



# BIOFIL CHEMICALS & PHARMACEUTICALS LIMITED

Regd. Office : 11/12, Sector-E, Sanwer Road, Industrial Area, Indore - 452 015.

Tel. : 0731-2723016 E-mail : biofilchemicals@yahoo.com / bcplcompliance@gmail.com

Factory : Plot No. 8, Sector - III, Kheda Industrial Area, Pithampur Distt. Dhar (M.P.) PIN - 454 775

Admn. Office : B-12/B, Industrial Estate, Pologround, Indore - 452 015 (M.P.)

Tel. : 0731-2426700, 2426718 • CIN : L24233MP1985PLC002709

Date: 5<sup>th</sup> September , 2020

To,  
The Secretary,  
Corporate Compliance Department,  
BSE Limited,  
Dalal Street, P.J. Tower, Mumbai

To,  
The Secretary,  
Corporate Compliance Department,  
The National Stock Exchange of India Limited,  
Bandra Kurla Complex, Mumbai

Sub: Submission of Annual Report 2019-20 as per Regulation 34 of SEBI (Listing Obligations & Disclosure Requirements) Regulation 2015

Ref- Biofil Chemicals and Pharmaceuticals Limited (BSE Scrip Code: 524396; NSE Scrip Id: BIOFILCHEM; ISIN No. INE829A01014)

Dear Sir/Madam,

In compliance with the requirements of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby submit copy of Annual Report for the year 2019-20 containing Notice of AGM, Board's Report, Audit Report and Financial Statements and other required attachments.

You are requested to please take on record the above Annual Report for your reference and further needful.

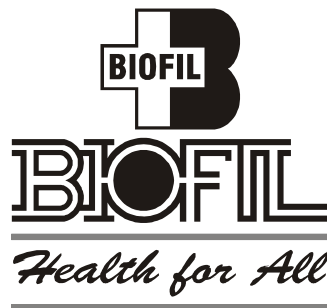
Thanking you,

Yours Faithfully  
For Biofil Chemicals & Pharmaceuticals Limited

Shikha Khilwani  
Company Secretary & Compliance Officer  
ACS: 43203



**35<sup>th</sup>**  
**Annual Report**  
**2019 - 2020**



**BIOFIL CHEMICALS**  
**AND**  
**PHARMACEUTICALS LIMITED**

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## 35<sup>th</sup> Annual Report 2019 - 2020

### CORPORATE INFORMATION

**Board of Directors :**

<b>Shri Ramesh Shah</b>	- Managing Director
<b>Shri Romil Shah</b>	- Non Executive Director
<b>Smt. Shaila Jain</b>	- Independent Director
<b>Shri Subhash Chandra Swarnkar</b>	- Independent Director
<b>Shri Ketan Shah</b>	- Whole Time Director (wef. 25/08/2020)
<b>Shri Ashok Kumar Ramawat</b>	- Independent Director (wef. 25/08/2020)

**Chief Financial Officer :**

**Shri Jitendra Kumar Sahu**

**Company Secretary & Compliance Officer :**

**Ms. Shikha Khilwani**

**Statutory Auditors :**

**M/s Maheshwari & Gupta**  
 Chartered Accountants  
 312-314, Manas Bhawan Extn.,  
 11/2, RNT Marg, Indore - 452001 (M.P.)

**Secretarial Auditors :**

**M/s L.N. Joshi & Co.**  
 Company Secretaries  
 122, Krishna Business Centre  
 PU-4, Medanta Hospital Road,  
 Next to BSNL Building, Indore - 452010

**Bankers :**

- **State Bank of India**, Industrial Estate Branch, Indore.
- **IDBI Bank Ltd.**, Ratlam Kothi Branch, Indore.

**Listed at Stock Exchanges :**

- **National Stock Exchange of India Ltd.**  
 Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai
- **BSE Limited**  
 Phiroze Jeejeebhoy Tower, Dalal Street, Fort, Mumbai - 400 001

**Registered Office :**

**BIOFIL CHEMICALS AND PHARMACEUTICALS LIMITED**  
**CIN : L24233MP1985PLC002709**  
 11/12, Sector "E", Sanwer Road, Industrial Area,  
 Indore - 452015 (M.P.)  
 Email: bcplcompliance@gmail.com  
 Website: www.biofilgroup.net  
 Phone : 0731-2723016, 2723017

**Plant Location :**

- Plot No. 8, Sector-4, Kheda Industrial Estate,  
 Pithampur Dist. Dhar (M.P.)
- 11/12, Sector 'E', Sanwer Road Industrial Area,  
 Indore - 452015 (M.P.)

**Registrar & Share Transfer Agent :**

**Ankit Consultancy Private Limited**  
 Plot No. 60, Electronic Complex, Pardeshipura,  
 Indore-452010 (M.P.) • Phone: 0731-4065799 / 4065797 • Fax: 0731-4065798  
 • Email ID: ankit\_4321@yahoo.com • Website : www.ankitonline.com

**35<sup>th</sup>**  
**ANNUAL GENERAL MEETING**  
**Day : Tuesday**  
**Date : 29th Day of September, 2020**  
**Time : 3 :00 P.M.**  
**Mode : Video Conferencing (VC) or Other**  
**Audio Visual Means (OAVM)**

Contents	Page
Corporate Information	3
Notice of Meeting	4
Report of Board of Directors	13
Annexure's to the Report of Board of Directors	20
Management Discussion and Analysis Report	33
Corporate Governance Report	36
Independent Auditor Report	53
Balance Sheet	61
Statement of Profit & Loss account	62
Cash Flow Statement	64
Notes to the Financial Statements	65

**BIOFIL CHEMICALS AND PHARMACEUTICALS LIMITED**

CIN: L24233MP1985PLC002709

Registered Office: 11/12, SECTOR E SANWER ROAD INDORE MP 452015

Tel. 0731-2723016 | Email id- bcplcompliance@gmail.com | Website-www.biofilgroup.net

**NOTICE OF  
35<sup>th</sup> ANNUAL GENERAL MEETING**

**NOTICE** is hereby given that the 35th Annual General Meeting (AGM) of the Members of **BIOFIL CHEMICALS AND PHARMACEUTICALS LIMITED** will be held on **Tuesday 29th September, 2020 at 3.00 P.M.** (IST) through Video Conferencing (VC) or Other Audio Visual Means (OAVM) for which purposes the Registered office of the company shall be deemed as the venue for the Meeting and the proceedings of the Annual General Meeting shall be deemed to be made thereat, to transact the following businesses:

1. To receive, consider, approve and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2020, together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Romil Shah (DIN: 00326110), who retires by rotation and being eligible offers himself for re-appointment.

**SPECIAL BUSINESS :****3. APPOINTMENT OF MR. ASHOK KUMAR RAMAWAT (DIN: 08818263) AS AN INDEPENDENT DIRECTOR OF THE COMPANY**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152, 160 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to said Act and Companies (Appointment and Qualification of Directors) Rules, 2014 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 as may be amended from time to time, Mr. Ashok Kumar Ramawat (DIN: 08818263), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 25th August, 2020 and who holds office until the date of the ensuing Annual General Meeting, in terms of Section 161 of the Companies Act, 2013, and who has given a declaration of independence under Section 149(6) of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of director of the Company, be and is hereby appointed as an Independent Director of the Company for a term of five years 25th August, 2020 to 24th August, 2025, and he shall not be liable to retire by rotation."

**4. APPOINTMENT OF MR. KETAN SHAH (DIN: 08818212) AS DIRECTOR AS WELL AS WHOLE TIME DIRECTOR OF THE COMPANY**

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

**"RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Articles of Association of the Company, Mr. Ketan Shah (DIN: 08818212) who was appointed as an Additional Director of the Company pursuant to Section 161 of the Act and Articles of Association of the Company with effect from 25th August, 2020 and who holds office up to the date of this Annual General Meeting ('AGM') of the Company, and in respect of whom the Company has received a notice in writing from the Member under the provisions of Section 160 of the Act, proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.

**RESOLVED FURTHER THAT** pursuant to the provisions of Section 196, 197 and 203 read with Schedule V of Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) Mr. Ketan Shah (DIN: 08818212), be and is hereby appointed as Whole Time Director of the Company for the period of three years with effect from 25th August, 2020 to 24th August, 2023 on the following terms, conditions, salary and perquisites:

- a) Salary: Up to Rs. 2,50,000/- per month (Rupees Two Lakh Fifty Thousand Only)
- b) Perquisites: In addition to the above salary Mr. Ketan Shah (DIN: 08818212), Whole Time Director shall also be entitled to the perquisites (evaluated as per Income Tax Rule wherever applicable and at actual cost to the Company in other cases) like benefits of furnished accommodation/House Rent Allowance with gardener and security guard, gas, electricity, water and furnishings, chauffeur driven car and telephone at residence, medical reimbursement, personal accident and term insurance, leave and leave travel concession, club fees, provident

fund, Superannuation fund, exgratia & gratuity in accordance with the scheme(s) and rule(s) applicable to the members of the staff or any modification(s) that may be made in any scheme/rule for the aforesaid benefits. However, perquisites shall be restricted to an amount equal to 25% of annual salary.

**RESOLVED FURTHER THAT** wherein a financial year during the currency of his tenure, the Company has no profits or its profits are inadequate, the remuneration payable to him shall not exceed the ceiling limit prescribed in Section II of Part II of Schedule V to the Companies Act, 2013 for that year, which will be payable to him as minimum remuneration for that year.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorized to vary, alter, increase or enhance/change from time to time, subject to overall limit on remuneration payable to all the managerial personnel taken together, as laid down in the Companies Act, 2013, read with Schedule V thereto, and subject to the requisite approvals, if any, being obtained.

**RESOLVED FURTHER THAT** Board of Directors of the Company be and is hereby authorized to do all the needful acts, deeds, matters and things to give effect to this resolution."

Date : 25th August, 2020

Place : Indore

By Order of the Board of Directors  
**For BIOFIL CHEMICALS AND PHARMACEUTICALS LIMITED**  
Sd/-

**Biofil Chemicals and Pharmaceuticals Limited**

CIN : L24233MP1985PLC002709

**Registered Office:** 11/12, SECTOR E SANWER ROAD INDORE  
MP 452015 | Phone: 0731-2723016 | WEB: www.biofilgroup.net  
EMAIL: bcplcompliance@gmail.com

**Shikha Khilwani**  
Company Secretary  
Membership No.: A43203

**NOTES :-**

1. In view of the COVID-19 Pandemic, the Ministry of Corporate Affairs (MCA) vide its General Circular no. 20/ 2020 dated May 5, 2020 has allowed the companies to conduct their Annual General Meeting (AGM), during the calendar year 2020, through Video Conferencing (VC) or any Other Audio Visual Means (OAVM) in a manner provided in General Circular No. 14/2020 dated April 8, 2020 and General Circular No. 17/2020 dated April 13, 2020 issued by MCA. Accordingly, in compliance with the requirements of the aforesaid MCA General Circulars, the Company is convening its 35th AGM through VC/OAVM, without the physical presence of the Members at a common venue. The Company has availed the facility of Central Depository Services (India) Limited (CDSL) for convening the 35th AGM through VC/OAVM, a detailed process in which the members can attend the AGM through VC/OAVM has been enumerated in Note number 28 of this Notice.
2. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013 (the Act).
3. The aforesaid MCA General Circular dated May 5, 2020 read with MCA General Circular dated April 13, 2020 and SEBI Circular No. SEBI/HO/CFD/CMD1/ CIR/P/2020/79 dated May 12, 2020 have granted relaxations to the companies, with respect to printing and dispatching physical copies of the Annual Reports and Notices to members. Accordingly, the Company will only be sending soft copy of the Annual Report 2019-20 and Notice convening 35th AGM via e-mail, to the members whose e-mail ids are registered with the Company or the Registrar and Share Transfer Agent or Depository Participant/ Depository as on the cut-off date Friday, 21st August, 2020.
4. The Statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to the special businesses set out is annexed with notice.
5. The requirement to place the matter relating to appointment of Auditors for ratification by members at every Annual General Meeting is omitted vide notification dated May 7, 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, no resolution is proposed for ratification of appointment of Auditors, who were appointed in the 32nd Annual General Meeting, held on 25th September, 2017.
6. For Members who have not registered their e-mail address and those members who have become the members of the Company after Friday, 21st August, 2020 being the cut-off date for sending soft copy of the Notice of 35th AGM and Annual Report for the financial year 2019-20, in Portable Document Format (PDF), will also be available on the Company's website www.biofilgroup.net and website of CDSL i.e. www.evotingindia.com and on website of stock exchanges viz. www.bseindia.com & www.nseindia.com. The relevant documents, if any, referred to in the Notice of 35th AGM and the Annual Report will also be available for inspection electronically on request by a member of the Company up to the date of the 35th AGM of the Company.
7. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY.**

However, since the 35th AGM of the Company will be convened through VC/ OAVM, where there will be no physical attendance of members, the requirement of appointment of proxies pursuant to the provisions of Section 105 of the Act

has been dispensed with. Accordingly, attendance slip and proxy form will not be annexed to this Notice.

8. Pursuant to the provisions of Sections 112 and 113 of the Act, body corporate member can authorize their representatives to attend the AGM through VC/OAVM and cast their votes through e-voting. Provided a scan copy (PDF) of the Board Resolution authorizing such representative to attend the AGM of the Company through VC/ OAVM on its behalf and to vote through remote e-voting shall be sent to the Scrutinizer through the registered email address of the member(s) at Injoshics@gmail.com with a copy marked to the Company at bcplcompliance@gmail.com.
9. Pursuant to Provisions of Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Book of the Company will remain closed during the period from Wednesday 23rd September 2020 to Tuesday 29th September 2020 (both days inclusive) for the purpose of 35th Annual General Meeting.
10. In terms of Section 152 of the Companies Act, 2013, Shri Romil Shah (DIN: 00326110) Director of the Company retires by rotation at the AGM and being eligible, offers himself for re-appointment. Details as required in sub-regulation (3) of Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and Secretarial Standards on General Meetings (SS-2) in respect of the Director seeking re-appointment at the AGM, forms integral part of the Notice.
11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Further, as per SEBI Circular dated April 20, 2018 all securities holders holding securities in physical form should submit their PAN and Bank account details to the RTA.
12. The Members may kindly note that as per the amended Regulation 40 of the Listing Regulations w.e.f. April 1, 2019, transfer of the securities would be carried out in dematerialized form only. Accordingly, members holding shares in physical mode are advised to demat their physical share holdings at the earliest.
13. Members holding shares in physical form and desirous of making a nomination in respect of their shareholdings in the Company, as permitted under Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014, may fill Form SH-13 and send the same to the office of the Company and/ or its RTA. In case of shares held in dematerialized form, the nomination/change in nomination should be lodged with their respective DPs.
14. Members, who hold shares in multiple Demat accounts and those who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are advised to consolidate their holdings in single Demat account/ Folio.
15. Members desirous of obtaining any information concerning to the accounts and operations of the Company are requested to send their queries to the Company Secretary at least seven days before the date of the meeting so that the required information can be made available at the meeting.
16. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM.
17. Members are requested to contact the Registrar and Share Transfer Agent for all matter connected with Company's shares at Ankit Consultancy Private Limited, 60 Pardeshipura, Electronic Complex, Indore (M.P.).
18. **Investor Grievance Redressal** : The Company has designated an exclusive e-mail ID i.e bcplcompliance@gmail.com to enable the investors to register their complaints / send correspondence, if any.
19. **Webcast** : Members who are entitled to participate in the AGM can view the proceedings of AGM by logging in the website of CDSL at www.evotingindia.com using the login credentials.
20. All the documents referred in the Notice are available for inspection electronically from the date of dispatch of Notice till Tuesday, September 29, 2020. Members seeking to inspect such documents are requested to write to the Company at bcplcompliance@gmail.com.
21. The Company has appointed Mr. L.N. Joshi, Practicing Company Secretary (Membership No. FCS-5201; CP No.4216) to act as the scrutinizer for conducting the remote e-voting process as well as the e-voting system on the date of the AGM, in a fair and transparent manner.
22. The voting rights of Shareholders shall be in proportion of shares held by them to the total paid up equity shares of the company as on Tuesday, September 22, 2020, being the cut-off date.
23. A person who is not a Member as on Tuesday, September 22, 2020 should treat this Notice for information purposes only.
24. A person who has acquired the shares and has become a member of the Company after dispatch of notice of AGM and prior to the Cut-off date i.e. Tuesday , September 22, 2020, shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or e-voting system on the date of AGM by following the procedure mentioned in this Notice.
25. The procedure for joining the AGM through VC/OAVM is mentioned in this Notice. Since the AGM will be held through VC/

OAVM, the route map is not annexed in this Notice.

26. In compliance with the provisions of Section 108 of the Act and Rule 20 of the Companies (Management and Administration) Rules, 2014 and any amendments thereto, Secretarial Standard on General Meetings ("SS-2"), Regulation 44 of the SEBI Listing Regulations and MCA Circulars, the facility for remote e-voting and e-voting in respect of the business to be transacted at the AGM is being provided by the Company through Central Depository Services (India) Limited ("CDSL"). Necessary arrangements have been made by the Company with CDSL to facilitate remote e-voting and e-voting during the AGM.

**27. THE INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:**

- (i) The voting period begins on Saturday 26th September 2020 from 9.00 a.m. to Monday 28th September 2020 till 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Tuesday , September 22, 2020, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on "Shareholders" module.
- (v) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholder holding shares in Physical Form should enter Folio Number registered with the Company.

OR

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

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

<b>For Members holding shares in Demat Form and Physical Form</b>	
<b>PAN</b>	Enter Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
<b>Dividend Bank Details OR Date of Birth (DOB)</b>	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant <BIOFIL CHEMICALS AND PHARMACEUTICALS LIMITED> on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.



- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) If a Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL's mobile app "**m-Voting**". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while remote voting on your mobile.
- (xx) Note for Non - Individual Shareholders and Custodians
  - Non Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to <https://www.evotingindia.com> and register themselves as Corporate.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [bcplcompliance@gmail.com](mailto:bcplcompliance@gmail.com) (designated email address by company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM
7. Members are permitted to join the AGM through VC/OAVM, 15 minutes before the scheduled time of commencement of AGM and during the AGM, by following the procedure mentioned in this Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1,000 Members on a first come first served basis. This will not include large shareholders (shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without any restrictions pertaining to joining the AGM on a first come first served basis. Institutional Investors, who are Members of the Company, are encouraged to attend and vote at the AGM.

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

- i. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.

- ii. For Demat shareholders - please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to **Company/RTA email id**.

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

- a) The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
- b) Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
- c) If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility , then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
- d) Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

**31. DECLARATION OF RESULTS:**

- A. The scrutinizer shall, immediately after the conclusion of voting during the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairperson of the Company or the person authorized by him, who shall countersign the same.
- B. Based on the scrutinizer's report, the Company will submit within 48 hours of the conclusion of the AGM to the Stock Exchanges, details of the voting results as required under Regulation 44(3) of the SEBI Listing Regulations.
- C. The results declared along with the scrutinizer's report, will be hosted on the website of the Company at [www.biofilgroup.net](http://www.biofilgroup.net) and on the website of CDSL, immediately after the declaration of the result by the Chairperson or a person authorized by him in writing and communicated to the Stock Exchanges.
- D. The Resolutions shall be deemed to be passed on the date of the Meeting, i.e. 29th September, 2020 subject to receipt of the requisite number of votes in favour of the Resolutions.
32. If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact Mr. Nitin Kunder (022-23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).
33. All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

Date : 25th August, 2020  
Place : Indore

By Order of the Board of Directors of  
**For BIOFIL CHEMICALS AND PHARMACEUTICALS LIMITED**  
Sd/-

**Biofil Chemicals and Pharmaceuticals Limited**

CIN : L24233MP1985PLC002709

**Registered Office:** 11/12, SECTOR E SANWER ROAD INDORE  
MP 452015 | Phone: 0731-2723016 | WEB: [www.biofilgroup.net](http://www.biofilgroup.net)  
EMAIL: [bcplcompliance@gmail.com](mailto:bcplcompliance@gmail.com)

**Shikha Khilwani**  
(Company Secretary)  
Membership No.: A43203

**EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013**
**ITEM No. 3:- APPOINTMENT OF MR. ASHOK KUMAR RAMAWAT (DIN: 08818263) AS AN INDEPENDENT DIRECTOR OF THE COMPANY.**

Mr. Ashok Kumar Ramawat, was appointed as an Additional Director of the Company at the meeting of the Board of Directors held on 25th August, 2020 in accordance with the provisions of Section 161 of the Companies Act, 2013 ("the Act"). He holds office as a Director up to the date of the forthcoming Annual General Meeting.

The Board of Directors, based on the recommendation of Nomination & Remuneration Committee, considers that your Company would be benefited from the rich and varied experience of Mr. Ashok Kumar Ramawat and accordingly, proposes appointment of Mr. Ashok Kumar Ramawat as Independent Director of the Company to hold office for a term of five years from 25th August, 2020 to 24th August, 2025.

In the opinion of the Board, Mr. Ashok Kumar Ramawat fulfils the conditions specified both under Section 149(6) of the Act and under the SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015 and he is independent of the management.

The Company has also received notice in writing from member under Section 160 of the Act, proposing the candidature of Mr. Ashok Kumar Ramawat for the office of Independent Director of the Company.

Keeping in view of the experience and expertise of Mr. Ashok Kumar Ramawat the Board of Directors considers it desirable that the Company should avail his services and accordingly recommends the resolution as set out in Item no. 3 for approval of the members.

Mr. Ashok Kumar Ramawat (DIN: 08818263), being appointee is considered as interested in the resolution, except that none of the directors or Key Managerial Personnel (KMP) or their relatives are concerned or interested financially or otherwise in the Resolution.

The brief profile of the director who is proposed to be appointed as independent director is annexed herewith separately with this notice.

**ITEM No. 4:- APPOINTMENT OF MR. KETAN SHAH (DIN: 08818212) AS DIRECTOR AS WELL AS WHOLE TIME DIRECTOR OF THE COMPANY.**

The Board of Directors of the Company in their meeting held on 25th August, 2020, upon recommendation of Nomination & Remuneration Committee, approved the appointment of Mr. Ketan Shah (DIN: 08818212) as an Additional Director of the Company to hold office up to the date of the Annual General Meeting. In terms of Section 160 of the Companies Act, 2013 ('the Act'), the Company has received a notice in writing from the Member proposing his candidature for the office of Director of the Company.

Further, Board of Directors of the Company in their meeting held on 25th August, 2020, based upon recommendation of Nomination & Remuneration Committee also approved appointment of Mr. Ketan Shah as Whole Time Director on the Board of the Company with effect from 25th August, 2020 in accordance with the provisions contained in Sections 196, 197 and 198 read with Section 203 of the Companies Act, 2013 and Schedule V of the Companies Act 2013 subject to the approval of the shareholders at the forthcoming Annual General meeting.

Mr. Ketan Shah is belongs to promoter group of the Company and also in employment with company since from 1986 as a chief operating officer and having rich and diversified experience in Pharma Sector. His vast knowledge, experience and his ability to gain the confidence of stakeholders and customers about the manufacturing division has proved to be very much helpful for the company and his guidance is making company achieve success consistently. Keeping in view the contribution made by him in all round progress of the Company Board recommends the adoption of resolution proposed under Item No. 4. Accordingly, it is proposed to appoint him as Whole Time Director w.e.f. 25th August, 2020 on remuneration as mentioned in Item No. 4 of notice for which Nomination and Remuneration Committee, Audit committee and Board of Directors have accorded their approval subject to approval of the members or any other appropriate authority if any.

The limits specified in resolution are the maximum limits and the Nomination and Compensation Committee / Board may in its absolute discretion pay to the above mentioned Director lower remuneration and revise the same from time to time within the maximum limits stipulated above.

Further, information required as per Schedule V of the Companies Act, 2013 is given as follows:-

1	Nature of industry	The Company is engaged in the business of manufacture of pharmaceutical bulk drugs.
2	Date or expected date of commencement of commercial production	September 1993
3	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable

4	Financial Performance based on given indicators	Figures In lacs		
	<b>Financial Year</b>	<b>Revenue from operations</b>	<b>Profit/(loss) before Tax</b>	<b>Profit /(loss) after Tax</b>
	2018-19	2312.85	59.83	48.23
	2017-18	1236.00	58.82	47.07
	2016-17	1345.44	231.04	179.42
5	Foreign investments or collaborations, if any	The company has no foreign investments or foreign collaborations. The company has not made any foreign investments or has any collaboration overseas.		

