



**27<sup>th</sup> ANNUAL REPORT  
2019-2020**

**BERYL DRUGS LTD.**

**BLANK**

## TWENTY SEVENTH ANNUAL REPORT 2019-2020

### CORPORATE INFORMATION

#### BERYL DRUGS LTD.

CIN: L02423MP1993PLC007840

#### ANNUAL GENERAL MEETING

Date : 23rd September, 2020  
Day : Wednesday  
Time : 10:00 A.M

#### REGISTERED OFFICE

133, Kanchan Bagh  
Indore- 452001 (M.P)

#### SECRETARIAL AUDITORS

M/s Ashish Karodia & Co.,  
208, Trade House, 14/3,  
South Tukoganj, Indore- (M.P) 452001

#### BANKERS

Punjab National Bank, Indore  
ICICI Bank, Indore  
H.D.F.C Bank, Indore

#### LISTED STOCK EXCHANGES

Bombay Stock Exchange, Mumbai  
Phiroze JeeJeebhoy Tower, Dalal Street, Fort,  
Mumbai – 400 001.

#### Ahmedabad Stock Exchange, Ahmedabad

Kamdhenu Complex, Opp. Shahajanand Collage,  
Panjarapole, Ahmedabad - 380015

#### BOARD OF DIRECTORS

Mr. Sanjay Sethi - Managing Director  
Mr. Sudhir Sethi - Chairman and Director  
Mr. Abhinav Naik- Independent Director  
Mrs. Shreya Saraf- Independent Director

#### KEY MANAGERIAL PERSONNEL

Mr. Sanjay Sethi : Managing Director  
Mr. Sudhir Sethi : Chairman & Director  
Mr. Ashish Baraskar : Chief Financial Officer  
Mrs. Neha Sharma : Company Secretary &  
Compliance Officer

#### STATUTORY AUDITORS

Prateek Jain & Co.  
212, Shalimar Corporate Centre, 8-B,  
South Tukoganj, Indore – 452 001

#### REGISTRAR AND SHARE TRANSFER AGENT

M/s. Adroit Corporate Service (P) Ltd,  
19/20, Jafferbhoy, Industrial Estate, 1st Floor,  
Makwana Road, Marol Naka, Andheri (E),  
Mumbai- 400 059 Mail: adroit@vsnl.net  
Ph. 022 - 28596060, 28594060, Fax - 28503748

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## NOTICE 27<sup>th</sup> ANNUAL GENERAL MEETING

**NOTICE** is hereby given that the **Twenty Seventh (27<sup>th</sup>)** Annual General Meeting of Members of **BERYL DRUGS LIMITED** will be held **on Wednesday, 23<sup>rd</sup> December, 2020 at 10:00 A.M.** through Video Conferencing (“VC”) or Other Audio Visual Means (“OAVM”) to transact the following businesses:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the audited financial statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2020 containing the Balance Sheet as at 31<sup>st</sup> March, 2020, the Statement of Profit & Loss and Cash Flow for the year ended 31<sup>st</sup> March, 2020 and the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Sudhir Sethi (DIN: 00090172), who retires by rotation and, being eligible, offers himself for re-appointment.

### **SPECIAL BUSINESS:**

#### **ITEM NO. 3**

**To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution:**

“**RESOLVED THAT** in supersession of all the earlier resolutions passed on the matter and pursuant to the provisions of Section 180(1)(c) of the Companies Act, 2013 (“Act”) and other applicable provisions, if any, (including any statutory modification or re-enactment thereof) and the Articles of Association of the Company, the consent of the Members be and is hereby accorded to the Board of Directors of the Company, to borrow, from time to time, any sum or sums of money as may be required from one or more Banks, Financial Institutions and other persons, firms, bodies corporate, whether in India or abroad, notwithstanding that the monies so borrowed together with the monies already borrowed (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) may at any time exceed the aggregate of the paid up Capital of the Company and its Free Reserves (reserves not set apart for any specific purpose) provided that the total amount that may be borrowed by the Board and outstanding at any point of time, shall not exceed the sum of Rs. 10 Crores (Rupees Ten Crores only) and the Board be and is hereby authorized to decide all terms and conditions in relation to such borrowing, at their absolute discretion and to do all such acts, deeds and things and to execute all such documents, instruments and writings as may be required.”

#### **ITEM NO. 4**

**To consider and, if thought fit, to pass, with or without modification(s), the following resolution, as an Special Resolution:**

“**RESOLVED THAT** pursuant to provisions of Section 164, 196 and 197 of the Companies Act, 2013 and other applicable provisions of Act read with Schedule V and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, other applicable rules and regulations, if any, to the extent notified for the time being in force including any statutory modification or re-enactments made thereof from time to time and Articles of Association of the Company and subject to the approval of the Central Government or such other competent authority, if required, approval of the Shareholders of the Company be and is hereby accorded to the re-appointment of Mr. Sanjay Sethi (DIN: 00090277), as Managing Director of the Company and designated as Executive Director of the Company for a further period of Five (5) years upon such terms and conditions as set out in the agreement as entered between the Company and Mr. Sanjay Sethi and as detailed in the Explanatory Statement annexed to this Notice with liberty to the Board of Directors to alter and vary the terms and conditions of the said appointment in such manner as may be agreed.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things and to decide breakup of his remuneration within the permissible limits in its absolute discretion as may be considered necessary, expedient or desirable and to vary, modify the terms and conditions and to settle any question, or doubt that may arise in relation thereto in order to give effect to the foregoing resolution, or as may be otherwise considered by it to be in the best interest of the Company.

**Registered Office:  
133, Kanchan Bagh, Indore-452001**

**By Order of the Board  
for Beryl Drugs Limited**

**Sd/-**

**Sanjay Sethi  
Managing Director  
(DIN: 00090277)**

**Dated: 20<sup>th</sup> November, 2020**

**Notes:**

1. In view of the global outbreak of the COVID-19 pandemic, the Ministry of Corporate Affairs ('MCA') has vide its General Circular No. 20/2020 dated May 5, 2020 read with General Circular No. 14/ 2020 dated April 8, 2020 and the General Circular No. 17/2020 dated April 13, 2020 (collectively referred to as 'MCA Circulars') and the Securities and Exchange Board of India ('SEBI') vide its circular dated May 12, 2020 ('SEBI Circular') has permitted the companies to hold their Annual General Meeting (AGM), during the calendar year 2020 through VC or OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Act, SEBI Listing Regulations and MCA Circulars & SEBI Circular, the Twenty Seventh AGM of the Company is being held through VC/OAVM on **Wednesday, December, 23, 2020 at 10:00 A.M.** The deemed venue for the 27<sup>th</sup> AGM will be the Registered Office of the company at 133, Kanchan Bagh, Indore (M.P.).
2. Pursuant to provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote at the meeting on his/her behalf and the proxy need not be a member of the company. Since this AGM is being held pursuant to the MCA circulars and SEBI circular through VC/OAVM, the requirement of physical attendance of members has been dispensed with. Accordingly, in terms of the MCA circulars and SEBI circular, the facility for appointment of proxies by the members will not be available for this AGM and hence the proxy form, route map and attendance slip are not annexed to this notice.
3. Corporate Members intending to authorize their representatives to attend the Meeting through VC/OAVM and cast their votes through e-voting are requested to send a scanned certified true copy (PDF/JPG Format) of the Board Resolution authorizing their representative to the Company at [beryl drugs25@yahoo.com](mailto:beryl drugs25@yahoo.com)
4. The statement pursuant to Section 102(1) of the Companies Act, 2013 setting out the material facts in respect of the business under Item Nos. 3 and 4 set out above and the details under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and clause 1.2.5 of Secretarial Standard on General Meeting (SS-2) issued by the Institute of Company Secretaries of India, in respect of the persons seeking appointment/ re-appointment as Director at the AGM, is annexed hereto.
5. In line with the MCA Circular dated May 5, 2020 and SEBI Circular dated May 12, 2020, the Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories. The Notice convening the 27<sup>th</sup> AGM has been uploaded on the website of the Company at [www.beryl drugs.com](http://www.beryl drugs.com) and may also be accessed from the relevant section of the websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com). The Notice is also available on the website of CDSL at [www.evotingindia.com](http://www.evotingindia.com).
6. The Register of Members and the Share Transfer Books of the Company shall remain closed from 16<sup>th</sup> December, 2020 to 23<sup>rd</sup> December, 2020 (both days inclusive).
7. Members holding shares in physical form are requested to intimate immediately to the Registrar & Share Transfer Agent of the Company, Adroit Corporate Financial Services Pvt Ltd., quoting the Registered Folio Number details of change in Bank Account, Electronic Clearing Service (ECS), mandates, nominations, power of attorney, change of address with PIN code number, if any.

Members holding shares in electronic form are requested to intimate aforesaid changes, if any, to their respective Depository Participants only.

8. In terms of the amended Regulation 40(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, except in case of transmission or transposition, requests for effecting transfer of securities of listed companies shall not be processed unless the securities are held in dematerialized form with a Depository. In view of the above, members holding shares in physical form are requested to consider converting their holdings to dematerialized form.
9. The attendance of the Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
10. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
11. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
12. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Members are requested to submit the said details to their depository participants ("DPs") in case the shares are held by them in electronic form and to Adroit Corporate Financial Services Pvt. Ltd. in case the shares are held by them in physical form.
13. Members desirous of obtaining any information concerning to the accounts and operations of the Company are requested to send their queries to the Company Secretary at least seven days before the date of the meeting so that the required information can be made available at the meeting.
14. Investor Grievance Redressal: The Company has designated an e- mail ID i.e. beryldrugs25@yahoo.com to enable the investors to register their complaints / send correspondence, if any.
15. Webcast: Members who are entitled to participate in the AGM can view the proceedings of AGM by logging in the website of CDSL at [www.evotingindia.com](http://www.evotingindia.com) using the login credentials.

#### **INSTRUCTIONS FOR E-VOTING AND JOINING THE AGM AREAS FOLLOWS:**

Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of the SEBI Listing Regulations (as amended) and the MCA Circulars, the Company is providing facility of remote e- voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with CDSL for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a Member using remote e-voting system as well as remote e-voting during the AGM will be provided by CDSL.

#### **A. THE INSTRUCTIONS FOR SHARE HOLDERS FOR REMOTE E-VOTING ARE ASUNDER:**

1. The voting period begins on 19th December, 2020 (10:00 a.m. IST) and ends on 22nd December, 2020 (5:00 p.m. IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 15<sup>th</sup> December, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting

thereafter.

2. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
3. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
4. Click on “Shareholders” module.
5. Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in physical form should enter folio number registered with the company.

OR

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

6. Next enter the Image Verification as displayed and Click on Login.
7. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
8. If you are a first time user follow the steps given below:

	<b>For Shareholders holding shares in Demat Form and Physical Form</b>
<b>Permanent Account Number (PAN)</b>	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</p> <ul style="list-style-type: none"> <li>• In case the sequence number is less than eight digits enter the applicable number of 0’s before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>

9. After entering these details appropriately, click on “SUBMIT” tab.
10. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’



menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

11. For shareholders holding shares in physical form, the details can be used only for e-voting on these solutions contained in this Notice.
12. Click on the EVSN for <Beryl Drugs Limited> on which you choose to vote.
13. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
14. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
15. After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
16. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
17. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
18. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
19. Shareholders can also cast their vote using CDSL’s mobile app “m-Voting”. The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.
20. Note for Non-Individual Members & Custodians:
  - Non Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to <https://www.evotingindia.com> and register themselves as Corporate.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Company at the email address viz; [beryl drugs25@yahoo.com](mailto:beryl drugs25@yahoo.com) (designated email address by company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA email id.
2. For Demat shareholders - please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to Company/RTA email id.

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

1. Shareholder will be provided with a facility to attend the 27th AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Shareholders are encouraged to join the Meeting through Laptops / I-Pads for better experience.
3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least Seven (7) days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [beryl drugs25@yahoo.com](mailto:beryl drugs25@yahoo.com). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance Seven (7) days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [beryl drugs25@yahoo.com](mailto:beryl drugs25@yahoo.com). These queries will be replied to by the company suitably by email.
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

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

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remotee-voting.
2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.

3. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
4. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
21. The Company has appointed PCS Ashish Karodia, Practicing Company Secretary (Membership No. FCS 6549/CP 6375), as the Scrutinizer to scrutinize the e-voting process (including the e-voting system at Annual General Meeting) in a fair and transparent manner.
22. The Scrutinizer shall immediately after the conclusion of voting at the AGM, unblock and count the votes cast during the AGM, and votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favor or against, if any, to the Chairman or Executive Director or the Company Secretary of the Company.
23. The results declared along with the Scrutiniser's Reports shall be posted on the Company's website i.e. [www.beryl drugs.com](http://www.beryl drugs.com) and on website of Central Depository Services (India) Limited ("CDSL") i.e. [www.cdslindia.com](http://www.cdslindia.com) besides communicating to the Stock Exchanges where the shares of the Company are listed.
24. All the documents referred in the Notice are available for inspection electronically from the date of dispatch of Notice till the date of AGM. Members seeking to inspect such documents are requested to write to the Company at [beryl drugs25@yahoo.com](mailto:beryl drugs25@yahoo.com)
25. If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact Mr. Nitin Kunder (022-23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).
26. All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25<sup>th</sup> Floor, Marathon Futurex, Mafatlal Mill Compounds, NM Joshi Marg, Lower Parel (East), Mumbai-400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

**Registered Office:**  
133, Kanchan Bagh, Indore-452001

**By Order of the Board**  
**for Beryl Drugs Limited**

Sd/-

**Sanjay Sethi**  
**Managing Director**  
**(DIN: 00090277)**

**Dated: 20<sup>th</sup> November, 2020**

**ANNEXURE TO NOTICE**  
**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF**  
**THE COMPANIES ACT, 2013**

**ITEM NO. 3:**

Keeping in view the Company's existing and future financial requirements for expansion spree of the Company, the Company needs additional funds. For this purpose, the Company is desirous of raising finance from various Banks and/or Financial Institutions and/or any other lending institutions and/or Bodies Corporate and/or such other persons/ individuals as may be considered fit, which, together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid-up capital and the free reserves of the Company. Hence, it is proposed to increase the maximum borrowing limits upto 10 Crores (Rupees Ten Crores only) over and above paid up and Free Reserves of the Company. Pursuant to Section 180(1)(c) of the Companies Act, 2013, the Board of Directors cannot borrow more than the aggregate amount of the paid-up capital of the Company and its free reserves at any one time except with the consent of the members of the Company in a general meeting. None of the Directors or the Key Managerial Personnel of the Company including their relatives is in any way concerned or interested in the resolutions.

**ITEM NO. 4:**

Mr. Sanjay Sethi (DIN: 00090277) is a Pharma graduate and was re-appointed at Annual General Meeting of the Company for a period of 5 years. He is a promoter of the Company having very rich experience in industries and is acquainted with through knowledge of business. His experience, commitment and capabilities are playing a crucial role in the growth of the Company. Thus the Board of the Directors feel that there is a need for a continuation of suitable plans and program and therefore, it is imminent that he should continue in the capacity of Managing Director of the Company.

In view of the Companies Act, 2013, the Board of Directors of the Company on the recommendation of the Nomination and Remuneration Committee at its Board Meeting has revised the term of Mr. Sanjay Sethi as the Managing Director (Key Managerial Personnel) of the Company subject to the approval of the members of the Company in ensuing annual general meeting for a period of five years, with effect from 11th December, 2020 on the remuneration norms laid down in Section 196, 197, 203 and other applicable provisions of the Companies Act, 2013 and the rules made there under, read with Schedule V of the Companies Act, 2013.

## Annexure

**DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING**

[Pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of Secretarial Standard-2 on General Meetings]

<b>Name of the Director</b>	<b>Mr. Sudhir Sethi</b>	<b>Mr. Sanjay Sethi</b>
<b>Din</b>	00090172	00090277
<b>Age</b>	60	57
<b>Date of First Appointment</b>	12.12.2000	12.12.2000
<b>Qualifications</b>	B.SC, MA in ECONOMICS	B. Pharma
<b>Experience</b>	39 Years of Experience	38 Years of Experience
<b>Other Directorships [*]</b>	1, Beryl Securities Ltd	Beryl Securities Ltd
<b>Other Committee [**]</b>	2	2

**Note:**

\* Other directorships do not include alternate directorships, directorships of private limited companies, Section 8 companies of New Companies Act, 2013 and of companies incorporated outside India and Beryl Drugs Limited.

\*\* This includes membership / chairmanship of Audit Committee and Shareholders Grievances Committee only.

**Registered Office:**  
133, Kanchan Bagh, Indore-452001

**By Order of the Board**  
**for Beryl Drugs Limited**

Sd/-

**Sanjay Sethi**  
**Managing Director**  
**(DIN: 00090277)**

**Dated: 20<sup>th</sup> November, 2020**

## BOARD'S REPORT

To,  
The Members,  
Beryl Drugs Limited,  
Indore.

Your Directors are pleased to present **Twenty Seventh Annual Report** on the business and operations of the Company together with the Audited Financial Statements for the year ended March 31, 2020.

### 1. FINANCIAL RESULTS AND OPERATION:

The Company's financial results have been summarized as follows:

	<b>Year ended</b>	<b>(Rs. In Lakhs)</b>
	<b>31.03.2020</b>	<b>Year ended</b>
	-----	<b>31.03.2019</b>
	-----	-----
Total Revenue		
(Including other operating revenues)	1304.82	1320.36
Profit before tax (PBT)	15.79	79.63
Less: (a) Current Tax (Net)	(3.55)	25.61
(b) Deferred Tax	14.55	(5.06)
Net Profit/Loss for the Period	4.79	59.07
Total Comprehensive Income	9.73	86.09
Basic & Diluted EPS per Equity Share of	0.09	1.16
Face value Rs. 10 each (Rs.)		

### 2. PERFORMANCE OF THE COMPANY:

During the year under review the company earns profit of Rs. 4.79 Lacs in comparison to last year profit of Rs. 59.07 Lacs. Your directors are putting their best effort to turn the company into more profit making company. The directors are putting their best efforts to increase the income with reducing the cost incurred. Your management is very hopeful to achieve better results in forthcoming period and expects to achieve better financial results as per the perception of the Shareholders of the Company.

The outbreak of COVID-19 pandemic has led to an unprecedented disruption in the economic activities across the globe. Due to the stringent nationwide lockdown imposed by the Government of India with effect from March 25, 2020 the manufacturing activities of the Company were severely affected due to severe supply-side disruptions.

The Company has resumed its operations in a phased manner. However, the health and safety of our employees continues to be the foremost priority.

### 3. DIVIDEND:

In order to further strengthen the Company to expand its business activities and to conserve the financial resources, your Directors regret for their inability to recommend any dividend for the financial year 2019-2020.

### 4. SHARE CAPITAL

The paid up Equity Share Capital as at March 31, 2020 stood at 5.71 Crores. During the year under review, the Company has not issued shares or convertible securities or shares with differential

voting rights nor has granted any stock options or sweat equity or warrants.

## 5. PUBLIC DEPOSITS

The Company has neither invited nor accepted any deposit from the public during the year, pursuant to the provisions of Section 73 of the Companies Act, 2013 & the Deposit Rules made there under.

## 6. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

The Board made the following appointments/ re-appointments based on the recommendations of the nomination and remuneration committee:

### APPOINTMENTS & RE- APPOINTMENTS:

- ❖ As per the provisions of the Companies Act, 2013, Mr. Sudhir Sethi (DIN: 00090172) retires by rotation at the ensuing Annual General Meeting and being eligible, seeks re- appointment. The Board recommends his re- appointment.
- ❖ Re- Appointment of Mr. Sanjay Sethi (DIN: 00090277) as Managing Director of the Company for the period of Five Years.

