



**BIBCOL**

**Bharat Immunologicals & Biologicals Corporation Limited**

CIN – L24232UP1989GOI010542 (A Govt. of India Undertaking)

Regd. Office: Vill. Chola, Bulandshahr(UP)-Pin 203203

Phone 9458096110, TeleFax -05732 238757

Email – [sklalacs@yahoo.co.in](mailto:sklalacs@yahoo.co.in) Website- [www.bibcol.com](http://www.bibcol.com)

No. BIB/CS/AGM-ANNUAL REPORT/19-20/2020-21/  
29.12.2020

To,

The Listing Department,  
Bombay Stock Exchange,  
Phiroze Jeejeebhoy Towers,  
25, Dalal Street,  
Mumbai – 400 001

Sub: Submission of Annual Report for the Financial year 2019-20 as Compliance of the provision of Regulation 34(1) of the Listing Regulation (LODR) 2015.

Sir,

In pursuance of the provision of Regulation 34(1) and other applicable Regulation(s) of the Listing Regulation (LODR) 2015, please find attached herewith the Annual Report of the company for the financial year 2019-20.

The Annual Report for the year 2019-20 will be placed and adopted at Annual General Meeting on 30.12.2020 is submitted for kind information and record please.

Thanking you,



*S. Lal*

(Sandip Kumar Lal)  
General Manager (Company Secretary)



# BIBCOL

## THIRTY FIRST ANNUAL REPORT 2019-2020



Eradication of Polio

**BHARAT IMMUNOLOGICALS AND BIOLOGICALS CORPORATION LIMITED**

**(A Government of India Undertaking)**

**Registered Office: Vill. Chola, Distt. Bulandshahr (U.P.) - 203203**

**Telefax: -05732- 238757**

**Email - [complianceofficer\\_bibcol@yahoo.in](mailto:complianceofficer_bibcol@yahoo.in), [www.bibcol.com](http://www.bibcol.com)**



**CORPORATE INFORMATION**

**BOARD OF DIRECTORS**

Prof. G. Padmanaban, **Chairman** (Up to 15.01.2020)

Dr. Y.K. Gupta, **Chairman** (From 16.01.2020)

Sh. Chandra Prakash Goyal, **Managing Director**

Dr. Alka Sharma  
Dr. Mohd. Aslam  
Sh. Roshan Lal

Dr. Sudhanshu Vrati  
Dr. Madhu Dikshit (w.e.f. 21.06.2019)

**COMPANY SECRETARY**

Sh. Sandip Kumar Lal

**STATUTORY AUDITORS**

M/s Reshma & Co  
Chartered Accountants  
Ghaziabad - 201001

**COST AUDITORS**

M/s Sunny Chhabra & Co  
Cost Accountants  
Crossing Republic, Ghaziabad -  
201016

**SECRETARIAL AUDITORS**

M/s Agrawal Manish Kumar & Co  
Company Secretaries  
B-10 &11, Chanakya Complex  
Laxmi Nagar, Delhi- 110092

**BANKERS**

**CANARA BANK**

9 Community Centre  
Gulmohar Enclave  
New Delhi - 110049

**REGISTRAR & TRANSFER AGENT**

M/s Mas Services Limited  
Plot No. T-34, 2<sup>nd</sup> Floor  
Okhla Industrial Area Phase II, New Delhi – 110020  
Phone no. 011 – 2638 7281 82, 83  
Fax no. 011 – 26387384,  
Website [www.masserv.com](http://www.masserv.com)



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### **NOTICE OF ANNUAL GENERAL MEETING**

NOTICE is hereby given that 31<sup>st</sup> Annual General Meeting of the Members of Bharat Immunologicals and Biologicals Corporation Limited (BIBCOL) will be held as per following schedule:

Date 30/12/2020 (Wednesday)

Time 11.30 A.M.

Venue: Bharat Immunologicals and Biologicals Corporation Limited, OPV Plant, Village - Chola, Bulandshahr. (U.P.)

For transaction of the following Ordinary Businesses:

1. To receive, consider and adopt the Financial Statements of the Company for the year ended 31<sup>st</sup> March 2020 including Audited Balance Sheet as at 31<sup>st</sup> March, 2020 and the Statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint Auditors and fix their remuneration and in this regard, 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 section 139 of the Companies Act, 2013, the Statutory Auditor(s) appointed or any alteration thereof by Comptroller & Auditor General of India (C&AG), as the case may be, for the financial year 2020-21, and subject to the section 143 of the Companies Act, 2013, be and is hereby approved the appointment, to conduct the audit of the company, on such remuneration as fixed by the Board of Directors."

#### **NOTES TO NOTICE OF MEETING:**

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and on a poll to vote instead of himself/ herself. The proxy need not be a member of the company. A blank form of proxy is enclosed herewith and, if intended to be used, it should be returned duly completed at the registered office of the company not less than forty eight hours before the scheduled time of the commencement of AGM.
2. A person can act as proxy on behalf of members not exceeding fifty in number and holding in the aggregate not more than 10% of the total share capital of the company carrying voting rights. However, a member holding more than 10% of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
3. Every member entitled to vote at the meeting, or on any resolution to be moved thereat, shall be entitled during the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, to inspect the proxies lodged, at any time during the business hours of the company, provided that not less than three days' notice in writing of the intention so to inspect is given to the company.
4. Corporate Members are requested to send a duly certified copy of the Board Resolution authorizing their representative(s) to attend and vote on their behalf at the Meeting.
5. Members/ Proxies should fill in the attendance Slip for attending the meeting and bring their Attendance Slips along with their copy of Annual Report to the Meeting.
6. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. Members who hold shares in electronic form are requested to write their DP ID and Client ID numbers and those who hold shares in physical form are requested to write their Folio Number in the Attendance Slip for attending the Meeting to facilitate identification of membership at the Meeting.
8. The Register of Members and Share Transfer Books of the Company will remain closed from 23/12/2020 to 30/12/2020 both days inclusive.
9. All documents referred in the notice are open for inspection at the Registered Office of the Company between 10.00 a.m. to 5.00 p.m. on any working day up to the date of Annual General Meeting and also at the meeting.
10. In compliance with the circulars, notice of the AGM along with the Annual Report 2019-20 is to be sent through electronic mode to those members whose e-mail address are registered with the Depositories/Registrar and Share Transfer Agent (RTA) i.e. M/s Mas Services Limited/Company. Members who have not yet registered their email address so far, are requested to register it with their respective Depository Participant (DP) (in case of electronic holding) or with RTA, by providing necessary details like folio number, name of shareholder along with scanned copy of the share certificate, self attested PAN, Aadhar, for receiving all communications including Annual report, Notice etc. from the Company electronically.
11. It will be appreciated that queries, if any, on accounts and operations of the Company are sent to the Regd. Office of the company ten days in advance of the meeting so that the information may be made readily available.
12. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of



any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.

13. As per Regulation 40 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. Accordingly, to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact RTA/ Company for assistance in this regard.
14. Pursuant to Section 72 of the Companies Act, 2013, members holding shares in physical form may file nomination in the prescribed Form SH-13 and for cancellation/ variation in nomination in the prescribed Form SH-14 with the Company's RTA. In respect of shares held in electronic/ demat form, the nomination form may be filed with the respective Depository Participant.
15. Voting through electronic means

In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of SEBI LODR and the circulars, the Company is providing the facility to exercise their right to vote at the 31<sup>st</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL):

**The instructions for shareholders voting electronically are as under:-**

**The voting period begins on 27.12.2020 at 9.00 a.m. and ends on 29.12.2020 at 5.00 p.m. During the period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 23.12.2020, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter.**

- I. **In case of Members receiving e-mail from NSDL (For those members whose e-mail addresses are registered with Company/Depositories):**
  - a. Open e-mail and open PDF file viz."Bharat Immunologicals and Biologicals Corporation Limited remote e-Voting.pdf" with your client ID or Folio No. as password. The said file contains your user ID and password for remote e-voting. Please note that the password is an initial password.
  - b. Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>.
  - c. Click on Shareholder-Login.
  - d. Put user ID and password as initial password noted in step (a) above. Click Login.
  - e. Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - f. Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
  - g. Select "EVEN" of "**Bharat Immunologicals and Biologicals Corporation Limited.**".
  - h. Now you are ready for remote e-voting as Cast Vote page opens.
  - i. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
  - j. Upon confirmation, the message "Vote cast successfully" will be displayed.
  - k. Once you have voted on the resolution, you will not be allowed to modify your vote.
  - l. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [mkagrawal.cs@gmail.com](mailto:mkagrawal.cs@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
- II. **In case of Members receiving Physical copy of Notice of the Meeting (for members whose email addresses are not registered with the Company/Depository Participants(s) or requesting physical copy)**
  - a. Initial password is provided in the box overleaf.
  - b. Please follow all steps from Sl. No. (b) to Sl. No. (l) above, to cast vote.
- III. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222- 990.
- IV. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
- V. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- VI. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of **December 23, 2020**.



- VII. Any person, who acquires shares and becomes member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. ~~December~~ 23, 2020, will be provided the notice through mail or by post after the cut-off date. Such members may also obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or RTA, MAS Services Limited, [info@masserv.com](mailto:info@masserv.com). However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990.
- VIII. The members who have cast their vote by remote e-voting may also attend the meeting but shall not be entitled to cast their vote again.
- IX. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the meeting through ballot paper.
- X. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- XI. The Results declared along with the report of the Scrutinizer shall be filed at the BSE immediately after the declaration of result by the Chairman or a person authorized by him in writing.

**17.** M/s. AGRAWAL MANISH KUMAR AND CO, Company Secretary (CP No. 7057), has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

The Results of e-voting shall be declared on or after the AGM of the Company and the Results declared with Scrutinizer Report shall be placed on the Website of the Company i.e. viz. [www.bibcol.com](http://www.bibcol.com) and also on the website of NSDL and will be filed at [www.bseindia.com](http://www.bseindia.com) within three days of passing of the Resolution of the AGM of the Company.

**18.** All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 am to 5.00 pm) on all working days, up to and including the date of the Annual General Meeting of the Company.

By Order of the Board

Date : 26.11.2020  
Place : New Delhi

(Chandra Prakash Goyal)  
Managing Director



## **DIRECTOR'S REPORT**

On behalf of the Board of Directors I hereby present the 31<sup>st</sup> Annual Report together with Audited Statements of Accountants of the Company for the year ended March 31, 2020.

### **FINANCIAL RESULTS**

During the year 2019-20 BIBCOL has turnover of ₹6,683.65 lakhs as against the previous year turnover of ₹8,364.56 lakhs. The (Loss)/Profit before tax is ₹ -1420.32 lakhs for the year as compared to the previous year profit of ₹-737.35 lakhs. The accumulated losses has been increased to ₹ 2270.62 lakhs as compared of previous year figure of ₹ 1250.26 lakhs.

### **COVID PANDEMIC**

From the Month of March 2020, the COVID-19 pandemic developed rapidly, forcing governments to enforce lock-downs of all economic activities. With such unprecedented measures taken by both the Central and respective State Governments to contain the spread of COVID – 19, the Country's economy has been impacted and have caused hardship and disruption in people's lives. Company's performance was also impacted due to disruption in vaccination schedule of Health Ministry and hence supply of vaccine. However company introduced two new products the Hand Sanitizer for sanitization of hands and Zinc – vitamin tablets for enhancement of immunity. Company is also contributing a part of sale of hand sanitizer in Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund). All the employees of the Company have contributed one day salary to PM CARES Fund.

### **DIVIDEND**

In view of the accumulated losses, company has not been recommending any dividend for the year.

### **FUTURE OUTLOOK**

Company is in diversification mode and two projects namely Oral Cholera Vaccine and plasma derived medicines are under execution.

### **FIXED DEPOSIT**

The company has not accepted/ invited any Deposits from public pursuant to Section 73 of the Companies Act, 2013, till the end of the year under review.

### **DIRECTORS**

Dr. Y. K. Gupta has been joined as Independent Chairman w.e.f. 16.01.2020. The tenure of Prof. G. Padmanaban as Chairman has been completed on 15.01.2020.

### **LISTING OF SECURITIES**

The shares of the company are listed with Bombay Stock Exchange. The company has paid annual listing fee to Bombay Stock Exchange for the year 2020-2021.

### **AUDITOR'S REPORT**

M/s. Reshma & Co., Chartered Accountants has been appointed as Statutory Auditors of the Company by Comptroller and Auditor General of India for the period under review.

Comments on the observation of the Auditors' / CAG are given as addendum to Director's Report and are self-explanatory and/or suitably explained in various Notes on the Accounts.

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

In accordance with the provisions of Sec.134 (3)(m) of the Companies Act,2013 and the Companies (Accounts) Rule, 2014 the required information relating to conservation of energy, technology absorption and foreign exchange outgo is available at Annexure and forms an integral part of this report.

### **DIRECTOR'S RESPONSIBILITY STATEMENT:**

Based on the work performed by the Internal, Statutory and Secretarial Auditors including audit of internal financial controls over financial reporting by the Statutory Auditors and reviews performed by the Management and the Audit Committee, and subject to the disclosures in the Annual Accounts and also on the basis of the discussion with the Statutory Auditors of the Company from time to time, we state as under:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;





(c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) the directors had prepared the annual accounts on a going concern basis; and

(e) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

Since the Company is Government company and it is following the General Financial Rules of Ministry of Finance, Government of India. Further the Company has some Rules of its own and in absence of any particular clarity; the Government of India prescribed Rules are being followed.

(f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **CORPORATE SOCIAL RESPONSIBILITY**

The provision of section 135 of the Companies Act, 2013 for Corporate Social Responsibility was not applicable on the company for the Financial Year 2019-20.

The company has CSR Committee of its Directors comprising of Dr. Sudhanshu Vрати, Dr. Mohd. Aslam and Sh. Roshan Lal.

#### **PERSONNEL**

The company has always considered its human resource as the most important resource. Emphasis was laid on competency building of employees for higher roles in the Company. The company has trained its employees in-house training on various topics for capability enhancement and skill development. The topics for training were chosen to promote overall development and to foster understanding, collaboration, teamwork and leadership qualities amongst the employees in the organization.

#### **CORPORATE GOVERNANCE**

In terms of SEBI's (Listing Obligation and Disclosure Requirements) Regulations 2015, a report on Corporate Governance for the year ended 31<sup>st</sup> March 2020, supported by a certificate from the Practicing Company Secretary confirming compliance of conditions, forms part of this report.

#### **SECRETARIAL AUDIT**

In terms of Section 204(1) of the Companies Act, 2013, the Board has appointed M/s Agrawal Manish Kumar & Co., Practicing Company Secretary, as Secretarial Auditor for the conducting secretarial compliance audit for the financial year ended 31<sup>st</sup> March 2020. Their Report has been annexed with this report and forms part of this Report.

#### **COST AUDIT**

Maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, is required by the Company and accordingly such accounts and records are made and maintained and the Audit Report has been filed at MCA for the year 2019-20. M/s Sunny Chhabra & Co. is the cost auditor of the company.

#### **EXTRACT OF ANNUAL RETURN**

Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of the Annual Report are given in the annexure to this report.

#### **DISCLOSURES AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

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. During the year under review, no complaints received on sexual harassment.

#### **ACKNOWLEDGEMENT**

The Directors acknowledge with gratitude the co-operation extended by Department of Biotechnology, the administrative department, various agencies of the Central Government, Bank and all Business Associates during the year under review. The Board also takes this opportunity to express its deep gratitude for the continuous support received from the Shareholders and Whole hearted cooperation given by the employees of the Company working at various levels.

Place: Bulandshahr

For and on behalf of Board of Director

Date

Managing Director



**ANNEXURE TO DIRECTORS' REPORT**

Information as required under section 134 (3) (m) read with the Companies (Disclosure of Particulars in respect of Board of Directors) Rules, 1988.