**II. Information about the appointee:**

1	Background details	Mr. Ketan Shah aged 59 years and belongs to promoter group of the Company. After completing B.Sc. he joined his family business of Pharmaceuticals. He is having vast experience of 34 years in the field of Pharma sector.
2	Past remuneration	N.A.
3	Recognition or awards	None
4	Job profile and his suitability	Shri Ketan Shah is associated with the Company in year 1986 and presently holds post of Chief Operating Officer. He completed his B. Sc in the year 1980 and has rich and diversified knowledge and experience in Pharmaceutical Industry.
5	Remuneration proposed	Up to Rs. 2,50,000/- per month
6	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person.	Taking into the account the size of the company, industry benchmark in general, profile, position, responsibility born by him and involvement of Mr. Ketan shah in the Company, the proposed remuneration is reasonable. The industry profile, position, responsibility born by him and involvement of Mr. Ketan shah in standard and Board level positions held in similar sized and similar positioned businesses usually offers Rs. 3,00,000/- per month to Rs 5,00,000/- per month for such profiles.
7	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	He belongs to promoter group of the company and son of Shri Ramesh Shah, Managing Director. He also hold a post of Chief Operating officer of the Company and was drawing remuneration of Rs. 1,45,000/-per month. Except this there is no pecuniary relationship directly or indirectly with company or key managerial personnel.

**III. Other information :**

1	Reasons of loss or inadequate profits	<ul style="list-style-type: none"> <li>- Economic slowdown</li> <li>- Tough Competition</li> <li>- Non utilisation of maximum production capacity.</li> <li>- Strict compliance by regulatory Authorities</li> </ul>
2	Steps taken or proposed to be taken for improvement	The Company has initiated various steps to improve its operational performance/ liquidity, including cost control measures have been put in place.
3	Expected increase in productivity and profits in measurable terms	Expected 1-2% rise in profit from current level.

The disclosure as required under Part-II of Schedule V of Companies Act, 2013, is covered under Corporate Governance Report forming part of Annual Report.

Except Shri Ramesh Shah Managing Director of the Company, none of the Directors, Key Managerial Personnel of the Company and their relatives, in any way is concerned or interested, financially or otherwise, in the Resolution as set out in Item No. 4 of the Notice.

Date : 25th August, 2020

Place : Indore

By Order of the Board of Directors of  
**For BIOFIL CHEMICALS AND PHARMACEUTICALS LIMITED**  
Sd/-

**Biofil Chemicals and Pharmaceuticals Limited**

CIN : L24233MP1985PLC002709

**Registered Office:** 11/12, SECTOR E SANWER ROAD INDORE  
MP 452015 | Phone: 0731-2723016 | WEB: www.biofilgroup.net  
EMAIL: bcplcompliance@gmail.com

**Shikha Khilwani**  
(Company Secretary)  
Membership No.: A43203

**Additional Information of Director seeking appointment/re-appointment at the ensuing Annual General Meeting pursuant to Regulation 36(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015 and Secretarial Standard of General Meeting:**

<b>Name of Directors</b>	<b>Shri Romil Shah (DIN: 00326110)</b>	<b>MR. KETAN SHAH (DIN: 08818212)</b>	<b>MR. ASHOK KUMAR RAMAWAT (DIN: 08818263)</b>
Date of Birth	07th April, 1985	21st July 1961	27th September 1952
Date of Appointment / re-appointment	30th July, 2005	25th August, 2020	25th August, 2020
Expertise / Experience in specific functional areas	13 years of experience in the field of technical and administration	34 years Experience in Pharmaceutical Industry	40 years Experience in Pharmaceutical Industry
Qualification	B.E., MBA	B.Sc	B.Sc
No. & % of Equity Shares held in the Company	382550 (2.35%)	340800 (2.09%)	Nil
List of outside Company's directorship held	1. Sedate Mercantile Pvt. Ltd., 2. Formo Plast Pvt.Ltd 3. MID (India) Pharmaceuticals Pvt Ltd.	Nil	Nil
Chairperson / Member of the Committees of the Board of Directors of the Company	Nil	Nil	Member of Stakeholders, Relationship Committee, Audit Committee and Nomination & Remuneration Committee
Salary or Sitting fees paid	Nil	Nil	Nil
Chairperson/ Member of the Committees of the Board of Directors of other Companies in which he/she is director	Nil	Nil	Nil
Relationship between directors inter-se	Shri Romil Shah is Brother's Son of Shri Ramesh Shah,	Ketan shah is son of Mr Ramesh Shah	None

## BOARD'S REPORT

### Dear Shareholders

Your Directors present their Report together with the audited financial statements of your company for the year ended March 31, 2020.

### 1. STATE OF AFFAIRS, FINANCIAL PERFORMANCE AND FUTURE OUTLOOK:

#### 1.1 FINANCIAL HIGHLIGHTS AND SUMMARY

The performance highlights and summarized financial results of the Company are given below:

(Amount in Lakhs except EPS)

PARTICULARS	Year ended 31st March 2020	Year ended 31st March 2019
Total Income	2986.17	2322.98
Total Expenditure	2839.76	2263.15
Profit/(Loss) before Exceptional & Extraordinary Items & Tax	146.41	59.83
Exceptional Items	0.00	0.00
Extraordinary Items	0.00	0.00
Profit/(Loss) before tax	146.41	59.83
Provision for Tax		
- Current Tax	24.88	11.51
- Deferred Tax	0.00	0.00
- Earlier year Tax	0.81	0.09
Profit/Loss after tax	120.72	48.23
Other comprehensive Income ( Net of Tax)	2.62	0.00
Total Comprehensive Income	123.34	48.23
Paid up Equity Share Capital	1627.38	1627.38
Earning per share (Rs.10/- each) Basic & Diluted (in Rs.)	0.74	0.30

#### 1.2 OPERATIONAL AND STATE OF COMPANY'S AFFAIR

During the financial year, your company has achieved total turnover of Rs.2986.17 Lacs in comparison to previous year's turnover of Rs. 2322.98 Lacs and earned net profit of Rs. 120.72 lacs in comparison to previous year's net profit of Rs. 48.23 lacs.

Further Plastic division of the Company was not carrying on any business activities during the last nine quarters, since second quarter of July of the year 2017, consequently there were minimum bearing expenses against zero income and the division was running into loss, hence the Board decided to close the unit in their meeting held on 14th February 2020.

#### 1.3 FUTURE OUTLOOK

The Company is major producer and trader of Ferrous Sulphate and Calcium (Salt) which are the main supplements of Ferrous Sulphate and Folic acid Tablets (IP) and needed by every expectant mother and during lactation period and calcium & Vit D3 Tablets which helps in strengthening the bones. Further, looking into the increasing demands in Covid 19 pandemic for daily basic consumables such as respirator masks, gowns, visors and swabs, Company started manufacturing of masks.

Looking into the future prospects, your company shall continue to grow its business with leading pharmaceutical Central Public Sector Enterprises, Bengal Chemicals and Pharmaceuticals Limited for providing C&F facility and HLL Lifecare Limited for providing job work facility. Company has also applied for ISIN mark. Further Company is also planning to add on more drug such as Fenbenda and Nifedipine in their manufacturing basket

#### 1.4 CHANGE IN NATURE OF BUSINESS

During the year, there was no change in business activity of the company.

#### 1.5 SHARE CAPITAL

The Paid-Up Equity Share Capital as at 31st March 2020 stood at Rs. 16,27,38,000/-. During the year under review, the company has not issued shares with differential voting rights nor has granted any stock option or sweat equity shares.

As on 31st March 2020, none of the Directors of the company hold instruments convertible into equity shares of the Company.

#### **1.6 IMPACT ON BUSINESS OPERATIONS OF YOUR COMPANY ON ACCOUNT OF COVID-19 PANDEMIC**

Global disruption caused by CoVID-19 combined with a total nationwide lockdown has resulted in significant economic contraction in India. However, Pharmaceuticals sector has seen relatively lesser disruption being part of essential items. Hence, all our manufacturing units were working and strictly following the guidelines issued by the Central and State Governments. Although, there were certain challenges which impacted the business being softer than normal such as Lack of availability of Raw Material, transportation of Raw Material and Finished Goods. Further Being a part of essential services sector, the Company continued their business & operations with the above constraints.

#### **2. EXTRACT OF ANNUAL RETURN**

The details forming part of the extract of the Annual Return in form MGT-9, as required under Section 92 of the Companies Act, 2013 is annexed as **Annexure - A** and forms an integral part of this Report and is also available on the website of the Company i.e. [www.biofilgroup.net](http://www.biofilgroup.net).

#### **3. NUMBER OF MEETINGS OF THE BOARD, ITS COMMITTEES & AGM**

The details of the number of meetings of the Board and its committee held during the Financial Year 2019-20 forms part of the Corporate Governance Report. Further, Annual General Meeting of the Company for financial year 2018-19 was held on 26th September, 2019.

#### **4. DIVIDEND**

To conserve resources and plough back profits, your Directors have not recommended any dividend for the year under review.

#### **5. AMOUNTS TRANSFERRED TO RESERVES**

During the financial year, no amount has been transferred to any reserve.

#### **6. DEPOSITS**

The Company has not accepted any deposits, within the meaning of Section 73 of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014.

#### **DISCLOSURE OF UNSECURED LOAN RECEIVED FROM DIRECTORS.**

Pursuant to Section 2(31) of Companies Act, 2013 Read with Rule 2(1)(viii) of Companies (Acceptance of Deposits) Rules, 2014, (including any statutory modification or re-enactment thereof for the time being in force), the Company has not received any unsecured loan from directors during the financial year.

#### **7. DETAILS OF SUBSIDIARY, JOINT VENTURE OR ASSOCIATES COMPANIES**

During the financial year ended on 31st March 2020, the Company did not have any subsidiary, joint venture or associate company.

#### **8. DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

In Compliance with Regulation 17(1)(c) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 ('the Listing Regulations'), and on recommendation of Nomination and Remuneration Committee of the Company the Board of Directors in their Meeting held on 25th August 2020, Mr. Ashok Kumar Ramawat (DIN: 08818263), was appointed as an Additional as well as Independent director of the Company w.e.f. 25th August, 2020 and he shall hold the office as per the provision of Section 161 of the Companies Act, 2013, till the date of the ensuing Annual General Meeting. The company has received a notice as per the provisions of Section 160(1) of the Companies Act, 2013 from a member in writing proposing his candidature for the office of Director.

Further, Shri Ketan Shah (DIN: 08818212) was appointed as additional director as well as Whole Time Director of the company for period of 3 years with effect from 25th August, 2020 to 24th August, 2023 in Board of Directors meeting held on 25th August, 2020 subject to approval of members in ensuing Annual General Meeting. The Company has received notice in writing from member proposing his candidature for continuance as a director as well as Whole Time Director.

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company's Articles of Association, Shri Romil Shah (DIN:00326110), Non Executive Director, retires by rotation at the forthcoming Annual General Meeting and, being eligible offers himself for re-appointment. The Board recommends his re-appointment for the consideration of the Members of the Company at the ensuing Annual General Meeting.

The following have been designated as the Key Managerial Personnel of the Company pursuant to Sections 2(51) and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

1. Shri Ramesh Shah, Managing Director
2. Shri Ketan Shah, Whole time Director w.e.f. 25th August 2020
3. Ms. Shikha Khilwani, Company Secretary and Compliance Officer
4. Shri Jitendra Kumar Sahu, Chief Financial Officer

#### **DISQUALIFICATIONS OF DIRECTORS**

During the year declarations were received from the Directors of the Company pursuant to Section 164 of the Companies

Act, 2013. Board appraised the same and found that none of the director is disqualified for holding office as director.

#### **9. DECLARATION BY INDEPENDENT DIRECTOR**

The Company has received declarations from all the Independent Directors of the Company as required under Section 149(7) of the Companies Act, 2013 confirming that they fulfil the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 (SEBI Listing Regulations').

#### **10. DIRECTORS RESPONSIBILITY STATEMENT**

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

- i. in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures in adoption of these standards;
- ii. 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 of the Company for that year;
- iii. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. the Directors have prepared the annual accounts on a going concern basis;
- v. the Directors have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;
- vi. 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.

#### **11. FAMILIARIZATION OF INDEPENDENT DIRECTORS**

The details of familiarization programme for Independent Directors have been disclosed on website of the Company at **web link: <http://www.biofilgroup.net/Appointment%20letter%20Independent%20Director/Familiarization%20programme%20to%20Independent%20Directors.pdf>**

#### **12. MEETING OF INDEPENDENT DIRECTORS**

The Independent Directors met once during the year on 21st February, 2020. The Meeting was conducted in an informal manner without the presence of the Chairman, the Whole Time Director, the Non-Executive Non-Independent Directors and the Chief Financial Officer.

#### **13. COMMITTEES OF THE BOARD OF DIRECTORS**

The Company has various committees which have been constituted as a part of the good corporate governance practices and the same are in compliance with the requirements of the relevant provisions of applicable laws and statutes. Your Company has an adequately qualified and experienced Audit Committee with Smt. Shaila Jain (Chairperson), Shri Subhash Chandra Swarnkar and Shri Ashok Kumar Ramawat. However Shri Romil Shah removed from the membership of the committee by the Board w.e.f. 25th August, 2020 and the Committee was reconstituted on 25th August, 2020 and Shri Ashok Kumar Ramawat included as Member of the Committee. The recommendations of the Audit Committee were duly approved and accepted by the Board during the year under review.

The other Committees of the Board are:

- (i) Nomination and Remuneration Committee
- (ii) Stakeholders Relationship Committee

The details with respect to the composition, powers, roles, terms of reference, Meetings held and attendance of the Directors at such Meetings of the relevant Committees are given in detail in the Report on Corporate Governance of the Company which forms part of this Report.

#### **14. STATEMENT INDICATING THE MANNER IN WHICH FORMAL ANNUAL EVALUATION HAS BEEN MADE BY THE BOARD OF ITS OWN PERFORMANCE, ITS DIRECTORS, AND THAT OF ITS COMMITTEES**

The Board of directors has carried out an annual evaluation of its own performance, board committees and individual directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 ("SEBI Listing Regulations").

The performance of the board was evaluated by the board after seeking inputs from all the directors on the basis of the criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc. The board and the Nomination and Remuneration committee reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Individual Directors, the Board



as a whole and its Committees with the Company.

**Performance Evaluation Criteria for Independent Directors:**

The performance evaluation criteria for independent directors are determined by the Nomination and Remuneration committee. An indicative list of factors that may be evaluated include participation and contribution by a director, commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behavior and judgments.

**15. PARTICULARS OF LOAN, GUARANTEES AND INVESTMENTS U/S 186**

The Company has not provided any loans and guarantees or made investments pursuant to Section 186 of the Companies Act, 2013 during the financial year under review.

**16. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

In line with the requirements of the Companies Act, 2013 and Listing Regulations, your Company has formulated a Policy on Related Party Transactions which is also available on the Company's website at web link: <http://www.biofilgroup.net/Policies/Policy%20for%20Related%20party%20transaction.pdf> The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties.

All Related Party Transactions are placed before the Audit Committee for review and approval. Prior omnibus approval is obtained for Related Party Transactions on a quarterly basis for transactions which are of repetitive nature and/or entered in the Ordinary Course of Business and are at Arm's Length. All Related Party Transactions are subjected to independent review by an Audit Committee to establish compliance with the requirements of Related Party Transactions under the Companies Act, 2013, and Listing Regulations.

All Related Party Transactions entered during the year were in Ordinary Course of the Business and at Arm's Length basis. The Material Related Party Transactions, i.e. transactions exceeding 10% of the annual consolidated turnover as per the last audited financial statement, which were entered during the year by your company, are given separately in notes to the financial statements. Further the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013, in Form AOC-2 is set out as **Annexure B** and form part of this report.

Your Directors draw your attention to Note No. 36 to the financial statements, which set out related party disclosures.

**17. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

The particulars in respect of conservation of energy, technology absorption and foreign exchange earnings and outgo, as required under sub-section (3)(m) of Section 134 of the Companies Act, 2013 read with Rule (8)(3) of the Companies (Accounts) Rules, 2014 are given as under :

**(A) Conservation of Energy**

- (i) The steps taken or impact on conservation of energy:- The company is putting continues efforts to reduce the consumption of energy and maximum possible saving of energy.
- (ii) The steps taken by the company for utilizing alternate sources of energy: The Company has used alternate source of energy, whenever and to the extent possible
- (iii) The capital investment on energy conservation equipment's: Nil

**(B) Technology Absorption :**

- (i) The efforts made towards technology absorption: Not Applicable.
- (ii) The benefits derived like product improvement, cost reduction, product development or import substitution: Not Applicable.
- (iii) In case of imported technology (imported during the last three years reckoned from the beginning of the Financial Year): The Company has neither purchased within India nor imported any technology.
- (iv) The expenditure incurred on Research and Development: The Company has not incurred any expenditure on Research and Development during the year under review.

**(C) FOREIGN EXCHANGE EARNINGS AND OUTGO :**

Particulars	2020	2019
Foreign Exchange Earnings:	NIL	NIL
Foreign Exchange Outgo:	NIL	NIL

**18. STATEMENT IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROL WITH REFERENCE TO THE FINANCIAL STATEMENTS**

Your Company's Financial Statements are prepared on the basis of the Significant Accounting Policies that are carefully selected by Management and approved by the Audit Committee and the Board. These Accounting policies are reviewed and updated from time to time. Your Company has in place adequate Internal Financial Controls with reference to the Financial Statements commensurate with the size, scale and complexity of its operations.

Such controls have been assessed during the year under review taking into consideration the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by The Institute of Chartered Accountants of India. Based on the results of such assessments carried out by Management, no reportable material weakness or significant deficiencies in the design or operation of Internal Financial Controls

was observed.

The Audit Committee of the Board of Directors and statutory auditors are periodically appraised of the internal audit findings and corrective actions taken. Audit plays a key role in providing assurance to the Board of director. Significant audit observations and corrective actions taken by the management are presented to the Audit Committee of the Board. Also, the report of statutory auditors on the internal financial control system is part of the Audit Report of the Company.

However, your Company recognizes that Internal Financial Controls cannot provide absolute assurance of achieving financial, operational and compliance reporting objectives because of its inherent limitations. Accordingly, regular audits and review processes ensure that such systems are reinforced on an ongoing basis.

#### **19. CORPORATE SOCIAL RESPONSIBILITY (CSR)**

Provisions of Section 135 of the Companies Act, 2013 does not apply to the Company, therefore Company has not constituted Corporate Social Responsibility (CSR) committee as required under the Act.

#### **20. REMUNERATION POLICY / DISCLOSURE RELATING TO REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND PARTICULARS OF EMPLOYEES:**

In accordance with Section 178 and other applicable provisions if any, of the Companies Act, 2013 read with the Rules issued there under and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors formulated the Nomination and Remuneration Policy of your Company on the recommendations of the Nomination and Remuneration Committee. The Nomination and Remuneration Policy of the company is available on the website of the Company at <http://www.biofilgroup.net/Policies/Policy%20for%20the%20%20Nomination%20&%20Remuneration.pdf>

The Disclosure required under Section 197(12) of the Companies Act, 2013 read with the Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended up to date, is annexed as **Annexure-C** and forms an integral part of this Report.

None of the employee of the company is drawing more than Rs. 1,02,00,000/- per annum or Rs. 8,50,000/- per month for the part of the year, during the year under review. Therefore, Particulars of the employees as required under Section 197 of Companies Act, 2013 read with rule 5(2) & rule 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 are not applicable, during the year under review.

Further, Company did not have any holding or subsidiary company therefore receipt of the commission or remuneration from holding or subsidiary company of the company as provided under section 197(14) of Companies Act, 2013 is not applicable.

#### **21. REPORTS ON CORPORATE GOVERNANCE & MANAGEMENT DISCUSSION ANALYSIS:**

As per Regulation 34(3) read with Part E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate section on corporate governance practices followed by the Company, together with a certificate from the Practicing Chartered Accountants confirming compliance forms an integral part of this Report.

A detailed analysis of the Company's performance is discussed in the Management Discussion and Analysis Report, which also forms part of this Annual Report.

#### **22. DISCLOSURE ON ESTABLISHMENT OF A VIGIL MECHANISM/WHISTLE BLOWER POLICY:**

The Company has established a Vigil Mechanism/Whistle Blower Policy to provide a framework for promoting responsible and secure whistle blowing and to provide a channel to the employee(s), Directors and other stakeholders to report to the management, concerns about unethical behavior, actual or suspected fraud or violation of the code of conduct or policy/ies of the Company. The details of said vigil mechanism are given in Corporate Governance Report, which forms part of this Annual Report.

#### **23. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY:**

There are no significant and material orders passed by the Regulators/Courts that would impact the going concern status of the Company and its future operations.

#### **24. SECRETARIAL AUDIT**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the company has appointed M/s. L. N. Joshi & Company, Practicing Company Secretary, Indore to conduct Secretarial Audit of the company for the year ended March 31, 2020. The Secretarial Audit report given by Secretarial Auditor is annexed as **ANNEXURE-D** and forms an integral part of this Report.

#### **EXPLANATION TO SECRETARIAL AUDITOR'S REMARKS**

With respect to the observations of the Secretarial Auditor, the Board replies hereunder:-

- Due to technical issue Annual Report with Notice of AGM submitted to Stock Exchanges after commencement of dispatch to its shareholders. However, same has been submitted by the Company to the Exchanges before 21 days from the date of Annual General Meeting.

#### **25. STATUTORY AUDITORS**

M/s Maheshwari & Gupta, Chartered Accountants, Indore (ICAI Firm Registration No. 006179C) were appointed as Statutory Auditors of your Company in the 32<sup>nd</sup> Annual General Meeting held on 25th September, 2017, for a term of five consecutive years. Pursuant to the Notification issued by the Ministry of Corporate Affairs on 7th May, 2018, amending

Section 139 of the Companies Act, 2013, the mandatory requirement for ratification of appointment of Auditors by the Members at every AGM has been omitted and hence your Company has not proposed ratification of appointment of M/s Maheshwari & Gupta, Chartered Accountants at the forthcoming AGM.

**EXPLANATION TO AUDITOR'S REMARKS**

The Auditors in their report have referred to the notes forming part of the Accounts which are self-explanatory and does not contain any qualification, reservation or adverse remark or disclaimer.

Further, there was no fraud in the Company, which was required to report by statutory auditors of the Company under sub-section (12) of section 143 of Companies Act, 2013.

**26. COST AUDIT**

The company does not falls within the provisions of Section 148 of Companies Act, 2013, read with the Companies (Cost Records & Audit) Rules, 2014, therefore, no such records are required to be maintained and company is not required to appoint cost auditor for the financial year 2019-20.

**27. SECRETARIAL COMPLIANCE REPORT**

Pursuant to SEBI vide its Circular No. CIR/CFD/CMD1/27/2019 dated 8th February, 2019 read with Regulation 24(A) of the SEBI (LODR) Regulation, 2015, listed entities to obtain Annual Secretarial Compliance Report from a Practicing Company Secretary for compliance of all applicable SEBI Regulations and circulars/guidelines issued there under.

The Company has obtained the certificate from M/s L N Joshi and Company (CP No. 4216), Practicing Company Secretary for providing required Compliance Report for financial year ended 31st March, 2020 and same has been filed with both the stock exchanges in prescribed time.

**28. INTERNAL AUDITOR**

The Board has appointed M/s Sethiya Khandelwal & Company, Chartered Accountants Indore, as Internal Auditor of the company and takes his suggestions and recommendations to improve and strengthen the internal control systems. His scope of work includes review of operational efficiency, effectiveness of systems & processes, compliances and assessing the internal control strengths in all areas.

The Audit Committee reviews adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations including those relating to strengthening of the Company's risk management policies and systems.