All Independent Directors of the Company have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations. In the opinion of the Board, the Independent Directors, fulfill the conditions of independence specified in Section 149(6) of the Act and Regulation 16(1) (b) of the Listing Regulations. The Independent Directors have also confirmed that they have complied with the Company's Code of Business Conduct & Ethics.

Particulars of the directors seeking appointment/re-appointment are provided in the notes forming part of the notice for the ensuing Annual General Meeting, as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## 7. DIRECTOR'S RESPONSIBILITY STATEMENT:

To the best of knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statement in terms of Section 134[3(c)] of the Act:

1. In the preparation of the annual accounts for the financial period ended on 31<sup>st</sup> March, 2020 the applicable accounting standards subject to notes to the accounts in Auditors Report had been followed, along with proper explanation relating to material departures;
2. The Director 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 period ended and profit of the Company for the period under review;
3. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records, in accordance with the provisions of The Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. The Directors have prepared the annual accounts on a going concern basis.
5. They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.
6. They have laid down internal financial controls, which are adequate and are operating effectively.



**8. AUDITORS:****STATUTORY AUDITORS:**

The Company had appointed M/s. Prateek Jain & Co. having registration No. 009494C allotted by the Institute of Chartered Accountants of India as Statutory Auditors of the Company for carrying out the Statutory Audit of the Company for the Term of 5 years commencing from the conclusion of 24th Annual General Meeting to the conclusion of 29th Annual General Meeting of the Company, which will be subject to ratification by shareholders (every year) in ensuing Annual General Meeting. Pursuant to the amendments made to Section 139 of the Companies Act, 2013 by the Companies (Amendment) Act, 2017 effective from May 7, 2018, the requirement of seeking ratification of the Members for the appointment of the Statutory Auditors has been withdrawn from the Statute. Hence the resolution seeking ratification of the Members for continuance of their appointment at this AGM is not being sought.

There have been no instances of fraud reported by the Statutory Auditors under Section 143(12) of the Act and Rules framed there under, either to the Company or to the Central Government.

The notes on accounts referred to and the Auditors' Report are self explanatory and therefore do not call for any explanatory note

**SECRETARIAL AUDITOR:**

Ashish Karodia & Co, Practicing Company Secretaries, was appointed to conduct the Secretarial audit of the Company for the fiscal 2020, as required under Section 204 of the Companies Act, 2013 and rules there under. The Secretarial Report for the fiscal 2020 forms part of this Annual report as Annexure- 3 to the Board's Report. The Secretarial Audit Report does not contain any qualification, reservation and adverse remark.

The Board has appointed Ashish Karodia & Co, Practicing Company Secretaries as Secretarial Auditor of the Company for fiscal 2021.

**Auditors' Certificate on Corporate Governance:**

As required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Auditor' certificate on Corporate Governance is enclosed as Annexure to the Board's Report. The Auditors' Certificate for fiscal 2020 does not contain any qualification, reservation or any adverse remark.

**9. COMPOSITION OF AUDIT COMMITTEE:**

As per the requirement of Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 177 of the Companies Act, 2013. The present strength of the Audit Committee comprises of Mr. Abhinav Naik, Mrs. Shreya Saraf and Mr. Sudhir Sethi. Mr. Abhinav Naik is the Chairman of the Audit Committee of the Company. All the members of the Audit Committee are independent and non-executive directors. The recommendations of audit committee were duly accepted by the Board of Directors.

There are no recommendations of the audit committee which have not been accepted by the board during the year under review.

**10. INSURANCE:**

The Company's plant, property, equipment, machinery and stocks are adequately insured against various mis-happenings.



**11. PARTICULARS OF EMPLOYEES:**

There are no employees as on date on the rolls of the Company who are in receipt of remuneration which requires disclosures under Section 197(12) of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 i.e. Company does not have any employee receiving Remuneration exceeding the limit specified therein or part thereof.

During the year under review, relationship with the employees is cordial.

**12 DISCLOSURE OF CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO. :**

Information as per Section 134(3)(m) read with Rule 8 of the Companies (Accounts) Rules, 2014 are enclosed as Annexure- 4 to the Board's Report for the year ended 31<sup>st</sup> March, 2020.

**13 MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

In terms of the provisions of Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management's discussion and analysis forms an integral part of this report and gives detail of the overview, industry structure and developments.

**14 CORPORATE GOVERNANCE:**

Your Company has always strived to maintain appropriate standards of good corporate governance. The report on corporate governance as stipulated under Schedule V (C) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of this Report. The requisite certificate confirming compliance with the conditions of corporate governance as stipulated under the said clause is also attached to this report.

**15 LISTING WITH STOCK EXCHANGES :**

The Equity Shares of the Company are listed with the Bombay Stock Exchange Ltd and Ahmedabad Stock Exchange Limited.

The Company has delisted its securities from Madhya Pradesh Stock Exchanges w.e.f. 30<sup>th</sup> May, 2015.

**16 INTERNAL CONTROL SYSTEM :**

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the 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 disclosures.

**17 TRANSACTIONS WITH RELATED PARTIES**

Details of the transactions with related party's falls under the scope of Section 188(1) of the Act. Information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014 are given in Annexure 1 in Form AOC-2 and the same forms part of this report.

**18 INDEPENDENT DIRECTORS DECLARATION**

The Independent Directors have confirmed and declared that they are not disqualified to act as an Independent Director in compliance with the provisions of Section 149 of the Companies Act, 2013 read with Regulation 16(B) of the SEBI (Listing Obligations and Disclosure Requirements)

Regulations, 2015 and the Board is also of the opinion that the Independent Directors fulfill all the conditions specified in the Companies Act, 2013 making them eligible to act as Independent Directors.

**19 CORPORATE SOCIAL RESPONSIBILITY:**

The policy of the Corporate Social Responsibility is not applicable to the Company.

**20 EXTRACT OF ANNUAL RETURN:**

The details forming part of the extract of the Annual Return in Form MGT- 9 is annexed herewith as Annexure- 2.

**21 NUMBER OF BOARD MEETINGS:**

6 Board Meetings were held during the financial year from 1st April, 2019 to 31st March, 2020. The maximum interval between any two meetings did not exceed 120 days, as prescribed in the Companies Act, 2013.

**22 VIGIL MECHANISM:**

A "Vigil Mechanism Policy" for directors and employees of the Company is constituted, to provide a mechanism which ensures adequate safeguards to employees and Directors from any victimization on rising concerns of any violation of legal or regulatory requirements, incorrect or misrepresentation of any, financial statements and reports, etc.

The details pertaining to establishment of vigil mechanism for employees and directors are included in the Corporate Governance Report which forms part of this report.

**23 FINANCIAL YEAR:**

Pursuant to Section 2(41) of the Companies Act, 2013, the Company adopted April- March as its Financial Year. The Financial Year of the Company shall be for a period of 12 months i.e. 1st April to 31st March.

**24 COMMITTEES OF THE BOARD:**

Currently, the Board has Three Committees: the Audit Committee, the Nomination and Remuneration Committee, The Stakeholders Relationship Committee. A detailed note on the composition of the Board and its committees is provided in the Corporate Governance Report section of this Annual Report.

**25 MATERIAL CHANGES AND COMMITMENT AFFECTING FINANCIAL POSITION OF THE COMPANY:**

There are no material changes or commitments occurring after 31st March, 2020, which may affect the financial position of the Company or may require disclosure.

**26 MEETING OF INDEPENDENT DIRECTORS:**

During the year under review, a separate meeting of Independent Directors was held on 20<sup>th</sup> March, 2020

- Evaluation of the performance of Non- Independent Directors and Board of Directors as a whole.
- Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive Directors.
- Evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and necessarily perform its duties.

All the Independent Directors were present at the said Meeting.

## 27 INTERNAL AUDITOR

M/s Abhay Bhandari & Associates, Chartered Accountants, Indore is appointed as Internal Auditor of the Company to conduct the internal audit of the Company for the Financial Year 2019-2020, as required under Section 138 of the Act 2013 and the Companies (Accounts) Rules, 2014.

## 28 DEMATERIALISATION OF SHARES

The shares of your Company are being traded in electronic form and the Company has established connectivity with both the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). In view of the numerous advantages offered by the Depository system, Members are requested to avail the facility of dematerialization of shares with either of the Depositories as aforesaid. As on March 31, 2020, 73.94% of the share capital stands dematerialized.

## 29 SECRETARIAL STANDARDS

The Company has complied with the Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI).

## 30 DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed off during the year 2019-2020

No of complaints received: NIL

No of complaints disposed off: Not Applicable

## 31 RISK MANAGEMENT

The Company has in place Risk Management Policy as per requirement of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 134(3)(n) of the Companies Act, 2013, which requires the Company to lay down procedure for risk assessment and risk minimization. The Board of Directors, Audit committee and the Senior Management of the Company should periodically review the policy and monitor its implementation to ensure the optimization of business performance, to promote confidence amongst stake holders in the business processes, plan and meet strategic objectives and evaluate, tackle and resolve various risks associated with the Company. The business of the Company is exposed to various risks, arising out of internal and external factors i.e. Industry, Competition, Input, Geography, Financial, Regulatory, Other Operational, Information Technology related other risks

## 32 WEB LINK OF THE COMPANY:

The Web link of the Company is Website. [www.beryl drugs.com](http://www.beryl drugs.com).

**33 BOARD EVALUATIONS:**

Pursuant to the provisions of section 134 (3)(p) of the Companies Act, 2013 and applicable Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and Individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process.

Covering various aspects of the Boards functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, governance issues etc.

The evaluation of the Independent Directors was carried out by the entire Board and that of the Chairman and the Non-Independent Directors were carried out by the Independent Directors. The Directors were satisfied with the evaluation results, which reflected the overall engagement and effectiveness of the Board and its Committees with the Company.

**34 RETIRE BY ROTATION:**

Pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Sudhir Sethi, Chairman & Director of the Company, retires by rotation and being eligible, offers himself for reappointment.

**35 PARTICULARS OF JOINT VENTURE, SUBSIDIARY & ASSOCIATE COMPANY**

The Company does not have any joint venture, subsidiary or associate company during the year.

**36 APPRECIATION AND ACKNOWLEDGEMENT**

Your Directors appreciated the trust reposed by the medical fraternity and patients in the Company and look forward to their continued patronage. Your Directors are also grateful and pleased to place on record their appreciation and acknowledgement with gratitude the support and Company-operation extended by clients, customers, vendors, bankers, investors, media and both the State and central Government and their agencies and look forward their continued support.

**For and on Behalf of the Board Beryl Drugs Ltd.**

**Sd/-**

**Place: Indore**

**Dated: 20<sup>th</sup> November, 2020**

**Sanjay Sethi  
Managing Director  
DIN: 00090277**

**Annexure- 1****Form No. AOC-2**

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

Form for disclosure of particulars of contracts / arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto:

1. **Details of contracts or arrangements or transactions not at arm's length basis:** Beryl Drugs Limited (BDL) has not entered into any contract or arrangement or transaction with its related parties which is not at arm's length during financial year 2019-20.
2. **Details of material contracts or arrangement or transactions at arm's length basis:**
  - a. Name(s) of the related party and nature of relationship: Babulal Sethi (Father of Promoter)
  - b. Nature of contracts / arrangements / transactions: Office Rent
  - c. Duration of the contracts / arrangements / transactions: 12 months
  - d. Salient terms of the contracts or arrangements or transactions including the value, if any: N.A.

**Date: 20<sup>th</sup> November, 2020**

**On behalf of the Board of Directors,**

**Place : Indore**

**Sd/-**

**Sanjay Sethi  
Managing Director  
(DIN 00090277)**

**FORM NO. MGT 9**  
**EXTRACT OF ANNUAL RETURN**  
As on financial year ended on 31.03.2020

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

I. REGISTRATION & OTHER DETAILS:		
1	CIN	L02423MP1993PLC007840
2	Registration Date	24.08.1993
3	Name of the Company	BERYL DRUGS LIMITED
4	Category/Sub-category of the Company	MANUFACTURING
5	Address of the Registered office & contact details	133, Kanchan Bagh, Indore (M.P)- 452001
6	Whether listed company	YES
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	ADROIT CORPORATE SERVICES PVT LTD 1st Floor, Makwana Road, Marol Naka, Andheri (East), Mumbai- 400059

**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)

S.No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Manufacturing of Allopathic Pharmaceuticals Preparations	Group 210, Class 2100, Sub- class 21002	100%

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

S.No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	_____ NA _____				

**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 [As on 01-April-2019]				No. of Shares held at the end of the year [As on 31-March-2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/ HUF	0	0	0	0.00	0	0	0	0.00	0.00
b) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any other									
f-1) DIRECTORS RELATIVES	355331	0	355331	7.01	355331	0	355331	7.01	0.00
f-2) DIRECTORS	908700	0	908700	17.92	908700	0	908700	17.92	0.00
<b>Sub Total (A) (1)</b>	<b>1264031</b>	<b>0</b>	<b>1264031</b>	<b>24.92</b>	<b>1264031</b>	<b>0</b>	<b>1264031</b>	<b>24.92</b>	<b>0</b>
(2) Foreign									
a) NRI Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d) Any other	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub Total (A) (2)</b>	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>TOTAL (A)</b>	<b>12,64,031</b>	<b>-</b>	<b>12,64,031</b>	<b>0.00%</b>	<b>12,64,031</b>	<b>-</b>	<b>12,64,031</b>	<b>24.92%</b>	<b>0.00%</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
c) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIs	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (B)(1):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	218328	40100	258428	5.10	191075	40100	231175	4.56	-0.54
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	1347401	1270200	2617601	51.61	1346814	1259100	2605914	51.38	-0.23

ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	854445	10100	864545	17.05	891634	10100	901734	17.78	0.73
c) Others (specify)									
Non Resident Indians	53595	13300	66895	1.32	53920	12300	66220	1.31	-0.01
Foreign Nationals	0	0	0	0.00	0	0	0	0.00	0.00
Clearing Members	200	0	200	0.00	2626	0	2626	0.05	0.05
Trusts	0	0		0.00	0	0	0	0.00	0.00
Foreign Bodies - D R	0	0		0.00	0	0	0	0.00	0.00
<b>Sub-total (B)(2):-</b>	<b>24,73,969</b>	<b>13,33,700</b>	<b>38,07,669</b>	<b>75.08%</b>	<b>24,86,069</b>	<b>13,21,600</b>	<b>38,07,669</b>	<b>75.08%</b>	<b>0.00%</b>
<b>Total Public (B)</b>	<b>24,73,969</b>	<b>13,33,700</b>	<b>38,07,669</b>	<b>75.08%</b>	<b>24,86,069</b>	<b>13,21,600</b>	<b>38,07,669</b>	<b>75.08%</b>	<b>0.00%</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>		<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Grand Total (A+B+C)</b>	<b>37,38,000</b>	<b>13,33,700</b>		<b>100.00%</b>	<b>37,50,100</b>	<b>13,21,600</b>	<b>50,71,700</b>	<b>100.00%</b>	<b>0.00%</b>

## (ii) Shareholding of Promoter

SN	Shareholder's Name	No. Of Share at the beginning of the year			No. Of Shares at the end of the year			% change in shareholding during the year
		no. Of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	SONIYA SETHI	155896	3.07	0.00	155896	3.07	0.00	0.00
2	SANGITA SETHI	191935	3.78	0.00	191935	3.78	0.00	0.00
3	SUDHIR SETHI	364400	7.18	0.00	364400	7.18	0.00	0.00
4	BABULAL SETHI	7500	0.15	0.00	7500	0.15	0.00	0.00
5	SANJAY SETHI	544300	10.73	0.00	544300	10.73	0.00	0.00
	<b>TOTAL</b>	<b>1264031</b>	<b>24.92</b>	<b>0.00</b>	<b>1264031</b>	<b>24.92</b>	<b>0.00</b>	<b>0.00</b>

## (iii) Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	Name of Promoter's	No. Of Shares at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares	No. of shares	% of total shares
1	At the beginning of the year	SONIYA SETHI	1,55,896	3.07	1,55,896	3.07%
	Changes during the year		NIL	NIL		
	At the end of the year		0	0.00%	1,55,896	3.07%
2	At the beginning of the year	SANGITA SETHI	191935	3.78	191935	3.78
	Changes during the year		NIL	NIL		
	At the end of the year		0	0.00	191935	3.78
3	At the beginning of the year	BABULAL SETHI	7500	0.15	7500	0.15
	Changes during the year		NIL	NIL		
	At the end of the year		0	0.00	7500	0.15
4	At the beginning of the year	SANJAY SETHI	544300	10.73	544300	10.73
	Changes during the year		NIL	NIL		
	At the end of the year		0	0.00	544300	10.73
5	At the beginning of the year	SUDHIR SETHI	364400	7.18	364400	7.18
	Changes during the year		NIL	NIL		
	At the end of the year		0	0.00	364400	7.18



## (iv) Shareholding Pattern of top ten Shareholders

(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For each of the Top 10 shareholders	Date	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares	No. of shares	% of total shares
1	<b>NAME: ARIHANT CAPITAL MKT. LTD</b>					
	At the beginning of the year	01/04/2019	47005	0.93	47005	0.93
	Changes during the year	12/04/2019	-5500	0.11	41505	0.82
		20/09/2019	-30	0.00	41475	0.82
		27/09/2019	2000	0.04	43475	0.86
		29/11/2019	950	0.02	44425	0.88
		06/12/2019	-950	0.02	43475	0.86
		27/12/2019	-2000	0.04	41475	0.82
		31/01/2020	500	0.01	41975	0.83
		07/02/2020	100	0.00	42075	0.83
		14/02/2020	-100	0.00	41975	0.83
	At the end of the year	31/03/2020	-	0.00%	41,975	0.83%
2	<b>NAME: RASHMI NAVINBHAI MEHTA</b>					
	At the beginning of the year	01/04/2019	64686	1.28	64689	1.28
	Changes during the year	31/05/2019	1000	0.02	65689	1.30
		07/06/2019	1000	0.02	66689	1.31
		17/01/2020	1000	0.02	67689	1.33
		31/01/2020	600	0.01	68289	1.35
		07/02/2020	50	0.00	68339	1.35
	At the end of the year	31/03/2020	0	0.00	68339	1.35
3	<b>NAME: JINESH JOSEPH</b>					
	At the beginning of the year	01/04/2019	84796	1.67	84796	1.67
	Changes during the year		NIL	NIL	NIL	NIL
	At the end of the year	31/03/2020	0	0.00	84796	1.67
4	<b>NAME: TARA SETHI</b>					
	At the beginning of the year	01/04/2019	74104	1.46	74104	1.46
	Changes during the year		NIL	NIL	NIL	NIL
	At the end of the year	31/03/2020	0	0.00	74104	1.46
5	<b>NAME: R. B. VIJAY</b>					
	At the beginning of the year	01/04/2019	71077	1.40	71077	1.40
	Changes during the year	20/12/2019	5000	0.10	76077	1.50
	At the end of the year	31/03/2020	0	0.00	71077	1.50

6	NAME: MAYANK SIYAL						
	At the beginning of the year	01/04/2019		63990	1.26	63990	1.26
	Changes during the year			NIL	NIL	NIL	NIL
	At the end of the year	31/03/2020		0	0.00	63990	1.26

7	NAME: SIMIMON KALLUPURACKAL JOBY						
	At the beginning of the year	01/04/2019		53335	1.05	53335	1.05
	Changes during the year			NIL	NIL	NIL	NIL
	At the end of the year	31/03/2020		0	0.00	53335	1.05

