



# ***Alpa Laboratories Ltd.***

**33/2, Pigdamber A.B. Road - 453 446 Distt. Indore - (M.P.) India**

**Phone No. : +91-731- 429 4567 Fax No. : +91-731- 429 4444**

**Email : mail@alpalabs.in**

**CIN : L85195MP1988PLC004446**

**Date:-04<sup>th</sup> September, 2019**

<b>The Bombay Stock Exchange Phiroze Jeejeebhoy Towers Dalal Street Mumbai- 400001  Scrip Code:532878</b>	<b>National Stock Exchange of India Ltd. Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai - 400 051 Scrip Code:ALPA</b>
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Sir/Madam,

**Sub: Submission of Annual Report for F.Y 2018-19 and intimation of voting through electronic means.**

Please find enclosed herewith soft copy of Annual Report 2018-19, comprising of Notice calling 31<sup>st</sup> Annual General Meeting along with Audited Financial Statements, Director's Report, Auditor's Report etc. of Alpa Laboratories limited ("the Company) in compliance with Regulation 34(1)(a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations,2015("Listing Regulations").

We would like to inform you that the Company has on 04<sup>th</sup> September, 2019 completed the process of dispatching of Annual Report 2018-19 to the shareholders. The Company is offering E Voting facility to its shareholders in respect of the business to be transacted at the 31<sup>st</sup> Annual General Meeting scheduled to be held on Monday, 30<sup>th</sup> September 2019 at 10:30 A..M. The E-Voting facility will be available to all the shareholders holding shares as on Cut,off date i.e 23<sup>rd</sup> September ,2019 during the voting period

The above information is for your records.

Thanking you,

Yours Sincerely

**For ALPA LABORATORIES LIMITED**

*Mahendra*

**MS CHAWLA  
DIRECTOR**

Encl:A/a



# ANNUAL REPORT



**2018-19**

**ALPA LABORATORIES LTD.**

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33/2, A. B. Road, Pigdamber-453 446, Indore (M.P.)

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# Corporate Information

## **Board of Directors**

1. Shri Mahendra Singh Chawla – Chairman
2. Shri Paresh Chawla- Managing Director
3. Shri Pravin Shah – Director
4. Shri Devendra Baheti- Independent Director
5. Shri Sharad Chand Lunawat- Independent Director
6. Shri Krishna Das Malani- Independent Director
7. Smt. Jyoti Jain- Independent Director

## **Audit Committee**

1. Shri Krishna Das Malani - Chairperson
2. Shri Sharad Chand Lunawat - Member
3. Shri Mahendra Singh Chawla - Member

## **Nomination and Remuneration Committee**

1. Shri Sharad Chand Lunawat - Chairperson
2. Smt. Jyoti Jain - Member
3. Shri Krishna Das Malani - Member

## **Stakeholder Relationship Committee**

1. Shri Sharad Chand Lunawat - Chairperson
2. Shri Pravin Shah - Member
3. Shri Mahendra Singh Chawla - Member

## **Corporate Social Responsibility Committee**

1. Shri Pravin Shah - Chairperson
2. Shri Sharad Chand Lunawat - Member
3. Shri Devendra Kumar Baheti - Member

## **Chief Financial Officer**

Shri Bakulesh Shah

## **Company Secretary**

Ms. Megha Neema

## **Cost Auditors**

M/s Sudeep Saxena & Associates

## **Secretarial Auditors**

M/s Shilpesh Dalal & Co., Company Secretaries

## **Statutory Auditors**

M/s Anuradha Ratnaparkhi & Associates,  
Chartered Accountants

## **Registered Office**

33/2, A.B Road, Pigdamber  
Rau, Indore-453446  
Madhya Pradesh, India  
Phone: 0731-4294567  
Fax: 0731-4294444

## **Website:**

[www.alpalabs.in](http://www.alpalabs.in)

## **Registrar and Transfer Agent**

Bigshare Services Private Limited  
1<sup>st</sup> Floor, Bharat Tin Works Building  
Opp. Vasant Oasis  
Makwana Road, Marol Andheri (East)  
Mumbai-400059, Maharashtra  
Phone No: 022-62638200  
Fax: 022-62638299

## **Investor Services Email ID**

[is@alpalabs.in](mailto:is@alpalabs.in)

## **Secondary Email ID**

[cs@alpalabs.in](mailto:cs@alpalabs.in)

## **NOTICE TO SHAREHOLDERS**

Notice is hereby given that the 31<sup>st</sup> Annual General Meeting of the members of the Company will be held on Monday, **30<sup>th</sup> Day of September 2019** at 10:30 A.M at the registered office of the Company situated at 33/2, A.B. Road, Pigdamber Rau, Indore, Madhya Pradesh to transact the following business:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Standalone and Consolidated Audited Financial Statement, as at **31<sup>st</sup> March 2019** and the Profit & Loss Account for the year ended on that date together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Paresh Chawla (DIN: 00520411), who retires by rotation and being eligible, offers himself for re-appointment.

### **SPECIAL BUSINESS:**

3. To consider and, if thought fit, to pass, with or without modifications, the following resolution as Ordinary Resolution:  
“**RESOLVED THAT** pursuant to the provisions of Section 148 (3) and other applicable provisions of the Companies Act, 2013, and Companies (Audit and Auditors) Rules, 2014 including any statutory modification or re-enactments thereof, M/s Sudeep Saxena and Associates, Cost Accountants, Indore (Firm Reg No. 100980), be and are hereby confirmed as Cost Auditor of the Company, as appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company, as applicable, for the Financial Year ending as on 31<sup>st</sup> March, 2020, be confirmed and be paid remuneration of Rs. 70,000 per year plus reimbursement of out of pocket expenses.”
4. To consider and, if thought fit, to pass, with or without modifications, the following resolution as a Special Resolution:  
“**RESOLVED THAT** pursuant to the provisions of Section 196, 197 and 203 read with Schedule V and other applicable provisions if any, of the Companies Act, 2013 and subject to such other approvals as may be necessary, consent of the members be and is hereby accorded to appoint Mr. Pravin Shah (DIN: 01232138), as the Whole Time Director of the Company who has attained age above 70 years, from the conclusion of this Annual General Meeting till the conclusion of the 36th Annual General Meeting.

By the order of the Board of Directors)  
**For Alfa Laboratories Limited**

#### **Registered Office:**

33/2, A.B. Road, Pigdamber, Rau  
Indore (M.P.) 453446, India  
Phone: +91-731-429-4567  
Email: [cs@alpalabs.in](mailto:cs@alpalabs.in)  
Website: [www.alpalabs.in](http://www.alpalabs.in)  
(CIN: L85195MP1988PLC004446)

**Megha Neema**  
Company Secretary

**Pigdamber, Rau, Indore,**  
**14<sup>th</sup> August, 2019**

**NOTES:**

- (1) A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on poll instead of himself and a proxy need not be a member of the Company. A person can act as proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the company carrying voting rights. 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 a proxy for any other person or shareholder. Proxies, to be effective, should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.**
- (2) Explanatory Statement pursuant to section 102 of the Companies Act, 2013 (“the Act”) is annexed hereunder and forms part of the Notice.
- (3) The ‘Register of Members’ and ‘Share Transfer Books’ will remain closed from Monday, 23<sup>rd</sup> September, 2019 to Monday, 30<sup>th</sup> September, 2019 (both days inclusive) for the purpose of Annual general Meeting.
- (4) Members/Proxies should fill the Attendance Slip for attending the Meeting and bring their Attendance Slips along with their copy of the Annual Report to the Meeting.
- (5) Members who hold the shares in dematerialized form are requested to bring details of their DP and client ID number for easier identification and attendance at the meeting.
- (6) 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.
- (7) The information regarding the Directors retiring by rotation and eligible for re-appointment as well as Directors being appointed is furnished in the Explanatory Statement and Report on Corporate Governance.
- (8) Members seeking specific information are requested to write to the Company by email at [is@alpalabs.in](mailto:is@alpalabs.in) at least 7 days before the date of the AGM to enable the management to reply appropriately at the AGM.
- (9) Members are requested to: a) Immediately notify any changes in their address/ bank mandate to their respective Depository Participants (DPs) in respect of electronic share accounts and to the Registrar & Share Transfer Agent with all necessary details, in respect of physical share folios, b) Quote their ledger folio number in all their correspondence, c) bring their copy of the Annual Report and the Attendance Slip with them at the Annual General Meeting.
- (10) Nomination facility is available as per the provision of the Companies Act, 2013. Those who wish to avail themselves of this facility may send in their Nomination Forms either to the Registrar or to the Company at its Registered Office.
- (11) Electronic copy of this Notice of AGM inter alia indicating the process and manner of e-voting along with the Annual Report, Attendance Slip, Proxy Form and Ballot Form is being sent to the members whose email IDs are registered with the Company/ Depository Participants unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the above is being sent in the permitted mode. Members may also note that the above documents are also available for downloading on Company’s website at [www.alpalabs.in](http://www.alpalabs.in)
- (12) Documents referred to in this Notice of AGM are open for inspection by the members at the registered office of the Company on all working days between 11:00 A.M and 1:00 P.M up to the date of the meeting.
- (13) The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- (14) The route map showing directions to reach the venue of 31<sup>st</sup> AGM is annexed.
- (15) The instrument appointing proxy should be deposited at the registered office of the company not less than 48 hours before the commencement of the meeting.

- (16) In case of joint holders attending the AGM, the member whose name appears as the first holder on the order of names as per the Registers of Members of the company will be entitled to vote.
- (17) Resolution(s) passed by Members through e-voting is/are deemed to have been passed as if they have been passed at the AGM.
- (18) M/s. Shilpesh Dalal & Co. Practicing Company Secretary (Membership No. F5316) has been appointed as the Scrutinizer to scrutinize the e-voting process (including ballot form received from the members who do not have access to the e-voting facility) in a fair and transparent manner.
- (19) The Scrutinizer shall immediately count the Vote casted at the AGM and within a period not exceeding two (2) working days from the conclusion of the AGM unblock the information in the presence of at least two (2) witnesses not in the employment of the Company and submit the Consolidated Report of E-Voting and Poll to the Chairman of the Company.
- (20) The Results on above resolutions shall be declared not later than 48 hours from the conclusion of the AGM of the Company and the resolutions will be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favour of the Resolutions. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.alpalabs.in](http://www.alpalabs.in) and on the website of CDSL within two (2) days of passing of the resolutions at the AGM of the Company and also communicated to the Bombay Stock Exchange Ltd. (BSE) and The National Stock Exchange of India Ltd. (NSE).
- (21) Voting through electronic means:  
In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 31st Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting system provided by Central Depository Services (India) Limited (CDSL).

The instructions for e-voting are as under:

#### **SECTION-A: Voting Process:**

Members Should follow the following steps to cast their votes electronically:

The voting period begins on Friday 27<sup>th</sup> Day of September, 2019 at 9:00 a.m. and ends on Sunday 29<sup>th</sup> Day of September, 2019 at 5:00 p.m.

During this period Shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Monday, 23<sup>rd</sup> September 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

**Step 1:** The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).

**Step 2:** Click on "Shareholders" to cast your vote(s)

**Step 3:** Enter your User ID:

- a. For account holders in CDSL: Your 16 digits beneficiary ID,
- b. For account holders in NSDL: Your 8 Character DP ID followed by 8 Digits Client ID,
- c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

**Step 4:** Next enter the Image Verification as displayed and Click on "Login"

**Step 5:** If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used .If you have forgotten the password, then enter the user ID and the image verification code and click on "FORGOT PASSWORD" and enter the details as prompted by the system.

**Step 6:** If you are a first time user follow the steps given below:

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

**Step 7:** After entering these details appropriately, click on “SUBMIT” tab.

**Step 8:** Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

**Step 9:** For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

**Step 10:** Click on the EVSN for the relevant Alpa Laboratories Limited on which you choose to vote.

**Step 11:** On the voting page, you will see “**RESOLUTION DESCRIPTION**” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

**Step 12:** Click on the “**RESOLUTIONS FILE LINK**” if you wish to view the entire Resolution details.



**Step 13:** After selecting the resolution, you have decided to vote on, click on “**SUBMIT**”. A confirmation box will be displayed. If you wish to confirm your vote, click on “**OK**”, else to change your vote, click on “**CANCEL**” and accordingly modify your vote.

**Step 14:** Once you “**CONFIRM**” your vote on the resolution, you will not be allowed to modify your vote.

**Step 15:** You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.

**Step 16:** If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

**Step 17:** Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store, Windows and Apple smart phones. Please follow the instructions as prompted by the mobile app while voting on your mobile.

**Step 18: Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

**Step 19:** In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

## **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

### **Item No. 3**

In pursuance of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Board has appointed M/s Sudeep Saxena & Associates, Cost Accountants on the recommendations of the Audit Committee, for conduct of Cost Audit of cost records of company for Financial Year 2019-20 at a remuneration of Rs. 70,000 plus out of pocket expenses.

The Board of Directors recommends the resolution set out at Item No. 3 of the accompanying Notice for the approval of the members as an Ordinary Resolution. None of the Directors or Key Managerial Persons or relative thereof is concerned or interested in the resolution.

### **Item No. 4**

In Pursuant to the provisions of section 196 of Companies Act, 2013 the person who has attained the age of 70 years shall be appointed as Executive Director by the members by passing Special Resolution at their General Meeting. Since Mr. Pravin Shah has attained the age of 70 years and above, so in view of the provision of the companies act, 2013. Board recommends for re-appointment of Mr. Pravin Shah as Whole Time Director for a period of five years with effect from 01-10-2019 in terms of the provisions of the Companies Act, 2013 and the Articles of Association of the Company. Accordingly, your Board of Directors recommend for passing the proposed resolution as a Special Resolution.

The Board of Directors recommends the resolution set out at Item No. 4 of the accompanying Notice for the approval of the members as a Special Resolution. None of the Directors or Key Managerial Persons or relative thereof is concerned or interested in the resolution.

#### **Registered Office:**

33/2, A.B. Road, Pigdamber, Rau  
Indore (M.P.) 453446, India  
Phone: +91-731-429-4567  
Email: [cs@alpalabs.in](mailto:cs@alpalabs.in)  
Website: [www.alpalabs.in](http://www.alpalabs.in)  
(CIN: L85195MP1988PLC004446)

By the order of the Board of Directors)  
**For Alpa Laboratories Limited**

**Megha Neema**  
Company Secretary

**Pigdamber, Rau, Indore,  
14<sup>th</sup> August, 2019**

## **Directors' Report**

To,

The Members of the Company

The Directors have the pleasure of presenting the 31<sup>st</sup> Annual Report of your Company together with the Audited Financial Statements for the year ended as on 31<sup>st</sup> March, 2019.

### **1. PERFORMANCE OF THE COMPANY**

#### **Financial Summary**

(₹ in Lacs).

