84,380
Total current liabilities (C)		21,25,43,717	21,72,73,627
Total liabilities (D+B+C)		35,91,47,634	50,92,36,435
Total equity and liabilities (A+D)		22,18,06,343	27,93,02,203

The notes are an integral part of the financial statements 1-2

As per our Report of even date
for K.R. Shekher & Co.,
Chartered Accountants
Firm Reg. No. : 0108285

For and on behalf of the Board of Directors
SANGAM HEALTH CARE PRODUCTS LIMITED

Sd/- Rajashekhhar Kaparti Partner Membership No: 214810	Sd/- Bala Gopal Addepalli Managing Director DIN No. 01712903	Sd/- Padma Ganakoa Director DIN No. 07078176	Sd/- V. Satish Kumar C.F.O. PAN: ACLPV7670E
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Place : Hyderabad
Date : 30.05.2018

SANGAM HEALTH CARE PRODUCTS LIMITED
CIN NO- L24230TG1993PLC016731
Statement of Profit and Loss and other Comprehensive Income
for the year ended March 31, 2018 (in Rupees)

Particulars	Note No.	For the year ended	
		31st March 2018 Rs.	31st March 2017 Rs.
I. Income			
Revenue from operations	13	20,88,90,042	23,61,69,430
Other income			
Interest		66,905	2,15,079
Other non operating income		18,40,35,565	
Sundry balances written off			8,96,815
Chit Dividend			88,600
Total income		39,29,92,512	23,73,69,924
II. Expenses			
(a) Operating expenses	14.1	19,85,38,857	18,21,51,674
(b) Finance cost	14.2	3,32,93,914	5,04,86,238
(d) Depreciation expense	3	1,52,28,492	1,52,16,997
(c) Other expenses	14.3	5,66,30,324	5,79,14,998
Total expenses		30,36,91,587	30,57,69,907
III. Profit before tax(I-II)		8,93,00,925	(6,83,99,983)
IV. Tax expense :			
a. Current tax		7,36,342	1,66,281
b. Deferred tax		(1,48,27,628)	
V. Profit for the year (III-IV)		7,37,36,954	(6,85,66,264)
VI. Other comprehensive income			
Items that will not be reclassified to profit and loss			
(a) Remeasurement of defined Unsecured loans		60,19,491	37,36,952
(b) Income tax effect on the above		-	-
Total other comprehensive income		60,19,491	37,36,952
VII. Total comprehensive income for the year (V+ VI)		7,97,56,445	(6,48,29,312)
VIII. Earning per equity share			
Basic and diluted		5.37	(4.36)

The notes are an integral part of the financial statements 1-2

As per our Report of even date

for **K.R. Shekher & Co.,**

Chartered Accountants

Firm Reg. No. : 0108285

Sd/-

Rajashekhar Kaparti

Partner

Membership No: 214810

Place : Hyderabad

Date : 30.05.2018

For and on behalf of the Board of Directors

SANGAM HEALTH CARE PRODUCTS LIMITED

Sd/-

Bala Gopal Addepalli

Managing Director

DIN No. 01712903

Sd/-

Padma Ganakoa

Director

DIN No. 07078176

Sd/-

V. Satish Kumar

C.F.O.

PAN: ACLPV7670E

SANGAM HEALTH CARE PRODUCTS LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2018

A. CASH FROM OPERATING ACTIVITIES	31.03.18	31.03.17
(Loss)/Profit before tax and extraordinary items	89,300,925	(68,566,264)
Adjustment for		
- Depreciation	15,228,492	15,216,997
- Interest & Financial charges	33,293,914	50,486,238
- Interest received	(1,84,102,470)	(1,200,494)
Operating Profit before Working Capital Changes	(46,279,139)	(4,063,523)
Adjustment for		
- Trade & Other receivables	478,647	784,148
- Inventories	39,251,703	20,221,084
- Trade & others Payable	6116,068	(14,612,044)
- Short term Loans & Advances	437,271	(109,106)
- Short Term Borrowings & Provisions	(26,409,948)	3,901,986
Cash flow before Extraordinary items	26,405,398	6,122,545
- Interest paid	(33,293,914)	(50,486,238)
- Taxes paid	-	-
Net Cash flow before extraordinary items	(59,699,312)	(44,363,693)
-Extraordinary & Prior period items	-	-
NET CASH FROM OPERATING ACTIVITIES	(59,699,312)	(44,363,693)
B. CASH FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	(1,01,926)	(3,370,436)
Interest Received	1,84,102,470	1,200,494
Long Term Loans & Advances	3,019,042	(754,003)
NET CASH FROM INVESTING ACTIVITIES	(1,87,019,586)	(2,923,945)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long Term Borrowings	(1,26,318,246)	30,929,398
Long Term Provisions	(888,344)	390,826
NET CASH FROM FINANCING ACTIVITIES	(1,27,206,590)	31,320,224
NET INCREASE IN CASH & CASH EQUIVALENTS	113,684	(15,967,414)
Opening Cash and cash equivalents	1,586,499	17,553,911
Closing Cash and Cash equivalents	1,700,183	1,586,497