8	NAME: SUNIMA STEEL MARKETING PVT LTD						
	At the beginning of the year	01/04/2019		41663	0.82	41663	0.82
	Changes during the year			NIL	NIL	NIL	NIL
	At the end of the year	31/03/2020		0	0.00	41663	0.82

9	NAME: SUDHA BIJAWAT						
	At the beginning of the year	01/04/2019		34896	0.69	34896	0.69
	Changes during the year			NIL	NIL	NIL	NIL
	At the end of the year	31/03/2020		0	0.00	34896	0.69

10	NAME: MOHAMMAD ALI						
	At the beginning of the year	01/04/2019		35016	0.69	35016	0.69
	Changes during the year	06/04/2019		2004	0.04	37020	0.73
	At the end of the year	31/03/2020		0	0.00	37020	0.73

## (v) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares	No. of shares	% of total shares
1	Name	SUDHIR SETHI				
	At the beginning of the year	01/04/2019	3,64,400	7.18%	3,64,400	7.18%
	Changes during the year		NIL	0.00%		0.00%
	At the end of the year	31/03/2020	-	0.00%	3,64,400	7.18%
2	Name	SANJAY SETHI				
	At the beginning of the year	01/04/2019	5,44,300	10.73%	5,44,300	10.73%
	Changes during the year		NIL	0.00%		0.00%
	At the end of the year	31/03/2020	-	0.00%	5,44,300	10.73%

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
	Name	SANJAY SETHI	(Rs/Lac)
	Designation	MANAGING DIRECTOR	
1	Gross salary	11,40,000/- PER ANNUM	11,40,000/- PER ANNUM
	(a) Salaries as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit	-	-
	- others, specify	-	-
5	Others, please specify	-	-
	Total (A)	11,40,000/- PER ANNUM	11,40,000/- PER ANNUM
	Ceiling as per the Act		-

**B. Remuneration to other Directors**

SN.	Particulars of Remuneration					Total Amount
		MR. YASHESH VASHISTHA	MRS MADHU THAKUR	MR. ABHINAV NAIK	MRS. SHREYA SARAF	(Rs/Lac)
1	Independent Directors					
	Fee for attending board committee meetings	5000/-	5000/-	25,000/-	25,000/-	60,000/-
	Commission			-	-	-
	Others, please specify			-	-	-
	Total (1)	5000/-	5000/-	25,000/-	25,000/-	60,000/-
2	Other Non-Executive Directors			-	-	-
	Fee for attending board committee meetings			-	-	-
	Commission			-	-	-
	Others, please specify			-	-	-
	Total (2)			-	-	-
	Total (B)=(1+2)					60,000/-
	Total Managerial Remuneration					60,000/-

**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD**

SN.	Particulars of Remuneration				Total Amount
	Name	Mr. Ashish Baraskar		Mrs. Neha Sharma	(Rs/Lac)
	Designation	CFO		CS	
1	Gross salary	2,23,000/- Per Annum		1,92,000/- Per Annum	4,15,000/- Per Annum
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
2	Stock Option				
3	Sweat Equity				
4	Commission				
	- as % of profit				
	- others, specify				
5	Others, please specify				
	Total	2,23,000/- Per Annum		1,92,000/- Per Annum	4,15,000/- Per Annum

## 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)
<b>A. COMPANY</b>						
Penalty	NIL	NIL		NIL	NIL	NIL
Punishment	NIL	NIL		NIL	NIL	NIL
Compounding	NIL	NIL		NIL	NIL	NIL
<b>B. DIRECTORS</b>						
Penalty	NIL	NIL		NIL	NIL	NIL
Punishment	NIL	NIL		NIL	NIL	NIL
Compounding	NIL	NIL		NIL	NIL	NIL
<b>C. OTHER OFFICERS IN DEFAULT</b>						
Penalty	NIL	NIL		NIL	NIL	NIL
Punishment	NIL	NIL		NIL	NIL	NIL
Compounding	NIL	NIL		NIL	NIL	NIL

Form No. MR-3**SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED  
31<sup>st</sup> March, 2020**

*[Pursuant to section 204(1) of the Companies Act, 2013 and rule no.9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,  
The Members,  
**BERYL DRUGS LIMITED**  
**CIN- L02423MP1993PLC007840**  
133, Kanchan Bagh  
Indore, Madhya Pradesh- 452001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **BERYL DRUGS LIMITED** (hereinafter called the Company) having **CIN- L02423MP1993PLC007840**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 2020, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **BERYL DRUGS LIMITED** for the financial year ended on 31st March, 2020 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - Not applicable as the Company has not issued any kind of securities during the period under scrutiny.
- d. Securities and exchange Board of India (Share Based Employee benefits) regulations, 2014.
  - Not applicable as the Company does not have any Employee Stock Option Scheme and Employee Stock Purchase Scheme.
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - Not applicable as the Company does not have any listed debt securities.
- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - Not applicable during the financial year under review.
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
  - Not applicable as the Company has not bought back any of its securities during the financial year under review.
- vi. The laws as are applicable specifically to the Company are as under:
  - a) The Environment (Protection) Act, 1986;
  - b) The Water (Prevention and Control of Pollution) Act, 1974;
  - c) The Air (Prevention and Control of Pollution) Act, 1981;
  - d) The Hazardous Waste (Management, Handling & Transboundary Movement) Rules, 2008
  - e) Factories Act, 1948
  - f) Industrial Disputes Act, 1947
  - g) The Payment Of Wages Act, 1936
  - h) The Minimum Wages Act, 1948
  - i) The Employees State Insurance Act, 1948
  - j) The Employee Provident Fund And Miscellaneous Provision Act, 1952
  - k) The Payment Of Bonus Act, 1965
  - l) The Payment Of Gratuity Act, 1972
  - m) Contract Labour (Regulation And Abolition) Act, 1970
  - n) The Industrial Employment (Standing Orders) Act, 1946.
  - o) Drug & Cosmetic Act, 1940

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and general meetings.

- (ii) The Listing Agreements/ regulations, as the case may be, entered into by the Company with BSE Limited and Ahmedabad Stock Exchange;

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

**We further report that: -**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent generally for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company which commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that during the audit period:-**

1. The Members have accorded their consent to the Board of Directors at the Annual General Meeting held on September 30, 2019 for the following: -
  - a. To authorize the Board to borrow money pursuant to the provisions of Section 180(1)(c) of the Companies Act, 2013 upto limit of Rs. 8 crores
  - b. To appoint Mrs. Shreya Saraf (DIN: 08456151) as Women Independent Director of the Company for the period of 5 years.
  - c. To appoint Mr. Abhinav Naik (DIN: 08456140) as Independent Director of the Company for the period of 5 years.
  - d. To increase the monthly remuneration of Mr. Sanjay Sethi from Rs. 65,000/- to Rs. 1,25,000/-.

**CS Ashish Karodia**

M No. 6549 CP 6375

On 20<sup>th</sup> November, 2020

At Indore

UDIN: F006549B001264344

## Annexure- 4

### **Conservation of Energy, research and development, technology absorption, foreign exchange earnings and outgo**

The information under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 for the year ended March 31, 2020 is given here below and forms part of the Directors' Report.

#### **A. CONSERVATION OF ENERGY:**

The steps taken or impact on conservation of energy:

- Company ensures that the manufacturing operations are conducted in the manner whereby optimum utilization and maximum possible savings of energy is achieved.
- Up gradation of machineries and installation of new machineries based on fuel or power efficiency.
- Monitoring the maximum demand and power load factor on daily basis.
- Replacement of inefficient machineries with energy efficient machineries.

#### **B. TECHNOLOGY ABSORPTION:**

- The efforts made towards technology absorption, the company through R&D developed processes adopted which helped in reducing the energy consumption.
- Benefits derived like product improvement, cost reduction, product development were possible through installation of various additional equipments to achieve consistency in production and quality of products.

#### **C. FOREIGN EXCHANGE EARNING & OUTGO: NIL**



## Annexure to Director's Report

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

#### CAUTIONARY STATEMENT

Some of the statements in the report may be forward looking and are stated as required by applicable laws & regulations. Many factors may affect the actual results, which could be different from what the Directors envisage in terms of future performance and outlook. The Company's Performance is dependent on several external factors such as performance of monsoons, government policy, fluctuation of prices of raw material and finished products and also their availability etc. which could adversely affect the operations of the Company.

#### OVERVIEW:

Indian pharmaceutical industry can be defined as a success story providing employment for millions and ensuring that essential drugs are available at affordable prices to the vast population of Indian sub-continent.

India is the largest provider of generic drugs globally. Indian pharmaceutical sector supplies over 50% of global demand for various vaccines, 40% of generic demand in the US and 25% of all medicine in the UK.

India enjoys an important position in the global pharmaceuticals sector. The country also has a large pool of scientists and engineers with a potential to steer the industry ahead to greater heights. Presently, over 80% of the antiretroviral drugs used globally to combat AIDS (Acquired Immune Deficiency Syndrome) are supplied by Indian pharmaceutical firms.

#### INDUSTRY STRUCTURE & DEVELOPMENT:

Indian pharmaceutical sector is expected to grow to US\$ 100 billion, while medical device market is expected to grow US\$ 25 billion by 2025. Pharmaceuticals export from India stood at US\$ 20.70 billion in FY20. Pharmaceutical export includes bulk drugs, intermediates, drug formulations, biologicals, Ayush and herbal products and surgical.

India's biotechnology industry comprising biopharmaceuticals, bio-services, bio-agriculture, bio-industry, and bioinformatics is expected grow at an average growth rate of around 30% to reach US\$ 100 billion by 2025.

#### GLOBAL ECONOMY:

The global Pharma industry is under serious pressure from a large number of innovator molecules facing patent expiration, a thin pipeline of new drugs, regulatory challenges and pricing pressures. Indian Pharma industry expects over 40% of the global Pharma industry's incremental growth over the next decade to come from emerging markets.

#### INDIAN ECONOMY:

Indian policy makers have been boosting growth at the cost of macro stability risks, reflected in high inflation, a widening current account deficit and tight inter-bank liquidity due to low deposit growth. Overall macro conditions will remain vulnerable over the next 4-5 months. Inflation, while moderating, will remain above the RBI's comfort zone; while we believe the current account deficit will also stay relatively high.

There is additional risk of pass through of agricultural and commodity prices.

#### RISKS & CONCERNS:

The business of the company totally depends upon the changes taking place in the economy either it be

relating to fluctuations in stock and capital market, regulations governing such markets, government policies, taxation policies, changes taking place in global economies, etc. The growth of industry provides necessary opportunities for the company to grow. However the company is under constant pressure due to steep competition from unorganized sector and industrial scenario in the nearby area.

The company's strength is built around domestic and international marketing network. The company has a network of 3 marketing offices in India as well as over 30 corporate customers and over 3 channel partners as a part of its domestic network which is comprised from various industry segments, allowing the company to de-risk its business.

The company does face threats from imports and other new emerging players in these product lines.

#### **SEGMENT-WISE PERFORMANCE:**

The company is engaged in the sole segment of pharmaceuticals manufacturing there are, therefore, no separate segments within the company as defined by Ind-AS 108 (Operating Segments)

#### **FUTURE OUTLOOK:**

The company's future plans are based on experience and ongoing market research for future growth in demand of our key products in the domestic and international markets. Our objective is to concentrate on better margin yielding products and exploit growing market opportunities for these products. For this we are planning for new strategies to be laid down in near future which would help the Company to achieve higher growths and establishment.

Also, we are committed to deliver quality products on a consistent basis and at competitive prices. Our strategy has been to develop strong customer relationship and to be a customer driven Company.

Commodities prices have maintained high volatility, making it difficult to take long-term view on prices continue affect the fuel prices. The appreciation of Rupee against dollar has further been a cause of concern for exporters.

#### **Factors that may affect results of the operations:**

Financial conditions and results of operations of the company are affected by numerous factors inter alia-

- Growth of unorganized sector and threat from local regional players
- Change in freight and forwarding charges
- General economic and business conditions
- Company's ability to successfully implement our growth strategy
- Prices of raw materials the company consume and the products it manufacture
- Changes in laws and regulations relating to the industry in which the company operates
- Changes in political and social conditions in India
- Any adverse outcome in the legal proceedings in which the company is involved
- The loss or shutdown of operations of our Company at any time due to strike or labor unrest or any other reason.

#### **Results of Operations:**

During the year the Company has achieved a turnover of Rs128151521/-compared to Rs. 129598426/-. Profit before exceptional and extraordinary items and tax in 2019-2020 is at 1578978/- compared to Rs 7962944 /- in the previous financial year. Net profit after tax stood at 479410/-, as against Rs. 5907386/-in the previous fiscal year.

The outbreak of COVID-19 pandemic has led to an unprecedented disruption in the economic activities across the globe. Due to the stringent nationwide lockdown imposed by the Government of India with effect from March 25, 2020 the manufacturing activities of the Company were severely affected due to severe supply-side disruptions.

The Company has resumed its operations in a phased manner. However, the health and safety of our employees continues to be the foremost priority.

#### **INTERNAL CONTROL AND ADEQUACY:**

The Company has a defined organization structure and has developed well policy guidelines with predefined authority levels. An extensive system of internal controls to ensure optimal utilization of resources and accurate reporting of financial transactions and strict compliance with applicable laws and regulations has also been implemented. The Company has put in place sufficient systems to ensure that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are authorized, recorded and reported correctly. Also, the company has an exhaustive budgetary control system to monitor capital related as well as other costs, against approved budgets on an ongoing basis.

#### **MATERIAL DEVELOPMENT IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT:**

The Company's human resources philosophy is to establish and build a strong performance driven culture with greater accountability and responsibility at all levels. To that extent the Company views performance and capability as a combination of the right people in the right jobs, supported by the right processes, systems, structure and metrics.

The Industrial relations remained normal at all locations and there were no significant labor issues outstanding or remaining unresolved during the year. The Board of Directors and the Management wish to place on record their application of the efforts put in by all employees to achieve record performance. The ultimate aim of the management is to create a dependable work force that will play a key role in transforming this Company into a global player in the industry.

The industrial relations climate of the Company remained cordial during the year and continues to be focused towards improving quality and capability.

#### **CONCLUSION:**

The Company dwells on chalking out the best possible future plans and policies so as to avoid the pitfalls and following the best course in the long run. In business, a focus on assets utilization, earning maximization, continuous growth and relentless strengthening of the internal efficiencies will enable the Company to deliver superior value for its shareholders on a sustained basis in future.

## Corporate Governance Report

In accordance Regulation 34 (3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and some of the best practices followed internationally on Corporate Governance, the report containing the details of corporate governance systems and processes at Beryl Drugs Limited is as under

### COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Beryl Drugs Limited places great emphasis on values such as empowerment and integrity of its employees, safety of the employees & communities surrounding our plants, transparency in decision making process, fair & ethical dealings with all. These practices being followed since the inception have contributed to the Company's sustained growth.

The Beryl Drugs Limited ('BDL') is committed to the adoption of best governance practices. The company's vision document spells out a direction for the policies and procedures which ensure long term sustainability. Value creation for stakeholders is thus a continuous endeavor at BDL.

On the same lines the Company has always followed fair business and corporate practices while dealing with the shareholders, employees, customers, creditors, lenders and the society at large.

The Company has an active, experienced and a well-informed Board. The Board along with its Committees undertakes its fiduciary duties keeping in mind the interests of all its stakeholders and the Company's corporate governance philosophy. In harmony with this philosophy, the Company relentlessly strives for excellence by bench marking itself with esteemed companies with good corporate governance. Your company is compliant with all the provisions of SEBI (LODR) Regulations, 2015 as applicable to the Company since 1st December, 2015.

The details of compliance are as follows:

#### 1. The Governance Structure:

BDL's governance structure is based on the principles of freedom to the executive management within a given framework to ensure that the powers vested in the executive management are exercised with due care and responsibility so as to meet the expectation of all the stakeholders. In line with these principles, the Company has formed three tiers of Corporate Governance structure, viz.:

**(i) The Board of Directors** - The primary role of the Board is to protect the interest and enhance value for all the stakeholders. It conducts overall strategic supervision and control by setting the goals & targets, policies, governance standards, reporting mechanism & accountability and decision making process to be followed.

**(ii) Committees of Directors** - such as Audit Committee, Nomination & Remuneration Committee and Stakeholder Relationship Committee etc. are focused on financial reporting, audit & internal controls, compliance issues, appointment and remuneration of Directors and Senior Management Employees, implementation and the risk management framework.

**(iii) Executive Management** – The entire business including the support services are managed with clearly demarcated responsibilities and authorities at different levels.

### 2. BOARD OF DIRECTORS

#### A. Composition of Board

The Board of directors of the company consists of an optimum combination of executive, non-executive and independent directors, to ensure the independent functioning of the Board. The composition of the

Board also complies with the provisions of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015.

The composition of the Board of directors and the number of Board Committee in which they are chairman/ member as on 31st March, 2020 are as under:

Name	Category	No. of Directorship in other Public Companies	No. of Committee position held including other public Companies	
			Chairman	Member
Mr. Sanjay Sethi	Promoter & Managing Director	Two	NIL	Three
Mr. Sudhir Sethi	Promoter & Chairman & Non Executive Director	Two	NIL	Three
Mr. Abhinav Naik	Independent & Non-Executive Director	One	Three	NIL
Ms. Shreya Saraf	Independent & Non-Executive Director	One	NIL	Three

- Mr. Yashesh Vashistha, Independent Director of the Company has resigned from Board w.e.f 30th May, 2019
- Mrs. Madhu Thakur, Independent Director of the Company has resigned from Board w.e.f 30th May, 2019
- Mr. Abhinav Naik has been appointed on Board of the Company as an Independent Director w.e.f 30th May, 2019
- Mrs. Shreya Saraf has been appointed on Board of the Company as Women Independent Director w.e.f 30th May, 2019

The present strength of the Board of Directors is four. Out of the four directors, three directors are Non-Executive and Independent. Mr. Sanjay Sethi, an Executive Promoter Director is the Managing Director of the Company.

In compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Directors of Beryl Drugs Limited do not have Directorship in more than twenty Companies or membership of more than ten Board level Committees or Chairman of more than five such Committees. Further none of the Independent Director act as an Independent director in more than seven listed companies

#### **B. Selection and Appointment/Reappointment of Director:**

The Nomination & Remuneration Committee have approved a Policy for the Selection, Appointment and Remuneration of Directors. Directors are appointed or re-appointed with the approval of the shareholders and shall remain in office in accordance with the provisions of the law and the retirement policy laid down by the Board from time-to-time.

#### **C. Meetings, agenda and proceedings etc. of the Board Meeting:**

Director attendance record of Board meetings and last Annual General Meeting are as under:

Name of Directors	No. of Board Meetings held during the year	No. of Board Meetings Attended	Attendance at the Last AGM held on 30 <sup>th</sup> September, 2019
Mr. Sanjay Sethi	6	6	Yes
Mr. Sudhir Sethi	6	6	Yes
Mr. Yashesh Vashistha	6	2	Yes
Ms. Madhu Thakur	6	2	Yes
Mr. Abhinav Naik	6	4	Yes
Mrs. Shreya Saraf	6	4	Yes

The Board meets at regular intervals to discuss and decide on business strategies/policies etc. and review the financial performance of the Company. During the financial year ended March 31, 2020, Six Board Meetings were held on; April 23, 2019; May 30, 2019; August 9, 2019, August 30, 2019, November 12, 2019, and February 12, 2020.