Financial Results	Financial Year ended			
	Standalone		Consolidated	
	31/03/2019	31/03/2018	31/03/2019	31/03/2018
Total Income	8305	6699	8328	6770
Profit before finance cost & depreciation	7698	5832	7706	5892
Less: Finance Cost	57	107	57	107
Depreciation and Amortization	110	105	312	307
<b>Profit Before Tax</b>	<b>440</b>	<b>655</b>	<b>253</b>	<b>464</b>
<b>Less: Exceptional Item</b>	-	-	-	-
Less: Provision for Taxation				
Current Tax	(108)	(189)	(125)	(210)
Deferred Tax	(59)	10	(50)	26
Less: Other Comprehensive Income/Expenses	-	-	(6)	
<b>Net Profit</b>	<b>273</b>	<b>476</b>	<b>72</b>	<b>280</b>

The above figures have been reconciled as per the Indian Accounting Standards (IND AS).

The Standalone and Consolidated Financial Statements are prepared in accordance with the Accounting Standards as prescribed by Institute of Chartered Accountants of India

The Audited Consolidated Financial Statements are provided in this Annual Report.

### **2. DIVIDEND:**

The Directors do not recommend dividend for the financial year ended as on March 31, 2019 with a view to retain internal accruals that will be used for the expansion of the Company. The board of directors and the management of the company had taken strong initiatives and going rapidly on a strong path to achieve the highest milestones in the pharmaceutical industry in the upcoming years, so it is necessary to retain internal accruals that will be utilized for the upcoming projects.

### **3. MANAGEMENT DISCUSSIONS AND ANALYSIS:**

#### **ECONOMIC OVERVIEW AND OUTLOOK OF THE PHARMA INDUSTRY**

India is the largest provider of generic drugs globally. Indian pharmaceutical sector industry supplies over 50 per cent of global demand for various vaccines, 40 per cent of generic demand in the US and 25 per cent of all medicine in UK. India enjoys an important position in the global pharmaceuticals sector. The country also has a large pool of scientists and engineers who have the potential to steer the industry ahead to an even higher level.

The Pharmaceutical sector was valued at US\$ 33 billion in 2017. The country's pharmaceutical industry is expected to expand at a CAGR of 22.4 per cent over 2015–20 to reach US\$ 55 billion. India's pharmaceutical exports stood at US\$ 17.27 billion in FY18 and have reached US\$ 19.14 billion in FY19.

Moreover, the need for affordable healthcare in pharmerging and developed nations are likely to support exports of branded generics to these countries. Also, rising per capita incomes in pharmerging nations will contribute to the rise in branded generics exports from India", Manufacturing & Service Industries:

#### **PHARMACEUTICAL OVERVIEW:**

##### **Global:**

The Pharmaceutical industry plays an important role in improving the life of patients. It is also one of the world fastest growing industries and among the biggest contributors to the world economy.

##### **Global Spending:**

According to the IQVIA Institute paper published in January 2019, global spending on medicines reached USD 1.2 trillion in 2018 and is set to exceed USD 1.5 trillion by 2023. This would be a 3–6% annual growth rate over the next five years – a notable slowdown from the 6.3% seen over the past five years. The key drivers of growth will continue to be the United States and pharmerging markets with 4–7% and 5–8% compound annual growth, respectively. Pharmerging market growth continues to derive primarily from increasing per capita use, but some markets are seeing wider uptake of newer medicines as patients' ability to afford their share-of-costs improves with economic growth. Growth in developed countries will come with higher proportion of aged population

##### **Emerging Markets:**

With rising income levels, growing health awareness and better access to healthcare, emerging markets offer significant growth potential for the pharmaceutical industry. In recent times, it has been seen that the African Pharmaceutical industry is the fastest growing in the world and their market size is estimated to be worth USD 40-60 Billion by 2020.

#### **GROWTH DRIVERS:**

**Ageing Population:** Population across major parts of the globe is ageing. Number of older people is growing faster than the number of people in younger age groups due to declining fertility and increasing longevity. Older people (representing aged 65 and older) is projected to increase from 9% in 2018 to 16% by 2050. Global life expectancy is expected to improve due to declining infant mortality, enhanced living conditions, improved sanitation, better prevention of communicable diseases and growing access to medicines. These scenarios are expected to bolster healthcare spending.

**Changing Lifestyles:** In today's world, lifestyle of individuals is increasingly becoming hectic and stressful leading to unhealthy eating habits, lack of exercise, less sleep and other lifestyle choices. This change in lifestyle has resulted in higher obesity, hypertension, depression, diabetes, cardiovascular diseases and other physical problems.

**Rising Disposable Income:** In emerging markets, long term economic growth will lead to rise in disposable incomes. Due to this, the demand for better healthcare solutions will gradually increase.

**Technology & Innovation:** Patients are better informed and aware of the healthcare choices available to them through technological advances such as mobile apps and healthcare devices. A new wave of innovation continues to replenish the

product pipeline and will provide essential therapeutic advances for patients. In addition to novel medicines, there will be an ongoing flow of new mechanisms that will see their first human uses in areas such as genome-editing, micro biome as well as regenerative cell technologies that include stem cells harvested from one part of the body to use against a disease in another part.

**Regulatory Policies:** Regulatory agencies have set a high priority to improve the drug review process to increase competition to reduce prices. Policies imposed by regulatory will be a significant growth driver to achieve success.

#### **PERFORMANCE SNAPSHOT:**

During the financial year under report, the Company registered a total income of 8305 Lacs as against 6699 Lacs in the previous financial year, a growth of 25.36% has been noticed. Since the company is moving on a strong path to achieve the highest milestone in the pharmaceutical industry for this company has started new market in overseas countries so that turnover can be maximized through supplies in overseas market.

As during the year company has also been noticed that order from government department has been significantly increased as compared to the previous year it may impact on the turnover also.

#### **SEGMENT REPORTING:**

The Company operates in a single segment of Drugs and Chemicals, which is the primary reportable segment, and the same is given in the notes to the financial statements.

#### **OUTLOOK, RISKS AND CONCERNS:**

Alpa Laboratories Limited has built a strong culture of risk mitigation process which entails regular and stringent monitoring of its business activities to identify, evaluate and resolve risks. The top management of the Company and the Board are involved in monitoring of risk assessment and mitigation, thus ensuring a quick resolution mechanism.

However, some risk and concerns had been faced by the organization like:

**Competition Risk:** Competition is an integral part of all industries and pharmaceutical is no exception. Different markets / businesses have different intensities of competitions and Company has a robust framework to identify its competitive advantages like early-to-market, niche new product launches through identifying unmet medical needs etc.

**Regulatory Risk:** Pharmaceutical is among one of the highly regulated industries across the world and rightly so as it deals with evolving human life. These regulation impact development, manufacturing, approval, marketing and distribution of products, while throwing new compliance challenges. A strong quality assurance mechanism and compliance monitoring network at Alpa ensures strict compliance at every level.

**Foreign Exchange Risk:** The Company earns a vital part of its revenue in foreign exchange, thus exposing it to the volatility in the exchange rates. This can have an adverse effect on its earnings. The Company follows a conservative and disciplined hedging policy which ensures protecting the desired exchange rate for sustaining the profitability.

**Product Liability Risk:** The business is exposed to potential claims for product liability. These risks are sought to be managed by appropriate laboratory and clinical studies for each new product, compliance with Good Manufacturing Practices and independent quality assurance system. The Company also has an adequate insurance cover for product liability.

**Manufacturing & Supplying Risk:** Although a major portion of the Company's finished formulations are being manufactured at in-house facilities, the Company also depend on third party suppliers for sourcing for some of the markets. Any significant disruption at in-house facilities or any third-party manufacturing locations due to economic, regulatory political & social factors or any other event may impair the Company's ability to produce, procure and/or ship products to the markets on a timely basis and could expose the Company to penalties and claims from customers.

## **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

The Company has strong system of internal controls in supervision, checks, policies and procedures, which are being tested on routine basis by the management and the internal auditors. Moreover, the company continuously upgrades these systems in line with the best accounting practices. The Audit Committee also reviews the adequacy of internal controls systems and the compliance thereof. Further, the annual financial statements of the company are reviewed and recommended by the audit committee for the consideration and approval of the board of directors. The committee also reviews internal controls systems, significant accounting policy, major accounting entries, related party transactions, etc.

## **HUMAN RESOURCES:**

The human resources are assets for the organization and plays a crucial role in the growth and success of an organization. Company has a policy to retain talent at its high priority to enable achievement of organizational goal and vision. During the year under review, various trainings were conducted to improve the competency level of employees with an objective to improve the operational performance of individuals. The company strives to enhance the technical, work related and general skills of employees through training programs on a recurrent basis.

The company has 405 permanent employees as on 31<sup>st</sup> March, 2019. (Excluding the employee working under training and apprenticeship).

## **CAUTIONARY STATEMENT:**

Certain statement in the management discussion and analysis may be forward looking within the meaning of applicable securities laws and regulations and actual results may differ materially from those expressed or implied. Factors that would make differences to company's operations include competition, currency fluctuations, regulatory issues, changes in government policies with in India and the countries in which the company conduct business and other incidental factors.

## **4. SHARE CAPITAL:**

The paid-up equity share capital of the company as on 31<sup>st</sup> March, 2019 is Rs. 2104.06 Lacs and there is no change in share capital of the Company as compared to the previous financial year. During the year no further capital were raised by the company.

## **5. SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANIES\*\*\*:**

There has been no material change in the nature of the business of the subsidiary i.e. Norfolk Mercantile Private Limited. The company has no subsidiary, which can be considered as material with in the meaning of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As required, the financial data of the subsidiary is furnished in the prescribed form AOC-1 as an Annexure to the Consolidated Financial Statements Pursuant to the provisions of section 129 (3) of the Companies Act,2013 the Consolidated Financial Statements of the Company are attached.

\*\*\***Note:** The Company is partner in Seabright Landmark Projects LLP to the extent of 18% share in profit.

## **6. DIRECTORS:**

### **a) Overview:**

Mr. Krishnadas Malani, Mr. Sharad Chand Lunawat, Mr. Devendra Kumar Baheti and Mrs. Jyoti Jain who are Independent Directors, have submitted declarations that each of them meets the criteria of Independence as laid down under section 149 (6) of the Act and the Listing Regulations. Based on disclosure provided by Directors, none of them are disqualified from being appointed as Directors under section 164 of the Companies Act, 2013.

Mr. Pravin Shah, Whole-time director, (holding DIN 00520411) of the company is appointed under the provisions of section 196 of Companies Act, 2013 the person who has attained the age of 70 years can be appointed as Whole Time Director by the member by passing Special Resolution at their General Meeting. Therefore, the brief resume of the director is mentioned below:

- a) Mr. Pravin Shah, Director, Date of Appointment- 18<sup>th</sup> March, 1988, Experience- 30 Years in the field of Pharmaceuticals Industry. The Knowledge and Experience helps the company to achieve the growth. Currently he is working as an Executive Director in the Alpa Laboratories Limited.

**b) Retirement by rotation:**

As per the provisions of the Companies Act, 2013, Mr. Paresh Chawla, Managing Director, (holding DIN 00520411), retires by rotation at the ensuing AGM and being eligible has offered himself for re-appointment.

**c) Remuneration Policy and Board Evaluation:**

In Compliance with the provision of the Companies Act, 2013 and Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors on the recommendation of the Nomination and Remuneration Committee adopted a policy on remuneration of Directors and Senior Management. The remuneration policy is stated in the Corporate Governance Report. Performance evaluation of the Board was carried out during the period under review. The detail of the same is mentioned in the corporate governance report.

**d) Familiarisation Program for the Independent Directors:**

In Compliance with the requirements of SEBI Regulations, the Company undertook Director's familiarization program to familiarize them with their roles, rights and responsibilities as directors, the company's operations and other relevant information which would enable them to effectively discharge the responsibilities and functions conferred on them. Details is placed on the company's website.

**e) Meetings of the Board and Committees thereof:**

This information has been furnished under Report on Corporate Governance, which is annexed.

**f) Code of Conduct for Board of Director:**

The Company has also adopted a Code of Conduct for Board of Directors. This is also posted on company's website. All directors confirmed their abidance with the Code.

**7. DIRECTOR RESPONSIBILITY STATEMENT:**

Your Director confirms:

- a) That in the preparation of the Annual Financial Statements for the year ended as on March 31<sup>st</sup>, 2019 the applicable Accounting Standards had been followed along with proper explanation relating to material departures, if any.
- b) That your Directors have selected such accounting policies as mentioned in the Notes to the financial statements have been applied consistently and judgments and estimates that are reasonable and prudent have been made so as to give a true and fair view of the state of affairs of the Company and of the Profit and Loss of the Company for the year ended as on March 31<sup>st</sup>, 2019.
- c) That your Directors have taken proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) That your Directors have prepared the Annual Financial Statements have been prepared on a going concern basis.

e) That your Directors have laid down internal financial controls were followed by the Company and that such internal financial controls are adequate and were operating effectively.

f) That your Directors have devised proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

## **8. CORPORATE GOVERNANCE:**

As per the requirement of SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015 the Company has complied with the requirements of Corporate Governance in all material aspects. The report on Corporate Governance (ANNEXURE-1) together with a certificate of its compliance from a Practicing Company Secretary, forms part of the report.

## **9. FIXED DEPOSITS:**

During the year under review, the Company has not accepted any fixed deposits and as such no amount of principal or interest on deposit from public was outstanding as on the date of the balance sheet.

## **10. AUDIT COMMITTEE:**

Details of the Audit Committee along with its constitution and other details are provided in the Report on Corporate Governance.

## **11. AUDITORS AUDIT REPORT AND AUDITED ACCOUNTS:**

M/s. Anuradha Ratnaparkhi and Associates, Statutory Auditor of the Company, (FRN No. 023451C) who was appointed in the 29<sup>th</sup> Annual General meeting for the period of five years has submitted their Auditor's Report read with the notes to the accounts referred to therein are self-explanatory and therefore, do not call for any further comments. There are no qualifications, reservations or adverse remarks made by the Auditors.

## **12. COST AUDIT:**

Pursuant to the provisions of Section 148 of the Companies Act, 2013, M/s. Sudeep Saxena & Associates, Cost Accountants (Registration Number 100980) was appointed as Cost Auditors for the financial year 2018-2019 to conduct audit of cost records of the company. The Company is Maintaining cost records and liable for cost audit.

## **13. SECRETARIAL AUDITOR:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and other applicable provisions of the act, M/s. Shilpesh Dalal & Co. Company Secretaries were appointed as the Secretarial Auditor for auditing the secretarial records maintained by the Company for the financial year 2018-2019.

The Secretarial Audit Report is **attached (in FORM No. MR-3) as ANNEXURE-7** to this report. There are no qualifications, reservations or adverse remarks made by the Secretarial Auditor.

## **14. CORPORATE SOCIAL RESPONSIBILITY:**

The Company is always being a committed good corporate citizen, as a part of its Social responsibility, the company undertakes various activities for the benefit of needy people, company has maintained good relationship with the charitable organization and support for the people to improve the living conditions. During the year under review Company has supported old age homes and promotional of Social Activities undertaken by charitable institutions and organizations.