**29. CODE OF CONDUCT**

The Board of Directors has laid down a Code of Conduct ("the Code") for all Board members and senior management personnel of your Company. The Code of conduct is available on Company's website at the web link: <http://www.biofilgroup.net/Policies/Code%20of%20Conduct%20of%20BCPL.pdf>.

All Board members and senior management personnel have confirmed compliance with the Code. Declaration on adherence to the code of conduct is forming part of the Corporate Governance Report.

**30. MD/CFO CERTIFICATION**

As required under Regulation 17(8) of the Listing Regulations, the Managing Director and Chief Financial Officer of the Company have certified to the Board regarding the Financial Statements for the year ended 31st March, 2020 and same was reviewed by the Board of Directors and is annexed to the Corporate Governance Report.

**31. CODE FOR PROHIBITION OF INSIDER TRADING PRACTICES:**

On December 31, 2018, Securities and Exchange Board of India amended the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, prescribing various new requirements with effect from April 1, 2019. In line with the amendments, the Company has adopted an amended Code of Conduct to regulate, monitor and report trading by Designated Persons and their Immediate Relatives & Connected Persons under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

**32. STATEMENT INDICATING DEVELOPMENT & IMPLEMENTATION OF RISK MANAGEMENT POLICY:**

Your Company has a well-defined risk management framework in place. The risk management framework works at various levels across the enterprise. The Board of Directors have developed & implemented Risk Management Policy for the Company which provides for identification, assessment and control of risks which in the opinion of the Board may threaten the existence of the Company. The Management identifies and controls risks through a properly defined framework in terms of the aforesaid policy.

**33. MATERIAL CHANGES & COMMITMENTS, IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

Global disruption caused by CoVID-19 combined with a total nationwide lockdown has resulted in significant economic contraction in India. However, Pharmaceuticals sector has seen relatively lesser disruption being part of essential items. Hence, all our manufacturing units were working and strictly following the guidelines issued by the Central and State Governments. Although, there were certain challenges which impacted the business being softer than normal such as Lack of availability of Raw Material, transportation of Raw Material and Finished Goods. Further being a part of essential services sector, the Company continued their business & operations with the above constraints.

Apart from this there is no material changes and commitments affecting the financial position of the company have occurred between the end of the financial year to which the financial statements relate and the date of this Board's report

**34. ENVIRONMENT AND SAFETY**

The Company is conscious of the importance of environmentally clean and safe operations. The Company's policy requires conduct of operations in such a manner, so as to ensure safety of all concerned, compliances environmental regulations and preservation of natural resources.

**35. SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013**

The Company has in place Sexual Harassment Policy in line with the requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee (ICC) has been set up to redress the Complaint received regarding sexual harassment.

The Company has complied with provisions relating to the constitution of Internal Complaints Committee under The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. All employees (permanent, contractual, temporary, trainees) are covered under this Policy. There was no case of sexual harassment reported during the year under review.

**36. LISTING OF SHARES**

Company's shares listed on BSE Limited & National Stock Exchange of India Ltd. The company has paid annual listing fee for financial year 2020-2021 to both the Stock Exchanges.

**37. INSURANCE**

The Company's assets are adequately insured against the loss of fire and other risk, as consider necessary by the Management from time to time. The Company has also taken insurance cover for any claims/losses arising out of its core business of Pharmaceuticals and Chemicals.

**38. BUSINESS RESPONSIBILITY REPORT**

The Business Responsibility Reporting as required by Regulation 34(2) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, is not applicable to your Company for the financial year ending March 31, 2020.

**39. COMPLIANCE OF SECRETARIAL STANDARD**

The Directors state that applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly followed by the Company.

**40. DEPOSITORY SYSTEM**

Your Company's shares are tradable compulsorily in electronic form and your Company has connectivity with both the Depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). In view of the numerous advantage offered by the Depository System, members are requested to avail of the facility of Dematerialization of the Company's shares on either of the Depositories mentioned as aforesaid. The Company has paid the annual custodian fee to both the depositories for the financial year 2020-21.

**41. INDUSTRIAL RELATIONS**

Company's Industrial relations continued to be healthy, cordial and harmonious during the period under review.

**42. ACKNOWLEDGMENT**

The Board of Directors wish to place on record its sincere appreciation for the support and co-operation received from all its stakeholders including customers, promoters, shareholders, bankers, and suppliers, various departments/agencies of State and Central Government and business associates of the Company.

Your Board recognizes and appreciates the contribution made by all employees at all levels that ensures sustained performance.

On behalf of the Board of Directors of  
Biofil Chemicals and Pharmaceuticals Limited

Place : Indore  
Date : 25th August, 2020

**Ramesh Shah**  
Managing Director  
(DIN: 00028819)

**Romil Shah**  
Director  
(DIN: 00326110)

**ANNEXURE - A  
Form No. MGT-9**
**Extract of Annual Return as on Financial Year Ended on 31st March 2020  
[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies  
(Management and Administration) Rules, 2014]**
**I. REGISTRATION & OTHER DETAILS:**

1	CIN	L24233MP1985PLC002709
2	Registration Date	04/01/1985
3	Name of the Company	<b>BIOFIL CHEMICALS AND PHARMACEUTICALS LIMITED</b>
4	Category / Sub-Category of the Company	Listed Public Company Limited by shares / Indian Non-government Co.
5	Address of the Registered office and contact details	11/12, Sector E, Sanwer Road, Industrial Area, Indore-452015 (M.P.) Tel. No.: 0731-2723016/17 • Email id : bcplcompliance@gmail.com Website : www.biofilgroup.net
6	Whether listed company Yes / No	Yes (BSE & NSE)
7	Name, Address and Contact details of Registrar and Transfer Agent, if any	<b>Ankit Consultancy Pvt. Ltd.</b> (SEBI Reg. No: INR000000767) 60, Electronic Complex, Pardeshipura, Indore- 452010 (M.P.) Tel.: 0731-4065797, 4065799 • Fax: 0731-4065798 Email: ankit_4321@yahoo.com • Web address: www.ankitonline.com

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)**

S. No.	Name and Description of Main Products / Services	NIC Code of the Product/ Service	% of Total Turnover of the Company
1	Wholesale of Pharmaceuticals and Medical goods	51397	92.25%
2	Manufacture of pharmaceuticals, medicinal chemicals and botanical products	2423	17.95%

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

S. No.	Name and Address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of Shares Held	Applicable Section
-	-	-	-	-	-

**IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)**
**(I) CATEGORY WISE SHARE HOLDING**

Category of Shareholders	No. of Shares Held at the beginning of the year (As on 01st April 2019)				No. of Shares Held at the end of the year (As on 31st March 2020)				% Change during the year
	Demat	Physical	Total	% of Total Share	Demat	Physical	Total	% of Total Share	
<b>A. Promoter's</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	3304560	0	3304560	20.31%	3304560	0.0	3304560	20.31%	0.00%
b) Central Govt	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
c) State Govt(s)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
d) Bodies Corp.	2051700	2262500	4314200	26.51%	4314200	0.0	4314200	26.51%	0.0%
e) Banks / FI	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
f) Any other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Sub-Total (A) (1)</b>	<b>5356260</b>	<b>2262500</b>	<b>7618760</b>	<b>46.82%</b>	<b>7618760</b>	<b>0.0</b>	<b>7618760</b>	<b>46.82%</b>	<b>0.00%</b>
<b>(2) Foreign</b>									
a) NRI- Individual	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
b) Other- Individual	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
c) Bodies Corp.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
d) Banks / FI	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
e) Any other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Sub Total (A) (2)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0%</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0%</b>

Category of Shareholders	No. of Shares Held at the beginning of the year (As on 01st April 2019)				No. of Shares Held at the end of the year (As on 31st March 2020)				% Change during the year
	Demat	Physical	Total	% of Total Share	Demat	Physical	Total	% of Total Share	
<b>Total shareholding of promoter</b>									
<b>(A) = (A)(1)+(A) (2)</b>	<b>5356260</b>	<b>2262500</b>	<b>7618760</b>	<b>46.82%</b>	<b>7618760</b>	<b>0.0</b>	<b>7618760</b>	<b>46.82%</b>	<b>0.00%</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	74000	74000	0.46%	0	74000	74000	0.46%	0.00%
b) Banks / FI	20000	13300	33300	0.20%	20050	13300	33350	0.20%	0.00%
c) Central Govt	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
d) State Govt(s)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
e) Venture Capital Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
f) Insurance Companies	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
g) FIs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
h) Foreign Venture Capital Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
i) Others (specify)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Sub total (B) (1)</b>	<b>20000</b>	<b>87300</b>	<b>107300</b>	<b>0.66%</b>	<b>20050</b>	<b>87300</b>	<b>107350</b>	<b>0.66%</b>	<b>0.00%</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	3398692	98100	3496792	21.49%	3300745	98100	3398845	20.89%	(0.6%)
ii) Overseas	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.00%
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	2397317	665110	3062427	18.82%	2502490	642210	3144700	19.32%	0.5%
ii) Individual shareholders holding nominal share capital in excess of Rs1 lakh	1390979	331500	1722479	10.58%	1626476	116500	1742976	10.71%	0.13%
c) Others									
i) NRI & OCB	112999	152400	265399	1.63%	85724	151700	237424	1.46%	(0.17%)
ii) Clearing Members	643	0	643	0.00%	23745	0	23745	0.14%	0.14%
<b>Sub-total (B)(2):-</b>	<b>7300630</b>	<b>1247110</b>	<b>8547740</b>	<b>52.52%</b>	<b>7539180</b>	<b>1008510</b>	<b>8547690</b>	<b>52.52%</b>	<b>0.00%</b>
<b>Total Public Shareholding (B) = (B)(1) + (B)(2)</b>	<b>7320630</b>	<b>1334410</b>	<b>8655040</b>	<b>53.18%</b>	<b>7559230</b>	<b>1095810</b>	<b>8655040</b>	<b>53.18%</b>	<b>0.00%</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.00%</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.00%</b>
<b>Grand Total (A+B+C)</b>	<b>12676890</b>	<b>3596910</b>	<b>16273800</b>	<b>100%</b>	<b>15177990</b>	<b>1095810</b>	<b>16273800</b>	<b>100.00%</b>	<b>0.00%</b>

**II) SHAREHOLDING OF PROMOTERS :**

S. No.	Share Holder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in share holding during the year
		No. of Shares	% of total shares of the company	% of Share Pledge / encumbered to total shares	No. of Shares	% of total shares of the company	% of Share Pledge / encumbered to total shares	
1	Smitesh Sanalal Shah	1082740	6.65	0	1082740	6.65	0	0
2	Ramesh Shah	793940	4.88	0	793940	4.88	0	0
3	Romil Shah	382550	2.35	0	382550	2.35	0	0
4	Ketan Shah	340800	2.09	0	340800	2.09	0	0
5	Meena Shah	140600	0.86	0	140600	0.86	0	0
6	Sandeep Shah	106600	0.66	0	106600	0.66	0	0
7	Trupti Shah	101750	0.63	0	101750	0.63	0	0
8	Meet Shah	87200	0.54	0	87200	0.54	0	0
9	Ritu Shah	87100	0.54	0	87100	0.54	0	0
10	Rohan Shah	65500	0.40	0	65500	0.40	0	0
11	Kiran Shah	63100	0.39	0	63100	0.39	0	0
12	Pragnesh Shah	52680	0.32	0	52680	0.32	0	0
13	Scope Finance Company Private Limited	2262500	13.90	0	2262500	13.90	0	0
14	Mid (India) Pharmaceuticals Pvt Limited	1175250	7.22	0	1175250	7.22	0	0
15	Cyano Finance and Sales Private Limited	876450	5.39	0	876450	5.39	0	0
<b>Total</b>		<b>7618760</b>	<b>46.82%</b>	<b>0</b>	<b>7618760</b>	<b>46.82%</b>	<b>0</b>	<b>0.00%</b>

**III) CHANGE IN PROMOTERS' SHAREHOLDING (PLEASE SPECIFY, IF THERE IS NO CHANGE)**

S. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
<b>1</b>	<b>At the beginning of the year</b>	<b>7618760</b>	<b>46.82%</b>	<b>7618760</b>	<b>46.82%</b>
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	0.0	0.0	7618760	46.82%
	<b>At the end of the year</b>	<b>7618760</b>	<b>46.82%</b>	<b>7618760</b>	<b>46.82%</b>

**(IV) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS**

(OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRs AND ADRs):

S. No.	Top Ten Shareholders Name	Shareholding		Date wise Increase / Decrease in top ten share holders	Increase / Decrease in share holding	Reason	Cumulative Shareholding during the year	
		No. of Shares at the beginning of the year	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	Starline Equifin Private Limited At the end of the year (31.03.2020)	1850800 1850800	11.37% 11.37%	01.04.2019 -	- -	No Change -	1850800 1850800	11.37% 11.37%
2	Libra Healthcare Private Limited At the end of the year (31.03.2020)	850000 850000	5.22% 5.22%	01.04.2019 -	- -	No Change -	850000 850000	5.22% 5.22%
3	KSL and Industries Limited At the end of the year (31.03.2020)	308065 308065	1.89% 1.89%	01.04.2019 -	- -	No Change -	308065 308065	1.89% 1.89%
4	Hiren Vasantlal Shah      At the end of the year (31.03.2020)	50003      280667	0.31%      1.72%	01.04.2019 27.12.2019 31.12.2019 21.02.2020  21.02.2020 06.03.2020 -	- -2500 -5000 150000  (Become top ten w.e.f. 21.02.2020) 88164 -	- Sale Sale Purchase   Purchase -	50003 47503 42503   192503 280667 280667	0.31% 0.29% 0.26%   1.18% 1.72% 1.72%
5	Vandana Gupta At the end of the year (31.03.2020)	250000 250000	1.54% 1.54%	01.04.2019 -	- -	No Change -	250000 250000	1.54% 1.54%
6	Kishor Himmatsinh Jhala At the end of the year (31.03.2020)	200000 198131	1.23% 1.22%	01.04.2019 18.10.2019 -	- -1869 -	- Sale -	200000 198131 198131	1.23% 1.22% 1.22%
7	Gom Industries Ltd. At the end of the year (31.03.2020)	180800 180800	1.11% 1.11%	01.04.2019 -	- -	No Change -	180800 180800	1.11% 1.11%
8	Rashmi Chandrakant Shah At the end of the year (31.03.2020)	99100 99100	0.61% 0.61%	01.04.2019 -	- -	No Change -	99100 99100	0.61% 0.61%
9	Taraben C. Shah At the end of the year (31.03.2020)	80030 80030	0.49% 0.49%	01.04.2019 -	- -	No Change -	80030 80030	0.49% 0.49%
10	CRB Trustee Limited A/c CRB A/c CRB Mutual Fund  At the end of the year (31.03.2020)	74000   74000	0.45%   0.45%	01.04.2019   -	(Become top ten w.e.f. 06.03.2020)   -	No Change   -	74000   74000	0.45%   0.45%

**Note :** The above information is based on the weekly beneficiary position received from Depositories. As it is not feasible to provide daily changes in shareholding, consolidated changes on weekly basis during the financial year 2019-2020 has been provided.



**V) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

S. No.		Shareholding at the beginning of the year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	<b>Ramesh Shah (Managing Director)</b>				
	<b>At the beginning of the year</b>	<b>793940</b>	<b>4.88%</b>	<b>793940</b>	<b>4.88%</b>
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	0	0%	793940	4.88%
	<b>At the end of the year</b>	<b>793940</b>	<b>4.88%</b>	<b>793940</b>	<b>4.88%</b>
2	<b>Romil Shah (Non Executive Director)</b>				
	<b>At the beginning of the year</b>	<b>382550</b>	<b>2.35%</b>	<b>382550</b>	<b>2.35%</b>
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	0.0	0.0%	382550	2.35%
	<b>At the end of the year</b>	<b>382550</b>	<b>2.35%</b>	<b>382550</b>	<b>2.35%</b>
3	<b>Shaila Jain (Independent Director)</b>				
	<b>At the beginning of the year</b>	<b>0.0</b>	<b>0.0%</b>	<b>0.0</b>	<b>0.0%</b>
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	0.0	0.0%	0.0	0.0%
	<b>At the end of the year</b>	<b>0.0</b>	<b>0.0%</b>	<b>0.0</b>	<b>0.0%</b>
4	<b>Subhash Chandra Swarnkar (Independent Director)</b>				
	<b>At the beginning of the year</b>	<b>0.0</b>	<b>0.0%</b>	<b>0.0</b>	<b>0.0%</b>
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	0.0	0.0%	0.0	0.0%
	<b>At the end of the year</b>	<b>0.0</b>	<b>0.0%</b>	<b>0.0</b>	<b>0.0%</b>
5	<b>Jitendra Kumar Sahu (Chief Financial Officer)</b>				
	<b>At the beginning of the year</b>	<b>0.0</b>	<b>0.0%</b>	<b>0.0</b>	<b>0.0%</b>
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	0.0	0.0%	0.0	0.0%
	<b>At the end of the year</b>	<b>0.0</b>	<b>0.0%</b>	<b>0.0</b>	<b>0.0%</b>
6	<b>Shikha Khilwani (Company Secretary)</b>				
	<b>At the beginning of the year</b>	<b>0.0</b>	<b>0.0%</b>	<b>0.0</b>	<b>0.0%</b>
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	0.0	0.0%	0.0	0.0%
	<b>At the end of the year</b>	<b>0.0</b>	<b>0.0%</b>	<b>0.0</b>	<b>0.0%</b>

**V) INDEBTEDNESS - INDEBTEDNESS OF THE COMPANY INCLUDING INTEREST OUTSTANDING/ACCRUED BUT NOT DUE FOR PAYMENT**

(Amount in Rs.)

	Secured Loans Excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	0	14980294	0	14980294
ii) Interest due but not paid	0	1547520	0	1547520
iii) Interest accrued but not due	0	(154752)	0	(154752)
<b>Total (i+ii+iii)</b>	<b>0</b>	<b>16373062</b>	<b>0</b>	<b>16373062</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	0	0	0	0
* Reduction	0	(5545000)	0	(5545000)
<b>Net Change</b>	<b>0</b>	<b>(5545000)</b>	<b>0</b>	<b>(5545000)</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	0	10828062	0	10828062
ii) Interest due but not paid	0	1213563	0	1213563
iii) Interest accrued but not due	0	(121359)	0	(121359)
<b>Total (i+ii+iii)</b>	<b>-</b>	<b>11920266</b>	<b>0</b>	<b>11920266</b>

**VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**
**A. REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND/OR MANAGER:**

S.No.	Particulars of Remuneration	Name of MD / WTD / MANAGER		TOTAL AMOUNT
		Ramesh Shah (Managing Director)		
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0.0		0.0
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.0		0.0
	(c) Profits in lieu of salary under section 17(3)	0.0		0.0
2	Stock Option	0.0		0.0
3	Sweat Equity	0.0		0.0
4	Commission	0.0		0.0
	- as % of profit			
	- others, specify...			
5	Others, please specify	0.0		0.0
	Total (A)	0.0		0.0
	Ceiling as per the Act	0.0		0.0

**B. REMUNERATION TO OTHER DIRECTORS**

S.No.	Particulars of Remuneration	Name of Director		Total Amount
		Shaila Jain	Subhash Chandra Swarnkar	
1	<b>Independent Directors</b>			
	Fee for attending board committee meetings	0.0	0.0	0.0
	Commission	0.0	0.0	0.0
	Others, please specify	0.0	0.0	0.0
	<b>Total (1)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
2	<b>Other Non - Executive Directors</b>			
	Fee for attending board committee meetings		0.0	0.0
	Commission		0.0	0.0
	Others, please specify		0.0	0.0
	<b>Total (2)</b>		<b>0.0</b>	<b>0.0</b>
	<b>Total (B)=(1+2)</b>		<b>0.0</b>	<b>0.0</b>
	<b>Total Managerial Remuneration (A+B)</b>		<b>0.0</b>	<b>0.0</b>
	<b>Overall Ceiling as per the Act</b>		<b>NA</b>	<b>NA</b>

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

S. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount (In Rs.)
		Company Secretary (Shikha Khilwani)	Chief Financial Officer (Jitendra Kumar Sahu)	
<b>1</b>	<b>Gross salary</b>			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act,	318000/-	318000/-	636000/-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.00	0.00	0.00
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0.00	0.00	0.00
2	Stock Option	0.00	0.00	0.00
3	Sweat Equity	0.00	0.00	0.00
4	Commission	0.00	0.00	0.00
	- as % of profit			
	others, specify...			
5	Others, please specify	0.00	0.00	0.00
	<b>Total</b>	<b>318000/-</b>	<b>318000/-</b>	<b>636000/-</b>

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES : NIL**

For and on behalf of the Board of Directors  
Biofil Chemicals and Pharmaceuticals Limited

Place : Indore  
Date : 25th August 2020

**Ramesh Shah**  
**Managing Director**  
(DIN: 00028819)

**Romil Shah**  
**Director**  
(DIN: 00326110)

**ANNEXURE - B  
FORM NO. AOC -2**

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

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

<b>1.</b>	<b>Details of contracts or arrangements or transactions not at Arm's length basis.</b>	<b>Details</b>
(a)	Name (s) of the related party & nature of relationship	Nil
(b)	Nature of contracts/arrangements/transaction	Nil
(c)	Duration of the contracts/arrangements/transaction	Nil
(d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Nil
(e)	Justification for entering into such contracts or arrangements or transactions'	Nil
(f)	Date(s) of approval by the Board	Nil
(g)	Amount paid as advances, if any	Nil
(h)	Date on which the special resolution was passed in General meeting as required under first proviso to Section 188	Nil

<b>2.</b>	<b>Details of Material contracts or arrangements or transactions at Arm's length basis</b>	<b>Details</b>
(a)	Name (s) of the related party & nature of relationship	Cyano Pharma Private Limited. Relative of Directors are Director in the Company
(b)	Nature of contracts / arrangements / transaction	Sale/purchase of goods and services in ordinary course of business and on arms length basis
(c)	Duration of the contracts/arrangements/transaction	On going
(d)	Salient terms of the contracts or arrangements or transaction including the value, if any*	Rs. 6,77,58,208/-
(e)	Date(s) of approval by the Board	Since all transactions are done in the ordinary course of business and are at arms length basis, approval of the board is not applicable. However, necessary omnibus approvals were granted by the Audit committee from time to time.
(f)	Amount paid as advances or refunded, if any	No advance have been paid or received against the transactions mentioned above.

\* **Salient terms of the contracts or arrangements or transactions, including the value, if any** - All the transactions were in Ordinary Course of Business and on arms length basis.

**On behalf of the Board of Directors  
Biofil Chemicals and Pharmaceuticals Limited**

Place : Indore  
Date : 25th August 2020

**Ramesh Shah  
Managing Director  
(DIN: 00028819)**

**Romil Shah  
Director  
(DIN: 00326110)**

**ANNEXURE - C**
**Information required under Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.**

- (I) **The Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year:**

S. No.	Name of Director	Ratio to median Remuneration
N.A.	N.A	N.A

**Note :** Not applicable as none of the director receiving any remuneration from Company.

- (II) **The percentage increase in the remuneration of each Director, CFO & Company Secretary in the financial year 2019-20 is as follows:**

S. No.	Name of Person	Designation	% Increase in Remuneration
1	Ramesh Shah	Managing Director	Nil
2	Romil Shah	Non Executive Director	Nil
3	Shaila Jain	Independent Director	Nil
4.	Subhash Chandra Swarnakar	Independent Director	Nil
5.	Jitendra Kumar Sahu	Chief Financial Officer	Nil
6.	Shikha Khilwani	Company Secretary	4.43%

**Note :** None of the Director is receiving any remuneration hence comments are not required.

- (III) **The Percentage increase in the median remuneration of employees in the financial year:**

During the year there was increase of 6.10% in the median remuneration of all employees in comparison to previous year.

- (IV) **The Number of permanent employees on the rolls of the Company :**

Total Number of employees: 41 (Forty One)

- (V) **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

There was average percentile decrease of (1.06%) in salaries of employees other than the managerial personnel in the last financial year, since the number of employees had reduced as compared to previous financial year. Further, no remuneration was given to managerial personnel's hence comparison of increase in remuneration of employees with increase in remuneration of managerial personnel's were not applicable.