**(A) CONSERVATION OF ENERGY:**

Form of Disclosure

Power and Fuel Consumption

**1. Electricity Particulars:**

Particulars	2019-20	2018-19
(a) Units Purchased	2877250	1707510
Total Amount ( In Lacs)	184.56	197.38
Avg. Rate/Unit (in Rs.)	6.41	11.56
(b) Unit Generation-Own diesel generator	23736	22200
HSD Used (Unit & In lacs) 13677 Ltr.2018-19 10731 Ltr. 2019-2020	7.12	6.70
Unit per liter of diesel	66.43	66.94
Oil/Cost/Unit (in ₹)	30.32	30.18

**2. Light Diesel Oil (Used for stream Production) :**

Particulars	2019-20	2018-19
Quantity (Ltrs.) (Used in Boilers)	103530	98760
Total Amount (₹ In Lacs)	45.30	44.20
Average Rate (Rs./Ltr.)	43.75	44.76

**3. Consumption (Per one Lac Doses of Oral Polio Vaccine)**

Source of Energy	Standard (if any) Indigenous Production	Current Year 2019-20			Previous Year 2018-19		
		OPV	ZINC	BIBSW EET	OPV	ZINC	BIBSW EET
Electricity	4655 Units	2640000	36000	1250	1661941	43747	1822
Light Diesel Oil	520 Lt.	103530	0	0	98760	0	0
Others (Export Electricity)	Units	200000			0	0	0

PARTICULARS	CURRENT YEAR	PREVIOUS YEAR
(A) Technology Absorption	NIL	NIL
(B) Foreign Exchange Gain/Loss (₹ in lacs)	12.39	326.47
(C) Foreign Exchange Outgo (Rs. in lakhs)	9511.83	8803.34



## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### **Industrial Structure and Development**

BIBCOL was established for supply of Oral Polio Vaccine for meeting national Immunization Programme of Government of India. Commercial production was started in the year 1996 and since then has contributed significantly to the National Immunizations Programme, by supplying billions of doses of OPV. In the year 2006, the facility was up graded to meet the WHO cGMP & revised schedule M of Drugs & Cosmetics Act. In the year 2016 BIBCOL switched over to bOPV from tOPV

In addition to bOPV in vaccine segment, BIBCOL has been manufacturing & marketing dispersible Zinc Tablet and Diarrhea Treatment Kit in Pharmaceutical segment, and now has entered into RUTF and low calorie sweetener tablets in food segment.

To add in product line, company has diversified into Plasma derived medicines, and Oral Cholera Vaccine. The work on execution of project has begun.

### **Segment-wise or product-wise performance**

Company has main revenue generation in vaccine (OPV) segment and it has achieved net sale of ₹ 6683.65 lakhs during the year.

### **Outlook-opportunities, threats, risk and concerns**

Opportunities: Awareness & concern of health of young children among public provide an opportunity for development of new products. BIBCOL is gearing up for the same & has tied up with reputed institutions for development of various products.

Threats: Growth of private manufacturers, non availability of bulk in India, frequent change in foreign exchange rates, reluctance of the Ministry of Health & Family Welfare to award supply order to a PSU on nomination base that was established to support government polio eradication programme, abolishment of price preference to PSUs are perceived to be threats.

Risks: Long Product development period, reduced product price due to competition, continuous upgradation of regulatory requirements are perceived to be risk factors.

Concerns: Perpetual import of bulk vaccine of OPV & dependence on single product.

### **Internal control systems and their adequacy**

The Company has established systems providing adequate internal controls, commensurate with its size and nature of the business. Such systems have been appropriately documented.

### **Financial performance with respect to operation performance**

Effective cost controlling process had been adopted to reduce Sundry Expenses as could be appreciated from the Statement of Profit and Loss Account.

### **Human Resources**

The Company regards its human resources amongst its most valuable assets. Company has established a Training Division for continuous upgradation of knowledge & skills of its employees by conducting workshops, seminars etc on regular basis. It proactively reviews and evolves policies and process to attract and retain its substantial pool of Scientific, technical and managerial resources and work force through a work environment that encourages initiative, provides challenges and opportunities.



## **REPORT ON CORPORATE GOVERNANCE**

The company's Corporate Governance is set of systems and practices to ensure that the affairs of the company are being managed in a way which ensures accountability, transparency, and fairness in all its transactions in the widest sense and meet its stakeholder's aspirations and societal expectations.

**BIBCOL has ensured compliance with the objectives of the principles of corporate Governance stated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (LODR) and the Department of Public Enterprises Guidelines on Corporate Governance, the details of compliance by the Company are as under:-**

### **1. Board of Directors**

The Board is having a non-executive Chairman and appropriate composition of Executive and Non-Executive Directors conforming to the specification provided in the LODR. All the Directors are equipped with variety of perspectives and skills, to ensure effectiveness of the Board, facilitating efficient discharge of duties and adding value in the context of the Company's circumstances.

The Board of Directors consists of seven directors (as on date) and their composition, category and attendance in the meetings are as follows:

Name	Category	Other Directorship	No. Committee membership held in other company	Board Meeting Attended (Nos.)	Attendance at last AGM
Prof. G. Padmanaban	Independent Chairman (upto15.01.2020)	N.A.	N.A.	3	N.A.
Dr. Y. K. Gupta	Independent Chairman (From16.01.2020)	N.A.	N.A.	3	N.A.
Sh. C. P. Goyal	Managing Director	One (1)	N.A.	4	PRESENT
Dr. Alka Sharma	Independent Director	N.A.	N.A.	3	N.A.
Sh. Roshan Lal	Government Director	N.A.	N.A.	2	N.A.
Dr. Mohd. Aslam	Independent Director	One (1)	N.A.	1	N.A.
Dr. Sudhanshu Vрати	Independent Director	N.A.	N.A.	3	N.A.
Dr. Madhu Dikshit (w.e.f. 21.6.2019)	Independent Director	N.A.	N.A.	2	N.A.

1.1 The Company being a PSU, all Directors are appointed/nominated by the Administrative Department, the Department of Biotechnology, ministry of Science & Technology, Government of India.

1.2 Directors are not per se related to each other.

1.3 Directors do not have any pecuniary relationship or transactions with the company.

1.4 None of the directors is a member of more than 10 committees or Chairman of more than 5 Committees, across all the Companies in which he/she is a Director as per Regulation 26(1)(a) & (b) of LODR 2015.

1.5 Four Board meetings of the Company were held during the year on the following dates:

1. 11/04/2019, 2. 1/08/2019, 3.29/10/2019, and 4. 31/01/2020.



1.6 Sitting fees to Non- Executive Director (from 01.04.2018 to 31.03.2019)

Non Executive Director	No. of Board and Committee Meeting Attended	Sitting Fees (Rs.)
Prof. G. Padmanaban	3	6000
Dr. Sudhanshu Vрати	3	6000
Dr. Y. K. Gupta	6	12000

## 2. Board and its subordinate Committees

With a view to sub serve the functions specifically prescribed under section 177/178 of the Companies Act, 2013, SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015 and Guidelines on Corporate Governance for CPSEs issued by Department of Public Enterprises; the company has constituted an Audit Committee and Stakeholder Relationship/Investors Grievance Committee. The following report depicts the composition of the committees and also the nature of functions performed by them during the year under report:

### 2.1 Audit Committee

There is an Audit Committee pursuant to SEBI's LODR 2015 and Section 177 of the Companies Act 2013. The role and powers of the audit committee as stipulated by the Board are in accordance with the above prescribed provisions.

2.2 The composition and other details of the audit committee (as on date) are as follows :

Name of the Director	Designation	Nature of Directorship	No. of Meetings	
			Held	Attended
Dr. Y. K. Gupta	Chairman (upto15.01.2020)	Independent Director	4	3
Sh. Roshan Lal	Chairman	Independent Director	4	2
Sh. C. P. Goyal	Managing Director	Executive Director	4	4
Dr. Alka Sharma	Independent Director	Independent Director	4	3

2.3 The Internal Auditor, Statutory Auditors, Secretarial Auditors, and Cost Auditors of the Company were also invited to attend the Audit Committee meetings. As per the need, other key functionaries of the company were also invited to attend the meetings.

2.4 Four Audit Committee meetings were held during the year on the following dates:

1. 11/04/2019, 2. 1/08/2019, 3.29/10/2019, and 4. 31/01/2020.

**2.5 Remuneration Committee:** -Separate Remuneration Committee has not been formed. No remuneration is being paid to Directors.

### 2.6 Stakeholders Relationship/ Investor Grievance Committee

Stakeholders Relationship / Investor Grievance Committee, comprising of Dr. Alka Sharma, Chairman, Sh. R. K. Shukla and Sh. S. K. Lal as Members. The Committee oversees and reviews all matters connected with the securities transfers. The Committee also looks into redressal of shareholders' complaints like transfer of shares, non-receipt of balance sheet etc. The Committee oversees the performance of the Registrar and Transfer Agents, and recommends measures for overall improvement in the quality of investor services. During the year, four meetings were held. The details of the Committee meeting are as under:

Member	Category	Meeting Attended
Sh. C. P. Goyal – Chairman (upto31.01.2020)	Managing Director	3
Dr. Alka Sharma - Chairman	Independent Director	1
Sh. R. K. Shukla – Member	Vice President	4
Sh. S. K. Lal – Member	Company Secretary	4



### 3. Board Procedure

It has always been the Company's policy and practice that apart from matters requiring the Boards' approval by Statute, all major decisions including quarterly results, actual operations, feedback reports and minutes of all Committees are regularly placed before the Board.

### 4. General Body Meetings

#### Annual General Meetings

Venue and time for last three Annual General Meetings were as follows:

Year	Venue	DATES	TIME
2016-17	BIBCOL, Registered Office, OPV Plant, Village Chola, Distt. Bulandshahr U.P.	29.09.2017	11.30 A.M.
2017-18	BIBCOL, Registered Office, OPV Plant, Village Chola, Distt. Bulandshahr U.P.	28.09.2018	11.00 A.M.
2018-19	BIBCOL, Registered Office, OPV Plant, Village Chola, Distt. Bulandshahr U.P.	27.09.2019	11.30 A.M.

#### 5. (a) **Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the Company at large.**

None of the transactions with any of the related parties were in conflict with the interest of the Company.

- (b) Details of non-compliance by the Company, penalties, structures, imposed on the Company by Stock Exchanges or SEBI, or any statutory authority, on any matter related to capital markets, during the last three years.

No penalty or strictures had been imposed on the company by any regulatory authorities relating to capital markets in the last three years.

#### 6. Means of Communication: -

The quarterly and Annual financial results of the company were submitted online at BSE portal and its website [www.bibcol.com](http://www.bibcol.com)

7. The Management Discussion and Analysis Report forms part of this Annual Report.

#### 8. General Shareholder Information

##### 8.1 Annual General Meeting

The 31<sup>st</sup> Annual General Meeting of the company will be held on 30/12/2020 at OPV Plant, Village Chola, Bulandshahr, UP-203203

##### 8.2 Financial Calendar

First Quarter results	:	During July.
Second quarter results	:	During October
Third quarter results	:	During January
Fourth Quarter Result	:	Before end of April 2020

8.3 **Book closure date:** The 23<sup>rd</sup> December, 2020 to 30<sup>th</sup> December, 2020 (both days inclusive), for the purpose of holding Annual General Meeting.

8.4 **Listing of Equity Shares on Stock Exchanges at:** Bombay Stock Exchange (BSE), Mumbai.

Note: The Company has paid Annual Listing Fee to Bombay Stock Exchange. The notice of the 31<sup>st</sup> Annual General Meeting of the company has been submitted.

8.5 (a) **Stock Code Trading Symbol - Bombay Stock Exchange :** '524663' Bharat Imuno

(b) **Demat ISIN Numbers in NSDL & CDSL for Equity Shares:** ISIN No. INE994BO1014

(c) **Stock Market Data (in Rs./ per share of Rs. 10) Bombay Stock Exchange BSE)**



**Month's High Month's Low :**

Year	Month	High (Rs.)	Low (Rs.)	
2019	April	10.68	7.60	
	May	9.88	7.25	
	June	9.30	6.42	
	July	8.24	5.70	
	August	7.46	5.50	
	September	8.40	6.00	
	October	7.00	6.00	
	November	8.98	6.33	
	December	8.45	7.06	
	2020	January	13.67	7.20
		February	14.80	7.20
		March	8.38	5.41

**8.6 Registrars and Transfer Agents:**

M/s. Mas Services Ltd, Plot No. T – 34, 2<sup>nd</sup> Floor, Okhla Industrial Area, Phase II, New Delhi 110020. **Tel. No.- 011-2638 7281 82, 83, Fax – 011- 26387384, e-mail: info@masserv.com**

**8.7. Share Transfer System**

Presently, the shares that are received in physical form are processed and the share certificates returned within a period of 07 to 10 days from the date of receipt, subject to the documents being valid and complete in all respects. The share Certificates are dispatched within a period of fifteen days from the date of their receipt. The entire dematerialization request received from the shareholders are confirmed within the specified period of 15 days from the date of its generation of DRN Number by the DPs and physically received in the office of the RTA.

**8.8 Categories of Shareholders as on 31.03.2020 :**

Category Code	Category of Shareholders	Number of Share holders	Total No. of Shares	Number of share held in Dematerialized form	Total Shareholding as a percentage of total number of shares
A. Shareholding of Promoter and Promoter group	Govt. of India	8	25586000	25585993	59.25
B. Public Shareholding	Financial Institutions/ Bank	1	1700	1700	0.01
	Bodies Corporate	126	815912	758712	1.89
	Individuals - Upto 2 lakh	17529	10747908	9806438	24.89
	- Above 2 lakh	95	5236594	5236594	12.13
	Clearing Member (Demat Transit)	23	520790	520790	1.21
	NRI.	71	271096	271096	0.62
	GRAND TOTAL	17853	43180000	42181323	100.00

**8.9 Dematerialization of Shares**

97.68 % of the Company's paid-up equity share capital has been dematerialized as on 31st March, 2020. Trading in Equity Shares of the Company is permitted only in dematerialized form as per notification issued by the Securities and Exchange Board of India (SEBI).

**8.10 Liquidity**

The shares of the company are being regularly traded in the Bombay Stock Exchange.

**8. 11. Plant Locations-**

Bharat Immunologicals and Biologicals Corporation Limited (BIBCOL), OPV Plant, Village Chola, Bulandshahr, Uttar Pradesh -203203

**8.12 Address for Correspondence**

For share transfer, transmission and dematerialization request

M/s. Mas Services Ltd, Plot No. T – 34, 2<sup>nd</sup> Floor, Okhla Industrial Area, Phase II, New Delhi 110020.



OR

The Company Secretary, Bharat Immunological & Biological Corporation Limited, Village - Chola, Bulandshahr, Uttar Pradesh - 203203.

**9. Compliance Certificate**

As per compliance of SEBI Listing Obligation & Disclosure Requirement, Regulations 2015, a Secretarial Compliance Report has been obtained from Practising Company Secretary, M/s Agrawal Manish Kumar & Co., New Delhi. The Certificate is the part of the Director's Report

**SECRETARIAL COMPLIANCE REPORT OF BHARAT IMMUNOLOGICALS AND BIOLOGICALS CORPORATION LIMITED FOR THE YEAR ENDED AS ON 31<sup>ST</sup> MARCH, 2020**

I Manish Kumar Agrawal have examined:

- (a) All the documents and records made available to us and explanation provided by BHARAT IMMUNOLOGICALS AND BIOLOGICALS CORPORATION LIMITED ("the listed entity"),
- (b) the filings/ submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification,

For the year ended on **31<sup>st</sup> March, 2020** ("Review Period") in respect of compliance with the provisions of:

- (a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
- (b) the **Securities Contracts (Regulation) Act, 1956** ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (g) Securities and Exchange Board of India (Issue and Listing of Non- Convertible and Redeemable Preference Shares) Regulations, 2013;





(h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(i) (Other regulations as applicable) and circulars/ guidelines issued thereunder;

And based on the above examination, I hereby report that, during the Review Period:

(a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:-

Sr. No	Compliance Requirement (Regulations! circulars! guidelines including specific clause)	Deviations	Observations! Remarks of the Practicing Company Secretary
	NIL		

b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from my/our examination of those records.

