



ANNUAL
REPORT
& ACCOUNTS 2019-2020



EAST INDIA PHARMACEUTICAL
WORKS LIMITED

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Board of Directors

Prof. (Dr.) Ranabir Mukherjee
Mr. Dilip Samadar
Mr. Probir Roy
Mr. Sukamal Chandra Basu
Prof. (Dr.) Suman Kumar Mukerjee
Mr. Chiraranjan Addy

Dr. Abhijit Banerjee
Dr. Tapas Raychaudhury
Ms. Indrani Sen
Ms. Sanghamitra Duttagupta
Mr. Debarshi Duttagupta (Managing Director)
Ms. Satarupa Mukherjee* (Executive Director)
* With effect from 7th May, 2019.

Company Secretary

Shri Debashis Patra (till 26.10.2019)
Ms Jayeeta Sarkar (w.e.f. 01.11.2019)

Chief Financial Officer

Mr. Subrata Ray

Statutory Auditors

M/s APS Associates
Chartered Accountants
3-C, Madan Street, 1st Floor
Kolkata 700 072

Cost Auditors

M/s DGM & Associates
Cost Accountants
64, B. B. Ganguly Street, (2nd. Floor),
Kolkata 700 012

Registrar and Share Transfer Agent

C B Management Services (P) Ltd.
P-22, Bondel Road, Kolkata - 700 019
Phone: (033) 4011 6700/2280 6692
Fax: 91-33- 2287 0263
CIN: U74140WB1994PTC062959
E-Mail: rta@cbmsl.com
Website: www.cbmsl.com

Principal Banker

United Bank of India
Hazra Road Branch
53, S. P. Mukherjee Road, Kolkata 700 026

Bankers

Andhra Bank, AXIS Bank Ltd., Bank of Baroda, Bank of India, Central Bank of India, HDFC Bank Ltd., Indian Bank, Indian Overseas Bank, Kotak Mahindra Bank, Punjab National Bank, State Bank of India, State Bank of Travancore, The Kapol Co-operative Bank Ltd. & Union Bank of India.

Registered Office

6, Nandalal Bose Sarani, Kolkata 700 071
CIN : U24231WB1936PLC008598
Website : www.eastindiapharma.org

A Decade At A Glance

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Fixed Assets	1781.35	1951.53	1934.77	1876.04	1605.25	1088.12	1103.69	1260.99	1402.34	1367.92
Current Assets, Loans & Advances	11973.46	10667.27	10750.24	10510.83	10258.31	9599.97	9176.10	8008.28	7220.88	6885.54
Share Capital	667.45	667.45	667.45	667.45	667.45	667.45	667.45	667.45	667.45*	444.97
Reserves & Surplus	3900.37	3739.91	3613.14	3585.16	3395.23	3113.55	2980.59	2751.12	2907.45	2857.42
Loans	3592.82	3283.89	3129.77	3303.70	2765.10	2223.47	2247.17	2449.85	2211.66	2086.67
Current Liabilities & Provisions	6018.97	5306.71	5627.55	5160.87	5351.76	4992.93	4684.44	3680.55	3077.77	3087.41
Sales	15820.03	16099.73	15257.02	15975.19	15763.80	14650.61	13561.78	12604.61	13375.27	12317.40
Cost of Materials	4835.29	4689.13	4440.70	4474.06	4574.03	4553.44	4204.59	4268.94	4051.96	3722.51
Staff Expenses	5920.38	5400.91	5403.15	5023.96	4626.10	4281.89	3774.07	3615.90	3608.24	3347.13
Finance Cost	555.92	569.63	493.31	485.40	499.21	401.05	421.69	403.05	324.91	252.92
Profit/(Loss) Before Tax	307.46	160.25	89.56	255.47	489.90	411.30	321.87	(194.91)	566.88	657.04
Profit/(Loss) After Tax	200.69	126.77	68.15	189.93	362.02	172.93	307.04	(156.32)	388.87	472.11
Profit/(Loss) Retained	200.69	126.77	68.15	109.59	281.68	92.59	229.46	(156.32)	272.51	316.45
Dividend on Ordinary Shares	10%	5%	NIL	5%	10%	10%	10%	NIL	15%	30%

All figures are in lakhs ₹

* Bonus Shares issued 1:2 capitalising from General Reserve.

Report of the Board of Directors'

Dear Members

Your Directors have pleasure in presenting the 83rd Annual Report on the business and operations of the Company together with Audited Financial Statements for the year ended March 31, 2020.

Financial Highlights:

The financial results for the year are as under:

<u>Particulars</u>	<u>2019-20(₹)</u>	<u>2018-19(₹)</u>
Profit Before Depreciation, Interest & Tax (PBDIT)	11,66,91,046	8,93,84,231
Interest / Finance Charges	5,55,92,371	5,69,63,202
Profit Before Depreciation and Tax (PBDT)	6,10,98,675	3,24,21,029
Depreciation / Amortization	3,03,52,719	1,63,96,508
Profit Before Tax (PBT)	3,07,45,956	1,60,24,521

State of the Company's Affairs

The Management Discussion and Analysis forms part of this report and covers, amongst other matters, the state of the Company's affairs during the financial year 2019-20.

Change in nature of business, if any

There has been no change in the nature of business of the Company during the financial year 2019-20.

Material changes and commitments, if any, affecting the financial position of the company, having occurred since the end of the Year and till the date of the Report

There have been no material changes and commitments, which affect the financial position of the Company which have occurred between the end of the financial year to which the financial statements relate and the date of this report. However, the company is facing the impact of COVID-19 and the extra ordinary situation arising out of it.

Dividend

The Board of Directors of your company is pleased to recommend a dividend of Re. 1.00 (10%) per equity share of Rs. 10/- each for the financial year 2019-20, for approval by the Shareholders at the forthcoming Annual General Meeting (AGM). The dividend, if declared at the AGM, will be paid to those Shareholders, whose name appears in the Register of Members/Beneficial Owners as on the Record Date.

In accordance with the Finance Act, 2020, dividends declared by domestic companies to shareholders shall not be subjected to Dividend Distribution Tax ('DDT') under section 115-O of the Income Tax Act, 1961 ('the Act'), and the same shall be taxable in the hands of the recipient shareholders at the applicable rates.

Transfer to General Reserve

An amount of Rs. 2,00,68,933 (Rupees Two Crore Sixty Eight Thousand Nine Hundred Thirty Three only) is proposed to be transferred to General Reserve.

Capital Structure

During the year under review:

- There has been no change in the authorised, issued, subscribed and paid up capital of the Company;
- There has been no reclassification or sub-division of the authorised share capital;
- There has been no reduction of share capital or buy back of shares;
- There has been no change in the capital structure of the Company resulting from any restructuring;
- There has been no change in the voting rights

Directors' Report

Share Capital

During the year under review:

- a. No Equity Shares have been issued with differential voting rights. Hence, no disclosure is required in terms of Rule 4(4) of Companies (Share Capital and Debentures) Rules, 2014.
- b. No issue of Sweat Equity Shares has been made. Hence no disclosure is required in terms of Rule 8(13) of Companies (Share Capital and Debentures) Rules, 2014.
- c. There was no issue of Employee Stock Option. Hence, no disclosure is required in terms of Rule 12(9) of Companies (Share Capital and Debentures) Rules, 2014.
- d. There was no provisions made by the Company for any money for purchase of its own shares by employees or trustees for the benefit of employees. Hence, no disclosure is required in terms of Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014.

Investor Education and Protection Fund

The Company has transferred unpaid and unclaimed dividends and their corresponding shares to Investor Education and Protection Fund ('the IEPF') in compliance with the provisions of Section 124(5) of the Companies Act, 2013 ('the Act') read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016. The Company has further transferred the unpaid Deposit and interest thereon to IEPF.

The details of the unpaid and unclaimed deposit and interest thereon, unpaid and unclaimed dividends and corresponding shares transferred to IEPF are as follows:

A. Transfer of Unpaid Dividend to IEPF:

Particulars	Amount (in Rs.)	Date of Transfer
Unclaimed Equity Dividend for the financial year 2011-12	15,30,440	27.11.2019

B. Transfer of Unpaid Deposit/Interest of Deposit to IEPF:

Particulars	Amount (in Rs.)	Date of Transfer
Unclaimed Deposit and Interest thereon for the financial year 2011-12	6,404	13.12.2018
	4,506	30.06.2019

C. Transfer of Shares to IEPF:

Particulars	No. of Equity Shares	Date of Transfer
Equity Shares relating to Unclaimed Equity Dividend for the financial year 2011-12	33,781	11.10.2019

The above dividends and corresponding equity shares were transferred to IEPF after sending letters to those shareholders and also making advertisement in the newspapers in this regard.

The details of the unpaid dividends, deposits and equity shares, which have been transferred to IEPF are available at the Investor section of the website of the Company at www.eastindiapharma.org

Following are the dates of Payment, the Due Dates for credit to IEPF and the Amount:

Year	Date of Declaration of Dividend	Due Date for Credit to IEPF	Amount lying Unpaid/Unclaimed as on 31st March, 2020 (in Rs.)
2013-14	19.09.2014	23.10.2021	11,13,282.25
2014-15	16.09.2015	16.10.2022	12,65,952.00
2015-16	16.09.2016	17.10.2023	12,25,899.00
2016-17	08.09.2017	10.10.2024	6,78,923.00
2018-19	20.09.2019	26.10.2026	3,53,003.00

Directors' Report

Details of Nodal Officer for IEPF

Ms. Jayeeta Sarkar, Company Secretary
6, Nandalal Bose Sarani, Kolkata - 700 071
Email: dcs@eastindiapharma.org

Directors and Key Managerial Personnel

Dr. (Prof) Himadri Sengupta, Non-Executive Director of the Company since 2010, passed away on 10th August, 2020. Your Directors express their sincere condolences on the demise of Dr. (Prof) Himadri Sengupta and place on record their deep appreciation for his invaluable contribution and guidance.

There were no other changes in the Directorship of the Company during the period under review.

Pursuant to the provisions of Section 149 of the Act, the Independent Directors have submitted declarations that each of them meets the criteria of independence as provided in Section 149(6) of the Act along with Rules framed thereunder. There has been no change in the circumstances affecting their status as Independent Directors of the Company.

During the year under review, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission, if any and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board / Committee of the Company.

Mr. Debasish Patra, Company Secretary resigned from his post with effect from 26th October, 2019. During the year under review, Ms. Jayeeta Sarkar, an associate member of the Institute of Company Secretaries of India was appointed as a Whole-time Company Secretary of the Company w.e.f. 1st November, 2019.

Retirement by Rotation

Pursuant to Section 152 of the Act and in terms of the Articles of Association of the Company, Dr. Tapas Raychaudhury & Dr. Abhijit Banerjee, Directors of the Company, will retire by rotation at the 83rd Annual General Meeting and being eligible, offer themselves for re-appointment. The Board of Directors has recommended their re-appointment. A resolution seeking shareholders' approval for their re-appointment forms part of the Notice. Brief profiles of Dr. Tapas Raychaudhury & Dr. Abhijit Banerjee are mentioned in the Notice calling the 83rd Annual General Meeting of the Company.

Key Managerial Personnel

During the year under review, pursuant to the provisions of Section 2(51) and Section 203 of the Act read with rules made there under, the following existing officials of the Company were designated / classified as whole time Key Managerial Personnel of the Company -

1. Mr. Debarshi Duttagupta, Managing Director;
2. Mrs. Satarupa Mukherjee, Executive Director;
3. Mr. Subrata Ray, Chief Financial Officer; and
4. Ms. Jayeeta Sarkar, Company Secretary*

* Appointed w.e.f. 1st November, 2019

Meetings of the Board of Directors

The Board of Directors of the Company met four (4) times during the financial year 2019-20, on 07.05.2019, 16.08.2019, 14.12.2019 and 13.03.2020.

Audit Committee

The composition of the Audit Committee is as follows:

- (a) Mr. Probir Roy, Chairman
- (b) Mr. Sukamal Chandra Basu, Member
- (c) Mr. Dilip Samadar, Member
- (d) Mr. Debarshi Duttagupta, Member.

The Audit Committee is constituted in accordance with Section 177 of the Companies Act, 2013. The Audit Committee

Directors' Report

comprises of three Independent, Non-Executive Directors namely Mr. Probir Roy, Mr. Sukamal Chandra Basu and Mr. Dilip Samadar. Mr. Debarshi Dutttagupta, Managing Director is also members of the Audit Committee. The Chief Financial Officer, Chief Accountant, Chief Internal Auditor, Advisor-Compliance, Statutory Auditor and Cost Auditor are permanent invitees to the meetings of the Audit Committee. The Company Secretary acts as the Secretary to the Audit Committee. The Committee reviews Financial Statements, Internal Control Mechanism, Vigil Mechanism, Internal Audit Report and such other matters as may be required as per the provisions of the Companies Act, 2013 and Terms of Reference of the Audit Committee.

The Audit Committee has met once i.e., on 16th August, 2019 during the financial year 2019-20.

There have been no instances of non-acceptance of any recommendations of the Audit Committee by the Board during the financial year under review.

Nomination and Remuneration Committee & Nomination and Remuneration Policy

The composition of the Nomination and Remuneration Committee is given below:

Members:

- (a) Mr. Probir Roy, Chairman
- (b) Mr. Sukamal Chandra Basu, Member
- (c) Prof. (Dr.) Suman Kumar Mukerjee, Member

The Committee met twice during the financial year 2019-20, on 07.05.2019 and 14.12.2019.

The Committee has formulated a Nomination and Remuneration Policy which has been provided in Annexure I to this Report and the same has been made available on the website of the Company at www.eastindiapharma.org under the link <http://eastindiapharma.org/investors.html>.

Stakeholders' Relationship Committee

The Committee met twice during the financial year 2019-20 i.e., on 07.05.2019 and 16.08.2019. The composition of the Stakeholders Relationship Committee is as follows:

- a) Mr. Chiraranjan Addy, Chairman
- b) Dr. Himadri Sengupta, Member*
- c) Dr. Abhijit Banerjee, Member

** upto 10th August, 2020*

The Committee is empowered to consider and approve the physical transfer/transmission/transposition of shares, issue of new/duplicate share certificates. The Committee also specifically looks into the redressal of shareholders' and investors' complaints/grievances pertaining to transfer of shares, non-receipt of dividend warrants etc.

During the financial year 2019-20, the Committee has received no complaints from any shareholder or investor.

Subsidiary Companies and Consolidated Financial Statements

As on 31st March, 2020, the Company has one subsidiary namely "Qasar Healthcare Private Limited". The subsidiary Company intended to revive the Company but however, due to the extraordinary circumstances i.e., the pandemic (COVID-19) and some other factors, the matter could not be proceeded with.

In accordance with the provisions of section 129(3) of the Act, Consolidated Financial Statement of the Company and its subsidiary has been prepared in the form and manner as that of its own and duly audited by Messrs. APS Associates, Chartered Accountants ('Auditors'), in compliance with the applicable accounting standards.

The consolidated financial statement forms part of the Annual Report and shall be laid before the annual general meeting. A separate statement containing the salient features of the financial statement of its subsidiary is attached with the financial statement.

Accreditation

The Company continues to enjoy ISO 9001-2015 certification by DET NORSKE VERITAS (DNV) and GMP (Schedule - M) as well as GLP (Schedule - L1) Compliance Certificate from Directorate of Drugs Control, West Bengal.

Directors' Report

Public Deposits

During the year under review the Company did not accept any deposits from public within the ambit of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

Annual Return

In accordance with the provisions of section 134 of the Act, the annual return of the company for the financial year 2019-20 is hosted on the website of the company at www.eastindiapharma.org.