As per our Report of even date
for K.R. Shekher & Co.,
Chartered Accountants
Firm Reg. No. : 0108285

For and on behalf of the Board of Directors
SANGAM HEALTH CARE PRODUCTS LIMITED

Sd/-

Rajashekhar Kaparti
Partner

Membership No: 214810

Sd/-

Bala Gopal Addepalli
Managing Director

DIN No. 01712903

Sd/-

Padma Ganakoa
Director

DIN No. 07078176

Sd/-

V. Satish Kumar
C.F.O.

PAN: ACLPV7670E

Place : Hyderabad
Date : 30.05.2018

SANGAM HEALTH CARE PRODUCTS LIMITED
Notes annexed to and forming part of the Financial Statements

Note 1 : Background

Sangam Health Care Products Limited ("the Company") is engaged in the business of manufacturing and trading of medical products.

Note 2 : Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015, and Companies (Indian Accounting Standards) Amendment Rules, 2016] and other relevant provisions of the Act.

Up to the year ended 31st March, 2017, the Company prepared its financial statements in accordance with the requirements of previous Generally Accepted Accounting Principles (Previous GAAP), which includes Standards notified under the Companies (Accounting Standards) Rules, 2014.

These are the Company's first Ind AS financial statements. Details of the exceptions and optional exemptions availed by the Company along with related reconciliations are detailed in Note. 30 (Adoption of Ind As).

Note 2.1 : Basis of Preparation of financial statements

The financial statements have been prepared in accordance with the historical cost convention and presented in INR.

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013. The financial statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013. The Company adopted Ind AS from 1st April, 2017.

Note 2.2 : Use of estimates, assumptions and judgements

The preparation of financial statements in conformity with Ind AS requires management of the Company to make estimates and assumptions and judgements that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the results of operations during the reporting periods. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from those estimates. Examples of such estimates include future obligations under employee retirement benefit plans, recognition of deferred tax assets and

useful lives of fixed assets. Any revision to accounting estimates is recognized prospectively in the current and future periods.

Note 2.3 : Revenue recognition

a) Revenue from the sale of Medical Products is recognised on the basis of the number of units of products sold undertaken with Sundry debtors at the rates prevailing on the date of export as determined by the agreement/feed-in-tariff policy/market rates as applicable less the wheeling and banking charges applicable if any.

Claims for delayed payment charges and other claims, if any, in which the company is entitled is accounted only when there is no uncertainty associated with the collectability of the claims.

(b) Insurance claims are recognized as and when the claims are received from the Insurer.

(c) Interest income is recognized in the year in which it is accrued and stated at gross using effective interest rate method.

Note 2.4 : Property, Plant and Equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation and any impairment in value. Freehold land is not depreciated. Historical cost includes expenditure that is directly attributable to the acquisition of the items and borrowing cost. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with them will flow to the Company and the cost of the item can be measured reliably. All repairs and maintenance expenditure are charged to profit and loss during the period in which they are incurred.

Depreciation is provided on the basis of straight line method and charged over useful life as per the manner prescribed in Schedule II to the Companies Act, 2013.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefit is expected to arise from the continued use of the asset. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is recognised in profit and loss in the period the item is derecognised.

Useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Note 2.5 : Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company is recognised at the proceeds, net of direct costs of the capital issue.

Note 2.6 : Financial assets

The Company recognises a financial asset (including investments, trade receivables, loans and advances) at transaction price when it becomes a party to the contractual obligations. The Company assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. Financial assets are tested for impairment based on the expected credit losses.

Financial assets are derecognised when the right to receive cash flows from the investments have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership of the asset to another entity. On de-recognition of a financial asset the difference between the carrying amount and the consideration received is recognised in the statement of profit and loss.

Expected credit loss

Expected credit losses are assessed based on an evaluation of the collectability of receivables. A considerable amount of judgment is required in assessing the ultimate realization of these receivables, including their current creditworthiness, past collection history of each customer and ongoing dealings with them. If the financial conditions of the counterparties with which the Company contracted were to deteriorate, resulting in an impairment of their ability to make payments, additional expected credit loss may be required.

