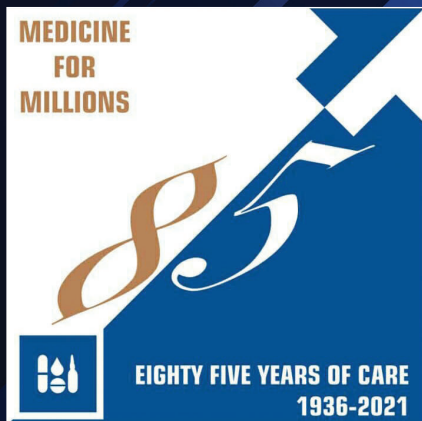


Annual Report & Accounts 2020 - 2021



**EAST INDIA PHARMACEUTICAL
WORKS LIMITED**

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Board of Directors

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

** upto 7th December, 2020.

* upto 10th August, 2020.

Dr. Abhijit Banerjee
Dr. Tapas Raychaudhury
Mrs. Indrani Sen
Mrs. Sanghamitra Duttagupta
Mr. Debarshi Duttagupta (Managing Director)
Mrs. Satarupa Mukherjee (Executive Director)
Mrs. Trishna Guha***

*** With effect from 16th January, 2021.

Company Secretary

Ms Jayeeta Sarkar

Chief Financial Officer

Mr. Subrata Ray

Statutory Auditors

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

Cost Auditors

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

Registrar and Share Transfer Agent

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

Principal Banker

Punjab National Bank
(erstwhile United Bank of India)
Hazra Road Branch
53, S. P. Mukherjee Road, Kolkata 700 026

Registered Office

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

A Decade At A Glance

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Fixed Assets	1586.25	1781.35	1951.53	1934.77	1876.04	1605.25	1088.12	1103.69	1260.99	1402.34
Current Assets, Loans & Advances	12933.62	11973.46	10667.27	10750.24	10510.83	10258.31	9599.97	9176.10	8008.28	7220.88
Share Capital	667.45	667.45	667.45	667.45	667.45	667.45	667.45	667.45	667.45	667.45*
Reserves & Surplus	4148.47	3900.37	3739.91	3613.14	3585.16	3395.23	3113.55	2980.59	2751.12	2907.45
Loans	3768.88	3592.82	3283.89	3129.77	3303.70	2765.10	2223.47	2247.17	2449.85	2211.66
Current Liabilities & Provisions	6425.83	6018.97	5306.71	5627.55	5160.87	5351.76	4992.93	4684.44	3680.55	3077.77
Sales	17251.52	15820.03	16099.73	15257.02	15975.19	15763.80	14650.61	13561.78	12604.61	13375.27
Cost of Materials	5168.22	4835.29	4689.13	4440.70	4474.06	4574.03	4553.44	4204.59	4268.94	4051.96
Staff Expenses	6398.09	5920.38	5400.91	5403.15	5023.96	4626.10	4281.89	3774.07	3615.90	3608.24
Finance Cost	505.30	555.92	569.63	493.31	485.40	499.21	401.05	421.69	403.05	324.91
Profit/(Loss) Before Tax	550.88	307.46	160.25	89.56	255.47	489.90	411.30	321.87	(194.91)	566.88
Profit/(Loss) After Tax	314.85	200.69	126.77	68.15	189.93	362.02	172.93	307.04	(156.32)	388.87
Profit/(Loss) Retained	248.11	160.46	126.77	68.15	109.59	281.68	92.59	229.46	(156.32)	272.51
Dividend on Ordinary Shares	12.5%	10%	5%	NIL	5%	10%	10%	10%	NIL	15%

All figures are in lakhs ₹

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

Report of the Board of Directors'

Dear Members

Your Directors have pleasure in presenting the 84th Annual Report on the business and operations of the Company together with Audited Financial Statements for the year ended March 31, 2021.

Financial Highlights:

The financial results for the year are as under:

<u>Particulars</u>	<u>2020-21(₹)</u>	<u>2019-20(₹)</u>
Profit Before Depreciation, Interest & Tax (PBDIT)	13,16,72,266	11,66,91,046
Interest / Finance Charges	5,05,30,201	5,55,92,371
Profit Before Depreciation and Tax (PBDT)	8,11,42,065	6,10,98,675
Depreciation / Amortization	2,60,54,248	3,03,52,719
Profit Before Tax (PBT)	5,50,87,817	3,07,45,956

State of the Company's Affairs

The Management Discussion and Analysis forms part of this report and covers, amongst other matters, the state of the Company's affairs during the financial year 2020-21.

Change in nature of business, if any

There has been no change in the nature of business of the Company during the financial year 2020-21.

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

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

Dividend

The Board of Directors of your company is pleased to recommend a dividend of Rs. 1.25 (12.5%) per equity share of Rs. 10/- each for the financial year 2020-21, for approval by the Shareholders at the forthcoming Annual General Meeting (AGM). The dividend, if declared at the AGM, will be paid to those Shareholders, whose name appears in the Register of Members/Beneficial Owners as on the Record Date.

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

Transfer to General Reserve

An amount of Rs. 3,14,85,465 (Rupees Three Crore Fourteen Lakh Eighty Five Thousand Four Hundred Sixty Five only) is proposed to be transferred to General Reserve.

Capital Structure

During the year under review:

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

Directors' Report

Share Capital

During the year under review:

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

Investor Education and Protection Fund (IEPF)

Since the company had not declared dividend during the F.Y. 2012-13, no unpaid/unclaimed dividend or corresponding shares were required to be transferred to the Investor Education and Protection Fund ('IEPF') under Section 124(5) of the Companies Act, 2013 ('the Act') read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016. However, the Company has transferred the unpaid Deposit and interest thereon to IEPF. The details of the unpaid and unclaimed deposit and interest thereon are as follows:

Transfer of Unpaid Deposit/Interest on Deposit to IEPF:

Particulars	Amount (in Rs.)	Date of Transfer
Unclaimed Deposit and Interest thereon for the financial year 2012-13	6,905	07/08/2020

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

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

Year	Date of Declaration of Dividend	Due Date for Credit to IEPF	Amount lying Unpaid/Unclaimed as on 31st March, 2021 (in Rs.)
2013-14	19.09.2014	27.10.2021	11,07,311.25
2014-15	16.09.2015	24.10.2022	12,51,646.00
2015-16	16.09.2016	24.10.2023	12,08,342.00
2016-17	08.09.2017	16.10.2024	6,66,568.00
2018-19	20.09.2019	28.10.2026	3,48,573.00
2019-20	25.09.2020	02.11.2027	5,86,804.00

Details of Nodal Officer for IEPF

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

Directors and Key Managerial Personnel

Mr. Chira Ranjan Addy, Non-Executive Director of the Company, passed away on 7th December, 2020. Your Directors express their sincere condolences on the demise of Mr. Chira Ranjan Addy and place on record their deep appreciation for his invaluable contribution and guidance.

The Board of Directors ('the Board') of your Company on the recommendation of the Nomination and Remuneration Committee ('the Committee') appointed Mrs. Trishna Guha (DIN: 08200779) as an Additional Director of the Company on 16th January, 2021. By virtue of the Articles of Association of the Company read with Section 161 of the Act, Mrs. Trishna Guha will vacate her offices at the ensuing Annual General Meeting ('AGM') of your Company.

Directors' Report

The Board at its meeting held on 27th August, 2021, recommended for the approval of the Members appointment of Mrs. Trishna Guha as a Director, liable to retire by rotation. Brief Profiles of Mrs. Trishna Guha is mentioned in the Notice calling the 84th Annual General Meeting of the Company.

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

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

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

Retirement by Rotation

Pursuant to Section 152 of the Act and in terms of the Articles of Association of the Company, Mrs. Indrani Sen (DIN: 08441832) and Mrs. Sanghamitra Dutttagupta (DIN: 08441837), Directors of the Company, will retire by rotation at the 84th Annual General Meeting and being eligible, offer themselves for re-appointment. The Board of Directors has recommended their re-appointment. A resolution seeking shareholders' approval for their re-appointment forms part of the Notice. Brief profiles of Mrs. Indrani Sen and Mrs. Sanghamitra Dutttagupta are mentioned in the Notice calling the 84th Annual General Meeting of the Company.

Key Managerial Personnel

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

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

Meetings of the Board of Directors

The Board of Directors of the Company met four (4) times during the financial year 2020-21, on 10.07.2020, 26.08.2020, 20.11.2020 and 16.01.2021.

Audit Committee

The composition of the Audit Committee is as follows:

- (a) Mr. Probir Roy, Chairman
- (b) Mr. Sukamal Chandra Basu, Member
- (c) Mr. Dilip Samadar, Member
- (d) Prof. (Dr.) Suman Kumar Mukerjee
- (e) Mr. Debarshi Dutttagupta, Member
- (f) Mrs. Satarupa Mukherjee, Member.

Note: The composition of the Audit Committee was reconstituted by the Board members at the 499th meeting of the Board held on 20.11.2020.

The Audit Committee is constituted in accordance with Section 177 of the Companies Act, 2013. The Audit Committee comprises of four Independent, Non-Executive Directors namely Mr. Probir Roy, Mr. Sukamal Chandra Basu, Mr. Dilip Samadar and Prof. (Dr.) Suman Kumar Mukerjee. Mr. Debarshi Dutttagupta, Managing Director and Mrs. Satarupa Mukherjee, Executive Director are also members of the Audit Committee. The Chief Financial Officer, Chief Accountant, Chief Internal Auditor, Advisor-Compliance, Statutory Auditor and Cost Auditor are permanent invitees to the meetings of the Audit Committee. The Company Secretary acts as the Secretary to the Audit Committee. The Committee reviews Financial Statements, Internal Control Mechanism, Vigil Mechanism, Internal Audit Report and such other matters as may be required as per the provisions of the Companies Act, 2013 and Terms of Reference of the Audit Committee.

Directors' Report

The Audit Committee has met once i.e., on 26th August, 2020 during the financial year 2020-21.

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

Nomination and Remuneration Committee & Nomination and Remuneration Policy

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

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

The Committee met thrice during the financial year 2020-21, on 26.08.2020 and 16.01.2021.

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

Stakeholders' Relationship Committee

The Committee met thrice during the financial year 2020-21 i.e., on 10.08.2020, 26.08.2020 and 18.01.2021. The composition of the Stakeholders Relationship Committee is as follows:

- a) Dr. Abhijit Banerjee, Chairman
- b) Dr. Tapas Raychaudhury, Member
- c) Mrs. Indrani Sen, Member
- d) Mrs. Sanghamitra Duttagupta, Member

Note: The composition of the Stakeholders' Relationship Committee was reconstituted by the Board members at its 500th meeting held on 16.01.2021.

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

During the financial year 2020-21, the Committee has received no complaints from any shareholder or investor.

Subsidiary Companies and Consolidated Financial Statements

As on 31st March, 2021, the Company has one subsidiary namely "Qasar Healthcare Private Limited". The subsidiary Company intended to revive the Company but however, due to the extraordinary circumstances i.e., the pandemic (COVID-19) and some other factors, the matter could not be proceeded with.