(c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (*including under the Standard Operating Procedures issued by SEBI through various circulars*) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

Sr. No	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observation remarks of the Practicing Company Secretary if any.
Not applicable during the review period				

(d) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year endeth ( <i>The years are to be mentioned</i> )	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
Not applicable during the review period				

Place: New Delhi  
Date: 21.12.2020

for AGRAWAL MANISH KUMAR & CO  
COMPANY SECRETARIES

MANISH KUMAR AGRAWAL (Proprietor)  
Fellow Membership Number- 9528, Certificate of Practice Number- 7057  
UDIN number- F009528B001584411



**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> March, 2020

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

To,

**The Members,**

**BHARAT IMMUNOLOGICAL AND BIOLOGICAL CORPORATION LIMITED**

I/We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Bharat Immunological and Biological Corporation Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me/us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my/our verification of the Bharat Immunological and Biological Corporation Limited 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/We hereby report that in my/our opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> 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/we have examined the books, papers, minute books, forms and returns filed and other records maintained by BHARAT IMMUNOLOGICAL AND BIOLOGICAL CORPORATION LIMITED for the financial year ended on 31<sup>st</sup> March, 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder;
- (v) The Applicable Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'), Viz.:-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (not applicable);
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (not applicable);



- (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); and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (not applicable);
- (vi) Securities Exchange Board of India (Listing Obligation Disclosure Requirements), 2015.

I/we have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange,

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

**I/we further report that**

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent 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.

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

**I/we 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.

Note: On the basis of information provided, I/we do not find any reason to specific observations / qualification, reservation or adverse remarks in respect of the Board Structures/system and processes relating to the Audit period.

Place: New Delhi  
Date: 23/09/2020

**for AGRAWAL MANISH KUMAR & CO  
COMPANY SECRETARIES**

MANISH KUMAR AGRAWAL  
(Proprietor)  
C.P. NO. 7057  
UDIN number F009528B000757374  
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**ADDENDUM TO DIRECTORS REPORT**

Management reply to the Comments of Auditor's Report

Qualifications of Statutory Auditors	Reply by the Management
Stock of Finished goods includes the stock of 7,29,020 vials amounting to Rs. 662.37 lacs of Biovalent Oral Polio vaccine ( BOPV) which has failed sterility test conducted by Central Drug Laboratory (CDL) , Government of India Kasoli , Himachal Pradesh wherein it was clearly stated that BOPV were contaminated and not fit for sales. The Management confirm that inventory could not be sold and required to be written off	As per letter from Central Drugs Standard Control Organization (Biological Division), Directorate General of Health Services, Government of India vide number X-11026/83/2019-BD dated 14.02.2020, it has been directed to destruct the stock of 23 batches of "Not of Standard Quality" of bOPV in presence of officers of CDSCO, North zone & SLA, U.P. It is being following up the respective offices for completing the destruction. Accordingly the inventory will written off.
Sundry debtors includes an amount of Rs. 645.42 Lacs as appearing in Note 31 (h) of the financial statement represent the late delivery charges, pertains to financial year 2013-14 and 2014-15, deducted by the Ministry of Health and Family Welfare ( Debtors ) which are doubtful about its recoverability and required suitable provision. as the same pertains to year 2013-14 and 2014-15 and still there is no scope of recovery as per Note no. 31 (h) and requires provision as per Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets.	The case pertains of dispute between BIBCOL and the Ministry of Health & Family Welfare regarding the wrongful imposition of liquidated damage. The dispute is under process to be settled under Administrative Mechanism for Resolution of CPSEs Disputes (AMRCD).
Attention is invited to Note No.31 (d) of the Financial statements regarding non-provision of Gratuity liability amounting of Rs. 259.57 lacs as demanded by the LIC of India.	The liability of Gratuity of the company is being maintained by LIC. For the same, annual premium is being paid to LIC. The annual premium has already been paid for the year 2019-20.
An amount of Rs. 60.81 lacs as appearing in notes no 7 of Non current tax assets pertains to the TDS deducted from the F.Y. 2005-06 to 2009-10 for which the assessment with the Income tax department was completed and no appeal was pending at any forum.	As per Income tax e-filing portal the return has been filed by the company but it has not been processed yet. It is being following up at Income tax department for the same.
As per the utilization certificate (UC ) submitted for the Zinc project, balance of unspent grant is nil whereas in the books of accounts an amount of Rs. 10.09 Lacs is still unutilized leading to mismatch in the balance of grant utilized as on 31.03.2020 as appearing in the Note no. 22 and Note no. 31 f(i)	Noted for compliance.
Stores and spares includes the items amounting to Rs. 3.57 lacs for which the useful life of the material was expired as per Note no. 9	Noted for compliance.
Capital Work in progress amounting to Rs. 21.93 lacs pertains to uncomplete structure pertaining to housing complex building for more than 8 years and due to time leg uncomplete structure cannot	Suggestion has been noted.



<p>be used now and needs demolition</p>	
<p>IND-AS 116 required the recognize the Lease assets , lease liability , Depreciation and interest and in the statement of cash flow Principal lease payment and interest payment. Company has installed solar plant in the premises and net metering was started from February 2019. Although all elements for identification of leased assets are satisfied but the company has not recognized the Lease assets, Lease liability, depreciation and interest and in the statement of cash flow Principal lease payment and interest payment</p>	<p>M/s Solar Energy Corporation of India Ltd through M/s Clean Max Enviro Energy Solutions Pvt. Ltd., the provider of Solar power plant to BIBCOL specified the two modes of installation, one in CAPEX.(In this model consumer generally hire a solar EPC company who provide turnkey installation of entire solar power system and hand over assets to consumers and second in RESCO (A Renewable Energy Service Company (RESCO) is an ESCO Energy service company which provides energy to the consumers from renewable energy sources, is about pay as consume the electricity. BIBCOL has not opted for CAPEX hence there is no applicability of lease liability, depreciation and interest.</p>
<p>IND AS-36 required the Impairment testing of PPE at the end of each reporting period but still no impairment testing was conducted by the company.</p>	<p>Noted for compliance.</p>
<p>As per IND AS-20 and the accounting policies Company followed the 2nd Method for the grants with respect to Revenue items and the expenditure are reduced to the extent of grant received for incurring the expenditure but company is required to disclose all such expenses /grant separately in the account and the separate disclosure should be made in cash flow but the company had not followed the IND AS-20.</p>	<p>Noted for compliance.</p>



**INDEPENDENT AUDITOR'S REPORT**

**TO THE MEMBERS OF BHARAT IMMUNOLOGICALS & BIOLOGICALS CORPORATION LIMITED.**

Report on the Standalone Financial Statements  
Adverse Opinion

We have audited the accompanying standalone Ind AS financial statements of **BHARAT IMMUNOLOGICALS & BIOLOGICALS CORPORATION LIMITED**, (hereinafter referred as "the Company") which comprise the Balance Sheet as at 31st March 2020, the Statement of Profit and Loss (including other comprehensive income and the statement of changes in equity and the statement of cash flow for the year then ended on that date to financial statement including a summary of the significant accounting policies and other explanatory information. (herein after referred to as "the financial statements")

In our opinion and to the best of our information and according to the explanation given to us, because of the significance of the matters described in the basis for Adverse opinion section of our report, wherein effect of basis of qualification given under Para (h) to (j) is presently unascertainable and in other matters had the company considered the matters described in paras (a) to (g) the loss before tax would be increased by Rs. 1663.76 lacs. Other equity would be less by 1663.76 lacs and Current liabilities would be more by 269.66 lacs and stock would be reduced by 665.94 lacs, Debtors would be reduced by 645.42 lacs, Capital Work in process would be reduced by 21.93 lacs, Non current tax assets would be reduced by 60.81 lacs the aforesaid financial statement give the information required by the companies Act 2013 ("The Act") in the manner so required and do not give a true and fair view in conformity with accounting principles generally accepted in India or the state of affairs of the company as at March 31, 2020, the loss, changes in equity and its cash flow for the year ended on that date.

**Basis of Adverse Opinion**

- a) *Stock of Finished goods includes the stock of 7,29,020 vials amounting to Rs. 662.37 lacs of Biovalent Oral Polio vaccine ( BOPV) which has failed sterility test conducted by Central Drug Laboratory (CDL), Government of India Kasoli, Himachal Pradesh wherein it was clearly stated that BOPV were contaminated and not fit for sales. The Management confirm that inventory could not be sold and required to be written off*
- b) *Sundry debtors includes an amount of Rs. 645.42 Lacs as appearing in Note 31 (h) of the financial statement represent the late delivery charges, pertains to financial year 2013-14 and 2014-15, deducted by the Ministry of Health and Family Welfare ( Debtors ) which are doubtful about its recoverability and required suitable provision. as the same pertains to year 2013-14 and 2014-15 and still there is no scope of recovery as per Note no. 31 (h) and requires provision as per Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets.*
- c) *Attention is invited to Note No.31 (d) of the Financial statements regarding non-provision of Gratuity liability amounting of Rs. 259.57 lacs as demanded by the LIC of India.*
- d) *An amount of Rs. 60.81 lacs as appearing in notes no 7 of Non current tax assets pertains to the TDS deducted from the F.Y. 2005-06 to 2009-10 for which the assessment with the Income tax department was completed and no appeal was pending at any forum.*
- e) *As per the utilization certificate (UC) submitted for the Zinc project, balance of unspent grant is nil whereas in the books of accounts an amount of Rs. 10.09 Lacs is still unutilized leading to mismatch in the balance of grant utilized as on 31.03.2020 as appearing in the Note no. 22 and Note no. 31 f(i)*
- f) *Stores and spares includes the items amounting to Rs. 3.57 lacs for which the useful life of the material was expired as per Note no. 9*
- g) *Capital Work in progress amounting to Rs. 21.93 lacs pertains to uncomplete structure pertaining to housing complex building for more than 8 years and due to time lag uncomplete structure cannot be used now and needs demolition*
- h) *IND-AS 116 required the recognize the Lease assets, lease liability, Depreciation and interest and in the statement of cash flow Principal lease payment and interest payment. Company has installed solar plant in the premises and net metering was started from February 2019. Although all elements for identification of leased assets are satisfied but the company has not recognized the Lease assets,*



*Lease liability, depreciation and interest and in the statement of cash flow Principal lease payment and interest payment*

- i) IND AS-36 required the Impairment testing of PPE at the end of each reporting period but still no impairment testing was conducted by the company.*
- j) As per IND AS-20 and the accounting policies Company followed the 2nd Method for the grants with respect to Revenue items and the expenditure are reduced to the extent of grant received for incurring the expenditure but company is required to disclose all such expenses /grant separately in the account and the separate disclosure should be made in cash flow but the company had not followed the IND AS-20.*

We conducted our audit of the financial statement in accordance with the standards on auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the code of ethics issued by the institute of chartered accountants of India (ICAI) together with the ethical requirement that are relevant to our audit of the financial statement under the provisions of the act and rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with the requirement and 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 statement.

**Emphasis of Matters**

- a) Non -furnishing of Information in respect of Micro, Small and Medium Enterprises. Reference in this regard is drawn to Note no. 31 (g)*
- b) Attention to drawn to note no 31 (f) , Company had received the various grants from Government of India. These grants should be utilized accordingly with the line of its object as defined in the sanction order. But the significant amount are laying unspent as on 31<sup>st</sup> March , 2020 even after the expiry of the seclude completion date. Further the variation between the Actual utilization of amount with the sanction order was yet to be obtained.*
- c) Deferred tax assets in respect of unabsorbed depreciation losses & unabsorbed business losses has been recognized by the company. The management is of the view that due to project available, it has become reasonable that sufficient taxable income will be available against which deferred tax assets can be realized.*
- d) As per Note no 8, Company has claimed credit of MAT for earlier years amounting Rs. 441.16 Lacs however the available MAT credit was not shown in the Income Tax Return filed for the FY 2018-19. Management is of the view that they will revise the income tax return and the MAT credit will be available.*
- e) Balance confirmation from the debtors and creditors were not obtained by the company.*
- f) The company has provided depreciation on factory building on the basis of useful life of years provided for office building in absence of clear demarcations between office building and factory.*

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report: -

S. No.	Key	Auditor's Response
1	<b>Revenue recognition</b> Refer to notes 2.4 to the financial statements.	Our audit procedures, amongst others, include the following: *Obtaining an understanding of the process relating to



	<p>The company principally generates revenue from sale of Oral Polio vaccine, Zinc Tablet</p> <p>We identified revenue recognition as a key audit matter because it is one of the key performance indicator of the company and gives rise to an inherent risk of misstatement to meet expectation or targets</p>	<p>recording of sales and testing the design, implementation and operating effectiveness of relevant key internal controls over recording of sales;</p> <p>*Assessing the appropriateness of the Company's accounting policy for recording of sales and compliance of the policy with applicable accounting standards;</p> <p>*Comparing a sample of sale transactions recorded during the year with sales orders, sales invoices, delivery Challans and other relevant underlying documents;</p> <p>*Comparing a sample of sale transactions recorded near the year end with the sales orders, sales invoices, delivery Challans and other relevant underlying documentation to assess if the sale was recorded in the appropriate accounting period;</p> <p>*Inspecting on a sample basis, credit notes issued near to and subsequent to year end to evaluate whether the adjustments to sales had been accurately recorded in the appropriate accounting period; and</p> <p>*Scanning for any manual journal entries relating to sales recorded during and near the year end which were considered to be material or other specific risk based criteria for inspecting underlying documentation.</p>
2	<p>Valuation of Inventories</p> <p>Refer note 9 to the financial statements. We identified valuation of inventories as a key audit matter as it involves significant management judgments in determining the carrying value of stock.</p>	<p>Our audit procedures, amongst others, included the following:</p> <p>*Assessing the appropriateness of Company's accounting policy for valuation of stock and compliance of the policy with the requirements of the prevailing accounting standards;</p> <p>*Obtaining an understanding of internal controls over valuation of stock and testing, on a sample basis, their design, implementation and operating effectiveness;</p> <p>*Obtaining an understanding and assessing reasonableness of the management's determination of net realizable value (NRV) and the key estimates adopted, including future selling prices and costs necessary to make the sales and their basis; and</p> <p>*Comparing the NRV, on a sample basis, to the cost of stock-in-trade to assess whether any adjustments are required to the value of stock in trade in accordance with the accounting policy.</p>

**Information other than the Financial Statements and Auditor's Report thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's information, but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read such other information as and when made available to us and if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance





### **Management's Responsibility for the Standalone 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 financial statements including other comprehensive income, cash flows and changes in equity of the company in accordance with the Ind AS and other accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### **Auditor's Responsibility for the Audit of Standalone Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report on Other Legal and Regulatory Requirements**

- 1) As required by Section 143 (3) of the Act, based on our audit 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 other Comprehensive Income, 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 standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 Except the IND AS-116, IND AS-36 & IND AS -20.
  - e) On the basis of the written representations received from the directors as on 31 March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
  - g) With respect to the other Matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended. In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/provided by the company to its directors during the year is in accordance with the provisions of section 197 of the Act.
  - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us :
    - i) The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements under Note 31 (e) to the financial statements; \_
    - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii) The company was not required to transfer, any amount to the Investor Education and Protection Fund.



- 2) 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 Companies Act, 2013, we give in the "Annexure-A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

**Report on directions and sub-directions issued by Comptroller and Auditor General of India under Section 143 (5) of the Companies Act, 2013**

S. No	Directions Issued	Replies
1	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the account along with the financial implications, if any, may be stated.	The Company has a system in place to process all the accounting transactions through IT system. According to the information and explanations given to us, and on the basis of our examinations there are no accounting transactions processed outside IT systems impacting the integrity of the accounts.
2	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loan/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated.	According to the information and explanations given to us, and on the basis of our examinations of the records of the company, we report that there are no cases of restricting of an loan, waiver/write off of Debts/Loans/interest.
3.	Whether funds received/receivable for specific schemes from central/ state agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation.	Yes, funds received/receivable for specific schemes from Central/State agencies were properly accounted for/utilized as per its terms and conditions except the grant received for Zinc project as mentioned in Para (b) of Basic of Qualified Opinion of our audit report and further attention is also invited to Note No. 31 (f) '(ii), (iii) and (iv) regarding grant received in 2010-11 and 2012-2013 but the significant amount lying unspent as on 31 <sup>st</sup> March, 2020. Management stated that the above grant related to up gradation of OPV projects due to change in technology, the matter has been referred to Ministry for purchase of new Machinery and direction from the Ministry awaited.