(i) Trade Receivables

An impairment analysis is performed at each reporting date. The expected credit losses over life time of the asset are estimated by adopting the simplified approach using a provision matrix which is based on historical loss rates reflecting current condition and forecasts of future economic conditions. In this approach assets are grouped on the basis of similar credit characteristics such as industry, customer segment, past due status and other factors which are relevant to estimate the expected cash loss from these assets.

(ii) Other financial assets

Other financial assets are tested for impairment based on significant change in credit risk since initial recognition and impairment is measured based on probability of default over the life time when there is significant increase in credit risk.

Note 2.7 : Financial liabilities

Financial liabilities (including borrowings, other financial liabilities and trade and other payables) are initially recognized at the value of respective contractual obligations and subsequently measured at amortised cost .

Financial liabilities are derecognized when the Company's obligations are discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the statement of profit and loss.

Note 2.8 : Impairment of non-financial assets

Assets that are subject to depreciation and amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Value-in-use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of the money and risk specific to the asset or CGU.

Note 2.9 : Borrowing costs

Borrowing costs directly attributable to acquisition, construction or production of an asset that necessarily takes substantial period of time to get ready for its intended use are also included as part of the cost of such assets to the extent they relate to the period till such assets are ready to be put to use. All other borrowing costs are recognized as expense in the year which they are incurred and charged to statement of Profit and Loss.

Note 2.10 : Inventories

Stores and spares, consumables are stated at cost or below. Cost is determined on weighted average basis and includes all applicable costs incurred in bringing goods to their present location and condition.

Note 2.11 : Employee Benefit**Provident fund**

Retirement benefit in the form of provident fund is a defined contribution scheme and the contribution are charged to the Statement of Profit and Loss of the year when the contribution to the respective funds is due. There are no other obligations other than the contribution payable to the respective authorities.

Gratuity

Gratuity is a post employment defined benefit plan. The liability recognized in the balance sheet represents the present value of the defined benefit obligation at the balance sheet date, together with adjustments for past service costs. An independent actuary using the projected unit credit method calculates the defined benefit obligation annually. Gains and losses through re-measurements of the net defined benefit liability/(asset) are recognized in Other Comprehensive Income (OCI).

Compensated absences

Compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method.

Actuarial gains or losses arising from experience adjustments and changes in actuarial assumptions are credited or charged to the statement of profit and loss in the year in which such gains or losses arises.

Note 2.12 : Taxes on income**Current tax**

Current tax is measured at the amount expected to be paid to the tax authorities in accordance with The Income Tax Act, 1961 of India.

Deferred tax

Deferred tax charge or credit reflects the tax effect of timing differences between accounting income and taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets. Deferred tax assets are reviewed at each balance sheet date and written down or written-up to reflect the amount that is reasonably / virtually certain (as the case may be) to be realized.

Note 2.13 : Earnings per share

Basic earnings per share are calculated by dividing the net profit / (loss) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Note 2.14 : Cash and cash equivalents

Cash and cash equivalents include cash on hand and at bank, and short-term deposits with an original maturity period of three months or less.

Note 2.15 : Provisions and contingent liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as other finance expense.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

3. Tangible Assets

Assets	Gross Block			Depreciation			Net Block			
	As at 1-04-2017	Additions	Deletions/ Adjust- ments	Total	As at 01-04-2017	For the Year	Deletions/ Adjust- ments	Total	As at 31-03-2018	As at 31-03-2017
Land	7,90,50,000	-	-	7,90,50,000	-	-	-	-	7,90,50,000	7,90,50,000
Buildings	6,51,30,130	-	-	6,51,30,130	2,27,93,946	17,78,065	-	2,45,72,011	4,05,58,119	4,23,36,184
Plant & Machinery	26,84,18,337	77,237	-	26,84,95,574	17,96,62,549	1,17,47,305	-	19,14,09,854	7,70,85,720	8,87,55,788
Electrical Installations	1,94,25,551	-	-	1,94,25,551	1,70,33,935	9,85,027	-	1,80,18,962	14,06,589	23,91,616
Lab Equipments	80,86,382	-	-	80,86,382	63,91,443	6,54,114	-	70,45,557	10,40,825	16,94,939
Computers	18,70,406	24,690	-	18,95,096	18,05,221	45,722	-	18,50,943	44,153	65,185
Office Equipment	14,41,408	-	-	14,41,408	14,33,315	1,177	-	14,34,492	6,916	8,093
Furniture & Fixtures	25,86,171	-	-	25,86,171	25,37,727	17,082	-	25,54,809	31,362	48,444
Vehicles	34,47,411	-	-	34,47,411	33,85,792	-	-	33,85,792	61,619	61,619
Total	44,94,55,796	1,01,927	-	44,95,57,723	23,50,43,928	1,52,28,492	-	25,02,72,420	19,92,85,303	21,44,11,868
Previous Year	44,60,85,360	33,70,436	-	44,94,55,796	21,98,26,930	1,52,16,997	-	23,50,43,927	21,44,11,869	22,62,58,429