- (VI) **Affirmation :**

The Board affirms remuneration is as per remuneration policy of the Company.

- (VII) **Statement showing name of top ten employees in terms of remuneration drawn (as per sub rule 3 of Rule 5 Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time to time:-**

Particulars	Ketan Shah	Meet Shah	Prateek Anand	Akshay Atri	Vinayak Bhopte
Designation of the employee Officer	Chief Operating Manager	Asst. Mkt. Manager	General Manager	Marketing Manager	Chief Chemist
Remuneration received (Amount in Rs.)	1740000	604800	480000	468000	369000
Nature of Employment, Whether Contractual or Otherwise	Otherwise	Otherwise	Otherwise	Otherwise	Otherwise
Qualifications and experience of the employee	B.Sc. 34 years	B.Com, M.B.A. 6 Years	B.E. (Civil) 2 years	B.B.A. 5.5 Years	B.Sc. 17 Years
Date of Commencement of Employment	05.02.1986	09.04.2014	01.04.2019	05.04.2015	01.08.2012
The age of such employee	59 years	28 Years	28 Years	29 Years	46 years
The last employment held by such employee before joining the company	-	-	-	-	-
The percentage of equity shares held by the employee in the company with in the meaning of clause (iii) of sub rule (2) of Rule 5	2.09% (340800 shares)	0.54% (87200shares)	Nil	Nil	Nil

Particulars	Ketan Shah	Meet Shah	Prateek Anand	Akshay Atri	Vinayak Bhopte
Whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager	Yes, Shri Ketan Shah belongs to Promoter Group and is relative of Shri Ramesh Shah & Shri Romil Shah	Yes, Mr. Meet Shah belongs to promoter group and is relative of Mr. Ramesh Shah and Mr. Romil Shah	No	No	No

Particulars	Rohan Shah	Jitendra Kumar Sahu	Shikha Khilwani	Joseph Chacko	Namrata Tiwari
Designation of the employee	Asst. Marketing Manager	Chief Financial Officer	Company Secretary	Administration Head	Manager
Remuneration received	366000	318000	318000	258000	253200
Nature Of Employment, Whether Contractual Or Otherwise	Otherwise	Otherwise	Otherwise	Otherwise	Otherwise
Qualifications and experience of the employee	B.B.A 6.5 years	M.B.A. (Finan.) 10 Years	B.Com., C.S. 5 years	B.A. 34 Years	M.B.A. (Finan.) 07 Years
Date Of Commencement Of Employment	01.02.2014	30.05.2014	13.02.2016	02.02.2013	15.08.2013
The age of such employee	30 years	34 years	28 Years	59 years	37 years
The last employment held by such employee before joining the co.	-	Team Xtreme as Finance Manager	-	Man Industries India Ltd.	-
The percentage of equity shares held by the employee in the company with in the meaning of clause (iii) of sub rule (2) of Rule 5	0.40% (65500 shares)	Nil	Nil	Nil	Nil
Whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager	Yes, Shri Rohan Shah belongs to promoter group and is relative of Shri Ramesh Shah and Shri Romil Shah	No	No	No	No

## ANNEXURE - D

## SECRETARIAL AUDIT REPORT

## Form No. MR-3

For the Financial Year Ended on 31st March, 2020

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**BIOFIL CHEMICALS AND PHARMACEUTICALS LIMITED**  
CIN: L24233MP1985PLC002709

**Registered Office :**

11/12, Sector E, Sanwer Road, Indore - 452015 (M.P.)

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **BIOFIL CHEMICALS AND PHARMACEUTICALS LIMITED** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering **1st April, 2019 to 31st March, 2020**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **BIOFIL CHEMICALS AND PHARMACEUTICALS LIMITED** for the financial year ended on 31st March, 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(not applicable to the company during the audit period)**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(not applicable to the company during the audit period);**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(not applicable to the company during the audit period);**
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(not applicable to the company during the audit period);**
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(not applicable to the company during the audit period);**
  - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) Regulations, 2015 as amended from time to time.
- (vi) I have relied on the representation made by the Company and its officers for systems and mechanism formed by the Company for compliances under other applicable Acts, laws and Regulations to the Company on test check basis. The laws, regulations, directions, orders applicable specifically to the Company are as follows:
  1. Drugs and Cosmetics Act, 1940
  2. The Pharmacy Act, 1948
  3. Drugs (Pricing Control) Order, 2013

I have also examined compliance with the applicable clauses of Secretarial Standards on Meeting of Board of Directors(SS-1) and Secretarial Standards on General Meetings(SS-2) issued by The Institute of Company Secretaries of India.

I further report that I have not reviewed the applicable financial laws (direct and indirect tax laws), Accounting standard, since the same have been subject to review and audit by the Statutory Auditors of the Company.

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

**Annual Report with Notice of AGM submitted to Stock Exchanges after commencement of dispatch to its shareholders. However, same has been submitted by the Company to the Exchanges before 21 days from the date of Annual General Meeting.**

**I further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. During the year under review there were no changes in the composition of Board of Directors.

Adequate notice is given to all the directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

I further report that during the audit period, the company has not undertaken event/action having a major bearing in the company's affair in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred above.

**For L.N. Joshi & Company  
Company Secretaries**

**Place : Indore  
Dated : 25th August, 2020**

**L.N. Joshi  
Proprietor  
FCS: 5201; C P No 4216  
UDIN : F005201B000611721**

**Note:** This report is to be read with our letter of even date which is annexed as Annexure herewith and forms an integral part of this report.



**ANNEXURE TO SECRETARIAL AUDIT REPORT**

To,  
The Members,  
**BIOFIL CHEMICALS AND PHARMACEUTICALS LIMITED**  
CIN: L24233MP1985PLC002709

**Registered Office :**  
11/12, Sector E, Sanwer Road, Indore - 452015 (M.P.)

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For L.N. Joshi & Company  
Company Secretaries**

**L.N. Joshi**

**Proprietor  
FCS: 5201; C P No 4216  
UDIN : F005201B000611721**

**Place : Indore  
Dated : 25th August, 2020**

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### INDUSTRY STRUCTURE AND DEVELOPMENT

The Indian pharmaceuticals market has characteristics that make it unique. First, branded generics dominate, making up for 70 to 80 per cent of the retail market. Second, local players have enjoyed a dominant position driven by formulation development capabilities and early investments. Third, price levels are low, driven by intense competition. While India ranks tenth globally in terms of value, it is ranked third in volumes. These characteristics present their own opportunities and challenges.

India is the only country with largest number of US-FDA compliant Pharma plants (more than 262 including APIs) outside of USA. India has nearly 1400 WHO-GMP approved Pharma Plants, 253 European Directorate of Quality Medicines (EDQM) approved plants with modern state of the art Technology.

### OPPORTUNITIES AND THREATS

The COVID-19 pandemic has brought businesses and daily human activities around the world to a standstill. This has impacted the manufacturing sector due to lockdowns across several countries around the world. As per a report published by the World Economic Forum (WEF), factory activity declined sharply across most of the Asian countries in March including Japan, South Korea and China.

Although China is considered as Manufacturing hub of world but because of Covid-19 Pandemic and China's attitude towards other countries which resulted in withdrawing the investment of many south Eastern Countries from China, Japan has announced US \$ 2.2 Million monetary support to its manufacturers for shifting their manufacturing units out of China. As per Recent news many other countries have started shifting their manufacturing units out of China.

Further at the time when world is suffering from deadly pandemic, our Country plans to convert this opportunity to strengthening its stand by promoting programmes like Atmanirbhar i.e " Self Reliant India " and Make For World by encouraging the domestic Industries in order to make Indian Manufacturers less dependent on China so that domestic markets become self dependent and export can be increased.

India's strong position as a pharma supplier rests on its ability to provide high quality medicines backed by strong innovation capabilities and a structural cost advantage. The cost of manufacturing formulations in India remains 30-40 percent lower than other comparative manufacturing hubs such as China and Eastern Europe, notwithstanding low productivity levels. This is driven by lower labour costs vis-à-vis other geographies. Despite inflationary trends, India's labour cost advantage will sustain in the medium to long term, especially if Indian companies can improve productivity through operational excellence and digital initiatives. The supply of local talent into the pharma industry is stronger than in countries such as China. Indian pharma companies are foraying into complex products (e.g., microspheres, liposomes, emulsions), building capabilities in R&D and the manufacturing of these products while still ensuring the required quality.

Your Company is major manufacturer and Traders of Ferrous Sulphate in its Crystal, Exsiccated & Granular form. The Granular form of Ferrous Sulphate are ready ingredients for the manufacture of Ferrous Sulphate & Folic Acid Tablets. By these form of Ferrous manufactures can save 4 to 5 stages during the manufacturing of tablets. These Tablets are used in Health care for treating anemia in therapeutic as well as for prophylactic use. Ferrous sulphate crystal are widely used in Effluent Treatment Plant.

Over and above, your Company has started manufacturing Diclofenac Sodium, Fenbendazole and Nifedepine etc.,

- 1) Diclofenac Sodium: It is a Non steroidal Anti inflammatory drug which reduces inflammation and pain. It is used to treat aches and pains as well as problems with joints, muscles and bones. These include rheumatoid Arthritis, osteoarthritis and gout.
- 2) Fenbendazole: It is used in the treatment of Parasite in the body like Round worms, Hook worms, Lung worms etc. It is also used in the treatment of pets.
- 3) Nifedepine: It is used in the treatment of High Blood Pressure and to control Anginas (Chest Pain). Basically it is classified as Calcium channel Blockers.

Further Looking to the increased demand during Covid-19 Pandemic, your Company has started manufacturing Face Mask and for that necessary statutory permissions have been taken from the Government.

However, the industry is also facing several challenges in supplying to export markets, which must be addressed going forward.

- The increasing pricing pressure in the regulated market is squeezing margins and profitability. Key drivers include customer consolidation, greater competition in commoditized, easy to manufacture products with increased AND approvals, and as lowdown in new launches.
- Another key challenges stems from compliance issues affecting there liability of supply. While many Indian companies have fare dwell in regulatory audits over the last year and seem to be emerging out of remediation, others continue to face challenges.
- Due to Covid 19 pandemic one of the major challenge which Indian Industries may face is easy availability of raw materials which used to be imported from China. There is and was huge dependency or raw material from China.
- Till India continue to rely on Imports for its key Ingredients, Intermediates and API from China, there is always fear

of irregular supply.

### SEGMENT WISE PERFORMANCE

Your Company is multi segment Company as it deals in Pharmaceuticals and Chemicals products. During the year under review the performances in terms of revenue of the segments were as follows:-

#### Pharma Unit

In the financial year 2018-19 revenue generated from Pharma Unit was Rs. 2110.13 Lacs and in the year 2019-20 the same unit generated revenue of Rs 2436.17 Lacs.

#### Chemicals Unit

In the financial year 2018-19 revenue generated from Chemical Division was Rs 202.73 Lacs Lacs and in the year 2019-20 the same unit generated revenue of Rs 532.85.

#### Plastic Division

Plastic division of the Company was not carrying on any business activities during the last nine quarters, since second quarter of July of the year 2017, consequently there were minimum bearing expenses against zero income and the division was running into loss, hence the Board decided to close the unit in their meeting held on 14th February 2020.

### OUTLOOK

Medicine spending in India is projected to grow 9-12 per cent over the next five years, leading India to become one of the top 10 countries in terms of medicine spending. Further, Indian Government has taken many steps to reduce costs and bring down healthcare expenses. Speedy introduction of generic drugs into the market has remained in focus and is expected to benefit the Indian pharmaceutical companies. In addition, the thrust on rural health programmes, lifesaving drugs and preventive vaccines also augurs well for the pharmaceutical companies.

Going forward, better growth in domestic sales would also depend on the ability of companies to align their product portfolio towards chronic therapies for diseases such as such as cardiovascular, anti-diabetes, anti-depressants and anti-cancers, which are on the rise.

### RISKS AND CONCERN

The immense growth in pharmaceuticals in India had resulted in a much bigger problem of substandard or counterfeit drugs in India. But now by strengthening the Drug Control Department this problem will be overcome soon.

Other than this following other risk which Pharma sector is facing are:

- Unexpected unavailability of treatment sites for clinical trials.
- Delayed delivery of supplies for clinical trials.
- Knowing when a potential problem is going to become an actual problem.

### INTERNAL CONTROL SYSTEM

The Company has a reasonable system of internal control comprising authority levels and powers, supervision, checks and balances, policies and procedures so as to ensure orderly and efficient conduct of business, safeguard the assets of the business, prevent and detect fraud, ensure the completeness and accuracy of accounting records, to ensure the timely preparation of financial information. Further, the system is reviewed and updated on an on-going basis on recommendations as and when made by the Statutory Auditors, Internal Auditors and Independent Audit Committee of the Board of Directors.

### FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

During the financial year your company has achieved the turnover of Rs. 2986.17 Lacs in comparison to previous year's turnover of Rs. 2322.98 lacs and net profit of the company is Rs. 123.35 lacs in comparison to previous net profit of Rs. 48.23 lacs.

### HUMAN RESOURCES

At Biofil we believe that "company grows when its people grow" and hence we continuously strives to emphasize creation of a conducive work environment and development of a robust and consistent approach towards talent management & leadership development. As on 31st March, 2020, Company had 41 employees.

### DETAILS OF SIGNIFICANT CHANGES IN THE KEY RATIOS

As per the amendment made under Schedule V to the Listing Regulations read with Regulation 34(3) of the Listing Regulations, details key financial ratios and any changes in return on net worth of the Company are given below:

Particulars	2019-20	2018-19	Change
Debtors' turnover	1.42	1.85	23.08
Inventory turnover	0.96	1.13	14.94
Interest coverage ratio	12.97	4.70	-175.63
Current ratio	1.17	1.32	10.88
Debt-Equity ratio	1.69	0.65	-160.16
Operating profit margin (%)	0.05	0.03	-62.64
Net profit margin (%) or sector-specific equivalent ratio as applicable	0.04	0.02	-94.98

**Reason for change of 25% or more in Financial Ratios:**

**Debt-Equity ratio:** A negative debt to equity ratio occurs when a company has interest rates on its debts that are greater than the return on investment

**Interest coverage ratio:** It indicates that the owner must contribute additional funds to pay for the annual loan payments.

**Operating profit margin:** Due to rapid increase in sale but the increasing rate of profit is much smaller than sale; therefore, operating profit is negative

**Net Profit Margin:** Due to rapid increase in sale but the increasing rate of profit is much smaller than sale; hence, net profit is negative.

**DETAILS OF CHANGE IN RETURN ON NET WORTH AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR**

There was a change of -129.55% in Return on Net Worth due to huge increase in profits.

**CAVEAT:**

Some of the Statements in Management Discussion and Analysis describing company's objective may be "forward looking statement" within the meaning of applicable Securities Law and Regulations. Actual results may differ substantially or materially from those expressed or implied. Important factors that could influence companies operation include various global and domestic economic factors.

### REPORT ON CORPORATE GOVERNANCE

The Directors present the Report on compliance with the Corporate Governance provisions as prescribed under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") for the year ended March 31, 2020 is given below:

#### I. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Corporate Governance is the combination of voluntary practices and compliance with laws and regulations leading to effective control and management of the organization. Good corporate governance leads to long term shareholders value and enhances interest of all stakeholders. It brings into focus the fiduciary and trusteeship role of the Board of align and direct the actions of the organization towards creating wealth and shareholder value.

The company's essential character is shaped by the value of transparency, customer satisfaction, integrity, professionalism and accountability. The Company continuously endeavors to improve on these aspects. The Board views corporate governance in its widest sense. The main objective is to create and adhere to corporate culture of integrity and consciousness, transparency and openness. Corporate governance is a journey for constantly improving sustainable value creation and is an upward moving target. The Company's philosophy on corporate governance is guided by the company's philosophy of knowledge, action and care. The Company has complied with all the requirements of listing regulation and listed below is the status with regard to same.

#### II. BOARD OF DIRECTORS

- (i) The Company is fully compliant with the Corporate Governance norms in the terms of constitution of the Board of Directors ("the Board"). As on March 31, 2020 the Company had 4 (Four) directors. The Composition of the Board is in conformity with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 149 of the Companies Act, 2013.
- (ii) Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Companies Act, 2013. The maximum tenure of independent directors is in compliance with the Companies Act, 2013. All the Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Companies Act, 2013.
- (iii) The Board of your Company comprises of 4 (Four) Directors as on 31st March, 2020. The names and categories of Directors, the number of Directorships and Committee positions held by them in the companies are given below. None of the Director is a Director in more than 10 public limited companies (as specified in Section 165 of the Companies Act 2013) or acts as an Independent Director in more than 7 listed companies or 3 listed companies in case he/she serves as a Whole-time Director in any listed company (as specified in Regulation 17A of the SEBI Listing Regulations). Further, none of the Directors on the Board is a Member of more than 10 Committees and Chairman of more than 5 Committees (as specified in Regulation 26 of the SEBI Listing Regulations), across all the Indian public limited companies in which he/she is a Director.

#### A. Composition and Categories of Board

Name of Director	Category	No. of Directorship including Biofil Chemicals and Pharmaceuticals Limited		No. of Committee Chairmanship / Membership including Biofil Chemicals and Pharmaceuticals Limited	
		Chairperson	Member	Chairperson	Member
Shri Ramesh Shah (DIN : 00028819)	Promoter & Managing Director	-	1	-	-
Shri Romil Shah (DIN : 00326110)	Promoter & Non Executive Director	-	1	-	2
Smt. Shaila Jain (DIN : 00326130)	Independent / Non Executive Director	-	1	2	2
Shri Subhash Chandra Swarnkar (DIN : 01658151)	Independent/Non Executive Director	-	1	-	2

- Directorship excludes Private Limited Companies, Foreign Companies and Companies registered under section 8 of the Companies Act 2013.
- Committee considered as Audit Committee and Stakeholders Relationship Committee, including that of your Company. Committee membership(s) and Chairmanship(s) are counted separately.

#### B. The names of other listed entities where the Directors have Directorship and their category of directorship in such listed entities:

Name of Directors & DIN	Name of Listed Entities	Category of Directorship
Shri Ramesh Shah (DIN : 00028819)	Nil	N.A.
Shri Romil Shah (DIN : 00326110)	Nil	N.A.
Smt. Shaila Jain (DIN: 00326130)	Nil	N.A.
Shri Subhash Chandra Swarnkar (DIN: 01658151)	Nil	N.A.

**C. Attendance of Directors at the Board Meetings held during 2019-20 and the last Annual General Meeting held on 26th September 2019.**

During the financial year 2019-20 four Board Meetings were held. The Board met at least once in every calendar quarter and gap between two meetings did not exceed 120 days. The date on which the Board Meetings were held are given below:

**May 30th 2019, August 13th 2019, November 14th 2019 & February 14th 2020.**

Name of Director	Category	Meeting held during the tenure of the Director	No. of Board Meetings Attended	Attendance at the last AGM held on 26/09/2019
Shri Ramesh Shah (DIN:00028819)	Promoter & Managing Director	4	4	Yes
Shri Romil Shah (DIN:00326110)	Promoter & Non Executive Director	4	4	Yes
Smt. Shaila Jain (DIN:00326130)	Independent / Non Executive Director	4	4	Yes
Shri Subhash Chandra Swarnkar (DIN : 01658151)	Independent / Non Executive Director	4	4	Yes

**D. Board procedure**

A detailed Agenda, setting out the business to be transacted at the Meeting(s), supported by detailed notes is sent to each Director at least seven days before the date of the Board Meeting(s) and of the Committee Meeting(s).

The Board also, inter alia, periodically reviews strategy and business plans, annual operating and capital expenditure budget(s), investment and exposure limit(s), compliance report(s) of all laws applicable to your Company, as well as steps taken by your Company to rectify instances of non compliances, review of major legal issues, minutes of the Committees of the Board, approval of quarterly/half-yearly/annual results, transactions pertaining to purchase/disposal of property(ies), major accounting provisions and write-offs, material default in financial obligations, if any and information on recruitment of Senior Officers just below the Board level etc.

The Board sets annual performance objectives, oversees the actions and results of the management, evaluates its own performance, performance of its Committees and individual Directors on an annual basis and monitors the effectiveness of the Company's governance practices for enhancing the stakeholders' value.

Apart from Board members and the Company Secretary, the Board and Committee Meetings are generally also attended by the Chief Financial Officer and wherever required the Heads of various corporate functions.

**E. CONFIRMATION OF INDEPENDENT DIRECTORS**

The Company has received disclosures from all independent directors that they fulfilled Conditioned specified in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations and were independent of the management. After undertaking a due assessment of their disclosures, in the opinion of the Board of Directors, all the independent directors fulfilled the requirements of the Companies Act, 2013 and the Listing Regulations and were independent of the management of the Company.

**F. DETAILED REASON FOR RESIGNATION OF INDEPENDENT DIRECTOR WHO RESIGNS BEFORE THE EXPIRY OF HIS TENURE ALONG WITH THE CONFIRMATION BY SUCH DIRECTOR THAT THERE ARE NO OTHER MATERIAL REASON OTHER THAN THOSE PROVIDED:**

During the year under review, there is no resignation of any independent director.

**III. RELATIONSHIP BETWEEN DIRECTORS**

Shri Romil Shah is Brother's Son of Shri Ramesh Shah. Except for this there is no inter-se relationship among the directors.

**IV. NUMBER OF SHARES AND CONVERTIBLE INSTRUMENTS HELD BY NON-EXECUTIVE DIRECTORS AS ON 31ST MARCH, 2020:**

S. No.	Name of the Director	Designation	No. of Shares	Convertible Instruments
01	Shri Romil Shah (DIN : 00326110)	Promoter / NED	382550	Nil
02	Smt. Shaila Jain (DIN : 00326130)	Independent/ NED	Nil	Nil
03	Shri Subhash Chandra Swarnkar (DIN : 01658151)	Independent/ NED	Nil	Nil

The Company had not issued any Convertible instrument till date.

**V. THE DETAILS OF FAMILIARISATION PROGRAMMES IMPARTED TO INDEPENDENT DIRECTORS:**

Your Company has in place Familiarization Programs for Independent Directors of the Company to provide insights into the Company's Business to enable them contribute significantly to its success. The Senior Management makes presentations periodically to familiarize the Independent Directors with the strategy operations and functions of the Company. The details of the familiarization program of the independent directors are available on the website of the Company at the web link: <http://www.biofilgroup.net/Appointment%20letter%20Independent%20Director/Familiarization%20programme%20to%20Independent%20Directors.pdf>

**VI. MATRIX OF SKILL/EXPERTISE/COMPETENCIES OF THE BOARD OF DIRECTORS:**

In terms of the requirements of the SEBI Listing Regulations, the Board has identified and approved the list of core skills/expertise/competencies as required in the context of Company's business(es) and sector(s) for it to function effectively. Broadly, the essential skills identified by the Board are categorized as under:

- Strategy & Planning
- Governance, Legal, Risk & Compliance
- Finance, Accounts & Audit
- Global Experience / International Exposure
- Contributor & collaborator
- Information Technology
- Client Engagement
- Stakeholder Engagement & Industry Advocacy
- Leadership

These skills/competencies are broad-based, encompassing several areas of expertise/experience. Each Director may possess varied combinations of skills/experience within the described set of parameters, and it is not necessary that all Directors possess all skills/experience listed therein. In the table below, the specific areas of focus or expertise of individual board members have been highlighted:-

NAME OF DIRECTOR	Strategy & Planning	Governance, Legal, Risk & Compliance	Finance, Accounts & Audit	Global Experience / International Exposure	Contributor & collaborator	Information Technology	Client Engagement	Stakeholder Engagement & Industry Advocacy	Leadership
Shri Ramesh Shah (DIN: 00028819)	Yes	Yes	Yes	Yes	Yes	-	Yes	Yes	Yes
Shri Romil Shah (DIN: 00326110)	Yes	-	Yes	-	-	Yes	-	-	-
Smt. Shaila Jain (DIN: 00326130)	-	Yes	Yes	-	-	-	Yes	Yes	-
Shri Subhash Chandra Swarnkar (DIN: 01658151)	-	-	Yes	-	-	-	-	-	-

**VII. INDEPENDENT DIRECTORS MEETING**

Pursuant to the Regulation 25(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Schedule IV of the Companies Act, 2013, the independent directors of the Company shall hold at least one meeting in a year without attendance of non-independent directors and members of the Management. Accordingly, meeting of the Independent Directors of the Company was held on 21st February 2020 to consider the following business as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013:-

- (a) Review the performance of Non-Independent Directors and the Board of Directors as a whole;
- (b) Review the performance of the Chairman of the Company, taking into account the views of executive directors and non-executive directors and;
- (c) Assess the quality, quantity and timelines of flow of information between the company management and the Board of Directors that is necessary for the Board of Directors to effectively and reasonably perform their duties.