Pursuant to the provisions of section 135 of the Companies Act, 2013 rules made thereunder the Company has constituted a CSR Committee to monitor CSR Activities of the Company, the said policy may be accessed on the Company website at the link [www.alpalabs.in](http://www.alpalabs.in)



An abstract on Company CSR activities is furnished as **ANNEXURE-2** to this report.

#### **15. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS:**

Details of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the financial statement.

#### **16. PARTICULARS OF CONTRACTS AND RELATED PARTY TRANSACTIONS:**

In line with the requirements of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, Company has formulated a policy on Related Party Transactions. All related party transactions that are entered during the financial year were on arm's length basis and in the ordinary course of business. There were no materially significant transactions with Related Parties during the financial year 2018-19. The policy of related party transaction, Board had approved policies on Related Party Transactions. and the same have been uploaded on the Company's website, under the web link: [www.alpalabs.in](http://www.alpalabs.in).

Related party transactions are disclosed in the notes to the Financial Statements. Prescribed Form No. AOC-2 pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014 is furnished as **ANNEXURE- 3** to this report.

#### **17. SAFETY, ENVIRONMENT AND HEALTH:**

The Company considers safety, environment and health as the management responsibility; regular training programmes are carried out on safety, health and environment.

#### **18. PREVENTION OF SEXUAL HARRASMENT AT WORK PLACE:**

The Company is committed to provide a healthy environment to all employees and thus does not tolerate any discrimination and/or harassment in any form. The Company has in place a Prevention of Sexual Harassment (POSH) policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Frequent communication of this policy is done at regular intervals to woman employees.

The Company has setup an Internal Complaints Committee (ICC) at location where it operates in India. ICC has representation of men and women and is chaired by senior lady and has an external women representation.

The following is the summary of the complaints received and disposed off during the financial year 2018-19:

- a) No. of complaints received: 0
- b) No. of complaints disposed off: 0

#### **19. WHISTLE BLOWER POLICY/VIGIL MECHANISM:**

Pursuant to Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of the SEBI (LODR) Regulation, 2015, the Board of Directors had approved the Policy on Vigil Mechanism/ Whistle Blower and the same was hosted on the website of the Company at a link [www.alpalabs.in](http://www.alpalabs.in)

This Policy *inter-alia* provides a direct access to the Chairman of the Audit Committee.

Your Company hereby affirms that no personnel have been denied access to the Chairman of the Audit Committee and that no complaints were received during the year.

#### **20. CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING:**

The Company has built a strong policy on the code of conduct for prevention of insider trading for the employees as well as for specified employees. The same is easily accessible from the company website ([www.alpalabs.in](http://www.alpalabs.in))

## **21. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:**

There are no significant and material orders passed by the Regulators or Courts or Tribunals, which would impact the going concern status of the Company.

## **22. MANAGERIAL REMUNERATION AND PARTICULARS OF EMPLOYEES:**

Details of remuneration as required under Section 197 (12) of the Companies Act, 2013 read with rules 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is ANNEXURE- 4 to this report. There were no employees with remuneration in excess of the limits set out under 197 (12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

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

The particulars prescribed under Section 134 of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, relating to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo are furnished in ANNEXURE-5 to this Report.

## **24. EXTRACT OF ANNUAL RETURN:**

An extract of annual return in Form MGT-9 as on 31<sup>st</sup> March, 2019 is furnished as ANNEXURE-6 this report.

## **25. ACKNOWLEDGEMENTS:**

The Directors wish to express their appreciation for the continued co-operation of the Government Authorities and Agencies, bankers, customers, dealers and suppliers and also the valuable assistance and advice received from the Statutory Auditors, Companies Secretarial Auditors, Legal advisors, and all the shareholders. The Directors also wish to thank all the employees for their contribution, support and continued co-operation throughout the year.

**On behalf of the Board of Directors of  
Alpa Laboratories Limited**

**Pigdamber, Rau.  
14<sup>th</sup> August, 2019**

**Paresh Chawla  
Managing Director  
DIN-00520411**

**MS Chawla  
Director  
DIN-00362058**

## ANNEXURE-1

### REPORT ON CORPORATE GOVERNANCE

(Pursuant to Regulations 17 to 27 and clauses (b) to (i) of sub regulation (2) of Regulation 46 and paragraphs C, D and E of schedule V of the Listing Obligations and Disclosure Requirements,2015 (LODR) entered into with the Stock Exchanges)

#### 1. **Company's Philosophy on Code of Governance**

The Company's philosophy of Corporate Governance is aimed at assisting the management of the Company in the efficient conduct of its business and in meeting its obligations to stakeholders, and is guided by a strong emphasis on transparency, accountability and integrity. Board exercise its fiduciary responsibilities towards shareholders and creditors so as to ensure high accountability. All Directors and employees are bound by code of conduct and the associated standards of conduct that sets out the fundamental standards to be followed in all actions carried out on behalf of the Company.

#### 2. **Board of Directors**

##### **A. Composition and Size of the Board.**

The present strength on the Board is of seven directors. The Board comprises of Executive and Non-Executive Directors. The Non-Executive Directors bring independent judgment in the Board's deliberations and decisions. Three Directors Including Managing Director are Executive Directors. There are four Non-Executive Directors of which all four are Independent Directors.

The composition and category of the Board of Directors at the **end of the year** was as follows:

<b>Category</b>	<b>Name of Director</b>
Executive Director MD:	Mr. Paresh Chawla
Executive Directors:	Mr. Mahendra Singh Chawla, Mr. Pravin C. Shah
Independent Non-Executive Directors:	Mr. Sharad Chand Lunawat, Mr. Devendra Baheti, Mr. Krishna Das Malani, Mrs. Jyoti Jain.

##### **B. Board Meetings and attendance**

Four Board Meetings were held during the year ended 31<sup>st</sup> March, 2019 and the gap between two Board Meetings did not exceed four months.

The Information as required under schedule V (C) of the Listing Obligations & Disclosure Regulations,2015 is made available to the Board. The agenda and papers for consideration at the Board meeting are circulated at least seven days prior to the meeting.

The dates on which meetings were held as follows:

<b>Date of Meetings</b>	<b>Board Strength</b>	<b>No. of Directors present</b>
26 <sup>th</sup> May,2018	7	7
13 <sup>th</sup> August,2018	7	7
3 <sup>rd</sup> November,2018	7	7
9 <sup>th</sup> February,2019	7	6

**C. Attendance of each Director at the Board Meetings and last Annual General Meeting (AGM) and the shareholding held by them in the Company.**

Name of the Director	Category	No. of Board Meetings attended	Attendance at the last AGM held on 29 <sup>th</sup> September,2018	No. of Equity shares held in the Company
Mr. Mahendra Singh Chawla	Chairman & Executive Director	4	Yes	29,06,760
Mr. Paresh Chawla	Managing Director	4	Yes	30,44,980
Mr. Pravin Shah	Executive Director	4	Yes	12,10,580
Mr. Krishnadas Malani	Non- Executive, Independent Director	4	Yes	Nil
Mr. Devendra Kumar Baheti	Non- Executive, Independent Director	3	Yes	Nil
Mr. Sharad Chand Lunawat	Non- Executive, Independent Director	4	Yes	Nil
Mrs. Jyoti Jain	Non- Executive, Independent Director	4	Yes	Nil

The above shareholding as at 31<sup>st</sup> March 2019 is in respect of shares, which are held by Directors.

**D. Number of companies or committees of which the director is member or chairperson.**

Name of the Director	No. of companies in which Director (Including ALPA Laboratories Limited)	No. of Committees in which member (Including ALPALABS LTD.)***	No. of Committees of which Chairman (Including ALPA LABS LTD.)***
Mr. Mahendra Singh Chawla	2	2	Nil
Mr. Paresh Chawla	2	Nil	Nil
Mr. Pravin Shah	2	2	1
Mr. Krishnadas Malani	1	2	1
Mr. Devendra Kumar Baheti	1	1	Nil
Mr. Sharad Chand Lunawat	10	4	2
Mrs. Jyoti Jain	1	1	Nil

\*\*\* Includes CSR Committee.

**E. Disclosure of Relationship between director interse:**

Your Company had appointed Independent Directors in conformity of Section 149 and other applicable provisions of the Companies Act, 2013 and provisions of Listing Agreement, None of the Independent Directors are Promoters or related to Promoters or nor have any pecuniary relationship with the Company or other Directors. All the Independent Directors have furnished declaration that they qualify the condition of being independent as per section 149 (6) of the companies act, 2013 and regulation 16(1)(b) of the Listing Regulations. These were placed before the board.

The Meetings of Independent directors were held on 9<sup>th</sup> February,2019 to review the performance of Non-Independent Directors, the Board, Committees and the Chairperson. The Meeting also reviewed the quality, quantity and timeliness of flow of information between the Company and the Board.

All the terms and conditions of appointment of Independent Directors have been placed on the website of the Company [www.alpalabs.in](http://www.alpalabs.in).

## F. Familiarisation Programme

Your Company follows a structured orientation and familiarization programme through various reports/codes/internal policies for all the Directors with a view to update them on the Company's policies and procedures on a regular basis. Periodic presentations are made at the Board Meetings on business and performance, long term strategy, initiatives and risks involved.

The details of familiarization programme have been posted in the website of the Company under the web link [www.alpalabs.in](http://www.alpalabs.in)

## 3. Audit Committee

Terms of reference of Audit Committee covers all the matters prescribed under Regulation 18 of the Listing Regulations and Section 177 of the companies Act, 2013 which interalia includes:

- a) Recommendation for appointment, remuneration and terms of appointment of Auditor's of the company;
- b) Review and Monitor the auditor independence, performance and effectiveness of audit process followed;
- c) Examination of the financial statement and the Auditor's Report therein.
- d) Scrutiny of inter- corporate loans and Investments.
- e) Evaluation of internal financial controls and risk management systems.
- f) Approval or any subsequent modification of transactions of the company with related parties.
- g) Discussion with statutory auditors about the nature and scope of audit.
- h) Discussion with Internal Auditor of any significant findings.
- i) Review functioning of whistle blower mechanism.
- j) Reviewing with management, the quarterly and annual financial statements before submission to the board for approval

The committee consists of Shri Krishnadas Malani, Chairperson, Shri Sharad Lunawat, Member and Shri Mahendra Singh Chawla, Member.

The Committee met four times during the year ended 31<sup>st</sup> March 2019 on 26<sup>th</sup> May 2018, 13<sup>th</sup> August 2018, 3<sup>rd</sup> November 2018 and 9<sup>th</sup> February 2019. The members of the Committee and their attendance are given below:

Name	Designation	Category of Directorship	Attendance out of four Meetings held
Mr. Krishna Das Malani	Chairperson	Non- Executive & Independent	4
Mr. Sharad Chand Lunawat	Member	Non- Executive & Independent	4
Mr. Mahendra Singh Chawla	Member	Executive & Independent	4

All the members of the Audit Committee are financially literate and one-half of the members have expertise in accounting/financial management.

The Director, Chief Financial Officer, Statutory Auditors, Internal Auditors attended a meeting of the Committee, as invitees.

The Chairman of the Audit Committee, Mr. Krishna Das Malani was present at the Annual General Meeting of the Company held on 29<sup>th</sup> September 2018

Ms. Megha Neema, Company Secretary is the Secretary to the Committee.

#### 4. Nomination and Remuneration Committee

Terms of reference of Nomination and Remuneration Committee covers all the matters prescribed under Regulation 19 of the Listing Regulations and Section 178 of the companies Act,2013 which interalia includes:

- i. Formulate and recommend to the board of Directors policy relating to the remuneration of the directors, key managerial persons and other employees.
- ii. Formulation of criteria for evaluation of performance of independent directors and the Board of Directors.
- iii. Devising a policy on diversity of Board of Directors.
- iv. Formulation of criteria determining qualifications, positive attributes and independence of a Director.
- v. Identifying the persons who are eligible and qualified to become Directors and who may be appointed in senior management and recommend to the Board of Directors their appointment and removal.

During the year under review, the committee met on 26<sup>th</sup> May 2018 and 9<sup>th</sup> February, 2019

The Composition of the Committee as well as the particulars of attendance at the committee meetings during the year and other related details are given in the table below.

Name of Director	Category	No. of Meetings held during the tenure	No. of meetings attended
Mrs. Jyoti Jain	Non Executive- ID	2	2
Mr. Sharad Chand Lunawat	Non Executive-ID	2	2
Mr. Krishnadas Malani	Non Executive-ID	2	2

Ms. Megha Neema, Company Secretary, provided secretarial support to the committee.

Performance evaluation criteria for Independent directors are hosted on the website of the company

#### 5. REMUNERATION POLICY

##### 1. Objective

The objective of remuneration policy of Company is to attract, motivate and retain qualified and expert individuals that the Company needs, in order to achieve its strategic and operational objectives.

During the year under report, the non-executive director had no pecuniary relationship or transactions with the company.

##### 2. The Nomination & Remuneration Committee

The Nomination & Remuneration Committee (Committee) is responsible for formulating and making the necessary amendments to the Remuneration Policy for the Directors, Key Managerial Personnel (KMP) and Senior Executives of Company from time to time.

##### 3. Remuneration policy for Non-executive Directors

Non-Executive Directors (NED) are remunerated by way of Sitting Fee for each meeting of the Board and Committees of attended by them.

NED's are reimbursed of any out of pocket expenses incurred by them for the purpose of the Company.

Details of Payments made to Non-Executive Directors in the financial year 2018-2019 as under:

Name of the Director	Sitting Fees Paid
Mr. Devendra Kumar Baheti	40,000
Mr. Sharad Chand Lunawat	50,000
Mr. Krishnadas Malani	50,000
Mrs. Jyoti Jain	50,000

#### 4. Remuneration for Executive Director, Key Managerial Personnel (KMP) and Senior Executives

The following elements are taken into consideration for determining the Remuneration of Executive Director, KMP and Senior Executives:

- The remuneration policy reflects a balance between the interests of Company's main stakeholders as well as a balance between the Company's short term and long-term Goals. As a result, the structure of the remuneration package for the Directors, KMP and Senior Executives is designed to balance short term operational performance with the medium- and long-term objective of creating sustainable value within the Company, while taking into account the interests of its stakeholders. The Management of Company strives for a high performance in the field of sustainability and aims to maintain a good balance between economic gain, respect for people and concern for the environment.
- All the Executive Directors including the Managing Director is paid such remuneration as may be mutually agreed between the Company and the executive Directors with in the overall limits prescribed under the Companies Act, 2013 and is subject to approval by the shareholders of the company.
- In designing and setting the levels of remuneration for the Directors, KMP and Senior Executives, the Committee also takes into account the relevant statutory provisions and provisions of the Corporate Governance regulations, societal and market trends and the interests of stakeholders.
- The total compensation of the Managing Director, Whole Time Director, KMP's and Senior Executives may consist of both a base salary and a variable income. Both the basic salary and the variable income are reviewed periodically.
- The Company has adapted remuneration policy and the same has been posted on the company website [www.alpalabs.in](http://www.alpalabs.in)

Details of Payments made to Executive Directors in the financial year 2018-2019 as under:

Name of the Director	Remuneration*	Stock Options	Commission	Total (In Rs.)
Mr. Mahendra Singh Chawla	84,00,000	Nil	Nil	84,00,000
Mr. Paresh Chawla	84,00,000	Nil	Nil	84,00,000
Mr. Pravin Shah	43,20,000	Nil	Nil	43,20,000

\*Fixed Component

The Service contract of Managing Director and Executive Director are generally for a period of 5 Years. There is no separate provision for payment of severance fee in the agreements signed by the company with them.