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

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

Accreditation

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

Public Deposits

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

Annual Return

Pursuant to Section 92(3) and Section 134(3)(a) of the Companies Act, 2013 the Company has placed a copy of

Directors' Report

the Annual Return as at March 31, 2021 on its website at www.eastindiapharma.org under the link <http://www.eastindiapharma.org/investors.html> By virtue of amendment to Section 92(3) of the Companies Act, 2013, the Company is not required to provide extract of Annual Return in Form MGT-9 as part of the Board's report.

Vigil Mechanism / Whistle Blower Policy

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

The Audit Committee of the Company oversees the Vigil Mechanism.

Directors' Responsibility Statement

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

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

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

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

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

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

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

Corporate Social Responsibility

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

Related Party Transactions

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

Directors' Report

Auditors

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

Auditors' Report

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

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

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

Cost Records

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

Cost Auditor

Pursuant to section 148 Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, the Board of Directors of your Company have re-appointed M/s DGM & Associates, Cost Accountants as the Cost Auditor for FY 2021-2022 for conducting the audit of cost records of the Company on the recommendations made by the Audit Committee. The remuneration proposed to be paid to the cost auditor is subject to ratification by the members at ensuing Annual General Meeting and a resolution regarding ratification of remuneration payable to M/s DGM & Associates, Cost Accountants, forms part of the Notice convening the 84th Annual General Meeting of the Company.

Internal Control System

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

Human Resources

As on 31st March, 2021 the Company had 1206 employees including 89 managerial personnel.

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

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

Statutory Compliances

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

Secretarial Standards

The Company is in compliance with the applicable Secretarial Standards SS-1 and SS-2 with respect to convening of Board Meetings and General Meetings issued by the Institute of Company Secretaries of India and approved by the Central Government under section 118(10) of the Companies Act, 2013.

Particulars of Loans, Guarantees or Investments

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

Directors' Report

Particulars of Employees

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

Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo

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

Risk Management

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

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

Appreciation and Acknowledgment

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

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

Dr. Ranabir Mukherjee
Chairman

Place : Kolkata
Date : August 27, 2021

ANNEXURE - I TO THE DIRECTORS' REPORT

Nomination and Remuneration Policy

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 ('the Act') read with the applicable rules thereto as amended from time to time. This policy on nomination and remuneration of Directors and Key Managerial Personnel as formulated by the Nomination and Remuneration Committee has been approved by the Board of Directors.

Definitions :

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

"Key Managerial Personnel" or "KMP" means –

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

"Remuneration" means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013, as may be amended from time to time, shall have the same meaning assigned to them therein.

Objectives:

The objective of the policy is to ensure that:

1. the composition and level of remuneration, including reward linked with the performance, is reasonable and sufficient to attract, retain and motivate Directors and KMP to work towards the long term growth and success of the Company;
2. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
3. remuneration to directors and key managerial personnel is fixed on the basis of short and long - term performance objectives of the company and its goals.

Role of the Committee:

The role of the Nomination and Remuneration Committee shall be as follows:

1. To lay down criteria for identifying persons who are qualified to become Directors;
2. To formulate criteria for determining qualifications, positive attributes and independence of a Director.
3. To identify persons who are qualified to become Directors and who may be appointed as Key Managerial Personnel in accordance with the criteria laid down in this policy.
4. To formulate criteria for evaluation of Director's performance.
5. To recommend to the Board the appointment and removal of Directors and KMP.
6. To recommend to the Board policy relating to remuneration for Directors and KMP.
7. To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
8. To perform such other functions as may be necessary or appropriate for the performance of its duties.

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

Section 164 of the Companies Act, 2013 provides for eligibility criteria for appointment of any person to become Director of any company. Any person, who is not disqualified as per the relevant provisions of the Act, and in the opinion of the Board, possesses the ability, integrity and relevant expertise and experience can be appointed as Director of the Company, subsequent to taking requisite approval of the shareholders.

Directors' Report

Evaluation

The Committee shall specify the manner for effective evaluation of performance of:

- the Board,
- its committees, and
- individual Directors;

which shall be carried out either at a regular interval or at least once on a yearly basis by:

- the Board,
- by the Nomination and Remuneration Committee, or
- by an independent external agency;

and review its implementation and compliance on the basis of the following parameters:

Roles and Responsibilities	<ol style="list-style-type: none">1. Understanding the nature and role of the directors and the position of independence of the directors.2. Understanding of the business and the risks associated with the business3. Application of knowledge for rendering timely advice in helping the management to resolve business issues.4. Active engagement with the Management and attentiveness to progress of decisions taken.
Objectivity	<ol style="list-style-type: none">1. Non Prejudiced appraisal of issues2. Professional advises given to management without tending to majority or popular views.
Leadership and initiative	<ol style="list-style-type: none">1. Heading Sub Committees of the Board.2. Driving any initiative of the organization based on domain knowledge.
Personal Attributes	<ol style="list-style-type: none">1. Carrying out the Fiduciary responsibilities as a Board Member2. Attendance and Active Participation.3. Pro-active, Strategic and Lateral Thinking.

Remuneration to Managing Director and Whole-time Director

The remuneration /compensation/commission etc. to Managing Director / Whole-time Director will be determined by the Committee and recommended to the Board for their approval subject to the approval of the shareholders of the Company, wherever required. Remuneration of the Managing Director/Whole-time Director shall be in accordance to Section 197 of the Act read with the provisions of Schedule V.

Increments to the existing remuneration/compensation structure payable to Managing Director / Whole-time Directors may be recommended by the Committee to the Board which should be within the slabs if any, approved by the shareholders as per statutory provisions through wage settlements or company rules/regulations or otherwise.

Remuneration to Other Directors and Key Managerial Personal

The remuneration payable to the other directors including managing or whole-time director shall be inclusive of the remuneration payable for the services rendered by him in any other capacity except the following:

- (a) the services rendered are of a professional nature; and
- (b) in the opinion of the Nomination and Remuneration Committee, the director possesses the requisite qualification for the practice of the profession.

Commission to other Directors (including Independent Directors) shall be subject to the approval of the shareholders of the Company and Central Government, wherever required and shall be in accordance to Section 197 of the Act read with the provisions of Schedule V.

The remuneration of KMP will be determined by the Committee and recommended to the Board for their approval.

Sitting Fees

Non-Executive Directors including Independent Directors may receive remuneration by way of fees for attending meetings of Board or its committee within limits prescribed under Rule 4 of the Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014.

Place : Kolkata
Date : August 27, 2021

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

ANNEXURE - II TO THE DIRECTORS' REPORT

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

A. CONSERVATION OF ENERGY

	SARSUNA UNIT	DURGAPUR UNIT
i) The steps taken or impact on conservation of energy	Installation of 3 Nos 100W LED Street Light Installation of 25 Nos 20W LED Tube Light Installation of 34 Nos 10W LED Lamp	NIL
ii) The steps taken by the Company for utilizing alternate source of Energy	NIL	NIL
iii) The capital investment on energy conservation equipment	₹ 35,733	NIL

B. TECHNOLOGY ABSORPTION

i) The efforts made towards technology absorption	NIL	NIL
ii) The benefits derived like product improvement, cost reduction, product development or import substitution	NIL	NIL
iii) In case of imported technology (imported during the last three year reckoned from the beginning of the financial year)	NIL	NIL
a. The details of the technology imported.		
b. The year of import		
c. Whether the technology been fully absorbed		
d. If not fully absorbed, areas where absorption has not taken place, and the reasons thereof		
iv) The expenditure incurred on Research and Development	Capital = ₹ 53,690 Recurring = ₹ 1,35,43,417 Total = ₹ 1,35,97,107	
(Percentage of total turnover)	0.79%	

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

i) The Foreign Exchange earned in terms of actual inflows during the year	₹ 14.11 Lakhs
ii) The Foreign Exchange outgo during the year in terms of actual outflows	₹ 1079.50 Lakhs

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

Place : Kolkata
Date : August 27, 2021

Management Discussion & Analysis

Global Economic Outlook

The global pharmaceutical market, estimated at USD 1.2 Trillion in 2019, is expected to expand at a Compounded Annual Growth Rate (CAGR) of 3-6% to USD 1.5-1.6 Trillion by 2024. Much of this is likely to be driven by the volume growth in pharmerging markets and the launch of high-end specialty innovative products in developed markets. However, overall tightening in pricing and patent expiry in developed markets could offset this growth.

Indian Economic Overview

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. Globally, India ranks 3rd in terms of pharmaceutical production by volume and 14th by value. The domestic pharmaceutical industry includes a network of 3,000 drug companies and 10,500 manufacturing units.

According to the Indian Economic Survey 2021, the domestic market is expected to grow 3x in the next decade. India's domestic pharmaceutical market is estimated at USD 42 billion in 2021 and likely to reach USD 65 billion by 2024 and further expand to reach USD 120-130 billion by 2030.

Economic Overview and Outlook

The year 2020 was defined by the singular and unprecedented event of COVID-19 pandemic. The rampant spread of this pandemic severely impacted global economic activity and triggered significant downside risks to the overall global economic outlook. The International Monetary Fund (IMF), in its June 2020 update of its flagship World Economic Outlook forecasted a 4.9% global growth in 2020, 1.9% below its April 2020 estimate.

India, like other countries around the world, has been severely impacted. The IMF has projected a deeper contraction of 4.5%, for India for the year 2021, citing a more extended lockdown period and slower-than-anticipated recovery in the first half of 2020. Similarly, international rating agencies such as Moodys Investors Service, Fitch Ratings and S&P Global Ratings, have predicted a 4-5% contraction in India's economic growth rate during the financial year 2020-21.

Pharmaceutical Sector Overview

Health first - that is the underlying message that the COVID-19 pandemic has reasserted. The pandemic is a health as well as an economic crisis and hence the role of the pharmaceutical industry has become very critical. The pandemic has shaken the global economy but has given the world an opportunity to correct decades of underinvestment in healthcare. While the pharmaceutical industry has taken significant strides in developing cutting-edge products in immunology, biologics, gene and cell therapy, etc., it has, barring certain exceptions, neglected developing new innovative products in the anti-infective segments. A growing incidence of chronic ailments like diabetes, cardiovascular, cancer etc., coupled with better pricing for products in these segments has resulted in very few new products being developed for infectious diseases.

Company Overview

East India Pharmaceutical Works Limited is an age-old pharmaceutical company engaged in the development, manufacture and marketing of quality medicines. The Company has two manufacturing plants, situated at Durgapur and Kolkata, with state-of-the-art production facilities producing a wide range of products. During the last couple of years, we had to deal with extremely difficult market conditions on account of intense price competition, pricing control, increasing cost etc.

Operational Highlights for FY 2020-21

- 1 Turnover at Rs. 172 Crs.
- 1 Profit before Tax at Rs. 5.51 Crs.