Attendance of Independent Directors in Independent Directors meeting:-

Directors	Meetings held during the Year	Meetings Attended
Smt. Shaila Jain (DIN : 00326130)	1	1
Shri Subhash Chandra Swarnkar (DIN : 01658151)	1	1

**VIII. AUDIT COMMITTEE**

Pursuant to the Companies Act, 2013 and Listing Regulations, the Company has an Independent Audit Committee. The Composition, Procedure, Role/Function of the committee complies with the requirements of the Companies Act, 2013 as well as those of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Audit Committee reviews all applicable mandatory information under Part C of Schedule II pursuant to Regulation 18 of SEBI (LODR) Regulations, 2015. The brief terms of reference of the Audit Committee includes the following:-

- (1) Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (2) Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- (3) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (4) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - matters required to be included in the director's responsibility statement to be included in the Board's Report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - changes, if any, in accounting policies and practices and reasons for the same;
  - major accounting entries involving estimates based on the exercise of judgment by management;
  - significant adjustments made in the financial statements arising out of audit findings;
  - compliance with listing and other legal requirements relating to financial statements;
  - disclosure of any related party transactions;
  - modified opinion(s) in the draft audit report;
- (5) Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- (6) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter
- (7) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (8) Approval or any subsequent modification of transactions of the company with related parties;
- (9) Scrutiny of inter-corporate loans and investments;
- (10) Valuation of undertakings or assets of the company, wherever it is necessary;
- (11) Evaluation of internal financial controls and risk management systems;
- (12) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (13) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (14) Discussion with internal auditors of any significant findings and follow up there on;
- (15) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- (16) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- (17) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (18) To review the functioning of the whistle blower mechanism;
- (19) Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
- (20) Carrying out any other function as is mentioned in the terms of reference of the audit committee.

**The Audit Committee mandatorily reviews the following information:**

- (1) Management Discussion and Analysis of financial condition and results of operations;
- (2) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- (3) Management letters/letters of internal control weaknesses issued by the statutory auditors;
- (4) Internal audit reports relating to internal control weaknesses; and
- (5) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- (6) Statement of deviations:
  - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the Listing Regulations.
  - (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the Listing Regulations.

**Composition and Attendance of Members at the Meetings of the Audit Committee held during 2019-20**

During the year the committee met on four occasions on following dates namely:-  
May 30th 2019, August 13th 2019, November 14th 2019 & February 14th 2020.



Members	Category	Meetings held during the year	Meetings Attended
Shri Romil Shah (DIN : 00326110)	Promoter & Non Executive Director	4	4
Smt. Shaila Jain (DIN : 00326130)	Independent/Non Executive Director	4	4
Shri Subhash Chandra Swarnkar (DIN : 01658151)	Independent/Non Executive Director	4	4

The Chairperson of the Audit Committee Smt. Shaila Jain Non executive Independent Director was present at 34th Annual General Meeting held on 26th September, 2019 to address the shareholder's queries pertaining to Annual Accounts of the Company.

Mr. Romil Shah removed from the membership of the Committee w.e.f. 25th August, 2020 Shri Ashok Kumar Ramawat was appointed additional as well as independent director and member of the Audit Committee. Board of Directors in their Board Meeting held on 25th August, 2020 has re-constituted Audit Committee consisting of Smt. Shaila Jain (Chairperson), Shri Subhash Chandra Swarnkar and Shri Ashok Kumar Ramawat, Non Executive Independent Directors. All the members of the committee, including committee Chairperson are independent directors. All the members of the committee are financially literate.

#### **IX. NOMINATION AND REMUNERATION COMMITTEE**

Pursuant to the Companies Act, 2013 and SEBI Listing Regulations, the Company has a Nomination and Remuneration Committee. The Composition, Procedure, Role/Function of the committee complies with the requirements of the Companies Act, 2013 as well as SEBI Listing Regulations are given below:-

##### **1. Brief Terms of reference:**

- > Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- > Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- > Devising a policy on diversity of Board of Directors;
- > Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- > Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- > Recommend to the board, all remuneration, in whatever form, payable to senior management.

##### **2. Composition and Attendance of Members at the Meeting of the Nomination and Remuneration Committee held during 2019-2020.**

During the year the committee met on 13th August, 2019

Members	Category	Meetings held during the year	Meetings Attended
Shri Romil Shah (DIN : 00326110)	Promoter & Non Executive Director	1	1
Smt. Shaila Jain (DIN : 00326130)	Independent/Non Executive Director	1	1
Shri Subhash Chandra Swarnkar (DIN : 01658151)	Independent/Non Executive Director	1	1

As per Section 178(7) of the Act and Secretarial Standards, the Chairperson of the Committee or, in her absence, any other Member of the Committee authorised by her in this behalf shall attend the General Meetings of the Company. The Chairperson of the Committee, Smt. Shaila Jain Non executive Independent Director was present at the 34th Annual General Meeting of the Company held on 26th September, 2019 to answer members' queries.

Further Mr. Romil Shah removed from the membership of the Committee w.e.f. 25th August, 2020 Shri Ashok Kumar Ramawat was appointed additional as well as independent director and member of the Nomination and Remuneration Committee. Board of Directors in their Board Meeting held on 25th August, 2020 has re-constituted Nomination and Remuneration Committee consisting of Smt. Shaila Jain (Chairperson), Shri Subhash Chandra Swarnkar and Shri Ashok Kumar Ramawat, Non Executive Independent Directors. All the members of the committee, including committee Chairperson are independent directors.

**3. PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS:**

The performance evaluation criterion for independent directors is determined by the Nomination and Remuneration committee. An indicative list of factors that may be evaluated include participation and contribution by a director, commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behaviour and judgement.

The evaluation of independent directors is done by the entire board of directors which includes -

- (a) Performance of the directors; and
- (b) Fulfilment of the independence criteria as specified in these regulations and their independence from the management:

Provided that in the above evaluation, the directors who are subject to evaluation do not participate.

**4. Nomination and Remuneration Policy:**

In accordance with Section 178 of the Act, the Committee has framed a Nomination and Remuneration Policy and the same is available at the web-link : <http://biofilgroup.net/Policies/Policy%20for%20the%20%20Nomination%20&%20Remuneration.pdf>

**5. Remuneration Paid to Directors during 2019-20**

- None of the director is drawing any remuneration from the company.
- No sitting Fees was paid to any Director of the Company during the financial year
- The company has not provided any bonuses/stock options/pension etc. to its directors.
- Details of fixed component and performance linked incentives along with the performance criteria- Nil.
- The Company does not have service contract with any of its directors. Notice period of minimum 30 days has been fixed for directors. Further, the Company does not pay any severance fee.

**X. STAKEHOLDERS RELATIONSHIP COMMITTEE**

The Stakeholder's Relationship Committee looks into grievances of shareholders regarding transfer of Equity Shares/transmission of Equity Shares and other allied connected matters and redresses them expeditiously in accordance with Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI (LODR) Regulations, 2015.

**1. The role of the committee shall inter-alia include the following:-**

- > Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- > Review of measures taken for effective exercise of voting rights by shareholders.
- > Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- > Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

**2. Composition and Attendance of Members at the Meetings of the Stakeholders Relationship Committee held during 2019-20.**

During the year the committee met on six occasions on following dates namely:-

May 30th 2019, August 13th 2019, November 14th 2019, December 27th 2019, January 6, 2020 & February 14th 2020.

Members	Category	Meetings held during the year	Meetings Attended
Shri Romil Shah (DIN : 00326110)	Promoter & Non Executive Director	6	6
Smt. Shaila Jain (DIN : 00326130)	Independent/Non Executive Director	6	6
Shri Subhash Chandra Swarnkar (DIN : 01658151)	Independent/Non Executive Director	6	6

As per Section 178(7) of the Act and Secretarial Standards, the Chairperson of the Committee or, in her absence, any other Member of the Committee authorised by her in this behalf shall attend the General Meetings of the Company. The Chairperson of the Committee, Smt. Shaila Jain Non executive Independent Director was present at the 34th Annual General Meeting of the Company held on 26th September, 2019.

Further Mr. Romil Shah removed from the membership of the Committee w.e.f. 25th August, 2020 Shri Ashok Kumar Ramawat was appointed additional as well as independent director and member of the Stakeholders Relationship Committee. Board of Directors in their Board Meeting held on 25th August, 2020 has re-constituted Stakeholders Relationship Committee consisting of Smt. Shaila Jain (Chairperson), Shri Subhash Chandra Swarnkar and Shri Ashok Kumar Ramawat, Non Executive Independent Directors. All the members of the committee, including committee Chairperson are independent director.

**3. Name, designation and address of Compliance Officer:-**

**Ms. Shikha Khilwani,**

**Company Secretary and Compliance Officer**

11/12, Sector "E" Sanwer Road, Indore - 452015 (M.P.)

Email: bcplcompliance@gmail.com

Telephone : 0731 - 2723016 / 17

**4. Status Report of investor queries and complaints for the period from April 1, 2019 to March 31, 2020 is given below:-**

S.No.	Particulars	No. of Complaints
01	Investor complaints pending at the beginning of the year	Nil
02	Investor complaints received during the year	7
03	Investor complaints disposed of during the year	7
04	Investor complaints remaining unresolved at the end of the year	Nil

**XI. RISK MANAGEMENT**

The Company is not required to constitute risk management committee. However the company has a well defined risk management framework in place. The risk management framework at various levels across the Company

**XII. GENERAL BODY MEETINGS**

**(i) Location and time of last Three AGM's held:**

Financial Year.	Location	Date	Time
34th Annual General Meeting 2018-19	At Regd. Office of the Company at 11/12, Sector "E", Sanwer Road, Indore - 452015 (M.P.)	26/09/2019	03.00 P.M.
33rd Annual General Meeting 2017-18	At Regd. Office of the Company at 11/12, Sector "E", Sanwer Road, Indore - 452015 (M.P.)	27/09/2018	03.00 P.M.
32nd Annual General Meeting 2016-17	At Regd. Office of the Company at 11/12, Sector "E", Sanwer Road, Indore - 452015 (M.P.)	25/09/2017	03.00 P.M.

**(ii) Special resolutions were passed in last three Annual General Meetings**

Following special resolutions were passed in last three Annual General Meetings:-

- Re-appointment of Shri Subhash Chandra Swarnakar (DIN:01658151) as an Independent Director of the Company for second term of five years in Annual General Meeting held on 26th September 2019.
- Re-appointment of Shri Ramesh Shah (DIN:00028819) as Managing Director of the Company for period of three years in Annual General Meeting held on 27th September 2018.
- Re-appointment of Smt. Shaila Jain (DIN:00326130) as an Independent Director of the Company for a second term five years in Annual General Meeting held on 27th September 2018.

**(iii) Special Resolution(s) passed through Postal Ballot:**

No resolutions were passed by postal ballot in last three years.

None of the Businesses proposed to be transacted in the ensuing Annual General Meeting require passing of a resolution through Postal Ballot.

**(iv) Extra-ordinary General Meeting**

During the Financial Year 2019-20, no Extra-ordinary General Meeting was held.

**XIII. CODE FOR PREVENTION OF INSIDER TRADING PRACTICES:**

On December 31, 2018, Securities and Exchange Board of India amended the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, prescribing various new requirements with effect from April 1, 2019. In line with the amendments, the Company has adopted an amended Code of Conduct to regulate, monitor and report trading by Designated Persons and their Immediate Relatives & Connected Persons under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. This Code of Conduct also includes code of practices and procedures for fair disclosure of unpublished price sensitive information which has been made available on the Company's website at <http://www.biofilgroup.net/Policies/Policyes/CODE%20OF%20UNPUBLISHED%20PRICE%20SENSITIVE%20INFORMATION.PDF>

**XIV. MANAGEMENT DISCUSSION AND ANALYSIS:**

The Management Discussion and Analysis is a part of the Annual report and annexed separately.

**XV. DISCLOSURE REGARDING RE-APPOINTMENT OF DIRECTORS:**

Brief resume(s) of the Directors proposed to be appointed/re-appointed are given in the Notice convening the Annual General Meeting in separate annexure.

**XVI. MEANS OF COMMUNICATIONS:**

Your Company, from time to time and as may be required, communicates with its security-holders and investors through multiple channels of communications such as dissemination of information on the website of the Stock Exchanges, Press Releases, the Annual Reports and uploading relevant information on its website:- <http://www.biofilgroup.net>.

The quarterly, half-yearly and annual financial results are published in widely circulated newspapers such as Free Press (English), Indore, Free Press Journal (English), Mumbai & Choutha Sansar (Hindi), Indore in compliance with Regulation 47 of the Listing Regulations. These are not sent individually to the shareholders.

However pursuant to Circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/48 and SEBI/HO/CFD/CMD1/CIR/P/2020/79 issued by Securities and Exchange Board of India dated March 26, 2020 and May 12, 2020 respectively, SEBI had exempted publication of advertisements in newspapers, as required under regulation 47, for all events scheduled till 30th June, 2020. Therefore the results for the quarter and year ended 31st March, 2020 were not published in the newspaper.

Your Company discloses to the Stock Exchanges, all information required to be disclosed under Regulation 30 read with Part 'A' and Part 'B' of Schedule III of the Listing Regulations including material information having a bearing on the performance/operations of the Company and other price sensitive information. All information is filed electronically on BSE's online portal - BSE Corporate Compliance & Listing Centre (Listing Centre) as well as on NSE's online portal NSE Electronic Application Processing System (NEAPS).

The Company's website: [www.biofilgroup.net](http://www.biofilgroup.net) contains a separate dedicated section "Investor Relations" where information for shareholders is available. The Quarterly/Annual Financial Results, annual reports, analysts presentations, investor forms, stock exchange information, shareholding pattern, corporate benefits, policies, investors' contact details, etc., are posted on the website in addition to the information stipulated under Regulation 46 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The presentation, if any made to the investor/analyst are placed to the company's website.

**XVII. GENERAL SHAREHOLDER INFORMATION**

<b>AGM : Date, Time and Venue</b>	Tuesday, 29th September, 2020 at 3.00 P.M. (IST) Venue: 11/12, Sector "E", Sanwer Road, Indore M.P. 452015 Meeting will be held through Video Conferencing (VC) / Other Audio Visual Means (OAVM) facility
<b>Financial Year</b>	The financial year covers the period from 1st April, to 31st March
<b>Financial year reporting Calender</b> 1st Quarter ending 30th June, 2020 2nd Quarter ending 30th September, 2020 3rd Quarter ending 31st December 2020 4th Quarter ending 31st March, 2021	Second fortnight of August, 2020 Second fortnight of November, 2020 Second fortnight of February, 2021 Before 30th May, 2021
<b>Dividend Payment Date</b>	No Dividend recommended by Board of Directors of the Company.
<b>Date of Annual Book Closure</b> (Both days inclusive)	Wednesday 23rd September 2020 to Tuesday 29th September 2020 [Both days inclusive]
<b>Registered Office</b>	11/12, Sector "E", Sanwer Road, Indore - 452015 (M.P.) INDIA
<b>Listing on Stock Exchanges</b>	<b>BSE Limited</b> 25th Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001 <b>The National Stock Exchange of India Limited</b> Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai-400001
<b>Listing Fees</b>	Annual Listing Fees for the year 2020-21 have been paid to BSE Ltd. & National Stock Exchange of India Limited
<b>BSE Security Code -</b> <b>NSE Security Code</b> <b>ISIN Code-</b> <b>CIN-</b>	BSE Limited (524396) National Stock Exchange of India Limited (BIOFILCHEM) INE829A01014 L24233MP1985PLC002709
<b>Market Price Data: High/Low/Close During each month in the last Financial Year.</b>	As per attached Table-1

<b>Relative Performance of Share Price V/S. BSE Sensex and NSE Index</b>	As per attached Table-2
<b>Suspension of Securities</b>	N.A.
<b>Registrar and Transfer Agents (For Physical &amp; Demat Shares)</b>	<b>Ankit Consultancy Pvt. Ltd.</b> SEBI REG. No. INR 000000767 60, Electronic Complex, Pardeshipura, Indore - 452010 (M.P.) Tel.: 0731-4065797, 4065799 • Fax : 0731-4065798 Email : ankit_4321@yahoo.com / Web Address : www.ankitonline.com
<b>Share Transfer System</b>	All the share transfer received are processed by the Registrar and transfer Agent
<b>Distribution of shareholding as on 31.03.2020</b>	As per attached Table-3
<b>Dematerialization of Shares &amp; liquidity</b>	1,51,77,990 Shares are Dematerialized as on 31.03.2020 i.e. 93.26% of total Shares viz.; 1,62,73,800 equity shares.
<b>Outstanding GDRs/ADRs/Warrants or any convertible instruments, Conversion date and likely impact on equity</b>	The Company has not issued any GDRs/ADRs/Warrants or any convertible Instruments.
<b>Commodity Price Risk or Foreign Exchange Risk and Hedging activities</b>	Company does not deal in any commodity and hence is not directly exposed to any commodity price risk. Further, the Company has no foreign exchange exposure; hence hedging is not required.
<b>Address for correspondence</b>	Shareholders correspondence should be addressed to: <b>BIOFIL CHEMICALS AND PHARMACEUTICALS LIMITED</b> 11/12, Sector E, Sanwer Road, Industrial Area, Indore- 452015 (M.P.) Ph.: 0731-2723016/17, Mob.: +91-8889912313 Email id: bcplcompliance@gmail.com. Website: www.biofilgroup.net
<b>Shareholding Pattern as on 31.03.2019</b>	As per attached Table-4
<b>Plant Locations</b>	The Company's plant are located at :- 1) Plot No. 8 Sector 4 Kheda Industrial Estate, Pithampur (Dist. Dhar) 2) 11/12, Sector E, Sanwer Road, Industrial Area, Indore - 452015 (M.P.)
<b>List of Credit Ratings</b>	During the year under review your Company has not obtained any Credit Rating as the same was not applicable to the company

**XVIII. DISCLOSURES:**

## (i) Materially Significant Related Party Transactions:

During the year company entered into material related party transactions which does not have potential conflict with the interest of the Company at large. The details of related party transactions are reported in Notes to the financial statement.

Your Company has formulated a Policy on Materiality of and Dealing with Related Party Transactions which specify the manner of entering into related party transactions. This Policy has also been posted on the website of the Company and can be accessed through web link: <http://www.biofilgroup.net/Policies/Policy%20for%20Related%20party%20transaction.pdf>

## (ii) During the last three years, there were no strictures and penalties imposed on the Company by Stock Exchange or SEBI, or any statutory authority, on any matter related to capital markets.

## (iii) Vigil Mechanism/ Whistle Blower Policy

In accordance with Regulations 22 of SEBI (LODR) Regulations, 2015, Company has formulated a Whistle Blower Policy and has established a Vigil Mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud and any wrong doing or unethical or improper practice. The Company affirms that no personnel have been denied access to the Audit Committee under Vigil Mechanism. Details of Whistle Blower Policy are provided in the Board's Report section of this Annual Report and also made available on the Company's website at web link: <http://www.biofilgroup.net/Policies/Vigil%20Mechanism%20Policy%20BCPL.pdf>

## (iv) Commodity Price Risk or Foreign Exchange Risk and Hedging activities

Your Company does not deal in any commodity and hence is not directly exposed to any commodity price risk. Further, the Company has no foreign exchange exposure; hence hedging is not required.

## (v) Company had not raised funds through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A)

(vi) Mandatory and Non-mandatory requirements:

The Company has complied with all the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Company has fulfilled the following non-mandatory requirements as prescribed in Schedule II, PART E of Regulation 27(1) of (Listing Obligations and Disclosure Requirements) Regulations, 2015:-

1. Chairman is elected in meeting.
2. During the year under review, there is no audit qualification in your company's standalone financial statement. Your company continues to adopt best practices to ensure regime of unqualified financial statements.
3. Shareholders' Rights: As the quarterly, half yearly, financial performance are published in the newspapers and are also posted on the Company's website, the same are not mailed to the shareholders.
4. Reporting of Internal Auditor: In accordance with the provisions of Section 138 of the Companies Act, 2013, the Company has appointed an Internal Auditor who reports to the Audit Committee. Quarterly internal audit reports are submitted to the Audit Committee which reviews the audit reports and suggests necessary action.

**XIX. COMPLIANCE CERTIFICATE BY PRACTICING COMPANY SECRETARY**

The Company has obtained a certificate from the Practicing Company Secretary pursuant to the provisions of Regulation 34(3) read with Schedule V Para C Clause (10)(i) of the SEBI (LODR) Regulations which is annexed herewith.

**XX. SEXUAL HARASSMENT AT WORKPLACE:**

The Company has formulated a Policy for Prevention of Sexual Harassment at Workplace to ensure prevention, prohibition and protection against sexual harassment. The policy provides the guidelines for reporting of such harassment and the procedure for resolution & redressal of the complaints of such nature.

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:-

S.No.	Particulars	No. of Complaints
a	Number of Complaints filed during the financial year.	Nil
b	Number of Complaints disposed during the financial year.	Nil
c	Number of Complaints pending as on end of financial year.	Nil

**XXI. FEES PAID TO STATUTORY AUDITOR:**

The details of total fees paid by Company to Statutory Auditor on a consolidated basis for all services rendered given below:

Type of Services	For Financial Year Ended 31.03.2020
Audit Fees	25,000
Tax Fees	-
Others (Limited Review Fees)	5,000
<b>Total</b>	<b>30,000</b>

No fee other than Audit fees has been paid to statutory auditor, as the company does not have any subsidiary company nor statutory auditor is part of any entities in the network firm/network entity.

**XXII. DISCLOSURE ON ACCEPTANCE OF RECOMMENDATIONS MADE BY BOARD COMMITTEES**

During the financial year under review various recommendations were made by the Committees to the Board of Directors, which were all accepted by the Board, after necessary deliberations

**XXIII OTHERS INFORMATION:**

- **Proceeds from public issue, right issue, preferential issue:** Not applicable during the period.
- The company has adopted a policy on dissemination of information on the material events to stock exchanges in accordance with the Regulation 30 of the SEBI (LODR) Regulations, 2015. The said policy is available on the website of the company at the weblink: <http://www.biofilgroup.net/Policies/Policy%20on%20Disclosure%20of%20Material%20Events%20&%20Information.pdf>
- The company has adopted the policy on preservation of documents in accordance with the Regulation 9 of the SEBI (LODR) Regulations, 2015. The documents preservation policy is available on the website of the company at the weblink: <http://www.biofilgroup.net/Policies/POLICY%20ON%20PRESERVATION%20OF%2020DOCUMENTS.pdf>

**Disclosure with respect to demat suspense account/unclaimed suspense Account**

The Company does not have any shares in the demat suspense account/unclaimed suspense account.

**Code of Conduct**

The Board of Directors has laid down the Code of Conduct for all the Board Members and members of the senior management. The Code is also placed on the Company's website of the company at the web link: <http://www.biofilgroup.net/Policies/Code%20of%20Conduct%20of%20BCPL.pdf>

A certificate from the Managing Director, affirming compliance of the said Code by all the Board Members and members of the senior management to whom the Code is applicable, is annexed separately to this report.

Further, the Directors and the Senior Management of the Company has submitted disclosure to the Board that they do not have any material financial and commercial transactions that may have a potential conflict with the interest of the Company at large.

**MD & CFO Certification**

The Managing Director and the Chief Financial Officer of the Company gives annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) read with Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Copy of such certificate is enclosed herewith in this report. The Managing Director and the Chief Financial Officer also give quarterly certification on financial results to the Board in terms of Regulation 33(2)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**Certificate on Corporate Governance**

The statutory auditors have certified that the Company has complied with the conditions of Corporate Governance as stipulated in terms of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the same is annexed to this Report.

**DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT****Compliance with the Code of Business Conduct and Ethics**

I, Ramesh Shah, Managing Director of Biofil Chemicals & Pharmaceuticals Limited declare that all the Members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct for the year ended 31st March, 2020.

**By order of the Board of Directors  
For Biofil Chemicals and Pharmaceuticals Limited**

Place : Indore  
Date : 25th August 2020

**(Ramesh Shah)**  
Managing Director  
(DIN: 00028819)

• **Table 1- Market Price Data:**

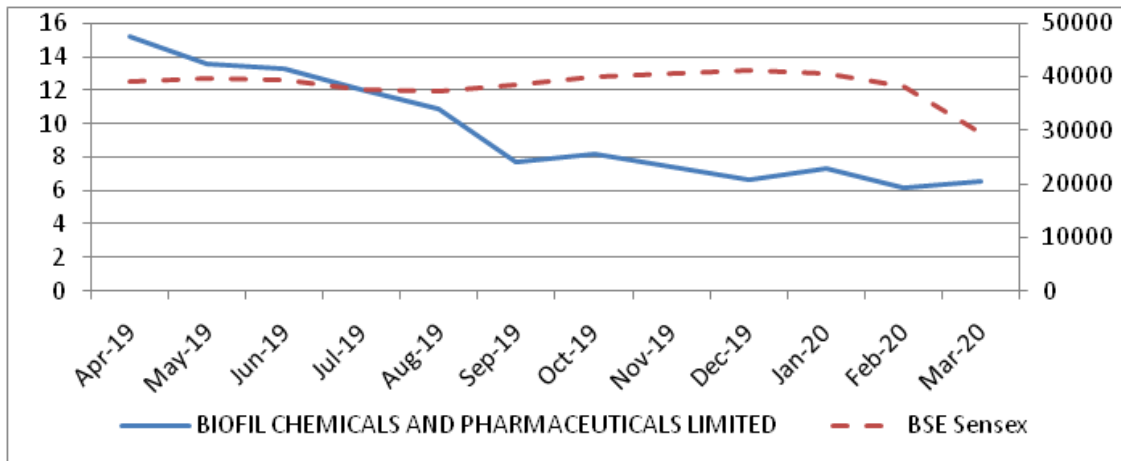
**BSE Limited  
April, 2019 to March, 2020 at BSE**

MONTH	(In Rs. Per Share)	
	High Price	Low Price
April, 2019	7.99	6.01
May, 2019	8.20	7.20
June, 2019	8.15	7.75
July, 2019	7.73	7.02
August, 2019	7.01	6.66
September, 2019	6.33	5.75
October, 2019	5.49	3.86
November, 2019	6.49	4.00
December, 2019	17.06	6.81
January, 2020	17.90	11.90
February, 2020	13.49	8.96
March, 2020	10.23	6.55

**National Stock Exchange of India Limited  
April, 2019 to March, 2020 at NSE**

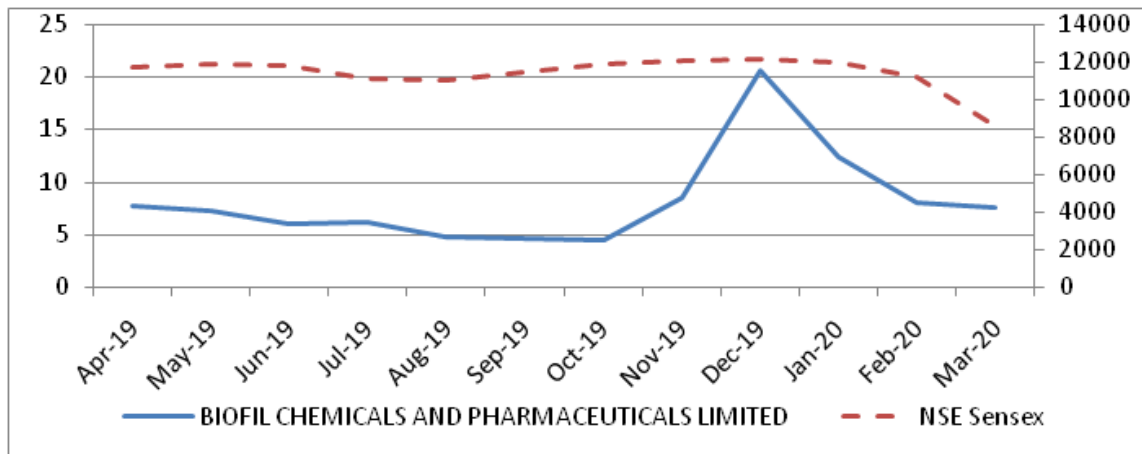
MONTH	(In Rs. Per Share)	
	High Price	Low Price
April, 2019	8.05	6.65
May, 2019	7.70	6.20
June, 2019	7.80	6.00
July, 2019	6.60	5.15
August, 2019	6.00	4.75
September, 2019	5.45	4.45
October, 2019	4.65	4.05
November, 2019	8.50	4.25
December, 2019	22.70	8.90
January, 2020	19.60	11.40
February, 2020	12.60	7.95
March, 2020	9.45	6.45

• **Table 2 - Relative Performance of Share Price V/S. BSE Sensex :**





• **Table 2 - Relative Performance of Share Price V/S. NSE Index / Sensex :**



• **Table 3- Distribution of shareholding according to size class as on 31st March 2020**

Category (Shares)	Share holders	% of Total Share holders	Shares	% of Total Shares
Upto-100	2430	38.99	171665	1.1
101-200	833	13.36	157262	1.0
201-300	615	9.87	179749	1.1
301-400	225	3.61	87223	0.5
401-500	723	11.60	358705	2.2
501-1000	693	11.12	608780	3.7
1001-2000	329	5.28	520797	3.2
2001-3000	119	1.91	304128	1.9
3001-4000	59	0.95	214583	1.3
4001-5000	59	0.95	281129	1.7
5001-10000	76	1.22	543894	3.3
10000 ABOVE	72	1.16	12845885	78.9
<b>Total</b>	<b>6233</b>	<b>100.00%</b>	<b>16273800</b>	<b>100.00%</b>

**Table 4- : SHAREHOLDING PATTERN AS AT 31ST MARCH 2020**

S.No.	Particulars	No. of Shareholders	No. of Share	% of holding
<b>(A)</b>	<b>Promoters Holding</b>			
	(a) Individuals	12	3304560	20.31%
	(b) Bodies Corporate	03	4314200	26.51%
	<b>Sub Total (A)</b>	<b>15</b>	<b>7618760</b>	<b>46.82%</b>
<b>(B)</b>	<b>Public shareholding</b>			
	<b>1). Institutions</b>			
	(a) Mutual Funds/UTI	1	74000	0.46%
	(b) Financial Institutions/Banks	7	33350	0.20%
	(c) Foreign Portfolio Investor	-	-	-
	(d) Insurance Companies	-	-	-
	(e) Foreign Financial Institution	-	-	-
	(f) Foreign Mutual Fund	-	-	-
	<b>Sub Total (B) (1)</b>	<b>8</b>	<b>107350</b>	<b>0.66%</b>
	<b>2). Non-institutions</b>			
	(a) Bodies Corporate	83	3398845	20.89%
	(b) Individuals			
	I. Individual Shareholders holding nominal share capital up to 2 lac	5921	3540084	21.75%
	II. Individual Shareholders holding nominal share capital in excess of 2 lac	16	1347592	8.28%
	(c) Trusts	-	-	-
	(d) Foreign National	-	-	-
	(e) Hindu Undivided Family	-	-	-
	(f) Foreign Companies	-	-	-
	(g) NRI & OCB	173	237424	1.45%
	(h) Clearing Member	17	23745	0.15%
	<b>Sub-Total (B) (2)</b>	<b>6210</b>	<b>8547690</b>	<b>52.52%</b>
<b>(B)</b>	<b>Total Public Shareholding</b>	<b>6218</b>	<b>8655040</b>	<b>53.18%</b>
<b>(C)</b>	<b>Shares held by Custodians and against which Depository Receipts have been issued</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Grand Total (A)+(B)+(C)</b>	<b>6233</b>	<b>16273800</b>	<b>100.00%</b>

**MD / CFO COMPLIANCE CERTIFICATE**

**To**  
**The Board of Directors**  
**BIOFIL CHEMICALS AND PHARMACEUTICALS LIMITED**

Pursuant to Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015

We hereby certify to the Board of Directors of **BIOFIL CHEMICALS AND PHARMACEUTICALS LIMITED** that:-

- A. We have reviewed financial statements prepared based on the Indian Accounting Standards for the financial year ended on 31.03.2020 and that to the best of our knowledge and belief:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (2) these statements together present a true and fair view of the Company's affairs and are in compliance with applicable Indian Accounting Standards laws and regulations.
  - (3) no transactions entered into by the Company during the year ended 31.03.2020 which are fraudulent, illegal or violative of the Company's code of conduct.
- B. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps taken or propose to be taken to rectify these deficiencies.
- C. We have indicated to the auditors and the Audit committee about:-
- (1) significant changes in internal control over financial reporting during the year.
  - (2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (3) that there were no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**For Biofil Chemicals and Pharmaceuticals Limited**

Place : Indore  
Date : 30th June, 2020

**Ramesh Shah**  
**Managing Director**  
(DIN: 00028819)

**Jitendra Kumar Sahu**  
Chief Financial Officer

**AUDITORS' CERTIFICATE  
REGARDING COMPLIANCE OF  
CONDITIONS OF CORPORATE GOVERNANCE**

To  
The Members of  
**BIOFIL CHEMICALS AND PHARMACEUTICALS LTD.**

We have examined the compliance of conditions of Corporate Governance by **BIOFIL CHEMICALS AND PHARMACEUTICALS LIMITED** ('the Company'), for the year ended 31st March 2020, as stipulated in regulations 17, 17A, 18, 19, 20, 22, 23, 24A, 25, 26, 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

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

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

We have examined the relevant records of the Company in accordance with the Generally Accepted Auditing Standards in India, to the extent relevant, and as per the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India.

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

**For MAHESHWARI & GUPTA,**  
Chartered Accountants,  
F.R.N.: 006179C

Place : Indore  
Date : 25th August, 2020

**CA. SUNIL MAHESHWARI**  
Partner  
M.NO : 403346  
UDIN No.: 20403346AAAAF07045

**CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE**

(In terms of Regulation 34(3) read with Schedule V Para C(10)(i) to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To  
The Members of  
**BIOFIL CHEMICALS AND PHARMACEUTICALS LIMITED**  
11/12, Sector - E, Sanwer Road,  
Indore - 452015 (M.P.)

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **BIOFIL CHEMICALS AND PHARMACEUTICALS LIMITED** having **CIN L24233MP1985PLC002709** and having registered office at **11/12, SECTOR E SANWER ROAD INDORE - 452015 (M.P.)** (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

S.No	Name of Director	DIN	Date of Appointment in Company
1	Shri Ramesh Shah	00028819	04/01/1985
2	Shri Romil Shah	00326110	30/07/2005
3	Smt. Shaila Jain	00326130	31/01/2003
4	Shri Subhash Chandra Swarnkar	01658151	13/08/2015

Ensuring the eligibility of for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For L.N.Joshi & Co.,**  
Company Secretaries,

**L.N. Joshi**  
Proprietor

M. No. : F5201, CP No. : 4216  
**UDIN : F005201B000611752**

Dated: 25th August, 2020  
Place: Indore

**INDEPENDENT AUDITOR'S REPORT**

**TO**

**THE MEMBER OF**

**M/S. BIOFIL CHEMICALS AND PHARMACEUTICALS LTD.**

indore

**REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**

**Opinion**

We have audited the financial statements of **BIOFIL CHEMICALS AND PHARMACEUTICALS LIMITED** ("the company"), which comprise the balance sheet as at 31st March 2020, the statement of profit and loss, including statement of Other Comprehensive Income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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 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 March 31, 2020, its profit, changes in equity and of cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Ind AS 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 Companies Act, 2013 and the Rules thereunder, 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 audit opinion on the financial statements.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial statements for the financial year ended March 31, 2020. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Ind AS financial statements.

<b>Key Audit Matters</b>	<b>How our audit addressed the Key Audit Matters</b>
<p><b>Revenue Recognition</b></p> <p>The management is of the opinion that it controls the goods before transferring them to the customer.</p> <p>The variety of terms that define when control are transferred to the customer, as well as the high value of the transactions, give rise to the risk that revenue is not recognized in the appropriate accounting period.</p> <p>Revenue is measured net of returns and allowances, trade discounts and volume rebates (collectively 'Discount and rebates'). There is a risk that these discount and rebates are incorrectly recorded as it also requires ascertain degree of estimation, resulting in understatement of the associated expenses and accrual.</p> <p>Accordingly, due to the significant risk associated with revenue recognition in accordance with terms of Ind AS 115 'Revenue from Contracts with Customers', it was determined to be a key audit matter in our audit of the Ind AS financial statements.</p>	<p>We assessed the Company's process to identify the impact of adoption of new Revenue Accounting Standard (Ind AS 115). Our audit approach included assessment of design and testing of operating effectiveness of internal controls related to revenue recognition, calculation of discounts and rebates and other substantive testing. We carried out:</p> <p>Evaluation of the design of internal controls relating to implementation of new revenue accounting standard.</p> <ul style="list-style-type: none"> <li>• Selection of samples of both continuing and new contracts for</li> <li>- testing of operating effectiveness of the internal control</li> <li>- identification of contract wise performance obligations and</li> <li>- Determination of transaction price.</li> <li>• Verification of individual sales transaction on sample basis and traced to sales invoices, sales orders and other related documents. Further, the samples were checked for revenue recognition as per the shipping terms.</li> </ul>

Key Audit Matters	How our audit addressed the Key Audit Matters
	<ul style="list-style-type: none"> <li>• Sample of sales transactions were selected pre- and post year end, agreeing the period of revenue recognition to third party support, such as transporter invoice and customer confirmation of receipt of goods.</li> <li>• Direct confirmations were obtained from customers to support existence assertion of trade receivables and assessed the relevant disclosures made in the financial statements; to ensure revenue from contracts with customers are in accordance with the requirements of relevant accounting standards.</li> <li>• In the cases where direct confirmations are not available, additional procedures were applied in respect of receipts in the Subsequent period.</li> </ul>

We have determined that there are no other key audit matters to communicate in our report.

#### Information Other than the Financial Statements and Auditor's Report Thereupon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report 2019-20 , but does not include the Ind AS financial statements and our auditor's report thereon.

Our opinion on the Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

#### Management's Responsibilities for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS ) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 with reference to Financial Statements, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

#### Auditor's Responsibility for the Audit of Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error,

design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate Internal Financial Controls with reference to Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS 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.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS 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 Ind AS 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**

1. 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 the "Annexure-A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
  - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income and the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account
  - (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
  - (e) On the basis of the written representation received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164(2) of the Companies Act, 2013.
  - (f) With respect to the adequacy of the Internal Financial Controls with reference to Financial Statements over financial reporting of the Company with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure-B" to this report.
  - (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 Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:



- i. The Company has no pending litigations, hence the impact of pending litigations on its financial position in its financial statements is not disclosed.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For MAHESHWARI & GUPTA,**  
Chartered Accountants,  
F.R.N.: 006179C

Place : Indore  
Date : 30.06.2020

**CA. SUNIL MAHESHWARI**  
Partner  
M.NO : 403346  
UDIN : 20403346AAAAEI4852

## ANNEXURE - A TO INDEPENDENT AUDITOR'S REPORT

**The Annexure referred to in paragraph 1 of the Our Report of even date to the members of BIOFIL CHEMICALS AND PHARMACEUTICALS LIMITED. On the accounts of the company for the period ended 31st March, 2020.**

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.  
(b) Fixed assets have been physically verified by the management during the period and no material discrepancies were identified on such verification.  
(c) According to the information and explanations given by the management, the title deeds of immovable properties included in fixed assets of the Company are held in the name of the Company.
2. (a) As explained to us, inventories have been physically verified during the period by the management at reasonable intervals.
3. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 189 of the Companies Act, 2013. Consequently, the provisions of clause iii(a) and iii(b) of the order are not applicable to the Company.
4. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of granting of loans, making investments and providing guarantees and securities, as applicable.
5. The Company has not accepted any deposits from the public covered under section 73 to 76 of the Companies Act, 2013. No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any other Tribunal.
6. As per information & explanation given by the management, maintenance of cost records has not been prescribed by the Central Government under sub-section (1) of section 148 of the Act.
7. (a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Goods & Service Tax, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st March, 2020 for a period of more than six months from the date they became payable.  
(b) According to the information and explanations given to us, there are no amounts payable in respect of income tax, wealth tax, service tax, sales tax, goods & service tax, customs duty and excise duty which have not been deposited on account of any disputes.
8. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
9. Paragraph 3 (ix) of the order is not applicable as the company has not raised any money by way of initial public offer or further public offer during the year.
10. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no material fraud by the Company or on the Company by the officers and employees of the Company has been noticed or reported during the period.
11. According to the information and explanations given to us and based on the our examination of the records of the company, the company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
12. In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.
13. According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
14. According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and, not commented upon.

15. According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(XV) of the order is not applicable.
16. According to the information and explanations given to us, we report that the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For MAHESHWARI & GUPTA,**  
Chartered Accountants,  
F.R.N.: 006179C

Place : Indore  
Date : 30.06.2020

**CA. SUNIL MAHESHWARI**  
Partner  
M.NO : 403346

## **ANNEXURE B TO THE AUDITORS' REPORT**

### **REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")**

We have audited the internal financial control over financial reporting of **BIOFIL CHEMICALS AND PHARMACEUTICALS LIMITED** (hereinafter referred to as 'the company') as of **31st March 2020** in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

#### **MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS**

The Respective Board of Directors of the Company are responsible for establishing and maintaining Internal Financial Controls with reference to Financial Statements 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 with reference to Financial Statements over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate Internal Financial Controls with reference to Financial Statements 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 with reference to Financial Statements over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls with reference to Financial Statements 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 with reference to Financial Statements, both applicable to an audit of Internal Financial Controls with reference to Financial Statements 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 with reference to Financial Statements 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 with reference to Financial Statements system over financial reporting and their operating effectiveness. Our audit of Internal Financial Controls with reference to Financial Statements over financial reporting included obtaining an understanding of Internal Financial Controls with reference to Financial Statements over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's Internal Financial Controls with reference to Financial Statements system over financial reporting.

#### **MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS 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 Ind AS 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 Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS financial statements.

**INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS OVER FINANCIAL REPORTING**

Because of the inherent limitations of Internal Financial Controls with reference to Financial Statements 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 with reference to Financial Statements over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**OPINION**

In our opinion, the Company have, in all material respects, an adequate Internal Financial Controls with reference to Financial Statements system over financial reporting and such Internal Financial Controls with reference to Financial Statements over financial reporting were operating effectively as at 31st March, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls with reference to Financial Statements Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For MAHESHWARI & GUPTA,**  
Chartered Accountants,  
F.R.N.: 006179C

Place : Indore  
Date : 30.06.2020

**CA. SUNIL MAHESHWARI**  
Partner  
M.NO : 403346

**BALANCE SHEET AS AT MARCH 31, 2020**

(Amount in Lacs)

PARTICULARS	NOTE	As at March 31, 2020	As at March 31, 2019
<b>ASSETS</b>			
<b>(1) Non-current assets</b>			
Property, plant and equipment	4	1009.26	1029.42
<b>Total Non-current assets</b>		<b>1009.26</b>	<b>1029.42</b>
<b>(2) Current Assets</b>			
Inventories	5	169.21	119.09
Financial Assets			
Trade Receivables	6	2970.86	1202.50
Cash and cash equivalents	7(i)	25.60	13.62
Other Bank balances	7(ii)	-	-
Other current assets	8	61.54	56.67
<b>Total Current assets</b>		<b>3227.22</b>	<b>1391.88</b>
<b>TOTAL ASSETS</b>		<b>4236.47</b>	<b>2421.30</b>
<b>EQUITY AND LIABILITIES</b>			
<b>(1) Equity</b>			
Equity Share Capital	9	1,627.38	1,627.38
Other Equity			
Securities premium	9C	172.82	172.82
Retained earnings		(3501.40)	(3,624.75)
Other reserves		3,189.52	3,189.52
<b>Total equity</b>		<b>1488.32</b>	<b>1364.97</b>
<b>(2) Current liabilities</b>			
Financial liabilities			
Borrowings	10	119.20	163.73
Trade Payables	11		
i. Total outstanding dues to micro & small enterprises		-	-
ii. Total outstanding dues to creditors other than micro & small enterprises		2591.75	858.34
Other financial liabilities	12	12.32	22.75
Provisions	13	24.88	11.51
<b>Total Current liabilities</b>		<b>2748.16</b>	<b>1056.33</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>4236.47</b>	<b>2,421.30</b>
<b>Summary of significant accounting policies</b>	<b>3</b>		
<p>The accompanying summary of significant accounting policies and other explanatory information are as an integral part of the financial statements.</p> <p><b>As per our Report of even date</b></p> <p><b>For MAHESHWARI &amp; GUPTA</b>            CHARTERED ACCOUNTANTS            ICAI Registration No. 006179C</p> <p><b>CA. SUNIL MAHESHWARI,</b>            Partner            Membership No. 403346</p> <p>Place : Indore            Date : 30.06.2020</p>			
<p><b>For &amp; on behalf of board of Directors of</b></p> <p><b>Ramesh Shah</b>            Managing Director            DIN : 00028819</p> <p><b>Shikha Khilwani</b>            Company Secretary            Mem. No.: A43203</p> <p>Place : Indore            Date : 30.06.2020</p>			
<p><b>Romil Shah</b>            Director            DIN : 00326110</p> <p><b>Jitendra Kumar Sahu</b>            Chief Financial Officer</p>			

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2020**

(Amount in Lacs Except EPS)

PARTICULARS	NOTE	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
<b>Income</b>			
I Revenue from operations	14	2969.02	2312.85
II Other income	15	17.15	10.12
<b>III Total Income (I+II)</b>		<b>2986.17</b>	<b>2322.98</b>
<b>IV Expenses</b>			
Cost of Material Consumed	16	405.66	77.27
Purchases of Goods Traded	17	2159.45	1904.95
Changes in inventories of finished goods, goods traded and work in progress	18	(34.23)	17.04
Employee benefits expense	19	86.34	89.22
Finance costs	20	12.14	16.03
Depreciation and amortisation expenses	21	40.83	36.51
Other expenses	22	169.57	122.12
<b>Total Expenses</b>		<b>2839.76</b>	<b>2263.15</b>
<b>V Profit/(loss) before tax (V-VI)</b>		<b>146.41</b>	<b>59.83</b>
<b>VI Exceptional Items</b>		-	-
<b>VII Profit/(loss) after tax (V-VI)</b>		<b>146.41</b>	<b>59.83</b>
<b>VIII Tax Expenses</b>			
Current tax	23	24.88	11.51
Deferred tax		-	-
Adjustment of tax relating to earlier periods		0.81	0.09
<b>Income Tax Expense</b>		<b>25.69</b>	<b>11.60</b>
<b>IX Profit/(loss) for the period (VII-VIII)</b>		<b>120.72</b>	<b>48.23</b>
<b>X Other comprehensive income</b>			
<b>Other comprehensive income to be reclassified to profit or loss in subsequent periods</b>		-	-
<b>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</b>			
- Re-measurement gains/(losses) on defined benefit plans		2.62	0.00
- Income tax effect			
<b>Net other comprehensive income not to be reclassified to profit or loss in subsequent periods</b>		2.62	0.00
<b>Other comprehensive income for the year, net of tax</b>		2.62	0.00
<b>XI Total comprehensive income for the year, net of tax</b>		<b>123.35</b>	<b>48.23</b>
<b>XII Earnings per share (computed on the basis of profit for the year)</b>			
Basic (Face Value Rs. 10 each)	24	0.74	0.30
Diluted (Face Value Rs. 10 each)	24	0.74	0.30
<b>Summary of significant accounting policies</b>	<b>3</b>		

The accompanying summary of significant accounting policies and other explanatory information are as an integral part of the financial statements.