Further, in terms of the provisions of section 92 of the Act, an extract of the annual return, in the prescribed format is attached with this report as **Annexure II**.

Vigil Mechanism / Whistle Blower Policy

The Company has established a Vigil Mechanism / Whistle-blower mechanism under the Vigil Mechanism Policy to provide a formal mechanism to the directors, employee and stakeholders to report genuine concerns about unethical behavior, actual and suspected fraud or violation of the Company's policies. The Vigil Mechanism Policy has been uploaded on the website of the Company at www.eastindiapharma.org.

The Audit Committee of the Company oversees the Vigil Mechanism.

Directors' Responsibility Statement

As required by Section 134 (5) of the Companies Act, 2013, based on the information and representations received from the operating management, your Directors confirms that:

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) the Directors have 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 & loss of the Company for that period;
- (c) the Directors have 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 have prepared the annual accounts on a 'going concern' basis;
- (e) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

In accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made there under, the Company formulated an internal Policy on Sexual Harassment at Workplace (Prevention, Prohibition and Redressal) during the year under review.

The policy aims at educating employees on conduct that constitutes sexual harassment, ways and means to prevent occurrence of any such incident, and the mechanism for dealing with such incident in the unlikely event of its occurrence. A five member Internal Complaints Committee (ICC) has been constituted in accordance with the Act.

The ICC is responsible for redressal of complaints related to sexual harassment of women at the workplace in accordance with procedures, regulations and guidelines provided in the Policy.

During the year under review there were no complaints referred to the ICC.

Corporate Social Responsibility

The Company was not required to constitute a Corporate Social Responsibility Committee during the year under review.

Related Party Transactions

All related party transactions, those were entered during the financial year were in the ordinary course of business

Directors' Report

and on an arm's length basis. There were no materially significant related party transactions entered into by the Company with promoter, directors, key managerial personnel or other persons which may have a potential conflict with the interest of the Company. Since all the related party transaction entered into by the Company were in the ordinary course of business and were on arm's length basis and there were no material related party transactions during the year, Form AOC-2 is not applicable to the Company.

Auditors

The Members of the Company at the 82nd Annual General Meeting ('AGM') held on 20th September, 2019 approved the appointment of Messrs APS Associates, Chartered Accountants ('APS'), as the Statutory Auditor of the Company for a period of five years from the conclusion of the said AGM till the conclusion of the 87th AGM.

Auditors' Report

The notes on account referred to in the Auditors' Report are self-explanatory and therefore, do not call for any further explanations or comments.

There are no qualifications, reservations or adverse remarks or disclaimer made in the Auditors' Report, which requires any clarification or explanation.

The Statutory Auditors have not reported any incidence of fraud to the Audit Committee of the Company during the year under review.

Cost Records

The Company is required to maintain cost records as specified by the Central Government under sub-section 1 of section 148 of the Act. Accordingly, the Company make and maintains the cost records and accounts as applicable to the Company.

Cost Auditor

Pursuant to section 148 Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, the Board of Directors of your Company have re-appointed M/s DGM & Associates, Cost Accountants as the Cost Auditor for FY 2020-2021 for conducting the audit of cost records of the Company on the recommendations made by the Audit Committee. The remuneration proposed to be paid to the cost auditor is subject to ratification by the members at ensuing Annual General Meeting and a resolution regarding ratification of remuneration payable to M/s DGM & Associates, Cost Accountants, forms part of the Notice convening the 83rd Annual General Meeting of the Company.

Internal Control System

The Company has adequate internal control system commensurate with its size and scale of operations. The Internal Auditor review that all the transactions of the Company are in line with the compliance of laws, policies and procedures and have been correctly recorded and reported. The internal Audit is conducted on regular basis and the reports are submitted to the Audit Committee at their meetings.

Human Resources

As on 31st March, 2020, the Company had 1148 employees including 85 managerial personnel.

The Company has excellent combination of experienced and talented Technical Managers. The Company also undertakes on regular basis various training programmes to keep its employees updated on new technical developments and information, which directly results in optimum capacity utilization and cost effectiveness.

The Company's relation with its employees continues to be cordial. The Company always reciprocates commitments to its employees in order to motivate them to perform the best.

Statutory Compliances

A Compliance Report encompassing compliance status of all applicable statutes, enactments and guidelines are submitted at every meeting of the Board of Directors of the Company. The Company Secretary who is also the Compliance Officer gives a declaration of compliance to the Board with respect to the applicable provisions of Companies Act, 2013.

Secretarial Standards

The Company is in compliance with the applicable Secretarial Standards SS-1 and SS-2 with respect to convening

Directors' Report

of Board Meetings and General Meetings issued by the Institute of Company Secretaries of India and approved by the Central Government under section 118(10) of the Companies Act, 2013.

Particulars of Loans, Guarantees or Investments

During the period under review, the Company has not given any loan, guarantee or made any investment in terms of provisions of Section 186 of the Companies Act, 2013.

Particulars of Employees

There are no employees whose particulars are required to be published under Section 197 of the Companies Act, 2013 and rules made there under.

Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo

The particulars relating to energy conservation, technology absorption, foreign exchange earnings and outgo, required to be disclosed by Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are provided in the **Annexure-III** to this Report.

Risk Management

A robust and integrated enterprise risk management framework is in existence under which the common prevailing risks in the Company are identified, the risks so identified are reviewed on periodic basis by the Risk Management Committee and the management's actions to mitigate the risk exposure in a timely manner are assessed. The Company has taken adequate measures to mitigate various risks encountered by the Company.

Pursuant to section 134(3)(n) of the Companies Act, 2013, the Company has framed a risk management policy. The risk management framework as approved by the Board has been adopted by the Company and is being reviewed on yearly basis. In the opinion of the Board, at present there are no such risks, which may threaten the existence of the company.

Appreciation and Acknowledgment

Your Directors would like to express their appreciation for the assistance and co-operation received from the Government authorities, Banks, customers, business associates medical fraternity and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the executives, staff and workers of the Company.

for and on behalf of the Board of Directors
Sd/-

Dr. Ranabir Mukherjee
Chairman

Place : Kolkata
Date : August 26, 2020

ANNEXURE - I TO THE DIRECTORS' REPORT

Nomination and Remuneration Policy

The objectives of this Policy include the following:

- 1 To lay down criteria for identifying persons who are qualified to become Directors;
- 1 To formulate criteria for determining qualification, positive attributes and independence of a Director;
- 1 To determine the composition and level of remuneration, including reward linked with the performance, which is reasonable and sufficient to attract, retain and motivate Directors and KMP, to work towards the long term growth and success of the Company;
- 1 To frame guidelines on the diversity of the Board;

Definitions :

Unless the context requires otherwise, the following terms shall have the following meanings: "Director" means a Director of the Company.

"Key Managerial Personnel" or "KMP" means –

- (i) the Chief Executive Officer or the Managing Director;
- (ii) the Whole-time Director;
- (iii) the Chief Financial Officer;
- (iv) the Company Secretary; and
- (v) such other officer as may be prescribed under the applicable law.

Criteria for identifying persons who are qualified to be appointed as a Director of the Company:

Section 164 of the Companies Act, 2013 ("Act") provides for the disqualifications for appointment of any person to become Director of any company. Any person who in the opinion of the Board of Directors ("Board") is not disqualified to become a director, and in the opinion of the Board, possesses the ability, integrity and relevant expertise and experience, can be appointed as Director of the Company.

Independent Directors

For appointment of any person as an Independent Director he / she should possess qualifications as mentioned in Section 149 of the Companies Act, 2013 along with the Rules made thereunder.

Appointment criteria and qualifications

The Nomination & Remuneration Committee ("Committee") shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director (including Independent Directors), or KMP and recommend to the Board his / her appointment.

Such person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient/satisfactory for the concerned position.

Evaluation

The Committee shall carry out evaluation of performance of every Director or KMP at regular interval and at least on a yearly basis.

Evaluation of Directors

In terms of Section 149 of the Act read with Schedule IV of the said Act the Independent Directors shall at its separate meeting review the performance of non-independent Directors based on the parameters that are considered relevant by the Independent Directors.

The Board as a whole shall evaluate the performance of Independent Directors. During such evaluation the Directors being evaluated shall be excluded from the meeting.

Directors' Report

Evaluation of KMP and Senior Management Personnel

Criteria for evaluating performance of KMP (other than Directors) and Senior Management Personnel shall be as per the internal guidelines of the Company on performance management and development.

Criteria for evaluation performance of Other Employees

The respective Departmental Chiefs of the Company shall evaluate the performance of Other Employees. In this regard, the Chiefs shall decide upon the criteria for evaluating performance of Other Employees.

Remuneration of Directors and KMP :

The remuneration /compensation/commission etc. to Managing Director / Whole-time Director and remuneration of KMP will be determined by the Committee and recommended to the Board for approval. Commission to other Directors (including Independent Directors) shall be subject to the approval of the shareholders of the Company and Central Government, wherever required.

Remuneration/commission to Directors (including Independent Directors) as per the statutory provisions of the Act and the rules made thereunder for the time being in force within limits approved by shareholders shall be decided by the Board.

Increments to the existing remuneration/compensation structure payable to Managing Director / Wholetime Directors and KMP may be recommended by the Committee to the Board which should be within the slabs if any, approved by the shareholders in the case of Directors.

Sitting Fees

Non-Executive Directors including Independent Directors may receive remuneration by way of fees for attending meetings of Board or its committee within limits prescribed by the Central Govt.

Remuneration to Senior Management Personnel

The Committee has delegated its powers under this Policy with respect to Senior Management Personnel (other than their appointment) and other employees two Managing Directors and they shall be entitled to take decisions with respect to remuneration of Senior Management Personnel and other employees / their extension after attainment of applicable retirement age / employee welfare measure including provision of loans (with or without interest as per statutory provisions) through wage settlements or company rules/regulations or otherwise.

Remuneration to other employees

The respective Chiefs of the departments of the Company with Managing Director's approval, will determine from time to time the remuneration payable to Other Employees. The powers of the Committee in this regard have been delegated to the Administrative Chief of the Company.

Board Diversity

With a view to achieving a sustainable and balanced development, the Company sees increasing diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and its sustainable development. The Company while appointing may consider the following criteria:

Appoint those persons who possess relevant experience, integrity, understanding, knowledge or other skill sets that may be considered by the Board as relevant in its absolute discretion, for the business of the Company etc.

The Board shall have the optimum combination of Directors, from different areas, fields, backgrounds and skill sets as may be deemed absolutely necessary.

The Board shall have members who have accounting or related financial management expertise and are financially literate.

for and on behalf of the Board of Directors
Sd/-

Dr. Ranabir Mukherjee
Chairman

Place : Kolkata
Date : August 26, 2020

ANNEXURE - II TO THE DIRECTORS' REPORT

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31st. MARCH, 2020.

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

Form MGT – 9

I. REGISTRATION AND OTHER DETAILS:

i.	CIN	U24231WB1936PLC008598
ii.	Registration Date	27th. April, 1936
iii.	Name of the Company	East India Pharmaceutical Works Limited
iv.	Category / Sub-Category of the Company	Company Limited by Shares / Indian Non-Government Company
v.	Address of the Registered office and contact details	6, Nandalal Bose Sarani, Kolkata 700071 Tel: +91 2287 3004/07/09 / 3041 / 2283 0709 Tele Fax: 91-33-2287 3852 / 2287 4289 Email : eastindia@eastindiapharma.org
vi.	Whether listed company	No
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	C B Management Services (P) Limited P-22, Bondel Road, Kolkata 700 019 Phone: (033) 4011 6700 / 2280 6692 Fax: 91-33-2287 0263 E-mail: rta@cbmsl.com Website: www.cbmsl.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	Manufacture of bulk drugs, Manufacture & sale of formulations & Trading Activities	210	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Qasar Healthcare Private Limited 102, S.P. Mukherjee Road, 3rd. Floor, Kolkata 700026	U85110WB1993PTC58605	Subsidiary	99.5%	Section 2(87)

Directors' Report

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	Nil	1845644	1845644	27.65	1027040	982321	2009361	30.10	2.45
b) Central Govt.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) State Govt.(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Any Other	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total(A)(1):-	Nil	1845644	1845644	27.65	1027040	982321	2009361	30.10	2.45
2) Foreign									
a) NRIs-Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Other-Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Any Other	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total(A)(2):-	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total Shareholding of Promoter (A)=(A)(1)+(A)(2)	Nil	1845644	1845644	27.65	1027040	982321	2009361	30.10	2.45
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Central Govt.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Directors' Report

d) State Govt.(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Insurance Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
g) FIs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
h) Foreign Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i) Others (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total(B)(1)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
2. Non Institutions									
a) Bodies Corp.									
(i) Indian	96111	Nil	96111	1.44	105297	Nil	105297	1.58	0.14
(ii) Overseas	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	121618	1903946	2025564	30.35	74	1812801	1812875	27.16	-3.19
(ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	287865	1543753	1831618	27.44	715254	1123381	1838635	27.55	0.11
c) Others (Specify)									
(i) Investor Education & Protection Fund	742192	Nil	842192	12.62	874961	Nil	874961	13.11	0.49
(ii) Non-Resident Individual (Custodian of Enemy Property)	1513	Nil	1513	0.02	1513	Nil	1513	0.02	Nil
	Nil	32216	32216	0.48	Nil	32216	32216	0.48	Nil
Sub-total(B)(2)	1349299	3479915	4829214	72.35	1697099	2968398	4665497	69.90	-2.45
Total Public Shareholding (B)=(B)(1)+(B)(2)	1349299	3479915	4829214	72.35	1697099	2968398	4665497	69.90	-2.45
C. Shares held by Custodian for GDRs & ADRs									
	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Grand Total (A+B+C)	1349299	5325559	6674858	100.00	2724139	3950719	6674858	100.00	Nil