Management Discussion & Analysis

The Way Forward

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

Finance Minister, Ms. Nirmala Sitharaman, in June 2021, announced an additional outlay of Rs. 197,000 crore (USD 26,578.3 million) that will be utilised over five years for the pharmaceutical Production Linked Incentive (PLI) scheme in 13 key sectors such as active pharmaceutical ingredients, drug intermediaries and key starting materials. To achieve self-reliance and minimise import dependency in the country's essential bulk drugs, the Department of Pharmaceuticals initiated a PLI scheme to promote domestic manufacturing by setting up greenfield plants with minimum domestic value addition in four separate 'Target Segments' with a cumulative outlay of Rs. 6,940 crore (US\$ 951.27 million) from FY21 to FY30. The Company has made an application for the PLI scheme introduced by the Department of Pharmaceuticals, Government of India.

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

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

Independent Auditors' Report

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

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of **EAST INDIA PHARMACEUTICAL WORKS LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2021, the Statement of Profit and Loss, the Statement of Cash Flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2021, its profit and cash flows for the year ended on that date.

Basis for Opinion

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

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

Key audit matters

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

Information other than financial statements and auditor's report thereon

We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

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

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

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

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

Auditors' Responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Auditors' Report

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.

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

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

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

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

Report on other legal and regulatory requirements

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

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

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

Auditors' Report

- (c) The balance sheet, the statement of profit and loss, and the cash flow statement dealt with by this report are in agreement with the books of account;
- (d) In our opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 (16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act; and
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us;
 - (i) The Company does not have any pending litigations which would impact its financial position;
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

Kolkata,
Dated, the 27th August, 2021
UDIN : 21017693AAAABF1288

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

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

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

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

Auditors' Report

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

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

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

Auditors' Report

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

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

Kolkata,
Dated, the 27th August, 2021
UDIN : 21017693AAAABF1288

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

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

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

We have audited the internal financial controls over financial reporting of **East India Pharmaceutical Works Limited** ("the Company") as of 31st March, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion and according to the information and explanation given to us, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

Kolkata,
Dated, the 27th August, 2021
UDIN : 21017693AAAABF1288

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

Standalone Balance Sheet

AS AT 31ST MARCH, 2021

	Note No.	31st March, 2021 ₹	31st March, 2020 ₹
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	2	6,67,45,179	6,67,45,179
(b) Reserves and Surplus	3	41,48,47,191	39,00,36,575
(2) Non-Current Liabilities			
(a) Long-Term Borrowings	4	4,23,36,281	32,67,440
(b) Long-Term Provisions	8A	8,14,91,000	6,43,20,000
(3) Current Liabilities			
(a) Short-Term Borrowings	5	32,19,00,853	35,31,62,674
(b) Trade Payables	6	34,39,64,616	34,94,48,075
(c) Other Current Liabilities	7	19,62,01,669	17,44,71,972
(d) Short-Term Provisions	8B	3,35,77,000	1,65,09,000
TOTAL		150,10,63,789	141,79,60,915
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	9	15,41,09,850	17,06,81,797
(ii) Intangible Assets	9	7,82,364	8,26,060
(iii) Capital work-in-progress		37,32,327	66,27,594
(b) Non-Current investments	10	99,500	99,500
(c) Deferred Tax Assets (Net)	11	4,89,77,722	4,23,80,405
(d) Long-Term Loans and Advances	12	71,16,873	1,00,86,375
(2) Current Assets			
(a) Inventories	13	34,94,30,415	37,83,84,071
(b) Trade Receivables	14	71,89,76,850	57,92,65,277
(c) Cash and Cash Equivalents	15	15,67,73,363	12,68,67,302
(d) Short-Term Loans and Advances	16	6,10,64,525	10,07,42,534
(e) Other Current Assets	17	NIL	20,00,000
TOTAL		150,10,63,789	141,79,60,915
Significant Accounting Policies	1		

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

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

For APS ASSOCIATES
Chartered Accountants
(Registration No. 306015E)
(A. Dutta)
Partner
Membership No. 017693
Kolkata,
Dated, the 27th August, 2021
UDIN : 21017693AAAABF1288

Sd/-
Director R. Mukherjee (DIN : 00042992)
Managing Director D. Duttagupta (DIN : 01515595)
Executive Director Ms. S. Mukherjee (DIN : 07630329)
Chief Financial Officer S. Ray
Company Secretary Ms. J. Sarkar
Kolkata, Dated, the 27th August, 2021

Standalone Statement of Profit and Loss

FOR THE YEAR ENDED 31ST MARCH, 2021

	Note No.	₹	31st March, 2021 ₹	₹	31st March, 2020 ₹
I. REVENUE FROM OPERATIONS	18		172,67,84,326		158,39,11,504
II. OTHER INCOME	19		1,80,260		15,71,901
III. TOTAL REVENUE (I + II)			<u>172,69,64,586</u>		<u>158,54,83,405</u>
IV. EXPENSES :					
Cost of materials consumed	20		49,96,34,132		46,57,72,212
Purchases of Traded Goods			1,71,87,443		1,77,56,384
Changes in inventories of Finished goods, Work-in-Progress and Traded Goods	21		2,83,85,036		(4,58,18,931)
Employee Benefits Expenses	22		63,98,08,743		59,20,38,256
Finance Costs	23		5,05,30,201		5,55,92,371
Depreciation and Amortisation Expenses	9		2,60,54,248		3,03,52,719
Research and Development Expenses	24		1,35,43,417		1,36,07,606
Other Expenses	25		39,67,33,549		42,54,36,832
Total Expenses			<u>167,18,76,769</u>		<u>155,47,37,449</u>
V. PROFIT / (LOSS) BEFORE TAX (III – IV)			5,50,87,817		3,07,45,956
VI. TAX EXPENSES :					
(1) Current tax		2,50,00,000		1,00,00,000	
(2) Deferred tax		(65,97,317)		(45,64,268)	
(3) Tax Adj. of earlier Years		51,99,659	<u>2,36,02,342</u>	52,41,291	<u>1,06,77,023</u>
VII. PROFIT / (LOSS) FOR THE YEAR (V-VI)			<u>3,14,85,475</u>		<u>2,00,68,933</u>
VIII. EARNINGS PER EQUITY SHARE :	27				
(1) Basic			4.72		3.01
(2) Diluted			4.72		3.01

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

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

For APS ASSOCIATES
Chartered Accountants
(Registration No. 306015E)
(A. Dutta)
Partner
Membership No. 017693
Kolkata,
Dated, the 27th August, 2021
UDIN : 21017693AAAABF1288

Sd/-
Director R. Mukherjee (DIN : 00042992)
Managing Director D. Duttagupta (DIN : 01515595)
Executive Director Ms. S. Mukherjee (DIN : 07630329)
Chief Financial Officer S. Ray
Company Secretary Ms. J. Sarkar
Kolkata, Dated, the 27th August, 2021

Standalone Cash Flow Statement

FOR THE YEAR ENDED 31ST MARCH, 2021

	31st March,2021 ₹	31st March,2020 ₹
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit / (Loss) before tax & extraordinary items	5,50,87,817	3,07,45,956
Adjustments For :		
Depreciation / Amortisation	2,60,54,248	3,03,52,719
(Profit) / Loss on sale of Fixed Assets	(1,12,381)	(6,71,010)
Interest Received	(472)	(3,04,342)
Interest Paid	5,05,30,201	5,55,92,371
Operating Profit before working capital changes	13,15,59,413	11,57,15,694
(Increase) / Decrease in Inventories	2,89,53,656	(10,96,22,160)
(Increase) / Decrease in Trade & Other Receivables	(9,50,64,062)	(6,82,91,070)
Increase / (Decrease) in Trade & Other Payables	2,41,85,899	6,72,25,992
Cash generated from operations	8,96,34,906	50,28,456
Direct Tax paid	(1,36,99,659)	(60,00,000)
Net Cash Flow from Operating Activities	7,59,35,247	(9,71,544)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(66,05,957)	(1,46,48,840)
Sale of Fixed Assets	1,75,000	19,85,002
Net Cash Flow from Investing Activities	(64,30,957)	(1,26,63,838)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from / (Repayment of) borrowings(Net)	1,76,06,359	3,08,93,408
Payment of Dividend and Dividend Tax	(66,74,859)	(40,23,241)
Interest Paid	(5,05,30,201)	(5,55,92,371)
Interest Received	472	3,04,342
Net Cash Flow from Financing Activities	(3,95,98,229)	(2,84,17,862)
Net Cash Inflow (A+B+C)	2,99,06,061	(4,20,53,244)
Cash & Cash Equivalents- Opening	12,68,67,302	16,89,20,546
Cash & Cash Equivalents- Closing	15,67,73,363	12,68,67,302
	2,99,06,061	(4,20,53,244)

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

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

For APS ASSOCIATES
Chartered Accountants
(Registration No. 306015E)
(A. Dutta)
Partner
Membership No. 017693
Kolkata,
Dated, the 27th August, 2021
UDIN : 21017693AAAABF1288

Sd/-
Director R. Mukherjee (DIN : 00042992)
Managing Director D. Duttagupta (DIN : 01515595)
Executive Director Ms. S. Mukherjee (DIN : 07630329)
Chief Financial Officer S. Ray
Company Secretary Ms. J. Sarkar
Kolkata, Dated, the 27th August, 2021

Notes forming part of Standalone Balance Sheet as at 31st March, 2021 and Standalone Statement of Profit and Loss for the year ended on 31st March, 2021

Note No.

1 Significant Accounting Policies

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

Notes forming part of Balance Sheet as at 31st March, 2021 and
Statement of Profit and Loss for the year ended on 31st March, 2021 (contd.)

Note No.	31st March, 2021		31st March, 2020	
	₹	₹	₹	₹
2 EQUITY SHARE CAPITAL				
(a) <u>Authorised</u> :				
1,00,00,000 Ordinary Shares		10,00,00,000		10,00,00,000
(b) <u>Issued</u> :				
66,75,543 Ordinary Shares		6,67,55,430		6,67,55,430
<u>Subscribed and paid up</u> :				
66,74,858 Ordinary Shares fully called up		6,67,48,580		6,67,48,580
Less : Calls Unpaid (525 No. of Shares)		3,401		3,401
		6,67,45,179		6,67,45,179
(c) Par value per share		10.00		10.00
(d) <u>Quantitative Reconciliation (In Nos.)</u> :				
Opening Balance as on 01.04.2020		66,74,858		66,74,858
Add : Shares issued during the year		NIL		NIL
Closing Balance as on 31.03.2021		66,74,858		66,74,858
(e) Shares held by each shareholder holding more than 5 percent shares specifying the number of shares held :				
<u>Name of the shareholder</u>		No. of shares		No. of shares
n Late Amit Kumar Sen		1,87,410		1,87,410
n Shri Debarshi Dutttagupta		6,51,419		6,51,419
n Smt. Indrani Sen		278		7,95,278
n Smt. Satarupa Mukherjee		8,33,389		38,389
(f) Aggregate number of shares allotted as fully paid-up bonus shares during the period of five years immediately preceding the date as at which the Balance Sheet is prepared		NIL		NIL
(g) Calls unpaid		3,401		3,401
1 Calls unpaid by Directors and Officers		NIL		NIL
3 RESERVES AND SURPLUS				
(a) <u>General Reserve</u> :				
Opening Balance	39,00,36,575		36,59,80,883	
Add : Tranferred from				
(i) Investment Fluctuation Reserve	NIL		10,000	
(ii) Contingency Reserve	NIL		80,00,000	
	39,00,36,575		37,39,90,883	
Add : Profit after tax for the year	3,14,85,475		2,00,68,933	
	42,15,22,050		39,40,59,816	
Less : Dividend Paid	66,74,859		33,37,259	
Tax on Dividend	NIL	41,48,47,191	6,85,982	39,00,36,575
		41,48,47,191		39,00,36,575

Notes forming part of Balance Sheet as at 31st March, 2021 and
Statement of Profit and Loss for the year ended on 31st March, 2021 (contd.)