#### 6. Stakeholder Relationship Committee:

- The Stakeholder Relationship Committee comprises of Mr. Sharad Chand Lunawat, Chairperson, Mr. Mahendra Singh Chawla. and Mr. Pravin Shah are the members of the committee. The Committee monitors share related activities and investors' complaints.

Meetings held and attendance during the financial year 2018-2019 as under:

There were 4 (four) meetings of this committee during the financial year 2018-2019. The dates on which the said meetings were held as follows.

26<sup>th</sup> May 2018, 13<sup>th</sup> August 2018, 3<sup>rd</sup> November 2018 and 9<sup>th</sup> February 2019.

Name of Director	Category	No. of Meetings held during the tenure	No. of meetings attended
Mr. Sharad Chand Lunawat	Chairperson	4	4
Mr. Mahendra Singh Chawla	Member	4	4
Mr. Pravin Shah	Member	4	4

- **Name and designation of compliance officer:**

Ms. Megha Neema, Company Secretary is the compliance officer of the company.

- **Number of shareholder compliant received:**

During the year Company received no complaints/communications from the shareholder mainly for asking the information of Non delivery of Annual Reports etc. Since company has a strong policy to resolve the queries of genuine shareholder only and our investor grievances team has first check all the information of shareholder in our records so that information should reach to genuine shareholders only, We, cannot consider any communication which according to our policy or by statute or by any regulations is prohibited to share or disclose.

- **Number of Pending Complaints:**

Nil

**7. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:** In compliance with the provisions of Section 135 of the Companies Act, 2013, the composition of the Corporate Social Responsibility committee as follows:

1. Mr. Pravin Shah- Chairperson
2. Mr. Sharad Chand Lunawat- Member
3. Mr. Devendra Kumar Baheti-Member

During the year under review company met on 13<sup>th</sup> August,2018 and 3<sup>rd</sup> November,2018 and the sufficient quorum was being present at the meeting

### 8. Subsidiary Companies

The Company has one non listed, non material wholly owned subsidiary company i.e NORFOLK MERCANTILE PVT LTD. Company monitors performance of subsidiary company, *inter-alia*, by the following means:

- a) The Company does not have any material unlisted Indian subsidiary, and hence, is not required to nominate an Independent Director of the Company on the Board of any subsidiary.
- b) The Audit Committee reviews the financial statements, in particular, the investments made by the unlisted subsidiary company.
- c) Your Company formulated a Policy on Material Subsidiary and the policy is hosted on the website of the Company.

### 9. GENERAL INFORMATION

- **General Body Meetings**

The details of last three Annual General Meetings are as under:

Year	Venue	Day/Date	Time
28 <sup>th</sup>	33/2, A B Road Pigdamber., Rau, Indore	30 <sup>th</sup> September 2016	11.45 AM
29 <sup>th</sup>	33/2, A B Road Pigdamber., Rau, Indore	29 <sup>th</sup> September 2017	11.00 AM
30 <sup>th</sup>	33/2, A B Road Pigdamber., Rau, Indore	29 <sup>th</sup> September 2018	10.30 AM



The Chairman of the Audit Committee was present at all the above AGMs.

Special Resolutions have been passed in the financial year 2015-2016, 2016-2017 and 2017-2018 in the last previous three Annual General Meetings held in 2016, 2017 and 2018.

Year	Location	Date and Time	No. of Special Resolutions
2016	Registered Office at Rau	30.09.2016, 11.45 AM	4 (Four)
2017	Registered Office at Rau	29.09.2017, 11.00 AM	1 (One)
2018	Registered Office at Rau	29.09.2018, 10.30 AM	5(Five)

• **Means of Communications**

Quarterly and year to end date Unaudited Results and Yearly Audited Results are published in the newspapers having wide circulation as per Regulation 41 of the Listing Agreement/SEBI (LODR) Regulation, 2015, within 48 hours of conclusion of the meeting in Business Standard and Navbharat. These results are simultaneously posted on the website of the company at [www.alpalabs.in](http://www.alpalabs.in) and also uploaded on the website of BSE and NSE. These are not sent individually to the shareholders.

• **General Shareholders Information**

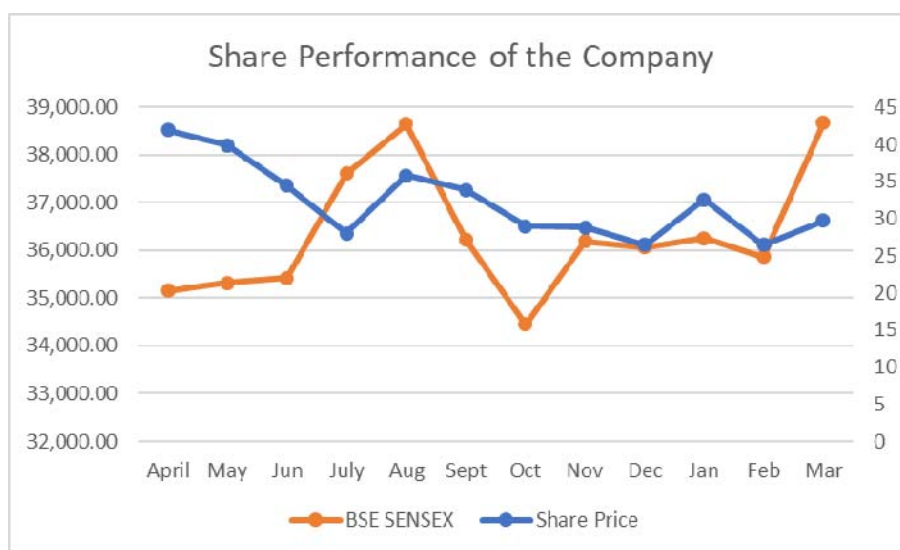
- Registered Office: 33/2, A B Road, Pigdambar, , Rau, Indore (M.P.) 453446, INDIA
- Compliance Officer: Ms. Megha Neema, [cs@alpalabs.in](mailto:cs@alpalabs.in)
- Annual General Meeting: 30<sup>th</sup> September 2019 at the Registered Office of the Company at 10:30 A.M.
- Financial Year: 01<sup>st</sup> April, 2018 to 31<sup>st</sup> March,2019
- Date of Book Closure: 23<sup>rd</sup> September 2019 to 30<sup>th</sup> September 2019 (Both days inclusive)
- Dividend Payment Date: Not Applicable
- Listing on Stock Exchanges: BSE AND NSE
- Stock Code: BSE: 532878 NSE: ALPA:
- ISIN: INE385I01010

• **Stock Market Data**

Month Month	BSE Limited			NSE Limited		
	Share Price		Sensex Points	Share Price		
	High	Low	Number of Shares Traded	High	Low	Number of Shares Traded
April	41.90	37.00	148515	41.90	37.00	569031
May	39.85	29.25	168220	39.65	28.60	615069
Jun	34.45	25.20	153399	34.95	23.70	523015
Jul	28.00	24.00	47620	27.85	23.35	178913
Aug	35.80	25.00	285784	35.90	25.20	1168424
Sept	33.85	26.35	142679	34.00	26.65	617187
Oct	29.00	23.70	119268	27.80	23.35	386001
Nov	28.80	23.70	82157	29.30	23.80	276693
Dec	26.50	22.85	66935	26.75	23.05	196941
Jan	32.55	22.60	279280	33.00	22.75	2121421
Feb	26.45	20.25	58928	26.00	20.55	395575
Mar	29.75	23.30	176140	30.40	23.25	847696

(Source: BSE and NSE Website)

Performance in comparison to BSE Sensex with market price of the company



• **Share Transfer System**

Shares in physical form sent for registering transfer, to the registrar and share transfer agent M/s Bigshare Services Private Limited are registered and returned within statutorily prescribed period of 15 days from the date of lodgment if documents are complete in all respects.

• **Registrar and Share Transfer Agent:**

Bigshare Services Private Limited, 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East) Mumbai-400059. Phone: +91-22-62638200, Fax: +91-22-62638299  
 Email: "ipo@bigshareonline.com" Website: <http://www.bigshareonline.com/>

• **Details of Unclaimed Securities Suspense Account**

There are 800 equity shares were unclaimed at the end of the financial year.

• **Distribution of Shareholding at end of the year was as follows:**

No. of shares	No. of share holders	%	Shares Amount	%
1-5,000	9930	78.42	17476900	8.30
5,001-10,000	1402	11.07	11680030	5.55
10,001-20,000	704	5.55	10899000	5.18
20,001-30,000	187	1.47	4767340	2.26
30,001-40,000	99	0.78	3570200	1.69
40,001-50,000	100	0.78	4689070	2.22
50,001-100,000	134	1.05	9777580	4.64
Over 100,000	106	0.83	147545880	70.12
<b>TOTAL</b>	<b>12662</b>	<b>100</b>	<b>210406000</b>	<b>100</b>

• **List of Top Ten Shareholders of the Company as on March 31<sup>st</sup>, 2019**

Name of the Shareholder	No. of Shares	Percentage (%)
Jasmin Kishor Ajmera	222909	1.06
Rimpa Nihar Sarkar	148804	0.71
Saravana Global Holdings Limited	143549	0.63
Gulab Rochalani	133000	0.52
Rashesh Doshi	111000	0.52
Jayraj Ashwin Doshi	111000	0.44
Dr Kotagiri Venkate Appa Rao	92000	0.38
Ashwin Doshi	89000	0.34
Rupa Doshi	71255	0.33
Dhansukh Doshi	70000	0.33

• **De-materialization of Shares and Liquidity:**

99.36% of the total equity capital is held in dematerialized form with NSDL and CDSL as on 31<sup>st</sup> March, 2019. At the end of the year, there were 2,09,02,395 total number of equity shares that had been in dematerialized form. The shares of the Company being frequently traded.

• **Outstanding GDR/ADR/Warrants:**

The company has issued these types of securities.

• **Plant Location:**

**Manufacturing Units as on 31.03.2019:**

33/2, A. B. Road, Pigdamber, Rau  
Indore (M.P.) 453446, India

• **Investor Correspondence Address:**

33/2 A.B Road, Pigdamber, Rau, Indore -453446

**Details of Compliance Officer:**

Ms. Megha Neema  
Company Secretary and Compliance officer  
Contact No 0731-4294567  
Email ID: [megha.ndps@gmail.com](mailto:megha.ndps@gmail.com) and [cs@alpalabs.in](mailto:cs@alpalabs.in)

## **10. Other Disclosures:**

- a. The Board has approved a policy for related party transactions which has been uploaded on the website of the Company i.e. [www.alpalabs.in](http://www.alpalabs.in). There were no transactions of material nature with its related parties that may have the potential conflict with the interest of the company at large.
- b. There were no instances of non-compliance nor have any penalties imposed by Stock Exchange (s) or the Board during the last preceding three years
- c. The Board of Directors of the Company has adopted and put in place a Whistle Blower Policy and no personnel have been denied access to the audit committee details of vigil mechanism/Whistle Blower Policy are provided in the Directors Report.
- d. The Company has complied with all the mandatory requirements of corporate governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The details about adoption of non-mandatory requirements are given in the table below:
- e. The Board has approved a policy for determining material subsidiaries, which has been uploaded on the website of the Company.
- f. The Board has approved a policy for related party transactions, which has been uploaded on the website of the Company.
- g. The Company is not dealing in commodity and hence disclosure relating to commodity price risks and commodity hedging activities is not applicable.
- h. The amalgamation in the form of merger between Alpa Laboratories Limited (“HOLDING CO.”) and Norfolk Mercantile Private Limited (“SUBSIDIARY CO.”) is pending before the hon’ble NCLT tribunal, Mumbai Bench for final approval of the scheme.

## **11. Non- Compliance of any requirement of Corporate Governance Report with reasons thereof.**

There is no Non-Compliance of any requirement of Corporate Governance Report of sub –paras (2) to (10) of the above.

## **12. Non-Mandatory Requirements:**

### **A. The Board:**

The Company currently has an Executive Chairman and as such he has an office maintained by the company.

**B. Shareholder Rights:** The quarterly and half-yearly results are published in widely circulating national and local dailies such as Business Standard/ Navbharat. These are not sent individually to the shareholders but hosted on the website of the company.

**C. Audit Qualification:** There were no qualifications in the audit report

**D. Separate post of Chairman and Managing Director:** The Post of Chairman and Managing Director are separate.

**E. Reporting of Internal Auditors:** The Internal Auditor of the Company reports to the Audit Committee and Managing Director.

## **13. The Disclosure of the compliance with corporate governance requirement specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46**

- a) The Company has provided information to the Board as specified in PART A of schedule ii of SEBI (Listing Obligations and Disclosure Requirements) Regulations,2015 pertaining to Corporate Governance. The Board also periodically review the compliances by the company of all applicable laws.
- b) The Board of Directors in their meeting shall satisfy itself that plans are in place for orderly succession for appointment to the Board of Directors and senior management.
- c) The Board has laid down a code of conduct for Board members and senior management personnel of the Company. The code incorporates the duties of Independent Directors as laid down in the Companies Act, 2013. The said code of conduct is posted on Company’s website [www.alpalabs.in](http://www.alpalabs.in)

The Company has adopted a code of conduct for prevention of insider trading based on SEBI (Prohibition of Insider Trading) Regulations,2015. The same may also be accessed on [www.alpalabs.in](http://www.alpalabs.in)

- d) The Company had complied with the requirement of placing minimum information before the Board of Directors as contained in Part A of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- e) The CFO compliance certification under Part B of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of this Annual Report and is annexed with this report.
- f) Certificate from Company Secretary in Practice regarding appointment and continuation of directors. The Company has obtained the Certificate from the Practising Company Secretary certifying that none of the directors of the Company are debarred or disqualified from being appointed or continuing as directors of Company by SEBI / MCA or any such authority. The same is attached herewith and form part of the secretarial audit report.
- g) The Performance evaluation of Independent Directors are evaluated by board in a time to time.
- h) The Policy on Related party transactions is available on [www.alpalabs.in](http://www.alpalabs.in)
- i) The Company has not entered into any material significant transactions during the year.
- j) Your company has one non-material wholly owned subsidiary Company by the name and style of Norfolk Mercantile Private Limited. The financial statements of which are regularly reviewed by the audit committee and Board of Directors, the copy of the minutes were also placed before the Board of Directors in their meeting and the Board has also review all significant transactions and arrangements if any, entered into by the subsidiary.
- k) None of the Directors are Directors in more than 20 companies at the same time and are also not serving as Independent Director in more than seven listed companies or serve as Whole Time Director. In accordance with the requirements of section 149 (6) and (7) of the Companies Act, 2013 all the Independent Directors have given declaration of independence in the first Board Meeting of the current financial year.
- l) During the year under review, the Meetings of Independent Directors were held on 9<sup>th</sup> February,2019 to review the performance of Non-Independent Directors, the Board, Committees and the Chairperson. The Meeting also reviewed the quality, quantity and timeliness of flow of information between the Company and the Board.
- m) **Information of Directors retiring by rotation:** Mr. Paresh Chawla (DIN 00520411), who retires by rotation and being eligible, offers himself for re-appointment.
- n) Company has complied the provision of section 135 of the Companies Act, 2013 for constitution of CSR and the disclosure of the same is annexed in this report.
- o) M/s. Shilpesh Dalal & Co. qualified Company Secretaries carried out a Share Capital Audit to reconcile the total admitted equity share capital with NSDL and CDSL and the total issued capital and listed capital.