Directors' Report

ii. Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholdin at the beginning of the year			Shareholdin at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Amit Kumar Sen	645318	9.67	Nil	187410	2.80	Nil	-6.87
2.	Indrani Sen	337370	5.05	Nil	795275	11.92	Nil	6.87
3.	Debarshi Duttagupta	651419	9.76	Nil	651419	9.76	Nil	Nil
4.	Nabamita Duttagupta	211537	3.17	Nil	227437	3.14	Nil	0.24
5.	Sanghamitra Duttagupta*	109428	1.64	Nil	109428	1.64	Nil	Nil
6.	Satarupa Mukherjee*	38389	0.58	Nil	38389	0.58	Nil	Nil

iii. Change in Promoters' Shareholding

Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1. Amit Kumar Sen				
At the beginning of the year	645318	9.67	645318	9.67
Transmitted during the year	-457908	-6.87	-457908	-6.87
At the end of the year	187410	2.80	187410	2.80
2. Indrani Sen				
At the beginning of the year	337370	5.05	337370	5.05
Transmitted during the year	457908	6.87	457908	6.87
At the end of the year	795278	11.92	795278	11.92
3. Debarshi Duttagupta				
At the beginning of the year	651419	9.76	651419	9.76
At the end of the year	651419	9.76	651419	9.76
4. Nabamita Duttagupta				
At the beginning of the year	211537	3.17	211537	3.17
Buy on 19-04-2019	1436	0.02	1436	3.19
17-05-2019	3037	0.05	3037	3.24
21-06-2019	1234	0.02	1234	3.25
19-07-2019	4550	0.07	4550	3.32
30-08-2019	607	0.01	607	3.33
29-11-2019	2000	0.03	2000	3.36
27-12-2019	1350	0.02	1350	3.38
21-02-2020	1686	0.03	1686	3.41
At the end of the year	227437	3.41	227437	3.41
5. Sanghamitra Duttagupta				
At the beginning of the year	109428	1.64	109428	1.64
At the end of the year	109428	1.64	109428	1.64
6. Satarupa Mukherlee				
At the beginning of the year	38389	0.58	38389	0.58
At the end of the year	38389	0.58	38389	0.58

iv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Top Ten Shareholders	Date of Event	Buy/Sale	Shareholding as on April 1st, 2019		Cumulative Shareholding during the year	
			No. of shares of the company	% of total shares	No. of shares of the company	% of total shares of the company
1. Investor Education and Protection Fund Authority Ministry of Corporate Affairs						
At the beginning of the year	06/04/2019		842192	12.62	842192	12.62
Changes during the year	31-05-2019	Sale	1012	0.02	841180	12.60
	03-01-2020	Buy	33781	0.51	874961	13.11
At the end of the year	31/03/2020		874961	13.11	874961	13.11
2. Geeta Sen						
At the beginning of the year	06/04/2019		115212	1.73	115212	1.73
Changes during the year	No Changes					
At the end of the year	31/03/2020		115212	1.73	115212	1.73
3. Atish Kumar Sen						
At the beginning of the year	06/04/2019		109255	1.64	109255	1.64
Changes during the year	No Changes					
At the end of the year	31/03/2020		109255	1.64	109255	1.64
4. Anirudha Basu						
At the beginning of the year	06/04/2019		90398	1.35	90398	1.35
Changes during the year	No change					
At the end of the year	31/03/2020		90398	1.35	90398	1.35
5. Mahendra Gridharilal						
At the beginning of the year	06/04/2019		81902	1.23	81902	1.23
Change during the year	No change					
At the end of the year	31/03/2020		81902	1.23	81902	1.23
6. Indra Kumar Bagri						
At the beginning of the year	06/04/2019		81949	1.23	81949	1.23
Change during the year	07/02/2020	Sale	6371	0.10	75578	1.13
At the end of the year	31/03/2020		75578	1.13	75578	1.13
7. Kalyan Sen						
At the beginning of the year	06/04/2019		60750	0.91	60750	0.91
Changes during the year	No Change					
At the end of the year	31/03/2020		60750	0.91	60750	0.91
8. Ratnamala Ray						
At the beginning of the year	06/04/2019		56740	0.85	56740	0.85
Changes during the year	No Change					
At the end of the year	31/03/2020		56740	0.85	56740	0.85
9. Amrex Marketing Pvt. Ltd.						
At the beginning of the year	06/04/2019		56187	0.84	56187	0.84
Change during the year	No Change					
At the end of the year	31/03/2020		56187	0.84	56187	0.84
10. Kumkum Samadar						
At the beginning of the year	06/04/2019		47250	0.71	47250	0.71
Change during the year	No change					
At the end of the year	31/03/2020		47250	0.71	47250	0.71

Directors' Report

v. Shareholding of Directors and Key Managerial Personnel

For each of the Directors and KMP	Shareholding at the beginning of 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
1. Amit Kumar Sen				
At the Beginning of the year, April 1, 2019	645318	9.67	645318	9.67
At the End of the year, March 31, 2020	187410	2.80	187410	2.80
2. Debarshi Duttagupta				
At the Beginning of the year, April 1, 2019	651419	9.76	651419	9.76
At the End of the year, March 31, 2020	651419	9.76	651419	9.76
3. Dilip Samadar				
At the Beginning of the year, April 1, 2019	13500	0.20	13500	0.20
At the End of the year, March 31, 2020	13500	0.20	13500	0.20
4. Ranabir Mukherjee				
At the Beginning of the year, April 1, 2019	2038	0.03	2038	0.03
At the End of the year, March 31, 2020	2038	0.03	2038	0.03
5. Probir Roy				
At the Beginning of the year, April 1, 2019	300	NA**	300	NA
At the End of the year, March 31, 2020	300	NA	300	NA
6. Suman Kumar Mukerjee				
At the Beginning of the year, April 1, 2019	150	NA**	150	NA
At the End of the year, March 31, 2020	150	NA	150	NA
7. Subrata Ray				
At the Beginning of the year, April 1, 2019	15126	0.23	15126	0.23
At the End of the year, March 31, 2020	15126	0.23	15126	0.23
8. Indrani Sen*				
At the Beginning of the year, April 1, 2019	337370	5.05	337370	5.05
At the End of the year, March 31, 2020	795278	11.92	795278	11.92
9. Sanghamitra Duttagupta*				
At the Beginning of the year, April 1, 2019	109428	1.64	109428	1.64
At the End of the year, March 31, 2020	109428	1.64	109428	1.64
10. Satarupa Mukherjee*				
At the Beginning of the year, April 1, 2019	38389	0.58	38389	0.58
At the End of the year, March 31, 2020	38389	0.58	38389	0.58

* Appointed w. e. f. 07.05.2019

** Not ascertainable

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment

	Secured Loans excluding deposits (in ₹)	Unsecured Loans (in ₹)	Deposits (in ₹)	Total Indebtedness (in ₹)
Indebtedness at the beginning of the financial year				
i) Principal Amount	32,83,88,537	-	-	32,83,88,537
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	32,83,88,537	-	-	32,83,88,537
Change in Indebtedness during the financial year				
- Addition	3,08,93,408	-	-	3,08,93,408
- Reduction	-	-	-	-
Net Change	3,08,93,408	-	-	3,08,93,408
Indebtedness at the end of the financial year				
i) Principal Amount	35,92,82,005	-	-	35,92,82,005
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	35,92,82,005	-	-	35,92,82,005

Directors' Report

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Name of MD / WTD / Manager		Total Amount (in ₹)
		Debarshi Duttagupta	Satarupa Mukherjee*	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	51,65,000	22,74,150	74,39,150
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	6,57,117	1,22,496	7,79,613
	(c) Profits in lieu of salary u/s 17(3) of the Income- tax Act, 1961	Nil	Nil	Nil
2.	Stock Option	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil
4.	Commission			
	- as % of profit	Nil	Nil	Nil
	- others, specify	Nil	Nil	Nil
5.	Others, please specify			
	Company's contribution to PF	6,19,800	2,71,224	8,91,024
6.	Company's contribution to Superannuation	7,92,000	3,60,000	11,52,000
	Total (A)	72,33,917	30,27,870	1,02,61,787
	Ceiling as per the Act		10% of the net profits of the Company	

* Appointed w. e. f. 07.05.1019

B. Remuneration to other Directors:

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount (in ₹)			
		Probir Roy	Sukamal Chandra Basu	Dilip Samadar	Suman Kumar Mukherjee**				
1.	Independent Directors								
	·Fee for attending board committee meetings	65,000	50,000	45,000	60,000	3,05,000			
	·Commission	—	—	—	—	—			
	·Others, please specify	—	—	—	—	—			
	Total (1)	65,000	50,000	45,000	60,000	3,05,000			
		Name of Directors				Total Amount (in ₹)			
2.	Other Non-Executive Directors	Ranabir Mukherjee	Sanghamitra Duttagupta*	Himadri Sengupta	Chiraranjan Addy	Abhijit Banerjee	Tapas Raychaudhury	Indrani Sen*	
	Fee for attending board / committee meetings	40,000	30,000	40,000	40,000	30,000	30,000	30,000	2,40,000
	Commission	-	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-	-
	Total (2)	40,000	30,000	40,000	40,000	30,000	30,000	30,000	2,40,000
	Total (B)=(1+2)								4,60,000
	Total Managerial Remuneration (A+B)								1,07,21,787
	Overall Ceiling as per the Act								11% of the net profits of the Company

* Appointed w. e. f. 07.05.1019

** Appointed as an Independent Director by the members of the Company at the 82nd Annual General Meeting held on 20.09.2019

Directors' Report

C. Remuneration to Key Managerial Personnel Other Than MD /Manager /WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total (in ₹)
		CEO	Company Secretary*	CFO	
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	—	6,54,699	12,79,340	19,34,390
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	—	77,001	95,400	1,72,401
	(c) Profits in lieu of salary u/s 17(3) of the Income-tax Act, 1961	—	—	—	—
2.	Stock Option	—	—	—	—
3.	Sweat Equity	—	—	—	—
4.	Commission				
	- as % of profit	—	—	—	—
	- others, specify	—	—	—	—
5.	Others, please specify				
	PF & Superannuation Contribution	—	79,692	2,69,082	3,48,774
	Total	—	8,11,392	16,43,822	24,55,214

* includes remuneration to Mr. Debasish Patra upto 26th October, 2019

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	Not Applicable		
		Punishment			
		Compounding			
B. Directors		Penalty			
		Punishment			
		Compounding			
C. Other Officers In Default		Penalty			
		Punishment			
		Compounding			

for and on behalf of the Board of Directors
Sd/-

Dr. Ranabir Mukherjee
Chairman

Place : Kolkata
Date : August 26, 2020

ANNEXURE - III TO THE DIRECTORS' REPORT

**PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY, ETC AS PER COMPANIES
(ACCOUNTS) RULES, 2014**

A. CONSERVATION OF ENERGY

	SARSUNA UNIT	DURGAPUR UNIT
i) The steps taken or impact on conservation of energy	NIL	NIL
ii) The steps taken by the Company for utilizing alternate source of Energy	NIL	NIL
iii) The capital investment on energy conservation equipment	NIL	NIL

B. TECHNOLOGY ABSORPTION

i) The efforts made towards technology absorption	NIL	NIL
ii) The benefits derived like product improvement, cost reduction, product development or import substitution	NIL	NIL
iii) In case of imported technology (imported during the last three year reckoned from the beginning of the financial year)	NIL	NIL
a. The details of the technology imported.		
b. The year of import		
c. Whether the technology been fully absorbed		
d. If not fully absorbed, areas where absorption has not taken place, and the reasons thereof		
iv) The expenditure incurred on Research and Development	Capital = ₹ 1,15,640 Recurring = ₹ 1,36,07,606 Total = ₹ 1,37,23,246	
(Percentage of total turnover)	0.87%	

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

i) The Foreign Exchange earned in terms of actual inflows during the year	NIL
ii) The Foreign Exchange outgo during the year in terms of actual outflows	1166.62 Lakhs (Including ₹ 1166.32 Lakhs for import of Raw Materials)

for and on behalf of the Board of Directors
Sd/-

Dr. Ranabir Mukherjee
Chairman

Place : Kolkata
Date : August 26, 2020

Management Discussion & Analysis

Global Economic Outlook

Global pharmaceutical markets are suffering from the impact of COVID-19. Pharmaceutical and medical product supply chains are struggling on a global scale to keep pace with the rapid spread of the COVID-19 virus. The outbreak has hindered growth and also brought a halt to the economies in other regions of the world. This pandemic has made the entire world realize the need to re-enforce their supply chains.

Indian Economic Overview

India is among the leading global producers of cost-effective generic medicines and vaccines, supplying 20 percent of the total global demand by volume. The pharmaceutical industry in India produces a large range of bulk drugs, which are the key acting ingredients with medicinal properties that form the basic raw materials for formulations. India also has the expertise in Active Pharmaceutical Ingredients (APIs) and sees significant opportunities for value-creation. India imports 70 per cent of its API from China and felt the disruption when China was under lockdown. The Govt. of India in April 2020 has announced INR 10,000 crore of investments to incentivize production of APIs in India.

Pharma Vision 2020: An Attempt to Make India a Global Pharma Player

Pharma Vision 2020 is the government's commitment to make India a global pharmaceutical player in the global market, and emerge as a leading medical destination for end-to-end drug discovery and innovation. India plans to set up a nearly Rs. 1 lakh crore (US\$ 1.3 billion) fund to provide boost to companies to manufacture pharmaceutical ingredients domestically by 2023. Indian pharmaceuticals market is likely to grow 3%-5% in size during FY 2020-21, despite the COVID-19 related lock-down and there would be monthly revenue improvements from June 2020, says India Ratings and Research (Ind-Ra).

Economic Overview and Outlook

According to a report on the Indian pharmaceutical industry, the source of APIs is a crucial part of the pharma industry's strategic plan to combat the COVID-19 pandemic. The current dependency of Indian pharmaceutical companies on Chinese APIs is a serious concern for national health security, prompting the Indian government to set up a taskforce to review the internal API sector. Although India depends on China to meet its bulk drug requirement, steps taken by the Indian government to incentivize the production of APIs and KSMs under the 'Make in India' programme will help in reducing this dependence. The promotion of bulk drug parks under this initiative would help India become self-sufficient in drug manufacturing, from KSMs to generic formulations.

Pharmaceutical Sector Overview

The pharmaceutical industry is one of the world's fastest growing industries and among the biggest contributors to the world economy. It plays a unique role in improving the lives of patients. Its role has become far more critical amidst the fight against COVID -19 pandemic.

Some of the challenges faced by the Pharma Companies during the pandemic are as follows:

- 1 Manufacturing units/warehouses not working at full utilization, due to unavailability of staff.
- 1 Non-Availability or disrupted supply of raw materials and packing materials.
- 1 Marketing staff facing issues in generating sales as they are unable to conduct in-person sales calls as they used to in the pre-COVID scenario.

However, unlike the other industries, the pharmaceutical industry is expected to see a positive impact, on an overall basis, on its growth in this year.

Company Overview

East India Pharmaceutical Works Limited is an age old pharmaceutical company engaged in the development, manufacture and marketing of quality medicines. The Company has two manufacturing plants, situated at Durgapur and Kolkata, with state of the art production facilities producing a wide range of products. During the last couple of

Management Discussion & Analysis

years, we had to deal with extremely difficult market conditions on account of intense price competition, pricing control, increasing cost etc.

Operational Highlights for FY 2019-20

- 1 Turnover at Rs. 158 Crs.
- 1 Profit before Tax at Rs. 3.07 Crs.

The Way Forward

The Company is still moving forward with the last year's plan of action which was severely slowed down due to the pandemic COVID-19. The Company is planning to extend its portfolio and enter the diabetic care sector. Further, the launch of over the counter products got delayed due to COVID-19. The Company is also in the verge of starting export of its products to overseas market.

The Research and Development Department of the Company is at constant endeavor to produce effective and quality medicine at a low cost, so as to bring affordable medicines to people.

Apart from producing quality products and looking out for new markets for the same, the Company understands the need and importance of E-Commerce and marking its presence in the online marketplace. The Company has started an online portal to directly sell it's over the counter products to the public at large. The various E-commerce portals of the Company are also operational.

The Company has also expanded its number of medical representatives. Many such initiatives have been taken and are being taken by the Company to increase revenue, reduce costs and increase profitability.

Independent Auditors' Report

To The Members of **EAST INDIA PHARMACEUTICAL WORKS LIMITED**

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of EAST INDIA PHARMACEUTICAL WORKS LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss, the Statement of Cash Flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2020, its profit and cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the standards on auditing specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics.

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

Key audit matters

Key audit matters are not applicable to the Company as it is an unlisted company.

Information other than financial statements and auditor's report thereon

We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities ; selection and application of appropriate accounting policies ; making judgments and estimates that are reasonable and prudent ; and design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The board of directors is also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance

Auditors' Report

with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- 1 Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- 1 Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls
- 1 Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 1 Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- 1 Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

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

As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

Auditors' Report

- (c) The balance sheet, the statement of profit and loss, and the cash flow statement dealt with by this report are in agreement with the books of account;
- (d) In our opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 (16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act; and
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us;
 - (i) The Company does not have any pending litigations which would impact its financial position;
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

Kolkata,
Dated, the 26th August, 2020
UDIN : 20017693AAAAAM6469

For APS ASSOCIATES
Chartered Accountants
(Registration No. 306015E)
(A. Dutta)
Partner
Membership No. 017693

Annexure to the Independent Auditors' Report of even date on the Standalone Financial Statements of East India Pharmaceutical Works Limited

Statement under Companies (Auditor's Report) Order, 2016

1.
 - a) The Company is maintaining proper records showing full particulars including quantitative details and situation of its fixed assets.
 - b) The fixed assets are physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
 - c) The title deeds of immovable properties, other than self constructed buildings, are held in the name of the Company.
2. During the year, inventories were physically verified by the management at reasonable intervals. The discrepancies noticed on physical verification of inventories were not material and have been properly dealt with in the books of account.
3. According to the information and explanations given to us and as certified by the management, the Company has not granted any loan, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act.