Note 4 Other Assets

	As at March 31, 2018	As at March 31, 2017
Non-current Assets		
Security deposits		
Deposits with Government Authorities	33,59,223	47,81,064
Total	33,59,223	47,81,064
Current		
Interest free loans to related parties		
Advance for goods and services		
Prepaid expenses		
Total	-	-

Note 5.1: Trade receivables

	As at March 31, 2018	As at March 31, 2017
Unsecured, considered good	83,148	5,61,795
Total	83,148	5,61,795

Note 5.2: Cash and bank balances

Particulars	As at March 31, 2018	As at March 31, 2017
(a) Cash and cash equivalents		
Cash on hand	58,506	24,040
Balances with banks		
- In current accounts	16,41,682	1,25,64,606
- Deposits with original maturity less than 3 months		-
Total	17,00,188	1,25,88,646
(b) Bank balances other than cash and cash equivalents		
Margin money/deposit		
Total	-	-

Note 5.3 : Inventories

	As at March 31, 2018	As at March 31, 2017
Raw Material	15,45,151	37,12,018
Packing Material	8,31,696	47,73,579
Work In Process	10,67,670	3,62,87,868
Finished Goods	52,87,754	28,34,015
Consumables & Stores and Spares	2,70,898	6,47,392
Total	90,03,169	4,82,54,872

**Note 6: Financial assets
Others**

	As at March 31, 2018	As at March 31, 2017
MAT Credit Entitlement	63,39,337	56,35,659
TDS Recivable	3,94,152	3,94,152
Other Deposit	10,13,667	32,22,022
Balance with statutory / government authorities		
GST Input	6,11,154	-
VAT Receivable	-	2,40,223
Interest Receivable	17,002	1,93,571
Other Balances	-	20,479
Total	83,75,312	97,06,106

Note 7: Equity share capital

	As at March 31, 2018		As at March 31, 2017	
	Number of shares	Amount	Number of Shares	Amount
Authorised				
Equity shares of Rs. 10 each	15,00,00,000	1,50,00,00,000	15,00,00,000	1,50,00,00,000
Issued				
Equity shares of Rs. 10 each	1,48,60,700	14,86,07,000	1,48,60,700	14,86,07,000
Subscribed and Paid-up				
Equity shares of Rs. 10 each fully paid-up	1,48,60,700	14,86,07,000	1,48,60,700	14,86,07,000
Total	1,48,60,700	14,86,07,000	1,48,60,700	14,86,07,000

b. Reconciliation of the number of equity shares outstanding and the amount of share capital

	As at March 31, 2018		As at March 31, 2017	
	Number of shares	Amount	Number of Shares	Amount
Shares outstanding at the beginning of the year	-	-	-	-
Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	-	-	-	-

c. Terms / rights attached to equity Shares

The company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholdings.

d. Shares in the company held by each shareholder holding more than 5 percent

	As at March 31, 2018		As at March 31, 2017	
	Number of shares held	% of holding	Number of Shares held	% of holding
M/S.Boin Medica Co Ltd	12,40,260	8.35%	12,40,260	8.35%
Addepalli Balagopal	30,01,000	20.19%	30,01,000	20.19%
D.V.S.Sharma	25,00,000	16.82%	25,00,000	16.82%
G.Ramana	22,55,140	15.18%	22,55,140	15.18%
G.Padma	20,00,000	13.46%	20,00,000	13.46%

*Includes 10 Equity shares of Rs. 10 each fully paid up held by nominee.