**On behalf of the Board of Directors of  
Alpa Laboratories Limited**

**Pigdamber, Rau.  
14<sup>th</sup> August, 2019**

**Paresh Chawla  
Managing Director  
DIN-00520411**

## **CFO/MD CERTIFICATION**

**The Board of Directors,  
Alpa Laboratories Limited  
33/2 A.B Road Pigdamber, Rau,  
Indore (M.P)-453446**

We, Paresh Chawla, Managing Director and Bakulesh C. Shah, Chief Financial Officer of Alpa Laboratories Limited, hereby certify that:

1. We have reviewed the Financial Statements and the Cash Flow Statement for the year and that to the best of our knowledge and belief:

a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

b) These statements present a true and fair view of the state of affairs of the Company and of the results of operations and cash flows. The financial statements have been prepared in conformity, in all material respects, with the existing Generally Accepted Accounting Principles including Accounting Standards, applicable laws and regulations.

2. To the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.

3. We accept overall responsibility for establishing and monitoring the Company's internal control system for financial reporting and evaluating its effectiveness. Internal Audit function monitors the internal control system for financial reporting, which encompasses the examination and evaluation of the adequacy and effectiveness. Internal Audit works with all levels of management and Statutory Auditors, and reports significant issues to the Audit Committee of the Board. Auditors and Audit Committee are appraised of any corrective action taken or proposed to be taken with regard to significant deficiencies and material weaknesses.

4. We have indicated to the Auditors and to the Audit Committee:

a) Significant changes in internal control over financial reporting during the year;

b) Significant changes in accounting policies during the year;

c) Instances of significant fraud of which we have become aware of and which involve management or other employees who have significant role in the Company's internal control system over financial reporting.

**For Alpa Laboratories Limited**

**Paresh Chawla  
Managing Director  
DIN-00520411**

**Bakulesh Shah  
CFO**

**Place: Pigdamber, Rau  
Date: 14<sup>th</sup> August, 2019**

## MANAGING DIRECTOR CERTIFICATION

**To,  
The Members of  
Alpa Laboratories Limited**

It is hereby certified and confirmed in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 that the Board Members and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended 31st March, 2019.

**For Alpa Laboratories Limited**

**Paresh Chawla  
Managing Director  
DIN-00520411**

**Place: Pigdamber, Rau  
Date: 14<sup>th</sup> August, 2019**

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## PRACTISING COMPANY SECRETARIES' CERTIFICATE ON CORPORATE GOVERNANCE

To  
The Members of  
**Alpa Laboratories Limited**

We have examined the compliance of the conditions of Corporate Governance by Alpa Laboratories Limited for the year ended on March 31, 2019, as stipulated in Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Agreement and the Listing Regulations applicable for the respective periods as mentioned above.

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

**For Shilpesh Dalal & Co.**

**Practicing Company Secretaries  
Shilpesh Dalal  
FCS No.5316 and COP No.4235**

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**DISCLOSURE WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT**

- a) Total Number of 800 shares lying in the suspense account
- b) No Number of shareholders approached to company for transfer of shares from suspense account.
- c) No Number of shareholders to whom shares were transferred from suspense account during the year.
- d) Aggregate number of shareholders in the suspense account is One.

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**CERTIFICATE UNDER REGULATION 10(I) OF PART C OF SCHEDULE V OF THE SEBI (LODR) REGULATIONS, 2015.**

To,  
The Members  
Alpa Laboratories Limited  
33/2, A.B. Road Pigdamber Rau,  
Indore MP 453446 IN

I/ ~~We~~ have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Alpa Laboratories Limited having CIN- L85195MP1988PLC004446 and having registered office at 33/12, A.B. Road Pigdamber Rau, Indore MP 453446 IN (hereinafter referred to as “the Company”) produced before me/~~us~~ by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my/~~our~~ opinion and to the best of my/our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in) as considered necessary and explanations furnished to me/us by the Company & its officers, I/~~We~~ hereby certify that none of the Directors on the Board of the company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2019 have been debarred or disqualified from being appointed or continuing as directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

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

**Shilpesh Dalal, PCS**

**FCS No. 5316, Certificate of Practice No. 4235**

**Place: Indore**

**Date: 27<sup>th</sup> May, 2019**



## ANNEXURE 2

### ANNUAL REPORT ON CSR ACTIVITIES

#### 1. Outline of the Company's CSR policy:

ALPA Laboratories Limited (ALPA) has always been committed to the cause of social service and has repeatedly channelized a part of its resources and activities, such that it positively affects the society socially, ethically and also environmentally. The Company has taken up various Corporate Social Responsibility (CSR) initiatives and enhanced value in the society.

Social and environmental responsibility has always been at the forefront of Alpa Laboratories Limited operating philosophy and as a result the Company consistently contributes to socially responsible activities. CSR at Alpa Laboratories Limited portrays the deep symbiotic relationship that the Company enjoys with the communities it is engaged with. As a responsible corporate citizen, we try to contribute for social and environmental causes on a regular basis.

The said policy can be accessed at [www.alpalabs.in](http://www.alpalabs.in)

#### 2. The Composition of the CSR Committee of the Board

Mr. Pravin Shah -	Executive Director and Chairman of the Committee
Mr. Sharad Chand Lunawat -	Independent Director
Mr. Devendra Kumar Baheti -	Independent Director

#### 3. Prescribed CSR Expenditure.

The Company incurred CSR expenditure of ₹ 40 Lacs for the financial year ended 31st March, 2019 which was higher than the obligation to spend 2% of Average Net Profit of the Company for the past three financial years amounting to Rs.18.64 Lacs.

#### 5. Details of CSR spent during the financial year:

- Total amount to be spent for the financial year: Rs.18,63,176/-
- Amount spent: Rs 40,00,000/-
- Manner in which the amount spent during the financial year is set out below:

(1) Sr.No.	(2) CSR Project	(3) Sector in which covered	(4) Projects or Programs (State Wise)	(5) Amount Spent	(6) Amount Spent on the projects	(7) Expenditure upto the reporting period	(8) Direct or through implementing agency
1	Educational/Old age homes/Training and skill enhancement programs	Maintenance of Old age homes/ Promotion of Education	Madhya Pradesh	40,00,000	Charitable Trust	40,00,000	Thru Charitable Trust

The CSR Committee of the board confirms that it has implemented and monitored CSR Activities in accordance with and in compliance of CSR Objectives and CSR Policy of the company.

**For Alpa Laboratories Limited**

**Paresh Chawla**  
**Managing Director**  
**DIN-00520411**

**Pravin Shah**  
**Chairman CSR Committee**  
**DIN-01232138**

### **ANNEXURE 3**

#### **Form No. AOC-2**

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

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

1. Details of contracts or arrangements or transactions not at arm's length basis:

- (a) Name(s) of the related party and nature of relationship: **NONE**
- (b) Nature of contracts/arrangements/transactions:
- (c) Duration of the contracts / arrangements/transactions:
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any:
- (e) Justification for entering into such contracts or arrangements or transactions:
- (f) Date(s) of approval by the Board:
- (g) Amount paid as advances, if any:
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188:

2. Details of material contracts, arrangement, or transactions at arm's length basis:

- (a) Name(s) of the related party and nature of relationship: **NONE**
- (b) Nature of contracts/arrangements/transactions:
- (c) Duration of the contracts / arrangements/transactions:
- (d) Salient terms of the contracts, arrangements, or transactions including the value, if any:
- (e) Date(s) of approval by the Board, if any:
- (f) Amount paid as advances, if any:

All the related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of business. All related party transactions are disclosed in the notes to the financial statement.

**For and on behalf of the Board of Directors  
ALPA LABORATORIES LIMITED**

**Paresh Chawla  
Managing Director  
DIN-00520411**

**MS Chawla  
Director  
DIN-00362058**

**Place: Pigdamber, Rau  
Date: 14<sup>th</sup> August, 2019**

#### **ANNEXURE 4**

#### **DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULES 5(1), 5(2) AND 5(3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

a) Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for FY 2018-19, the percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during FY 2018-19 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

<b>Sr. No.</b>	<b>Name &amp; Designation (director/ KMP)</b>	<b>Remuneration of Director</b>	<b>% increase in Remuneration in FY 2018-19</b>	<b>Ratio of Remuneration of Director to median remuneration of employees</b>
1	Mr. Paresh Chawla (Managing Director)	84,00,000	0.00%	51.85
2	Mr. Mahendra Singh Chawla (Executive Director)	84,00,000	0.00%	51.85
3	Mr. Pravin Shah (Executive Director)	52,44,000	21.38%	32.00
4	Mr. Bakulesh Shah (Chief Financial Officer)	30,00,000	0.00	18.51
5	Mr. Sharad Lunawat (Independent Director)	50,000	0.00	0.30
6	Mr. Krishnadas Malani (Independent Director)	50,000	0.00	0.30
7	Mr. Devendra Kumar Baheti (Independent Director)	40,000	0.00	0.30
8	Mrs. Jyoti Jain (Independent Director)	50,000	0.00	0.30
9	Ms. Megha Neema (Company Secretary)	2,04,000	7.36	1.25

b) The median remuneration of the employees of the Company during the financial year was Rs. 1,62,000 (Yearly)

c) In the financial year, there was an increase of 35% in the median remuneration of employees.

d) There were 405 permanent employees on the rolls of Company as on March 31<sup>st</sup>, 2019. (Excluding the trainee and Apprenticeship).

e) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

**For and on behalf of the board of Directors  
ALPA LABORATORIES LIMITED**

**Paresh Chawla  
Managing Director  
DIN-00520411**

**MS Chawla  
Director  
DIN-00362058**

**Place: Pigdamber, Rau  
Date: 14<sup>th</sup> August, 2019**

## **ANNEXURE 5**

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

#### **(A) CONSERVATION OF ENERGY**

Manufacturing plants continue their efforts in conserving energy in various forms like energy conservation projects, continuous monitoring etc and by Optimizing Plant Power load to match the demand.

The company does not use any alternate source of energy. There is no substantial amount spent on energy conservation equipment.

Carbon Credit: Nil

#### **Details of conservation of energy, technology absorption, foreign exchange earnings and outgo**

##### **(a) Conservation of energy**

(i)	the steps taken or impact on conservation of energy	Continuous Monitoring on electricity uses to reduce the misuse or wastage of electricity at factory and office premise
(ii)	the steps taken by the company for utilizing alternate sources of energy	Nil
(iii)	the capital investment on energy conservation equipments	Nil

##### **(b) Technology absorption**

(i)	the efforts made towards technology absorption	Machineries and electrical equipment are properly maintained
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution.	Nil
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	Nil
	(a) the details of technology imported	Nil
	(b) the year of import;	Nil
	(c) whether the technology been fully absorbed	Nil
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	Nil
(iv)	the expenditure incurred on Research and Development	Nil

**(c) Foreign exchange earnings and Outgo**

During the year, the total foreign exchange used was Rs. 567.87 lacs and the total foreign exchange earned was Rs. 2700.52 lacs.

**(₹ In Lacs)**

<b>Ended 31<sup>st</sup> March,2019</b>	<b>2019</b>	<b>2018</b>
Earning on Account of Export	2700.52	2583.96
Outgoings		
• For Raw Material	556.22	239.84
• For Capital Goods	0.00	0.00
• For Bank Charges	3.01	3.32
• For Travel Expenses	8.64	9.12

**For and on behalf of the board of Directors  
ALPA LABORATORIES LIMITED**

**Paresh Chawla  
Managing Director  
DIN-00520411**

**MS Chawla  
Director  
DIN-00362058**

**Place: Pigdamber, Rau  
Date: 14<sup>th</sup> August, 2019**

## ANNEXURE 6

**Form No. MGT-9**  
**EXTRACT OF ANNUAL RETURN**  
as on the financial year ended on 31<sup>st</sup> March, 2019  
of  
**ALPA LABORATORIES LIMITED**

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

### I. REGISTRATION AND OTHER DETAILS:

CIN	L85195MP1988PLC004446
Registration Date	18/03/1988
Name of the Company	ALPA LABORATORIES LIMITED
Category / Sub-Category of the Company	Public Company Limited by Shares
Address of the Registered Office and contact details	33/2, A.B. Road, Pigdamber Rau, Indore, Madhya Pradesh-453446
Whether listed company	Yes
Name, Address and contact details of Registrar & Transfer Agents (RTA), if any	Bigshare Services Private Limited 1 <sup>st</sup> Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East) Mumbai-400059 Email: <a href="mailto:ipo@bigshareonline.com">ipo@bigshareonline.com</a> Website: <a href="http://www.bigshareonline.com">www.bigshareonline.com</a>

### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	Drugs and Pharmaceuticals	210	100%

### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES\*\*\* -

S. NO	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
1.	Norfolk Mercantile Private Limited	U74120MH2014PTC252923	Wholly Owned Subsidiary	100	2(87)

\*\*\* The Company is also partner in Seabright Landmark Projects LLP to the extent of 18% in share of profit.