Note No.	31st March, 2021 ₹	31st March, 2020 ₹
4 LONG – TERM BORROWINGS		
Secured		
n Term Loan (GECL) from Punjab National Bank. (Repayable in 36 equal monthly instalments after moratorium of 12 months and secured by a second charge on entire current assets of the company)	4,02,77,778	NIL
n Car Loan from HDFC Bank Ltd. (Repayable in equated monthly instalments and secured against hypothecation of 10 nos Vehicles)	20,58,503	32,67,440
	4,23,36,281	32,67,440
5 SHORT – TERM BORROWINGS		
Secured		
n <u>From Banks -</u> n <u>Cash Credit :</u> l From Punjab National Bank	32,19,00,853	35,31,62,674
<u>Nature of Security :</u> Secured by hypothecation of entire current assets of the Company with additional collaterals of charge over immovable properties.	32,19,00,853	35,31,62,674
6 TRADE PAYABLES		
Sundry Creditors : For Goods	25,85,80,411	26,49,91,603
For Services	8,53,84,205	8,44,56,472
	34,39,64,616	34,94,48,075

Notes forming part of Balance Sheet as at 31st March, 2021 and
Statement of Profit and Loss for the year ended on 31st March, 2021 (contd.)

Note No.	31st March, 2021 ₹	31st March, 2020 ₹
7 OTHER CURRENT LIABILITIES		
(a) Current maturities of Long-Term Borrowings :		
n From Banks -		
1 From Punjab National Bank (GECL) (Repayable in 36 equal monthly instalments after moratorium of 12 months and secured by a second charge on entire current assets of the company)	97,22,222	NIL
1 From HDFC Bank Ltd. (Repayable in equated monthly instalment and secured against hypothecation of 10 nos Vehicles)	29,29,008	28,51,891
(b) Unclaimed dividends*	51,69,244	45,70,287
(c) Other payables (Includes Statutory Dues)	17,83,81,195	16,70,49,794
	<u>19,62,01,669</u>	<u>17,44,71,972</u>

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

8 PROVISIONS

A. Long Term Provision -

Provision for Leave Encashment	<u>8,14,91,000</u>	<u>6,43,20,000</u>
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B. Short Term Provision -

(a) Provision for Leave Encashment	85,77,000	80,09,000
(b) Provision for Income Tax (Net of Advance Tax of ₹ NIL Previous Year ₹ 15,00,000)	2,50,00,000	85,00,000
	<u>3,35,77,000</u>	<u>1,65,09,000</u>

Notes forming part of Balance Sheet as at 31st March, 2021 and Statement of Profit and Loss for the year ended on 31st March, 2021 (contd.)

Note No. 9 FIXED ASSETS

Sl No	Particulars	Cost as on	Additions	Deletions	Cost as on	Depreciation / Amortisation		Net Value as on March 31, 2021 ₹
		March 31, 2020 ₹	during the year ₹		March 31, 2021 ₹	Upto March 31, 2020 ₹	For the year 2020-2021 ₹	
A. TANGIBLE ASSETS								
(a)	Land	7,82,047	-	-	7,82,047	-	-	7,82,047
(b)	Buildings	8,99,95,420	-	-	8,99,95,420	17,41,172	-	3,09,25,949
(c)	Plant and Equipment*	41,78,49,991	56,54,070	-	42,35,04,061	215,18,319	-	10,90,40,232
(d)	Computer	93,60,919	13,72,566	-	1,07,33,485	82,29,762	-	19,25,725
(e)	Furniture and Fixture	2,82,81,450	25,500	-	2,83,06,950	2,43,17,102	-	31,51,344
(f)	Vehicles	1,70,28,158	20,32,534	12,52,381	1,78,08,311	1,04,69,541	11,89,762	80,02,045
(g)	Office Equipment	1,98,32,081	4,16,554	-	2,02,48,635	1,91,58,055	-	2,82,508
	Sub Total	58,31,30,066	95,01,224	12,52,381	59,13,78,909	2,60,10,552	11,89,762	15,41,09,850
B. INTANGIBLE ASSETS								
	Patents & Licences	1,56,47,278	-	-	1,56,47,278	1,48,21,218	43,696	7,82,364
	Sub Total	1,56,47,278	-	-	1,56,47,278	1,48,21,218	43,696	7,82,364
	A+B Grand Total	59,87,77,344	95,01,224	12,52,381	60,70,26,187	42,72,69,487	11,89,762	15,48,92,214

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

(i) Plant and Equipment : ₹ 53,690 (₹ 1,15,640)

(ii) Computer : ₹ NIL (₹ NIL)

Notes forming part of Balance Sheet as at 31st March, 2021 and
Statement of Profit and Loss for the year ended on 31st March, 2021 (contd.)

Note No. 9 FIXED ASSETS (Contd.)

SI No	Particulars	Cost as on March 31, 2019 ₹	Additions during the year ₹	Deletions ₹	Cost as on March 31, 2020 ₹	Depreciation / Amortisation			Net Value as on March 31, 2020 ₹	
						Upto March 31, 2019 ₹	For the year 2019-2020 ₹	Deletions 2019-2020 ₹		Upto March 31, 2020 ₹
A. TANGIBLE ASSETS										
(a)	Land	7,82,047	-	-	7,82,047	-	-	-	-	7,82,047
(b)	Buildings	8,99,47,920	47,500	-	8,99,95,420	5,54,92,401	18,35,898	-	5,73,28,299	3,26,67,121
(c)	Plant and Equipment*	32,07,05,367	9,71,44,624	-	41,78,49,991	26,90,56,441	2,38,89,069	-	29,29,45,510	12,49,04,481
(d)	Computer	87,20,506	6,40,413	-	93,60,919	75,96,045	6,33,717	-	82,29,762	11,31,157
(e)	Furniture and Fixture	2,76,36,022	6,45,428	-	2,82,81,450	2,34,13,496	9,03,606	-	2,43,17,102	39,64,348
(f)	Vehicles	1,61,71,370	64,83,760	56,26,972	1,70,28,158	1,25,52,072	22,30,449	43,12,980	1,04,69,541	65,58,617
(g)	Office Equipment	1,88,92,057	9,40,024	-	1,98,32,081	1,84,06,103	7,51,952	-	1,91,58,055	6,74,026
	Sub Total	48,28,55,289	10,59,01,749	56,26,972	58,31,30,066	38,65,16,558	3,02,44,691	43,12,980	41,24,48,269	17,06,81,797
B. INTANGIBLE ASSETS										
	Patents & Licences	1,56,47,278	-	-	1,56,47,278	1,47,13,190	1,08,028	-	1,48,21,218	8,26,060
	Sub Total	1,56,47,278	-	-	1,56,47,278	1,47,13,190	1,08,028	-	1,48,21,218	8,26,060
	A+B Grand Total	49,85,02,567	10,59,01,749	56,26,972	59,87,77,344	40,12,29,748	3,03,52,719	43,12,980	42,72,69,487	17,15,07,857

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

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

(ii) Computer : ₹ NIL (₹ 51,839)

Notes forming part of Balance Sheet as at 31st March, 2021 and
Statement of Profit and Loss for the year ended on 31st March, 2021 (contd.)

Note No.	31st March, 2020 ₹	31st March, 2019 ₹
10 NON-CURRENT INVESTMENTS		
Investment in Equity Instruments -		
n 9,950 Equity Shares of Rs. 10 each fully paid up – Qasar Healthcare Pvt. Ltd. (Subsidiary Company – unquoted)	99,500	99,500
	99,500	99,500
11 DEFERRED TAX ASSETS (NET)		
<u>Deferred Tax Liabilities :</u>		
Depreciation as per Income Tax Act, 1961	9,11,64,315	8,43,26,766
Privilege Leave paid during the year	1,67,53,210	1,56,00,359
Research & Development Assets	1,16,58,384	1,16,43,447
Total (A)	11,95,75,909	11,15,70,572
<u>Deferred Tax Assets :</u>		
Depreciation charged in Accounts	12,11,53,338	11,39,05,046
Provision for Doubtful Debts	25,33,720	12,67,199
Provision for Leave Encashment for the year	4,48,66,573	3,87,78,732
Total (B)	16,85,53,631	15,39,50,977
Deferred Tax Asset (Net) (B-A)	4,89,77,722	4,23,80,405
12 LONG – TERM LOANS AND ADVANCES (Unsecured, Considered Good)		
(a) Security Deposits	71,16,873	1,00,86,375
(b) Other Advances	NIL	NIL
	71,16,873	1,00,86,375
13 INVENTORIES (At Lower of Cost and Net Realisable Value)		
(a) Raw Materials	7,71,11,346	8,20,41,656
(b) Work-in-progress	51,33,048	1,02,81,833
(c) Finished Goods	19,74,72,584	22,19,07,518
(d) Traded Goods	90,28,811	78,30,128
(e) Packing materials and consumables	6,06,84,626	5,63,22,936
	34,94,30,415	37,83,84,071
The above includes goods in transit as under :		
Raw Materials	59,01,920	NIL
Finished Goods	55,67,192	3,15,74,314

Notes forming part of Balance Sheet as at 31st March, 2021 and
Statement of Profit and Loss for the year ended on 31st March, 2021 (contd.)

Note No.	₹	31st March, 2021 ₹	₹	31st March, 2020 ₹
14 TRADE RECEIVABLES				
(i) Debts outstanding for a period exceeding six months :				
Unsecured, considered good		4,34,56,032		4,29,76,088
Unsecured, considered doubtful	1,28,56,722		83,04,165	
Less : Provision	1,28,56,722	NIL	83,04,165	NIL
(ii) Other Debts :				
Unsecured, considered good		67,55,20,818		53,62,89,189
		<u>71,89,76,850</u>		<u>57,92,65,277</u>
15 CASH AND CASH EQUIVALENTS				
(a) Cash and Cash Equivalents :				
n Cash in Hand		4,21,880		4,47,153
n Balances with Banks - In Current Accounts		15,11,82,239		12,18,49,862
(b) Other Bank Balances :				
n In Unclaimed Dividend Accounts		51,69,244		45,70,287
		<u>15,67,73,363</u>		<u>12,68,67,302</u>
16 SHORT – TERM LOANS & ADVANCES (Unsecured, Considered Good)				
(a) Security Deposits		94,99,534		78,03,025
(b) Other advances		5,15,64,991		9,29,39,509
		<u>6,10,64,525</u>		<u>10,07,42,534</u>
17 OTHER CURRENT ASSETS (Unsecured Considered Good)				
Realisable from EPFO		NIL		20,00,000
		<u>NIL</u>		<u>20,00,000</u>
18 REVENUE FROM OPERATIONS				
(a) Revenue from Sales		172,51,52,233		158,20,03,241
(b) Other operating revenues :				
n Claim	1,27,242		3,55,833	
n Others	15,04,851	16,32,093	15,52,430	19,08,263
		<u>172,67,84,326</u>		<u>158,39,11,504</u>

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Notes forming part of Balance Sheet as at 31st March, 2021 and
Statement of Profit and Loss for the year ended on 31st March, 2021 (contd.)