Note 8: Other equity

	As at March 31, 2018	As at March 31, 2017
Retained earnings		
Revaluation Reserve	7,70,01,003	7,70,01,003
Balance at beginning of the year	(45,55,42,228)	(41,05,36,000)
Profit for the year	7,44,40,633	(6,85,66,264)
Other comprehensive income/(loss) for the year	60,19,491	37,36,952
Initial Recognition of the fair value	1,21,32,810	1,98,23,084
Balance at the end of the year	(28,59,48,291)	(37,85,41,225)
Total other equity	(28,59,48,291)	(37,85,41,225)

Non-Current Liabilities
Note 9 Borrowings

	As at March 31, 2018	As at March 31, 2017
Non-current Secured Term loans		
From banks	8,00,00,000	25,04,83,869
Deferred payment liabilities		
Interest-free sales Tax deferral loan from state government	78,15,495	81,94,476
Unsecured Loans		
From Individuals other than banks		
Dr.D.v.s sharma	32,10,555	10,82,665
A.balagopal	2,65,46,903	2,08,10,574
D.V.S.Krishna teja	28,46,528	19,90,516
Ghanakota Ramana	8,90,967	51,555
saswata gupta	6,08,355	9,81,874
Dr.D.V.S. SHARMA & G.RAMANA	76,04,437	-
bhagat reddy	75,91,951	-
G.padma	2,62,147	-
Dr.Sharma	17,47,644	-
Total	13,91,24,982	28,35,95,529
Current		
Term loans		
From banks	2,00,00,000	8,29,99,037
Deferred payment liabilities		
Interest-free sales Tax deferral loan from state government	91,37,679	41,56,406
Unsecured Loans		
from Individuals other than banks		
Nandini gupta	-	19,04,500
L.S.Patil	42,76,702	-
Total	3,34,14,381	8,90,59,943

Note 10: long term provisions

	As at March 31, 2018	As at March 31, 2017
Provision for gratuity	74,78,935	83,67,279
Total	74,78,935	83,67,279

Note 11.1 : Trade payables

	As at March 31, 2018	As at March 31, 2017
Dues to Micro, Small and Medium Enterprises	-	-
Dues to other than Micro, Small and Medium Enterprises (Note no: 23)	5,26,32,290	5,53,51,058
Total	5,26,32,290	5,53,51,058

Note 11.2 : Other financial liabilities

	As at March 31, 2018	As at March 31, 2017
Advances From customers	4,96,90,674	4,29,42,364
Salaries and Wages payable	63,24,235	44,98,206
salaries Arrears payables	4,82,246	-
Marketing Salaries - Field Staff Payable	6,00,000	-
Directors Remuneration Payable	8,40,000	-
Provident fund payable	90,44,749	1,16,66,701
ESI contribution payable	12,85,158	7,41,622
Interest Payable on statutory dues	42,72,807	30,14,670
Other Interest payable	-	1,24,407
Bonus payable	14,84,910	12,22,020
Electricity Charges Payable	9,58,820	10,30,800
Other Expenses Payable	44,08,283	49,72,713
Security Deposit	1,30,000	2,40,000
interest & processing fee payable-kotak	12,26,575	-
Deferred Tax Liability	1,48,27,628	-
Taxes Payable		
- Professional tax payable	80,400	46,250
- TDS payable	7,84,225	4,51,347
- Excise duty payable		9,15,042
- Service Tax Payable		9,12,104
Total	9,64,40,710	7,27,78,246

Note 12: Other current liabilities

	As at March 31, 2018	As at March 31, 2017
Tax Provision	7,36,342	-
Gratuity	-	84,380
Sri Siri Constructions	2,93,19,994	
Total	3,00,56,336	84,380

Note 13: Revenue from operations

	As at March 31, 2018	As at March 31, 2017
Sale of Products	23,17,08,250	25,58,38,948
Less: Excise Duty	26,62,323	1,42,01,481
Less: VAT/Sales Tax	10,51,783	54,68,037
Less: GST	1,91,04,102	-
Total	20,88,90,042	23,61,69,430

Note 14.1: Operating expense

	As at March 31, 2018	As at March 31, 2017
Cost of materials consumed	11,77,56,387	10,95,65,754
Changes in inventories of finished goods and work-in-progress	3,27,66,459	2,01,31,359
Salaries, Wages, Bonus etc.	4,29,90,090	4,72,79,386
Contribution to P.F, E.S.I and Other Statutory Funds	45,61,279	51,06,007
Workmen and Staff Welfare Expenses	7,52,896	1,44,599
Gratuity Expenses	(2,88,254)	(75,431)
Total	19,85,38,857	18,21,51,674

Note 14.2: Finance cost

	As at March 31, 2018	As at March 31, 2017
Interest expense		
Interest	3,01,56,674	4,97,46,983
Bank Service Charges	31,37,240	7,39,255
Total	3,32,93,914	5,04,86,238