**For Reshma and Company**  
**Chartered Accountants**  
**FRN No.007593C**  
**CA. Deepak Mittal**  
**Partner**  
**M. No. 074979**  
Place: Ghaziabad  
Date: 31.07.2020

**ANNEXURE – A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF BHARAT IMMUNOLOGICALS & BIOLOGICALS CORPORATION LIMITED**

**Report on the Order issued under Section 143 (11) of the Companies Act, 2013**



(i) (a) The Company has maintained the records of fixed assets showing full particulars, including quantitative details and situation of fixed assets however the location of assets , Name of suppliers and the year of acquisition of assets are not mentioned on some items.

(b) The fixed assets of the company have been physically verified during the year by the management at reasonable intervals and the reconciliation between the book records and the physical verification is yet to be carried out by the co.

(c) As explained to us and as per the information given to us that no title deeds in the name of company for the immovable property are available instead company was having the allotment letters dated 28<sup>th</sup> May , 1992 issued by the Government of India , Ministry of Science and Technology-Department of Bio Technology in the name of company. Details given below:

<b>Nature of Immovable property (i.e. Land / Building etc.)</b>	<b>(Freehold / Leasehold)</b>	<b>Available Documents</b>
Land at BIBCOL, OPV Plant Village Chola, Bulandshahr – <b>50 Acres</b>	Freehold	Allotment Order dated 28 <sup>th</sup> May , 1992
Land at Residential Colony, Village Gangerwa Bulandshahr – <b>9.43 Acres</b> (10 Acres Less 0.57 Acres compulsorily acquired)	Freehold	Allotment Order dated 28 <sup>th</sup> May , 1992

(ii) As explained to us, inventory was physically verified during the year by the management at reasonable intervals and no material discrepancy was noticed on such physical verification.

(iii) According to the information and explanations given to us, the company has not granted any loan secured or unsecured to the companies, firms, limited liability partnerships or other parties covered under the register maintained under section 189 of the Companies Act, 2013. In view of above, provisions of clause (iii) (a) and (c) of the order are not applicable.

(iv) In our opinion and according to the information and explanations given to us, the company has not entered in to transactions covered under the provisions of section – 185 and 186 of the Companies Act, 2013 and accordingly this clause is not applicable to the Company.

(v) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from the public, hence the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under, are not applicable.

(vi) The maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013. The Company has, however, not maintained any such prescribed accounts and records for the year 2019-20 however the cost audit was done for the F.Y. 2018-19.

vii) According to the information and explanations given to us , in respect of statutory dues:

a) The Company is generally regular in depositing undisputed applicable statutory dues including provident fund , income tax , GST, Customs, duty ,cess and any other statutory dues applicable to it to the appropriate authorities.

b) There was no undisputed amount payable in respect of provident fund , income tax , GST, Customs, duty , cess and any other statutory dues in arrears as at 31<sup>st</sup> of March, 2020 for a period of more than six months from the date they became payable.

(viii) According to the information and explanations given to us and as per our examination there are no dues of term Loan to the bank , financial institution etc. or dues to debenture holders.

(ix) The company has not raised moneys during the year by way of Initial Public Offer ( including instruments) and term loan during the year 2013 accordingly this clause is not applicable to the Company.

(x) According to the information and explanations given to us, no fraud by the company or on the company by its officers or employees has been noticed or reported during the year.

(xi) According to the information and explanations given to us, company has not paid/provided any managerial remuneration to any of the Directors of the company. accordingly this clause is not applicable to the Company.

(xii) In our opinion and according to the information and explanations given to us The company is not a Nidhi Company and accordingly this clause is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with Sec 177 and 188 of the Act where applicable and detail of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.



(xiv) According to the information and explanations given to us and based on our examination of the records, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debenture during the year.

(xv) According to the information and explanations given to us and based on our examination of the records, the company has not entered into any non-cash transactions with directors or persons connected with him during the financial year under review. accordingly this clause is not applicable to the Company.

(xvi) The company is not required to register under Section 45-IA of the Reserve Bank of India, Act 1934.

**ANNEXURE – B TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF BHARAT IMMUNOLOGICALS & BIOLOGICALS CORPORATION LIMITED**  
**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of **BHARAT IMMUNOLOGICALS & BIOLOGICALS CORPORATION LIMITED (“THE COMPANY”)** as of March 31, 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**

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

**Auditors’ Responsibility**

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

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

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

**Meaning of Internal Financial Controls Over Financial Reporting**

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



unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

**Opinion**

In our opinion, because of the effect of the material weakness described on the Adverse opinion para of the report, the Company has not, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were not operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Reshma and Company**

**Chartered Accountants**

**FRN No.007593C**

**CA. Deepak Mittal**

**Partner**

**M. No. 074979**

Place: Ghaziabad

Date: 31.07.2020

**UDIN: 20074979AAAAAT5001**



BHARAT IMMUNOLOGICALS AND BIOLOGICALS CORPORATION LIMITED (BIBCOL)  
(CIN-L24232UP1989GOI010542)

**Bharat Immunologicals and Biologicals Corporation Limited**

**Balance Sheet as at 31 March, 2020**

(Amount in Lakhs)

	Particulars	Note No.	As at 31 March, 2020	As at 31 March, 2019
<b>A</b>	<b>ASSETS</b>			
<b>1</b>	<b>Non-current assets</b>			
	(a) Property, Plant and Equipment	<b>4</b>	446.51	470.16
	(b) Capital work-in-progress		21.93	21.93
	(c) Financial Assets	<b>5</b>	1,363.32	949.88
	(d) Other non-current assets	<b>6</b>	51.50	95.79
	(e) Non Current Tax Assets (Net)	<b>7</b>	97.96	83.88
	(f) Deferred tax assets (net)	<b>8</b>	1,399.75	1,000.85
			<b>3,380.97</b>	<b>2,622.49</b>
<b>2</b>	<b>Current assets</b>			
	(a) Inventories	<b>9</b>	5,171.89	1,443.92
	(b) Financial Assets			
	(i) Investments			-
	(ii) Trade receivables	<b>10</b>	1,761.38	7,297.21
	(ii) Cash and cash equivalents	<b>11</b>	98.50	40.78
	(iii) Bank balances other than (ii) above	<b>12</b>	1,111.34	752.37
	(c) Other current assets	<b>13</b>	1,158.90	339.25
			<b>9,302.00</b>	<b>9,873.53</b>
	<b>TOTAL</b>		<b>12,682.98</b>	<b>12,496.02</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>Equity</b>			
	(a) Equity Share capital	<b>14</b>	4,318.00	4,318.00
	(b) Other Equity	<b>15</b>	(2,270.62)	(1,250.26)
			<b>2,047.38</b>	<b>3,067.74</b>
<b>2</b>	<b>Non-current liabilities</b>			
	(a) Deferred Grant	<b>16</b>	-	48.04
	(b) Long Term Provisions	<b>17</b>	564.85	532.70
			<b>564.85</b>	<b>580.74</b>
<b>3</b>	<b>Current liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings	<b>18</b>	303.84	3,222.23
	(ii) Trade payables	<b>19</b>	4,353.15	4,418.43
	(iii) Other Financial Liabilities	<b>20</b>	38.24	34.01
	(b) Deferred Grant	<b>16</b>	-	0.86
	© Short Term Provisions	<b>21</b>	87.91	79.66
	(d) Other Current liabilities	<b>22</b>	5,287.61	1,092.35
			<b>10,070.75</b>	<b>8,847.54</b>
	<b>TOTAL</b>		<b>12,682.98</b>	<b>12,496.02</b>

See accompanying notes forming part of the financial statements In terms of our report attached.

<p><b>For RESHMA &amp; COMPANY</b> Chartered Accountants FRN-007593C</p> <p><b>DEEPAK MITTAL</b> Partner M.No 074979</p> <p>Place : Ghaziabad Date :31.07.2020</p>	<p><b>For and on behalf of the Board of Directors</b></p> <p>(Sandip Kumar Lal) Company Secretary PAN:ABDPL9540L</p> <p>(Rajiv Kumar Shukla) Vice – President PAN: ADKPS1169B</p>	<p>(Chandra Prakash Goyal) Managing Director DIN-07363048</p> <p>(Yogendra Kumar Gupta) Chairman DIN-03432845</p>
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**BHARAT IMMUNOLOGICALS AND BIOLOGICALS CORPORATION LIMITED (BIBCOL)**  
(CIN-L24232UP1989GOI010542)

**Statement of Profit and Loss for the year ended 31 March, 2020**

(Amount in Lakhs)

Particulars	Note No.	For the year ended 31 March, 2020	For the year ended 31 March, 2019
<b>A CONTINUING OPERATIONS</b>			
<b>1</b> Revenue from operations	23	6,683.65	8,364.56
<b>2</b> Other income	24	118.37	422.48
<b>3</b> <b>Total revenue (1+2)</b>		<b>6,802.02</b>	<b>8,787.04</b>
<b>4</b> <b>Expenses</b>			
(a) Cost of materials consumed	25	6,895.34	8,427.53
(b) Purchases of stock-in-trade		-	
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	26	(1,299.07)	(1,354.96)
(d) Employee benefits expense	27	1,137.25	977.80
(e) Finance costs	28	474.17	200.40
(f) Depreciation and amortisation expense	4	23.67	27.60
(g) Other expenses	29	990.99	1,246.02
<b>Total expenses</b>		<b>8,222.34</b>	<b>9,524.39</b>
<b>5</b> <b>Profit / (Loss) before exceptional and tax (3 - 4)</b>		<b>(1,420.32)</b>	<b>(737.35)</b>
<b>6</b> Exceptional items		-	-
<b>7</b> <b>Profit / (Loss) before extraordinary items and tax (5 + 6)</b>		<b>(1,420.32)</b>	<b>(737.35)</b>
<b>8</b> Extraordinary items			
<b>9</b> <b>Profit / (Loss) before tax (7 + 8)</b>		<b>(1,420.32)</b>	<b>(737.35)</b>
<b>10</b> <b>Tax expense:</b>			
(a) Current tax expense for current year			
(b) (Less): MAT credit (where applicable)		-	0
(c) Current tax expense relating to prior years		-	0
(d) Net current tax expense		-	0
(e) Deferred tax		(399.19)	(158.04)
<b>11</b> <b>Profit / (Loss) after Tax</b>		<b>(1,021.13)</b>	<b>(579.31)</b>
<b>12</b> <b>Other Comprehensive Income</b>			
(i) Items that will not be reclassified to profit or loss		1.06	(149.76)
(ii) Income tax relating to above		(0.29)	49.51
<b>Total Other Comprehensive Income</b>		<b>0.77</b>	<b>(100.25)</b>
<b>13</b> <b>Total Comprehensive Income for the period (11+12)</b>		<b>(1,020.36)</b>	<b>(679.56)</b>
<b>14</b> <b>Earnings per share of Equity- Nominal value per share Rs 10/-each</b>			
Basic		(2.36)	(1.57)
Diluted		(2.36)	(1.57)

See accompanying notes forming part of the financial statements In terms of our report attached.

For RESHMA & COMPANY  
Chartered Accountants  
FRN-007593C

DEEPAK MITTAL  
Partner  
M.No 074979

Place : Ghaziabad  
Date :31.07.2020

For and on behalf of the Board of Directors

(Sandip Kumar Lal)  
Company Secretary  
PAN:ABDPL9540L

(Rajiv Kumar Shukla)  
Vice – President  
PAN: ADKPS1169B

(Chandra Prakash Goyal)  
Managing Director  
DIN-07363048

(Yogendra Kumar Gupta)  
Chairman  
DIN-03432845





**CASH FLOW STATEMENT FOR THE YEAR ENDED 2019-20**

(Rupees in Lacs)

	PARTICULARS	2019-20	2018-19
<b>A</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES :</b>		
	NET PROFIT/LOSS BEFORE EXTRA ORD.ITEMS	(1,420.32)	(737.35)
	ADJUSTMENTS FOR:	-	
	DEPRECIATION PROVIDED	23.67	27.60
	OTHER COMPREHENSIVE EXPENSES	1.06	(149.76)
	INTEREST EXPENDITURE	474.17	200.40
	PRIOR PERIOD ADJUSTMENTS	-	(2.20)
	INTEREST INCOME	(91.28)	(72.33)
	<b>OPERATING PROFIT/(LOSS) BEFORE W.CAPITAL CHANGES</b>	<b>(1,012.70)</b>	<b>(733.64)</b>
	<b>ADJUSTMENT FOR:</b>		
	(INCREASE)/DECREASE IN TRADE RECEIVABLES	5,535.83	(5,702.76)
	(INCREASE)/DECREASE IN INVENTORY	(3,727.97)	(1,271.76)
	(INCREASE)/DECREASE IN OTHER CURRENT ASSETS	(789.44)	(333.61)
	INCREASE/(DECREASE)/TRADE PAYABLES	(65.28)	4,376.63
	(INCREASE)/DECREASE IN PROVISION	40.40	201.01
	(INCREASE)/DECREASE IN FINANCE ASSETS	(413.44)	(862.10)
	INCREASE/(DECREASE) IN GOVERNMENT GRANT	-	(138.41)
	INCREASE/(DECREASE) IN CURRENT LIABILITIES	4,195.26	126.99
	INCREASE/(DECREASE) IN OTHER FINANCIAL LIABILITY	4.23	0.13
	INCREASE/(DECREASE) IN OTHER BANK BALANCE	(358.97)	1,127.94
	<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>3,407.92</b>	<b>(3,209.58)</b>
<b>B</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	PURCHASE OF FIXED ASSETS	(0.05)	(2.51)
	SALE OF FIXED ASSETS	-	-
	INTEREST INCOME	91.28	72.33
	<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>91.24</b>	<b>69.82</b>
<b>C</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	INCREASE/(DECREASE) IN DEFERRED GRANT	(48.90)	48.90
	INCREASE/(DECREASE) IN BANK BORROWINGS	(2,918.39)	3,222.23
	INTEREST EXPENDITURE	(474.17)	(200.40)
	<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>(3,441.44)</b>	<b>3,070.74</b>
	<b>NET DECREASE/INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>57.72</b>	<b>(78.98)</b>
	ADD:		
	<b>CASH AND CASH EQUIVALENT AS AT THE BEGINNING OF THE YEAR</b>	<b>40.78</b>	<b>119.77</b>
	<b>CASH AND CASH EQUIVALENT AS AT THE END OF THE YEAR</b>	<b>98.50</b>	<b>40.78</b>

See accompanying notes forming part of the financial statements In terms of our report attached.