As per our Report of even date

For MAHESHWARI &amp; GUPTA

CHARTERED ACCOUNTANTS

ICAI Registration No. 006179C

CA. SUNIL MAHESHWARI,

Partner

Membership No. 403346

Place : Indore

Date : 30.06.2020

For &amp; on behalf of board of Directors of

 Ramesh Shah  
 Managing Director  
 DIN : 00028819

 Romil Shah  
 Director  
 DIN : 00326110

 Shikha Khilwani  
 Company Secretary  
 Mch. No.: A43203

 Jitendra Kumar Sahu  
 Chief Financial Officer

Place : Indore

Date : 30.06.2020

**Statement of changes in Equity for the year ended March 31, 2020**

(Amount in Lacs)

PARTICULARS	As at March 31, 2020	As at March 31, 2019
<b>(a) Equity Share Capital:</b>		
<b>Equity shares of INR 10 each issued, subscribed and fully paid</b>		
At the beginning of the year	1,627.38	1,627.38
Decrease during the year	-	-
<b>Increase during the year</b>	-	-
<b>At the end of the year</b>	<u>1,627.38</u>	<u>1,627.38</u>

**(b) Other Equity  
Retained earnings**

Particular	As at March 31, 2020			As at March 31, 2019		
	Retained earnings	Other Reserves	Share Premium	Retained earnings	Other Reserves	Share Premium
Profit / (Loss) at the beginning of the year	(3,624.75)	3189.52	172.82	(3672.98)	3,189.52	172.82
Profit / (Loss) for the year	120.72	-	-	48.23	-	-
Other comprehensive income / (loss) for the year	2.62	-	-	-	-	-
<b>Profit / (Loss) at the end of the year</b>	<b>(3501.40)</b>	<b>3189.52</b>	<b>172.82</b>	<b>(3,624.75)</b>	<b>3,189.52</b>	<b>172.82</b>

The accompanying summary of significant accounting policies and other explanatory information are as an integral part of the financial statements.

**As per our Report of even date**

**For MAHESHWARI & GUPTA**  
CHARTERED ACCOUNTANTS  
ICAI Registration No. 006179C

**CA. SUNIL MAHESWARI,**  
Partner  
Membership No. 403346

Place : Indore  
Date : 30.06.2020

**For & on behalf of board of Directors of**

**Ramesh Shah**  
Managing Director  
DIN : 00028819

**Romil Shah**  
Director  
DIN : 00326110

**Shikha Khilwani**  
Company Secretary  
Meb. No.: A43203

**Jitendra Kumar Sahu**  
Chief Financial Officer

Place : Indore  
Date : 30.06.2020



**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31st March, 2020**

(Amount in Lacs)

PARTICULARS	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019	
<b>Cash flow from operating activities</b>			
Profit before tax	146.41	59.83	
<b>Adjustments to reconcile profit before tax to net cash used in operating activities</b>			
Depreciation of property, plant and equipment	40.83	36.51	
Finance cost	12.14	16.03	
Impact Considered in OCI	2.62	-	
	<b>202.01</b>	<b>112.38</b>	
<b>Working capital adjustments</b>			
Increase/ (Decrease) in Inventory	(50.12)	(16.61)	
(Increase)/ Decrease in Trade Receivable	(1768.36)	955.82	
(Increase)/ Decrease in other current assets	(4.87)	(39.01)	
Increase/ (Decrease) in trade payables	1733.41	(55.83)	
Increase/ (Decrease) in other financial liabilities	(10.43)	5.34	
Increase/ (Decrease) in other liabilities	13.37	0.21	
<b>Cash generated from operations</b>	<b>115.01</b>	<b>962.30</b>	
Current tax assets	(10.69)	(11.18)	
<b>Net cash flows from operating activities</b>	<b>104.32</b>	<b>951.12</b>	
<b>Cash flow from investing activities</b>			
Payment for purchase and construction of property, plant and equipment	20.67	141.25	
Proceeds from sale of property, plant and equipment	0.00	0.00	
<b>Net cash flows from investing activities</b>	<b>20.67</b>	<b>141.25</b>	
<b>Cash flow from financing activities</b>			
Increase/(decrease) in Borrowings	(44.53)	7.88	
Finance cost	(12.14)	(16.03)	
<b>Net cash flows from financing activities</b>	<b>(56.67)</b>	<b>(8.16)</b>	
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>26.98</b>	<b>801.71</b>	
Cash and cash equivalents at the beginning of the year	13.62	37.45	
Cash and cash equivalents at the end of the year	13.62	25.60	
<b>Increase /(Decrease) in cash and cash equivalents</b>	<b>11.98</b>	<b>(23.83)</b>	
<p>The accompanying summary of significant accounting policies and other explanatory information are as an integral part of the financial statements.</p>			
<b>As per our Report of even date</b>		<b>For &amp; on behalf of board of Directors of</b>	
<b>For MAHESHWARI &amp; GUPTA</b> CHARTERED ACCOUNTANTS ICAI Registration No. 006179C <b>CA. SUNIL MAHESHWARI,</b> Partner Membership No. 403346	<b>Ramesh Shah</b> Managing Director DIN : 00028819	<b>Romil Shah</b> Director DIN : 00326110	<b>Shikha Khilwani</b> Company Secretary Mem. No.: A43203
			<b>Jitendra Kumar Sahu</b> Chief Financial Officer
Place : Indore Date : 30.06.2020			Place : Indore Date : 30.06.2020

## NOTES FORMING PART OF FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2020

### Notes to financial statements for the year ended March 31, 2020

#### 1 Corporate Information

Biofil chemicals and Pharmaceuticals Limited is public limited Company in India with its registered office at Indore Madhya Pradesh India. The Company is listed on Bombay Stock Exchange (BSE) and National Stock Exchange of India Limited.(NSE)

The Company deals in manufacturing and trading of Pharmaceuticals, and manufacturing of plastic. Further the company also deals in providing job work facility in respect of manufacturing of pharmaceuticals drug. The company runs its business via three unit viz Pharmaceutical Division chemicals Division and Plastic Division the Company has a separate factory unit for plastic Division at Pithampur (Dhar)

"The functional and presentation currency of the Company is Indian Rupee ("₹") which is the currency of the primary economic environment in which the Company operates."

"The financial statements for the year ended March 31, 2020 were approved by the Board of Directors and authorised for issue on May 30, 2020."

#### 2 Basis of preparation

##### a Statement of Compliance

The financial statements of the company have been prepared in accordance with and comply in all material aspects with Indian Accounting Standards ("Ind AS") as notified under section 133 of the Companies Act, 2013 ('Act') read with Companies (Indian Accounting Standards) Rules, 2015 and the relevant provisions of the Act.

##### b Functional and presentation currency

These financial statements are presented in Indian rupees (in lakhs), which is the Company's functional currency. All amounts have been amount in Lakhs, unless otherwise indicated.

##### c Use of Estimates and Judgement

The preparation of financial statements in accordance with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods if affected. The most significant estimates and assumptions are described below:

##### (i) Recognition and measurement of Provisions and Contingencies

The Company's Management estimates Key assumptions about the likelihood and magnitude of an outflow of resources; based on available information and the assumptions and methods deemed appropriate. Wherever required, these estimates are primarily prepared with the assistance of legal counsel. As additional information becomes available to the Company, estimates are revised and adjusted periodically.

##### (ii) Recognition of Deferred Tax Assets

The Management makes estimates as regards to availability of future taxable profits against which unabsorbed depreciation/ tax losses carried forward can be used.

(iii) The financial statements are presented in Indian Rupee ('INR') which is also the Company's functional currency and all values are rounded to the nearest lakhs, except when otherwise indicated. Wherever the amount represented '0' (zero) construes value less than Rupees five thousands.

#### 3 Summary of significant accounting policies

##### 3.01 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash

### 3.02 Foreign currencies

The Company's financial statements are presented in INR, which is also the company's functional currency

### 3.03 Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at their functional currency spot rates at the date the transaction first qualifies for recognition.

### 3.04 Fair value measurement

The company has elected to measure items of property, plant and equipment and intangible assets at its carrying value at the transition date except for certain class of assets which are measured at fair value as deemed cost.

### 3.05 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The specific recognition criteria described below must also be met before revenue is recognised.

### 3.06 Interest income

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

### 3.07 Dividends

Revenue is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

### 3.08 Taxes

#### Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the country where the Company operates and generates taxable income.

"Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate."

### 3.09 Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

### 3.10 Minimum Alternate Tax (MAT)

Minimum Alternate Tax (MAT) paid as per Indian Income Tax Act, 1961 is in the nature of unused tax credit which can be carried forward and utilised when the Company will pay normal income tax during the specified period. MAT paid in a year is charged to the statement of profit and loss as current tax for the year. The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the concerned company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset, it is created by way of credit to the statement of profit and loss and shown as part of deferred tax asset. The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

### 3.11 Property, plant and equipment

The Company has elected to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost in accordance with the exemption provided under IND AS 101.

Plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any such cost includes the cost of replacing part of the plant and equipment and borrowing its for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation on property, plant and equipment is calculated on a WDV basis using the rates arrived at based on the useful lives estimated by the management which coincides with the rates as per Schedule II of the Companies Act, 2013. The useful life of major assets are as under :

Asset class	Useful lives
Building	30 years
Plant & Machinery	20 years
Office equipment	5 years
Other Assets	15 years
Furniture & fixtures	10 years

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

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

### **3.12 Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

### **3.13 Leases**

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

For arrangements entered into prior to 1 April 2015, the Company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

### **3.14 Company as a lessee**

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

### **3.15 Inventories**

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Raw materials and components, stores and spares : COST includes COST of purchase and other costs incurred in bringing the inventories to its present location and condition. Cost is determined on moving weighted average basis.
- Finished goods and work in progress : cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on moving weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

### **3.16 Impairment of Financial assets (other than at fair value)**

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 ('Financial Instruments') requires expected credit losses to be measured through a loss allowance. The Company follows 'simplified approach' for recognition of impairment loss allowances. All financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. The Company provides for impairment upon the occurrence of the triggering event.

### **3.17 Impairment of non-financial assets**

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss.

### **3.18 Contingent liabilities & Contingent Assets**

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

A contingent assets is not recognised unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contingent assets are disclosed in the financial statements.

Contingent liabilities and contingent assets are reviewed at each balance sheet date.

### **3.19 Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. Provisions are reviewed at each balance sheet and adjusted to reflect the current best estimates.

### **3.20 Retirement and other employee benefits**

#### **i. Defined contribution plan**

Retirement benefits in the form of provident fund, Pension Fund and Employees state Insurance Fund are a defined contribution scheme and the contributions are charged to the Statement of profit and loss of the period when the employee renders related services. There are no other obligations other than the contribution payable to the respective authorities.

#### **ii. Defined benefit plan**

Gratuity liability for eligible employees are defined benefit obligation and are provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. Obligation is measured at the present value of estimated future cash flows using discounted rate that is determined by reference to market yields at the balance sheet date on Government Securities where the currency and terms of the Government Securities are consistent with the currency and estimated terms of the defined benefit obligation.

Remeasurements, comprising of actuarial gains and losses excluding amounts included in net interest on the net defined benefit liability are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

"Past service costs are recognised in profit or loss on the earlier of:"

- The date of the plan amendment or curtailment, and "
- The date that the Company recognises related restructuring costs"

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:"

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and "
- Net interest expense or income"

### **3.21 Financial instruments**

Financial instruments are recognised when the Company becomes a party to the contract that gives rise to financial assets and financial liabilities.

#### **Financial Assets**

##### **Initial recognition and measurement**

All financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

##### **Subsequent measurement**

###### **Financial assets at amortised cost**

Financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method if these financial assets are held within a business whose objective is to hold these assets to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

###### **Financial assets at fair value through other comprehensive income**

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Fair value movements are recognised in Other Comprehensive Income (OCI).

###### **Financial assets at fair value through profit or loss**

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are immediately recognised in statement of profit and loss.

##### **Derecognition**

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

#### **Financial liabilities**

##### **Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables and borrowings.

##### **Loans and Borrowings**

Financial liabilities are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance cost in the statement of profit and loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

##### **Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

##### **Fair value of financial instruments**

In determining the fair value of its financial instruments, the Company uses following hierarchy and assumptions that are based on market conditions and risks existing at each reporting date.

**Fair value hierarchy**

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

**Reclassification of financial assets**

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

**Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

**3.22 Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

**3.23 Segment Reporting**

"Based on ""Management Approach"" as defined in Ind AS 108 -Operating Segments, the management evaluates the Company's performance and allocates the resources based on an analysis of various performance indicators by business segments. Inter segment sales and transfers are reflected at market prices."Unallocable items includes general corporate income and expense items which are not allocated to any business segment."Segment Policies : "The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole. Common allocable costs are allocated to each segment on an appropriate basis."

**3.24 Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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



**NOTE : 04 FIXED ASSETS**
**Property Plant and equipment**

Particulars	Deemed Cost			Accumulated Depreciation			Net Block			
	As on March 31 2019	Additions	Deletions	As on March 31 2020	As on March 31 2019	Additions	Deletions	As on March 31 2020	As on March 31 2020	As on March 31 2019
<b>(i) TANGIBLE ASSETS</b>										
Lease Hold Land	449.59	-	-	449.59	-	-	-	-	449.59	449.59
Work in progress	37.62	0.21	-	37.83	-	-	-	-	37.83	37.62
Building	258.93	0.11	-	259.04	34.65	11.74	-	46.39	212.65	224.28
Plant and Machinery	341.08	19.17	-	360.25	42.30	24.00	-	66.30	293.95	298.78
Eelectric Installations	22.19	1.18	-	23.37	10.09	4.35	-	14.45	8.93	12.10
Cycle	0.02	-	-	0.02	0.01	0.00	-	0.02	0.01	0.01
Office Equipments	10.29	-	-	10.29	7.36	0.46	-	7.82	2.47	2.92
Vehicles	4.71	-	-	4.71	0.58	0.29	-	0.87	3.84	4.13
<b>TOTAL</b>	<b>1,124.43</b>	<b>20.67</b>	<b>-</b>	<b>1,145.10</b>	<b>95.01</b>	<b>40.83</b>	<b>-</b>	<b>135.84</b>	<b>1,009.26</b>	<b>1,029.42</b>

Particulars	Deemed Cost			Accumulated Depreciation			Net Block			
	As on April 1 2018	Additions	Deletions	As on March 31 2019	As on April 01 2018	Additions	Deletions	As on March 31 2019	As on March 31 2019	As on April 1 2018
<b>(i) TANGIBLE ASSETS</b>										
Own Assets:										
Lease Hold Land	449.59	-	-	449.59	-	-	-	-	449.59	449.59
Work in progress	33.76	3.85	-	37.62	-	-	-	-	37.62	33.76
Building	257.98	0.95	-	258.93	22.94	11.72	-	34.65	224.28	235.04
Plant and Machinery	212.36	128.72	-	341.08	24.17	18.14	-	42.30	298.78	188.19
Eelectric Installations	14.90	7.30	-	22.19	6.19	3.90	-	10.09	12.10	8.70
Cycle	0.02	-	-	0.02	0.01	0.00	-	0.01	0.01	0.01
Office Equipments	9.86	0.43	-	10.29	4.89	2.47	-	7.36	2.92	4.97
Vehicles	4.71	-	-	4.71	0.29	0.29	-	0.58	4.13	4.41
<b>TOTAL</b>	<b>983.18</b>	<b>141.25</b>	<b>-</b>	<b>1,124.43</b>	<b>58.49</b>	<b>36.51</b>	<b>-</b>	<b>95.01</b>	<b>1,029.42</b>	<b>924.68</b>

**Notes forming Part of the financial statements as at March 31, 2020**  
(Amount in Lacs)

PARTICULARS	As at March 31, 2020	As at March 31, 2019
<b>Note 5 : Inventories</b>		
Raw Material	54.00	37.94
Stores and Spares	0.13	0.30
Finished Goods	99.14	79.89
Work in process	15.95	0.96
<b>Total</b>	<b>169.21</b>	<b>119.09</b>
<b>Note 6 : Trade Receivables</b>		
Trade receivables		
- Others	2970.86	1202.50
<b>Total</b>	<b>2970.86</b>	<b>1202.50</b>
<b>Break-up for security details:</b>		
Secured, considered good	-	-
Unsecured, considered good	2973.37	1202.50
Doubtful	-	-
<b>Total</b>	<b>2973.37</b>	<b>1202.50</b>
Ageing analysis of the age of trade payable amounts that are past due as at the end of reporting year :		
Less than 90 days	2973.37	1202.50
Over 120 days	-	-
<b>Total</b>	<b>2973.37</b>	<b>1202.50</b>
The Company uses expected credit loss allowance for Trade Receivables based on Management Projections.		
Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days		
<b>Note 7 (i): Cash and cash equivalents</b>		
(a) Balances with banks:		
- On current accounts	7.84	7.98
- On escrow accounts	-	-
- Deposits with original maturity of less than three months	-	-
(b) Cash on hand	17.76	5.64
<b>Total cash and cash equivalents as per cash flow statements</b>	<b>25.60</b>	<b>13.62</b>
<b>Note 7 (ii): Other Bank Balances</b>		
- In Unclaimed Dividend Accounts	-	-
- In fix deposits accounts (with original maturity of more than three months and maturing within twelve months from the balance sheet date)	-	-
<b>Total other Bank Balances</b>	<b>-</b>	<b>-</b>
<b>Note 8 : Other assets</b>		
<b>Current</b>		
<b>(Unsecured, considered good unless otherwise stated)</b>		
Loans and advances against material	4.78	4.99
Duties and taxes receivable	16.84	11.78
Prepaid expenses	1.84	0.88
Security Deposits	38.09	39.02
<b>Total</b>	<b>61.54</b>	<b>56.67</b>
<b>Note 9 : Equity</b>		
<b>A) Equity share capital</b>		
Authorised share capital		
At the beginning of the year	2000.00	2000.00
<b>Increase/(decrease) during the year</b>	<b>-</b>	<b>-</b>
<b>At the end of the year</b>	<b>2000.00</b>	<b>2000.00</b>

	As at March 31, 2020		As at March 31, 2019	
	No. of Shares	Rs. in Lakhs	No. of Shares	Rs. in Lakhs
<b>Issued Share Capital</b>				
Equity shares of INR 10/- each issued, subscribed and fully paid.	16,273,800	1627.38	16,273,800	1627.38

**a) Reconciliation of the number of shares outstanding and the amount of share capital:**

	As at March 31, 2020		As at March 31, 2019	
	No. of Shares	Rs. in Lakhs	No. of Shares	Rs. in Lakhs
<b>Equity shares of INR 10/- each issued, subscribed and fully paid</b>				
At the beginning of the year	16,273,800	1627.38	16,273,800	1627.38
Decrease during the year	-	-	-	-
Increase during the year	-	-	-	-
<b>At the end of the year</b>	<b>16,273,800</b>	<b>1627.38</b>	<b>16,273,800</b>	<b>1627.38</b>

**b) Terms / rights attached to equity shares**

The company has one class of equity shares having par value of Rs. 10/- per share per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**B) Details of shareholders holding more than 5% shares and held by the holding company :**

Particular	As at March 31, 2020		As at March 31, 2019	
	No. of Shares	% holding in the class	No. of Shares	% holding in the class
Scope Finance Company Pvt. Ltd.	2,262,500	13.90%	2,262,500	13.90%
Smitesh Sanalal Shah	1,082,740	6.65%	1,082,740	6.65%
Mid India Pharmaceuticals Pvt. Ltd.	1,175,250	7.22%	1,175,250	7.22%
Cyano Finance and Sales Pvt. Ltd.	876,450	5.39%	876,450	5.39%
Starline Equifin Pvt. Ltd.	1,850,800	11.37%	1,850,800	11.37%
Libra Healthcare Pvt. Ltd.	850,000	5.22%	850,000	5.22%

PARTICULARS	As at March 31, 2020	As at March 31, 2019
	(Rs. in Lacs)	(Rs. in Lacs)

**C) Other Equity**
**Share Premium Reserves :**

Amounts received on issue of shares in excess of the par value has been classified as securities premium, net of utilization

**Other Reserves (General reserves) :**

a. General reserve : 1975.00

The reserve is created by transfer of a portion of the net profit.

b. Share Premium Reserve : 660.49

Amounts received on issue of shares in excess of the par value has been classified as securities premium, net of utilization

c. Forfeited Share Reserve : 172.82

This reserve is created against forfeited share of the company.

d. Reserve created of Capital Subsidy : 5.00

Capital Reserve was created on receipt of Government subsidy for setting up factory in backward area, transferred to general reserve in current year

e. Reserve created of valuation on assets : 376.21

This reserve is created against revaluation of assets of the company.

**Retained Earnings**

Retained earnings comprises of the amounts that can be distributed by the company as dividends to its equity share holders

**(3501.40)**
**(3624.75)**

(Amount in Lacs)

PARTICULARS	As at March 31, 2020	As at March 31, 2019
<b>Note 10 : Borrowings</b>		
<b>Current Borrowings (Unsecured)</b>		
Inter Corporate Deposits	119.20	163.73
<b>Total</b>	<b>119.20</b>	<b>163.73</b>
<b>Note 11 : Trade Payables</b>		
Total outstanding dues to Micro and enterprises (Refer Note No. 28)	-	-
Total outstanding dues to creditors other than micro and small enterprises	2591.75	858.34
<b>Total</b>	<b>2591.75</b>	<b>858.34</b>
Ageing analysis of the age of trade payable amounts that are past due as at the end of reporting year :		
Less than 90 days	2591.75	858.34
Over 120 days	-	-
<b>Total</b>	<b>2591.75</b>	<b>858.34</b>
Information as required to be furnished as per Section 22 of the Micro, Small & Medium Enterprises Development Act, 2006 (MSMED Act) for the year ended March 31, 2020 is given below. This information has been determined to the extent such parties have been identified on the basis of information available with the company.		
i) Principal amount and interest due thereon remaining unpaid to any supplier covered under MSMED Act:		
Principal	-	-
Interest	-	-
ii) The amount of interest paid by the buyer in terms of Section 16, of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
iii) <b>The amount of interest due and payable for the period of     delay in making payment (which have been paid but     beyond the appointed day during the year ) but beyond     without adding the interest specified under MSMED Act.</b>	-	-
iv) <b>The amount of interest accrued and remaining unpaid at     the end of each accounting year.</b>	-	-
v) <b>The amount of further interest remaining due and payable     even in the succeeding years, until such date when the     interest dues as above are actually paid to the small     enterprise for the purpose of disallowance as a deductible     expenditure under section 23 of the MSMED Act, 2006.</b>	-	-
<b>Note 12 : Other financial liabilities</b>		
Employee benefits payable	1.81	2.29
Other Payable	10.52	20.46
<b>Total</b>	<b>12.32</b>	<b>22.75</b>
<b>Note 13 : Provisions</b>		
<b>Current</b>		
Provision for tax	24.88	11.51
<b>Total</b>	<b>24.88</b>	<b>11.51</b>

Terms and conditions of the above financial liabilities:

Trade payables are non-interest bearing and are normally settled on 90 day terms.