Note No.	31st March, 2021		31st March, 2020	
	₹	₹	₹	₹
19 OTHER INCOME				
(a) Interest Income		472		3,04,342
(b) Profit/(Loss) on sale of assets		1,12,381		6,71,010
(c) Other income		67,407		5,96,549
		1,80,260		15,71,901
20 COST OF MATERIALS CONSUMED				
(a) Raw materials :				
Opening Stock	8,20,41,656		3,03,62,860	
Add : Purchases	33,93,56,241		35,30,78,992	
	42,13,97,897		38,34,41,852	
Less : Closing Stock	7,71,11,346	34,42,86,551	8,20,41,656	30,14,00,196
(b) Packing materials and consumables :				
Opening Stock	5,63,22,936		4,41,98,503	
Add : Purchases	15,97,09,271		17,64,96,449	
	21,60,32,207		22,06,94,952	
Less : Closing Stock	6,06,84,626	15,53,47,581	5,63,22,936	16,43,72,016
		49,96,34,132		46,57,72,212
Details of materials consumed :				
Iodine		9,73,87,799		11,68,71,834
Others		40,22,46,333		34,89,00,378
		49,96,34,132		46,57,72,212
21 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND TRADED GOODS				
Opening Stock :				
Finished Goods	22,19,07,518		18,41,22,911	
Work-in-progress	1,02,81,833		71,82,920	
Traded Goods	78,30,128	24,00,19,479	28,94,717	19,42,00,548
Less : Closing Stock				
Finished Goods	19,74,72,584		22,19,07,518	
Work-in-progress	51,33,048		1,02,81,833	
Traded Goods	90,28,811	21,16,34,443	78,30,128	24,00,19,479
		2,83,85,036		(4,58,18,931)

Notes forming part of Balance Sheet as at 31st March, 2021 and
Statement of Profit and Loss for the year ended on 31st March, 2021 (contd.)

Note No.	31st March, 2021		31st March, 2020	
	₹	₹	₹	₹
22 EMPLOYEE BENEFITS EXPENSES				
(a) Salaries & Wages		53,81,84,314		49,66,62,763
(b) Contribution to Provident and Other Funds		8,36,78,836		7,40,85,037
(c) Workmen and Staff Welfare Expenses		1,79,45,593		2,12,90,456
		<u>63,98,08,743</u>		<u>59,20,38,256</u>
23 FINANCE COSTS				
(a) Interest on Overdraft		4,12,63,342		4,57,23,626
(b) Interest on Term loan (GECL)		16,77,065		NIL
(c) Other Interest		67,76,326		63,05,646
(d) Bank Charges		6,31,008		35,99,738
(e) Exchange Loss / (Gain)		1,82,460		(36,639)
		<u>5,05,30,201</u>		<u>5,55,92,371</u>
24 RESEARCH AND DEVELOPMENT EXPENSES				
(i) In-house Research :				
(a) Salaries & Wages		1,02,22,449		97,42,699
(b) Contribution to Provident and Other Funds		8,39,065		8,11,928
(c) Workmen and Staff Welfare		4,39,100		3,02,230
(d) Consumable Stores		10,98,587		18,57,018
(e) Travelling Expenses		1,62,328		1,88,941
(f) Repairs & Renewals		7,81,888		6,77,048
(g) Miscellaneous Expenses		NIL		27,742
		<u>1,35,43,417</u>		<u>1,36,07,606</u>
		<u>1,35,43,417</u>		<u>1,36,07,606</u>

Note :

The above does not include Depreciation and Amortisation of ₹ 6,16,478 (previous year ₹ 8,17,419) pertaining to Research and Development assets.

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Notes forming part of Balance Sheet as at 31st March, 2021 and
Statement of Profit and Loss for the year ended on 31st March, 2021 (contd.)

Note No.	31st March, 2021		31st March, 2020	
	₹	₹	₹	₹
25 OTHER EXPENSES				
(a) Freight and Handling		5,75,56,938		5,69,97,365
(b) Insurance		66,94,161		65,06,004
(c) Power and Fuel		2,93,43,413		3,80,63,086
(d) Payment to Auditors		8,09,000		7,23,000
(e) Publicity and Sales Promotion		99,40,591		84,08,433
(f) Rates, Taxes and License fees		1,08,56,102		1,59,58,535
(g) Rent		2,21,48,988		1,88,05,506
(h) Provision for Doubtful Debts		45,52,557		5,30,304
(i) Conversion Charges		4,71,05,842		4,89,27,937
(j) Commission to C & F Agents		3,44,78,273		3,15,93,600
(k) Discount		4,86,86,937		3,92,04,429
(l) Repairs - Machineries	77,92,200		68,53,422	
- Buildings	6,62,073		5,12,171	
- Others	24,67,358	1,09,21,631	43,55,419	1,17,21,012
(m) Travelling and Conveyance		8,30,89,712		10,74,32,664
(n) Miscellaneous Expenses		3,05,49,404		4,05,64,957
		39,67,33,549		42,54,36,832

26 DISCLOSURE ON LEASED LAND

Total land on which Company's Sarsuna factory is situated is partly owned and partly leasehold. There are total six leases for the leasehold part of the land. All leases expired during the financial year 2016-17, although all the leases contain automatic renewal clause. The company is in lawful possession of the total land. Two lease deeds have been renewed. The company has filed suit for specific performance against three other lessors and those are subjudice before the Learned Court. One lease could not be renewed as there is no known legal heir of the original lessor. The company has made appropriate provision for lease rent for non-renewed portion of the leases considering same rate of rental as per renewed leases. Further, the factory land at Durgapur has been leased out to the company by the Govt. of West Bengal since the year 1965.

27 EARNINGS PER SHARE

Earnings per share has been computed as under :

(a) Profit after taxation for the year	3,14,85,475	2,00,68,933
(b) Number of Ordinary Shares	66,74,858	66,74,858
(c) Earnings per share on profit after taxation (Face Value Rs. 10.00 per share)		
- Basic	4.72	3.01
- Diluted	4.72	3.01

Notes forming part of Balance Sheet as at 31st March, 2021 and
Statement of Profit and Loss for the year ended on 31st March, 2021 (contd.)

Note No.	31st March, 2021	31st March, 2020
	₹	₹

28 CONTINGENT LIABILITIES AND COMMITMENTS (to the extent not provided for)

(i) Contingent Liabilities :

(a) Claims against the company not acknowledged as debt :		
n in respect of Central Excise Duty (disputed)	17,17,24,704	17,17,24,704
n in respect of Service Tax (disputed)	3,87,741	3,87,741
n in respect of Sales Tax matters (disputed)	5,13,509	5,13,509
n in respect of M.P. Land Revenue Code (disputed)	36,93,194	36,93,194
(b) Guarantees	60,20,000	94,61,812

(ii) Commitments :

Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advance)	5,81,227	5,06,706
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29 DETAILS OF PAYMENT TO AUDITORS

1 For Statutory Audit	5,00,000	5,00,000
1 For Tax Audit	1,80,000	1,60,000
1 For Certification & Other Services	1,29,000	63,000
	8,09,000	7,23,000

30 DISCLOSURES ON RELATED PARTIES

(a) Related Party :

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

(ii) Key Managerial Personnel

<u>Name</u>	<u>Designation</u>
Shri Debarshi Duttgupta	Managing Director
Ms Satarupa Mukherjee	Executive Director
Shri Subrata Ray	Chief Financial Officer
Ms Jayeeta Sarkar	Company Secretary

(b) Transactions with Related Party during the period :

(i) Receivable from Qasar Healthcare Private Limited	₹ 91,75,513
(ii) Total Remuneration paid to Key Managerial Personnel	₹ 1,42,67,049

31 VALUE OF IMPORTS (CIF VALUE)

Raw materials	₹ 1079.50 lakhs	₹ 1166.32 lakhs
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32 VALUE OF IMPORTED AND INDIGENOUS RAW MATERIALS, PACKING MATERIALS & CONSUMABLES CONSUMED DURING THE YEAR 2020-2021

	31. 03. 2021	31. 03. 2021	31. 03. 2020	31. 03. 2020
	Amount	% to Total	Amount	% to Total
	(₹ in lakhs)		(₹ in lakhs)	
(a) Imported	973.88	19.49	1168.72	25.09
(b) Indigenous	4022.46	80.51	3489.00	74.91
	4996.34	100	4657.72	100

ANNUAL REPORT & ACCOUNTS
2020-2021

Notes forming part of Balance Sheet as at 31st March, 2021 and
Statement of Profit and Loss for the year ended on 31st March, 2021 (contd.)

Note No.	31st March, 2021 ₹	31st March, 2020 ₹
33 EXPENDITURE IN FOREIGN CURRENCIES (ON PAYMENT BASIS) :		
On account of Other Matters	NIL	29,651
34 EARNINGS IN FOREIGN CURRENCIES		
From Export	14,10,858	NIL
35 TRADE PAYABLES (NOTE 6) INCLUDES AMOUNT DUE TO PARTIES REGISTERED UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT - 2006. These parties have been identified on the basis of information available with the company and have been relied upon by the auditors. As required the following disclosures are made :		
(a) Principal amount payable to suppliers at the year end	1,13,40,290	2,42,56,493
(b) Amount of interest paid by the Company in terms of Section 16 of the MSMED, alongwith the amount of the payment made to the supplier beyond the appointed day during the accounting year	NIL	NIL
(c) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED	28,95,596	22,22,199
(d) Amount of interest accrued and remaining unpaid at the end of the accounting year	80,48,211	49,86,061
36 SEGMENT REPORTING Company has only one primary segment, i.e., production and sale of pharmaceutical products. Information regarding secondary segment, i.e., geographical area is given below :		
Sales – Domestic	172,37,41,375	158,20,03,241
Sales – Export	14,10,858	NIL

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

Kolkata,
Dated, the 27th August, 2021

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

Independent Auditors' Report

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

Report on the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **EAST INDIA PHARMACEUTICAL WORKS LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at 31st March, 2021, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (hereinafter referred to as "the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2021, the consolidated financial performance and the consolidated cash flows for the year ended on that date.