#### 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>A. Promoters</b>									
<b>(1) Indian</b>									
(a) Individual/ HUF	11489370	0	11489370	54.61	11922210	0	11922210	56.66	0
(b) Central Govt	0	0	0	0	0	0	0	0	0
(c) State Govt (s)	0	0	0	0	0	0	0	0	0
(d) Bodies Corp.	0	0	0	0	0	0	0	0	0
(e) Banks / FI	0	0	0	0	0	0	0	0	0
(f) Any Other....	0	0	0	0	0	0	0	0	0
<b>Sub-total (A) (1):-</b>	<b>11489370</b>	<b>0</b>	<b>11489370</b>	<b>54.61</b>	<b>11922210</b>	<b>0</b>	<b>11922210</b>	<b>56.66</b>	<b>0</b>
<b>(2) Foreign</b>									
(a) NRIs - Individuals	0	0	0	0	0	0	0	0	0
(b) Other – Individuals	0	0	0	0	0	0	0	0	0
(c) Bodies Corp.	0	0	0	0	0	0	0	0	0
(d) Banks / FI	0	0	0	0	0	0	0	0	0
(e) Any Other....	0	0	0	0	0	0	0	0	0
<b>Sub-total (A) (2):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>11489370</b>	<b>0</b>	<b>11489370</b>	<b>54.61</b>	<b>11922210</b>	<b>0</b>	<b>11922210</b>	<b>56.66</b>	<b>0</b>

<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
(a) Mutual Funds	0	0	0	0	0	0	0	0	0
(b) Banks / FI	0	0	0	0	0	0	0	0	0
(c) Central Govt	0	0	0	0	0	0	0	0	0
(d) State Govt(s)	0	0	0	0	0	0	0	0	0
(e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
(f) Insurance Companies	0	0	0	0	0	0	0	0	0
(g) FIIs	0	0	0	0	0	0	0	0	0
(h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
(i) Others (specify)	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(1):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>2. Non-Institutions</b>									
(a) Bodies Corp.									
(i) Indian	492700	0.00	492700	2.34	514585	0.00	514585	2.45	0.10
(ii) Overseas	0	0	0	0	0	0	0	0	0
(b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	5979819	5205	5985024	28.41	5851571	5205	5856776	27.84	(0.61)
(ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	2423604	133000	2556604	12.23	2147622	133000	2280622	10.84	(1.31)
(c) Others (specify)									
(i) Clearing Member	78276	0.00	78276	0.37	74470	0.00	74470	0.35	(0.02)
(ii) Non Resident Indians (NRI)	18567	0.00	18567	0.08	29171	0.00	29171	0.14	0.05
(iii) NRI-REPAT	222435	0.00	222435	1.05	199347	0.00	199347	0.95	(0.11)
(iv) NRI-NON REPAT	178353	0.00	178353	0.84	162619	0.00	162619	0.77	(0.07)
(v) Unclaimed	800	0.00	800	0.00	800	0.00	800	0.00	0.00
(vi) NBFC registered with RBI	18471	0.00	18471	0.07	0	0.00	0	0.00	0.00
<b>Sub-total (B)(2):-</b>	<b>9413025</b>	<b>138205</b>	<b>9551230</b>	<b>45.39</b>	<b>8980185</b>	<b>138205</b>	<b>9118390</b>	<b>43.34</b>	<b>(2.06)</b>
Total Public Shareholding (B)=(B)(1)+(B)(2)	9413025	138205	9551230	45.39	8980185	138205	9118390	43.34	(2.06)
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Grand Total (A+B+C)</b>	<b>20902395</b>	<b>138205</b>	<b>21040600</b>	<b>100.00</b>	<b>20902395</b>	<b>138205</b>	<b>21040600</b>	<b>100.00</b>	<b>0</b>



**(ii) Shareholding of Promoters**

SI No.	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.	Mahendra Singh Chawla	2473920	11.76	0.00	2906760	13.81	0.00	2.05
2.	Paresh Chawla	3044980	14.47	0.00	3044980	14.47	0.00	0.00
3.	Asha Chawla	483900	2.30	0.00	483900	2.30	0.00	0.00
4	Soni Chawla	326800	1.55	0.00	326800	1.55	0.00	0.00
5	Meeta Sethi	336720	1.60	0.00	336720	1.60	0.00	0.00
6	Pooja Chawla	304750	1.45	0.00	304750	1.45	0.00	0.00
7	Bakulesh Shah	1026600	4.88	0.00	1026600	4.88	0.00	0.00
8	Rupal Shah	558780	2.66	0.00	558780	2.66	0.00	0.00
9	Bakulesh Shah HUF	21940	0.10	0.00	21940	0.10	0.00	0.00
10	Pravin Shah	1210580	5.75	0.00	1210580	5.75	0.00	0.00
11	Rima Shah	775200	3.68	0.00	775200	3.68	0.00	0.00
12	Shitul Shah	546440	2.60	0.00	546440	2.60	0.00	0.00
13	Saraswati Shah	173200	0.82	0.00	173200	0.82	0.00	0.00
14	Mitin Shah	205560	0.98	0.00	205560	0.98	0.00	0.00
	<b>Total</b>	<b>11489370</b>	<b>54.61</b>	<b>0.00</b>	<b>11922210</b>	<b>56.66</b>	<b>0.00</b>	<b>11922210</b>

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

During the year under review some change has been noticed in promoters holding through inter se transfer of shares.

Sl. No.	Name of the Promoter	Shareholding at the beginning of the year		Date	Purpose	Increase/(Decrease) in Shareholding		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Mahendra Singh Chawla	2473920	11.76	01.03.2019	GIFT	432840	2.05	2906760	13.81

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

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year		Date	Purpose	Increase/(Decrease) in Shareholding		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Jasmin Kishor Ajmera	222909	1.06	-	-	-	-	222909	1.06
2	Rimpa Nihar Sarkhar	148804	0.71	-	-	-	-	148804	0.71
3	Saravana Global Holdings Limited	0	0	26.10.2018	Purchase of shares	30215	0.14	143549	0.68
				02.11.2018	Purchase of shares	42577	0.35		
				09.11.2018	Purchase of shares	10690	0.40		
				16.11.2018	Purchase of shares	26300	0.52		
				30.11.2018	Purchase of shares	29022	0.66		
				14.12.2019	Purchase of shares	3602	0.68		
				21.12.2019	Purchase of shares	70	0.68		
				15.03.2019	Purchase of shares	1073	0.68		
4	Gulab Rochlani	133000	0.63	-	-	-	-	133000	0.63
5	Rashesh Doshi	111000	0.53	-	-	-	-	111000	0.53
6	Jayraj Ashwin Doshi	111000	0.53	-	-	-	-	111000	0.53
7	Dr Kotagiri Venkate Appa Rao	92000	0.44	-	-	-	-	92000	0.44
8	Ashwin Doshi	89000	0.42	-	-	-	-	89000	0.42
9	Rupa Doshi	71255	0.34	-	-	-	-	71255	0.34
10	Dhansukh Doshi	70000	0.33	-	-	-	-	70000	0.33

**(v). Shareholding of Directors and Key Managerial Personnel:**

Sl. No.	For Each of the Directors and KMP*	Date	Purpose (Allotment/ Transfers)	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mahendra Singh Chawla (Director)	-	-	2473920	11.76	2906760	13.81
2	Paresh Chawla (Managing Director)	-	-	3044980	14.47	3044980	14.47
3	Pravin Shah (Director)	-	-	12,10,580	5.75	12,10,580	5.75
4	Bakulesh Shah (CFO)	-	-	1026600	4.88	1026600	4.88
5.	Megha Neema (CS)	-	-	-	-	-	-

\*None of the independent director holds any share in the company.

**V. INDEBTEDNESS**

**Indebtedness of the Company including interest outstanding/accrued but not due for payment**  
(₹. In Crores)

Particular	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year (01.04.2018)</b>				
i) Principal Amount	5.97	0.00	0.00	5.97
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
<b>Total (i+ii+iii)</b>	<b>5.97</b>	<b>0.00</b>	<b>0.00</b>	<b>5.97</b>
<b>Change in Indebtedness during the financial year ended (31.03.2019)</b>				
• Addition	107.61	0.00	0.00	107.61
• Reduction	(111.92)	0.00	0.00	(111.92)
<b>Net Change</b>	<b>(4.31)</b>	<b>0.00</b>	<b>0.00</b>	<b>(4.31)</b>
<b>Indebtedness at the end of the financial year (31.03.2019)</b>				
i) Principal Amount	1.66	0.00	0.00	1.66
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
<b>Total (i+ii+iii)</b>	<b>1.66</b>	<b>0.00</b>	<b>0.00</b>	<b>1.66</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager: (₹. In Lacs)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager			
		MS Chawla	Paresh Chawla	Pravin Shah	Total Amount
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	84.00	84.00	52.44	220.44
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	. Commission - as % of profit and others	-	-	-	-
5	Total (A)	84.00	84.00	52.44	220.44
	Ceiling as per the Act	As per Schedule V of the Act			

### B. Remuneration to other directors: (In ₹.)

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. K. D. Malani	Mr. D.K. Baheti	Mr. S. C. Lunawat	Mrs. Jyoti Jain	
1.	Independent Directors • Fee for attending board / committee meetings • Commission • Others, please specify	50,000	40,000	50,000	50,000	1,90,000
	Total (1)	50,000	40,000	50,000	50,000	1,90,000
2.	Other Non-Executive Directors • Fee for attending board / committee meetings- • Commission- • Others, please specify	-	-	-		-
	Total (2)	0.00	0.00	0.00	0.00	0.00
	Total (B)=(1+2)	<b>50,000</b>	<b>40,000</b>	<b>50,000</b>	<b>50,000</b>	<b>1,90,000</b>
	Total Managerial Remuneration overall Ceiling as per the Act					

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER/WTD**  
(₹. In Lacs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Bakulesh Shah CFO	Megha Neema Company Secretary	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	30.00	2.04	32.04
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit	-	-	-
5	Others, please specify	-	-	-
	Total	30.00	2.04	32.04

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

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD/NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Compounding	Section 211	For Non-disclosure of information u/s 211 non disclosures of Ten particulars)	₹. 5000 per violation For non disclosures in Annual report for FY 2006-07 for Ten Violations)	Western Bench of H'ble Company Law Board	
<b>B. DIRECTORS</b>					
Compounding	Section 211	For non-disclosure of information u/s 211 (non disclosures of Ten particulars)	₹5000 per violation (For non disclosures in Annual report for FY 2006-07 for Ten Violations)	Western Bench of H'ble Company Law Board	
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	NIL				
Punishment					
Compounding					

## ANNEXURE 7

### Secretarial Audit Report (MR-3)

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

To,

The Members,

#### **Alpa Laboratories Limited**

33/2, A.B. Road, Village Pigdamber,  
Rau, Dist Indore, (M.P.)

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Alpa Laboratories Limited (CIN-L85195MP1988PLC004446) (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts /statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit and the representations made by the Company, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March 2019 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined, the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on 31<sup>st</sup> March 2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992;
  - 1. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - 2. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - 3. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - 4. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; and
  - 5. The other regulations of the Securities and Exchange Board of India as may be applicable to the Company.
- (vi) Other laws applicable to the Company as per representations made by the Company.
  - (a) Drugs and Cosmetic Act, 1940
  - (b) Pharmacy Acts, 1948
  - (c) Poisons Act, 1919

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

- (i) The Listing Agreements (LODR) entered into by the Company with BSE Limited and National Stock Exchange of India Limited.
- (ii) Secretarial Standards with respect to board and general meetings prescribed by The Institute of Company Secretaries of India.

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

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors, no change took place in the composition of Board of Directors, during the period under review.

Adequate notice was given to all Directors at least seven days in advance to schedule the Board Meetings. Agenda and detailed notes on agenda were sent 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. Decisions at the Board Meetings were taken as per Laws in force.

We further report that as per the explanations given to us and the representations made by the management and relied upon by us 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.

We further report that during the audit period there were no major events which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

**Shilpesh Dalal**, Practicing Company Secretary  
FCS No. 5316, Certificate of Practice No. 4235

**Place: Indore,**  
**Date: 14<sup>th</sup> August 2019**

This Report is to be read with our letter of even date which is annexed as Annexure A, and Forms an integral part of this report.

**ANNEXURE A**

**To,**  
**The Members**  
**Alpa Laboratories Limited**

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

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

**Shilpesh Dalal**, Practicing Company Secretary  
FCS No. 5316, Certificate of Practice No. 4235

**Place: Indore**  
**Date: 14<sup>th</sup> August, 2019**

## INDEPENDENT AUDITOR'S REPORT

**To the Members of Alpa Laboratories Limited**

**Report on the Audit of the Standalone Financial Statements**

### *Opinion*

1. We have audited the accompanying Standalone financial statements of **Alpa laboratories Limited** (“the Company”), which comprises the Balance Sheet as at 31<sup>st</sup> March, 2019, the Statement of Profit and Loss, (including Other Comprehensive Income), the Cash Flow Statement and the Statement of changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the ‘Act’) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards (‘Ind AS’) of the state of affairs of the Company as at 31<sup>st</sup> March, 2019 its total Comprehensive Income (Comprising of profit, (changes in equity) and its cash flows for the year ended on that date.

### *Basis of Opinion*

3. We conducted our audit in accordance with the Standards of Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Key Audit Matters*

4. 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.

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

5. The Company’s Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the 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 in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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*Responsibility of Management for the Standalone Financial Statements*

6. 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 preparation of these financial statements that give a true and fair view of the financial position, financial performance, (changes in equity) and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
7. 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.
8. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

9. 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.
10. 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 Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events

or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our 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.
11. 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.
  12. 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.

*Other Matter*

13. Our opinion is not modified in respect of these matters.

*Report on Other Legal and Regulatory Requirements*

14. 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 statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
15. As required by Section 143 (3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books .
  - c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account [and with the returns received from the branches not visited by us].
  - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e. On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 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 A".
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 financial statements – Refer Note 30 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. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For and on behalf of  
**ANURADHA RATNAPARKHI & ASSOCIATES**  
Chartered Accountants  
Firm's registration number: 023451C

**ANURADHA RATNAPARKHI**  
Proprietor  
Membership number: 075412

Place: Indore  
Dated: This 27<sup>th</sup> Day of May, 2019

**“ANNEXURE REFERRED TO IN PARAGRAPH 14 OF OUR REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31<sup>st</sup>, 2019 OF ALPA LABORATORIES LIMITED”.**

1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;

(b) All the assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) The title deeds of immovable properties are held in the name of the company.

2) (a) We have been informed that the inventory excluding inventory with third parties (which have been substantially confirmed) has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.

b) The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.

3) (a) The Company has granted unsecured loans to companies covered in the register maintained under Section 189 of the Act. The Company has not granted any secured / unsecured loans to any other party, as applicable, covered in the register maintained under Section 189 of the Companies Act, 2013.

(i) In respect of the aforesaid loans, the terms and conditions under which such loans were granted are not prejudicial to the Company's interest.

(ii) In respect of the aforesaid loans, the schedule of repayment of principal and interest has been stipulated, and the parties are repaying the principal amounts, as stipulated. **However, interest on debentures issued by subsidiary company has not been paid in light of resolution dated 10<sup>th</sup> August, 2017.**

(iii) In respect of the aforesaid loans, there is no amount which is overdue for more than ninety days.

4) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and section 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.

5) The Company has not accepted any deposits from the public and 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 Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.

6) We have broadly reviewed the books of accounts maintained by the Company pursuant to the order of the Central Government for the maintenance of cost records under sub section (1) of section 148 of the Companies Act, 2013 in respect of the products dealt with by the Company and are of the opinion that prima facie the prescribed accounts and record have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2018 for a period of more than six months from the date on when they become payable.

b) According to the information and explanation given to us and records of the Company, the dues of there are dues of income tax, sales tax, value added tax which have not been deposited on account of any dispute are as follows:

Sr. No.	Nature of Dues	Amount ( ` In Lacs)	Related Financial Year	Forum Where dispute is pending.
1.	Value Added Tax	3.18	2002-03	Second appeal filed before MP Appeal Board, Bhopal.
2.	Central Sales Tax	15.03	2002-03	Second appeal filed before MP Appeal Board, Bhopal.
3.	Value Added Tax	16.55	2005-06	Second appeal filed before MP Appeal Board, Bhopal.
4.	Central Sales Tax	22.81	2005-06	Second appeal filed before MP Appeal Board, Bhopal.
5.	Income Tax	21.00	2007-08	Litigation Pending in MP High Court.
6.	Income Tax	53.93	2016-17	First Appeal filed before Commissioner of Income Tax (Appeals) ,Indore

8) According to the information and explanations provided by the management, Company has neither defaulted in the repayment of dues to banks or financial institution nor has issued any debentures.