Auditors' Report

4. According to the information and explanations given to us and as certified by the management, the Company has not granted any loans or made any investment or provided any guarantee or security as per provisions of Sections 185 and 186 of the Act.
5. The Company has not accepted any deposits within the meaning of Section 73 to 76 of the Act and the rules framed there under.
6. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as prescribed under Section 148 (1) of the Act in respect of its products. We are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of such records with a view to determine whether they are accurate or complete.
7. a) According to the records of Company, undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, service tax, customs duty, excise duty, value added tax and goods & services tax have generally been regularly deposited with the appropriate authorities.
b) According to the information and explanations given to us, following are the particulars of disputed dues on account of income tax, excise duty, service tax and sales tax matters which have not been deposited by the Company :-

Name of the Statute	Nature of Dues	Amount (₹)	Relevant Period	Forum where dispute is pending
Central Excise Act, 1944	Central Excise Duty Penalty	2,61,23,380 2,61,23,380	2000-2001 to 2004-2005	Calcutta High Court
Central Excise Act, 1944	Central Excise Duty Penalty	5,97,38,972 5,97,38,972	2013-2014 to 2017-2018	CESTAT East Regional Bench, Kolkata
Central Excise Act, 1944	Service Tax Penalty Interest	1,18,927 1,18,927 1,49,887	2012-2013	Commissioner, (Appeal - 1) Central Excise, Kolkata
Tamil Nadu General Sales Tax Act	Penalty under Central Sales Tax	2,45,205	2005-2006 and 2006-2007	Appellate Deputy Commissioner (CT), Chennai
U.P. Trade Tax Act	Central Sales Tax	58,728	2005-2006	Additional Commissioner, Grade - II (Appeals)
U.P. Trade Tax Act	U.P. Trade Tax	1,00,964	2005-2006	
U.P. Trade Tax Act	U.P. Trade Tax	38,340	2006-2007	
U.P. Trade Tax Act	Central Sales Tax	70,272	2006-2007	
M. P. Land Revenue Code	State of M.P. & Others (Land Revenue)	36,93,194	2017-2018	High Court of Madhya Pradesh

8. According to the records of the Company and the information and explanations given to us, the Company has not defaulted in repayment of dues to its bankers.
9. During the year the Company has not raised any money through public offer. The term loans received during the year were applied for the purposes for which those were obtained.
10. According to the information and explanations given to us and as certified by the management no fraud on or by the Company was reported during the year.
11. Managerial Remuneration has been paid / provided in accordance with the provisions of Section 197 read with Schedule V of the Act.
12. The Company is not a Nidhi Company.
13. According to the information and explanations given to us all transactions with the related parties are in compliance

Auditors' Report

with Section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the financial statements etc., as required by the applicable accounting standards.

14. The Company has not made any preferential allotment or private placement of securities during the year.
15. The Company has not entered into any non-cash transaction with its directors or persons related to any of them.
16. The Company is not required to be registered under Section 45 - IA of the Reserve Bank of India Act, 1934.

Kolkata,
Dated, the 26th August, 2020
UDIN : 20017693AAAAAM6469

For APS ASSOCIATES
Chartered Accountants
(Registration No. 306015E)
(A. Dutta)
Partner
Membership No. 017693

Annexure to the Independent Auditors' Report of even date on the Standalone Financial Statements of East India Pharmaceutical Works Limited

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 **East India Pharmaceutical Works Limited** ("the Company") as of 31st March, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

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 and according to the information and explanation given to us, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

Kolkata,
Dated, the 26th August, 2020
UDIN : 20017693AAAAAM6469

For APS ASSOCIATES
Chartered Accountants
(Registration No. 306015E)
(A. Dutta)
Partner
Membership No. 017693

Standalone Balance Sheet

AS AT 31ST MARCH, 2020

	Note No.	31st March, 2020 ₹	31st March, 2019 ₹
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	2	6,67,45,179	6,67,45,179
(b) Reserves and Surplus	3	39,00,36,575	37,39,90,883
(2) Non-Current Liabilities			
(a) Long-Term Borrowings	4	32,67,440	12,40,426
(b) Long-Term Provisions	8A	6,43,20,000	5,51,46,000
(3) Current Liabilities			
(a) Short-Term Borrowings	5	35,31,62,674	31,40,23,439
(b) Trade Payables	6	34,94,48,075	30,64,48,374
(c) Other Current Liabilities	7	17,44,71,972	17,31,11,522
(d) Short-Term Provisions	8B	1,65,09,000	90,90,000
TOTAL		141,79,60,915	129,97,95,823
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	9	17,06,81,797	9,63,38,731
(ii) Intangible Assets	9	8,26,060	9,34,088
(iii) Capital work-in-progress		66,27,594	9,78,80,503
(b) Non-Current investments	10	99,500	99,500
(c) Deferred Tax Assets (Net)	11	4,23,80,405	3,78,16,137
(d) Long-Term Loans and Advances	12	1,00,86,375	90,98,712
(2) Current Assets			
(a) Inventories	13	37,83,84,071	26,87,61,911
(b) Trade Receivables	14	57,92,65,277	54,33,84,050
(c) Cash and Cash Equivalents	15	12,68,67,302	16,89,20,546
(d) Short-Term Loans and Advances	16	10,07,42,534	7,45,61,645
(e) Other Current Assets	17	20,00,000	20,00,000
TOTAL		141,79,60,915	129,97,95,823
Significant Accounting Policies	1		

The accompanying notes numbered 1 – 37 form an integral part of the financial statements.

This is the Standalone Balance Sheet referred to in our report of even date.

For APS ASSOCIATES
Chartered Accountants
(Registration No. 306015E)
(A. Dutta)
Partner
Membership No. 017693
Kolkata,
Dated, the 26th August, 2020
UDIN : 20017693AAAAAAM6469

Sd/-
Director R. Mukherjee (DIN : 00042992)
Managing Director D. Duttagupta (DIN : 01515595)
Executive Director Ms. S. Mukherjee (DIN : 07630329)
Chief Financial Officer S. Ray
Company Secretary Ms. J. Sarkar
Kolkata, Dated, the 26th August, 2020

Standalone Statement of Profit and Loss

FOR THE YEAR ENDED 31ST MARCH, 2020

	Note No.		31st March, 2020		31st March, 2019
		₹	₹	₹	₹
I. REVENUE FROM OPERATIONS	18		158,39,11,504		161,28,72,834
II. OTHER INCOME	19		15,71,901		12,35,696
III. TOTAL REVENUE (I + II)			<u>158,54,83,405</u>		<u>161,41,08,530</u>
IV. EXPENSES :					
Cost of materials consumed	20		46,57,72,212		45,62,48,199
Purchases of Traded Goods			1,77,56,384		1,26,64,335
Changes in inventories of Finished goods, Work-in-Progress and Traded Goods	21		(4,58,18,931)		(1,19,97,983)
Employee Benefits Expenses	22		59,20,38,256		54,00,90,712
Finance Costs	23		5,55,92,371		5,69,63,202
Depreciation and Amortisation Expenses	9		3,03,52,719		1,63,96,508
Research and Development Expenses	24		1,36,07,606		1,18,54,490
Other Expenses	25		42,54,36,832		51,58,64,546
Total Expenses			<u>155,47,37,449</u>		<u>159,80,84,009</u>
V. PROFIT / (LOSS) BEFORE TAX (III – IV)			3,07,45,956		1,60,24,521
VI. TAX EXPENSES :					
(1) Current tax		1,00,00,000		45,00,000	
(2) Deferred tax		(45,64,268)		(26,25,388)	
(3) Tax Adj. of earlier Years		52,41,291	1,06,77,023	14,72,927	33,47,539
VII. PROFIT / (LOSS) FOR THE YEAR (V-VI)			<u>2,00,68,933</u>		<u>1,26,76,982</u>
VIII. EARNINGS PER EQUITY SHARE :	27				
(1) Basic			3.01		1.90
(2) Diluted			3.01		1.90

The accompanying notes numbered 1 – 37 form an integral part of the financial statements.

This is the Standalone Statement of Profit and Loss referred to in our report of even date.

For APS ASSOCIATES
Chartered Accountants
(Registration No. 306015E)
(A. Dutta)
Partner
Membership No. 017693
Kolkata,
Dated, the 26th August, 2020
UDIN : 20017693AAAAAM6469

Sd/-
Director R. Mukherjee (DIN : 00042992)
Managing Director D. Duttagupta (DIN : 01515595)
Executive Director Ms. S. Mukherjee (DIN : 07630329)
Chief Financial Officer S. Ray
Company Secretary Ms. J. Sarkar
Kolkata, Dated, the 26th August, 2020

Standalone Cash Flow Statement

FOR THE YEAR ENDED 31ST MARCH, 2020

	31st March,2020 ₹	31st March,2019 ₹
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax & extraordinary items	3,07,45,956	1,60,24,521
Adjustments For :		
Depreciation / Amortisation	3,03,52,719	1,63,96,508
(Profit) / Loss on sale of Fixed Assets	(6,71,010)	(3,98,866)
Interest Received	(3,04,342)	(5,90,278)
Interest Paid	5,55,92,371	5,69,63,202
Operating Profit before working capital changes	11,57,15,694	8,83,95,087
(Increase) / Decrease in Inventories	(10,96,22,160)	(99,87,215)
(Increase) / Decrease in Trade & Other Receivables	(6,82,91,070)	(48,41,547)
Increase / (Decrease) in Trade & Other Payables	6,72,25,992	(3,48,91,408)
Cash generated from operations	50,28,456	3,86,74,917
Direct Tax paid	(60,00,000)	(34,72,927)
Net Cash Flow from Operating Activities	(9,71,544)	3,52,01,990
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(1,46,48,840)	(1,83,58,498)
Sale of Fixed Assets	19,85,002	6,84,505
Net Cash Flow from Investing Activities	(1,26,63,838)	(1,76,73,993)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from / (Repayment of) borrowings(Net)	3,08,93,408	1,57,18,576
Payment of Dividend and Dividend Tax	(40,23,241)	NIL
Interest Paid	(5,55,92,371)	(5,69,63,202)
Interest Received	3,04,342	5,90,278
Net Cash Flow from Financing Activities	(2,84,17,862)	(4,06,54,348)
Net Cash Inflow (A+B+C)	(4,20,53,244)	(2,31,26,351)
Cash & Cash Equivalents- Opening	16,89,20,546	19,20,46,897
Cash & Cash Equivalents- Closing	12,68,67,302	16,89,20,546
	(4,20,53,244)	(2,31,26,351)

The accompanying notes numbered 1 – 37 form an integral part of the financial statements.

This is the Standalone Cash Flow Statement referred to in our report of even date.

For APS ASSOCIATES
Chartered Accountants
(Registration No. 306015E)
(A. Dutta)
Partner
Membership No. 017693
Kolkata,
Dated, the 26th August, 2020
UDIN : 20017693AAAAAM6469

Sd/-
Director R. Mukherjee (DIN : 00042992)
Managing Director D. Duttagupta (DIN : 01515595)
Executive Director Ms. S. Mukherjee (DIN : 07630329)
Chief Financial Officer S. Ray
Company Secretary Ms. J. Sarkar
Kolkata, Dated, the 26th August, 2020

Notes forming part of Standalone Balance Sheet as at 31st March, 2020 and Standalone Statement of Profit and Loss for the year ended on 31st March, 2020

Note No.

1 Significant Accounting Policies

- (i) **Basis of Accounting :**
The accounts have been prepared on the principles of historical costs and going concern basis.
- (ii) **Revenue Recognition :**
Revenue is measured at the fair value of the consideration received or receivable. Sales are recognised when the significant risk and rewards of ownership in the goods are transferred. All other revenues are recognised on accrual basis. Gross Sales is exclusive of Goods and Services Tax (GST).
- (iii) **Fixed Assets :**
Fixed assets, including those utilised in R & D activities, are capitalised at cost of acquisition which includes freight, incidental expenses, borrowing cost and net of Goods and Services Tax (GST).
- (iv) **Borrowing Costs :**
Borrowing costs are recognised as expense in the period in which they are incurred, except those directly attributable to the acquisition and construction of qualifying assets.
- (v) **Depreciation :**
Depreciation is provided on the Written Down Value based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.
- (vi) **Research and Development Expenses :**
Revenue expenditure on Research and Development is charged to revenue in the year in which it is incurred. Expenses of capital nature are capitalised.
- (vii) **Inventories :**
Inventories are valued at lower of Cost and Net Realisable Value. Cost is determined as follows :
- | | |
|---------------------------------------|---|
| (a) Raw Materials | : Weighted average basis |
| (b) Work-in-Progress | : Weighted average basis |
| (c) Finished Goods | : Cost of input plus appropriate overhead |
| (d) Traded Goods | : Cost |
| (e) Packing materials and consumables | : Weighted average basis |
- (viii) **Employee Benefits :**
Liabilities in respect of retirement benefits to employees are provided for as follows :
- (I) **Defined Benefit Plans :**
- Leave encashment benefits are provided for on the basis of Actuarial Valuation.
 - Superannuation Fund and Gratuity Fund on the basis of premium paid to the Life Insurance Corporation of India.
- (II) **Defined Contribution Plans :**
Provident / Pension Fund and ESI on the basis of actual liability accrued and paid to Government authorities.
- (ix) **Foreign Currency Transaction :**
Transaction in foreign currencies are accounted for at exchange rates prevailing on the date of transaction. Gain / Loss arising on account of rise or fall in overseas currencies vis-a-vis reporting currency between the date of transaction and that of payment is charged to revenue.
- (x) **Taxes on Income :**
Current Tax is determined as per the provisions of the Income Tax Act, 1961. Deferred Tax liabilities/assets are recognised, subject to the consideration of prudence, on timing difference, being the difference between taxable income and accounting income.
- (xi) Final dividend for the year will be considered once it is approved by the shareholders in the AGM.

Notes forming part of Balance Sheet as at 31st March, 2020 and
Statement of Profit and Loss for the year ended on 31st March, 2020 (contd.)