<p><b>For RESHMA &amp; COMPANY</b> Chartered Accountants FRN-007593C</p> <p><b>DEEPAK MITTAL</b> Partner M.No 074979</p> <p>Place : Ghaziabad Date :31.07.2020</p>	<p><b>For and on behalf of the Board of Directors</b></p> <p>(Sandip Kumar Lal) Company Secretary PAN:ABDPL9540L</p> <p>(Rajiv Kumar Shukla) Vice – President PAN: ADKPS1169B</p>	<p>(Chandra Prakash Goyal) Managing Director DIN-07363048</p> <p>(Yogendra Kumar Gupta) Chairman DIN-03432845</p>
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BHARAT IMMUNOLOGICALS AND BIOLOGICALS CORPORATION LIMITED (BIBCOL)  
(CIN-L24232UP1989GOI010542)

<b>Other Equity</b>								
<b>Particulars</b>	<b>Securities Premium Reserve</b>	<b>Revaluation Reserve</b>	<b>Retained Earnings</b>	<b>Other Comprehensive Income</b>	<b>Total Other Equity</b>			
<b>Balance as at 01.04.2019</b>	-	-	(1,250.26)	-	(1,250.26)			
Prior Period Adjustments	-	-	-	-	-			
<b>Restated Balance</b>	-	-	(1,250.26)	-	(1,250.26)			
<b>Changes in equity during the year ended 31st March,2020</b>								
Profit for the year	-	-	(1,021.13)	-	(1,021.13)			
Other Comprehensive income/(loss) for the year	-	-	-	0.77	0.77			
Transfer from/to other comprehensive income/retained earnings	-	-	0.77	(0.77)	-			
<b>Balance as at 31st March, 2020</b>	-	-	<b>(2,270.62)</b>	-	<b>(2,270.62)</b>			
<b>Other Equity</b>								
	<b>Securities Premium Reserve</b>	<b>Revaluation Reserve</b>	<b>Retained Earnings</b>	<b>Other Comprehensive Income</b>	<b>Total Other Equity</b>			
<b>Balance as at 01.04.2018</b>	-	-	(568.51)	-	(568.51)			
<b>Prior Period Adjustments</b>	-	-	(2.20)	-	(2.20)			
Restated Balance								
Changes in equity during the year ended 31st March,2019	-	-	(570.71)	-	(570.71)			
Profit for the year	-	-	(579.31)	-	(579.31)			
Other Comprehensive income/(loss) for the year	-	-	-	(100.25)	(100.25)			
Transfer from/to other comprehensive income/retained earnings	-	-	(100.25)	100.25	-			
<b>Balance as at 31st March, 2019</b>	-	-	<b>(1,250.26)</b>	-	<b>(1,250.26)</b>			
<b>In terms of our report attached.</b>								
<b>For RESHMA &amp; COMPANY</b> Chartered Accountants FRN-007593C  <b>DEEPAK MITTAL</b> Partner M.No 074979  Place : Ghaziabad Date :31.07.2020			<b>For and on behalf of the Board of Directors</b>  (Sandip Kumar Lal) Company Secretary PAN:ABDPL9540L  (Rajiv Kumar Shukla) Vice – President PAN: ADKPS1169B			(Chandra Prakash Goyal) Managing Director DIN-07363048  (Yogendra Kumar Gupta) Chairman DIN-03432845		



BHARAT IMMUNOLOGICALS AND BIOLOGICALS CORPORATION LIMITED  
Depreciation Schedule for the year ended 31.03.2020

NOTE # 4

S.NO.	PARTICULARS	GROSS BLOCK			DEPRECIATION BLOCK			NET BLOCK			
		COST AS ON 01.04.2019	ADDITIONS DURING THE YEAR	(SALE)/ Adjustment DURING THE YEAR	TOTAL AS ON 31.03.2020	UPTO 01.04.2019	FOR THE YEAR (From PL Account)	ADJUSTMENT	UPTO 31.03.2020	NET CARRYING AMOUNT AS ON 31.03.2020	NET CARRYING AMOUNT AS ON 31.03.2019
1	Land & Site Development	83.49	-	-	83.49	-	-	-	-	83.49	83.49
2	Building	198.15	-	-	198.15	20.36	6.56	-	26.92	171.23	177.81
3	Road	0.40	-	-	0.40	-	-	-	-	0.40	0.40
4	Plant & Machinery	248.77	-	-	248.77	85.56	14.02	-	99.58	149.18	163.21
5	Office Equipment	3.36	-	-	3.36	1.75	0.47	-	2.22	1.14	1.61
6	Lab Equipment	9.60	-	-	9.60	5.27	0.83	-	6.10	3.50	4.33
7	Furniture & Fixture	5.49	0.05	-	5.54	3.12	0.70	-	3.82	1.72	2.37
8	Electrical Appliances	10.66	-	-	10.66	0.93	0.16	-	1.09	9.57	9.73
9	Computer	4.85	-	-	4.85	3.57	0.14	-	3.71	1.14	1.28
10	Air-conditioner	25.21	-	-	25.21	1.36	0.04	-	1.40	23.81	23.85
11	R&D Assets	0.22	-	-	0.22	-	-	-	-	0.22	0.22
12	Vehicles	5.54	-	-	5.54	4.09	0.66	-	4.75	0.79	1.45
13	Plant & Machinery (Zinc)	0.24	-	-	0.24	0.11	0.03	-	0.14	0.10	0.13
14	Furniture & Fixture (Zinc)	0.69	-	-	0.69	0.41	0.06	-	0.47	0.22	0.28
	<b>TOTAL</b>	<b>596.68</b>	<b>0.05</b>	-	<b>596.73</b>	<b>126.53</b>	<b>23.67</b>	-	<b>150.20</b>	<b>446.51</b>	<b>470.16</b>
	<b>Previous Year</b>	<b>594.18</b>	<b>2.51</b>	-	<b>596.68</b>	<b>98.93</b>	<b>27.60</b>	-	<b>126.53</b>	<b>470.16</b>	<b>495.25</b>



Notes to the Financial Statements as at 31st March, 2020

Particulars	As at	As at
	31st March, 2020	31st March, 2019
<b>NOTE # 5</b>		
<b>Financial Assets (carried at amortised cost)</b>		
<b>Earmarked Balances</b>		
Fixed Deposit with Banks		
(Bank Deposit with more than one year maturity)	550.03	114.34
(Bank Deposit with maturity less than a year)	813.29	835.54
<b>Other Fixed Deposit</b>		
(Bank Deposit with maturity less than a year)	-	-
(Bank Deposit with more than one year maturity)	-	-
	<b>1,363.32</b>	<b>949.88</b>
<b>NOTE #6</b>		
<b>Other Non Current Assets</b>		
Capital Advance	0.71	47.00
Security Deposits with Others	0.19	-
Security Deposits with Government authority	50.60	48.79
	<b>51.50</b>	<b>95.79</b>
<b>NOTE # 7</b>		
<b>Non Current Tax Assets</b>		
Advance Income Tax/TDS (Unsecured considred good)	97.96	83.88
*Includes Rs. 60.81 Lacs TDS deducted for FY 2005-06 to 2009-10		
	<b>97.96</b>	<b>83.88</b>
<b>NOTE # 8</b>		
<b>Deferred Tax Assets &amp; Deferred Tax Liabilities</b>		
Deferred Tax Assets on Brought forward losses	939.91	535.95
Deferred Tax liability on remeasurement	41.93	42.22
Difference of Books and Tax Depreciation	(23.25)	(18.48)
Net Deferred Tax Assets/Liabilities	<b>958.58</b>	<b>559.69</b>
<b>MAT Credit Available</b>		
MAT 2012-13	18.09	18.09
MAT 2013-14	224.65	224.65
MAT 2014-15	32.87	32.87
MAT 2016-17	165.56	165.56
	<b>1,399.75</b>	<b>1,000.85</b>



<b>NOTE # 9</b>		
<b>Inventories (As taken, value &amp; certified by Management)</b>		
Raw Materials	2,173.53	0.69
Finished Goods	2,654.19	1,355.12
Stores & Spares and others	23.43	15.40
Packing Material	320.73	72.72
	<b>5,171.89</b>	<b>1,443.92</b>
<b>NOTE # 10 (Carried at amortised cost)</b>		
<b>Trade Receivables (Unsecured, considered good unless otherwise stated)</b>		
Unsecured, Considered Good		
- Outstanding for a period exceeding six months	645.42	645.42
- Outstanding for a period less than six months from the date they are due for	1,115.96	6,651.79
	<b>1,761.38</b>	<b>7,297.21</b>
<b>NOTE # 11</b>		
<b>Cash and Cash Equivalents</b>		
<b>Balances with banks</b>		
- On Current Accounts	7.14	32.77
<b>Other Bank Balances relating to Government Grant</b>		
- On Current Accounts	91.36	8.01
	<b>98.50</b>	<b>40.78</b>
<b>NOTE #12</b>		
<b>Earmarked Balance relating to Government Grants</b>		
- Deposits with original maturity (having original maturity less than a year)	1,111.34	386.77
- Current portion of Deposits with original maturity more than a year)		155.54
<b>Other Bank Balances/ FDR</b>		
- Deposits with original maturity (having original maturity less than a year)		50.11
- Current portion of Deposits with original maturity more than a year)	-	159.96
	<b>1,111.34</b>	<b>752.37</b>
<b>NOTE # 13</b>		
<b>Other Current Assets</b>		
Prepaid Expenses	0.10	0.35
Balance with Revenue Authority	1,019.52	265.56
Advances to staff (secured considered good)	5.58	0.51
Advance to Suppliers	14.65	27.00
Less Provision for Bad & Doubtful Advance	-	(0.40)
Interest Receivable/Other Income	118.75	45.15
Imprest to staff	0.30	1.07
	<b>1,158.90</b>	<b>339.25</b>



<b>NOTE # 14</b>		
<b>Authorised Capital</b>		
51,000,000 Equity Shares of Rs...10/- each	5,100.00	5,100.00
<b>Issued, Subscribed and Paid up</b>		
43,180,000 Equity Shares of Rs.10/- each	4,318.00	4,318.00
	<b>4,318.00</b>	<b>4,318.00</b>
A) During the year, the company has not issued/bought any share.		
B) The company has only one class of equity share having a par value of Rs.10/- per share.		
C) During the year 31st March, 2020, the amount of per share dividend recognized to equity share holder was "nil" (P.Y. "nil")		

D) Detail of shareholder holding more than 5% share in the company is given below :-

Particulars	31.03.2020		31.03.2019
	No. of Shares	%age holding	No. of Shares
1. President of India	255,86,000	0.59	255,86,000.00

<b>NOTE # 15</b>			
<b>Other Equity</b>			
a) Surplus/Deficit i.e. Balance in the Statement of Profit & Loss			
As per last Balance Sheet		(1,250.26)	(568.51)
Prior period adjustments		-	(2.20)
Addition during the year		(1,021.13)	(579.31)
		(2,271.39)	(1,150.02)
b) other Comprehensive income/loss for the year		0.77	(100.25)
		(2,270.62)	(1,250.26)
	Total	<b>(2,270.62)</b>	<b>(1,250.26)</b>

<b>NOTE # 16</b>			
<b>Deferred Grant</b>			
Opening Grant		48.90	-
Received during the year		-	49.17
Less Utilized during the year		48.90	0.27
Closing Grant		-	<b>48.90</b>
Current Deferred Grant		-	<b>0.86</b>
Non Current Deferred Grant		-	<b>48.04</b>

<b>NOTE # 17</b>			
<b>Long-Term Provisions</b>			
Provision for Employee Benefits (Non Current)		551.31	532.70
Other		13.54	-
		<b>564.85</b>	<b>532.70</b>



<b>NOTE # 18</b>			
<b>Financial Liability (Carried at amortised Cost)</b>			
Short term Borrowings			
Working Capital Loan balance (secured by way of first pari-passu charge on all fixed assets, both present and future (excluding Vehicles), stocks and book debts, whether now lying loose or in cases or which are not lying or stores in or whether in course of transit.		303.84	3,222.23
		<b>303.84</b>	<b>3,222.23</b>
<b>NOTE # 19</b>			
<b>Trade Payables (carried at amortised Cost)</b>			
- Due to Micro , Medium & Small Enterprises		-	-
- Others		4,353.15	4,418.43
		<b>4,353.15</b>	<b>4,418.43</b>
<b>NOTE # 20</b>			
<b>Other Financial Liabilities</b>			
<b>Current</b>			
Security Deposit		38.24	34.01
		<b>38.24</b>	<b>34.01</b>
<b>NOTE # 21</b>			
<b>Short Term Provisions</b>			
Provision for Employee Benefits (Current)		87.91	79.66
Other			-
	Total	<b>87.91</b>	<b>79.66</b>
<b>NOTE # 22</b>			
<b>Other Current Liabilities</b>			
Other Payables		207.23	366.97
Statutory Dues Payable		32.46	21.16
Advance from Customers		3,812.00	4.82
Other liabilities of employees		40.04	-
Zinc Project Capital Grant Balance		10.09	10.09
Oral Colera Vaccine Project Capital Grant Balance		497.26	-
Plasma Development Project Capital Grant Balance		7.63	-
Upgradation of OPV Facilities Project Capital Grant Balance		332.83	354.35
Diarrhea Management Kit Project Capital Grant Balance		297.82	284.70
BOPV Project Capital Grant Balance		50.27	50.27
		<b>5,287.61</b>	<b>1,092.35</b>



**Notes to the Financial Statements for the Year ended 31st March, 2020**

(Amount in Lakhs)

Particulars	Year Ended 31st March, 2020	Year Ended 31st March, 2019
<b>NOTE # 23</b>		
<b>Revenue From Operations</b>		
Sale of Products	6,683.65	8,364.56
	<b>6,683.65</b>	<b>8,364.56</b>
<b>NOTE # 24</b>		
<b>Other Incomes</b>		
Interest Income	91.28	72.33
IND AS Adjustment	-	0.27
Bench Fees for training	3.36	5.37
Cash Discount	0.10	-
LD (Purchase)	0.22	-
Excess Provison return back	4.17	-
Forex (Gain)	12.39	326.47
Sale of Waste Material	6.84	18.05
	<b>118.37</b>	<b>422.48</b>
<b>NOTE # 25</b>		
<b>Cost of Material Consumed</b>		
Opening Stock	0.69	146.87
Purchases	9,068.18	8,281.35
Less Closing Stock	2,173.53	0.69
	<b>6,895.34</b>	<b>8,427.53</b>
<b>NOTE # 26</b>		
<b>Variation in Stock in Trade</b>		
Opening Stock (Finished Goods)	1,355.12	0.15
Closing Stock (Finished Goods)	2,654.19	1,355.12
	<b>(1,299.07)</b>	<b>(1,354.96)</b>
<b>NOTE # 27</b>		
<b>Employee Benefit Expenses</b>		
Salaries and Wages	1,026.46	862.83
Contribution to PF and Other Funds	98.88	85.52
Staff Welfare Expenses	9.39	9.45
Gratuity	2.51	20.00
	<b>1,137.25</b>	<b>977.80</b>
<b>NOTE # 28</b>		
<b>Finance Costs</b>		
Interest Expense	405.20	145.73
Bank Charges	12.47	30.91
Bank Charges on FLC	56.50	23.76
	<b>474.17</b>	<b>200.40</b>





**NOTE # 29**

**Other Expenses**

Store and Hardware Consumed	60.83	45.18
Packing Material Consumed	535.00	851.02
Business Promotion	1.00	0.84
Power & Fuel	184.56	174.40
Travelling & Conveyance	16.99	13.32
Postage & Telephone	2.04	3.04
Insurance	5.93	2.18
Professional & Legal Expenses	7.28	5.16
Repair & Maintenance		
- Plant and Machinery	32.48	-
- Building	-	0.01
- Others	3.25	1.18
Freight & Cartage	54.48	70.04
Auditors' Remuneration		
a) Audit Fee	0.75	0.75
b) Tax Audit Fee	0.50	0.50
c) Out of pocket exp	-	0.20
Security & Housekeeping	21.28	13.65
Internal Audit Fee	0.99	1.00
Stationery & Periodicals	2.37	0.09
Publicatin/NIT Expenses	1.32	0.13
Interest on Land Compensation	1.09	-
Misc. & Other Expenses	0.68	0.84
R&D Expenses	52.21	57.97
Listing Fee	4.50	4.00
Testing Charges	1.46	0.53
	<b>990.99</b>	<b>1,246.02</b>

**Note No. : 30 Tax expense**

Particulars	As at 31st March, 2020	As at 31st March, 2019
Current tax		
Deferred tax	(399.19)	(158.04)
Minimum Alternate tax (MAT) Credit entitlement		
Income tax for earlier year		
<b>Total</b>	<b>(399.19)</b>	<b>(158.04)</b>
Reconciliation of tax expenses		
Profit before tax	(1,420.32)	(737.35)
Applicable tax rate % (27.82%)		
<b>Computed tax expenses</b>	<b>(395.13)</b>	<b>(205.13)</b>
<b>Adjustments for :</b>		
Effect of deferred tax assets not recognized on loss	-	-
Other Comprehensive	(0.29)	49.51
Other adjustment	(3.76)	(2.42)
<b>Net adjustments</b>	<b>(4.05)</b>	<b>47.09</b>
<b>Tax Expenses</b>	<b>(399.19)</b>	<b>(158.04)</b>



**Note no.: 31**

a) All the Current Assets, Loans and Advances, in the opinion of the Board, have a value on Realization which in the ordinary course of business shall at least be equal to the amount at Which it is stated in the Balance Sheet.

b) In terms of Ind AS 36 on impairment of assets, no assessment of indicators was done for impairment of assets by the management and hence no impairment charge (if any) could be recognized during the year under review.

**c) Segment Information:**

The Managing Director has been identified as the Company's Chief Operating Decision –Maker (CODM) as defined by IND AS- 108 Operating Segments. The Chief Operational Decision Maker monitors the operating results of its business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.