Basis for Opinion

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

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

Key audit matters

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

Information other than financial statements and auditor's report thereon

We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

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

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

Auditors' Report

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

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

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

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

Other Matters

Financial statements of the subsidiary, which reflect asset of Rs. NIL lakh as at 31st March, 2021, loss of Rs. 0.30

Auditors' Report

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

Report on Other Legal and Regulatory Requirements

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books .
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2021 taken on record by the Board of Directors of the Holding Company and our report of its subsidiary company, none of the directors of the Group companies is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) We give in the **Annexure** a report on the internal financial control which is based on the auditors' report of the holding company and its subsidiary company.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Group does not have any pending litigation which would impact the consolidated financial statements.
 - ii) The Group did not have any long term contract including derivative contracts for which there are any material foreseeable losses on long-term contracts including derivative contracts.
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Kolkata,
Dated, the 27th August, 2021
UDIN : 21017693AAAABG8488

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

Annexure

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

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended on 31st March, 2021 we have audited the internal financial controls over financial reporting of East India Pharmaceutical Works Limited ("the Holding Company") and its subsidiary (together referred to as "the Group")

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Auditors' Report

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Group has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by these entities considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

Kolkata,
Dated, the 27th August, 2021
UDIN : 21017693AAAABG8488

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

Consolidated Balance Sheet

AS AT 31ST MARCH, 2021

	Note No.	31st March, 2021 ₹	31st March, 2020 ₹
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	2	6,67,45,179	6,67,45,179
(b) Reserves and Surplus	3	40,56,16,066	38,08,35,247
(2) Minority Interest			
		(45,888)	(45,738)
(3) Non-Current Liabilities			
(a) Long-Term Borrowings	4	4,23,36,281	32,67,440
(b) Long-Term Provisions	8A	8,14,91,000	6,43,20,000
(4) Current Liabilities			
(a) Short-Term Borrowings	5	32,19,00,853	35,31,62,674
(b) Trade Payables	6	34,39,64,616	34,94,48,075
(c) Other Current Liabilities	7	19,62,03,669	17,44,73,972
(d) Short-Term Provisions	8B	3,35,77,000	1,65,09,000
TOTAL		149,17,88,776	140,87,15,849
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	9	15,41,09,850	17,06,81,797
(ii) Intangible Assets	9	7,82,364	8,26,060
(iii) Capital work-in-progress		37,32,327	66,27,594
(b) Deferred Tax Assets (Net)	10	4,89,77,722	4,23,80,405
(c) Long-Term Loans and Advances	11	71,16,873	1,00,86,375
(2) Current Assets			
(a) Inventories	12	34,94,30,415	37,83,84,071
(b) Trade Receivables	13	70,98,01,337	57,00,98,674
(c) Cash and Cash Equivalents	14	15,67,73,363	12,68,82,571
(d) Short-Term Loans and Advances	15	6,10,64,525	10,07,48,302
(e) Other Current Assets	16	NIL	20,00,000
TOTAL		149,17,88,776	140,87,15,849

Significant Accounting Policies 1

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

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

For APS ASSOCIATES
Chartered Accountants
(Registration No. 306015E)
(A. Dutta)
Partner
Membership No. 017693
Kolkata,
Dated, the 27th August, 2021
UDIN : 21017693AAAABG8488

Sd/-
Director R. Mukherjee (DIN : 00042992)
Managing Director D. Duttagupta (DIN : 01515595)
Executive Director Ms. S. Mukherjee (DIN : 07630329)
Chief Financial Officer S. Ray
Company Secretary Ms. J. Sarkar
Kolkata, Dated, the 27th August, 2021

Consolidated Statement of Profit and Loss

FOR THE YEAR ENDED 31ST MARCH, 2021

	Note No.	31st March, 2021		31st March, 2020	
		₹	₹	₹	₹
I. REVENUE FROM OPERATIONS	17		172,67,84,326		158,39,11,504
II. OTHER INCOME	18		1,80,260		15,71,901
III. TOTAL REVENUE (I + II)			172,69,64,586		158,54,83,405
IV. EXPENSES :					
Cost of materials consumed	19		49,96,34,132		46,57,72,212
Purchases of Traded Goods			1,71,87,443		1,77,56,384
Changes in inventories of Finished goods, Work-in-Progress and Traded Goods	20		2,83,85,036		(4,58,18,931)
Employee Benefits Expenses	21		63,98,08,743		59,20,38,256
Finance Costs	22		5,05,30,470		5,55,92,371
Depreciation and Amortisation Expenses	9		2,60,54,248		3,03,52,719
Research and Development Expenses	23		1,35,43,417		1,36,07,606
Other Expenses	24		39,67,63,227		42,54,57,542
Total Expenses			167,19,06,716		155,47,58,159
V. PROFIT / (LOSS) BEFORE TAX (III – IV)			5,50,57,870		3,07,25,246
VI. TAX EXPENSES :					
(1) Current tax		2,50,00,000		1,00,00,000	
(2) Deferred tax		(65,97,317)		(45,64,268)	
(3) Tax Adj. of earlier Years		51,99,659	2,36,02,342	52,41,291	1,06,77,023
VII. PROFIT / (LOSS) FOR THE YEAR (V-VI)			3,14,55,528		2,00,48,223
VIII. EARNINGS PER EQUITY SHARE :	26				
(1) Basic			4.71		3.00
(2) Diluted			4.71		3.00

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

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

For APS ASSOCIATES
Chartered Accountants
(Registration No. 306015E)
(A. Dutta)
Partner
Membership No. 017693
Kolkata,
Dated, the 27th August, 2021
UDIN : 21017693AAAABG8488

Sd/-
Director R. Mukherjee (DIN : 00042992)
Managing Director D. Duttagupta (DIN : 01515595)
Executive Director Ms. S. Mukherjee (DIN : 07630329)
Chief Financial Officer S. Ray
Company Secretary Ms. J. Sarkar
Kolkata, Dated, the 27th August, 2021

Consolidated Cash Flow Statement

FOR THE YEAR ENDED 31ST MARCH, 2021

	31st March,2021 ₹	31st March,2020 ₹
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit / (Loss) before tax & extraordinary items	5,50,57,870	3,07,25,246
Adjustments For :		
Depreciation / Amortisation	2,60,54,248	3,03,52,719
(Profit) / Loss on sale of Fixed Assets	(1,12,381)	(6,71,010)
Interest Received	(472)	(3,04,342)
Interest Paid	5,05,30,470	5,55,92,371
Operating Profit before working capital changes	13,15,29,735	11,56,94,984
(Increase) / Decrease in Inventories	2,89,53,656	(10,96,22,160)
(Increase) / Decrease in Trade & Other Receivables	(9,50,49,384)	(6,82,70,360)
Increase / (Decrease) in Trade & Other Payables	2,41,85,899	6,72,25,992
Cash generated from operations	8,96,19,906	50,28,456
Direct Tax paid	(1,36,99,659)	(60,00,000)
Net Cash Flow from Operating Activities	7,59,20,247	(9,71,544)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(66,05,957)	(1,46,48,840)
Sale of Fixed Assets	1,75,000	19,85,002
Net Cash Flow from Investing Activities	(64,30,957)	(1,26,63,838)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from / (Repayment of) borrowings(Net)	1,76,06,359	3,08,93,408
Payment of Dividend and Dividend Tax	(66,74,859)	(40,23,241)
Interest Paid	(5,05,30,470)	(5,55,92,371)
Interest Received	472	3,04,342
Net Cash Flow from Financing Activities	(3,95,98,498)	(2,84,17,862)
Net Cash Inflow (A+B+C)	2,98,90,792	(4,20,53,244)
Cash & Cash Equivalents- Opening	12,68,82,571	16,89,35,815
Cash & Cash Equivalents- Closing	15,67,73,363	12,68,82,571
	2,98,90,792	(4,20,53,244)

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

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

For APS ASSOCIATES
Chartered Accountants
(Registration No. 306015E)
(A. Dutta)
Partner
Membership No. 017693
Kolkata,
Dated, the 27th August, 2021
UDIN : 21017693AAAABG8488

Sd/-
Director R. Mukherjee (DIN : 00042992)
Managing Director D. Duttagupta (DIN : 01515595)
Executive Director Ms. S. Mukherjee (DIN : 07630329)
Chief Financial Officer S. Ray
Company Secretary Ms. J. Sarkar
Kolkata, Dated, the 27th August, 2021

Notes forming part of Consolidated Balance Sheet as at 31st March, 2021 and Consolidated Statement of Profit and Loss for the year ended on 31st March, 2021

Note No.

1 Significant Accounting Policies

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

Notes forming part of Consolidated Balance Sheet as at 31st March, 2021 and
Consolidated Statement of Profit and Loss for the year ended on 31st March, 2021 (contd.)

Note No.	₹	31st March, 2021 ₹	₹	31st March, 2020 ₹
2 EQUITY SHARE CAPITAL				
(a) <u>Authorised</u> :				
1,00,00,000 Ordinary Shares		<u>10,00,00,000</u>		<u>10,00,00,000</u>
(b) <u>Issued</u> :				
66,75,543 Ordinary Shares		<u>6,67,55,430</u>		<u>6,67,55,430</u>
<u>Subscribed and paid up</u> :				
66,74,858 Ordinary Shares fully called up		<u>6,67,48,580</u>		<u>6,67,48,580</u>
Less : Calls Unpaid (525 No. of Shares)		<u>3,401</u>		<u>3,401</u>
		<u>6,67,45,179</u>		<u>6,67,45,179</u>
(c) Par value per share		<u>10.00</u>		<u>10.00</u>
(d) <u>Quantitative Reconciliation (In Nos.)</u> :				
Opening Balance as on 01.04.2020		<u>66,74,858</u>		<u>66,74,858</u>
Add : Shares issued during the year		<u>NIL</u>		<u>NIL</u>
Closing Balance as on 31.03.2021		<u>66,74,858</u>		<u>66,74,858</u>
(e) Shares held by each shareholder holding more than 5 percent shares specifying the number of shares held :				
<u>Name of the shareholder</u>		<u>No. of shares</u>		<u>No. of shares</u>
n Late Amit Kumar Sen		1,87,410		1,87,410
n Shri Debarshi Duttgupta		6,51,419		6,51,419
n Smt. Indrani Sen		278		7,95,278
n Smt. Satarupa Mukherjee		8,33,389		38,389
(f) Aggregate number of shares allotted as fully paid-up bonus shares during the period of five years immediately preceding the date as at which the Balance Sheet is prepared		<u>NIL</u>		<u>NIL</u>
(g) Calls unpaid		<u>3,401</u>		<u>3,401</u>
1 Calls unpaid by Directors and Officers		<u>NIL</u>		<u>NIL</u>
3 RESERVES AND SURPLUS				
(a) General Reserve:				
Opening Balance	39,00,36,575		36,59,80,883	
Add : Transferred from				
(i) Investment Fluctuation Reserve	<u>NIL</u>		10,000	
(ii) Contingency Reserve	<u>NIL</u>		<u>80,00,000</u>	
	<u>39,00,36,575</u>		<u>37,39,90,883</u>	
Add : Profit after tax for the year	<u>3,14,55,528</u>		<u>2,00,48,223</u>	
	<u>42,14,92,103</u>		<u>39,40,39,106</u>	
Less : Dividend Paid	<u>66,74,859</u>		<u>33,37,259</u>	
Tax on Dividend	<u>NIL</u>	<u>41,48,17,244</u>	<u>6,85,982</u>	<u>39,00,15,865</u>
Less : Share of loss from Subsidiary		<u>(92,01,178)</u>		<u>(91,80,618)</u>
		<u>40,56,16,066</u>		<u>38,08,35,247</u>

Notes forming part of Consolidated Balance Sheet as at 31st March, 2021 and Consolidated Statement of Profit and Loss for the year ended on 31st March, 2021 (contd.)