The intervals between two meetings was well within the maximum period mentioned under section 173 of the Companies Act, 2013 and Regulation 17(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company's last Annual General Meeting (AGM) was held on September 30, 2019.

#### **D. BOARD IN DEPENDENCE:**

The Non-executive Independent Directors fulfill the conditions of Independence specified in Section 149 of the Companies Act, 2013 and rules made there under and meet with the requirement of Regulation 16 (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### **E. Separate Meeting of Independent Directors:**

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and the Listing Regulations, a separate meeting of the Independent Directors of the Company was held on 20<sup>th</sup> March, 2019 to review the performance of Non-independent Directors (including the Chairman) and the entire Board.

#### **F. Support and Role of Company Secretary:**

The Company Secretary is responsible for convening the Board and Committee meetings, preparation and distribution of Agenda and other documents and recording of the Minutes of the meetings.

#### **G. Board Evaluation:**

During the year, the Board started a formal mechanism for evaluating its performance and effectiveness as well as that of its Committees and individual Directors. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, governance issues etc. The Directors were satisfied with the evaluation results, which reflected the overall engagement and effectiveness of the Board and its Committees.

#### **H. Code of Conduct:**

The Board has adopted the Code of Conduct for members of the Board and Senior Management

personnel of the Company. The Codelays down, in details, the standards of business conduct, ethics and governance. The compliance of the same has been affirmed and a declaration signed by the Managing Director to this effect is given at the end of the Corporate Governance Report. Code of Conduct has also been posted on the Company's

Website: [www.beryl drugs.com](http://www.beryl drugs.com)

#### **I. Prevention of Insider Trading Code:**

As per SEBI (Prohibition of Insider Trading) Regulation, 2015, the Company has adopted a Code of Conduct for Prevention of Insider Trading. The trading window is closed during the time of declaration of results and occurrence of any material events as per the code. The Company has appointed Company Secretary as Compliance Officer, who is responsible for setting forth procedures and implementation of the code for trading in Company's securities. During the year under review there has been due compliance with the said code.

#### **J. No. of Shares held By Non- Executive Director**

	No. of Shares Held
Mr. Sudhir Sethi	3,64,400

#### **K. Web Link: [www.beryl drugs.com](http://www.beryl drugs.com)**

#### **L. Familiarisation Programme for Independent Directors**

Letter of Appointment(s) are issued to Independent Directors setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments. Each newly appointed Director is taken through a formal induction program including the presentation from the Chairman & Managing Director and Whole Time Directors on the Company's manufacturing, marketing, finance and other important aspects. The web link for the familiarization programmes for Independent Directors is: <http://www.beryl drugs.com/FAMILIRAZATION-PROGRAMME.pdf>

### **3. AUDIT COMMITTEE**

#### **(a) Terms of reference:**

The Board has constituted a well-qualified Audit Committee. All the members of the Committee are Non-Executive Directors with majority of them are Independent Directors including Chairman. They possess sound knowledge on accounts, audit, finance, taxation, internal controls etc.

The audit committee of the Company is constituted in line with the provisions of Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 177 of the Companies Act, 2013. The present strength of the Audit Committee is three as on 31.03.2020. Mr. Abhinav Naik, Independent Director of the Company, is the Chairman of the Audit Committee of the Company

#### **(b) Constitution and Composition:**

The Audit Committee of the Company as on 31st March, 2020 comprises of the following Directors of the Company.



Name of the Director	Designation
Mr. Abhinav Naik	Chairman
Mrs. Shreya Saraf	Member
Mr. Sudhir Sethi	Member

- Mr. Yashesh Vashistha, Independent Director of the Company has resigned from Board w.e.f 30th May, 2019
- Mrs. Madhu Thakur, Independent Director of the Company has resigned from Board w.e.f 30th May, 2019
- Mr. Abhinav Naik has been appointed on Board of the Company as an Independent Director w.e.f 30th May, 2019
- Mrs. Shreya Saraf has been appointed on Board of the Company as Women Independent Director w.e.f 30th May, 2019

All the three members of the audit committee as on 31.03.2020 are non-executive directors and two of them are independent.

#### (C) Meeting and attendance during the year:

Four (4) meetings were held during the financial year 2019-2020 on May 30, 2019, August 9, 2019, November 12, 2019 and February 12, 2020. The attendance of each member of the committee is as under:

Name of the Director	No. of Meeting attended
Mr. Abhinav Naik	3
Mrs. Shreya Saraf	3
Mr. Sudhir Sethi	4
Mr. Yashesh Vashistha	1
Ms. Madhu Thakur	1

## 4. NOMINATION & REMUNERATION COMMITTEE

### (a) Terms of reference:

The Remuneration Committee recommends remuneration, promotions, increments etc. for the whole time directors and relative of the directors to the Board for approval.

### (b) Composition:

The Nomination and Remuneration Committee of the Company is constituted in line with the provisions of Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 178 of the Companies Act, 2013. The present strength of the Nomination & Remuneration Committee is three as on 31.03.2020. All three are non-executive independent directors. Mr. Abhinav Naik is the Chairman of the Nomination & Remuneration Committee. The Chairman of the Nomination & Remuneration was present at the Annual General Meeting of the Company.



Name of the Director	Designation
Mr. Abhinav Naik	Chairman
Mrs. Shreya Saraf	Member
Mr. Sudhir Sethi	Member

- Mr. Yashesh Vashistha, Independent Director of the Company has resigned from Board w.e.f 30<sup>th</sup> May, 2019
- Mrs. Madhu Thakur, Independent Director of the Company has resigned from Board w.e.f 30<sup>th</sup> May, 2019
- Mr. Abhinav Naik has been appointed on Board of the Company as an Independent Director w.e.f 30<sup>th</sup> May, 2019
- Mrs. Shreya Saraf has been appointed on Board of the Company as Women Independent Director w.e.f 30<sup>th</sup> May, 2019

#### (c) Meeting and attendance during the year:

One (1) meeting was held during the financial year 2019-2020 on 29<sup>th</sup> May, 2019. The attendance of each member of the committee is as under:

Name of the Director	No. of Meeting attended
Mr. Abhinav Naik	0
Mrs. Shreya Saraf	0
Mr. Sudhir Sethi	1
Mr. Yashesh Vashistha	1
Ms. Madhu Thakur	1

#### 5. STAKEHOLDERS' RELATIONSHIP COMMITTEE

- a) In compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. The "Stakeholders' Relationship Committee" consisting of:

Name of the Director	Designation
Mr. Abhinav Naik	Chairman
Mrs. Shreya Saraf	Member
Mr. Sudhir Sethi	Member

During the Financial year 2019-2020, the Committee met 4 times on 29<sup>th</sup> May, 2019, 8<sup>th</sup> August, 2019, 13<sup>th</sup> November, 2019 and 13<sup>th</sup> February, 2020 and transacted business concerning the Committee.

- Mr. Yashesh Vashistha, Independent Director of the Company has resigned from Board w.e.f 30<sup>th</sup> May, 2019
- Mrs. Madhu Thakur, Independent Director of the Company has resigned from Board w.e.f 30<sup>th</sup> May, 2019

- Mr. Abhinav Naik has been appointed on Board of the Company as an Independent Director w.e.f 30<sup>th</sup> May, 2019
- Mrs. Shreya Saraf has been appointed on Board of the Company as Women Independent Director w.e.f 30<sup>th</sup> May, 2019

b) Share holder Compliant Status during the financial year 2019-2020:

No. of Shareholder Compliant received during the financial year 2019-2020	No. of Complaint resolved	No. of Compliant Pending
0	0	0

## 6. MD CERTIFICATION:

The CFO have issued certificate pursuant to the provisions of Regulation 17(8) of the Listing Regulations certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed and forms part of the Annual Report

## 7. INFORMATION ON GENERAL BODY MEETINGS

YEAR	DATE	PLACE	TIME	SPECIAL RESOLUTION PASSED
2018-2019	September 30, 2019	Kanchan Palace, Community Hall, Nipania, Ring Road, Indore	10:00 A.M.	<ul style="list-style-type: none"> <li>➤ To approve power to borrow funds pursuant to the provisions of Section 180(1) (c) of the Companies Act, 2013, not exceeding 8 Crores</li> <li>➤ Appointment of Mrs. Shreya Saraf (DIN: 08456151) as an Women Independent Director</li> <li>➤ Appointment of Mr. Abhinav Naik (DIN: 08456140) as an Independent Director</li> <li>➤ Increase in monthly remuneration of Mr. Sanjay Sethi from Rs. 65, 000/- to Rs. 1, 25, 000/-</li> </ul>
2017-2018	September 29, 2018	Kanchan Palace, Community Hall, Nipania, Ring Road, Indore	10:00 A.M.	<ul style="list-style-type: none"> <li>➤ Reappointment of Mr. Yashesh Vashistha (DIN: 07382963) as an Independent Director</li> <li>➤ Reappointment of Mrs. Madhu Thakur (DIN: 07382985) as a Women Independent Director</li> </ul>
2016-2017	August, 26, 2017	Kanchan Palace, Community Hall, Nipania, Ring Road, Indore	10:00 A.M.	<ul style="list-style-type: none"> <li>➤ To appoint Prateek Jain &amp; Co having registration No. 009494C as Statutory Auditor of the Company.</li> </ul>

Note:

- No postal ballots were used/ invited for voting at these meetings in respect of any special resolution passed during the year. The company shall comply with the requirements relating to postal ballot as and when the relevant guidelines in this connection will apply on the Company.

## 8. MEANS OF COMMUNICATION

1. The main channel of communication to the shareholders is through Annual Report, which includes inter-alia, the Directors' Report, the Auditors' Report, Management Discussion and Analysis Report, Report on Corporate Governance, Audited Financial Statements and other important information.
2. The website of the Company [www.beryl drugs.com](http://www.beryl drugs.com) acts as the primary source of information regarding the operations of the Company, quarterly/ half-yearly/ annual financial results and other media releases are being displayed on the Company's website.
3. Quarterly/ half-yearly/ annual results approved by the Board of Directors are submitted to the Stock Exchange in terms of the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are published in the following news papers, namely, Free Press (English) and Dainik Dabang Duniya (Hindi).

## 9. GENERAL SHAREHOLDER INFORMATION

### (a) Annual General Meeting:

The Company is registered under the state of MP India. The CIN allotted to the Company by Ministry of Corporate Affairs is **L02423MP1993PLC007840**.

NOTICE is hereby given that the Twenty Seventh (27th) Annual General Meeting of Members of BERYL DRUGS LIMITED will be held on Wednesday, 23rd December, 2020 at 10:00 A.M. through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM")

### (b) Financial Year: 2019-2020

- |                       |                           |
|-----------------------|---------------------------|
| a) June 30, 2019      | 1st week of July, 2019    |
| b) September 30, 2019 | 2nd week of October, 2019 |
| c) December 31, 2019  | 2nd week of January, 2020 |
| d) March 31, 2020     | 2nd week on April, 2020   |

### (c) Book Closure/Record date:

The Register of Members and the Share Transfer Books of the Company shall remain closed from Wednesday, 16<sup>th</sup> December, 2020 to Wednesday, 23<sup>rd</sup> December, 2020 (both days inclusive) for the Annual General Meeting.

### (d) Interim Dividend and Record Date:

Company has not declared any dividend for the year.

### (e) Dividend History

Company has not declared any dividend for the year.

### (f) Listing on Stock Exchange

Presently the Equity Shares of the Company are listed with the Bombay Stock Exchange Ltd and Ahmedabad Stock Exchange Ltd.

\*The Company has delisted its securities from Madhya Pradesh Stock Exchange Ltd. W.e.f 30<sup>th</sup> May, 2015.

### (g) Stock Code/ Details of Scrip

- |         |   |              |
|---------|---|--------------|
| BSE     | : | 524606       |
| ISIN NO | : | INE415H01017 |

**(h) Market Price Data (Rs.)**

The monthly high and low quotations of shares of the Company traded at the Stock Exchange, Mumbai during the financial year 2019-2020 are given below:

Month	High (Rs.)	Low (Rs.)
April, 2019	8.75	6.52
May, 2019	7.12	5.72
June, 2019	7.90	5.90
July, 2019	6.80	5.49
August, 2019	5.25	3.95
September, 2019	6.03	3.59
October, 2019	5.69	3.97
November, 2019	5.90	4.32
December, 2019	5.88	4.22
January, 2020	5.65	4.71
February, 2020	5.14	3.90
March, 2020	3.90	3.53

**(I) Share Transfer Agent**

M/s Adroit Corporate Services (P) Ltd  
19/20, Jaferbhoy, Industrial Estate,  
1st Floor, Makwana Road, Marol Naka, Andheri (E)  
Mumbai, 400 059  
Ph. 022 – 42270400, 28594060, Fax - 28503748

**(J) Dematerialization of Shares**

The shares of the Company are under compulsory demat segment and are listed on Bombay Stock Exchange, Mumbai and Ahmedabad Stock Exchange.

**(K) Details of Demat Shares as on 31<sup>st</sup> March, 2020**

	No. of Shareholders/ Beneficial Owners	No. of Shares	% of Capital
NSDL	1236	1375922	27.13
CDSL	1236	2374178	46.81
Shares in physical form	4054	1321600	26.06
<b>Grand Total</b>	<b>6521</b>	<b>5071700</b>	<b>100.00</b>

**(L) Reconciliation of Share Capital Audit:**

As stipulated by Securities and Exchange Board of India (SEBI), a qualified practicing Company Secretary carries out the Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to stock exchanges. No discrepancies were noticed during these audits.

**M) Plant locations of the Company:**

Plot No. 123 & 124, Industrial Area No. 1  
Pithampur, Distt. DHAR (M.P.)

**N) Address for communication:**

The shareholders may address their communication, suggestions, grievances and queries to:

M/s Adroit Corporate Services (P) Ltd  
19/20, Jaferbhoy, Industrial Estate,  
1st Floor, Makwana Road, Marol Naka, Andheri (E)  
Mumbai, 400 059  
Ph. 022 – 42270400, 28594060, Fax - 28503748

**11. DISCLOSURES****(A). Disclosure of non-compliance by the Company:**

There has been no instance of non-compliance on any matter related to the capital markets, during the last two years.

**(B). Whistle Blower/Vigil Mechanism Policy:**

The Company has laid down a Whistle Blower Policy/vigil mechanism. The company encourages an open door policy where employees have access to the Head of the business/ function. The company takes cognizance of the complaints made and suggestions given by the employees and others. Complaints are looked into and whenever necessary, suitable corrective steps are taken. No employee of the company has been denied access to the Audit Committee in this regard.

The policy provides a platform to all the employees, vendors and customers to report any suspected or confirmed incident of fraud/misconduct through any of the following reporting protocols:

\* E-mail: beryldrugs25@yahoo.com

\* Written Communication to: 133, Kanchan Bagh, Indore- 452001 (M.P)

**Declaration of Code of Conduct**

This is to confirm that the Company has adopted Code of Conduct for its Directors and Senior Management Personnel and the same has been posted on the Company's website.

I confirm that the Company has in respect of the Financial Year ended 31<sup>st</sup> March, 2020, received from the members of the Board and Senior Management Personnel a declaration of compliance with the Code of Conduct as applicable to them. For the purpose of this declaration, Senior Management Personnel means those who are of the rank of General Manager and above including all functional heads.

**For Beryl Drugs Limited**

**Date: 20<sup>th</sup> November, 2020**

**Place: Indore**

**Sanjay Sethi**  
**Managing Director**  
**(DIN: 00090277)**

## REPORT ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To  
**The Members**  
**Beryl Drugs Limited**

We have examined the compliance of the conditions of Corporate Governance by Beryl Drugs Limited, Indore for the period ended 31<sup>st</sup> March, 2020 as per the regulations 17 to 27, clauses (b) to (i) of sub regulation (2) of regulation 46 and paragraph C, D and E of schedule 5 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

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

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

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

### **Restriction of use**

This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose.

**Place: Indore**  
**Date : 20<sup>th</sup> November, 2020**  
**UDIN: F008078B001264949**

**CS Dipika Kataria**  
**M No. F8078 CP 9526**

**CEO and CFO Certification under Regulation 17(8) and Part B of Schedule II of the SEBI****(Listing Obligations & Disclosure Requirements) Regulations, 2015**

To,  
**The Board of Directors**  
**Beryl Drugs Limited,**  
133, Kanchan Bagh,  
Indore- 452001 (M.P)

- (A) We have reviewed the Financial Statements, Cash Flow Statements, Books of Accounts, detailed trial balance and grouping thereof for the Financial Year 2019-20 and that to the best of our knowledge and belief:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (2) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (B) No transactions entered into by the Company during the year which are fraudulent, illegal or violate the Company's code of conduct.
- (C) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (D) We have indicated to the auditors and the Audit committee
- (a) No significant changes in internal control over financial reporting during the Financial Year 2019-20
  - (b) No significant changes in accounting policies during the period and that the same have been disclosed in the notes of the financial statements; and
  - (c) No Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

**For Beryl Drugs Limited**

**Sanjay Sethi**  
**Managing Director**  
**DIN: 00090277**  
**Date: 20.11.2020**

**Ashish Baraskar**  
**CFO**  
**Date: 20.11.2020**

## INDEPENDENT AUDITORS' REPORT

To,  
The Members of  
Beryl Drugs Limited

### Report on the Audit of the financial statements

#### Opinion

1. We have audited the accompanying financial statements of **Beryl Drugs Limited** ("the Company"), which comprise the Balance Sheet as at 31 March 2020, and the Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").
2. 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 31 March 2020, and profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs 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 evidences we have obtained are sufficient and appropriate to provide a basis for our opinion on the financial statements.

#### Emphasis of Matter

4. We draw attention to Note 41 to the financial statements, which states that balance confirmations from the suppliers, customers as well as to various loans or advances given have been called for but the same are still awaited. The balances of receivables, trade payables as well as Loans & Advances have been taken as per books of accounts by the company and our opinion is not modified in respect of this matter.

#### Key Audit Matters

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
6. We have determined the matters described below to be the key audit matters. We have fulfilled the responsibilities described in the Auditors' responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.



The key audit matters	How our audit addressed the key audit matter
<p><b>a) Revenue Recognition</b> See note 2 (M) of the significant accounting policies to the financial statements.</p>	
<p>The management is of the opinion that it controls the goods before transferring them to the customer. The variety of terms that define when control are transferred to the customer, as well as the high value of the transactions, give rise to the risk that revenue is not recognized in the appropriate accounting period.</p> <p>Revenue is measured net of returns and allowances, trade discounts and volume rebates (collectively 'Discount and rebates'). There is a risk that these discount and rebates are incorrectly recorded as it also requires a certain degree of estimation, resulting in understatement of the associated expenses and accrual. Accordingly, due to the significant risk associated with revenue recognition in accordance with terms of Ind AS 115 'Revenue from Contracts with Customers', it was determined to be a key audit matter in our audit of the financial statements.</p>	<p>We assessed the Company's process to identify the impact of adoption of Ind AS 115. Our audit approach included assessment of design and testing of operating effectiveness of internal controls related to revenue recognition, calculation of discounts and rebates and other substantive testing. We carried out:</p> <ul style="list-style-type: none"> <li>• Evaluation of the design of internal controls relating to implementation of new revenue accounting standard.</li> <li>• Selection of samples of both continuing and new contracts for -testing of operating effectiveness of the internal control - identification of contract wise performance obligations and - Determination of transaction price.</li> <li>• Verification of individual sales transaction on sample basis and traced to sales invoices, sales orders and other related documents. Further, the samples were checked for revenue recognition as per the shipping terms.</li> <li>• Sample of sales transactions were selected pre and post year end, agreeing the period of revenue recognition to third party support, such as transporter invoice and customer confirmation of receipt of goods.</li> <li>• Direct confirmations were obtained from customers to support existence assertion of trade receivables and assessed the relevant disclosures made in the financial statements; to ensure revenue from contracts with customers are in accordance with the requirements of relevant accounting standards.</li> <li>• In the cases where direct confirmations are not available, additional procedures were applied in respect of receipts in the subsequent period.</li> </ul>
<p><b>b) Expected Credit Loss</b> See note 2(N) of the significant accounting policies to the financial statements.</p>	
<p>The Company determines expected credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions.</p> <p>The Company considered current and anticipated future economic conditions and effect from the pandemic relating to COVID -19. We identified expected credit losses as a key audit matter because the Company exercises significant judgment in calculating the same.</p>	<p>Our audit procedures related to verification of expected credit losses for trade receivables included the following, among others: We tested the effectiveness of controls over the</p> <ol style="list-style-type: none"> <li>1) development of the methodology for the allowance for credit losses, including consideration of the current and estimated future economic conditions</li> <li>2) completeness and accuracy of information used in the estimation of probability of default and</li> </ol>

3) Computation of the allowance for credit losses based on the age wise details of trade receivables provided to us.