(Rs. In Lakhs)

S. No.	Particulars	Current Year	Previous Year
<b>1</b>	<b>Segment Revenue</b>		
	a) Oral Polio Vaccine	6683.42	8355.72
	b) Zinc Tablets	0.23	8.76
	c) BIB Sweets Tablets	0.00	0.08
	<b>Total</b>	<b>6683.65</b>	<b>8364.56</b>
<b>2</b>	<b>Segment Results - Profit/(Loss) before Tax and Finance Cost and Exceptional Items</b>		
	a) Oral Polio Vaccine	-1410.59	-801.93
	b) Zinc Tablets	-9.73	-3.64
	c) BIB Sweets Tablets	0.00	0.03
	<b>Total</b>	<b>-1420.32</b>	<b>-805.54</b>
	Add/Less: i) Finance Cost	474.17	142.11
	ii) Un allocated Expenses net off	0.00	0.00
	<b>Profit/(Loss) before Tax</b>	<b>-946.15</b>	<b>-663.43</b>
<b>3</b>	<b>Segment Assets</b>		
	a) Oral Polio Vaccine	9920.18	10622.69
	b) Zinc Tablets	17.20	24.19
	c) BIB sweets Tablets	0.03	0.03
	d) unallocated	1247.86	788.57
	<b>Total Assets</b>	<b>11185.27</b>	<b>11411.29</b>
<b>4</b>	<b>Segment Liabilities</b>		
	a) Oral Polio Vaccine	9006.13	5837.79
	b) Zinc Tablets	25.92	228.77
	c) BIB Sweets Tablets	0.00	0.00
	d) unallocated	1299.71	139.49
	<b>Total Liabilities</b>	<b>10331.76</b>	<b>6206.05</b>
<b>5</b>	<b>Capital Expenditure:</b>		
	a) Oral Polio Vaccine	0.05	2.51
	b) Zinc Tablets	-	-
	c) Un-allocable	0.00	0.00
	<b>Total Capital Expenditure:</b>	<b>0.05</b>	<b>2.51</b>
<b>6</b>	<b>Depreciation and amortization:</b>		
	a) Oral Polio Vaccine	23.55	27.52
	b) Zinc Tablets	0.12	0.08
	c) Un-allocable	0.00	0.00
	<b>Total Depreciation and Amortization</b>	<b>23.67</b>	<b>27.60</b>



**d)Employee Benefits :**

As per Indian Accounting Standard – 19 “Employees Benefits”, the disclosures of Employees Benefits are as follows:

**Defined Contribution Plan:**

Employee benefits in the form of Provident Fund are considered as defined contribution plan. The contribution to the respective fund are made in accordance with the relevant statute and are recognized as expense when employees have rendered service entitling them to the contribution, The contribution to defined contribution plan, recognized as expense in the statement of Profit and Loss are as under :

<b>Defined Contribution Plan</b>	<b>Current Year</b>	<b>Previous Year</b>
Employer’s Contribution to provident fund	<b>94.35</b>	<b>73.83</b>
Employer’s Contribution to Pension fund	<b>17.41</b>	<b>17.15</b>
Other Admin. Exp.	<b>4.74</b>	<b>4.04</b>
<b>Total</b>	<b>116.50</b>	<b>95.02</b>

(Rs. In lakhs)

**Gratuity**

The gratuity plan is governed by the payment of Gratuity Act 1972, under the said Act an employee who has completed five years of service is entitled to specific benefit. The gratuity plan is being maintained by LIC for the company which provides payment as per the Government of India notification time being in force, to employees at retirement death, incapacitation or termination of employment.

During the FY 2019-20 LIC has demanded Rs. 319.99 Lacs for the shortfall in Gratuity contribution, out of which company held the provision of Rs. 60.42 Lacs created up to FY 2019-20.

**Detail of unfunded post retirement Defined Benefit obligations are as follows:**

Employee benefits in respect of Sick Leave and Leave Encashment are based on actuarial valuation as on 31<sup>st</sup> March 2020. The details are given below:

<b>Particulars</b>	<b>Sick Leave Unfunded</b>	<b>Leave Encashment - Unfunded</b>
<b>A) Change in the Present Value of obligation</b>		
a) Present Value of obligation as at 1 <sup>st</sup> April 2019	62.19 (44.19)	489.74 (306.72)
b) Interest Cost	4.11 (3.45)	36.93 (23.92)
c) Past Service Cost	- (-)	- (-)
d) Current Service Cost	2.80 (2.64)	21.66 (21.23)
e) Benefits Paid	- -	(37.57) -
f) Actuarial Loss/(Gain)	(1.58) (11.91)	0.52 (137.85)
g) Present Value of Obligation as at 31 <sup>st</sup> March 2020	67.52	511.27 (489.74)
Current Liability	9.00 (8.87)	18.48 (10.36)
Non - Current Liability	58.52 (53.31)	492.79 (479.38)
<b>B) Change in Fair Value of Plan Assets</b>	- (-)	- (-)
<b>C) Amount recognized in Balance Sheet (A-B)</b>	67.52 (62.19)	511.27 (489.74)
<b>D) Expenses recognized in the Profit &amp; Loss Account</b>		

(Rs. In lakhs)



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a)	Current Service Cost	2.80 (2.64)	21.66 (21.23)
b)	Past Service Cost	- (-)	- (-)
c)	Interest Cost	4.11 (3.45)	36.93 (23.92)
<b>E) Expenses recognized in Other Comprehensive Income</b>			
a)	<b>Actuarial Loss/(Gain)</b>	(1.58) (11.91)	0.52 (137.85)
Net Cost		5.33	59.11
<b>b) Details of Plan Assets</b>			
		-	-
		(-)	(-)
<b>c) Actuarial Assumptions</b>			
a)	Discount Rate	6.61 PA	6.61 PA
b)	Rate of escalation in Salary (Per Annum)	5.25% for First Two Year and 4%thereafter	5.25% for First Two Year and 4%thereafte
c)	Mortality Table	IALM(2012-2014)	IALM(2012-2014)
d)	Retirement Age (Years)		

**e) Contingent Liabilities:-**

**Staff Litigations:-** Litigation is pending in the cases filed against the company by the then staff i.e. Mr. Bhaskar Gupta & (Col.) V. K. Sethi for the subsistence allowance & salary respectively: Rs.3.54 lacs in total.(P.Y. Rs. 3.54lacs in total)

**f) Governments Grants**

- (i) Capital Grant for Rs. 311 Lakhs (Rupees Three Hundred & Eleven Lakhs) and Rs. 137.04 lakhs were sanctioned by Government of India during the year 2005-2006 and 2009-2010 for setting up manufacturing facilities and infrastructure improvement for manufacture of production of Zinc dispersible Tablets. Interest earned on the grant received for manufacturing facilities and infrastructure improvement for manufacturing of production of Zinc dispersible Tablets have been credited to the Grant account as per terms of Grant. The manufacturing facility completed in June 2009. The grant amount settled on 31.12.2018.

	(Rs. in lacs)
Amount received	448.04
Add: Interest/other Income	41.41
Less: Utilization	478.08
Grant amount returned back	1.28
	-----
Balance as on 31.03.20	10.09
	-----

Budget variance between amount sanctioned as per sanction order and amount utilized as per utilization certificate submitted for the year ended 31.03.2020 is yet to be approved by the sanctioning authority.

- (iii) Company has received capital/revenue grant of Rs. 476.35 lacs (2010-11) from Govt. of India for setting up of manufacturing and infrastructure facility Up gradation for process Optimization and Quality Improvement of Oral Polio Vaccine Formulation Facility. Interest earned on capital grant received for the infrastructure facility Up gradation for process Optimization and Quality Improvement of Oral Polio Vaccine Formulation Facility has been credited to the grant account as per the terms of the grant. Infrastructure facility up gradation for process Optimization and Quality Improvement of Oral Polio Vaccine Formulation Facility project is under progress and is yet to be commissioned. However, necessary approvals on this part from Govt. of India will be taken after the completion of the project. The request letter has been submitted at Department of Biotechnology for time extension to complete the project.

	(Rs. in lacs)
Amount received	476.35
Add: Interest/other Income	267.63
Less: Utilization	411.15
Revenue Utilization	-----
Balance as on 31.03.20	332.83
	-----



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Budget variance between amount sanctioned as per sanction order and amount utilized as per utilization certificate submitted for the year ended 31.03.2020 is yet to be approved by the sanctioning authority.

- (iv) During the year 2010-11 the Company received capital grant of Rs337.87 lacs from Govt. of India for setting up of pilot plant for Diarrhea Management Kit. Interest earned on capital grant received for the Diarrhea Management Kit has been credited to the grant account as per the terms of the grant. Diarrhea Management Kit is under progress and is yet to be commissioned of the grant. However, necessary approvals on this part from Govt. of India will be taken after the completion of the project. Details of Grant are given as under:-

	<u>(Rs. in lacs)</u>
Amount received	337.87
Add: Interest/other Income	122.97
Less: Utilization	163.02
	-----
Balance as on 31.03.20	297.82
	-----

Budget variance between amount sanctioned as per sanction order and amount utilized as per utilization certificate submitted for the year ended 31.03.2020 is yet to be approved by the sanctioning authority.

- (v) During the year 2012-13 the Company has received capital grant of Rs.513.13 lacs (PY Rs.NIL lacs) from Govt. of India for setting up of R&D facilities for BOPV. Interest earned on capital grant received for the BOPV project has been credited to the grant account as per the terms of the grant. BOPV project is under progress and is yet to be commissioned. However, necessary approvals on this part from Govt. of India will be taken after the completion of the project. Details of Grant are given as under:-

	<u>(Rs. in lacs)</u>
Amount received	513.13
Add: Interest/other Income	18.43
Less: Utilization	481.29
	-----
Balance as on 31.03.20	50.27
	-----

Budget variance between amount sanctioned as per sanction order and amount utilized as per utilization certificate submitted for the year ended 31.03.2020 is yet to be approved by the sanctioning authority.

- (vi) Company has received capital grant of Rs.617.87 lacs in the financial year 2019-20 from Govt. of India for setting up of R&D facilities for trial production of Oral Cholera Vaccine. Interest earned on capital grant received for the Oral Cholera Vaccine project has been credited to the grant account as per the terms of the grant. Details of Grant are given as under:-

	<u>(Rs. in lacs)</u>
Amount received	617.87
Add: Interest/other Income	7.91
Less: Utilization	128.52
Grant amount returned back	0.00
	-----
Balance as on 31.03.20	497.26
	-----

Budget variance between amount sanctioned as per sanction order and amount utilized as per utilization certificate submitted for the year ended 31.03.2020 is yet to be approved by the sanctioning authority.

- (vii) Company has received capital grant of Rs.16.00 lacs in the financial year 2019-20 from Govt. of India for setting up of R&D facilities for Plasma fractionation process for production of albumin, immunoglobulin and other products for therapeutic uses. Interest earned on capital grant received for the project has been credited to the grant account as per the terms of the grant. Details of Grant are given as under:-

	<u>(Rs. in lacs)</u>
Amount received	16.00
Add: Interest/other Income	0.00
Less: Utilization	8.37
Grant amount returned back	0.00
	-----
Balance as on 31.03.20	7.63
	-----

Budget variance between amount sanctioned as per sanction order and amount utilized as per utilization certificate submitted for the year ended 31.03.2020 is yet to be approved by the sanctioning authority.



(viii) Detail of duration of the projects since the start of project as per date mentioned in sanction order is as follows :-

S. No.	Project Name	Start date of Project	Duration of Project since start date
1	Zinc (original sanction of Rs. 311 Lacs)	26.03.2006	24 Months
	Zinc (additional sanction of Rs. 137.04 Lacs)	28.09.2011	21 Months
2	Upgradation OPV	28.05.2010	12 Months
3	Diarrhea Management Kit	17.09.2010	24 Months
4	Grant -BOPV	02.07.2012	12 Months
5	Oral Cholera Vaccine	18.02.2019	26 Months
6	PDM	13.03.2019	12 Months

- g) Under Micro, Small and Medium Enterprises Development Act, 2006, creation disclosures required to be made relating to such enterprises. In view of the insufficient information from supplier's regarding their coverage under the said Act, no disclosure has been made in the accounts. However, in view of the management the impact of interest if any, that may be payable in accordance with the provision of the Act is not expected to be material.
- h) The Ministry of Health and Family Welfare (Trade Receivable) has deducted late delivery charges amounting Rs.645.42 lacs during previous years 2013-14 and 2014-15 which has not been accounted for in the books of accounts and the company is pursuing the matter with the concerned Ministry for the payment of these deductions. Further the payment advise for the current financial year 2019-20 are not yet received from Ministry of Health and Family Welfare hence, late delivery charges (if any) deducted during current year are not ascertainable and correspondingly not accounted for in books.
- i) Any gains or loss arising on account of exchange difference either on settlement or on translation is accounted for in the Statement of Profit & Loss by taking the currency exchange rate adopted by custom office on the date of payment of custom duty/IGST and year end liability of the supplier is converted at currency purchasing rate. In this regard during the year, company has booked net Profit Rs.12.39 lacs. (P.Y. profit of Rs.326.47 lacs.)

**j) Related Party Disclosures:-**

The disclosures in respect of Related Parties as required under Ind AS 24 'Related Party Disclosures' is stated herein below:

- (i) **Parties where control exists** **NIL**  
**Other related parties where transaction have taken place during the year**

**a. Key Management Personnel (KMP):**

- |                             |                    |
|-----------------------------|--------------------|
| 1) Dr. Y. K. Gupta          | Chairman (Present) |
| 2) Sh.Chandra Prakash Goyal | Managing Director  |
| 3) Dr. Alka Sharma          | Director           |
| 4) Sh. Roshan Lal           | Director           |
| 5) Madhu Dixit              | Director           |
| 6) Dr. Mohd. Aslam          | Director           |
| 7) Dr. SudhanshuVarati      | Director           |
| 8) Mr. Sandip Kumar Lal     | Company Secretary  |

**k) Auditors' Remuneration:**

Particulars	(Rs. in lakhs)	
	Current Year	Previous Year
(a) As Statutory Auditors	0.75	0.75
(b) For Tax Audit	0.50	0.50
<b>Total</b>	<b>1.25</b>	<b>1.25</b>



**l) Expenditure on Corporate Social Responsibility (CSR) activities: NA**  
**m) Earnings per share (EPS)**

Particulars	Current Year	Previous Year
a) Profit / (Loss) attributable to the Equity Shareholders (Rs. in lakhs)	(1020.36)	(679.56)
b) Weighted average number of equity shares outstanding		
i) <u>Basic:</u> Weighted average number of equity shares at the end	43180000	43180000
c) ii) <u>Diluted</u> Weighted average number of shares as in b(i)	43180000	43180000
d) Paid up value of share	Rs.10/-	Rs.10/-
e) Basic Earnings per share(Rs)(a/bi)	(2.36)	(1.57)
f) Diluted Earnings per share (Rs.) (a/bii)	(2.36)	(1.57)

**n) Foreign Currency Inflow & outflow**

**i.) Expenditures:**

(Rs. in lakhs)

Particulars	Current Year	Previous Year
Repair and Maintenance Expenditure	13.48	NIL
Fixed Assets	NIL	NIL
OPV BULK and VVM label	9498.35	8803.34

**ii.) Earnings:**

Export Sales (F.O.B. Value)	NIL	NIL
Advance received for Export Sale of finished goods	NIL	NIL

**o)** Deferred Tax Assets in respect of Unabsorbed Depreciation Losses & Unabsorbed Business Losses has been recognized by the Company. The management is of the view that company will realize the benefits of those recognized deductible difference, carry forward losses and portion of unused tax credit based on project in hand and projected future taxable income from projects in hand

**Note No. 32 - Financial Risk Framework**

The Company's financial liabilities comprise borrowings, capital creditors and trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's financial assets include Loans, trade and other receivables, cash and cash equivalents.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management provides assurance that the company's financial risks activities, are governed by appropriate policies and risk objectives. All derivative activities for risk management purpose are carried out by teams that have appropriate skills, experience and supervision. The Board of Directors reviews and agrees policies for managing g each of these risks, which are summarized below:

**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 price. Market risk comprises three types of risk interest rate risk, currency risk and other risks, such as regulatory risk and commodity price risk.