9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments. Further, the term loans term loans have been applied for the purposes for which they were obtained.

10) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;

12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.

13) The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Ind AS 24, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.

15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For and on behalf of  
**ANURADHA RATNAPARKHI &  
ASSOCIATES**  
Chartered Accountants  
Firm's registration number: 023451C

**ANURADHA RATNAPARKHI**  
Proprietor  
Membership number: 075412

Place: Indore  
Date: This 27th Day of May, 2019

## **“ANNEXURE B” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF ALPA LABORATORIES 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 ALPA LABORATORIES LIMITED (“the Company”) as of March 31, 2019 in conjunction with our audit of the standalone 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 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

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

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

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, 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 and on behalf of  
**ANURADHA RATNAPARKHI &  
ASSOCIATES**  
Chartered Accountants  
Firm's registration number: 023451C

**ANURADHA RATNAPARKHI**  
Proprietor  
Membership number: 075412

Place: Indore

Date: This 27<sup>th</sup> Day of May, 2019



**ALPA LABORATORIES LIMITED**

C.I.N.- L85195MP1988PLC004446

**Standalone Balance Sheet as at 31<sup>st</sup> March, 2019**

(₹ in Lacs)

	Note No.	As at 31/03/2019	As at 31/03/2018
<b>I. ASSETS</b>			
<b>(1) Non-current Assets</b>			
(a) Property, plant and equipment	1	576.13	612.16
(b) Capital work-in-progress	1A	11.78	-
(c) Investments in subsidiaries, associates and joint venture	2	1,083.85	1,078.61
(d) Financial assets			
(i) Investments	2A	1,840.81	1,287.62
(ii) Other Financial Assets	2B	43.02	-
(e) Deferred tax assets (Net)		17.10	76.13
<b>(2) Current Assets</b>			
(a) Inventories	3	1,403.87	1,372.30
(b) Financial Assets			
(i) Investments	4	2,996.10	1,768.16
(ii) Trade Receivables	5	2,980.94	2,544.16
(iii) Cash and cash equivalents	6	13.48	13.50
(iv) Bank Balances other than cash and cash equivalents	7	75.00	2,115.00
(v) Loans	8	503.50	468.73
(vi) Other financial assets	9	328.69	401.21
(c) Current Tax Assets (net)		32.00	146.93
(d) Other current assets	10	953.91	774.52
<b>Total Assets</b>		<b>12,860.18</b>	<b>12,659.04</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>(1) Equity</b>			
(a) Equity Share Capital	11	2,104.06	2,104.06
(b) Other Equity	11B	8,486.87	8,220.33
<b>(2) Liabilities</b>			
Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	12	41.13	61.37
<b>(3) Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	13	105.31	517.71
(ii) Trade payables	14	1,318.18	1,270.11
(iii) Other financial liabilities	15	148.41	136.41
(b) Short term provisions	16	223.81	106.64
(c) Other current liabilities	17	432.40	242.42
<b>Total Equity And Liabilities</b>		<b>12,860.18</b>	<b>12,659.04</b>
The accompanying notes are an integral part of these standalone financial statements			

We authenticate the correctness of the above

For and on behalf of the Board of

**ALPA LABORATORIES LIMITED**

C.I.N.- L85195MP1988PLC004446

As Per My Report of Even Date Attached

For and on behalf of

**ANURADHA RATNAPARKHI & ASSOCIATES**

Chartered Accountants

Firm Registration No.: 023451C

**PARESH CHAWLA**

Managing Director

D.I.N.: 00520411

**M.S. CHAWLA**

Director

D.I.N.: 00362058

**BAKULESH SHAH**

Chief Financial Officer

**MEGHA NEEMA**

Company Secretary

Memb. No.39643

**ANURADHA RATNAPARKHI**

Proprietor

Membership Number: 075412

Place: Indore

Dated: 27th May, 2019

**ALPA LABORATORIES LIMITED**

C.I.N.- L85195MP1988PLC004446

**Standalone Statement of Profit and Loss for the year ended 31<sup>st</sup> March, 2019**

(₹ in Lacs)

	Particulars	Note No.	For the Year ended 31st March, 2019	For the Year ended 31st March, 2018
<b>I.</b>	<b><u>CONTINUING OPERATIONS</u></b>			
(1)	<b>Income</b>			
	Revenue from operations	18	7,798.80	6,226.82
	Other Income	19	506.52	471.75
	<b>Total Income</b>		<b>8,305.32</b>	<b>6,698.57</b>
(2)	<b>Expenses</b>			
	Cost of materials consumed	20	4,645.84	3,309.17
	Purchases of stock-in-trade	21	84.66	226.66
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	22	152.61	31.07
	Manufacturing and Operating Cost	23	425.85	357.32
	Employee benefits expense	24	1,204.10	1,025.97
	Finance costs	25	56.87	107.15
	Depreciation and amortisation expense	26	109.57	104.93
	Other expenses	27	1,185.37	881.36
	<b>Total Expenses</b>		<b>7,864.87</b>	<b>6,043.64</b>
(3)	<b>Profit / (loss) before tax</b>		<b>440.45</b>	<b>654.93</b>
(4)	<b>Tax expense</b>			
	Current tax		125.00	(210.00)
	Deferred tax charge/(credit)		59.02	10.49
	Tax in respect of earlier years		(16.71)	21.07
(5)	<b>Profit/(Loss) for the year from continuing operations</b>		<b>273.14</b>	<b>476.50</b>
(6)	<b>Other Comprehensive Income/Expences</b>			
	<b>(i) Items that will not be reclassified to profit or loss</b>			
	Interest & Discounting as OCI		6.60	-
(7)	<b>Total Comprehensive Income for the year</b>		<b>266.54</b>	<b>476.50</b>
(8)	Earning per equity share of ₹/- each (for continuing operations)			
	(1) Basic (₹)		<b>1.27</b>	<b>2.26</b>
	(2) Diluted (₹)			
	The notes form an integral part of these financial statements			

We authenticate the correctness of the above  
For and on behalf of the Board of  
**ALPA LABORATORIES LIMITED**  
C.I.N.- L85195MP1988PLC004446

As Per My Report of Even Date Attached  
For and on behalf of  
**ANURADHA RATNAPARKHI & ASSOCIATES**  
Chartered Accountants  
Firm Registration No.: 023451C

<b>PARESH CHAWLA</b>	<b>M.S. CHAWLA</b>	<b>BAKULESH SHAH</b>	<b>MEGHA</b>	<b>ANURADHA RATNAPARKHI</b>
Managing Director	Director	Chief Financial Officer	Company Secretary	Proprietor
D.I.N.: 00520411	D.I.N.: 00362058		Memb. No.39643	Membership Number: 075412

Place: Indore  
Dated: 27th May, 2019

**Standalone Cash Flow Statement for the year ended 31<sup>st</sup> March, 2019**

(₹ in Lacs)

	For the Year ended 31st March, 2019	For the Year ended 31st March, 2018
<b>I. CASH FLOW FROM OPERATING ACTIVITY</b>		
<b>Profit / (loss) before tax</b>	440.45	654.93
<i>Adjustments for:</i>		
Depreciation and amortization expenses	109.57	104.93
Finance cost	56.87	107.15
Dividend income	(95.22)	(110.74)
Interest income	(261.95)	(305.98)
Net gain on sale / fair valuation of investments through profit and loss	(46.03)	18.89
Bad debts / assets written off	125.60	84.31
(Profit)/ loss on sale of fixed assets (net)/ Investment	-	(7.56)
<b>Operating profit before working capital changes</b>	<b>329.29</b>	<b>545.93</b>
<i>Changes in Operating assets and liabilities:</i>		
Decrease/ (Increase) in Trade Receivable/Other Receivables	(747.54)	154.31
Decrease/ (Increase) in Inventories	(31.56)	(68.43)
Increase/ (Decrease) in Provisions	327.18	(15.58)
Increase/ (Decrease) in Trade payable/Current Liabilities	250.07	(1,166.97)
<b>Net Cash Generated by Operating Activities</b>	<b>127.43</b>	<b>(550.73)</b>
Income taxes paid	(209.45)	(178.44)
<b>Net Cash Generated by Operating Activities Before Exceptional Items</b>	<b>(82.02)</b>	<b>(729.17)</b>
Exceptional Items	-	-
<b>Net Cash Generated by Operating Activities After Exceptional Items (I)</b>	<b>(82.02)</b>	<b>(729.17)</b>
<b>II. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
<i>Proceeds from:</i>		
Dividend received from others	95.22	110.74
Interest Received	261.95	308.64
<i>Payments for:</i>		
Property, plant and equipment	(85.31)	(197.30)
Purchase of investment	40.77	(1,797.85)
Investment in subsidiaries/ Joint Venture	(553.19)	(2.05)
<b>Net Cash Used in Investing Activities (II)</b>	<b>(240.56)</b>	<b>(1,577.83)</b>
<b>III. CASH FLOW FROM FINANCING ACTIVITIES</b>		
<i>Proceeds from:</i>		
Long Term Borrowings	(20.24)	14.47
Loan Recovered	(411.35)	533.47
<i>Payment for:</i>		
Interest Paid	(56.87)	(107.15)
Loan Granted		
<b>Net Cash Generated by Financing Activities (III)</b>	<b>(488.45)</b>	<b>440.79</b>
<b>IV. Net Increase/(Decrease) In Cash and Cash Equivalents (I + II + III)</b>	<b>(811.03)</b>	<b>(1,866.20)</b>
<b>V. Cash and Cash Equivalents as at the beginning of the year</b>	<b>2,128.50</b>	<b>3,553.00</b>
<b>VI. Cash and Cash Equivalents as at the end of the year</b>	<b>1,317.47</b>	<b>1,687.80</b>
<b>Cash and Cash Equivalents as at the end of the year comprise of</b>		
Cash & Bank Balances as per the Balance Sheet	88.48	2,128.50
(Less) Deposits Lodged towards Security Deposit & Margin Money against Bank		(441.71)
<b>Balances as per statement of Cash Flows</b>	<b>88.48</b>	<b>1,686.80</b>

We authenticate the correctness of the above  
For and on behalf of the Board of  
**ALPA LABORATORIES LIMITED**  
C.I.N.- L85195MP1988PLC004446

As Per My Report of Even Date Attached  
For and on behalf of  
**ANURADHA RATNAPARKHI & ASSOCIATES**  
Chartered Accountants  
Firm Registration No.: 023451C

**PARESH CHAWLA**    **M.S. CHAWLA**    **BAKULESH SHAH**    **MEGHA NEEMA**  
Managing Director    Director    Chief Financial Officer    Company Secretary  
D.I.N.: 00520411    D.I.N.: 00362058       Memb. No.39643

**ANURADHA RATNAPARKHI**  
Proprietor  
Membership Number: 075412

Place: Indore  
Dated: 27th May, 2019

**ALPA LABORATORIES LIMITED**  
**C.I.N.- L85195MP1988PLC004446**

**Standalone Statement of Changes In Equity for the year ended 31<sup>st</sup> March, 2019**

*A. Equity share capital*

	Note No.	Amount
<b>As at 31st March, 2017</b>		2,104.06
Changes in equity share capital	1	-
<b>As at 31st March, 2018</b>		2,104.06
Changes in equity share capital	1	-
<b>As at 31st March, 2019</b>		<b>2,104.06</b>

*B.. Other Equity*

	Note No.	Balance as at 1st April, 2017	Profit for the year	Other Comprehensive Income	Total Comprehensive Income	Balance as on 31st March, 2018	Profit for the year	Other Comprehensive Income	Total Comprehensive Income	Balance as at 31st March, 2019
(i) Reserves										
1.1 Other Reserve										
Retained Earnings		2,247.78	476.50	-	476.50	2,724.27	273.14	(6.60)	266.54	2,990.82
Securities		5,496.05	-	-	-	5,496.05	-	-	-	5,496.05
<b>Total Reserves (i)</b>		<b>7,743.83</b>	<b>476.50</b>	<b>-</b>	<b>476.50</b>	<b>8,220.33</b>	<b>273.14</b>	<b>(6.60)</b>	<b>266.54</b>	<b>8,486.87</b>

**ALPA LABORATORIES LIMITED**

C.I.N.- L85195MP1988PLC004446

Notes To The Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2019

Note - "1A"

Property, Plant And Equipment

(₹ in Lacs)

	Land	Building	Leasehold	Plant and Machinery	Furniture and Fixtures	Vehicles	Office Equipment	Bearer Plants	Computers	Utility	Electrical Installation	QC and Lab Equipments	Total
	Freehold												
<b>I</b>	<i>Gross Carrying amount</i>												
	13.42	489.14	-	1,375.97	58.26	76.35	11.77	-	31.77	175.37	171.60	200.21	2,603.87
	-	13.58	-	119.79	9.67	49.82	1.58	-	0.91	1.70	-	0.25	197.30
	-	-	-	-	-	-	-	-	-	-	-	-	-
	13.42	502.73	-	1,495.76	67.93	126.17	13.35	-	32.68	177.08	171.60	200.45	2,801.17
	-	-	-	103.21	3.70	-	9.33	-	1.25	-	-	15.75	133.24
	-	-	-	52.74	-	-	-	-	-	0.79	-	6.19	59.71
	13.42	502.73	-	1,546.24	71.62	126.17	22.68	-	33.93	176.29	171.60	210.02	2,874.70
<b>II</b>	<i>Accumulated Depreciation</i>												
	-	399.05	-	1,153.66	32.35	6.55	10.18	-	28.19	153.39	164.49	136.22	2,084.08
	-	8.16	-	46.09	6.73	32.11	0.75	-	1.80	1.45	0.41	15.42	112.92
	-	-	-	6.43	-	0.03	-	-	-	0.05	-	1.49	7.99
	-	407.21	-	1,193.32	39.09	38.63	10.92	-	30.00	154.79	164.90	150.15	2,189.01
	-	8.63	-	49.21	8.16	31.86	4.04	-	1.45	1.29	0.29	12.85	117.78
	-	-	-	7.14	-	-	-	-	-	0.09	-	0.98	8.21
	-	415.83	-	1,235.40	47.25	70.49	14.97	-	31.44	155.99	165.18	162.02	2,298.57
<b>III</b>	<i>Net Carrying amount (I - II)</i>												
	13.42	95.52	-	302.44	28.84	87.54	2.42	-	2.68	22.29	6.71	50.30	612.16
	13.42	86.90	-	310.84	24.38	55.68	7.71	-	2.49	20.30	6.42	48.00	576.13

Note - "1B"

Capital Work In Progress

(₹ in Lacs)

	Amount
31st March, 2018	-
31st March, 2019	11.78

Note - "2"