Note No.	31st March, 2021 ₹	31st March, 2020 ₹
4 LONG – TERM BORROWINGS		
Secured		
n Term Loan (GECL) from Punjab National Bank. (Repayable in 36 equal monthly instalments after moratorium of 12 months and secured by a second charge on entire current assets of the company)	4,02,77,778	NIL
n Car Loan from HDFC Bank Ltd. (Repayable in equated monthly instalments and secured against hypothecation of 10 nos Vehicles)	20,58,503	32,67,440
	<u>4,23,36,281</u>	<u>32,67,440</u>
5 SHORT – TERM BORROWINGS		
Secured		
n From Banks -		
n Cash Credit :		
1 From Punjab National Bank	32,19,00,853	35,31,62,674
Nature of Security :		
Secured by hypothecation of entire current assets of the Company with additional collaterals of charge over immovable properties.	<u>32,19,00,853</u>	<u>35,31,62,674</u>
6 TRADE PAYABLES		
Sundry Creditors : For Goods	25,85,80,411	26,49,91,603
For Services	8,53,84,205	8,44,56,472
	<u>34,39,64,616</u>	<u>34,94,48,075</u>

Notes forming part of Consolidated Balance Sheet as at 31st March, 2021 and
Consolidated Statement of Profit and Loss for the year ended on 31st March, 2021 (contd.)

Note No.	31st March, 2021 ₹	31st March, 2020 ₹
7 OTHER CURRENT LIABILITIES		
(a) Current maturities of Long-Term Borrowings :		
From Banks -		
1 From Punjab National Bank (GECL) (Repayable in 36 equal monthly instalments after moratorium of 12 months and secured by a second charge on entire current assets of the company)	97,22,222	NIL
1 From HDFC Bank Ltd. (Repayable in equated monthly instalment and secured against hypothecation of 10 nos Vehicles)	29,29,008	28,51,891
(b) Unclaimed dividends*	51,69,244	45,70,287
(c) Other payables (Includes Statutory Dues)	17,83,83,195	16,70,51,794
	<u>19,62,03,669</u>	<u>17,44,73,972</u>

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

8 PROVISIONS

A. Long Term Provision -

Provision for Leave Encashment	<u>8,14,91,000</u>	<u>6,43,20,000</u>
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B. Short Term Provision -

(a) Provision for Leave Encashment	85,77,000	80,09,000
(b) Provision for Income Tax (Net of Advance Tax of ₹ NIL Previous Year ₹ 15,00,000)	2,50,00,000	85,00,000
	<u>3,35,77,000</u>	<u>1,65,09,000</u>

Notes forming part of Consolidated Balance Sheet as at 31st March, 2021 and Consolidated Statement of Profit and Loss for the year ended on 31st March, 2021 (contd.)

Note No. 9 FIXED ASSETS

SI No	Particulars	Cost as on	Additions	Deletions	Cost as on	Depreciation / Amortisation			Net Value
		March 31, 2020	during the year	March 31, 2021	March 31, 2020	For the year 2020-2021	Deletions 2020-2021	Upto March 31, 2021	as on March 31, 2021
		₹	₹	₹	₹	₹	₹	₹	₹
A. TANGIBLE ASSETS									
(a)	Land	7,82,047	-	-	7,82,047	-	-	-	7,82,047
(b)	Buildings	8,99,95,420	-	-	8,99,95,420	17,41,172	-	5,90,69,471	3,09,25,949
(c)	Plant and Equipment*	41,78,49,991	56,54,070	-	42,35,04,061	215,18,319	-	31,44,63,829	10,90,40,232
(d)	Computer	93,60,919	13,72,566	-	1,07,33,485	82,29,762	-	88,07,760	19,25,725
(e)	Furniture and Fixture	2,82,81,450	25,500	-	2,83,06,950	8,38,504	-	2,51,55,606	31,51,344
(f)	Vehicles	1,70,28,158	20,32,534	12,52,381	1,78,08,311	5,26,487	11,89,762	98,06,266	80,02,045
(g)	Office Equipment	1,98,32,081	4,16,554	-	2,02,48,635	8,08,072	-	1,99,66,127	2,82,508
	Sub Total	58,31,30,066	95,01,224	12,52,381	59,13,78,909	2,60,10,552	11,89,762	43,72,69,059	15,41,09,850
B. INTANGIBLE ASSETS									
	Patents & Licences	1,56,47,278	-	-	1,56,47,278	43,696	-	1,48,64,914	7,82,364
	Sub Total	1,56,47,278	-	-	1,56,47,278	43,696	-	1,48,64,914	7,82,364
	A+B Grand Total	59,87,77,344	95,01,224	12,52,381	60,70,26,187	2,60,54,248	11,89,762	45,21,33,973	15,48,92,214

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

(i) Plant and Equipment : ₹ 53,690 (₹ 1,15,640)

(ii) Computer : ₹ NIL (₹ NIL)

Notes forming part of Consolidated Balance Sheet as at 31st March, 2021 and Consolidated Statement of Profit and Loss for the year ended on 31st March, 2021 (contd.)

Note No. 9 FIXED ASSETS (Contd.)

Sl No	Particulars	Cost as on March 31, 2019 ₹	Additions during the year ₹	Deletions ₹	Cost as on March 31, 2020 ₹	Depreciation / Amortisation		Net Value as on March 31, 2020 ₹	
						Upto March 31, 2019 ₹	For the year 2019-2020 ₹		Deletions 2019-2020 ₹
A. TANGIBLE ASSETS									
(a)	Land	7,82,047	-	-	7,82,047	-	-	-	7,82,047
(b)	Buildings	8,99,47,920	47,500	-	8,99,95,420	5,54,92,401	18,35,898	5,73,28,299	3,26,67,121
(c)	Plant and Equipment*	32,07,05,367	9,71,44,624	-	41,78,49,991	26,90,56,441	2,38,89,069	29,29,45,510	12,49,04,481
(d)	Computer	87,20,506	6,40,413	-	93,60,919	75,96,045	6,33,717	82,29,762	11,31,157
(e)	Furniture and Fixture	2,76,36,022	6,45,428	-	2,82,81,450	2,34,13,496	9,03,606	2,43,17,102	39,64,348
(f)	Vehicles	1,61,71,370	64,83,760	56,26,972	1,70,28,158	1,25,52,072	22,30,449	1,04,69,541	65,58,617
(g)	Office Equipment	1,88,92,057	9,40,024	-	1,98,32,081	1,84,06,103	7,51,952	1,91,58,055	6,74,026
	Sub Total	48,28,55,289	10,59,01,749	56,26,972	58,31,30,066	38,65,16,558	3,02,44,691	41,24,48,269	17,06,81,797
B. INTANGIBLE ASSETS									
	Patents & Licences	1,56,47,278	-	-	1,56,47,278	1,47,13,190	1,08,028	1,48,21,218	8,26,060
	Sub Total	1,56,47,278	-	-	1,56,47,278	1,47,13,190	1,08,028	1,48,21,218	8,26,060
	A+B Grand Total	49,85,02,567	10,59,01,749	56,26,972	59,87,77,344	40,12,29,748	3,03,52,719	42,72,69,487	17,15,07,857

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

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

(ii) Computer : ₹ NIL (₹ 51,839)

Notes forming part of Consolidated Balance Sheet as at 31st March, 2021 and
Consolidated Statement of Profit and Loss for the year ended on 31st March, 2021 (contd.)

Note No.	31st March, 2021 ₹	31st March, 2020 ₹
10 DEFERRED TAX ASSETS (NET)		
Deferred Tax Liabilities :		
Depreciation as per Income Tax Act, 1961	9,11,64,315	8,43,26,766
Privilege Leave paid during the year	1,67,53,210	1,56,00,359
Research & Development Assets	1,16,58,384	1,16,43,447
Total (A)	<u>11,95,75,909</u>	<u>11,15,70,572</u>
Deferred Tax Assets :		
Depreciation charged in Accounts	12,11,53,338	11,39,05,046
Provision for Doubtful Debts	25,33,720	12,67,199
Provision for Leave Encashment for the year	4,48,66,573	3,87,78,732
Total (B)	<u>16,85,53,631</u>	<u>15,39,50,977</u>
Deferred Tax Asset (Net) (B-A)	<u>4,89,77,722</u>	<u>4,23,80,405</u>
11 LONG – TERM LOANS AND ADVANCES (Unsecured, Considered Good)		
(a) Security Deposits	71,16,873	1,00,86,375
(b) Other Advances	NIL	NIL
	<u>71,16,873</u>	<u>1,00,86,375</u>
12 INVENTORIES (At Lower of Cost and Net Realisable Value)		
(a) Raw Materials	7,71,11,346	8,20,41,656
(b) Work-in-progress	51,33,048	1,02,81,833
(c) Finished Goods	19,74,72,584	22,19,07,518
(d) Traded Goods	90,28,811	78,30,128
(e) Packing materials and consumables	6,06,84,626	5,63,22,936
	<u>34,94,30,415</u>	<u>37,83,84,071</u>
The above includes goods in transit as under :		
Raw Materials	59,01,920	NIL
Finished Goods	<u>55,67,192</u>	<u>3,15,74,314</u>

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Notes forming part of Consolidated Balance Sheet as at 31st March, 2021 and
Consolidated Statement of Profit and Loss for the year ended on 31st March, 2021 (contd.)

Note No.	₹	31st March, 2021 ₹	₹	31st March, 2020 ₹
13 TRADE RECEIVABLES				
(i) Debts outstanding for a period exceeding six months :				
Unsecured, considered good		3,42,80,519		3,38,09,485
Unsecured, considered doubtful	1,28,56,722		83,04,165	
Less : Provision	1,28,56,722	NIL	83,04,165	NIL
(ii) Other Debts :				
Unsecured, considered good		67,55,20,818		53,62,89,189
		<u>70,98,01,337</u>		<u>57,00,98,674</u>
14 CASH AND CASH EQUIVALENTS				
(a) Cash and Cash Equivalents :				
n Cash in Hand		4,21,880		4,47,153
n Balances with Banks - In Current Accounts		15,11,82,239		12,18,50,131
(b) Other Bank Balances :				
n In Unclaimed Dividend Accounts		51,69,244		45,70,287
n In Fixed Deposit Accounts		NIL		15,000
		<u>15,67,73,363</u>		<u>12,68,82,571</u>
15 SHORT – TERM LOANS & ADVANCES (Unsecured, Considered Good)				
(a) Security Deposits		94,99,534		78,03,025
(b) Other advances		5,15,64,991		9,29,45,277
		<u>6,10,64,525</u>		<u>10,07,48,302</u>
16 OTHER CURRENT ASSETS (Unsecured Considered Good)				
Realisable from EPFO		NIL		20,00,000
		<u>NIL</u>		<u>20,00,000</u>
17 REVENUE FROM OPERATIONS				
(a) Revenue from Sales		172,51,52,233		158,20,03,241
(b) Other operating revenues :				
n Claim	1,27,242		3,55,833	
n Others	15,04,851	16,32,093	15,52,430	19,08,263
		<u>172,67,84,326</u>		<u>158,39,11,504</u>

Notes forming part of Consolidated Balance Sheet as at 31st March, 2021 and
Consolidated Statement of Profit and Loss for the year ended on 31st March, 2021 (contd.)