**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 borrowing obligations with floating interest rates. However at

PARTICULARS	AS AT 31.3.2020	AS AT 31.03.2019
Variable rate Borrowings	303.84	3222.23
Fixed rate Borrowings	Nil	Nil



**Sensitivity**

Almost 100% of the Company's borrowings are linked to SBI base rates of the banks. With all other variables held constant, the following table demonstrates the Impact of change in interest rate on borrowing cost on floating rate portion of loans.

Particulars	Increase /decrease in			Impact on Profit before		
	Basic Points			TAX		
Year	2020	2019		2020	2019	
Increase	100	100		3.04	32.22	
Decrease	100	100		(3.04)	(32.22)	

**ii) Foreign currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The company's exposure to the risk of changes in foreign exchange rates relates primarily to the import made by the company which are made during the year.

**Sensitivity**

1% increase or decrease in foreign exchange rates will have material impact on profit.

**B Credit risk**

Credit risk is the risk that counterparty will default on its obligations under a Contractual arrangement leading to a financial loss. The company's sales are mostly to Central Government, thereby the credit default risk is significantly mitigated.

Financial assets are written off when there is no reasonable expectation of recovery, however, the company continues to attempt to recover the receivables. Where recoveries are made, these are recognized in the statement of profit and loss.

**The ageing of trade receivable is given below:**

	Particulars	Up to 6 Months	More than 6 Months	More than one year
a)	As at 31.03.2020 Gross carrying Amount	1115.96	-	645.42
b)	Expected Credit Loss @			

Following table summarizes the change in loss allowances measured using life time expected credit loss model. No significant changes in the estimation techniques or assumption were made during the period.

Particulars	ECL for Trade Receivables
31.03.2020 Provision /Reversal during the year	NIL

**Balances with Banks – Other Financial Assets**

Credit risk from balances with banks is managed in accordance with Company's policy. Company considers factors such as track record, size of the institution, market reputation and service standards to select the banks with which term deposits are maintained. Generally, term deposits are maintained with banks with which Company has also availed borrowings.

The company 's maximum exposure to credit risk for the components of the balance sheet as at 31st March , 2020 , is the carrying amounts as stated under Note No.18'.

**C Liquidity risk**

**i) Liquidity Risk Management**

Liquidity risk is the risk that a company may encounter difficulties in meeting its obligations associated with financial liabilities that are settled by delivering cash or other financial assets. The Company's objective is to maintain optimum levels of liquidity to meet its cash and its collateral requirements. The company's Management is responsible for liquidity, funding as well as settlement. Management monitors the company's net liquidity position through rolling, forecast on the basis of expected cash flows

**ii) Maturities of financial liabilities**

The table below provides undiscounted cash flows towards financial liabilities into relevant maturity based on the remaining period at the balance sheet to the contractual maturity date.





**Non derivative financial instruments**

Particulars	As at 31.03.2020 Carrying Amount	Less than One year	More than one year	Total
Trade and other payable	4353.15	4345.00	8.15	4353.15

iii) Financial Arrangements: Amount (Rs. Lakhs)

The Company has following undrawn borrowing facilities at the end of reporting period.

Particulars	31.3.2020
Undrawn Borrowing facilities	3696.16

**Note No. : 33 - Capital Management**

**a) Risk Management**

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity shareholder of the Company. The Primary objective of capital management is to maximize shareholder value and also to maintain an optimum capital structure and to safeguard its ability to continue at a going concern.

The Company's Capital management objectives are to maintain equity including all reserve to protect economic viability and to finance any growth opportunities that may be available in future so as to maximize shareholder value

The Company manages its capital structure and makes adjustments in the amount of dividends, return on capital to shareholders, issue new shares or sell assets to reduce debts.

**b) Loan Covenants:**

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 borrowing that define capital structure requirements. The company has complied with these covenants and there have been no breaches in the financial covenants of any interest – bearing loans and borrowings.

No changes were made in the objectives, policies or processes for managing capital during the year ended 31<sup>st</sup> March 2020.

**Note: 34.**

The Previous year figure have been reworked, regrouped, rearranged and reclassified wherever necessary amounts and other disclosures for the preceding year including figures as are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

Chartered Accountants  
FRN-007593C

DEEPAK MITTAL  
Partner  
M.No 074979

Place : Ghaziabad  
Date :31.07.2020

(Sandip Kumar Lal)  
Company Secretary  
PAN:ABDPL9540L

(Rajiv Kumar Shukla)  
Vice – President  
PAN: ADKPS1169B

(Chandra Prakash Goyal)  
Managing Director  
DIN-07363048

(Yogendra Kumar Gupta)  
Chairman  
DIN-03432845



## **Note No. 1 Corporate information**

### **1. Corporate information**

Bharat Immunologicals and Biologicals Corporation Limited. ("BIBCOL" or the Company) is a public limited company incorporated and domiciled in India. The registered office of the Company is situated at Village Chola, Bulandshahr (Uttar Pradesh) .

The Company's shares are listed on the Bombay Stock Exchange.

The Company is engaged in the manufacture of Oral polio Vaccine, Zinc Tablets, Diarehha management Kit and BIB Sweet Tablets. The financial statements of the Company are for the year ended March 31, 2020 and are prepared in Indian Rupees being the functional currency. The values in Indian Rupees are rounded to Lakh, except otherwise indicated.

The financial statements for the year ended 31<sup>st</sup> March, 2020 was approved for issue by the Board of Directors of the company on **31.03.2020** and is subject to the adoption by the shareholders in the Annual General Meeting.

## **Note No. 2 Significant accounting policies**

### **2.1 Statement of compliance with Ind AS**

The financial statements of the Company have been prepared to comply with the Indian Accounting Standards ('Ind AS') notified under Companies (Indian Accounting Standards) Rules, 2015( as amended with effect from 1<sup>st</sup> April , 2016 ) read with Section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rule , 2014

( Indian GAAP). Up to the year ended March 31, 2017, the Company has prepared its financial statements in accordance with the requirement of Indian GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006 and considered as "Previous GAAP".

All the Ind AS issued and notified by the Ministry of Corporate Affairs under the companies

(Indian Account Standards) Rules 2015 (As amended) till the financial statements are approved for issue by the Board of Directors has been considered in preparing these financial statements.

### **2.2 Basis of preparation**

These financial statements have been prepared in accordance with Ind AS under the historical cost basis except for the following.

- i) Certain financial assets and financial liabilities – measured at fair value and
- ii) Defined benefits plan- plant assets measured at fair value.

Historical cost is generally based on the fair value of the consideration is exchange for goods and service.

### **2.3 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:**

- i) expected to be realised or intended to be sold or consumed in normal operating cycle,
- ii) held primarily for the purpose of trading,
- iii) expected to be realised within twelve months after the reporting period,
- iv) cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period, or
- v) carrying current portion of non-current financial assets.

All other assets are classified as non-current.

**A liability is current when:**

- i) it is expected to be settled in normal operating cycle,
- ii) it is held primarily for the purpose of trading,
- iii) it is due to be settled within twelve months after the reporting period,
- iv) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period, or
- v) it includes current portion of non-current financial liabilities.

All other liabilities are classified as non-current

### **2.4 Revenue recognition**

Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and revenue can be reliably measured. The Company recognizes sale of goods when the significant risks and rewards of ownership are transferred to the Buyer, usually on delivery of goods

Revenue is measured at the fair value of the consideration received / receivable taking into account contractually defined terms of payment net of discounts, volume rebates and excluding taxes or duties collected on behalf of the Government.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.



Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

All other income are accounted for on accrual basis,

## 2.5 Expenses

All expenses are accounted for on accrual basis.

## 2.6 Property, plant and equipment and Capital work in progress (CWIP)

All property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any. Free hold land is not depreciated. The cost of an asset includes the purchase cost of materials, including import duties and non refundable/ creditable taxes, an any directly attributable cost of bringing an asset to the location and condition of its intended use interest on borrowing used to finance the construction of qualifying assets are capitalized as part of the cost of the asset until such time that the asset is ready for its intended use.

When significant parts of property, 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 refurbishment 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 repairs and maintenance costs are recognised in statement of profit and loss as incurred.

Directly attributable expenditure (including finance cost s relating to borrowed funds for construction or acquisition of fixed assets) incurred on projects under implementation are treated as pre-operative expenses pending allocation to the assets and are shown under CWIP, CWIP is stated at the amount expended upto balance sheet date on assets or property, plant and equipment that are not yet ready for their intended use

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

The cost and related accumulated depreciation are eliminated from the financial statements upon disposal/ sale or retirement of the asset and the resultant gains or losses (difference between the sale proceeds and the carrying amount of the assets) are recognized in the statement of profit and Loss.

## 2.7 Depreciation methods, estimated useful lives and residual value

- a) Depreciation on tangible fixed assets is provided on Straight Line basis so as to charge the cost of the assets or the amount substituted for costs in case of revalued assets less its residual value over the useful life of the respective asset as prescribed under part C of Schedule II to the Companies Act, 2013. Residual value has been considered as 5% of the cost of the respective assets.
- b) Leasehold Building Developments are amortized at lower of period of lease or ten years.
- c) Intangible Assets are amortized over a period of economic benefits not exceeding ten years.
- d) Depreciation/amortization on assets added, sold or discarded during the year is provided on pro – rata basis.

## 2.8 Intangible assets (computer software)

Intangible assets are stated at cost of acquisition net of recoverable taxes less accumulated amortization/depletion and impairment loss, if any. The cost comprises purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use. Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of statement of profit and loss when the asset is derecognized. Computer software is amortized over a period of Ten years.

## 2.9 Inventories

Inventories are valued at lower of cost or net realizable value.

Cost is determined on weighted average/FIFO cost basis

Cost of finished goods and Work in Progress has been worked out on absorption cost basis.

Cost of inventory comprises of purchase price, cost of conversion and other directly attributable costs that have been incurred in bringing the inventories to their respective present location and condition. Borrowing costs are not included in the value of inventories.

Net realizable value (NRV) 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.

## 2.10 Government grants

Government grants are recognized at fair value when there is reasonable assurance that the grant would be received and the company would comply with all the conditions attached with them.

Government grants related to PPE are treated as deferred income (included under noncurrent liabilities with current portion considered under current liabilities) and are recognized and credited in the statement of profit and loss on systematic and rational basis over the estimated useful life of the related assets and included under other income.

Government grants related to revenue nature are recognized on a systematic basis in the Statement of profit and Loss over the periods necessary to match them with the related costs which they are intended to compensate and are adjusted with the related expenditure.

(If not related to a specific expenditure, it is taken as income and presented under: other Income)



**2.11 Borrowing costs**

Borrowing costs that are directly attributable to the acquisition, construction or production of assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are charged to the profit and loss statement in the period in which they are incurred

**2.12 Leases**

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. Assets acquired under leases other than finance leases are classified as operating leases. The total lease rentals (including scheduled rental increases) in respect of an asset taken on operating lease are charged to the statement of profit and loss on a straight line basis over the lease term unless another systematic basis is more representative of the time pattern of the benefit. Initial direct costs incurred specifically for an operating lease are deferred and charged to the statement of profit and loss over the lease term.

**2.13 Provisions, contingent liabilities and contingent assets.**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at current pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability when discounting is used., the increase in the passage of time is recognized as finance costs

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an out flow of resources will be required to settle the obligation . A contingent liability also arises in extremely rare cases where there is liability that cannot be recognized because it cannot be measured reliably.

A contingent liability does not recognized in the financial statements, but discloses its existence in the Financial Statement. When the realization of income is virtually certain, then the related asset is no longer a contingent asset, and is recognized as an asset.

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

**2.14 Dividend payable**

Final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividend are recorded as a liability on the date of declaration by the Company's Board of Directors. A corresponding amount is recognized directly in equity.

**2.15 Foreign currency transactions**

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

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of transaction.

Monetary items denominated in foreign currencies at the year ended translated at the year ended rates which is likely to be realized from, or required to disburse at the balance sheet date. Exchange differences arising on settlement of monetary items at rates different from those at which they were initially recorded / reported in financial statements are recognized as income or expense in the year in which they arise.

Non monetary items which are carried at historical cost denominated in a foreign currency are translated using the exchange rate at the date of the initial transaction.

**2.16 Employee benefits.**

**a) Short terms employee benefits.**

- a) Short –term employee benefits are recognized as an expense at the undiscounted amount in the Statement Profit & Loss Account of the period in which the related service is rendered.
- b) Long –term employee benefits are recognized as an expense in the Statement Profit & Loss Account for the year in which the employee has rendered services.

**Compensated absences**

Accumulated leave, which is expected to be utilized within next 12 months, is treated as short term employee benefit and this is shown under current provisions in the Balance Sheet. The company treats accumulated leave expected to be carried forward beyond twelve months, as Long term employee benefits and shown under Long term provisions in the Balance sheet.

**Defined Benefit Plans**

The Company provides for retirement benefits in the form of gratuity. The company's liability towards this benefit is determined on the basis of actuarial valuation using projected unit credit method at the date of Balance sheet. Actuarial gain and Losses in respect of such benefits are recognized in profit & Loss A/c.

**2.17 Financial instruments**

A Financial instrument is any contract that gives rise to a financial assets of one entity and a financial liability or equity instrument of another party.



## **A. Financial Assets**

### **a) An Initial recognition**

The Company classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement. Financial instruments are recognised when the company becomes a party to the contractual provisions of the instrument. Financial instruments are recognised initially at fair value plus transactions costs that are directly attributable to the acquisition or issue of the financial instrument, except for financial assets at fair value through statement of profit and loss, which are initially measured at fair value, excluding transaction costs (which is recognised in statement of profit and loss).

### **b.) Subsequent measurement**

#### **i) Financial assets carried at amortized cost (AC)**

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

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

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

#### **iii) Financial assets at fair value through statement of profit and loss (FVTPL)**

Equity instruments

All equity investments in scope of Ind AS 109 are measured at fair value either as at FVTOCI or FVTPL. The Company makes such election on instrument-by-instrument basis. For equity instruments measured as at FVTOCI, all fair value changes on the instrument, excluding dividends, are recognised in the OCI. Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the P&L.

### **c) De-recognition**

A Financial Assets (or where applicable, part of a financial asset) is primarily derecognized when:

1. The contractual right to receive cash flows from the assets have expired or
2. The company has transferred its right to receive cash flow from the financial assets and subsequently all the risks and rewards of ownership of the assets to third party.

### **d) Reclassification of financial assets:**

Company determines the 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.

### **Impairment of financial assets**

The company recognized loss allowance using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit and loss. Loss allowance for trade receivable with no significant financing component is measured at an amount equal to life time ECL

For all other financial assets, expected credit loss are measured at an amount equal to the 12 – month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

## **B Financial liabilities**

### **A Initial recognition and measurement:**

All financial liabilities are recognized initially at fair value and in case of loans and borrowings and payables, net of directly attributable cost. **The company's financial liabilities includes trade and other payable, Loans and borrowing including bank over drafts, financial guarantee contracts and derivative financial instruments.**

Fees of recurring nature are directly recognized in statement of profit and loss as finance cost.

### **B Subsequent measurement:**

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

#### **i) Loans and borrowings**

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in statement of profit and loss when liabilities are derecognised. 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 as finance cost in the statement of profit and loss.

#### **ii) Compound financial instruments**

At the issue date the fair value of the liability component of a compound instrument is estimated using the market interest rate for a similar non-convertible instrument. This amount is recorded as a liability at amortised cost using the effective interest method until extinguished upon conversion or at the instrument's redemption date. The equity component is determined as the difference of the amount of the liability component from the fair value of the instrument. This is recognised in equity, net of income tax effects, and is not subsequently re-measured.



**C De-recognition of financial instruments**

A financial liability is derecognized where the obligation under the liability is discharged or cancelled or expires where an existing financial liability is replaced by another from the same tender 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 new liability. The difference in the respective carrying amounts is recognized in the statement of Profit and Loss.

**D Offsetting of financial instruments**

Financial assets and financial liabilities including derivative instruments 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 or to realise the assets and settle the liabilities simultaneously.

**E Fair value measurement**

Fair value is a market-based measurement, not an entity-specific measurement. Under Ind AS, fair valuation of financial instruments is guided by Ind AS 113 "Fair Value Measurement" (Ind AS – 113).