Note No.	31st March, 2020		31st March, 2019	
	₹	₹	₹	₹
2 EQUITY SHARE CAPITAL				
(a) <u>Authorised</u> :				
1,00,00,000 Ordinary Shares		10,00,00,000		10,00,00,000
(b) <u>Issued</u> :				
66,75,543 Ordinary Shares		6,67,55,430		6,67,55,430
<u>Subscribed and paid up</u> :				
66,74,858 Ordinary Shares fully called up		6,67,48,580		6,67,48,580
Less : Calls Unpaid (525 No. of Shares)		3,401		3,401
		6,67,45,179		6,67,45,179
(c) Par value per share		10.00		10.00
(d) <u>Quantitative Reconciliation (In Nos.)</u> :				
Opening Balance as on 01.04.2019		66,74,858		66,74,858
Add : Shares issued during the year		NIL		NIL
Closing Balance as on 31.03.2020		66,74,858		66,74,858
(e) Shares held by each shareholder holding more than 5 percent shares specifying the number of shares held :				
<u>Name of the shareholder</u>		No. of shares		No. of shares
n Late Amit Kumar Sen		1,87,410		6,45,318
n Shri Debarshi Duttgupta		6,51,419		6,51,419
n Smt. Indrani Sen		7,95,278		3,37,370
(f) Aggregate number of shares allotted as fully paid-up bonus shares during the period of five years immediately preceding the date as at which the Balance Sheet is prepared		NIL		NIL
(g) Calls unpaid		3,401		3,401
1 Calls unpaid by Directors and Officers		NIL		NIL
3 RESERVES AND SURPLUS				
(a) General Reserve:				
Opening Balance	36,59,80,883		35,33,03,901	
Add : Tranferred from				
(i) Investment Fluctuation Reserve	10,000		NIL	
(ii) Contingency Reserve	80,00,000		NIL	
	37,39,90,883		35,33,03,901	
Add : Profit after tax for the year	2,00,68,933		1,26,76,982	
	39,40,59,816		36,59,80,883	
Less : Dividend Paid	33,37,259		NIL	
Tax on Dividend	6,85,982	39,00,36,575	NIL	36,59,80,883
(b) Other Reserve:				
(i) Investment Fluctuation Reserve		NIL		10,000
(ii) Contingency Reserve		NIL		80,00,000
		39,00,36,575		37,39,90,883

Notes forming part of Balance Sheet as at 31st March, 2020 and
Statement of Profit and Loss for the year ended on 31st March, 2020 (contd.)

Note No.	31st March, 2020 ₹	31st March, 2019 ₹
4 LONG – TERM BORROWINGS		
Secured		
n Car Loan from HDFC Bank Ltd. (Repayable in equated monthly instalments and secured against hypothecation of 8 nos Vehicles)	32,67,440	12,40,426
	32,67,440	12,40,426
5 SHORT – TERM BORROWINGS		
Secured		
n <u>From Banks -</u> n <u>Cash Credit :</u> l From United Bank of India	35,31,62,674	31,40,23,439
Nature of Security : Secured by hypothecation of entire current assets of the Company with additional collaterals of charge over immovable properties.	35,31,62,674	31,40,23,439
6 TRADE PAYABLES		
Sundry Creditors : For Goods	26,49,91,603	23,51,93,196
For Services	8,44,56,472	7,12,55,178
	34,94,48,075	30,64,48,374

Notes forming part of Balance Sheet as at 31st March, 2020 and
Statement of Profit and Loss for the year ended on 31st March, 2020 (contd.)

Note No.	31st March, 2020 ₹	31st March, 2019 ₹
7 OTHER CURRENT LIABILITIES		
(a) Current maturities of Long-Term Borrowings :		
n From Banks -		
1 From United Bank of India (Repayable in quarterly instalments and secured by hypothecation of specific assets procured under loan)	NIL	1,20,00,000
1 From HDFC Bank Ltd. (Repayable in equated monthly instalment and secured against hypothecation of 8 nos Vehicles)	28,51,891	11,24,732
(b) Unclaimed dividends*	45,70,287	58,33,168
(c) Other payables (Includes Statutory Dues)	16,70,49,794	15,41,53,622
	<u>17,44,71,972</u>	<u>17,31,11,522</u>

* There are no amounts due to be credited to Investor Education and Protection Fund.

8 PROVISIONS

A. Long Term Provision -

Provision for Leave Encashment	<u>6,43,20,000</u>	<u>5,51,46,000</u>
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B. Short Term Provision -

(a) Provision for Leave Encashment	80,09,000	45,90,000
(b) Provision for Income Tax (Net of Advance Tax of ₹ 15,00,000 Previous Year ₹ NIL)	85,00,000	45,00,000
	<u>1,65,09,000</u>	<u>90,90,000</u>

Notes forming part of Balance Sheet as at 31st March, 2020 and Statement of Profit and Loss for the year ended on 31st March, 2020 (contd.)

Note No. 9 FIXED ASSETS

SI No	Particulars	Cost as on March 31, 2019 ₹	Additions during the year ₹	Deletions ₹	Cost as on March 31, 2020 ₹	Depreciation / Amortisation		Net Value as on March 31, 2020 ₹	
						Upto March 31, 2019 ₹	For the year 2019-2020 ₹		Deletions 2019-2020 ₹
A. TANGIBLE ASSETS									
(a)	Land	7,82,047	-	-	7,82,047	-	-	-	7,82,047
(b)	Buildings	8,99,47,920	47,500	-	8,99,95,420	5,54,92,401	18,35,898	-	3,26,67,121
(c)	Plant and Equipment*	32,07,05,367	9,71,44,624	-	41,78,49,991	26,90,56,441	2,38,89,069	-	12,49,04,481
(d)	Computer	87,20,506	6,40,413	-	93,60,919	75,96,045	6,33,717	-	11,31,157
(e)	Furniture and Fixture	2,76,36,022	6,45,428	-	2,82,81,450	2,34,13,496	9,03,606	-	39,64,348
(f)	Vehicles	1,61,71,370	64,83,760	56,26,972	1,70,28,158	1,25,52,072	22,30,449	43,12,980	65,58,617
(g)	Office Equipment	1,88,92,057	9,40,024	-	1,98,32,081	1,84,06,103	7,51,952	-	6,74,026
	Sub Total	48,28,55,289	10,59,01,749	56,26,972	58,31,30,066	38,65,16,558	3,02,44,691	43,12,980	17,06,81,797
B. INTANGIBLE ASSETS									
	Patents & Licences	1,56,47,278	-	-	1,56,47,278	1,47,13,190	1,08,028	-	8,26,060
	Sub Total	1,56,47,278	-	-	1,56,47,278	1,47,13,190	1,08,028	-	8,26,060
	A+B Grand Total	49,85,02,567	10,59,01,749	56,26,972	59,87,77,344	40,12,29,748	3,03,52,719	43,12,980	17,15,07,857

* Includes additions to Research and Development assets as detailed below :

(i) Plant and Equipment : ₹ 1,15,640 (₹ 28,21,855)

(ii) Computer : ₹ NIL (₹ 51,839)

Notes forming part of Balance Sheet as at 31st March, 2020 and
Statement of Profit and Loss for the year ended on 31st March, 2020 (contd.)

Note No. 9 FIXED ASSETS (Contd.)

Sl No	Particulars	Cost as on	Additions	Deletions	Cost as on	Depreciation / Amortisation			Net Value
		March 31, 2018 ₹	during the year ₹	₹	March 31, 2019 ₹	Upto March 31, 2018 ₹	For the year 2018-2019 ₹	Upto March 31, 2019 ₹	as on March 31, 2019 ₹
A. TANGIBLE ASSETS									
(a)	Land	7,82,047	-	-	7,82,047	-	-	-	7,82,047
(b)	Buildings	8,99,47,920	-	-	8,99,47,920	5,34,81,898	20,10,503	5,54,92,401	3,44,55,519
(c)	Plant and Equipment*	31,25,67,844	81,37,523	-	32,07,05,367	26,04,85,727	85,70,714	26,90,56,441	5,16,48,926
(d)	Computer	77,03,592	10,16,914	-	87,20,506	70,16,921	5,79,124	75,96,045	11,24,461
(e)	Furniture and Fixture	2,72,99,762	3,36,260	-	2,76,36,022	2,22,66,681	11,46,815	2,34,13,496	42,22,526
(f)	Vehicles	1,79,37,640	30,79,748	48,46,018	1,61,71,370	1,38,04,326	33,08,125	1,25,52,072	36,19,298
(g)	Office Equipment	1,84,78,172	4,13,885	-	1,88,92,057	1,78,43,288	5,62,815	1,84,06,103	4,85,954
	Sub Total	47,47,16,977	1,29,84,330	48,46,018	48,28,55,289	37,48,98,841	1,61,78,096	38,65,16,558	9,63,38,731
B. INTANGIBLE ASSETS									
	Patents & Licences	1,56,47,278	-	-	1,56,47,278	1,44,94,778	2,18,412	1,47,13,190	9,34,088
	Sub Total	1,56,47,278	-	-	1,56,47,278	1,44,94,778	2,18,412	1,47,13,190	9,34,088
	A+B Grand Total	49,03,64,255	1,29,84,330	48,46,018	49,85,02,567	38,93,93,619	1,63,96,508	40,12,29,748	9,72,72,819

*Includes additions to Research and Development assets as detailed below :

(i) Plant and Equipment : ₹ 28,21,855 (₹ 97,810)

(ii) Computer : ₹ 51,839 (₹ 18,234)

Notes forming part of Balance Sheet as at 31st March, 2020 and
Statement of Profit and Loss for the year ended on 31st March, 2020 (contd.)

Note No.	31st March, 2020 ₹	31st March, 2019 ₹
10 NON-CURRENT INVESTMENTS		
Investment in Equity Instruments -		
n 9,950 Equity Shares of Rs. 10 each fully paid up – Qasar Healthcare Pvt. Ltd. (Subsidiary Company – unquoted)	99,500	99,500
	99,500	99,500
11 DEFERRED TAX ASSETS (NET)		
<u>Deferred Tax Liabilities :</u>		
Depreciation as per Income Tax Act, 1961	8,43,26,766	7,68,44,260
Privilege Leave paid during the year	1,56,00,359	1,40,49,629
Research & Development Assets	1,16,43,447	1,15,95,190
Total (A)	11,15,70,572	10,24,89,079
<u>Deferred Tax Assets :</u>		
Depreciation charged in Accounts	11,39,05,046	10,54,60,919
Provision for Doubtful Debts	12,67,199	11,19,668
Provision for Leave Encashment for the year	3,87,78,732	3,37,24,629
Total (B)	15,39,50,977	14,03,05,216
Deferred Tax Asset (Net) (B-A)	4,23,80,405	3,78,16,137
12 LONG – TERM LOANS AND ADVANCES (Unsecured, Considered Good)		
(a) Security Deposits	1,00,86,375	90,78,712
(b) Other Advances	NIL	20,000
	1,00,86,375	90,98,712
13 INVENTORIES (At Lower of Cost and Net Realisable Value)		
(a) Raw materials	8,20,41,656	3,03,62,860
(b) Work-in-progress	1,02,81,833	71,82,920
(c) Finished Goods	22,19,07,518	18,41,22,911
(d) Traded Goods	78,30,128	28,94,717
(e) Packing materials and consumables	5,63,22,936	4,41,98,503
	37,83,84,071	26,87,61,911
The above includes goods in transit as under :		
Finished Goods	3,15,74,314	71,71,928

Notes forming part of Balance Sheet as at 31st March, 2020 and
Statement of Profit and Loss for the year ended on 31st March, 2020 (contd.)

Note No.	₹	31st March, 2020 ₹	₹	31st March, 2019 ₹
14 TRADE RECEIVABLES				
(i) Debts outstanding for a period exceeding six months :				
Unsecured, considered good		4,29,76,088		4,43,16,325
Unsecured, considered doubtful	83,04,165		77,73,861	
Less : Provision	<u>83,04,165</u>	NIL	<u>77,73,861</u>	NIL
(ii) Other Debts :				
Unsecured, considered good		53,62,89,189		49,90,67,725
		<u>57,92,65,277</u>		<u>54,33,84,050</u>
15 CASH AND CASH EQUIVALENTS				
(a) Cash and Cash Equivalents :				
n Cash in Hand		4,47,153		5,02,246
n Balances with Banks - In Current Accounts		12,18,49,862		16,25,85,132
(b) Other Bank Balances :				
n In Unclaimed Dividend Accounts		45,70,287		58,33,168
		<u>12,68,67,302</u>		<u>16,89,20,546</u>
16 SHORT – TERM LOANS & ADVANCES (Unsecured, Considered Good)				
(a) Security Deposits		78,03,025		79,49,508
(b) Other advances		9,29,39,509		6,66,12,137
		<u>10,07,42,534</u>		<u>7,45,61,645</u>
17 OTHER CURRENT ASSETS (Unsecured Considered Good)				
Realisable from EPFO		20,00,000		20,00,000
		<u>20,00,000</u>		<u>20,00,000</u>
18 REVENUE FROM OPERATIONS				
(a) Revenue from Sales		158,20,03,241		160,99,72,778
(b) Other operating revenues :				
n Claim	3,55,833		3,95,724	
n Refund of Excise Duty	NIL		1,67,013	
n Others	<u>15,52,430</u>	19,08,263	<u>23,37,319</u>	29,00,056
		<u>158,39,11,504</u>		<u>161,28,72,834</u>

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Notes forming part of Balance Sheet as at 31st March, 2020 and
Statement of Profit and Loss for the year ended on 31st March, 2020 (contd.)

Note No.	31st March, 2020		31st March, 2019	
	₹	₹	₹	₹
19 OTHER INCOME				
(a) Interest Income		3,04,342		5,90,278
(b) Profit/(Loss) on sale of assets		6,71,010		3,98,866
(c) Other income		5,96,549		2,46,552
		<u>15,71,901</u>		<u>12,35,696</u>
20 COST OF MATERIALS CONSUMED				
(a) Raw materials :				
Opening Stock	3,03,62,860		4,24,47,857	
Add : Purchases	35,30,78,992		29,34,33,453	
	<u>38,34,41,852</u>		<u>33,58,81,310</u>	
Less : Closing Stock	8,20,41,656	30,14,00,196	3,03,62,860	30,55,18,450
(b) Packing materials and consumables :				
Opening Stock	4,41,98,503		3,41,24,274	
Add : Purchases	17,64,96,449		16,08,03,978	
	<u>22,06,94,952</u>		<u>19,49,28,252</u>	
Less : Closing Stock	5,63,22,936	16,43,72,016	4,41,98,503	15,07,29,749
		<u>46,57,72,212</u>		<u>45,62,48,199</u>
Details of materials consumed :				
Iodine		11,68,71,834		9,03,41,593
Others		34,89,00,378		36,59,06,606
		<u>46,57,72,212</u>		<u>45,62,48,199</u>
21 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND TRADED GOODS				
Opening Stock :				
Finished Goods	18,41,22,911		17,57,66,166	
Work-in-progress	71,82,920		24,30,937	
Traded Goods	28,94,717	19,42,00,548	40,05,462	18,22,02,565
Less : Closing Stock				
Finished Goods	22,19,07,518		18,41,22,911	
Work-in-progress	1,02,81,833		71,82,920	
Traded Goods	78,30,128	24,00,19,479	28,94,717	19,42,00,548
		<u>(4,58,18,931)</u>		<u>(1,19,97,983)</u>

Notes forming part of Balance Sheet as at 31st March, 2020 and
Statement of Profit and Loss for the year ended on 31st March, 2020 (contd.)

Note No.	31st March, 2020		31st March, 2019	
	₹	₹	₹	₹
22 EMPLOYEE BENEFITS EXPENSES				
(a) Salaries & Wages		49,66,62,763		44,17,20,975
(b) Contribution to Provident and Other Funds		7,40,85,037		7,74,51,345
(c) Workmen and Staff Welfare Expenses		2,12,90,456		2,09,18,392
		<u>59,20,38,256</u>		<u>54,00,90,712</u>
23 FINANCE COSTS				
(a) Interest on Overdraft		4,57,23,626		4,35,15,766
(b) Other Interest		63,05,646		65,19,222
(c) Bank Charges		35,99,738		40,46,645
(d) Exchange Loss / (Gain)		(36,639)		28,81,569
		<u>5,55,92,371</u>		<u>5,69,63,202</u>
24 RESEARCH AND DEVELOPMENT EXPENSES				
(i) In-house Research :				
(a) Salaries & Wages		97,42,699		87,53,760
(b) Contribution to Provident and Other Funds		8,11,928		8,75,297
(c) Workmen and Staff Welfare		3,02,230		2,82,539
(d) Consumable Stores		18,57,018		10,48,258
(e) Travelling Expenses		1,88,941		1,28,683
(f) Repairs & Renewals		6,77,048		7,65,953
(g) Miscellaneous Expenses		27,742		NIL
		<u>1,36,07,606</u>		<u>1,18,54,490</u>
		<u>1,36,07,606</u>		<u>1,18,54,490</u>

Note :

The above does not include Depreciation and Amortisation of ₹ 8,17,419 (previous year ₹ 6,37,289) pertaining to Research and Development assets.