For terms and conditions with related parties,

For explanations on the Company's credit risk management processes

**Notes forming Part of the financial statements as at March 31, 2020**
**(Amount in Lacs)**

PARTICULARS	As at March 31, 2020	As at March 31, 2019
<b>Note 14 : Revenue Fromm Operations</b>		
Sale of goods Traded Goods	2206.17	1947.13
Sale of manufactured goods	532.85	202.73
<b>Other operating revenue</b>		
- Conversion Charges	230.00	163.00
<b>Total</b>	<b>2969.02</b>	<b>2312.85</b>
<b>Note 15 : Other Income</b>		
Lease Rent	4.20	4.20
Misc income	10.79	3.79
Interest on others	2.16	2.14
<b>Total</b>	<b>17.15</b>	<b>10.12</b>
<b>Note 16 : Cost of Material Consumed</b>		
Cost of Material Consumed	405.66	77.27
<b>Total</b>	<b>405.66</b>	<b>77.27</b>
<b>Note 17 : Purchases of Goods Traded</b>		
Purchases of Goods Traded	2159.45	1904.95
<b>Total</b>	<b>2159.45</b>	<b>1904.95</b>
<b>Note 18 : Changes in inventories of work in progress, stock in trade and finished goods.</b>		
Opening Balance		
- Work in progress	0.96	0.51
- Finished Goods	79.89	97.39
	<b>80.85</b>	<b>97.89</b>
Closing Balance		
- Work in progress	15.95	0.96
- Finished Goods	99.14	79.89
	<b>115.08</b>	<b>80.85</b>
<b>Total changes in inventory of work in progress, stock in trade and finished goods</b>	<b>(34.23)</b>	<b>17.04</b>
<b>Note 19 : Employee benefits expenses</b>		
Salaries, wages and bonus	74.06	80.92
Contribution to provident and other funds	6.08	5.93
Staff welfare expenses	2.83	2.37
Leave encashment	3.27	0.00
Prior year Expenses (gratuity)	0.09	0.00
<b>Total</b>	<b>86.34</b>	<b>89.22</b>
<b>Note 20 : Finance Cost</b>		
Interest on		
- loans from banks and financial institutions	0.00	0.00
- on loan from others	12.14	16.03
<b>Total</b>	<b>12.14</b>	<b>16.03</b>
<b>Note 21 : Depreciation and amortisation expenses</b>		
Depreciation on plant and equipment	40.83	36.51
<b>Total</b>	<b>40.83</b>	<b>36.51</b>

**Notes forming Part of the financial statements as at March 31, 2020**
**(Amount in Lacs)**

<b>PARTICULARS</b>	<b>As at March 31, 2020</b>	<b>As at March 31, 2019</b>
<b>Note 22 : Other Income</b>		
Repair and Maintenance	5.93	9.46
Laboratory Charges	2.24	1.18
Labour Charges	31.42	0.51
Legal Professional & Consultancy	12.22	6.75
Printing & Stationary	1.85	2.83
Power and Fuel	48.70	37.48
Freight & Cartage	15.78	9.00
Listing Expenses	5.40	7.40
Bank Charges	0.10	0.12
Payment to Auditor (including service tax / GST )	0.30	0.30
Sales Commission	37.25	37.94
Insurance	0.51	1.44
Travelling & Conveyance	3.39	4.10
Communication Cost	0.46	1.11
Advertisement & Publicity	0.91	0.85
Miscellaneous Expenses	3.11	1.67
<b>Total</b>	<b>169.57</b>	<b>122.12</b>
<b>Payment to Auditor</b>		
As auditors:		
- Statutory Audit Fees	0.25	0.25
- Limited Review Fees	0.05	0.05
<b>Total</b>	<b>0.30</b>	<b>0.30</b>

**Note 23 : Income tax Reconciliation**

The major components of income tax expense for the years ended March 31, 2020 and March 31, 2019 are:

Current income tax :	27.82%	26.00%
Current income tax charges	24.88	11.51
<b>Adjustment of tax relating to earlier periods</b>	0.81	0.09
<b>Deferred tax:</b>		
Unused tax credit	25.69	11.60
<b>Income tax expense reported in the statement of profit or loss</b>	<b>25.69</b>	<b>11.60</b>

Reconciliation of tax expenses and the accounting of profit multiplied by Indian Domestic tax rate for March 31, 2020 and March 31, 2019 are:

Accounting profit before tax	146.41	59.83
Tax rate under Normal / MAT	27.82%	26.00%
At India's Statutory income tax rate	40.73	15.56
Expenses disallowed not deductible	11.36	9.49
Income not chargeable to tax / Expenses allowed	(14.93)	(13.06)
Unutilised tax credits	256.34	237.47
Utilised MAT tax credit	12.28	0.48
Tax at effective income tax rate March 31, 2020	24.88	11.51

**Notes forming Part of the financial statements as at March 31, 2020**

(Amount in Lacs except EPS)

PARTICULARS	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>Note 24 : Earnings per share (EPS)</b>		
Basic EPS amounts are calculated by dividing the profit / (loss) for the year attributable to equity holders of the parent by the weighted average number of equity shares outstanding during the year.		
The following reflects the income and share data used in the basic and diluted EPS computations:		
Profit/(loss) for the year	120.72	48.23
Weighted average number of equity shares in calculating basic EPS and diluted EPS	16,273,800	16,273,800
Face value per share ( in Rupees )	10.00	10.00
Basic earning per share ( in Rupees )	0.74	0.30
Diluted earning per share (in Rupees )	0.74	0.30
	<b>Retained Earnings</b>	<b>Total</b>
<b>During the year ended 31st March 2020</b>		
Re-measurement gains (losses) on defined benefit plans	0.00	0.00
	<b>0.00</b>	<b>0.00</b>
<b>During the year ended 31st March 2019</b>		
Re-measurement gains (losses) on defined benefit plans	0.00	0.00
	<b>0.00</b>	<b>0.00</b>
<b>Note 25 : Commitments and Contingencies</b>		
<b>i) Contingent liabilities</b>		
The company's pending litigations comprise of claims against the Company primarily by the commuters and regulators except to the mentioned in below Note 1. The company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required. The Company has not provided for or disclosed contingent liabilities for matters considered as remote for pending litigations/ public litigations(PIL)/ claims wherein the management is confident, based on the internal legal assessment and advice of its lawyers that these litigations would not result into any liabilities. The Company does not expect the outcome of these proceedings to have a material adverse effect on the financial statements.		
<b>Note 1 :-</b>		
A writ petition filed in year 2012 before hon'ble court M.P. Bench at Indore against Madhya Pradesh Adyogik Kendra Vikas Nigam (Indore) Limited, (MPAKVN Ltd) Indore and other parties with respect to vacant land admeasuring 94462 Sq. Mts. Situated at Kheda Industrial Area, Pithampur (M.P.)		
<b>Note 26 : Details of dues to micro and small enterprises as per MSMED Act, 2006</b>		
There are no Micro and Small Enterprises as defined in the Micro and Small Enterprises Development Act, 2006 to whom the Company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made. The above information regarding Micro and Small Enterprises has been determined to the extent such parties has been identified on the basis of information available with the Company.		
<b>Note 27 : Fair Values</b>		
<b>Financial assets and liabilities</b>		
The accounting classification of each category of financial instruments, their carrying amounts and the categories of financial assets and liabilities measured at fair value, are set out below:		

**(Amount in Lacs)**

	Carrying Amount				Fair Value		
	FVTPL*	FVTOCL**	Amortised Cost	Total	Level 1	Level 2	Level 3
<b>As at 31 March, 2020</b>							
<b>Financial assets</b>							
Trade receivables	-	-	2970.86	2970.86	-	-	-
Cash and Cash equivalents			25.60	25.60	-	-	-
<b>Total</b>	-	-	<b>2996.46</b>	<b>2996.46</b>	-	-	-
<b>Financial liabilities</b>							
Borrowings	-	-	119.20	119.20	-	-	-
Trade Payable			2591.75	2591.75	-	-	-
Other financial liabilities	-	-	12.32	12.32	-	-	-
<b>Total</b>	-	-	<b>2723.28</b>	<b>2723.28</b>	-	-	-
<b>As at 31 March, 2019</b>							
<b>Financial assets</b>							
Trade receivables	-	-	1202.50	1202.50	-	-	-
Cash and Cash equivalents			13.62	13.62	-	-	-
<b>Total</b>	-	-	<b>1216.12</b>	<b>1216.12</b>	-	-	-
<b>Financial liabilities</b>							
Borrowings	-	-	163.73	163.73	-	-	-
Trade Payable			858.34	858.34	-	-	-
Other financial liabilities	-	-	22.75	22.75	-	-	-
<b>Total</b>	-	-	<b>1044.82</b>	<b>1044.82</b>	-	-	-

\* - Fair value through profit and loss

\*\* - Fair value through other comprehensive income

The company uses the following hierarchy for determining and/or disclosing the fair value of financial instruments by valuation techniques:

Level 1: Fair value measurement are those derived from quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2: Fair value measurements are those derived from inputs other than quoted prices that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3: Fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs)

There were no transfers between Level 1 and Level 2 during the year. No financial assets/ liabilities that are measured at fair value were Level 3 fair value measured.

**Note 28 : Financial risk management objectives and policies**

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

In performing its operating, investing and financing activities, the Company is exposed to the Market risk, Liquidity risk.

**a) Market Risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of: interest rate risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, and derivative financial instruments.



**(i) Interest Rate Risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. "The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings."

**(ii) Interest rate sensitivity**

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the impact of hedge accounting. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

(Amount in Lacs)

	For the year ended March 31, 2020	For the year ended March 31, 2019
Increase in basis points		
- INR	50.00	50.00
Effect on profit before tax		
- INR	(0.60)	(0.82)
Decrease in basis points		
- INR	50.00	50.00
Effect on profit before tax		
- INR	0.60	0.82

**(iii) Commodity Price Risk**

The company purchases raw materials (sulphuric acid and iron waste) on ongoing basis which is required for manufacturing of Ferrous sulphate powder and company involves trading in pharmaceutical products.

**(b) Liquidity risk**

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including debt and overdraft from banks at an optimised cost.

The Company is maximum exposure to credit risk for the components of the balance sheet at March 31, 2020 and March 31, 2019 is the carrying amounts as illustrated in Note 10, Note 11 and Note 12 The Company's maximum exposure relating to financial guarantees.

(Amount in Lacs)

	<1 years	1 to 5 years	> 5 years	Total
<b>As at March 31,2020</b>				
Borrowings	119.20	-	-	119.20
Trade payable	2591.75	-	-	2591.75
Other financial liabilities	12.32	-	-	12.32
	<b>2723.28</b>	<b>-</b>	<b>-</b>	<b>2723.28</b>
<b>As at March 31,2019</b>				
Borrowings	163.73	-	-	163.73
Trade payable	858.34	-	-	858.34
Other financial liabilities	22.75	-	-	22.75
	<b>1044.82</b>	<b>-</b>	<b>-</b>	<b>1044.82</b>

At present, Company does expect to repay all liabilities at their contractual maturity. In order to meet such cash commitments, operating activity is expected to generate sufficient cash inflows.

**Note 29 : Capital management**

For the purpose of the Company's capital management, capital includes issued equity share capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt is calculated as borrowing less cash and cash equivalent and other bank balances and mutual funds investments.

(Amount in Lacs)

PARTICULARS	As at March 31, 2020	As at March 31, 2019
Borrowings	119.20	163.73
Less : Cash and cash equivalent	(25.60)	(13.62)
<b>Adjusted net debt</b>	<b>93.60</b>	<b>150.11</b>
Total Equity	1488.32	1364.97
<b>Capital and net debt</b>	<b>1488.32</b>	<b>1364.97</b>
Gearing ratio	0.06	0.11

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2020 and March 31, 2019.

**Note 30 : Significant accounting judgement, estimates and assumptions**

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

**Estimates and assumptions**

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods are affected.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based on its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

**Taxes**

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. Deferred income taxes reflects the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities related to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each balance sheet date the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain that sufficient future taxable income will be available against which such deferred tax assets can be realised or virtually certain as the case may be.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Minimum alternative tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay income tax higher than that computed under MAT, during the period that MAT is permitted to be set off under the Income Tax Act, 1961 (specified period). In the year, in which the MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in the guidance note issued by the Institute of Chartered Accountants of India (ICAI), the said asset is created by way of a credit to the Statement of profit and loss and shown as MAT credit entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay income tax higher than MAT during the specified period.

There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. Where the final tax outcome of these matters is different from the amounts initially recorded, such differences will impact the current and deferred tax provisions in the period in which the tax determination is made. The assessment of probability involves estimation of a number of factors including future taxable income.

**Defined benefit plans (gratuity benefits)**

A liability in respect of defined benefit plans is recognised in the balance sheet, and is measured as the present value of the defined benefit obligation at the reporting date less the fair value of the plan's assets. The present value of the defined benefit obligation is based on expected future payments which arise from the fund at the reporting date, calculated annually by independent actuaries. Consideration is given to expected future salary levels, experience of employee departures and periods of service.

Further details about gratuity obligations are given in Note 31

**As per our Report of even date**

**For MAHESHWARI & GUPTA**  
CHARTERED ACCOUNTANTS  
ICAI Registration No. 006179C

**CA. SUNIL MAHESHWARI,**  
Partner  
Membership No. 403346

Place : Indore  
Date : 30.06.2020

**For & on behalf of board of Directors of**

**Ramesh Shah**  
Managing Director  
DIN : 00028819

**Romil Shah**  
Director  
DIN : 00326110

**Shikha Khilwani**  
Company Secretary  
Meb. No.: A43203

**Jitendra Kumar Sahu**  
Chief Financial Officer

Place : Indore  
Date : 30.06.2020

**Note 31 : Gratuity and other post employment benefit plans**
**(Amount in Lacs)**

	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>(a) Employee Data : Summary Statistics</b>		
Total Number of Employees	32.00	28.00
Average Age	41.63	42.11
Total Monthly Salary	5.55	3.92
Average Salary	0.17	0.14
Average Past Service	10.16	9.93
<b>(b) Gratuity Fund and Payout Information</b>		
Opening Balance	33.55	31.35
Contributions	-	-
Benefits Paid	-	-
Interest Credited	2.35	2.19
Closing Balance	35.89	33.55
Benefits paid directly by company	-	-
<b>(c) Information about Gratuity Benefit</b>		
Gratuity Benefit is payable to employees as per the provisions of payment of Gratuity Act 1972 and its later amendments.		
All employees are entitled to Gratuity benefits on exit from service due to retirement resignation or death there is a vesting period of 5 Year on exits due to retirement of resignation.		
<b>(e) Valuation Method</b>		
Projected unit credit method has been used for valuation of the plans liabilities as required under Ind As19		
<b>(f) Assumption - Economics</b>		
Discount Rate	6.80%	7.70%
based on yields (as on valuation date) of Government bonds with/a tenure similar to the expected working lifetime of the employees.		
<b>(g) Salary Escalation rate</b>		
	7.00%	11.00%
based on inflation, seniority promotion and other relevant factors such as demand and supply in the employment market. This assumption has been determined in consultation with the company		
<b>(h) Assumption - Demographics</b>		
Retirement Age	58 year	58 year
Attrition Rate	5 % to 1 %	5 % to 1 %
Mortality Rate	Indian Assured Lives Mortality (2012-14) Ult.	Indian Assured Lives Mortality (2006-08) Mortality (2006-08) Ult.
Defined Benefit Obligation	36.63	33.64
Profit and Loss charge for the Period	3.27	3.02
Charge of Other Comprehensive income for the period	(2.62)	(2.93)

"Complete disclosure required for reporting under Indian Accounting "Standard-19 are given in the Annexure to this report."

**(i) Defined Benefit Plan**

The Company has an unfunded defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service as per the provision of the Payment of Gratuity Act, 1972 with total ceiling on gratuity of Rs. 2,000,000/-

The following tables summaries the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the Gratuity plans.

**(Amount in Lacs)**
**Statement of Profit and Loss**
**For the year ended  
March 31, 2020**
**For the year ended  
March 31, 2019**
**Revenue Fromm Operations**

<b>Changes in the present value of the defined benefit obligation are as follows:</b>	<b>33.64</b>	<b>31.36</b>
Current service cost	3.26	3.02
Interest cost on benefit obligation	2.29	2.41
Expected return on plan assets	-	-
Actuarial losses / (gains ) arising from change in financial assumptions	1.94	(0.47)
Actuarial losses / (gains ) recognised during the period	-	-
Actuarial losses /(gains) arising from experience adjustments	(4.50)	(2.69)
Past service cost	-	-

**Net benefit expenses**
**36.63**
**33.64**
**Bifurcation of Present value of Benefit Obligation**

Current-Amount due with one year	18.81	17.34
Non-current Amount due after one year	17.82	16.30

**Total**
**36.63**
**33.64**
**Expected Benefit Payment in Future Year**

Year 1	18.81	17.34
Year 2	1.70	0.59
Year 3	0.54	1.34
Year 4	1.81	0.31
Year 5	0.46	1.41
Year 6 to Year 10	3.34	2.23

**Sensitivity Analysis**
**Effects of Key Assumption on defined Benefit Obligations**

Discount Rate -1 Percent Increase	34.49	31.99
Discount Rate -1 Percent decrease	39.24	36.69
Salary Escalation Rate-1 Percent increase	39.21	36.58
Salary Escalation Rate-1 Percent decrease	34.38	32.03
Withdrawal Rate 1 Percent increase	36.61	33.83
Withdrawal Rate 1 Percent decrease	36.68	34.41

**Changes in Fair Value of Plan Assets**

Opening Fair Value of plan assets	33.55	31.35
Expectd return on plan assets	2.28	2.41
company contributions	-	-
Benefits paid	-	-
Actuarial losses (gains)	0.07	(0.22)
Closing Fair value of plan assets on	35.89	33.55

**Balance Sheet- Amount to be recongnised**

Present Value of Benefit Obligation on 31-03-2020	36.63	33.64
Fair Value of Plan Assets on 31-03-2019	35.89	33.55
Net Liability /(Asset) recognised in Balance sheet	0.74	0.09

**Profit and Loss Statement**

Current Service coast	3.26	3.02
Net Interest on net Defined Liability /(Assets)	616.00	20.00
Expenses recognised in stataement of profit and loss	619.26	23.02

**Other Comprehensive Income**

Actuarial (Gains) /Losses on Liability	(2.56)	(3.16)
Return of Plan Assets excluding amount included in Net interest on net defined liability / (Asset) above	(0.07)	0.22

**Total**
**(2.62)**
**(2.93)**

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled. There has been significant change in expected rate of return on assets due to change in the market scenario.

**Note 32 : Segment Reporting**
**(Amount in Lacs)**

Particulars	2019 - 2020				Total
	Pharma	Chemicals Unit	Plastice Div.	Unallocable Div.	
<b>Income</b>					
External Sales/ Revenue	2,206.17	532.85			2,739.02
Job Work	230.00				230.00
<b>Total Revenue</b>	<b>2,436.17</b>	<b>532.85</b>	-		<b>2,969.02</b>
<b>Expenditure</b>					
Consumption of Material	2,159.45	405.66			2,565.11
Expenditure	137.80	112.64	6.81	6.62	263.87
Depreciation	12.26	28.57	-		40.83
(Increase)/Decrease in stock	34.99	(69.20)			(34.21)
<b>Total Expenditure</b>	<b>2,344.50</b>	<b>477.68</b>	<b>6.81</b>	<b>6.62</b>	<b>2,835.61</b>
Segment Results	91.67	55.17	(6.81)	(6.62)	133.41
Other Income	10.08	6.54			16.62
<b>Profit before tax</b>	<b>101.75</b>	<b>61.72</b>	<b>(6.81)</b>	<b>(6.62)</b>	<b>150.03</b>
<b>Tax Expenses</b>	<b>25.69</b>	-			<b>25.69</b>
<b>Net Profit for the year</b>	<b>76.06</b>	<b>61.72</b>	<b>(6.81)</b>	<b>(6.62)</b>	<b>124.35</b>
<b>Segment Assets</b>	<b>3,017.67</b>	<b>1,220.20</b>	-		<b>4,237.88</b>
<b>Segment Liabilities</b>	<b>2,397.65</b>	<b>344.54</b>	-		<b>2,742.18</b>
<b>Capital Expenditure</b>	-	<b>71.78</b>	<b>(51.11)</b>		<b>20.67</b>
<b>Depreciation and Amortisation</b>	<b>12.26</b>	<b>28.57</b>	-		<b>40.83</b>

**Note 34 : Events after reporting period**

No subsequent event has been observed which may require an adjustment to the balance sheet.

**Note 35 : Standard issued but not effective**

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) Amendment Rules, 2017 and Companies (Indian Accounting Standards) Amendment Rules, 2018 amending the following standard:

**Ind AS 115 Revenue from Contracts with Customers**

This statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.

Effective 1st April 2018 the company adopted Ind As 115 "Revenue from Contracts with Customers" using the cumulative retrospective transition method. The effect on adoption of Ind AS 115 was insignificant on the financial result

**Amendments to Ind AS 12 Recognition of Deferred Tax Assets for Unrealised Losses**

The amendments clarify that an entity needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount.

No subsequent event has been observed which may required an adjustment to the balance sheet.

Previous period's figures have been regrouped / reclassified, wherever necessary, to confirm to current period's classification.

**Note 36 : Related Party disclosures**
**i) Holding company**

Company neither have holding Company nor have subsidiary Company.

**ii) Other related parties**

"Fellow subsidiaries (only with whom there have been transaction during the period / there was balance outstanding at "the period end")"

During the year Company entered related party transaactions with following related paerties:

1. Cyano Pharma Private Limited
2. MID (India) Pharmaceuticals Private Limited
3. Formoplast Private Limited

**iii) Key management personnel**

The following have been designated as the Key Managerial Personnel of the Company pursuant to sections 2(51) and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

1. Mr. Ramesh Shah, Managing Director
2. Ms. Shikha Khilwani, Company Secretary and Compliance Officer
3. Mr. Jitendra Kumar Sahu, Chief Financial Officer

**iii) Statement of Related Party Transactions for the period ended March 31, 2020 (Amount in Lacs)**

S. No.	Particulars	2020			2019		
		Group Concern	Key Managerial Personnel	Relative of Key managerial	Group Concern	Key Managerial Personnel	Relative of Key managerial Personnel
1	<b>Sale :-</b> Cyano Pharma Private Ltd.	335.90			264.91		
2	<b>Purchase :-</b> Cyano Pharma Private Ltd.	70.29			196.30		
3	<b>Job Works :-</b> Cyano Pharma Private Ltd.	271.40			192.34		
4	<b>Salary To relative of KMP</b> Ketan Shah			17.40			17.40
	Meet Shah			6.05			3.00
	Rohan Shah			3.66			3.00
5	<b>Salary To KMP</b> Shikha Khilwani		3.18			3.05	
	Jitendra Kumar Sahu		3.18			3.18	
6	<b>Borrowings repaid</b> MID (India) Pharmaceuticals Private Limited	55.45			6.05		
7	<b>Interest on borrowings</b> Formoplast Private Limited	6.49			6.16		
	MID (India) Pharmaceuticals Private Limited	5.65			9.32		

**iii) Statement of Related Party Balances as at March 31, 2020**

(Amount in Lacs)

S. No.	Particulars	2020			2019		
		Group Concern	Key Managerial Personnel	Relative of Key managerial	Group Concern	Key Managerial Personnel	Relative of Key managerial Personnel
1	Cyano Pharma Private Limited-	428.30			185.99		
2	Formoplast Private Limited	77.96			72.12		
3	MID (India) Pharmaceuticals Private Limited	41.25			91.61		
	<b>Salary To relative of KMP</b> 1 Ketan Shah			1.03			1.11
	2 Meet Shah			0.44			0.22
	3 Rohan Shah			0.27			0.22
	<b>Salary To KMP</b> 1 Shikha Khilwani		0.19			0.26	
	2 Jitendra Kumar Sahu		0.15			0.26	

## E-MAIL REGISTRATION FORM

To,  
**The Company Secretary**  
**Biofil Chemicals and Pharmaceuticals Limited**  
11/12 Sector E, Sanwer Road,  
Industrial Area, Indore 452015 (M.P.)

Dear Sir / Madam,

**RE : Registration of E-mail ID for receiving communications in Electronic form.  
(Green Initiative in Corporate Governance)**

I agree to receive all communication from the Company in electronic mode. Please register my e-mail id in your records for sending communication through e-mail.

Folio No : .....

DP ID : .....

Client ID : .....

PAN : .....

Name of the 1st Registered Holder : .....

Name of the Joint Holders : .....

Registered Address : .....

.....

.....

Email Id : .....

Mobile no. : .....

Date : .....

Signature of the 1st Holder : .....

**Important Notes:**

- 1) On registration, all the communication will be sent to the e-mail ID registered in the folio/DP ID & Client ID.
- 2) Shareholders are requested to keep company informed as and when there is any change in the e-mail address. Unless the email Id given above is changed by you by sending another communication in writing, the company will continue to send the notices/documents to you on the above mentioned email ID.



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CIN : L24233MP1985PLC002709

**Regd. Off.** : 11/12, Sector - E, Sanwer Road,  
Industrial Area, Indore. 452 003 INDIA