We tested the mathematical accuracy and computation of the allowances by using the same input data used by the company.

### Information other than the financial statements and Auditor's Report thereon

7. The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

### Management's Responsibility for the financial statements

8. The Company's management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with relevant rules issued there under. 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 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.
9. In preparing the financial statements, management and Board of Directors are 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 and Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Board of Directors is also responsible for overseeing the Company's financial reporting process.

### Auditor's Responsibilities for the Audit of the financial statements

10. 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 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.

11. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - 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 with reference to financial statements in place and the operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
12. 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.
13. 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.
14. 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 auditors' 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**

15. The Balance Sheet and the Profit & Loss Account have been drawn up in accordance with the provision of Section 133 of the Act read with rule 7 of the Companies Rules, 2014 (as amended).
16. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

17. With respect to the matter to be included in the Auditors' Report under section 197(16), we report that, In our opinion and according to the information and explanation given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 read with Schedule V of the Act.
18. 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.
  - (c) The Balance Sheet and the Statement of Profit and Loss (including other comprehensive income), Statement of changes in equity and Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
  - (e) On the basis of the written representations received from the directors as on 31 March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
  - (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations as at 31 March 2020 on its financial position in its financial statements - Refer Note 37 to the financial statements;
    - ii. The Company did not have any material foreseeable losses on long term contracts including derivative contracts during the year ended 31<sup>st</sup> March, 2020;
    - iii. There were no amounts which were required to be transferred to the investor education & protection fund by the company.

**For PRATEEK JAIN & CO.  
CHARTERED ACCOUNTANTS  
FRN-009494C**

**Date: 30<sup>th</sup> July, 2020  
Place: Indore**

**PRATEEK JAIN  
PROPRIETOR  
M.NO. 079214  
UDIN: 20079214AAAAAZ8306**

**ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 16, under 'Report on Other Legal and Regulatory Requirements' section of our Report of even date for Beryl Drugs Limited for the year ended 31<sup>st</sup> March, 2020)

**1. In respect of its fixed assets:**

- The Company has maintained adequate records showing full particulars including quantitative details and situation of fixed assets.
- As explained to us, all the items of property, plant and equipment have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
- According to the information and explanations given to us and the record examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising of the immovable properties of land and building which are free hold and lease hold, are in the name of the company as at the balance sheet date.

**2. Inventory**

As explained to us the inventories have been physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.

**3. Loan given by company**

According to the information and explanations given to us, the company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 ("the Act") in during the year.

**4. Loan to directors and investment by the company**

In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities.

**5. Deposits**

According to the information and explanations given to us, the Company has not accepted any deposits under sections 73 & 76 or any other relevant provision of Companies Act, 2013 and the rule framed there under. Therefore, the provisions of Clause (v) of paragraph 3 of the Order is not applicable to the Company.

**6. Cost records**

The Central Government has not prescribed maintenance of cost records pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended by sub section (1) of Section 148 of the Companies Act, 2013.

**7. Statutory dues**

- According to the information and explanations given to us and on the basis of our examination of the records of the Company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Customs Duty, Goods and Services Tax, Cess and other applicable material statutory dues have been generally regularly deposited with the appropriate authorities.
- According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2020 for a period of more than six months from the date of they became payable except the following:

Particulars	Amount (in ₹)
Service Tax	8250/-
Wealth Tax	390859/-
Professional Tax	52500/-
Vat Tax 12-13	4809/-
Vat Tax 13-14	6217/-
Vat Tax 14-15	150401/-
Vat Tax	191643/-
Income Tax AY 2019-20	7584/-

- According to the information and explanations given to us, there are no Statutory Dues which have not been deposited by the Company on account of disputes, except the following:

Sr. No.	Nature of the Statute	Nature of Dues	Amount	Period to which the amount relates (F.Y.)	Forum where dispute is pending
1	M.P. Entry Tax	Entry Tax	82865/-	1998-1999	Revision filed before Addl. Commissioner of Commercial Tax, Indore
2	M.P. VAT Act	Vat Tax	145662/-	2015-2016	Appeal Filed
3	Income Tax Act	Income Tax Demand	3938530/-	2017-2018	CPC Bengaluru

TDS Defaults on traces:

Financial Year	Amount (in ₹)
2019-20	1610/-
2018-19	7119/-
2017-18	5192/-
2016-17	5278/-
Prior years	242842/-
<b>Total</b>	<b>262041/-</b>

## 8. Repayments of loans

According to the information and explanations given to us, the company has not defaulted in repayment of dues to financial institutions or banks. The Company does not have any loans from Government and has not issued any debentures during the year.

## 9. Utilization of funds

During the year, The Company has not raised money by way of initial public offer or further public offer (including debt instruments). The Term Loans availed were applied for the purposes for which they are raised.

**10. Reporting of frauds**

According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the year under audit.

**11. Approvals of managerial remuneration**

According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

**12. Nidhi company**

In our opinion, the company is not a chit fund or a Nidhi mutual benefit fund/ society. Therefore, the provisions of clause (xii) of Para 3 of the said order are not applicable to the company.

**13. Related party transaction**

According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

**14. Private Placement or preferential allotment**

According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year

**15. Non cash transaction**

According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with its directors or persons connected with him.

**16. Registration of Reserve Bank of India (RBI) act 1934**

The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

**For PRATEEK JAIN & CO.  
CHARTERED ACCOUNTANTS  
FRN-009494C**

**Date:30<sup>th</sup> July, 2020  
Place: Indore**

**PRATEEK JAIN  
PROPRIETOR  
M.NO. 079214**



## ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 18 (f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date of Beryl Drugs Limited for the year ended 31st March, 2020)

### REPORT ON THE INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING UNDER CLAUSE (i) OF SUB SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

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

#### 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 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

#### MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly respect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that



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

#### **INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

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

#### **OPINION**

In our opinion, and to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 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 ("ICAI").

**For PRATEEK JAIN & CO.  
CHARTERED ACCOUNTANTS  
FRN-009494C**

**Date: 30<sup>th</sup> July, 2020  
Place: Indore**

**PRATEEK JAIN  
PROPRIETOR  
M.NO. 079214**

**BALANCE SHEET**  
**AS AT 31<sup>st</sup> March 2020**

PARTICULARS	NOTES	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2019
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property plant and equipment	3	8,33,34,319	1,66,93,903
Capital Work-in-Progress	4	0	6,23,72,533
Investment Property	5	26,27,335	28,82,772
Other Intangible assets	6	71,177	43,091
Financial Assets			
Investments	7	56,17,152	47,69,152
Trade Receivables		0	0
Loans		0	0
Other Financial Assets	8	0	1,11,864
Deferred Tax Assets (Net)	9	0	7,63,583
Other Non-current assets	10	23,30,483	40,74,836
<b>Total Non-Current assets</b>		<b>9,39,80,466</b>	<b>9,17,11,733</b>
Inventories	11	1,15,73,301	76,38,385
Financial Assets			
Investments		0	0
Trade receivables	12	3,45,41,202	3,43,71,743
Cash and cash equivalents	13	39,63,364	9,97,888
Loans		0	0
Other Financial Assets	8	19,52,448	8,90,384
Current Tax Asset (Net)	14	6,14,766	30,720
Other Current Assets	15	2,24,91,965	1,00,66,638
<b>Total Current assets</b>		<b>7,51,37,046</b>	<b>5,39,95,757</b>
<b>Total Assets</b>		<b>16,91,17,512</b>	<b>14,57,07,491</b>

**BALANCE SHEET**  
**AS AT 31<sup>st</sup> March 2020**

PARTICULARS	NOTES	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2019
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share capital	16	5,09,36,750	5,09,36,750
Other Equity	17	2,53,18,141	2,43,44,249
<b>Total Equity</b>		<b>76254891</b>	<b>7,52,80,999</b>
<b>Liabilities</b>			
Non-current liabilities			
Financial Liabilities			
Borrowings	18	2,31,23,011	1,29,74,313
Provisions	19	26,56,596	21,07,033
Deferred Tax Liabilities (Net)	9	8,05,985	0
Other Non-Current Liabilities		0	0
<b>Total non-current liabilities</b>		<b>2,65,85,592</b>	<b>1,50,81,346</b>
Current liabilities			
Financial Liabilities			
Borrowings	20	2,39,28,816	1,75,65,503
Trade payables	21	1,80,21,159	1,79,02,432
Other Financial Liabilities	22	1,99,26,976	1,57,04,258
Other Current liabilities	23	41,34,972	40,44,308
Provisions	24	2,65,106	1,28,644
<b>Total current liabilities</b>		<b>6,62,77,029</b>	<b>5,53,45,146</b>
<b>Total Liabilities</b>		<b>9,28,62,621</b>	<b>7,04,26,492</b>
<b>Total Equity and Liabilities</b>		<b>16,91,17,512</b>	<b>14,57,07,491</b>

Significant Accounting Policies Note 1 to 2  
The accompanying notes form an integral part of the financial statements Note 3 to 54

AS PER OUR REPORT OF EVEN DATE ATTACHED  
**FOR PRATEEK JAIN & CO.**  
**CHARTERED ACCOUNTANTS**  
FRN: 009494C

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

SANJAY SETHI  
(MANAGING DIRECTOR)  
DIN :00090277

SUDHIR SETHI  
(DIRECTOR)  
DIN : 00090172

**(PRATEEK JAIN)**  
**PROPRIETOR**  
M.No.: 079214

NEHA SHARMA  
(COMPANY SECRETARY)  
ICSI.M.NO.A30887

PLACE: INDORE  
DATE : 30.07.2020

PLACE: INDORE  
DATE : 30.07.2020

**STATEMENT OF PROFIT & LOSS**  
**FOR THE YEAR ENDED 31<sup>st</sup> March 2020**

( in ₹ )

PARTICULARS	NOTES	Year ended 31 <sup>st</sup> March 2020	Year ended 31 <sup>st</sup> March 2019
<b>INCOME</b>			
Revenue from operations			
Sale of Products	25	12,81,51,521	12,95,98,426
<b>Total Revenue from operations</b>		<b>12,81,51,521</b>	<b>12,95,98,426</b>
Other Income	26	23,30,889	24,37,944
<b>Total Income</b>		<b>13,04,82,410</b>	<b>13,20,36,370</b>
<b>EXPENSES</b>			
Cost of Material Consumed	27	6,67,78,894	6,84,92,225
Purchase of Stock-in-Trade		-	-
Changes in Inventories of Finished Goods			
Work-in-Progress and Stock-in-Trade	28	(7,00,084)	12,94,881
Employee Benefits Expense	29	96,52,693	84,55,113
Finance Costs	30	32,10,184	14,61,469
Depreciation and Amortisation Expense	3 to 6	65,94,801	32,40,866
Other Expenses	31	4,33,66,944	4,11,28,872
<b>Total Expenses</b>		<b>12,89,03,432</b>	<b>12,40,73,426</b>
<b>Profit Before Tax</b>		<b>15,78,978</b>	<b>79,62,944</b>
<b>Tax Expenses</b>			
Current Tax	32	(3,55,852)	25,61,858
Deferred Tax	32	14,55,420	(5,06,300)
<b>Profit for the Year</b>		<b>4,79,410</b>	<b>59,07,386</b>
<b>Other comprehensive income:</b>			
<b>Items that will not be reclassified to Statement of Profit and Loss</b>			
Change in value of Equity Investments		8,48,000	25,98,272
Actuarial Gain on defined benefit plans recognised in accordance with IND AS-19	29	(2,39,370)	1,40,818
Income tax relating to items that will not be reclassified to Statement of Profit and Loss		(1,14,148)	(36,613)
<b>Items that will be reclassified to Statement of Profit and Loss</b>			
Income tax relating to items that will be reclassified to Statement of Profit & loss		-	-
<b>Total comprehensive income for the year</b>		<b>9,73,892</b>	<b>86,09,863</b>
<b>Earnings per equity share of face value of Rs. 10 each</b>			
Basic (in Rs.)	33	0.09	1.16
Diluted (in Rs.)	33	0.09	1.16
Significant Accounting Policies	Note 1 to 2		
The accompanying notes form an integral part of the financial statements	Note 3 to 54		

AS PER OUR REPORT OF EVEN DATE  
FOR PRATEEK JAIN & CO.  
CHARTERED ACCOUNTANTS  
FRN: 009494C

(PRATEEK JAIN)  
PROPRIETOR  
M.No.: 079214

PLACE: INDORE  
DATE : 30.07.2020

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

SANJAY SETHI  
(MANAGING DIRECTOR)  
DIN : 00090277

SUDHIR SETHI  
(DIRECTOR)  
DIN : 00090172

NEHA SHARMA  
(COMPANY SECRETARY)  
ICSI.M.NO.A30887

PLACE: INDORE  
DATE : 30.07.2020

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED ON 31<sup>st</sup> March 2020**EQUITY SHARE CAPITAL**

( in ₹ )

Balance at the beginning of the reporting period i.e. 1st April 2018	Changes in equity of the reporting period i.e. year 2018-19	Balance at the end of the reporting period i.e. 31st March 2019	Changes in equity of the reporting period i.e. year 2019-20	Balance at the end of the reporting period i.e. 31st March 2020
50936750	-	5,09,36,750	-	5,09,36,750

**OTHER EQUITY**

( in ₹ )

	Reserves and Surplus		Other Comprehensive income	Total
	Capital Reserve	Retained Earning		
<b>Balance at the beginning of the reporting period i.e. 1st April 2018</b>	-	2,01,38,299	(44,03,913)	1,57,34,386
Profit for the year	-	59,07,386	-	59,07,386
Other Comprehensive Income	-	-	27,02,477	27,02,477
Total Comprehensive Income for the year	-	59,07,386	27,02,477	86,09,863
<b>Balance at the end of the reporting period i.e. 31st March 2019</b>	-	2,60,45,685	(17,01,436)	2,43,44,249

	Reserves and Surplus		Other Comprehensive income	Total
	Capital Reserve	Retained Earnings		
<b>Balance at the beginning of the reporting period i.e. 1st April 2019</b>	-	2,60,45,685	(17,01,436)	2,43,44,249
Profit for the year	-	4,79,410	-	4,79,410
Other Comprehensive Income	-	-	4,94,482	4,94,482
Total Comprehensive Income for the year	-	4,79,410	4,94,482	9,73,892
<b>Balance at the end of the reporting period i.e. 31<sup>st</sup> March 2020</b>	-	2,65,25,095	(12,06,954)	2,53,18,141

Significant Accounting Policies  
The accompanying notes form an integral part of the financial statements

Note No. 1 to 2

Note No. 3 to 54

AS PER OUR REPORT OF EVEN DATE  
FOR PRATEEK JAIN & CO.  
CHARTERED ACCOUNTANTS  
FRN: 009494C

(PRATEEK JAIN)  
PROPRIETOR  
M.No.: 079214

PLACE: INDORE  
DATE : 30.07.2020

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

SANJAY SETHI  
(MANAGING DIRECTOR)  
DIN :00090277

SUDHIR SETHI  
(DIRECTOR)  
DIN : 00090172

NEHA SHARMA  
(COMPANY SECRETARY)  
ICSI.M.NO.A30887

PLACE: INDORE  
DATE : 30.07.2020

**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020**

( in ₹ )

PARTICULARS	Year Ended 31.03.2020	Year ended 31.03.2019
<b>A: CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Loss Before Tax as per Statement of Profit and Loss	15,78,978	7962944
Adjusted for:		
(Profit) / Loss on Sale / Discard of Assets (Net)	-	(83830)
Depreciation / Amortisation Expense	65,94,801	3240866
Rental Income	(12,73,032)	(1262637)
Interest Income	(1,87,796)	(538237)
Finance costs	32,10,184	1461469
<b>Operating Profit before Working Capital Changes</b>	<b>99,23,135</b>	<b>10780575</b>
Adjusted for:		
Inventories	(39,34,916)	5834787
Increase/ (Decrease) in Trade Payables	1,18,727	3361701
(Increase) / Decrease in Trade Receivables	(1,69,459)	13889263
Other Current Assets	(43,08,244)	(6575324)
Other Financial Assets	(9,50,200)	814630
Other Financial Liabilities	8,29,146	0
Other Current Liabilities	13,81,871	7504032
Provisions	4,46,655	457573
<b>Cash Generated from Operations</b>	<b>33,36,715</b>	<b>36067237</b>
Taxes paid (Net)	(14,88,766)	(2588635)
<b>Net Cash flow from Operating Activities</b>	<b>18,47,949</b>	<b>33478602</b>
<b>B: CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of tangible and intangible assets	(18752416)	(914498)
Proceeds from disposal of tangible and intangible assets	0	323500
Capital Work in Progress	0	(61615941)
Capital Advances and Others	1744353	3697523
Proceeds from Loans	0	6633676
Interest Income	187796	538237
Rental Income	1273032	1262637
<b>Net Cash Flow (Used in) Investing Activities</b>	<b>(15547235)</b>	<b>(50074866)</b>

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020**

( in ₹ )

PARTICULARS	Year Ended 31.03.2020	Year ended 31.03.2019
<b>C: CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Long Term Borrowings	1,73,92,484	1,50,48,000
Repayment of Long Term Borrowings	(38,80,851)	(11,33,443)
Short Term Borrowings	63,63,313	37,00,048
Finance Costs	(32,10,184)	(14,61,469)
<b>Net Cash flow from /(Used in) Financing Activities</b>	<b>1,66,64,762</b>	<b>1,61,53,136</b>
<b>Net (Decrease) in Cash and Cash Equivalents</b>	<b>29,65,476</b>	<b>(4,43,128)</b>
<b>Opening Balance of Cash and Cash Equivalents</b>	<b>9,97,888</b>	<b>14,41,016</b>
<b>Closing Balance of Cash and Cash Equivalents (as per Note No. 13)</b>	<b>39,63,364</b>	<b>9,97,888</b>

1. The above cash Flow Statement has been prepared under the Indirect method as set out on Ind AS 7 "Statement of Cash Flows".
2. Figures for the Previous year have been re-arranged and re-grouped wherever necessary to confirm with the current year classification.
3. Figures in the brackets represent outflows.