Notes forming part of Balance Sheet as at 31st March, 2020 and
Statement of Profit and Loss for the year ended on 31st March, 2020 (contd.)

Note No.	31st March, 2020		31st March, 2019	
	₹	₹	₹	₹
25 OTHER EXPENSES				
(a) Freight and Handling		5,69,97,365		4,56,37,025
(b) Insurance		65,06,004		49,25,977
(c) Power and Fuel		3,80,63,086		3,98,96,516
(d) Payment to Auditors		7,23,000		6,68,000
(e) Publicity and Sales Promotion		84,08,433		1,22,26,791
(f) Rates, Taxes and License fees		1,59,58,535		1,53,33,701
(g) Rent		1,88,05,506		1,84,51,066
(h) Provision for Doubtful Debts		5,30,304		5,22,655
(i) Conversion Charges		4,89,27,937		3,42,98,558
(j) Commission to C & F Agents		3,15,93,600		3,20,99,851
(k) Discount		3,92,04,429		16,46,65,908
(l) Repairs - Machineries	68,53,422		65,58,101	
- Buildings	5,12,171		17,62,326	
- Others	43,55,419	1,17,21,012	40,41,341	1,23,61,768
(m) Travelling and Conveyance		10,74,32,664		9,50,33,198
(n) Miscellaneous Expenses		4,05,64,957		3,97,43,532
		42,54,36,832		51,58,64,546

26 DISCLOSURE ON LEASED LAND

Total land on which Company's Sarsuna factory is situated is partly owned and partly leasehold. There are total six leases for the leasehold part of the land. All leases expired during the financial year 2016-17, although all the leases contain automatic renewal clause. The company is in lawful possession of the total land. Two lease deeds have been renewed. The company has filed suit for specific performance against three other lessors and those are subjudice before the Learned Court. One lease could not be renewed as there is no known legal heir of the original lessor. The company has made appropriate provision for lease rent for non-renewed portion of the leases considering same rate of rental as per renewed leases.

27 EARNINGS PER SHARE

Earnings per share has been computed as under :

(a) Profit after taxation for the year	2,00,68,933	1,26,76,982
(b) Number of Ordinary Shares	66,74,858	66,74,858
(c) Earnings per share on profit after taxation (Face Value Rs. 10.00 per share)		
- Basic	3.01	1.90
- Diluted	3.01	1.90

Notes forming part of Balance Sheet as at 31st March, 2020 and
Statement of Profit and Loss for the year ended on 31st March, 2020 (contd.)

Note No.	31st March, 2020 ₹	31st March, 2019 ₹
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28 CONTINGENT LIABILITIES AND COMMITMENTS (to the extent not provided for)

(i) Contingent Liabilities :

(a) Claims against the company not acknowledged as debt :		
n in respect of Central Excise Duty (disputed)	17,17,24,704	18,07,17,739
n in respect of Service Tax (disputed)	3,87,741	92,62,068
n in respect of Sales Tax matters (disputed)	5,13,509	5,13,509
n in respect of M.P. Land Revenue Code (disputed)	36,93,194	36,93,194
(b) Guarantees	94,61,812	9,00,906

(ii) Commitments :

Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advance)	5,06,706	NIL
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29 DETAILS OF PAYMENT TO AUDITORS

1 For Statutory Audit	5,02,000	4,77,000
1 For Tax Audit	1,60,000	1,50,000
1 For Certification & Other Services	63,000	43,000
	<u>7,25,000</u>	<u>6,70,000</u>

30 DISCLOSURES ON RELATED PARTIES

(a) Related Party :

(i) **Qasar Healthcare Private Limited - Subsidiary (Shareholding 99.5%)**

(ii) Key Managerial Personnel

<u>Name</u>	<u>Designation</u>
Shri Debarshi Duttgupta	Managing Director
Ms Satarupa Mukherjee #	Executive Director
Shri Subrata Ray	Chief Financial Officer
Shri Debashis Patra (till 26.10.2019)	Company Secretary
Ms Jayeeta Sarkar (w.e.f. 01.11.2019)	Company Secretary

Ms. Satarupa Mukherjee was appointed as Executive Director w.e.f. 07.05.2019.

(b) Transactions with Related Party during the period :

(i) Receivable from Qasar Healthcare Private Limited	₹ 91,66,603
(ii) Total Remuneration paid to Key Managerial Personnel	₹ 1,27,17,001

31 VALUE OF IMPORTS (CIF VALUE)

Raw materials	₹ 1166.32 lakhs	₹ 757.31 lakhs
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32 VALUE OF IMPORTED AND INDIGENOUS RAW MATERIALS, PACKING MATERIALS & CONSUMABLES CONSUMED DURING THE YEAR 2019-2020

	31. 03. 2020 Amount (₹ in lakhs)	31. 03. 2020 % to Total	31. 03. 2019 Amount (₹ in lakhs)	31. 03. 2019 % to Total
(a) Imported	1168.72	25.09	816.21	17.89
(b) Indigenous	3489.00	74.91	3746.27	82.11
	<u>4657.72</u>	<u>100</u>	<u>4562.48</u>	<u>100</u>

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Notes forming part of Balance Sheet as at 31st March, 2020 and
Statement of Profit and Loss for the year ended on 31st March, 2020 (contd.)

Note No.	31st March, 2020 ₹	31st March, 2019 ₹
33 EXPENDITURE IN FOREIGN CURRENCIES (ON PAYMENT BASIS) :		
On account of Travelling	NIL	NIL
On account of Other Matters	29,651	25,229
34 EARNINGS IN FOREIGN CURRENCIES		
From Export	NIL	NIL
35 TRADE PAYABLES (NOTE 6) INCLUDES AMOUNT DUE TO PARTIES REGISTERED UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT - 2006. These parties have been identified on the basis of information available with the company and have been relied upon by the auditors. As required the following disclosures are made :		
(a) Principal amount payable to suppliers at the year end	2,42,56,493	1,78,98,741
(b) Amount of interest paid by the Company in terms of Section 16 of the MSMED, alongwith the amount of the payment made to the supplier beyond the appointed day during the accounting year	NIL	NIL
(c) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED	22,22,199	20,67,231
(d) Amount of interest accrued and remaining unpaid at the end of the accounting year	6,89,741	25,11,411
36 SEGMENT REPORTING Company has only one primary segment, i.e., production and sale of pharmaceutical products. Information regarding secondary segment, i.e., geographical area is given below :		
Sales – Domestic	158,20,03,241	160,99,72,778
Sales – Export	NIL	NIL

37 Figures for the previous years have been rearranged and regrouped, wherever necessary.

Kolkata,
Dated, the 26th August, 2020

Sd/-
Director R. Mukherjee (DIN : 00042992)
Managing Director D. Duttagupta (DIN : 01515595)
Executive Director Ms. S. Mukherjee (DIN : 07630329)
Chief Financial Officer S. Ray
Company Secretary Ms. J. Sarkar

Independent Auditors' Report

To The Members of **EAST INDIA PHARMACEUTICAL WORKS LIMITED**

Report on the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of EAST INDIA PHARMACEUTICAL WORKS LIMITED (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at 31st March, 2020, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (hereinafter referred to as "the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2020, the consolidated financial performance and the consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the standards on auditing specified under Section 143(10) of the Act. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics.

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

Key audit matters

Key audit matters are not applicable to the Company as it is an unlisted company.

Information other than financial statements and auditor's report thereon

We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditors' Report

The respective boards of directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- 1 identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- 1 obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls
- 1 evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 1 conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- 1 evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Other Matters

Financial statements of the subsidiary, which reflect asset of Rs. 0.21 lakh as at 31st March, 2020, loss of Rs. 0.21

Auditors' Report

lakh and net cash flow of Rs. NIL for the year then ended, have been audited by us.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, we report that :

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books .
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2020 taken on record by the Board of Directors of the Holding Company and our report of its subsidiary company, none of the directors of the Group companies is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) We give in the Annexure a report on the internal financial control which is based on the auditors' report of the holding company and its subsidiary company.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Group does not have any pending litigation which would impact the consolidated financial statements.
 - ii) The Group did not have any long term contract including derivative contracts for which there are any material foreseeable losses on long-term contracts including derivative contracts.
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Kolkata,
Dated, the 26th August, 2020
UDIN : 20017693AAAAAN4307

For APS ASSOCIATES
Chartered Accountants
(Registration No. 306015E)
(A. Dutta)
Partner
Membership No. 017693

Annexure to the Independent Auditors' Report of even date on the Consolidated Financial Statements of East India Pharmaceutical Works Limited

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended on 31st March, 2020 we have audited the internal financial controls over financial reporting of East India Pharmaceutical Works Limited ("the Holding Company") and its subsidiary (together referred to as "the Group")

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of

Auditors' Report

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 Group has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by these entities 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.

Kolkata,
Dated, the 26th August, 2020
UDIN : 20017693AAAAAN4307

For APS ASSOCIATES
Chartered Accountants
(Registration No. 306015E)
(A. Dutta)
Partner
Membership No. 017693

Consolidated Balance Sheet

AS AT 31ST MARCH, 2020

	Note No.	31st March, 2020 ₹	31st March, 2019 ₹
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	2	6,67,45,179	6,67,45,179
(b) Reserves and Surplus	3	38,08,35,247	36,48,10,162
(2) Minority Interests			
		(45,738)	(45,635)
(3) Non-Current Liabilities			
(a) Long-Term Borrowings	4	32,67,440	12,40,426
(b) Long-Term Provision	8A	6,43,20,000	5,51,46,000
(4) Current Liabilities			
(a) Short-Term Borrowings	5	35,31,62,674	31,40,23,439
(b) Trade Payables	6	34,94,48,075	30,64,48,374
(c) Other Current Liabilities	7	17,44,73,972	17,31,13,522
(d) Short-Term Provisions	8B	1,65,09,000	90,90,000
TOTAL		140,87,15,849	129,05,71,467
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	9	17,06,81,797	9,63,38,731
(ii) Intangible Assets	9	8,26,060	9,34,088
(iii) Capital work-in-progress		66,27,594	9,78,80,503
(b) Deferred Tax Assets (Net)	10	4,23,80,405	3,78,16,137
(c) Long-Term Loans and Advances	11	1,00,86,375	90,98,712
(2) Current Assets			
(a) Inventories	12	37,83,84,071	26,87,61,911
(b) Trade Receivables	13	57,00,98,674	53,42,38,157
(c) Cash and Cash Equivalents	14	12,68,82,571	16,89,35,815
(d) Short-Term Loans and Advances	15	10,07,48,302	7,45,67,413
(e) Other Current Assets	16	20,00,000	20,00,000
TOTAL		140,87,15,849	129,05,71,467
Significant Accounting Policies	1		

The accompanying notes numbered 1 – 36 form an integral part of the financial statements.

This is the Consolidated Balance Sheet referred to in our report of even date.

For APS ASSOCIATES
Chartered Accountants
(Registration No. 306015E)
(A. Dutta)
Partner
Membership No. 017693
Kolkata,
Dated, the 26th August, 2020
UDIN : 20017693AAAAAN4307

Sd/-
Director R. Mukherjee (DIN : 00042992)
Managing Director D. Duttagupta (DIN : 01515595)
Executive Director Ms. S. Mukherjee (DIN : 07630329)
Chief Financial Officer S. Ray
Company Secretary Ms. J. Sarkar
Kolkata, Dated, the 26th August, 2020

Consolidated Statement of Profit and Loss

FOR THE YEAR ENDED 31ST MARCH, 2020

	Note No.	31st March,2020 ₹	31st March,2019 ₹
I. REVENUE FROM OPERATIONS	17	158,39,11,504	161,28,72,834
II. OTHER INCOME	18	15,71,901	12,35,696
III. TOTAL REVENUE (I + II)		158,54,83,405	161,41,08,530
IV. EXPENSES :			
Cost of Materials Consumed	19	46,57,72,212	45,62,48,199
Purchases of Traded Goods		1,77,56,384	1,26,64,335
Changes in inventories of Finished Goods, Work-in-Progress and Traded Goods	20	(4,58,18,931)	(1,19,97,983)
Employee Benefits Expenses	21	59,20,38,256	54,00,90,712
Finance Costs	22	5,55,92,371	5,69,63,781
Depreciation and Amortization Expenses	9	3,03,52,719	1,63,96,508
Research and Development Expenses	23	1,36,07,606	1,18,54,490
Other Expenses	24	42,54,57,542	51,58,75,286
Total Expenses		155,47,58,159	159,80,95,328
V. PROFIT BEFORE TAX (III – IV)		3,07,25,246	1,60,13,202
VI. TAX EXPENSE :			
(1) Current Tax		1,00,00,000	45,00,000
(2) Deferred Tax		(45,64,268)	(26,25,388)
(3) Tax Adj. of Earlier Years		52,41,291	33,47,539
		1,06,77,023	14,72,927
VII. PROFIT / (LOSS) FOR THE YEAR (V-VI)		2,00,48,223	1,26,65,663
VIII. EARNINGS PER EQUITY SHARE :	26		
(1) Basic		3.00	1.90
(2) Diluted		3.00	1.90

The accompanying notes numbered 1 – 36 form an integral part of the financial statements.

This is the Consolidated Statement of Profit and Loss referred to in our report of even date.

For APS ASSOCIATES
Chartered Accountants
(Registration No. 306015E)
(A. Dutta)
Partner
Membership No. 017693
Kolkata,
Dated, the 26th August, 2020
UDIN : 20017693AAAAAN4307

Sd/-
Director R. Mukherjee (DIN : 00042992)
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Executive Director Ms. S. Mukherjee (DIN : 07630329)
Chief Financial Officer S. Ray
Company Secretary Ms. J. Sarkar
Kolkata, Dated, the 26th August, 2020

Consolidated Cash Flow Statement

FOR THE YEAR ENDED 31ST MARCH, 2020

	31st March,2020 ₹	31st March,2019 ₹
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit / (Loss) Before Tax & Extraordinary Items	3,07,25,246	1,60,13,202
Adjustments For :		
Depreciation / Amortisation	3,03,52,719	1,63,96,508
(Profit) / Loss on sale of Fixed Assets	(6,71,010)	(3,98,866)
Interest Received	(3,04,342)	(5,90,278)
Interest Paid	<u>5,55,92,371</u>	<u>5,69,63,781</u>
Operating Profit before working capital changes	11,56,94,984	8,83,84,347
(Increase) / Decrease in Inventories	(10,96,22,160)	(99,87,215)
(Increase) / Decrease in Trade & Other Receivables	(6,82,70,360)	(48,21,547)
Increase / (Decrease) in Trade & Other Payables	<u>6,72,25,992</u>	<u>(3,49,03,208)</u>
Cash generated from operations	50,28,456	3,86,72,377
Direct Tax paid	<u>(60,00,000)</u>	<u>(34,72,927)</u>
Net Cash Flow from Operating Activities	<u>(9,71,544)</u>	<u>3,51,99,450</u>
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(1,46,48,840)	(1,83,58,498)
Sale of Fixed Assets	<u>19,85,002</u>	<u>6,84,505</u>
Net Cash Flow from Investing Activities	<u>(1,26,63,838)</u>	<u>(1,76,73,993)</u>
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from / (Repayment of) borrowings (Net)	3,08,93,408	1,57,18,576
Payment of Dividend and Dividend Tax	(40,23,241)	NIL
Interest Paid	(5,55,92,371)	(5,69,63,781)
Interest Received	<u>3,04,342</u>	<u>5,90,278</u>
Net Cash Flow from Financing Activities	<u>(2,84,17,862)</u>	<u>(4,06,54,927)</u>
Net Cash Inflow (A+B+C)	<u>(4,20,53,244)</u>	<u>(2,31,29,470)</u>
Cash & Cash Equivalents - Opening	16,89,35,815	19,20,65,285
Cash & Cash Equivalents - Closing	12,68,82,571	16,89,35,815
	<u>(4,20,53,244)</u>	<u>(2,31,29,470)</u>

The accompanying notes numbered 1 – 36 form an integral part of the financial statements.