For some assets and liabilities, observable market transactions or market information might be available. For other assets and liabilities, observable market transactions and market information might not be available. However, the objective of a fair value measurement in both cases is the same to estimate the price at which an orderly transaction to sell the asset or to transfer the liability would take place between market participants at the measurement date under current market conditions (i.e. an exit price at the measurement date from the perspective of a market participant that holds the asset or owes the liability).

Three widely used valuation techniques specified in the said Ind AS are the market approach, the cost approach and the income approach which have been dealt with separately in the said Ind AS.

Each of the valuation techniques stated as above proceeds on different fundamental assumptions, which have greater or lesser relevance, and at times there is no relevance of a particular methodology to a given situation. Thus, the methods to be adopted for a particular purpose must be judiciously chosen. The application of any particular method of valuation depends on the company being evaluated, the nature of industry in which it operates, the company's intrinsic strengths and the purpose for which the valuation is made.

In determining the fair value of financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each balance sheet date.

**The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:**

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

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

**F Share capital**

An equity instrument is a contract that evidences residual interest in the assets of the Company after deducting all of its liabilities. Incremental costs directly attributable to the issuance of new equity shares are recognized as a deduction from equity, net of any tax effects.

**2.18 Impairment Non-financial assets**

The carrying amount of any property, plant and equipment and intangible assets with finite lives are reviewed at each balance sheet date, if there is any indication of impairment based on internal /external factor. An asset is impaired when the carrying amount of the asset exceeds the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price 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.

An impairment loss is charged to the statement of profit and loss in the year in which an asset is identified as impaired. An impairment loss recognized in prior accounting periods is reversed if there has been change in the estimate of the recoverable amount. At each balance sheet date, the Company assesses whether there is any indication that any property, plant and equipment and intangible assets with finite lives may be impaired. If any such impairment exists, the recoverable amount of an asset is estimated to determine the extent of impairment, if any. Where it is not possible to estimate the recoverable amount of an individual asset. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the impairment loss previously recognized is reversed such that the asset is recognized at its recoverable amount but not exceeding written down value which would have been reported if the impairment loss had not been recognized.

**2.19 Taxes**

Income tax expense comprises current tax and deferred tax and is recognized in the Statement of Profit and Loss except to the extent it relates to items directly recognized in Equity or in OCI.

**Current tax**

Provision for current tax is made with reference to taxable income computed for the accounting period for which the financial statements are prepared by applying the tax rates and laws that are enacted or substantively enacted at the balance sheet date. The tax is recognised in statement of profit and loss, except to the extent that



it related to items recognised in the other comprehensive income (OCI) or in other equity. In this case, the tax is also recognised in other comprehensive income and other equity.

#### **Deferred tax**

Deferred tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred tax assets are recognized for deductible temporary differences, the carry forward of unused tax credits and any unused tax losses 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 utilized.

The carrying amount of deferred tax assets is reviewed at each balance sheet 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 assets to be recovered.

Unrecognized deferred tax assets are re-assessed at each balance sheet date and are recognized 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 realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws to the extent it is likely to give future economic benefits in the form of availability to set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

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

#### **MAT Credit**

Credit of MAT is recognised as an asset only when and to the extent there is convincing evidence that the 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 MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the statement of profit and loss account 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 normal income tax during the specified period.

## **2.20**

### **Earnings per Share**

The Company presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit and loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit and loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

## **2.21**

### **Non-current assets (or disposal groups) held for sale and discontinued operations**

- a) Non-current assets (or disposal groups) are classified as held for sale if their carrying amount would be recovered principally through a sale/distribution rather than through continuing use and a sale/distribution is considered highly probable.  
Actions required to complete the sale/distribution should indicate that it is unlikely that significant changes to the sale/ distribution would be made or that the decision to sell/distribute would be withdrawn. Management must be committed to sale/distribution expected within one year from the date of classification.
- b) Immediately before the initial classification of the assets (and disposal groups) as held for sale, the carrying amount of the assets (or all the assets and liabilities in the disposal groups) are measured in accordance with their applicable accounting policy.  
Non-current assets (or disposal groups) held for sale/for distribution to owners are subsequently measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits and financial assets which are specifically exempt from this requirement.
- c) Non-current assets including those that are part of a disposal group (PPE and intangible assets) once classified as held for sale/ distribution to owners are neither depreciated nor amortized. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognized.
- d) Non-current assets (including assets of a disposal group) classified as held for sale are presented separately from the other assets in the Balance sheet. The liabilities of a disposal group classified as held for sale/distribution are presented separately from other liabilities in the Balance sheet.



- e) A disposal group qualifies as discontinued operation if it is a component of equity that has either being disposed of or is classified as held for sale, and that represents a separate major line of business or geographical area of operations, or is part of a single co-ordinate plan to dispose of a separate major line of business or geographical area of operations or is a subsidiary exclusively with a view to resale.  
Discontinued operations are excluded from the results of continuing operations and are presented separately as a single amount as profit or loss after tax from discontinued operations in the Consolidated Statement of Profit and Loss and Comparative information is restated accordingly.
- f) All notes to the consolidated financial statements mainly include amounts for continuing operations, unless stated otherwise.

## 2.22 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. Revenue and expenses are identified to segments on the basis of their relationship to the operating activities of the segment. Inter segment revenue are accounted for based on the cost price. Revenue, expenses, assets and liabilities which are not allocable to segments on a reasonable basis, are included under "Unallocated revenue/expenses/ assets/ liabilities". The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director who makes strategic decisions.

The accounting policies adopted for segment reporting are in line with the accounting policies adopted for preparing and presenting the financial statements of the company as a whole.

## 2.23 Cash and cash equivalents

Cash and cash equivalents in the Balance sheet comprise cash on hand, cheques on hand, balance with banks on current accounts and short term, highly liquid investments with an original maturity of three months or less and which carry insignificant risk of changes in value. For the purpose of the Cash Flow Statement, Cash and cash equivalents consist of Cash and cash equivalents, as defined above and net of outstanding book overdrafts as they are considered an integral part of the Company's cash management.

## 2.24 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit/loss before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing flows. The cash flows from operating, investing and financing activities of the Company are segregated.

### **Note No. : 3 Significant accounting judgment, estimates and assumptions**

The preparation of the financial statements requires the use of accounting estimates, which, by definition would seldom equal the actual results. Management also needs to exercise judgment and make certain assumptions in applying the Company's accounting policies and preparation of financial statements

The use of such estimates, judgments and assumptions affect the reported amounts of revenue, expenses, assets and liabilities including 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 the future periods.

Estimates and judgments are continually evaluated. They are based on historical experience and other factors including expectations of future events that may have a financial impact on the company and that are believed to be reasonable under the circumstances.

### **Estimates and assumptions**

The Company has based 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.

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet 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.

**i) Depreciation and useful lives of property, plant and equipment:** Property, plant and equipment are depreciated over the estimated useful lives of the assets, after taking into account their estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation for future periods is adjusted if there are significant changes from previous estimates.

**ii) Income Tax:** Management judgment is required for calculation of income tax and deferred tax assets and liabilities. Deferred tax assets are recognized for unused losses (carry forward of prior years' losses) and unused tax credit to the extent that it is probable that taxable profit would be available against which the losses could be utilised. The company reviews at each balance sheet date the carrying amount of deferred tax. The factor used in estimate may differ from actual outcome which may lead to significant adjustment in the amounts in financial statement.





Minimum Alternative Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period; in the year in which the MAT credit becomes eligible to be recognized as an asset. 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 normal income tax during the specified period

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

**iv) Provisions:** Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgment to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

**v) 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 CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using pretax 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 transaction are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

**vi) Estimation of Defined benefit obligations**

**The company's obligation on account of gratuity and compensated absences is determined based on actuarial valuation.**

The company's obligation on account of gratuity and compensated absences is determined based on actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each financial year end.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rate of government bonds in currencies consistent with currencies of the post employment benefit obligation.

The mortality rate is based on publically available tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected inflation rates.

**vii) Impairment of financial assets:** The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

**viii) Fair value measurement of financial instruments:** 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. The Company based 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.

**ix) Material uncertainty about going concern:** In preparing financial statements, management has made an assessment of Company's ability to continue as a going concern. Financial statements are prepared on a going concern basis. The Management is aware, in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.



**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF BHARAT IMMUNOLOGICALS & BIOLOGICALS CORPORATION LIMITED FOR THE YEAR ENDED 31 MARCH 2020.**

The preparation of financial statements Bharat Immunologicals and Biologicals Corporation Limited for the year ended 31 March 2020 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act are responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 31.07.2020.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of Bharat Immunologicals and Biologicals Corporation Limited for the year ended 31 March 2020 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143(6)(b) of the Act.

**For and on behalf of the  
Comptroller and Auditor General of India**

**Place: Delhi  
Date: 14.12.2020**

**Director General of Audit  
(Environment & Scientific Department)**



**EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31.03.2020**

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

**I. REGISTRATION AND OTHER DETAILS:**

i.	CIN	L24232UP1989GOI010542
ii.	Registration Date	10.03.1989
iii.	Name of the Company	Bharat Immunologicals and Biologicals Corporation Limited (BIBCOL)
iv.	Category / Sub-Category of the Company	Manufacturing
v.	Address of the Registered office and contact details	BIBCOL, OPV Plant, Village – Chola, Bulandshahr, Uttar Pradesh – 203203 The Company Secretary, Phone - 9458096110
vi.	Whether listed company	Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s Mas Services Ltd. Plot No. T-34, 2 <sup>nd</sup> Floor, Okhla Industrial Area, Phase – II, New Delhi - 110020. Phone - 011 26387281 to 83

**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:-

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Oral Polio Vaccine	2423	100

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :- N.A.**

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

**i. Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>Promoter</b>	25585993	7	25586000	59.25	25585993	07	25586000	59.25	NIL
<i>Indian</i>									
Individual/ HUF									
Central Govt									
State Govt(s)									
Bodies Corp									
Banks / FI									
Any Other									
<b>Sub- total</b>	<b>25585993</b>	<b>7</b>	<b>25586000</b>	<b>59.25</b>	<b>25585993</b>	<b>7</b>	<b>25586000</b>	<b>59.25</b>	<b>NIL</b>



(A)(1):-									
Foreign									
NRIs – Individuals									
Other Individuals									
Bodies Corp.									
Banks / FI									
Any Other									
Sub-total	0	0	0	0	0	0	0	0	0
(A)(2):-									
<b>Public Shareholding</b>									
Institutions									
Mutual Funds									
Banks / FI	1700	0	1700	0	1700	0	1700	0	0
Central Govt									
State Govt(s)									
Venture Capital Funds									
Insurance Companies									
FIs									
Foreign Venture Capital Funds									
Others (specify)									
Sub-total (B)(1)	1700	0	1700	0	1700	0	1700	0	0
2. Non Institutions									
Bodies Corp. (i) Indian (ii) Overseas	758712	57200	815912	1.89	1048469	57200	1105669	2.56	-0.67%
Individuals  (i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	9806438	941470	10747908	24.89	9440442	950570	10391012	24.06	+0.83
(ii) Individual shareholders									



holding nominal share capital in excess of Rs 2 lakh	5236594	0	5236594	12.13	5113231	0	5113231	11.84	+0.29
NRI	271096	0	271096	0.62	209615	0	209615	0.49	-0.13
Clearing Member	520790	0	520790	1.21	680773	0	680773	1.58	-0.37
NBFC	0	0	0	0	92000	0	92000	0.22	-0.22
Others (HUF)	0	0	0	0	0	0	0	0	0
Sub-total (B)(2)	16593630	998670	17594000	40.75	16584530	1007770	17594000	40.75	0
Total Public Shareholding (B)=(B)(1)+(B)(2)	16595330	998670	17594000	40.75	16586230	1007770	17594000	40.75	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	42181323	998677	43180000	100	42172223	1007777	43180000	100	0

**Shareholding of Promoters**

Sr · N	Shareholder'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 Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	PRESIDENT OF INDIA	25585993	59.25	0	25585993	59.25	0	0
2	C.A SIVARMAN	1	0	0	1	0	0	0
3	M S DAYAL ADDL. SECY	1	0	0	1	0	0	0
4	DR S. RAMACHANDRAN	1	0	0	1	0	0	0
5	DR V R KALYANARAMAN	1	0	0	1	0	0	0
6	DR (MRS) MANJU SHARMA ADVISER	1	0	0	1	0	0	0



7	DR P. DAS GUPTA	1	0	0	1	0	0	0
8	S B KRISHNAN, JOINT SECY	1	0	0	1	0	0	0
	Total	25586 000	59.25	0	25586 000	59.25	0	0

ii. **Change in Promoters' Shareholding (please specify, if there is no change):- Being a Govt. Company shares are in the name of President of India.**

**V. INDEBTEDNESS**

Indebtedness of the Company including interest outstanding/accrued but not due for payment: - **NIL**

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

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

There was no remuneration to above during the year 2019-20

**B. Remuneration to other directors:**

There was no remuneration to director(s) except sitting fee to some during the year 2019-20

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

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	N.A.	As per Government Rule time being in force for Central Dearness Allowance (CDA) pattern Level 11 of 7 <sup>th</sup> CPC.	N.A.	
2.	Stock Option	N.A.	NIL	NIL	
3.	Sweat Equity	N.A.	NIL	NIL	
4.	Commission - as % of profit - others, specify...	N.A.	NIL	NIL	
5.	Others, please specify				
	Total				

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



**Bharat Immunologicals & Biologicals Corporation Limited**  
CIN – L24232UP1989GOI010542 (A Govt. of India Undertaking)  
Regd. Office: Vill. Chola, Bulandshahr, Uttar Pradesh-Pin 203203

**ATTENDANCE SLIP**

31<sup>st</sup> Annual General Meeting

Reg. Folio/DP & Client No:.....

No. of Shares Held:.....

I certify that I am a Registered Shareholder/Proxy for the Registered Shareholder of the Company. I hereby record my presence at the 31<sup>st</sup> Annual General meeting of the company to be held on 30<sup>th</sup> December, 2020 at 11.30 A.M. at the Registered office of the Company and at any adjournment thereof.

Member's Name : .....

Member's/Proxy's Signature

Proxy's Name : .....

- Note :
1. Please fill this attendance slip and hand it over at the entrance of the Hall.
  2. Members/Proxy Holders/ Authorized Representatives are requested to show their Photo ID Proof for attending the Meeting.
  3. Authorized Representatives of Corporate Member(s) shall produce proper authorization issued in their favor.
-



Form No. MGT -11



**Bharat Immunologicals & Biologicals Corporation Limited**

CIN – L24232UP1989GOI010542 (A Govt. of India Undertaking)  
Regd. Office: Vill. Chola, Bulandshahr, Uttar Pradesh-Pin 203203

**PROXY FORM**

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rules 19(3) of the Companies (Management and Administration) Rules, 2014)

Name ..... of ..... the ..... Member ..... (s) ..... :

Registered ..... Address: .....

E Mail Id: ..... Folio No./Client Id:..... DP ID.....

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

1. Name: ..... Address:.....  
..... E. Mail Id:..... Signature.....or  
failing him

2. Name: ..... Address:.....  
..... E. Mail Id:..... Signature.....or  
failing him

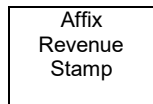
3. Name: ..... Address:.....  
..... E. mail Id:..... Signature.....

As my/our Proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 31<sup>st</sup> Annual General meeting of the Company to be held on **Wednesday, 30<sup>th</sup> December, 2020 at 11.30 A.M.** at the Registered office of the Company and at any adjournment thereof in respect of such Resolutions as are indicated below:

S. No.	Resolutions Ordinary Business	Optional	
		For	Against
1	To adopt the Audited Financial Results for the year ended 31 <sup>st</sup> March 2020		
2	To appoint Auditors and fix their remuneration		

Signed this .....day of.....2020

Signature of Proxy Holder(s)



Signature of the Shareholder

- Note: 1. This form of Proxy in order to be effective should be duly completed and deposited at the Registered office of the Company, not less than 48 hours before the commencement of the Meeting.  
2. It is optional to put 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the, 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.  
3. Please complete all details including details of Member(s) in above box before submission.