AS PER OUR REPORT OF EVEN DATE  
FOR PRATEEK JAIN & CO.  
CHARTERED ACCOUNTANTS  
FRN: 009494C

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

(PRATEEK JAIN)  
PROPRIETOR  
M.No.: 079214

SANJAY SETHI  
(MANAGING DIRECTOR)  
DIN : 00090277

SUDHIR SETHI  
(DIRECTOR)  
DIN : 00090172

PLACE: INDORE  
DATE : 30.07.2020

NEHA SHARMA  
(COMPANY SECRETARY)  
ICSI.M.NO.A30887

PLACE: INDORE  
DATE : 30.07.2020

## SIGNIFICANT ACCOUNTING POLICIES FOR THE YEAR ENDED 31/03/2020

### **NOTE NO. 1**

#### **I. Corporate information**

Beryl Drugs Limited (The Company), incorporated on 24/08/1993 under the Companies Act, 1956 is a public Limited Company Domiciled in India having its registered office at 133, Kanchan Bag, Indore (MP) and its Shares are listed On Bombay Stock Exchange. The Company is principally engaged in Manufacturing of Bulk Drugs.

#### **II. BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

##### **A. Statement of compliance**

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time.

These financial statements have been prepared by the Company as a going concern. These financial statements were authorized for issuance by the Company's Board of Directors on 30th July, 2020.

##### **B. Basis of Measurement**

These financial statements have been prepared on accrual basis and under historical cost convention, except for certain financial instruments which are measured at fair value or amortized cost at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle.

##### **C. Current and Non-Current classification:**

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1, Presentation of Financial Statements.

##### **Assets:**

An asset is classified as current when it satisfies any of the following criteria:

- a) it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is expected to be realized within twelve months after the reporting date; or
- d) it is cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

##### **Liabilities:**

A liability is classified as current when it satisfies any of the following criteria:

- a) it is expected to be settled in the Company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is due to be settled within twelve months after the reporting date; or
- d) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Company has identified 12 months as its operating cycle. Current assets and liabilities include the current portion of non-current assets and liabilities respectively. All other assets and liabilities are



classified as non-current. Deferred tax assets and liabilities are always disclosed as non-current.

**D. Functional and presentation currency:**

These financial statements are presented in Indian rupees, which is the functional currency of the company.

**E. Cash flow statement:**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Statement of Cash Flows is prepared in accordance with the Indirect Method prescribed in the Indian Accounting Standard-7 "Statement of Cash Flows"

**F. Use of estimates and judgments :**

The preparation of the financial statements in conformity with the Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosures as at date of the financial statements and the reported amounts of the revenues and expenses for the years presented. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates under different assumptions and conditions. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The Management has considered the possible effects of Global Pandemic COVID-19 while preparing the financial statement- Refer Note 52.

**i) Revenue Recognition :**

The Company's contracts with customers include promises to transfer goods to the customers. Judgment is required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as schemes, incentives and cash discounts, among others. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur and is reassessed at the end of each reporting period.

Estimates of rebates and discounts are sensitive to changes in circumstances and the Company's past experience regarding returns and rebate entitlements may not be representative of customers' actual returns and rebate entitlements in the future.

Costs to obtain a contract are generally expensed as incurred. The assessment of this criteria requires the application of judgment, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

Interest income is recognised on accrual basis using the effective method.

**ii) Depreciation / amortization and useful lives of property plant and equipment / intangible assets**

Property, plant and equipment / intangible assets are depreciated / amortized over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortization to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account

anticipated technological changes. The depreciation / amortization for future periods is revised if there are significant changes from previous estimates.

### **iii) Recoverability of trade receivable**

Judgments are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

### **iv) Provisions**

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgment to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

### **v) Impairment of non-financial assets**

The Company assesses the chances of an asset getting impaired on each reporting date. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a group of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

### **vi) Impairment of financial assets**

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures of contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods are affected. Key sources of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are in respect of impairment of investments, useful lives of property, plant and equipment, valuation of deferred tax assets and fair value measurement of financial instruments, these are discussed below. Key sources of estimation of uncertainty in respect of revenue recognition, employee benefits and provisions and contingent liabilities have been discussed in their respective policies.

**NOTE NO. 2****SIGNIFICANT ACCOUNTING POLICIES****A. Property, plant and equipment****• Recognition and measurement**

Items of property, plant and equipment are stated at cost of acquisition less accumulated depreciation / amortization (other than land) and impairment losses. The cost of property, plant & equipment includes taxes (other than those subsequently recoverable from tax authorities), duties, freight and other incidental expenses (including the attributable borrowing costs incurred during pre-operational period and net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets) related to the acquisition and installation of the respective assets.

Any gain or loss on disposal of an item of property, plant & equipment is recognized in profit or loss account.

**• Subsequent expenditure**

Subsequent expenditure incurred such as repairs and maintenance, are normally charged to the statement of profit and loss in the period in which the costs are incurred. Major inspection and overhauling expenditure is capitalized, if the recognition criteria are met. The policy of the company is that subsequent costs are included in the asset's carrying amount or recognized as separate asset, as appropriate, only when it is probable that the future economic benefits associated with the items will flow to the entity and the cost of the same can be measured reliably.

**• Replacement of significant part of asset**

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the statement of profit and loss as incurred.

**• Disposal of Property, Plant or Equipment**

Gains and losses on disposal of an item of property, plant and equipments are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized net within other income/other expenses in statement of profit and loss.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss, when the asset is derecognized.

- The residual values of property, plant and equipment are reviewed periodically.
- Provision of decommissioning & restoration & other liabilities are not made.
- Property plant and equipment has been shown as gross amount in the books of accounts due to depreciation there has been credited to depreciation reserve account but in the financial statement said depreciation has been deducted from the Property, Plant and Equipment as their earlier practice.

**B. Depreciation**

- Depreciation on fixed assets is provided on the written down value method based on useful life of the assets as prescribed in Part C of Schedule II to the Companies Act, 2013 or based on estimated useful lives of the assets determined by the management. Each part of an item of Property, Plant &

Equipment with a cost that is significant in relation to total cost of the Machine is depreciated separately, if its useful life is different than the life of the Machine.

- Assets held under finance lease are depreciated over the shorter of the lease term and their useful lives.
- Depreciation is not recorded on capital work-in-progress until construction and installation is complete and the asset is ready for its intended use.

*Useful lives of property, plant and equipment*

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

**C. LEASES:**

- i) Leases are classified as finance leases whenever the terms of the lease, transfers substantially all the risks and rewards of ownership to the lessee.
- ii) Leased assets: Assets held under finance leases are initially recognized as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.
- iii) Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognized immediately in Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalized. Contingent rentals are recognized as expenses in the periods in which they are incurred.
- iv) A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.
- v) Payments associated with short-term leases and all leases of low value assets are recognized on a straight line basis as an expense in the statement of Profit and Loss. Short term leases are leases with a lease term of 12 months or less.

**D. Intangible assets**

Intangible Assets are stated at cost of acquisition net of recoverable taxes, trade discount and rebates less accumulated amortization /depletion and impairment loss, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

Intangible assets comprises of computer software. Cost of computer software includes cost such as salary and other expenditure incurred on development of the computer software and is amortized on written down value over a period, which in management's estimate represents the period during which economic benefits will be derived from their use.

**E. Capital work in progress**

Assets in the course of construction are capitalized in capital work in progress account. At the point when an asset is capable of operating in the manner intended by management, the cost of

construction is transferred to the appropriate category of property, plant and equipment. Costs associated with the commissioning of an asset are capitalized when the asset is available for use but incapable of operating at normal levels until the period of commissioning has been completed.

#### **F. Borrowing costs**

Borrowing cost relating to the acquisition/construction of a qualifying asset are considered as part of the cost of the asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

All other borrowing costs are treated as period cost and charged to the statement of profit and loss in the year in which it is incurred.

#### **G. Inventories**

- Items of inventories are measured at lower of cost or realizable value, except in case of by-products & obsolescence/ defective products which are valued at net realizable value. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads net of recoverable taxes incurred in bringing them to their respective present location and condition.
- Stores and spares are valued at lower of weighted average cost and net realizable value.
- The net realizable value of work-in progress is determined with reference to the selling price of related finished goods. Raw materials and other supplies held for use in production of inventories are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realizable value.
- The comparison of cost and the net realizable value is made on an item-by-item basis.
- The cost formulas used are Weighted Average Cost in case of raw material, ancillary raw material, stores and spares, packing materials, trading and other products are determined at cost, with moving average price on FIFO basis.

#### **H. Impairment of non-financial assets- property, plant and equipment and intangible assets**

- i) The Company assesses at each reporting date as to whether there is any indication that any property, plant and equipment and intangible assets or group of assets, called Cash Generating Units (CGU) may be impaired. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.
- ii) An impairment loss is recognized in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.
- iii) The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

#### **I. Provisions and contingent liabilities**

A provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to

settle the obligation or a reliable estimate of the amount cannot be made.

Contingent assets are not recognized but are disclosed in the financial statements when inflow of economic benefits is probable.

## **J. Income Taxes**

The tax expense for the period comprises current and deferred tax. Tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognized in the other comprehensive income or in equity. In which case, the tax is also recognized in other comprehensive income or equity.

### *i) Current tax*

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance Sheet date.

### *ii) Deferred tax*

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period, in which, the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

## **K. Foreign Currency Transactions**

- i)* Transactions in foreign currencies are initially recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.
- ii)* Exchange differences arising on settlement or translation of monetary items are recognized in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets, are capitalized as cost of assets.

## **L. Employee benefits**

- Short term employee benefits

All employee benefits which are payable within twelve months of rendering service are classified as short-term employee benefits. Benefits such as salaries, wages, bonus, short term compensated absences and the expected cost of ex-gratia is recognized in the period in which the employee renders the related service.

Employee benefits include short term benefits like salaries and wages which are recognized as an expense in the statement of Profit and Loss of the year in which the related service is rendered.

A liability is recognized for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

- Post-Employment Benefits

### Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund, Superannuation Fund and Pension Scheme. The Company's contribution is recognized as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.



### Defined Benefits Plans

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

- **Provident Fund**

Provident Fund contributions are made to a trust administered by the Trustees. Trust makes investments and settles member's claims. Interest Payable to the members shall not be at a rate lower than the statutory rate. Liability is recognized for any shortfall in the plan assets vis-à-vis actuarially determined liability of the fund obligation.

- **Gratuity Plan**

The company has a defined gratuity plan. Every employee who has rendered continuous service of 5 years or more is entitled to gratuity amount of 15 days salary (15/26 last drawn basic salary plus dearness allowance) for each completed year for five year or more subject to maximum of Rs. 20 lakhs on superannuation, resignation, termination, disablement or death.

The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

Re-measurement of defined benefit plans in respect of post-employment are charged to the Other Comprehensive Income.

### M. Revenue Recognition

The Company earns revenue primarily from sale of Bulk Drugs.

Revenue is recognized Applying the core principle of 5 step approach.

- The standard requires identifying contract with customer as a first step.
- Having identified a contract, the entity next identifies the performance obligations with that contract. A performance obligation is a promise in a contract with a customer to transfer either a good or service or a bundle of goods or services, that are distinct.
- Third step in the model is to determine the transaction price and then as fourth step, such transaction price needs to be allocated to the performance obligation identified in step 2.
- In accordance with this Standard, entity is required to recognize revenue when the entity satisfies the performance obligation.

Revenue is recognized upon transfer of control of promised goods to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those goods. Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers. Invoices are payable within contractually agreed credit period.

Dividend income is recorded when the right to receive payment is established. Interest income is recognized using the effective interest method.

Interest income is recognized on accrual basis using the effective interest method.

### N. FINANCIAL INSTRUMENTS

#### i) *Financial Assets*

##### a. *Initial recognition and measurement*

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognized using trade date accounting.

b. *Subsequent measurement*

Financial assets carried at amortized cost

A financial asset is measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

*Financial assets at fair value through other comprehensive income (FVTOCI)*

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

*Financial assets at fair value through profit or loss (FVTPL)*

A financial asset not classified as either amortized cost or FVOCI, is classified as FVTPL.

c. *Impairment of financial assets*

In accordance with Ind AS 109, the Company applies the expected credit loss (ECL) model for measurement and recognition of impairment loss on trade receivables or any contractual right to receive cash or another financial asset.

For this purpose, the Company follows a 'simplified approach' for recognition of impairment loss allowance on the trade receivable balances. The application of this simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed

ii) *Financial Liabilities*

a. Initial recognition and measurement

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognized in the Statement of Profit and Loss as finance cost.

b. *Subsequent measurement*

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

c. *Derecognition of financial instruments*

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

**O. Earnings per share**

Basic earnings per share are computed by dividing profit or loss attributable to equity shareholders of



the company by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the period are adjusted for events of bonus issue; bonus element in a right issue to existing shareholders.

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

#### **P. Fair value measurement of financial instruments**

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

#### **Q. Cost recognition**

Costs and expenses are recognized when incurred and have been classified according to their nature. The costs of the Company are broadly categorized in employee benefit expenses, cost of raw materials consumed, depreciation and amortization expense and other expenses. Employee benefit expenses include Salaries & wages, bonus to employees, incentives and allowances, contributions to provident fund and other funds and staff welfare expenses. Other expenses mainly include manufacturing expenses, selling and distribution expenses and administrative & establishment expenses (Refer Note 31 for details)

#### **R. Investment Property**

As per Ind AS 40 "INVESTMENT PROPERTY", Investment property is property (land or a building-or part of a building-or both) held (by the owner or by the lessee under a finance lease) to earn rentals or for capital appreciation or both. Therefore, an investment property generates cash flows largely independently of the other assets held by an entity. This distinguishes investment property from owner-occupied property. The production or supply of goods or services (or the use of property for administrative purposes) generates cash flows that are attributable not only to property, but also to other assets used in the production or supply process.

*Investment property shall be recognised as an asset when and only when:*

- it is probable that the future economic benefits that are associated with the investment property will flow to the entity; and
- the cost of the investment property can be measured reliably.

##### *Reclassification to investment property*

When the use of a property changes from owner occupied to investment property, the property is reclassified as investment property as it's carrying amount on the date of reclassification.

As per Ind AS 40 "Investment Property", Transfers to, or from, investment property shall be made when, and only when, there is a change in use, evidenced by:

- commencement of owner-occupation, for a transfer from investment property to owner-occupied property;
- commencement of development with a view to sale, for a transfer from investment property to inventories;
- end of owner-occupation, for a transfer from owner-occupied property to investment property; or
- commencement of an operating lease to another party, for a transfer from inventories to investment property.

**S. Segment reporting**

The Company's main business is pharmaceutical manufacturing. There is no separate reportable segment as per Ind AS 108.

**T. Actuarial Valuation**

The determination of company liability towards defined benefit obligation to Employees is made through Independent Actuarial Valuation including determination of amount to be recognized in the Statement of Profit & Loss & in other Comprehensive Income. Such valuation depend upon assumption determined after taking into account interim, seniority, promotions and other relevant factors such as Supply & Demand Factor in the Employment Market. Information about such valuation is provided in notes to the Financial Statements.

**U. Utility Deposit**

Utility deposits are shown at cost.

**V. Recent Indian Accounting Standards (Ind AS)**

New standards/amendments that are not yet effective and have not been early adopted: Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, 2019 notifies new standard or amendments to the standards. There is no such new notification which would be applicable from April 1, 2020.

NOTE No. 03 to 06 :

Description	GROSS BLOCK			DEPRECIATION / AMORTISATION / DEPLETION			NET BLOCK	
	As at 01-04-2019	Adjustments/ Additions	Adjustments/ Deductions	As at 31-03-2020	For the Year #	Adjustments/ Deductions	As at 31-03-2020	As at 31-03-2019
<b>NOTE "03" : Property Plant &amp; Equipment</b>								
Tangible Assets :								
<b>Own Assets :</b>								
Factory Building	8149537	13504985	-1132282	20522240	989964		17742588.00	6359849
Plant & Machinery	5865317	63322394	-6984801	62202910	3884823		\$5819968.00	3361198
Other Plant & Machinery	2392121			2392121	248744	0	943286.00	1192030
E.T.P. Plant	222404			222404	22422		96114.00	118536
Lab Equipments	429881			429881	43009		108226.00	151235
Block & Design	11944			11944	1230		4375.00	5605
Furniture	1182486			1182486	125802		345804.00	471606
Electrical Installation	83378	4183246		4266624	362504		3864145.00	43403
Vehicles (Car)	2275261			2275261	400835	0	882655.00	1283490
Air Conditioner	1012490			1012490	102514		450417.00	552331
Trolley	2052			2052	207		894.00	1101
Computer & Printer	37113	27500		64613	14095		24644.00	11239
Mobile Instrument	133279	27300		160579	26398		78349.00	77447
Office Equipments	435531			435531	331805		57518.00	103726
Site Development	559115			559115	39171		376216.45	415387
<b>Sub-Total</b>	<b>22791909</b>	<b>81065425</b>	<b>-8117083</b>	<b>95740251</b>	<b>6307926</b>	<b>0</b>	<b>80789199</b>	<b>14148783</b>
Leased Assets								
Leasehold Land	2545120	0	0	2545120			2545120	2545120
<b>Total</b>	<b>25337029</b>	<b>81065425</b>	<b>-8117083</b>	<b>98285370</b>	<b>6307926</b>	<b>0</b>	<b>83334319</b>	<b>16693903</b>
Refer to Note No. 46 for details of deduction of Rs. 8117083/-from Plant & machinery & Factory Building towards Government Grant.								
<b>NOTE No. 04</b>								
<b>Capital Work-in-Progress*</b>								
Building Under Construction	11307398.11	1831942.00	-13139340.11	0	0	0	0	11307398
Electrical Installation	3919055.98	259190.00	-4178245.98	0			0	3919056
Plant & Machinery	47146078.53	134688316.00	-60614394.53	0			0	47146079
<b>Total</b>	<b>62372533</b>	<b>15599448</b>	<b>-77931981</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>62372533</b>
* Capital work in progress is the expansion at Pithampur which has started production with effect from 4.12.2019 as the necessary conditions to operate have been completed.								
<b>NOTE No. 05</b>								
<b>Investment Property</b>								
Land At Kelod Hala	465640			465640	0		465640	465640
Land For Godown	1170126			1170126	0		1170126	1170126
Building (Godown)	2529898			2529898	255437		991569	1247006
<b>Total</b>	<b>4165664</b>	<b>0</b>	<b>0</b>	<b>4165664</b>	<b>255437</b>	<b>0</b>	<b>2627335</b>	<b>2882772</b>
<b>NOTE No. 06</b>								
<b>Intangible Assets :</b>								
Trademark	2719	59524		2719	391		1052	1443
Software	96090			155614	31047		70125	41648
<b>Total</b>	<b>98809</b>	<b>59524</b>	<b>0</b>	<b>158333</b>	<b>31438</b>	<b>0</b>	<b>71177</b>	<b>43091</b>

**NOTE "07" : Investments**

( in ₹ )

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Units	Amount	Units	Amount
<b>NON CURRENT INVESTMENTS</b>				
<b>Investments measured at fair value through other comprehensive income</b>				
In Quoted, fully paid up Equity Shares Rs. 10 each of Beryl Securities Ltd.	678400	5617152	678400	4769152
Market price of share in BSE		@8.28		@7.03

**NOTE "08" : Other Financial Assets**

	As at 31st March 2020		As at 31st March, 2019	
	Non -Current	Current	Non -Current	Current
Interest Accrued on Deposits	-	80,200	1,692	47,487
Deposits	-	18,72,248	1,10,172	8,42,897
<b>Total</b>	-	<b>19,52,448</b>	<b>1,11,864</b>	<b>8,90,384</b>

**NOTE "9" :****Deferred Tax Asset (Net)**

The movement on the deferred tax account is as follows:

( in ₹ )

	As at 31st March, 2020	As at 31st March, 2019
<b>Deferred Tax Liability</b>		
Related to Fixed Assets	21,25,879	-
Others	1,14,148	
<b>Deferred Tax Assets</b>		
Related to Fixed Assets	-	1,13,818
Disallowances & Losses under the Income Tax Act	13,79,890	5,59,820
Others	54,152	89,945
<b>Net Deferred Tax Asset</b>	<b>(8,05,985)</b>	<b>7,63,583</b>
<b>At the start of the year</b>	<b>7,63,583</b>	<b>2,93,896</b>
(Charge)/credit to Statement of Profit and Loss	(15,69,568)	4,69,687
<b>At the end of year</b>	<b>(8,05,985)</b>	<b>7,63,583</b>

**NOTE "10" : Other Non-current assets**

( in ₹ )

	As at 31st March, 2020	As at 31st March, 2019
<b>(Unsecured and Considered Good)</b>		
Capital Advances	5,92,965	23,37,318
Others**	17,37,518	17,37,518
<b>Total</b>	<b>23,30,483</b>	<b>40,74,836</b>

\*\* Others includes various Security &amp; Utility Deposits

**NOTE "11" : Inventories**

( in ₹ )

	As at 31st March, 2020	As at 31st March, 2019
Raw Materials (Including packing material)	67,86,518	35,61,763
Finished Goods	46,86,283	39,86,199
Stores and spares	1,00,500	90,423
<b>TOTAL</b>	<b>1,15,73,301</b>	<b>76,38,385</b>

**NOTE "12" : Trade Receivables**

	As at 31st March, 2020	As at 31st March, 2019
<b>A- Unsecured and Considered Good</b>	3,45,41,202	3,43,71,743
<b>B- Trade Receivables which have significant increase in Credit Risk</b>	<b>9,74,969</b>	<b>₹ 8,33,945</b>
Less: Impairment of Trade Receivables*	-9,74,969	-8,33,945
<b>C - Trade Receivables- Credit impaired</b>	<b>-</b>	<b>1,54,741</b>
Less: Credit impaired and written off	-	-1,54,741
<b>Total Trade Receivables (A + B)</b>	<b>3,45,41,202</b>	<b>3,43,71,743</b>

**NOTE "12.1" :**

Debts due by directors or other officers of the Company or any of them either severally or jointly with any other persons or debts due by firms or private companies respectively in which any director is a partner or a director or a member as on 31 March 2020-NIL (31.3.2019- NIL).