Note 14.3 : Other expenses

	As at March 31, 2018	As at March 31, 2017
Audit Fees	2,00,000	2,50,000
Consumptions of Store and Spares	23,16,242	21,89,999
Power and Fuel	1,44,13,827	1,70,68,161
Factory Maintenance	7,82,543	7,34,938
Insurance	5,08,332	5,02,531
Rates and Taxes	3,25,550	2,92,882
Security Charges	7,09,252	8,47,934
Travelling & Conveyance Expenses	7,81,867	6,83,306
Job Work Charges	1,04,56,737	1,31,67,948
Printing & Stationery	1,19,694	1,65,417
Computer Maintenance	1,130	5,450
Telephone Expense	1,23,744	2,62,685
Vehicle Maintenance	4,057	58,572
Other General Expenses	24,22,613	12,01,244
Marketing Expenses	63,27,537	1,10,06,341
Carriage Outwards	83,75,984	89,25,583
sales tax exp	51,02,292	-
Remuneration to directors	12,00,000	
Consultancy and Legal Charges	22,74,898	3,29,982
Office Maintenance	1,84,025	2,22,025
Total	5,66,30,324	5,79,14,998

As per our Report of even date

for K.R. Shekher & Co.,
Chartered Accountants
Firm Reg. No. : 0108285

Sd/-

Rajashekhhar Kaparti
Partner

Membership No: 214810

For and on behalf of the Board of Directors

SANGAM HEALTH CARE PRODUCTS LIMITED

Sd/-

Bala Gopal Addepalli
Managing Director

DIN No. 01712903

Sd/-

Padma Ganakoa
Director

DIN No. 07078176

Sd/-

V. Satish Kumar
C.F.O.

PAN: ACLPV7670E

Place : Hyderabad
Date : 30.05.2018

Notes annexed to and forming part of the Financial Statements

Note 15: Related party disclosures

Names of related parties and description of relationship:

Name of the Person/Firm	Description of Relationship
Sri Siri Constructions	Director as Partner
Sri Sai Gravure Prints	Director as Partner
Sri Sai Health Care	Director as Partner
V . Satish Kumar	CFO
G Padma	Director
A.Bala Gopal	Director

Direct or indirect subsidiaries of ultimate holding company with which transactions have taken place

The details of the related party transactions entered into by the Company during the year ended March 31, 2018 and balances as at March 31, 2018 are as follows:

Particulars of transactions	As at March 31, 2018	As at March 31, 2017
Sri Siri Constructions		
Loan taken	3,03,39,971	-
Loan repaid	10,19,977	-
Balance payable	2,93,19,994	-
Sri Sai Gravure Prints - Job Works		
Opening Balance	35,65,992	34,73,273
Purchases Made	23,26,283	92,719
Job Works done	20,76,651	-
Balance payable	38,15,624	35,65,992
Sri Sai Gravure Prints		
Loan given	12,800	5,05,000
Loan Recived	-	-
Balance Recivable	5,17,800	5,05,000
Sri Sai Health Care		
Opening Balance	5,78,452	-
Loan taken	-	-
Loan repaid	2,498	-
Balance payable	5,75,954	5,78,452

V . Satish Kumar		
Opening Balance	24,100	
Loan Given	11,28,586	8,04,100
Loan Recived	9,89,732	7,80,000
Balance Recivable	1,62,954	24,100
G Padma	-	
Loan taken	6,00,000	-
Loan repaid	-	-
Balance payable	6,00,000	-
A.Bala Gopal		
Opening Balance	3,47,14,499	
Loan taken	1,43,50,455	3,47,14,499
Loan repaid	60,24,511	-
Balance payable	4,30,40,443	3,47,14,499
A.Bala Gopal-MD		
Opening Balance	4,04,64,899	3,99,67,302
Loan taken	43,74,200	4,97,597
Loan repaid	51,10,000	-
Balance payable	3,97,29,099	4,04,64,899

Note 16: Earnings Per Share (EPS)

(Amt. in Rs.)

	Year ended March 31, 2018	Year ended March 31, 2017
Nominal Value of Equity Shares (Rupees per Share fully paid-up)	10	10
Profit after Tax (in Rs.)	7,37,36,954	(6,85,66,264)
Weighted average number of Equity shares outstanding during the year	1,48,60,700	1,48,60,700
Earnings Per Share (in Rs.) – Basic and diluted	4.96	(4.61)

Note 17: Financial risk management

The Company's activities expose it to a variety of financial risks; market risk, credit risk and liquidity risk. The Company's overall risk management programme focuses to minimise potential adverse effects on the Company's financial performance. The financial instruments of the Company comprise borrowings from banks/other lenders, cash and cash equivalents, bank deposits, trade receivables and other assets, trade payables and other financial liabilities and payable.