This is the Consolidated Cash Flow Statement referred to in our report of even date.

For APS ASSOCIATES
Chartered Accountants
(Registration No. 306015E)
(A. Dutta)
Partner
Membership No. 017693
Kolkata,
Dated, the 26th August, 2020
UDIN : 20017693AAAAAN4307

Sd/-
Director R. Mukherjee (DIN : 00042992)
Managing Director D. Duttagupta (DIN : 01515595)
Executive Director Ms. S. Mukherjee (DIN : 07630329)
Chief Financial Officer S. Ray
Company Secretary Ms. J. Sarkar
Kolkata, Dated, the 26th August, 2020

Notes forming part of Consolidated Balance Sheet as at 31st March, 2020 and Consolidated Statement of Profit and Loss for the year ended on 31st March, 2020

Note No.

1 Significant Accounting Policies

- (i) **Basis of preparation :**
The Consolidated Financial Statements have been prepared in accordance with the generally accepted accounting principles in India including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013.
- (ii) **Principles of Consolidation :**
The Consolidated Financial Statements relate to East India Pharmaceutical Works Limited ('the company') and its subsidiary company, Qasar Health Care Private Limited. The Financial Statements of the Company and its subsidiary company are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions in accordance with Accounting Standard (AS-21) - "Consolidated Financial Statements". Minority Interest's share, being negative have been adjusted with Consolidated Reserve and Surplus.
- (iii) **Revenue Recognition :**
Revenue is measured at the fair value of the consolidation received or receivable Sales are recognised when the significant risk and rewards of ownership in the goods are transferred. All other revenues are recognised on accrual basis. Gross sales is exclusive of Goods and Services Tax (GST).
- (iv) **Fixed Assets :**
Fixed assets, including those utilised in R&D activities, are capitalised at cost of acquisition which includes freight, incidental expenses, borrowing cost and net of Goods and Services Tax (GST).
- (v) **Borrowing Costs :**
Borrowing costs are recognised as expense in the period in which they are incurred, except those directly attributable to the acquisition and construction of qualifying assets.
- (vi) **Depreciation :**
Depreciation is provided on the Written Down Value based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.
- (vii) **Research and Development Expenses :**
Revenue expenditure on Research and Development is charged to revenue in the year in which it is incurred. Expenses of capital nature are capitalised.
- (viii) **Inventories :**
Inventories are valued at Lower of Costs and Net Realisable Value. Cost is determined as follows :
- | | |
|---------------------------------------|---|
| (a) Raw Materials | : Weighted average basis |
| (b) Work-in-Progress | : Weighted average basis |
| (c) Finished Goods | : Cost of input plus appropriate overhead |
| (d) Traded Goods | : Cost |
| (e) Packing materials and consumables | : Weighted average basis |
- (ix) **Employee Benefits :**
Liabilities in respect of retirement benefits to employees are provided for as follows :
- (I) **Defined Benefit Plans :**
- Leave encashment benefits are provided for on the basis of actuarial valuation.
 - Superannuation Fund and Gratuity Fund on the basis of premium paid to the Life Insurance Corporation of India.
- (II) **Defined Contribution Plans :**
Provident / Pension Fund and ESI on the basis of actual liability accrued and paid to Government Authorities.
- (x) **Foreign Currency Transaction :**
Transaction in foreign currencies are accounted for at exchange rates prevailing on the date of transaction. Gain / Loss arising on account of rise or fall in overseas currencies vis-a-vis reporting currency between the date of transaction and that of payment is charged to revenue.
- (xi) **Taxes on Income :**
Current Tax is determined as per the provisions of Income Tax Act, 1961. Deferred Tax liabilities/assets are recognised, subject to the consideration of prudence, on timing difference, being the difference between taxable income and accounting income.
- (xii) Final dividend for the year will be considered once it is approved by the shareholders in the AGM.

Notes forming part of Consolidated Balance Sheet as at 31st March, 2020 and
Consolidated Statement of Profit and Loss for the year ended on 31st March, 2020 (contd.)

Note No.	₹	31st March, 2020 ₹	₹	31st March, 2019 ₹
2 SHARE CAPITAL				
(a) <u>Authorised</u> :				
1,00,00,000 Ordinary Shares		10,00,00,000		10,00,00,000
(b) <u>Issued</u> :				
66,75,543 Ordinary Shares		6,67,55,430		6,67,55,430
<u>Subscribed and paid up</u> :				
66,74,858 Ordinary Shares fully called up		6,67,48,580		6,67,48,580
Less : Calls Unpaid (525 No. of Shares)		3,401		3,401
		6,67,45,179		6,67,45,179
(c) Par value per share		10.00		10.00
(d) Quantitative Reconciliation (in Nos) :				
Opening Balance as on 01.04.2019		66,74,858		66,74,858
Add : Shares issued during the year		NIL		NIL
Closing Balance as on 31.03.2020		66,74,858		66,74,858
(e) Shares held by each shareholder holding more than 5 percent shares specifying the number of shares held :				
<u>Name of the shareholder</u>		No. of shares		No. of shares
n Late Amit Kumar Sen		1,87,410		6,45,318
n Shri Debarshi Duttgupta		6,51,419		6,51,419
n Smt. Indrani Sen		7,95,278		3,37,370
(f) Aggregate number of shares allotted as fully paid-up bonus shares during the period of five years immediately preceding the date as at which the Balance Sheet is prepared		NIL		NIL
(g) Calls unpaid		3,401		3,401
1 Calls unpaid by Directors and Officers		NIL		NIL
3 RESERVES AND SURPLUS				
(a) General Reserve:				
Opening Balance	36,59,80,883		35,33,03,901	
Add : Transferred from				
(i) Investment Fluctuation Reserve	10,000		NIL	
(ii) Contingency Reserve	80,00,000		NIL	
	37,39,90,883		35,33,03,901	
Add : Profit after tax for the year	2,00,68,933		1,26,76,982	
	39,40,59,816		36,59,80,883	
Less : Dividend Paid	33,37,259		NIL	
Tax on Dividend	6,85,982	39,00,36,575	NIL	36,59,80,883
Less: Share of loss from Subsidiary		(92,01,328)		(91,80,721)
		38,08,35,247		35,68,00,162
(b) Other Reserve:				
(i) Investment Fluctuation Reserve		NIL		10,000
(ii) Contingency Reserve		NIL		80,00,000
		38,08,35,247		36,48,10,162

Notes forming part of Consolidated Balance Sheet as at 31st March, 2020 and
Consolidated Statement of Profit and Loss for the year ended on 31st March, 2020 (contd.)

Note No.	31st March, 2020 ₹	31st March, 2019 ₹
4 LONG – TERM BORROWINGS		
Secured		
n Car Loan from HDFC Bank Ltd. (Repayable in equated monthly instalments and secured against hypothecation of 8 nos. Vehicles)	32,67,440	12,40,426
	32,67,440	12,40,426
5 SHORT – TERM BORROWINGS		
Secured		
n From Banks -		
n Cash Credit :		
1 From United Bank of India	35,31,62,674	31,40,23,439
Nature of Security :		
Secured by hypothecation of entire current Assets of the Company with additional collaterals of charge over immovable properties.		
	35,31,62,674	31,40,23,439
6 TRADE PAYABLES		
Sundry Creditors : For Goods	26,49,91,603	23,51,93,196
For Services	8,44,56,472	7,12,55,178
	34,94,48,075	30,64,48,374

Notes forming part of Consolidated Balance Sheet as at 31st March, 2020 and
Consolidated Statement of Profit and Loss for the year ended on 31st March, 2020 (contd.)

Note No.	31st March, 2020 ₹	31st March, 2019 ₹
7 OTHER CURRENT LIABILITIES		
(a) Current maturities of Long-Term Borrowings :		
n From Banks -		
1 From United Bank of India (Repayable in Quarterly instalments and secured by hypothecation of specific assets procured under loan)	NIL	1,20,00,000
1 From HDFC Bank Ltd. (Repayable in equated monthly instalments and secured against hypothecation of 8 nos. Vehicles)	28,51,891	11,24,732
(b) Unclaimed dividends *	45,70,287	58,33,168
(c) Other payables - (Includes Statutory Dues)	16,70,51,794	15,41,55,622
	<u>17,44,73,972</u>	<u>17,31,13,522</u>

* There are no amounts due to be credited to Investor Education and Protection Fund.

8 PROVISIONS

A. Long Term Provision -		
Provision for Leave Encashment	<u>6,43,20,000</u>	<u>5,51,46,000</u>
B. Short Term Provision -		
(a) Provision for Leave Encashment	80,09,000	45,90,000
(b) Provision for Income Tax (Net of Advance Tax of ₹ 15,00,000, Previous Year ₹ NIL)	85,00,000	45,00,000
	<u>1,65,09,000</u>	<u>90,90,000</u>

Notes forming part of Consolidated Balance Sheet as at 31st March, 2020 and Consolidated Statement of Profit and Loss for the year ended on 31st March, 2020 (contd.)

Note No. 9 FIXED ASSETS

SI No	Particulars	Cost as on March 31, 2019 ₹	Additions during the year ₹	Deletions ₹	Cost as on March 31, 2020 ₹	Depreciation / Amortisation		Net Value as on March 31, 2020 ₹	
						Upto March 31, 2019 ₹	For the year 2019-2020 ₹	Deletions 2019-2020 ₹	Upto March 31, 2020 ₹
A. TANGIBLE ASSETS									
(a)	Land	7,82,047	-	-	7,82,047	-	-	-	7,82,047
(b)	Buildings	8,99,47,920	47,500	-	8,99,95,420	5,54,92,401	18,35,898	5,73,28,299	3,26,67,121
(c)	Plant and Equipment*	32,07,05,367	9,71,44,624	-	41,78,49,991	26,90,56,441	2,38,89,069	29,29,45,510	12,49,04,481
(d)	Computer	87,20,506	6,40,413	-	93,60,919	75,96,045	6,33,717	82,29,762	11,31,157
(e)	Furniture and Fixture	2,76,36,022	6,45,428	-	2,82,81,450	2,34,13,496	9,03,606	2,43,17,102	39,64,348
(f)	Vehicles	1,61,71,370	64,83,760	56,26,972	1,70,28,158	1,25,52,072	22,30,449	1,04,69,541	65,58,617
(g)	Office Equipment	1,88,92,057	9,40,024	-	1,98,32,081	1,84,06,103	7,51,952	1,91,58,055	6,74,026
	Sub Total	48,28,55,289	10,59,01,749	56,26,972	58,31,30,066	38,65,16,558	3,02,44,691	43,12,980	17,06,81,797
B. INTANGIBLE ASSETS									
	Patents & Licences	1,56,47,278	-	-	1,56,47,278	1,47,13,190	1,08,028	1,48,21,218	8,26,060
	Sub Total	1,56,47,278	-	-	1,56,47,278	1,47,13,190	1,08,028	1,48,21,218	8,26,060
	A+B Grand Total	49,85,02,567	10,59,01,749	56,26,972	59,87,77,344	40,12,29,748	3,03,52,719	44,72,69,487	17,15,07,857

*Includes additions to Research and Development assets as detailed below :

(i) Plant and Equipment : ₹ 1,15,640 (₹ 28,21,855)

(ii) Computer : ₹ NIL (₹ 51,839)

Notes forming part of Consolidated Balance Sheet as at 31st March, 2020 and Consolidated Statement of Profit and Loss for the year ended on 31st March, 2020 (contd.)

Note No. 9 FIXED ASSETS (Contd.)

Sl No	Particulars	Cost as on	Additions	Deletions	Cost as on	Depreciation / Amortisation			Net Value as on March 31, 2019 ₹
		March 31, 2018 ₹	during the year ₹		March 31, 2019 ₹	Upto March 31, 2018 ₹	For the year 2018-2019 ₹	Deletions 2018-2019 ₹	
A. TANGIBLE ASSETS									
(a)	Land	7,82,047	-	-	7,82,047	-	-	-	7,82,047
(b)	Buildings	8,99,47,920	-	-	8,99,47,920	20,10,503	5,54,92,401	-	3,44,55,519
(c)	Plant and Equipment*	31,25,67,844	81,37,523	-	32,07,05,367	85,70,714	26,90,56,441	-	5,16,48,926
(d)	Computer	77,03,592	10,16,914	-	87,20,506	5,79,124	75,96,045	-	11,24,461
(e)	Furniture and Fixture	2,72,99,762	3,36,260	-	2,76,36,022	11,46,815	2,34,13,496	-	42,22,526
(f)	Vehicles	1,79,37,640	30,79,748	48,46,018	1,61,71,370	33,08,125	1,25,52,072	45,60,379	36,19,298
(g)	Office Equipment	1,84,78,172	4,13,885	-	1,88,92,057	1,78,43,288	1,84,06,103	-	4,85,954
	Sub Total	47,47,16,977	1,29,84,330	48,46,018	48,28,55,289	1,61,78,096	38,65,16,558	45,60,379	9,63,38,731
B. INTANGIBLE ASSETS									
	Patents & Licences	1,56,47,278	-	-	1,56,47,278	2,18,412	1,47,13,190	-	9,34,088
	Sub Total	1,56,47,278	-	-	1,56,47,278	2,18,412	1,47,13,190	-	9,34,088
	A+B Grand Total	49,03,64,255	1,29,84,330	48,46,018	49,85,02,567	1,63,96,508	40,12,29,748	45,60,379	9,72,72,819

* Includes additions to Research and Development assets as detailed below :

(i) Plant and Equipment : ₹ 28,21,855 (₹ 97,810)

(ii) Computer : ₹ 51,839 (₹ 18,234)

Notes forming part of Consolidated Balance Sheet as at 31st March, 2020 and
Consolidated Statement of Profit and Loss for the year ended on 31st March, 2020 (contd.)

Note No.	31st March, 2020 ₹	31st March, 2019 ₹
10 DEFERRED TAX ASSETS (NET)		
Deferred Tax Liabilities :		
Depreciation as per Income Tax Act, 1961	8,43,26,766	7,68,44,260
Privilege Leave paid during the year	1,56,00,359	1,40,49,629
Research & Development Assets	1,16,43,447	1,15,95,190
Total (A)	<u>11,15,70,572</u>	<u>10,24,89,079</u>
Deferred Tax Assets :		
Depreciation charged in Accounts	11,39,05,046	10,54,60,919
Provision for Doubtful Debts	12,67,199	11,19,668
Provision for Leave Encashment for the year	3,87,78,732	3,37,24,629
Total (B)	<u>15,39,50,977</u>	<u>14,03,05,216</u>
Deferred Tax Asset (Net) (B-A)	<u>4,23,80,405</u>	<u>3,78,16,137</u>
11 LONG – TERM LOANS AND ADVANCES (Unsecured, Considered Good)		
(a) Security Deposits	1,00,86,375	90,78,712
(b) Other Advances	NIL	20,000
	<u>1,00,86,375</u>	<u>90,98,712</u>
12 INVENTORIES (At Lower of Cost and Net Realisable Value)		
(a) Raw materials	8,20,41,656	3,03,62,860
(b) Work-in-progress	1,02,81,833	71,82,920
(c) Finished Goods	22,19,07,518	18,41,22,911
(d) Traded Goods	78,30,128	28,94,717
(e) Packing materials and consumables	5,63,22,936	4,41,98,503
	<u>37,83,84,071</u>	<u>26,87,61,911</u>
The above includes goods in transit as under :		
Finished Goods	<u>3,15,74,314</u>	<u>71,71,928</u>

Notes forming part of Consolidated Balance Sheet as at 31st March, 2020 and
Consolidated Statement of Profit and Loss for the year ended on 31st March, 2020 (contd.)