**NOTE "12.2" :**

\* The provision for the impairment of trade receivable has been made on the basis of expected Credit loss method and other cases based on management judgment.

**NOTE "13" : Cash and cash equivalents**

( in ₹ )

	As at 31st March, 2020	As at 31st March, 2019
Cash on Hand	37,02,144	7,29,421
Balance with bank	1,77,965	2,00,729
Cheques in Hand	83,255	67,738
<b>Cash and cash equivalents as per balance sheet</b>	<b>39,63,364</b>	<b>9,97,888</b>
Cash and cash equivalents as per statement of cash flow	3963 364	9,97,888

**NOTE "14" :****Current Tax Assets (Net)**

( in ₹ )

	As at 31st March, 2020	As at 31st March, 2019
<b>(Unsecured and Considered Good)</b>		
Advance Income Tax	2,00,500	-
Tax Deducted at Source	1,45,946	-
Mat Credit Entitlement	2,68,320	-
Income Tax Refundable AY 17-18	-	30,720
<b>Total</b>	<b>6,14,766</b>	<b>30,720</b>

**NOTE "15" :****Other Current Assets**

( in ₹ )

	As at 31st March, 2020	As at 31st March, 2019
<b>(Unsecured and Considered Good)</b>		
Balance with M.P. Tax Authorities*	55,847	1,49,727
GST Receivable	93,86,963	75,54,588
ITC on GST RCM	40,854	20,750
Advances to suppliers & others	34,01,557	5,86,672
Prepaid Expenses	2,08,276	3,45,944
Grant Receivable- DTIC, Pithampur (Industries Investment Subsidy)	81,17,083	-
Others**	12,81,385	14,08,956
<b>Total</b>	<b>2,24,91,965</b>	<b>1,00,66,638</b>

\* Balance with M.P. Tax authorities includes Value Added Tax , Entry tax .

\*\* EMD with TNMSC &amp; Others

**NOTE "16" : Equity Share Capital****( in ₹ )**

	As at 31st March, 2020		As at 31st March, 2019	
	Units	Amount	Units	Amount
<b>SHARE CAPITAL</b>				
<b>Authorised Share Capital</b>				
Equity Shares of Rs. 10 each	10000000	10,00,00,000	10000000	10,00,00,000
<b>Issued, Subscribed and Paid up:</b>				
Equity Shares of Rs. 10 each fully paid up	5071700	5,07,17,000	5071700	5,07,17,000
Equity Shares forfeited (Amount Originally paid up)	59300	2,19,750	59300	2,19,750
<b>Total</b>		<b>5,09,36,750</b>		<b>5,09,36,750</b>

**The details of shareholders holding more than 5% shares :**

Name of the Shareholder	As at 31st March, 2020		As at 31st March, 2019	
	No. of Shares	% held	No. of Shares	% held
Sanjay Sethi	544300	10.73	544300	10.73
Sudhir Sethi	364400	7.18	364400	7.18

**The reconciliation of the number of shares outstanding is set out below :**

	As at 31st March, 2020	As at 31st March, 2019
Equity Shares at the beginning of the year	5071700	5071700
Add: Shares issued	0	0
Less: Shares Forfeited	0	0
Equity Shares at the end of the year	5071700	5071700

**Terms/ Rights attached to equity shares :**

The Company has only one class of shares i.e. equity shares with equal rights for dividend and repayment. Each holder of the shares is entitled to one vote per share. Dividend on equity shares whenever proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**NOTE "17" : Other Equity** ( in ₹ )

	As at 31st March, 2020	As at 31st March, 2019
<b>Retained Earnings</b>		
As per last Balance Sheet	2,60,45,685	2,01,38,299
Add: Profit for the year	4,79,410	59,07,386
	<b>2,65,25,095</b>	<b>2,60,45,685</b>
<b>Less: Appropriations</b>	-	-
Total (A)	<b>2,65,25,095</b>	<b>2,60,45,685</b>
<b>Other Comprehensive Income (OCI)</b>		
As per last Balance Sheet	(17,01,436)	(44,03,913)
Add: Movement in OCI (Net) during the year	4,94,482	27,02,477
Total (B)	<b>(12,06,954)</b>	<b>(17,01,436)</b>
<b>Amount transfer to other equity (A+B)</b>	<b>2,53,18,141</b>	<b>2,43,44,249</b>

**NOTE "18" : Borrowings** ( in ₹ )

	As at 31st March, 2020		As at 31st March, 2019	
	Non-Current	Current	Non-Current	Current
<b>Secured - At amortised cost</b>				
<b>Term Loans- from Banks</b>				
HDFC Bank	-	-	4,95,431	2,36,619
Kotak Mahindra Bank	1,06,39,692	18,25,091	1,24,78,882	16,68,365
Axis Bank	1,24,83,319	34,73,465	-	-
<b>Total</b>	<b>2,31,23,011</b>	<b>52,98,556</b>	<b>1,29,74,313</b>	<b>19,04,984</b>

Details of the above borrowings are as under:

Particulars	Maturity date	Terms of repayment	Coupon/ Interest Rate	31-Mar-20
<b>Secured Term Loan From Banks :</b>				
HDFC Bank Vehicle Loan- against Hyundai Creta	07.01.2022	EMI of Rs. 24593 from 7.2.2017 to 7.1.2022 However Prepayment during FY 19-20	9.35%	-
Kotak Mahindra Bank- against Plant & Machinery	10.08.2025	83 EMI of ₹ 249208 from 10.09.2018 to 10.08.2025 & 1 of ₹ 116674/- on 10.8.2025	10.01%	1,24,64,783
Axis Bank - Term Loan Capex for Plant & Machinery	31.10.2024	59 Installment of Principal 292000 from Nov 2019 to Sep 2024 & 1 instalment of 272000 on 31.10.2024	10.01%	1,59,56,784



<b>Total non-current borrowings</b>	<b>2,84,21,567</b>
<b>Less: Current maturities of long-term debt (included in note 22)</b>	<b>52,98,556</b>
<b>Non-current borrowings (as per balance sheet)</b>	<b>2,31,23,011</b>

- a) The Term Loans from HDFC Bank are taken against purchase of Cars with the primary security of hypothecation of respective Car.
- b) The Term Loan from Kotak Mahindra Bank is in the nature of LAP and has been taken against primary security of Mortgage of Investment property situated at Plot No. 100, Gram Kelod Hala, Indore
- c) The Term Loan from Axis Bank is secured by Primary security of Hypothecation Charge on Plant & Machinery created out of bank finance (present and future) & with a collateral Security of Equitable Mortgage on Factory Land & Building situated at Plot No. 122, Sector I, Pithampur, Distt Dhar (MP) area 2787 Sq Mtr. This loan is also secured by Pledging of Fixed Deposit of Rs. 8.70 Lacs. The said Axis Bank Term Loan is also secured by Personal Guarantee of Directors Shri Sanjay Sethi & Shri Sudhir Sethi.
- d) There are no defaults as on the Balance Sheet date in repayment of the above loans and interest thereon.

**NOTE "19" : Provisions**

( in ₹ )

	As at 31st March, 2020	As at 31st March, 2019
<b>PROVISIONS NON CURRENT</b>		
Provision for Gratuity	26,56,596	21,07,033
<b>Total</b>	<b>26,56,596</b>	<b>21,07,033</b>

Note :- Provision for gratuity is based on the basis of actuarial report.

**NOTE "20" : Borrowings**

( in ₹ )

	As at 31st March, 2020	As at 31st March, 2019
<b>BORROWING - CURRENT</b>		
From Banks:		
Punjab National Bank Cash Credit Limit	2,39,28,816	1,75,65,503
<b>Total</b>	<b>2,39,28,816</b>	<b>1,75,65,503</b>

The above limit from Punjab National Bank is enhanced to Rs. 2,50,00,000/-. The rate of interest applicable is 1 year MCLR i.e 8.45% +1% i.e 9.45%

Margin: Stock 30%, & book debts 40%

Security: First charge by way of hypothecation of entire current assets of the company viz. Stocks and book debts and spares both present & future.

Collateral Security: Equitable mortgage of Land & Building, Plant & Machinery situated at 123, Sector I, Pithampur.

Personal Guarantee: The above CC Limit is also personally guaranteed by the directors Shri Sudhir Sethi & Shri Sanjay Sethi.

There is no default as on the Balance Sheet date in repayment of any interest on the said CC Limit.

**NOTE "21" : Trade Payables**

( in ₹ )

	As at 31st March, 2020	As at 31st March, 2019
Micro, Small and Medium Enterprises	45,14,923	17,30,438
Others (Other than MSME)	1,35,06,236	1,61,71,994
Trade Payables to Related Parties	-	-
<b>Total</b>	<b>1,80,21,159</b>	<b>1,79,02,432</b>

**NOTE "22" : Other Financial Liabilities**

( in ₹ )

	As at 31st March, 2020	As at 31st March, 2019
Current maturities of Long Term Debt	52,98,556	19,04,984
Security Deposit	3,62,521	3,62,521
Sundry Creditors for Exp	92,03,877	86,41,649
Creditors for Capital Goods	50,62,022	47,95,104
<b>Total</b>	<b>1,99,26,976</b>	<b>1,57,04,258</b>

**NOTE "23" : Other Current Liabilities**

( in ₹ )

	As at 31st March, 2020	As at 31st March, 2019
Advances from Customers	15,63,650	6,38,289
Income Tax Payable	2,75,904	15,67,111
Provision for Wealth Tax	3,90,859	3,90,859
ESIC Payable	17,472	28,237
Professional Tax Payable	55,000	52,500
Provident Fund Payable	54,662	46,044
Service tax Payable	8,250	8,250
TDS Payable	81,448	42,421
TCS Payable	892	2,677
VAT Payable	3,53,070	4,46,950
Other Payables	13,33,765	8,20,970
<b>Total</b>	<b>41,34,972</b>	<b>40,44,308</b>

**NOTE "24" : Provisions**

( in ₹ )

	As at 31st March, 2020	As at 31st March, 2019
<b>PROVISIONS - CURRENT</b>		
Provisions for Gratuity	60,982	46,120
Other Provisions	2,04,124	82,524
<b>Total</b>	<b>2,65,106</b>	<b>1,28,644</b>

**NOTE "25" : Sale of Products**

( in ₹ )

	As at 31st March, 2020	As at 31st March, 2019
<b>Particulars of Sale of Products</b>		
Local sales	3,22,51,869	2,95,02,204
Interstate sales	3,54,51,371	4,06,01,621
Government sales (interstate)	5,79,70,186	4,41,73,896
Inter depot transfer (kanpur)	-	1,21,23,572
Scrap sales	24,78,095	32,03,170
<b>Total</b>	<b>12,81,51,521</b>	<b>12,96,04,463</b>
Less: Sales return (local sales)	-	6,038
<b>Total</b>	<b>12,81,51,521</b>	<b>12,95,98,426</b>

**NOTE "26" : Other Income**

( in ₹ )

	As at 31st March, 2020	As at 31st March, 2019
Interest Received	1,87,796	5,38,237
Discount received	8,70,061	5,53,140
Godown rent	12,73,032	12,62,637
Profit on Sale of Fixed Assets	-	83,830
Other income	-	101
<b>Total</b>	<b>23,30,889</b>	<b>24,37,944</b>

**NOTE "27" : Cost of Material Consumed**

( in ₹ )

	Amount as on 31.03.2020	Amount as on 31.03.2019
<b>A. RAW MATERIAL CONSUMED</b>		
OPENING STOCK	1122276	3325928
ADD: PURCHASES		
(a) LOCAL	9406350	9145295
(b) OUT OF M.P.	282000	1792000
<b>Total</b>	<b>10810626</b>	<b>14263223</b>
LESS: PURCHASE RETURN (LOCAL)	0	5250
LESS: CLOSING STOCK	1425030	1122276
	<b>9385596</b>	<b>13135697</b>
<b>B. PACKING MATERIAL CONSUMED</b>		
OPENING STOCK	2439487	4732575
ADD: PURCHASES		
(a) LOCAL	59941677	51964091

(b) OUT OF M.P.	373622	1733203
	62754786	58429869
LESS PURCHASE RETURN	0	633854
	62754786	57796015
LESS: CLOSING STOCK	5361488	2439487
	<b>57393298</b>	<b>55356528</b>
<b>TOTAL MATERIAL CONSUMED (A+B)</b>	<b>66778894</b>	<b>68492225</b>

**NOTE "28" :****Changes in Inventories of Finished Goods Work-in-Progress and Stock-in-Trade ( in ₹ )**

	31st March, 2020	31st March, 2019
<b>Inventories (at close)</b>		
Finished Goods / Stock-in-Trade	46,86,283	39,86,199
Work-in-Progress	-	-
	<b>46,86,283</b>	<b>39,86,199</b>
<b>Inventories (at commencement)</b>		
Finished Goods / Stock-in-Trade	39,86,199	53,27,552
Work-in-Progress	-	-
	<b>39,86,199</b>	<b>53,27,552</b>
Less: Last year Stock reserve Written back	-	46,472
<b>Total</b>	<b>39,86,199</b>	<b>52,81,080</b>
<b>Changes in inventories of finished goods, work-in-progress and stock-in-trade</b>	<b>(7,00,084)</b>	<b>12,94,881</b>

**NOTE "29" : Employee Benefit Expense****( in ₹ )**

<b>EMPLOYEE BENEFITS EXPENSE</b>	31st March, 2020	31st March, 2019
Salaries and Wages	88,24,132	<b>75,38,221</b>
Contribution to Provident Fund and Other Funds	5,03,506	5,34,343
Gratuity	3,25,055	3,82,549
Staff Welfare Expenses	-	-
<b>Total</b>	<b>96,52,693</b>	<b>84,55,113</b>

**Defined Contribution Plans**

<b>Particulars</b>	2019-20	2018-19
Employer's Contribution to Provident Fund	3,12,929	2,86,439
Employer's Contribution to ESIC	1,90,577	2,47,904

**Defined Benefit Plans:**

In accordance with IND AS 19 "Employee Benefits", an actuarial valuation has been carried out in respect of gratuity.

Particulars	2019-20	2018-19
Reconciliation of opening and closing balances of the present value of the defined benefit obligations		
Defined Benefit Obligation at beginning of the year	21,53,153	19,18,922
Current Service Cost	1,78,641	2,34,792
Interest Cost	1,46,414	1,47,757
Actuarial (Gain) / Loss	2,39,370	(1,40,818)
Benefits Paid	-	(7,500)
<b>Defined Benefit Obligation at the end of the year</b>	<b>27,17,578</b>	<b>21,53,153</b>

**II) Reconciliation of opening and closing balances of fair value of Plan Assets**

Particulars	2019-20	2018-19
Fair value of Plan Assets at beginning of year	-	-
Expected Return on Plan Assets	-	-
Actuarial Gain / (Loss)	-	-
Employer Contribution	-	-
Benefits Paid	-	-
Fair value of Plan Assets at year end	-	-
Actual return on Plan Assets	-	-

**III) Expenses recognised in the Statement of Profit and Loss under employee benefits expense:**

Particulars	2019-20	2018-19
Current Service Cost	1,78,641	2,34,792
Interest Cost	1,46,414	1,47,757
<b>Expenses recognised in the statement of Profit and Loss</b>	<b>3,25,055</b>	<b>3,82,549</b>

**iv) Other Comprehensive Income**

Particulars	2019-20	2018-19
Actuarial (Gain) / Losses on Liability	2,39,370	(1,40,818)
Return On Plan Assets	-	-
<b>Net (Income)/ Expense For the period Recognised in OCI</b>	<b>2,39,370</b>	<b>(1,40,818)</b>

**v) Actuarial assumptions**

Mortality Table (IALM)	2019-20	2018-19
Discount Rate (per annum)	6.80%	7.70%
Attrition rate	5% to 1%	5% to 1%
Rate of escalation in Salary (per annum)	7.00%	7.00%
Mortality Rate	Indian Assured Lives Mortality (2012-14) Ult.	