Market risk

Market risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because of volatility of prices in the financial markets. Market risk can be further segregated into a) Foreign exchange risk and b) Interest rate risk

a) Foreign exchange risk

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company has no significant transactions in foreign currency, hence there are no foreign currency exchange risks.

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company has no significant transactions in foreign currency, hence there are no foreign currency exchange risks.

b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As the Company has no significant interest-bearing assets other than investment in bank deposits. The Company's income and operating cash flows are substantially independent of changes in market interest rates.

As the Company's borrowing carries fixed rate of interest and these debts are carried at amortised cost, there is no interest rate risk to the Company.

Credit risk

Credit risk is the risk that a counter-party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company's credit risk arises from accounts receivable balances on sales to customers.

Company's revenue is derived from sales to state owned utilities under long-term power purchase agreements, hence potential risk of default is predominantly a governmental one.

The company maintain banking relationships with only credit worthy banks, which it reviews on an ongoing basis.

The maximum exposure to credit risk for bank deposits and bank balances at the reporting date is the fair value of the amount disclosed in Note.7.2

Trade receivables that are due for more than one month are considered past due. These receivables have been considered as fully recoverable based on the evaluation of terms implicit in the contracts with customers, legal opinions and other pertinent factors .

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable mentioned above. The Company does not hold any collateral as security.

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents and maintaining adequate credit facilities.

In respect of its existing operations, the Company funds its activities primarily through long-term loans secured against the power plant. The Company's objective in relation to its existing operating business is to maintain sufficient funding to allow the plants to operate at an optimal level.

The Company believes that the net cash flows expected to be generated from the operations shall be sufficient to meet the operating and finance costs.

Note 18: Segment information

The Company operates in Single Business Segment of Generation of Power and in a Single Geography. Accordingly disclosure requirements of Ind AS 108, 'Operating Segments' as notified under Section 133 of the Companies Act, have not been furnished.

Note 19. Deferred Tax Asset to be recognized only when there is a virtual certainty that the created Deferred Tax Asset would be adjusted /recovered. Hence on a prudence basis, Deferred Tax Asset has not been recognized during the current year.

Note 20. The information regarding micro, small and medium enterprises has been identified on the basis of information available with the company. Based on the information available with the Company, there are no micro, small and medium enterprises to whom the company has paid interest or any interest payable on outstanding (under the provisions of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006) during the year ending March 31, 2017.

Note 21: Adoption of Ind AS

These financial statements, for the year ended 31 March 2017, have been prepared in accordance with Ind AS. For the year ended 31 March 2016, the Company prepared its annual financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014 ('Indian GAAP' or 'previous GAAP').

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for the year ended 31 March 2017, together with the comparative period data, as described in the summary of significant accounting policies. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements.

Exemptions applied:

Ind AS allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The company has applied the following material exemption:

The Company has elected to avail exemption under Ind AS 101 to use India GAAP carrying value as deemed cost at the date of transition for all items of property, plant and equipment as per the statement of financial position prepared in accordance with previous GAAP.

Note 22. Standards issued but not effective:

In March 2017, the Ministry of Corporate Affairs issued the (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows' and Ind AS 102, 'Share-based payment'. These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of cash flows' and IFRS 2, 'Share-based payment,' respectively. The amendments are applicable to Company from 1 April 2017.

Amendment to Ind AS 7:

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement.

Form No. MGT-11

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN : L24230TG1993PLC016731

Name of the Company : SANGAM HEALTH CARE PRODUCTS LIMITED

Registered Office : 205 & 206, Amarchand Sharma Complex, S P Road, Secunderabad-3. Telangana State

Name of the member (s):

Registered address:

E-mail Id:

Folio No/ Client Id:

DP ID:

I/We, being the member (s) of shares of the above named company, hereby appoint

1. Name:

Address:

E-mail Id:

Signature, or failing him

2. Name:

Address:

E-mail Id:

Signature, or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 24th Annual general meeting of the company, to be held on Saturday, the 29th day of September 2018 at 2.00 p.m. at Regd. Office : 205 & 206, Amarchand Sharma Complex, S P Road, Secunderabad – 3. and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

1. Approval of financial statements for the year ended 31.03.2018.
2. Appointment of Mrs.PadamaGhanakotaas Director who retires by rotation.
3. Re-appointment of Mr.Bala Gopaladdepalli (DIN: 01712903) as Managing Director of the company

Signed this day of..... 2018

Affix
Revenue
Stamp

Signature of shareholder

Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

SANGAM HEALTH CARE PRODUCTS LIMITED
205, 206, Amarchand Sharma Complex, S.P. Road, Secunderabad - 500002, Telangana

ATTENDANCE SLIP

(Please present this slip at the Meeting venue)

I hereby record my presence for the 24th Annual General Meeting of the members to be held on Saturday, 29.09.2018 at 2.00 p.m. at 205, 206, Amarchand Sharma Complex, S.P. Road, Secunderabad - 500002, Telangana and at any adjourned meeting thereof.