Note No.	31st March, 2021		31st March, 2020	
	₹	₹	₹	₹
18 OTHER INCOME				
(a) Interest Income		472		3,04,342
(b) Profit/(Loss) on sale of assets		1,12,381		6,71,010
(c) Other income		67,407		5,96,549
		<u>1,80,260</u>		<u>15,71,901</u>
19 COST OF MATERIALS CONSUMED				
(a) Raw materials :				
Opening Stock	8,20,41,656		3,03,62,860	
Add : Purchases	33,93,56,241		35,30,78,992	
	<u>42,13,97,897</u>		<u>38,34,41,852</u>	
Less : Closing Stock	7,71,11,346	34,42,86,551	8,20,41,656	30,14,00,196
(b) Packing materials and consumables :				
Opening Stock	5,63,22,936		4,41,98,503	
Add : Purchases	15,97,09,271		17,64,96,449	
	<u>21,60,32,207</u>		<u>22,06,94,952</u>	
Less : Closing Stock	6,06,84,626	15,53,47,581	5,63,22,936	16,43,72,016
		<u>49,96,34,132</u>		<u>46,57,72,212</u>
Details of materials consumed :				
Iodine		9,73,87,799		11,68,71,834
Others		40,22,46,333		34,89,00,378
		<u>49,96,34,132</u>		<u>46,57,72,212</u>
20 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND TRADED GOODS				
Opening Stock :				
Finished Goods	22,19,07,518		18,41,22,911	
Work-in-progress	1,02,81,833		71,82,920	
Traded Goods	78,30,128	24,00,19,479	28,94,717	19,42,00,548
Less : Closing Stock				
Finished Goods	19,74,72,584		22,19,07,518	
Work-in-progress	51,33,048		1,02,81,833	
Traded Goods	90,28,811	21,16,34,443	78,30,128	24,00,19,479
		<u>2,83,85,036</u>		<u>(4,58,18,931)</u>

Notes forming part of Consolidated Balance Sheet as at 31st March, 2021 and
Consolidated Statement of Profit and Loss for the year ended on 31st March, 2021 (contd.)

Note No.	31st March, 2021		31st March, 2020	
	₹	₹	₹	₹
21 EMPLOYEE BENEFITS EXPENSES				
(a) Salaries & Wages		53,81,84,314		49,66,62,763
(b) Contribution to Provident and Other Funds		8,36,78,836		7,40,85,037
(c) Workmen and Staff Welfare Expenses		1,79,45,593		2,12,90,456
		<u>63,98,08,743</u>		<u>59,20,38,256</u>
22 FINANCE COSTS				
(a) Interest on Overdraft		4,12,63,342		4,57,23,626
(b) Interest on Term loan (GECL)		16,77,065		NIL
(c) Other Interest		67,76,326		63,05,646
(d) Bank Charges		6,31,277		35,99,738
(e) Exchange Loss / (Gain)		1,82,460		(36,639)
		<u>5,05,30,470</u>		<u>5,55,92,371</u>
23 RESEARCH AND DEVELOPMENT EXPENSES				
(i) In-house Research :				
(a) Salaries & Wages	1,02,22,449		97,42,699	
(b) Contribution to Provident and Other Funds	8,39,065		8,11,928	
(c) Workmen and Staff Welfare	4,39,100		3,02,230	
(d) Consumable Stores	10,98,587		18,57,018	
(e) Travelling Expenses	1,62,328		1,88,941	
(f) Repairs & Renewals	7,81,888		6,77,048	
(g) Miscellaneous Expenses	NIL	1,35,43,417	27,742	1,36,07,606
		<u>1,35,43,417</u>		<u>1,36,07,606</u>

Note :

The above does not include Depreciation and Amortisation of ₹ 6,16,478 (previous year ₹ 8,17,419) pertaining to Research and Development assets.

Notes forming part of Consolidated Balance Sheet as at 31st March, 2021 and
Consolidated Statement of Profit and Loss for the year ended on 31st March, 2021 (contd.)

Note No.	31st March, 2021		31st March, 2020	
	₹	₹	₹	₹
24 OTHER EXPENSES				
(a) Freight and Handling		5,75,56,938		5,69,97,365
(b) Insurance		66,94,161		65,06,004
(c) Power and Fuel		2,93,43,413		3,80,63,086
(d) Payment to Auditors		8,11,000		7,25,000
(e) Publicity and Sales Promotion		99,40,591		84,08,433
(f) Rates, Taxes and License fees		1,08,62,212		1,59,64,645
(g) Rent		2,21,48,988		1,88,05,506
(h) Provision for Doubtful Debts		45,52,557		5,30,304
(i) Conversion Charges		4,71,05,842		4,89,27,937
(j) Commission to C & F Agents		3,44,78,273		3,15,93,600
(k) Discount		4,86,86,937		3,92,04,429
(l) Repairs - Machineries	77,92,200		68,53,422	
- Buildings	6,62,073		5,12,171	
- Others	24,67,358	1,09,21,631	43,55,419	1,17,21,012
(m) Travelling and Conveyance		8,30,89,712		10,74,32,664
(n) Miscellaneous Expenses		3,05,70,972		4,05,77,557
		39,67,63,227		42,54,57,542

25 DISCLOSURE ON LEASED LAND

Total land on which Company's Sarsuna factory is situated is partly owned and partly leasehold. There are total six leases for the leasehold part of the land. All leases expired during the financial year 2016-17, although all the leases contain automatic renewal clause. The company is in lawful possession of the total land. Two lease deeds have been renewed. The company has filed suit for specific performance against three other lessors and those are subjudice before the Learned Court. One lease could not be renewed as there is no known legal heir of the original lessor. The company has made appropriate provision for lease rent for non-renewed portion of the leases considering same rate of rental as per renewed leases. Further, the factory land at Durgapur has been leased out to the company by the Govt. of West Bengal since the year 1965.

26 EARNINGS PER SHARE

Earnings per share has been computed as under :

(a) Profit after taxation for the year	3,14,55,528	2,00,48,223
(b) Number of Ordinary Shares	66,74,858	66,74,858
(c) Earnings per share on profit after taxation (Face Value Rs. 10.00 per share)		
- Basic	4.71	3.00
- Diluted	4.71	3.00

Notes forming part of Consolidated Balance Sheet as at 31st March, 2021 and Consolidated Statement of Profit and Loss for the year ended on 31st March, 2021 (contd.)

Note No.	31st March, 2021 ₹	31st March, 2020 ₹
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27 CONTINGENT LIABILITIES AND COMMITMENTS
(to the extent not provided for)

(i) **Contingent Liabilities :**

(a) Claims against the company not acknowledged as debt :		
n in respect of Central Excise Duty (disputed)	17,17,24,704	17,17,24,704
n in respect of Service Tax (disputed)	3,87,741	3,87,741
n in respect of Sales Tax matters (disputed)	5,13,509	5,13,509
n in respect of M.P. Land Revenue Code (disputed)	36,93,194	36,93,194
(b) Guarantees	60,20,000	94,61,812

(ii) **Commitments :**

Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advance)	5,81,227	5,06,706
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28 DETAILS OF PAYMENT TO AUDITORS

1 For Statutory Audit	5,02,000	5,02,000
1 For Tax Audit	1,80,000	1,60,000
1 For Certification & Other Services	1,29,000	63,000
	<u>8,11,000</u>	<u>7,25,000</u>

29 DISCLOSURES ON RELATED PARTIES

(a) **Related Party :**

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

(ii) **Key Managerial Personnel**

<u>Name</u>	<u>Designation</u>
Shri Debarshi Duttgupta	Managing Director
Ms Satarupa Mukherjee	Executive Director
Shri Subrata Ray	Chief Financial Officer
Ms Jayeeta Sarkar	Company Secretary

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

(i) Receivable from Qasar Healthcare Private Limited	₹ 91,75,513
(ii) Total Remuneration paid to Key Managerial Personnel	₹ 1,42,67,049

30 VALUE OF IMPORTS (CIF VALUE)

Raw materials	₹ 1079.50 lakhs	₹ 1166.32 lakhs
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31 VALUE OF IMPORTED AND INDIGENOUS RAW MATERIALS, PACKING MATERIALS & CONSUMABLES CONSUMED DURING THE YEAR 2020-2021

	31. 03. 2021 Amount (₹ in lakhs)	31. 03. 2021 % to Total	31. 03. 2020 Amount (₹ in lakhs)	31. 03. 2020 % to Total
(a) Imported	973.88	19.49	1168.72	25.09
(b) Indigenous	4022.46	80.51	3489.00	74.91
	<u>4996.34</u>	<u>100</u>	<u>4657.72</u>	<u>100</u>

Notes forming part of Consolidated Balance Sheet as at 31st March, 2021 and Consolidated Statement of Profit and Loss for the year ended on 31st March, 2021 (contd.)

Note No.	31st March, 2021 ₹	31st March, 2020 ₹
32 EXPENDITURE IN FOREIGN CURRENCIES (ON PAYMENT BASIS) :		
On account of Other Matters	NIL	29,651
33 EARNINGS IN FOREIGN CURRENCIES		
From Export	14,10,858	NIL
34 TRADE PAYABLES (NOTE 6) INCLUDES AMOUNT DUE TO PARTIES REGISTERED UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT - 2006. These parties have been identified on the basis of information available with the company and have been relied upon by the auditors. As required the following disclosures are made :		
(a) Principal amount payable to suppliers at the year end	1,13,40,290	2,42,56,493
(b) Amount of interest paid by the Company in terms of Section 16 of the MSMED, alongwith the amount of the payment made to the supplier beyond the appointed day during the accounting year	NIL	NIL
(c) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED	28,95,596	22,22,199
(d) Amount of interest accrued and remaining unpaid at the end of the accounting year	80,48,211	49,86,061
35 SEGMENT REPORTING		
Company has only one primary segment, i.e., production and sale of pharmaceutical products. Information regarding secondary segment, i.e., geographical area is given below :		
Sales – Domestic	172,37,41,375	158,20,03,241
Sales – Export	14,10,858	NIL

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

Kolkata,
Dated, the 27th August, 2021

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

Notes forming part of Consolidated Balance Sheet as at 31st March, 2021 and Consolidated Statement of Profit and Loss for the year ended on 31st March, 2021 (contd.)

Form AOC - 1

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

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

Sl. No.	Name of the Company	Financial year of the Subsidiary Company ended on	Country of Incorporation	Percentage of Shareholding	Reporting currency and Exchange Rate
1	Qasar Healthcare Private Limited	31.03.2021	India	99.50%	INR

Name of the Subsidiary	Share Capital	Reserve & Surplus	Total Liabilities	Total Assets	Investment	Turn-over	Profit before taxes	Provision for taxation	Profit after taxes	Proposed Dividend
Qasar Healthcare Private Limited	1,00,000	(9277513)	0	0	-	-	(29,947)	-	(29,947)	-

Part "B": Associates and Joint Ventures

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

Place : Kolkata
Date : August 27, 2021

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

East India Organisation

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