**NOTE "30" : Finance Cost**

( in ₹ )

	As at 31st March, 2020	As at 31st March, 2019
Bank Commission & Charges	2,44,272	1,13,974
Interest Expenses	39,50,812	22,70,981
Less: Borrowing Costs Capitalized	(9,84,900)	(9,23,485)
<b>Total</b>	<b>32,10,184</b>	<b>14,61,469</b>

**NOTE "31" : Other Expenses**

( in ₹ )

	31st March, 2020	31st March, 2019
<b>A) Manufacturing Expenses</b>		
Contract Labour Wages	33,89,258	34,81,281
Electric Power, Fuel and Water	73,97,157	1,05,22,723
Coal	55,74,070	-
Pollution Control Board Fees	62,178	-
Entry Tax Demand (2015-16)	-	678
Factory Expenses	3,31,314	2,10,108
Freight Inward	3,47,581	13,22,906
Lease Rent	65,744	65,744
Maintenance Charges	2,12,889	-
Repairs to Machinery	11,69,846	15,71,912
Stores, Chemicals and Packing Materials	11,17,604	11,51,259
Water Charges	3,07,298	-
Testing Charges	78,985	82,895
<b>Total Manufacturing Expenses (A)</b>	<b>2,00,53,924</b>	<b>1,84,09,505</b>
<b>B) Selling and Distribution Expenses</b>		
Advertisement	1,51,213	1,02,441
Trade receivables Credit Impaired	-	1,54,741
Commission Expenses	14,87,674	28,73,900
Delay Charges	3,78,975	7,18,858
Distribution Expenses	1,61,53,873	1,21,15,574
Business Promotion Expenses	1,00,000	-
Expected Credit Loss	1,41,024	8,33,945
Discount	9,560	1,75,351
Rate Difference In Sale	-	1,66,440
<b>Total Selling and Distribution Expenses (B)</b>	<b>1,84,22,319</b>	<b>1,71,41,250</b>

**C) Administrative & Establishment Expenses**

AGM Expenses	23,800	-
Auditors Remuneration	1,69,000	1,09,000
Boiler Inspection Charges	5,464	13,092
Computer Expenses	74,663	43,809
Certificate & Consultation Expenses	5,36,691	2,34,000
Conveyance Expenses (Including Staff Bus)	5,29,741	5,53,071
Demat Expenses	74,933	-
Directors Sitting Fees	60,000	50,000
Diversion Tax	17,250	40,863
Diwali Expenses	34,437	31,150
Electricity Expenses	30,159	34,176
GST Compensation CESS	27,104	4,464
GSTR9 Differential Payment	48,259	-
Insurance	2,15,998	2,31,351
Interest On TDS	2,148	555
Internal Auditor Remuneration	30,000	48,000
Internet Expenses	21,279	-
Legal & Professional Expenses	3,25,726	4,48,809
Listing Fees	3,45,000	2,77,846
Office Expenses	86,809	68,912
Other Expenses	12,200	-
Postage Expenses	1,05,407	1,25,551
Professional Tax (Company)	2,500	2,500
Penalty Demand	-	18,810
<b>REPAIRS &amp; MAINTENANCE</b>		
A. Electric & Fittings	1,57,519	2,11,501
B. Vehicle	98,768	67,147
C. Furniture Repair		-
d. Building Repairs	4,89,903	8,51,070
Registration & License Fees	1,18,250	1,91,018
Rent	72,000	72,000
Reversal Of Cash Discount	3,59,670	10,53,130
Round Off	2	27
Secretarial Audit Fees	84,000	84,000
Software Expenses	5,575	27,492
Stationery Expenses	2,00,711	1,33,681
Telephone Expenses	72,976	88,500
Tender Expense	-	1,465
Travelling Expenses	4,09,959	2,82,066
Vat Tax (2015-16)	-	1,30,360
Vehicle Road Tax	38,900	33,500
Vehicle Running Expenses	3,900	15,200
<b>Total (C)</b>	<b>48,90,701</b>	<b>55,78,117</b>
<b>Total Other Expenses (A+B+C)</b>	<b>4,33,66,944</b>	<b>4,11,28,872</b>

**NOTE "32" : Taxation**

( in ₹ )

	Year Ended 31st March, 2020	Year Ended 31st March, 2019
Income tax recognised in Statement of Profit and Loss		
Current Tax	2,68,320	25,78,600
Less: Amount transferred to Mat Credit Entitlement	(2,68,320)	-
Provision for IT written Back	(3,55,852)	(32,332)
Interest on Income Tax	-	15,590
<b>Total Current Tax</b>	<b>(3,55,852)</b>	<b>25,61,858</b>
Deferred tax	14,55,420	(5,06,300)
<b>Total income tax expenses recognised in the current year</b>	<b>10,99,568</b>	<b>20,55,558</b>

This year, the Company is liable for MAT Tax for Rs. 268320/-

The company has not opted of Section 115BAA for the Income Tax Act, 1961 and therefore, this year the company will be under normal tax regime.

**Reconciliation of tax expense and the accounting profit  
multiplied by India's domestic tax rate**

Profit before tax	15,78,978	79,62,944
At India Statutory Income Tax rate (26%) (Previous year 26%)	4,10,534	20,70,365
Adjustments in respect of current income tax of previous years	(3,55,852)	(32,332)
Effect of non-deductible expenses & extra Deductions for tax purposes	(4,10,534)	5,23,825
<b>Total Current Tax reported in the statement of Profit and Loss</b>	<b>(3,55,852)</b>	<b>25,61,858</b>

**NOTE "33" : Earning Per Share**

( in ₹ )

	31st March, 2020	31st March, 2019
i) Net Profit after Tax as per Statement of Profit and Loss attributable to Equity Shareholders	4,79,410	59,07,386
ii) Weighted Average number of Equity Shares used as denominator for calculating Basic EPS	5071700	5071700
iii) Weighted Average Potential Equity Shares		-
iv) Total Weighted Average number of Equity Shares used as denominator for calculating Diluted EPS	5071700	5071700
v) Basic Earnings per Share (Rs.)	0.09	1.16
vi) Diluted Earnings per Share (Rs.)	0.09	1.16
vii) Face Value per Equity Share (Rs.)	10	10



34. **Segmental Reporting :**

The Company is engaged in the sole segment of Pharmaceuticals Manufacturing. There are, therefore, no separate segments within the Company as defined by IndAS-108 (Operating Segments)

35. **Related Party Disclosures:**

Relationships (Related party relationships are as identified by the Company and relied upon by the Auditors)

## 1. Related Parties

## (a) Individual having control &amp; Key Management Personnel

Mr. Sanjay Sethi	Managing Director
Mr. Sudhir Sethi	Director
Mr. Ashish Baraskar	CFO
Mrs. Neha Sharma	Company Secretary
Mr. Yashesh Vashisht	Independent Director (up to 30.5.2019)
Mrs. Madhu Thakur	Independent Director( up to 30.5.2019)
Mr. Abhinav Naik	Independent Director
Ms.Shreya Saraf	Independent Director

## (b) Relatives of KMP

Mr. Babulal Sethi

## (c) Companies / Entities under the control of key management personnel

M/s Beryl Securities Limited

The following transactions were carried out with the related parties in the ordinary course of business.

Name of party	Relationship	Nature of transaction	Volume of Transaction		Balance out-standing (Dr./Cr.)	
			31-03-20 Amt. Paid	31-03-19 Amt. Paid	31-03-20	31-03-19
Beryl Securities Ltd.	Common Control Co.	Investment in shares (Op.Bal.)	-	-	5617152 (Dr)	4769152 (Dr)
Sanjay Sethi	Managing Director	Remuneration	11,40,000	780000	386000 (Cr)	-
Neha Sharma	Company Secretary	Remuneration	192000	192000	16000 (Cr)	16000 (Cr)
Ashish Baraskar	Chief Financial Officer	Remuneration	223000	192000	19000 (Cr)	16000 (Cr)
B.L. Sethi	Father of Managing Director	Rent paid for office	72000	72000	-	-
Yashesh Vashisht	Director	Sitting Fees	5000	25000	-	-
Madhu Thakur	Director	Sitting Fees	5000	25000	-	-
Abhinav Naik	Director	Sitting Fees	25000	Nil	-	-
Shreya Saraf	Director	Sitting Fees	25000	Nil	-	-

Particulars given above have been identified based on information available with the Company.

36. **Disclosure as per Ind AS 116, "Leases"**

## i. As Lessee:

The 3 industrial land allotted by MPAKVN is on a lease of 30 years, which is further renewable and is

recognized in the financial statements. Since the yearly lease payments for such leases are not material, the management has decided to apply the recognition exemption as per Para 5(b) of IND AS 116, wherein the entity need not apply the requirements for which, the recognition and measurement of lease liability for which the underlying asset is of low value.

There is another property on lease whose rentals are Rs. 72000/- per annum and the rent agreements for 11 months are cancelable and are generally renewable in mutual consent or mutually agreeable terms.

ii) As Lessor

The company has given its godown to various parties on monthly rent. The rent agreements for 11 months are cancelable and are generally renewable in mutual consent or mutually agreeable terms. The rental income on such godown is included in other income.

37. **Disclosure as per Ind AS-37, “ Provisions, Contingent Liabilities and Contingent Assets”:**

S.No.	Particulars	2019-20	2018-19
1)	<b>Contingent Liabilities</b>		
	Guarantees issued by Bank on behalf of the Company.	13,78,636	13,78,636
	Performance Guarantees/ Other money for which the company is contingently liable	NIL	NIL
	Claims against the Company /disputed liabilities not acknowledged as debts:		
	M.P. Entry Tax 1998-99	82865	82865
	Vat Tax 2014-2015	NIL	150401
	Central Excise Duty 2000-2009	NIL*	8825970
	Vat Tax 2015-16	145662	145662
	Income Tax AY 2010-11	Nil	7812
	Income Tax AY 2011-12	NIL	6035
	Income Tax AY 2018-19	3938530	NIL
	TDS Defaults on Traces	262041	253312
2)	<b>Commitments :</b>		
	Estimated amount of Contracts remaining to be executed on Capital Account and not provided for (net of advances).	NIL	NIL
	Other Commitments	NIL	NIL

\* The Company had challenged the SCN for the period 1.6.2000 to 31.3.2009 pertaining to recovery of Central Excise Duties amounting to Rs. 8825970/- before the Hon'ble High Court of MP Bench at Indore vide WP No. 13757/2010 and vide order dated 16.04.2013 the Hon'ble High Court of MP Bench at Indore had passed the following order :-

“As a result, show cause notices for the period from 01.05.2000 to 31.03.2009 are hereby quashed, with liberty to the respondent- Department to take recourse of law, as may be permissible.”

That the aforesaid order dated 16.04.2013 passed by the Division Bench of the Hon'ble High Court of MP Bench at Indore was challenged by the Department before the Hon'ble Apex Court vide SLP No. 34464/2013 and the Hon'ble Apex court had passed following order:-

“In view of the above the instant appeals and the special leave petitions are dismissed as not pressed on the ground of low tax effect.”

That in light aforesaid order the order passed by the Hon'ble High Court of MP Bench at Indore has attained finality and the show cause Notices has been quashed and there is no amount due and outstanding from the Company towards Central Excise Department.

`An expert advice of Advocate is also taken by the management whereby the expert has also certified that there is no amount due and outstanding from Central Excise Department as on 31-3-2020.

Also refer to Note No. 46 in respect of Contingent Assets.

38. During the year, Borrowing Costs amounting of Rs. 9,84,900/- has been Capitalized to Fixed assets.

39. Disclosure in terms of Accounting Standard "Impairment Losses":

Particulars	31.3.2020	31.3.2019
i) Amount of impairment Losses recognized in the Profit & Loss A/c	Nil	Nil
ii) Amount of reversal of impairment losses recognized in the Profit & Loss A/c	Nil	Nil
iii) Amount of impairment losses recognized directly against revaluation surplus	Nil	Nil
iv) Amount of reversals of impairment losses recognized directly in revaluation surplus	Nil	Nil

#### 40. Remuneration & Sitting Fees to Directors

Remuneration :

Sr. No.	Name of the Director	Relation	Year ended 31.03.2020	Year ended 31.03.2019
1	Shri Sanjay Sethi	Managing Director	11,40,000	7,80,000

Sitting Fees:

Sr. No.	Name of the Director	Relation	Year ended 31.03.2020	Year ended 31.03.2019
1	Shri Yashesh Vashishtha	Director	5,000	25,000
2	Mrs. Madhu Thakur	Director	5,000	25,000
3	Ms. Shreya Saraf	Director	25,000	Nil
4	Shri Abhinav Naik	Director	25,000	Nil

41. The Balance Confirmation from the suppliers, customers as well as to various loans or advances given have been called for but the same are still awaited. Thus the balances of receivable, Trade Payable as well as Loan & Advances have been taken as per Books of Accounts.

42. The Company has no subsidiary. Hence requirement of Consolidated Financial Statement is not applicable to the Company.

43. In the opinion of the Board Current Assets, Loans & Advances are approximately of the value stated, if realized in the ordinary course of business. The provision for Depreciation & amortization and all known liability are adequate. There is no Contingent liability other than stated.

44. Details of Dues To Micro And Small Enterprises As Defined Under The Micro, Small And Medium Enterprises Development Act, 2006:

This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

S. No.	Particulars	31.03.2020	31.03.2019
1.	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
	Principal amount due to micro and small enterprises	44,63,440	17,30,438
	Interest due on above	51,483	-
2.	The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act 2006, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
3.	The 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 Micro, Small and Medium Enterprises Development Act 2006.	-	-
4.	The amount of interest accrued and remaining unpaid at the end of each accounting year.	51,483	-
5.	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of Micro, Small and Medium Enterprises Development Act 2006.	-	-

45. Company has made an investment amounting to Rs. 5617152/- as at the reporting date in Beryl Securities Ltd- A Company under the same management.

**46. Government Grant: Ind –AS 20**

During the year the Company has invested the Value for Rs. 81170835/- towards an admissible investment in Plant and Machinery and factory Shed as per the norms of Industrial Investment Subsidy and sanctioned by the District Level Assistance Committee, District Trade and Industries Centre, Pithampur. The said authority issued a sanction letter dated 20.1.2020 and has duly sanctioned Industries Investment Subsidy amounting to Rs. 32468334/- which will be paid in four installments to the Company.

As per the sanction letter, the First Installment of Rs. 8117083/- is due and recognized with the assurance that the Company will comply with the conditions attached to the Grant and the said First Installment of the Grant will be received.

Hence in accordance with the Ind AS -20 , the Company has recognized the First Installment of Rs. 8117083/- as Grant Receivable from DTIC Pithampur with the effect of crediting the same amount from the carrying value of PPE.

The Company has duly taken an expert opinion for accounting of said subsidy in its books of accounts for compliance of Ind-AS 20.

**47. Disclosure as per IND AS-113, “Fair value measurement”**

All financial instruments are initially recognized and subsequently re-measured at fair value as described below:

Financial Value measurement hierarchy:

Particulars	Amount as at 31.3.2020	Amount as at 31.3.2019
<b>Financial Assets</b> (At Amortised Cost)		
Trade Receivables	3,45,41,202	3,43,71,743
Cash and Cash Equivalents	39,63,364	9,97,888
Loans	-	-
Other Financial Assets (At FVTPL)	19,52,448	10,02,248
Investments (At FVTOCI)	-	-
Investments	56,17,152	47,69,152
<b>Financial Liabilities</b> (At Amortised Cost)		
Borrowings	4,70,51,827	3,05,39,816
Trade Payables	180,21,159	1,79,02,432
Other Financial Liabilities	1,99,26,976	1,57,04,258

The carrying amount of Short term borrowing, Trade payables, Trade Receivables, Cash & cash equivalents and other financial assets and liabilities are considered to be recorded at their fair value due to their short term nature. There are no transfer between Level 1, Level 2 & Level 3 during the year ended 31.03.2020.

**48. Other disclosures to Statement of Profit & Loss :-**

S.No.	Particulars	2019-20	2018-19
1.	<b>Value of Imports on CIF basis in respect of :</b> • Capital Goods	NIL	NIL
2.	<b>Payment to Auditors as :</b> • Statutory Audit Fees • Quarterly Review Expenses	1,09,000 60,000	1,09,000 -
3.	<b>Expenditure in Foreign Currency:</b>	<b>NIL</b>	<b>NIL</b>
4.	<b>Earnings in Foreign Exchange :</b> • FOB value of Exports	NIL	NIL

**49. Details of Corporate Social Responsibility Expenditure**

As per Section 135 of the Companies Act, 2013, The company is not liable to spend the specified amount on CSR activities as per the norms. Hence, no separate reporting is required for the same.

**50. Disclosure related to Investment Property:**

Fair Value as on 31.3.2020 of Investment property based on valuation of an independent registered valuer is as follows:

- Land on P.H.No.189, Survey No. 278/1, Plot No. 109,110, 115, Gram Kelodhala, Tehsil & District, Indore : Fair Value Rs. 140 Lacs
- Land on P.H.No.189, Survey No. 278/1, Plot No. 100, Gram Kelodhala, Tehsil & District, Indore : Fair Value Rs. 80.29 Lacs
- Godown constructed on (b) above : Fair Value Rs. 119 Lacs

Amounts recognized in profit and loss account for :

Rental Income on Godown given on rent is Rs. 12,73,032/-

51. **Disclosure As per Ind AS 107, “Financial Instruments : Disclosures”**

## Financial Risk Management and Policies

## A. Capital Management

**Risk Management**

For the purpose of Company’s capital management, Capital includes Issued Equity share capital. Gearing Ratio is ratio of Net debts (total borrowings (long term as well as short term) net of cash & cash equivalents and other bank balances) divided by total equity.

The gearing ratio is as follows:

Particulars	March 31, 2020 (Rs. In lakhs)	March 31, 2019 (Rs. In lakhs)
Net debt	483.87	314.47
Total Equity	762.55	752.81
Net debt to equity ratio	0.634	0.417

## B. Financial Risk Management

**Risk Management Framework**

The company’s board of director has overall responsibility for the establishment and oversight of the company’s risk management framework.

The company through three layer of defense namely

- Policies & Procedures,
- Review Mechanism, and
- Assurance

Aims to maintain a disciplined and constructive control environment in which all employee understand their roles and obligations. The audit committee of the Board with top management oversee the formulation and implementation of the risk management policy, The risks are identified of business unit level and mitigation plan are identified, deliberated and reviewed of appropriate forums.

The company has exposure to the following risks arising from the financial instruments :

## ➤ Credit Risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analyzing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

## ➤ Liquidity Risk

Liquidity risk refers to the risk that the company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The company consistently generated sufficient cash flows from operations to meet its financial obligations as and when they fall due.

## ➤ Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The company’s exposure to market risk is primarily on account of foreign currency exchange rate risk.

52. **Estimation of uncertainties relating to the global health pandemic COVID-19**

- (I) The Company’s operations were affected during the quarter ended 31st March, 2020 due to lockdown announced on account of COVID-19 pandemic by the government. Company has continued its operations

along with compliance of guidelines dated 25.3.2020 issued by Government of India after seeking necessary permissions and approval and following proper social distancing, hygiene and other safety measures. Company has assessed the impact of COVID-19 on its financial statements based on internal and external information up to the date of approval of these financial statements and the company expects to recover the carrying amounts of trade receivables and inventories. The Company will continue to monitor the future economic conditions and assess its impact on its financial statements.

- (II) Moreover the management concludes that no adjustments are required in the financial results as it does not impact the current financial year. However, the situation with COVID-19 is still continuing. Also, various preventive measures taken are still in force leading to a highly uncertain economic environment. Due to these circumstances, the management's assessment of the impact on the subsequent period is dependent upon the circumstances as they evolve.
- (III) The leases that the Company entered with lessors towards properties used as industrial land are long-term in nature and no significant changes in the terms of those leases are expected due to the COVID-19. Other leases for office premises are for the short-term and not involving any material amounts. As a lessor, the Company has entered into short term lease contracts with the tenants and there are no changes to the terms and conditions.
53. The previous year figures have been regrouped/ reclassified, wherever necessary to confirm to current year presentation.
54. The financial statements have been approved by the board on July 30<sup>th</sup>, 2020.

AS PER OUR REPORT OF EVEN DATE  
FOR PRATEEK JAIN & CO.  
CHARTERED ACCOUNTANTS  
FRN: 009494C

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Beryl Drugs Limited  
CIN: L02423MP1993PLC007840

(PRATEEK JAIN)  
PROPRIETOR  
M.No.: 079214

SANJAY SETHI  
(MANAGING DIRECTOR)  
DIN :00090277

SUDHIR SETHI  
(DIRECTOR)  
DIN : 00090172

PLACE: INDORE  
DATE : 30.07.2020

ASHISH BARASKAR  
CHIEF FINANCE OFFICER

NEHA SHARMA  
COMPANY SECRETARY  
M. No. A30887

PLACE: INDORE  
DATE : 30.07.2020

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Indore - 452 001 (M.P.) INDIA