Note No.	₹	31st March, 2020 ₹	₹	31st March, 2019 ₹
13 TRADE RECEIVABLES				
(i) Debts outstanding for a period exceeding six months :				
Unsecured, considered good		3,38,09,485		3,51,70,432
Unsecured, considered doubtful	83,04,165		77,73,861	
Less : Provision	<u>83,04,165</u>	NIL	<u>77,73,861</u>	NIL
(ii) Other Debts :				
Unsecured, considered good		53,62,89,189		49,90,67,725
		<u>57,00,98,674</u>		<u>53,42,38,157</u>
14 CASH AND CASH EQUIVALENTS				
(a) Cash and Cash Equivalents :				
n Cash in Hand		4,47,153		5,02,246
n Balances with Banks - In Current Accounts		12,18,50,131		16,25,85,401
(b) Other Bank Balances :				
n In Unclaimed Dividend Accounts		45,70,287		58,33,168
n In Fixed Deposit Accounts		15,000		15,000
		<u>12,68,82,571</u>		<u>16,89,35,815</u>
15 SHORT – TERM LOANS & ADVANCES (Unsecured, Considered Good)				
(a) Security Deposits		78,03,025		79,49,508
(b) Other advances		9,29,45,277		6,66,17,905
		<u>10,07,48,302</u>		<u>7,45,67,413</u>
16 OTHER CURRENT ASSETS Unsecured Considered Good				
Realisable from EPFO		20,00,000		20,00,000
		<u>20,00,000</u>		<u>20,00,000</u>
17 REVENUE FROM OPERATIONS				
(a) Revenue from Sales		158,20,03,241		160,99,72,778
(b) Other Operating Revenues :				
n Claim	3,55,833		3,95,724	
n Refund of Excise Duty	NIL		1,67,013	
n Others	<u>15,52,430</u>	19,08,263	<u>23,37,319</u>	29,00,056
		<u>158,39,11,504</u>		<u>161,28,72,834</u>

Notes forming part of Consolidated Balance Sheet as at 31st March, 2020 and
Consolidated Statement of Profit and Loss for the year ended on 31st March, 2020 (contd.)

Note No.	31st March, 2020		31st March, 2019	
	₹	₹	₹	₹
18 OTHER INCOME				
(a) Interest Income		3,04,342		5,90,278
(b) Profit/(Loss) on sale of Assets		6,71,010		3,98,866
(c) Other income		5,96,549		2,46,552
		<u>15,71,901</u>		<u>12,35,696</u>
19 COST OF MATERIALS CONSUMED				
(a) <u>Raw materials :</u>				
Opening Stock	3,03,62,860		4,24,47,857	
Add : Purchases	35,30,78,992		29,34,33,453	
	38,34,41,852		33,58,81,310	
Less : Closing Stock	8,20,41,656	30,14,00,196	3,03,62,860	30,55,18,450
(b) <u>Packing materials and consumables :</u>				
Opening Stock	4,41,98,503		3,41,24,274	
Add : Purchases	17,64,96,449		16,08,03,978	
	22,06,94,952		19,49,28,252	
Less : Closing Stock	5,63,22,936	16,43,72,016	4,41,98,503	15,07,29,749
		<u>46,57,72,212</u>		<u>45,62,48,199</u>
Details of materials consumed :				
Iodine		11,68,71,834		9,03,41,593
Others		34,89,00,378		36,59,06,606
		<u>46,57,72,212</u>		<u>45,62,48,199</u>
20 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND TRADED GOODS				
<u>Opening Stock :</u>				
Finished Goods	18,41,22,911		17,57,66,166	
Work-in-progress	71,82,920		24,30,937	
Traded Goods	28,94,717	19,42,00,548	40,05,462	18,22,02,565
Less : <u>Closing Stock</u>				
Finished Goods	22,19,07,518		18,41,22,911	
Work-in-progress	1,02,81,833		71,82,920	
Traded Goods	78,30,128	24,00,19,479	28,94,717	19,42,00,548
		<u>(4,58,18,931)</u>		<u>(1,19,97,983)</u>

Notes forming part of Consolidated Balance Sheet as at 31st March, 2020 and
Consolidated Statement of Profit and Loss for the year ended on 31st March, 2020 (contd.)

Note No.	31st March, 2020		31st March, 2019	
	₹	₹	₹	₹
21 EMPLOYEE BENEFITS EXPENSES				
(a) Salaries & Wages		49,66,62,763		44,17,20,975
(b) Contribution to Provident and Other Funds		7,40,85,037		7,74,51,345
(c) Workmen and Staff Welfare Expenses		2,12,90,456		2,09,18,392
		59,20,38,256		54,00,90,712
22 FINANCE COSTS				
(a) Interest on Overdraft		4,57,23,626		4,35,15,766
(b) Other Interest		63,05,646		65,19,222
(c) Bank Charges		35,99,738		40,47,224
(d) Exchange Loss / (Gain)		(36,639)		28,81,569
		5,55,92,371		5,69,63,781
23 RESEARCH AND DEVELOPMENT EXPENSES				
In-house Research :				
(a) Salaries & Wages		97,42,699		87,53,760
(b) Contribution to Provident and Other Funds		8,11,928		8,75,297
(c) Workmen and Staff Welfare		3,02,230		2,82,539
(d) Consumable Stores		18,57,018		10,48,258
(e) Travelling Expenses		1,88,941		1,28,683
(f) Repairs & Renewals		6,77,048		7,65,953
(g) Miscellaneous Expenses		27,742	NIL	1,18,54,490
		1,36,07,606		1,18,54,490

Note :

The above does not include Depreciation and Amortisation of ₹ 8,17,419 (previous year ₹ 6,37,289) pertaining to Research and Development assets.

Notes forming part of Consolidated Balance Sheet as at 31st March, 2020 and
Consolidated Statement of Profit and Loss for the year ended on 31st March, 2020 (contd.)

Note No.	31st March, 2020		31st March, 2019	
	₹	₹	₹	₹
24 OTHER EXPENSES				
(a) Freight and Handling		5,69,97,365		4,56,37,025
(b) Insurance		65,06,004		49,25,977
(c) Power and Fuel		3,80,63,086		3,98,96,516
(d) Payment to Auditors		7,25,000		6,70,000
(e) Publicity and Sales Promotion		84,08,433		1,22,26,791
(f) Rates, Taxes and License fees		1,59,64,645		1,53,41,141
(g) Rent		1,88,05,506		1,84,51,066
(h) Provision for Doubtful Debts		5,30,304		5,22,655
(i) Conversion Charges		4,89,27,937		3,42,98,558
(j) Commission to C & F Agents		3,15,93,600		3,20,99,851
(k) Discount		3,92,04,429		16,46,65,908
(l) Repairs - Machineries	68,53,422		65,58,101	
- Buildings	5,12,171		17,62,326	
- Others	43,55,419	1,17,21,012	40,41,341	1,23,61,768
(m) Travelling and Conveyance		10,74,32,664		9,50,33,198
(n) Miscellaneous Expenses		4,05,77,557		3,97,44,832
		42,54,57,542		51,58,75,286

25 DISCLOSURE ON LEASED LAND

Total land on which Company's Sarsuna factory is situated is partly owned and partly leasehold. There are total six leases for the leasehold part of the land. All leases expired during the financial year 2016-17, although all the leases contain automatic renewal clause. The company is in lawful possession of the total land. Two lease deeds have been renewed. The company has filed suit for specific performance against three other lessors and those are subjudice before the Learned Court. One lease could not be renewed as there is no known legal heir of the original lessor. The company has made appropriate provision for lease rent for non-renewed portion of the leases considering same rate of rental as per renewed leases.

26 EARNINGS PER SHARE

Earnings per share has been computed as under :

(a) Profit after taxation for the year	2,00,48,223	1,26,65,663
(b) Number of Ordinary Shares	66,74,858	66,74,858
(c) Earnings per share on profit after taxation (Face Value Rs. 10.00 per share)		
- Basic	3.00	1.90
- Diluted	3.00	1.90

Notes forming part of Consolidated Balance Sheet as at 31st March, 2020 and Consolidated Statement of Profit and Loss for the year ended on 31st March, 2020 (contd.)

Note No.	31st March, 2020 ₹	31st March, 2019 ₹
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27 CONTINGENT LIABILITIES AND COMMITMENTS
(to the extent not provided for)

(i) **Contingent Liabilities :**

(a) Claims against the company not acknowledged as debt :

n in respect of Central Excise Duty (disputed)	17,17,24,704	18,07,17,739
n in respect of Service Tax (disputed)	3,87,741	92,62,068
n in respect of Sales Tax matters (disputed)	5,13,509	5,13,509
n in respect of M.P. Land Revenue Code (disputed)	36,93,194	36,93,194

(b) Guarantees	94,61,812	9,00,906
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(ii) **Commitments :**

Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advance)	5,06,706	NIL
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28 DETAILS OF PAYMENT TO AUDITORS

1 For Statutory Audit	5,02,000	4,77,000
1 For Tax Audit	1,60,000	1,50,000
1 For Certification & Other Services	63,000	43,000
	7,25,000	6,70,000

29 DISCLOSURES ON RELATED PARTIES

(a) **Related Party :**

(i) **Qasar Healthcare Private Limited - Subsidiary (Shareholding 99.5%)**

(ii) **Key Managerial Personnel**

<u>Name</u>	<u>Designation</u>
Shri Debarshi Duttagupta	Managing Director
Ms Satarupa Mukherjee #	Executive Director
Shri Subrata Ray	Chief Financial Officer
Shri Debashis Patra (till 26.10.2019)	Company Secretary
Ms Jayeeta Sarkar (w.e.f. 01.11.2019)	Company Secretary

Ms. Satarupa Mukherjee was appointed as Executive Director w.e.f. 07.05.2019.

(b) **Transactions with Related Party during the period :**

(i) Receivable from Qasar Healthcare Private Limited	₹ 91,66,603
(ii) Total Remuneration paid to Key Managerial Personnel	₹ 1,27,17,001

30 VALUE OF IMPORTS (CIF VALUE)

Raw materials	₹ 1166.32 lakhs	₹ 757.31 lakhs
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31 VALUE OF IMPORTED AND INDIGENOUS RAW MATERIALS, PACKING MATERIALS & CONSUMABLES CONSUMED DURING THE YEAR 2019-2020

	31. 03. 2020 Amount (₹ in lakhs)	31. 03. 2020 % to Total	31. 03. 2019 Amount (₹ in lakhs)	31. 03. 2019 % to Total
(a) Imported	1168.72	25.09	816.21	17.89
(b) Indigenous	3489.00	74.91	3746.27	82.11
	4657.72	100	4562.48	100

Notes forming part of Consolidated Balance Sheet as at 31st March, 2020 and Consolidated Statement of Profit and Loss for the year ended on 31st March, 2020 (contd.)

Note No.	31st March, 2020 ₹	31st March, 2019 ₹
32 EXPENDITURE IN FOREIGN CURRENCIES (ON PAYMENT BASIS) :		
On account of Travelling	NIL	NIL
On account of Other Matters	29,651	25,229
33 EARNINGS IN FOREIGN CURRENCIES		
From Export	NIL	NIL
34 TRADE PAYABLES (NOTE 6) INCLUDES AMOUNT DUE TO PARTIES REGISTERED UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT - 2006. These parties have been identified on the basis of information available with the company and have been relied upon by the auditors. As required the following disclosures are made :		
(a) Principal amount payable to suppliers at the year end	2,42,56,493	1,78,98,741
(b) Amount of interest paid by the Company in terms of Section 16 of the MSMED, alongwith the amount of the payment made to the supplier beyond the appointed day during the accounting year	NIL	NIL
(c) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED	22,22,199	20,67,231
(d) Amount of interest accrued and remaining unpaid at the end of the accounting year	6,89,741	25,11,411
35 SEGMENT REPORTING Company has only one primary segment, i.e., production and sale of pharmaceutical products. Information regarding secondary segment, i.e., geographical area is given below :		
Sales – Domestic	158,20,03,241	160,99,72,778
Sales – Export	NIL	NIL

36 Figures for the previous years have been rearranged and regrouped, wherever necessary.

Kolkata,
Dated, the 26th August, 2020

Sd/-
Director R. Mukherjee (DIN : 00042992)
Managing Director D. Duttagupta (DIN : 01515595)
Executive Director Ms. S. Mukherjee (DIN : 07630329)
Chief Financial Officer S. Ray
Company Secretary Ms. J. Sarkar

Notes forming part of Consolidated Balance Sheet as at 31st March, 2019 and Consolidated Statement of Profit and Loss for the year ended on 31st March, 2019 (contd.)

Form AOC - 1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

**Statement containing the salient features of the financial statement of subsidiaries/
Associate companies / joint ventures
Part "A": Subsidiaries**

Sl. No.	Name of the Company	Financial year of the Subsidiary Company ended on	Country of Incorporation	Percentage of Shareholding	Reporting currency and Exchange Rate
1	Qasar Healthcare Private Limited	31.03.2020	India	99.50%	INR

Name of the Subsidiary	Share Capital	Reserve & Surplus	Total Liabilities	Total Assets	Investment	Turn-over	Profit before taxes	Provision for taxation	Profit after taxes	Proposed Dividend
Qasar Healthcare Private Limited	1,00,000	(92,47,566)	91,68,603	21,037	-	-	(20,710)	-	(20,710)	-

Part "B": Associates and Joint Ventures

The Company does not have any Associates or Joint Ventures, therefore statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures is not applicable.

for and on behalf of the Board of Directors
Sd/-
Dr. Ranabir Mukherjee
Chairman

Place : Kolkata
Date : August 26, 2020

East India Organisation

REGISTERED OFFICE

6, Nandalal Bose Sarani, Kolkata 700 071
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Tele Fax : 91-33-22873852/22874289
E.mail : eastindia@eastindiapharma.org / cipwl@dataone.in
Website : www.eastindiapharma.org

FACTORIES

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Tele Fax : 91-33-24937274
E.mail : eisf@eastindiapharma.org

Waria Road, Raturia
Durgapur 713 215
Telephones : 255 5813/6177
E.mail : eipwl_durgapur@eastindiapharma.org

TRAINING CENTRE

102, Shyamaprosad Mukherjee Road
Kolkata 700 026
Telephone : 2455 2490

SALES OFFICES

	Telephones		Telephones
Assam		Nagpur	
Nilamoni Phukan Path Christian Basti, House No. 24 Guwahati - 781 005 E.mail : eipwl_guwahati@eastindiapharma.org	(0361)2340746 2340747	Plot No. 215, Ground Floor Laxmi Nagar Nagpur - 440 022	
Bihar		Pune	
Jaintpur Kothi, Bank Road Patna - 800 001 E.mail : eipwl_patna@eastindiapharma.org	9102990796	Jay Apartment, Flat No. 3, 2nd Floor Sundarrao Rege Marg, Lane No. 14 Prabhat Road, Pune - 411 004 E.mail : eipwl_pune@eastindiapharma.org	(020)25438687 9168442377
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