Shareholders/Proxy's Signature _____
Shareholders/Proxy's full name _____
(In block letters)

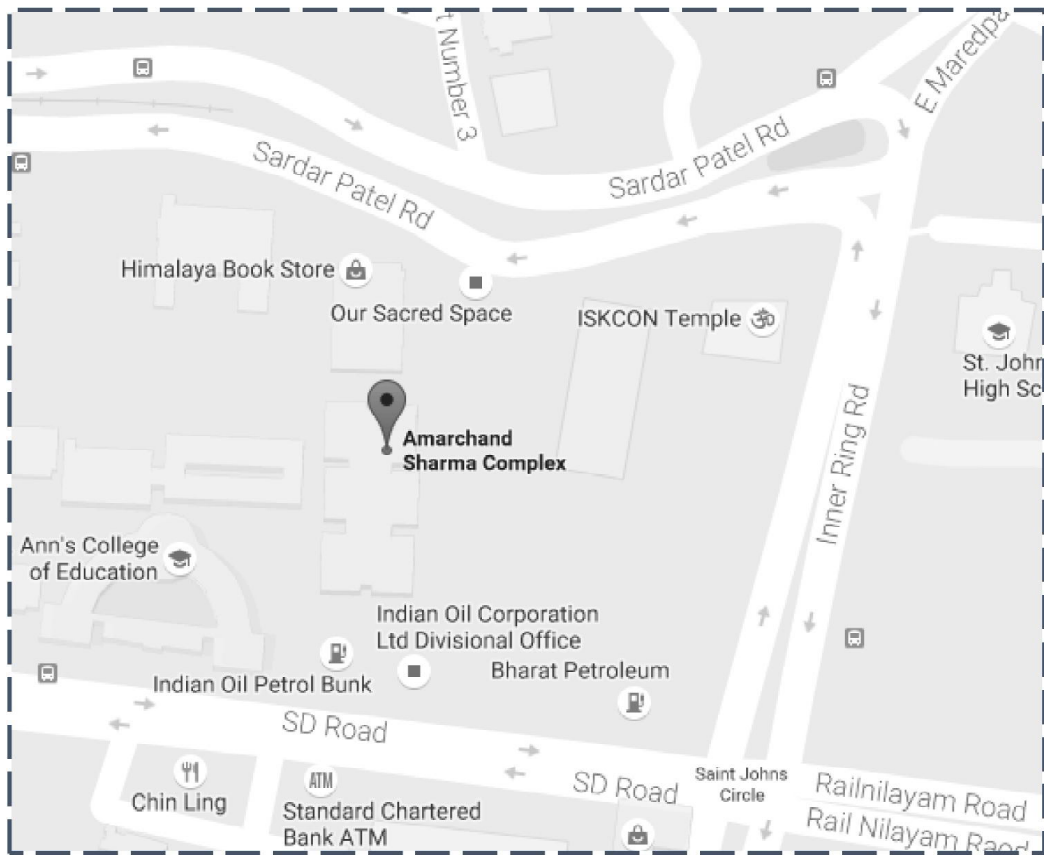
Folio No./ Client ID _____

No. of shares held _____

Note:

Shareholders attending the meeting in person or by proxy are required to complete the attendance slip and hand it over at the entrance of the meeting hall.

IN TERMS OF THE REQUIREMENTS OF THE SECRETARIAL STANDARD ON GENERAL MEETINGS (SS-2) ISSUED BY THE INSTITUTE OF THE COMPANY SECRETARIES OF INDIA, ROUTE MAP FOR THE LOCATION OF THE VENUE OF THE 24th ANNUAL GENERAL MEETING IS GIVEN BELOW:



BOOK POST

IF UNDELIVERED, PLEASE RETURN TO :

SANGAM HEALTH CARE PRODUCTS LTD.

205 & 206, Amar Chand Sharma Complex,
S.P. Road, Secunderabad - 500 003.