Investments In Subsidiaries, Associates And Joint Venture

(₹ in Lacs)

	31st March, 2019		31st March, 2018	
	No. of Units	Amount	No. of Units	Amount
<b>A. Investments in Subsidiaries</b>				
<u>Un Quoted</u>				
(i) <u>Equity Instruments at cost, fully paid up</u>				
Norfolk Mercantile Private Limited (Equity Shares of ₹ 10 each)	20000	2.00	20,000.00	2.00
(ii) <u>Preference Shares (at Fair Value through Profit &amp; Loss)</u>				
9% Non-Cumulative Compulsory Convertible Preference Shares of ₹ 10 each of Norfolk Mercantile Pvt. Ltd.	260000	71.85	260000	66.61
(iii) <u>Debentures at cost</u>				
9% Compulsory Convertible Debentures of Norfolk Mercantile Pvt Ltd.	1010	1,010.00	1,010.00	1,010.00
<b>Total Investment in Subsidiaries (A)</b>		1,083.85		1,078.61
<b>Aggregate amount of unquoted investments before impairment</b>		1,083.85		1,078.61

Note - "2A"

Non-Current Investments

(₹ in Lacs)

	31st March, 2019		31st March, 2018	
	No. of Units	Amount	No. of Units	Amount
<b>B. Investments in LLP</b>				
<u>Unquoted, fully paid up</u>				
(i) <u>Equity Instruments at cost</u>				
Seabright Landmark Projects LLP (Equity Shares of ₹ 10 each)		1,840.81		1,287.62
<b>Total Investment in LLP (B)</b>	-	1,840.81		1,287.62
<b>Aggregate amount of unquoted investments before impairment</b>		1,840.81		1,287.62

Note - "2B"

Financial Assets

(₹ in Lacs)

	31st March, 2019		31st March, 2018	
	Amount		Amount	
<b>Other Financial Assets</b>				
(i) Subsidy Receivable (Long Term)		29.69		-
(ii) Deposits		13.33		-
<b>Total Other Financial Assets (C)</b>		43.02		-

## Note - "4"

## Current Investments

(₹ in Lacs)

		31st March, 2019		31st March, 2018	
		No. of Units	Amount	No. of Units	Amount
<b>A. Investment in Mutual Funds</b>					
<b>Unquoted</b>					
	(i) <b>At Fair Value through Profit and Loss</b>				
	ABSL Resurgent India Fund Series 6 Reg G Fund (Units of 2,50,000 each, Paid up value 9.07 per Unit of each, Previous	2,50,000.00	22.68	2,50,000.00	24.88
	Aditya Birla SL Balanced 95 G Fund (Units of 12803.67 each, Paid up value 760.39 per Unit of each, Previous year 737.01	12,803.67	97.36	12,803.67	94.36
	Aditya Birla SL Balance Advantage D Fund (Units of 151584.750 each, Paid up value 20.38 per Unit of each,	1,51,584.75	30.89	1,51,584.75	31.77
	Aditya Birla SL Balance 95 D Fund (Units of 58104.807 each, Paid up value 135.94 per Unit of each, Previous year	58,104.81	78.99	58,104.81	81.02
	Aditya Birla SL Equity D Fund (Units of 22816.464 each, Paid up value 99.09 per Unit of each, Previous year 101.30 each)	22,816.46	22.61	22,816.46	23.11
	Aditya Birla SL Equity Saving Reg D Fund (Units of 282534.247 each, Paid up value 11.35 per Unit of each,	2,82,534.25	32.07	2,82,534.25	31.47
	Aditya Birla Sunlife Credit Risk Reg G (Units of 766183.716 each, Paid up value 13.6694 per Unit of each, Previous year	7,66,183.72	104.73	-	-
	Aditya Birla SL Top 100 D Fund (Units of 139257.906 each, Paid up value 16.19 per Unit of each, Previous year 14.95 each)	1,39,257.91	22.56	1,39,257.91	20.83
	Aditya Birla SL Medium Term G (Units of 451858.948 each, Paid up value 22.7807 per Unit of 22.78 each, Previous year	4,51,858.95	102.94	-	-
	Axis Dynamic Equity Fund (Units of 483091.787 each, Paid up value 10.35 per Unit of 10.92 each, Previous year 10.35 each)	4,83,091.79	52.75	4,83,091.79	50.00
	DSP BR Equity & Bond D Fund (Units of 132439.7 each, Paid up value 22.85 per Unit of each, Previous year 24.274 each)	1,32,439.70	30.26	1,32,439.70	32.15
	DSP BR Equity Saving Reg D Fund (Units of 301098.123 each, Paid up value 10.65 per Unit of each, Previous year	3,01,098.12	32.07	3,01,098.12	32.78
	DSP BR Equity Saving Reg DM Fund (Units of 407129.286 each, Paid up value 10.892 per Unit of each, Previous year	4,07,129.29	44.35	4,07,129.29	44.78
	Franklin India Balance D Fund (Units of 443266.158 each, Paid up value 22.4151 per Unit of each, Previous year 20.8343	4,43,266.16	99.36	4,43,266.16	92.35
	Franklin India Credi Risk G (Units of 549556.233 each, Paid up value 19.5790 per Unit of each, Previous year NIL each)	5,49,556.23	107.60	-	-
	Franklin India High Growth Co. D Fund (Units of 62950.787 each, Paid up value 24.3766 per Unit of each, Previous year	62,950.79	15.35	62,950.79	15.29
	Franklin India Income Opportunities G (Units of 479908.625 each, Paid up value 22.3187 per Unit of each, Previous year	4,79,908.63	107.11	-	-
	Franklin India ST Income Ret G (Units of 2701.683 each, Paid up value 3997.2692 per Unit of each, Previous year NIL each)	2,701.68	107.99	-	-
	Franklin Prima Plus Fund D (New) Fund (Units of 11075.485 each, Paid up value 36.7998 per Unit of each, Previous year	11,075.49	4.08	11,075.49	4.12
	Franklin Prima Plus Fund D (Old) Fund (Units of 71539.989 each, Paid up value 36.7997 per Unit of each, Previous year	71,539.99	26.33	71,539.99	26.58
	HDFC Balance DQ Fund (Units of 170973.045 each, Paid up value 28.886 per Unit of each, Previous year 30.387 each)	1,70,973.05	49.39	1,70,973.05	51.95

	HDFC Equity Saving D Fund (Units of 1444209.303 each, Paid up value 11.1090 per Unit of each, Previous year 11.4030)	14,44,209.30	160.44	14,44,209.30	164.68
	ICICI Pru Balanced Advantage D Fund (Units of 201421.801 each, Paid up value 15.45 per Unit of each, Previous year 15.08)	2,01,421.80	31.12	2,01,421.80	30.37
	ICICI Pru Balanced Advantage DM Fund (Units of 643089.085 each, Paid up value 14.33 per Unit of each, Previous year 14.41)	6,43,089.09	92.15	6,43,089.09	92.67
	ICICI Pru Balanced DM Fund (Units of 645643.105 each, Paid up value 22.93 per Unit of each, Previous year 24.05 each)	6,45,643.11	148.05	6,45,643.11	155.28
	ICICI Pru Balanced G Fund (Units of 90505.092 each, Paid up value 134.44 per Unit of each, Previous year 124.89 each)	90,505.09	121.68	90,505.09	113.03
	ICICI Pru Equity Arbitrage D Fund (Units of 2394641.354 each, Paid up value 13.62 per Unit of each, Previous year)	60,64,500.78	825.99	23,94,641.35	326.61
	ICICI Pru Credit Risk G (Units of 533267.919 each, Paid up value per Unit of 19.8545 each, Previous year NIL each)	5,33,267.92	105.88	-	-
	IDFC Dynamic Equity Reg D Fund (Units of 461326.961 each, Paid up value 10.85 per Unit of each, Previous year 10.8383)	4,61,326.96	50.05	4,61,326.96	50.00
	IDFC Focused Equity Reg- D Fund (Units of 169150.930 each, Paid up value 12.10 per Unit of each, Previous year 12.7949)	1,69,150.93	20.47	1,69,150.93	21.64
	Kotak Equity Savings Reg DM Fund (Units of 403691.576 each, Paid up value 11.3765 per Unit of each, Previous year)	4,03,681.58	45.92	4,03,681.58	45.00
	L&T India Prudence DY Fund (Units of 252873.563 each, Paid up value 12.075 per Unit of each, Previous year 12.52 each)	2,52,873.56	30.54	2,52,873.56	31.66
	Motilal Oswal Most Focused Dynamic Equity Reg DY Fund (Units 286582.718 of each, Paid up value 11.5144 per Unit of each, Previous year 11.6064 each)	2,86,582.72	33.00	2,86,582.72	33.26
	Kotak Credit Risk G (Units of 519912.655 each, Paid up value 20.3346 per Unit of each, Previous year NIL each)	5,19,912.66	105.72	-	-
	Reliance Yield Maximizer ( Debt Fund) (Units of 336.6845 each, Paid up value 10000 per Unit of each, Previous year)	336.68	33.67	0.00	46.51
	<b>Total Investment in Mutual funds (A)</b>		2,996.10		1,768.16
	<b>Total Current Investments</b>		<b>2,996.10</b>		<b>1,768.16</b>
	Aggregate amount of unquoted investments		2,996.10		1,768.16



**Note - "3"****Inventories****(₹ in Lacs)**

	As at 31st March, 2019	As at 31st March, 2018
Raw materials	915.17	714.33
Work-in-progress	185.57	165.99
Finished goods	298.06	470.25
Stores and spares	5.08	21.73
<b>Total Inventories</b>	<b>1,403.87</b>	<b>1,372.30</b>

**Note - "5"****Trade Receivables****(₹ in Lacs)**

	As at 31st March, 2019	As at 31st March, 2018
<i>(a) Unsecured, considered good</i>		
(i) From others	2,980.94	1,847.86
<i>(b) Doubtful</i>		
(i) From others	-	696.30
<b>Total Trade Receivables</b>	<b>2,980.94</b>	<b>2,544.16</b>

**Note - "6"****Cash And Cash Equivalents****(₹ in Lacs)**

	As at 31st March, 2019	As at 31st March, 2018
(a) Cash in hand	0.30	1.30
(b) Balances with Banks - In current accounts	13.19	12.20
<b>Total Cash and Cash Equivalents</b>	<b>13.48</b>	<b>13.50</b>

**Note - "7"****Bank Balances Other Than Cash And Cash Equivalents****(₹ in Lacs)**

	As at 31st March, 2019	As at 31st March, 2018
Margin money deposits (Refer Note (a) below)	75.00	2,115.00
<b>Total Bank Balances Other Than Cash And Cash Equivalents</b>	<b>75.00</b>	<b>2,115.00</b>

Note:

(a) Held as lien by bank against bank guarantees amounting to 75,00,000 ( Nil as at 31st March, 2018 )

**Note - "8"****Loans****(₹ in Lacs)**

	As at 31st March, 2019	As at 31st March, 2018
<i>(Unsecured, considered good)</i>		
Inter corporate Deposit	501.96	156.50
Loans to related parties (Refer Note 34)	-	310.44
Loans to employees	1.54	1.79
<b>Total Loans</b>	<b>503.50</b>	<b>468.73</b>

**Note - "9"****Other Current Financial Assets****(₹ in Lacs)**

	As at 31st March, 2019	As at 31st March, 2018
<i>(Unsecured, considered good)</i>		
Subsidy Receivable	11.27	-
Deposits with others	163.26	105.89
Export Benefits receivables	33.76	112.86
Claims Receivable	109.94	174.02
Advances recoverable	1.56	1.37
Dividend receivable	5.55	-
Interest receivable	3.35	7.07
<b>Total Other Current Financial Assets</b>	<b>328.69</b>	<b>401.21</b>

**Note - "10"**

**Other Current Assets**

(₹ in Lacs)

	As at 31st March, 2019	As at 31st March, 2018
Advances to Suppliers	400.48	375.56
Balance with customs, port trust, excise and other govt. authorities	376.10	181.30
Prepaid expenses	15.31	12.74
Advances recoverable in kind for value to be received	161.50	153.00
Other advances	0.52	51.91
<b>Total Other Current Assets</b>	<b>953.91</b>	<b>774.52</b>

**Note - "11"**

**Equity Share Capital**

(₹ in Lacs)

	As at 31st March, 2019	As at 31st March, 2018
<i>Authorised</i>		
250,00,000 Shares [31st March, 2018: 250,00,000] Equity Shares of ₹10 each	2,500.00	2,500.00
<i>Issued, subscribed and fully paid up</i>		
2,10,40,600 Equity Shares [31st March, 2018: 2,10,40,600] Equity Shares of ₹10 each	2,104.06	2,104.06
<b>Total Equity Share Capital</b>	<b>2,104.06</b>	<b>2,104.06</b>

**Notes:**

**a) Reconciliation of number of shares**

(₹ in Lacs)

	As at 31st March, 2019		As at 31st March, 2018	
	Number of Shares	Amount	Number of Shares	Amount
Equity Shares :				
Balance as at the beginning of the year	2,10,40,600.00	2,104.06	2,10,40,600.00	2,104.06
Issued during the year	-	-	-	-
<b>Balance as at the end of the year</b>	<b>2,10,40,600.00</b>	<b>2,104.06</b>	<b>2,10,40,600.00</b>	<b>2,104.06</b>

**b) Rights, preferences and restrictions attached to shares**

Equity shares: The Company has one class of equity shares having a par value of ₹10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

**c) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company**

Name of Shareholder	As at 31st March, 2019		As at 31st March, 2018	
	%	No. of Shares	%	No. of Shares
Mahendra Singh Chawla	13.82	29,06,760	11.76	24,73,920
Paresh Chawla	14.47	30,44,980	14.47	30,44,980
Pravin C. Shah	5.75	12,10,580	5.75	12,10,580

**Note - "11B"**

**Other Equity**

	Securities Premium Reserve	Retained Earnings	Total
<b>Balance as at 1st April, 2017</b>	5,496.05	2,247.78	7,743.83
Profit for the year	-	476.50	476.50
Other Comprehensive Income for the year	-	-	-
<b>Total Comprehensive Income for the year</b>	-	476.50	476.50
<b>Balance as at 1st April, 2018</b>	5,496.05	2,724.27	8,220.33
Profit for the year	-	273.14	273.14
Other Comprehensive Income for the year	-	(6.60)	(6.60)
<b>Total Comprehensive Income for the year</b>	-	266.54	266.54
<b>Balance as at 31st March, 2019</b>	<b>5,496.05</b>	<b>2,990.82</b>	<b>8,486.87</b>

**Securities premium reserve**

Securities premium reserve is used to record the premium on issue of shares.

**Note - "12"****Non-Current Borrowings****(₹ in Lacs)**

	As at 31st March, 2019	As at 31st March, 2018
<b>Secured</b>		
Term loans from banks	41.13	61.37
<b>Secured - Total</b>	<b>41.13</b>	<b>61.37</b>
<b>Total Non-Current Borrowings</b>	<b>41.13</b>	<b>61.37</b>

Nature of Security and terms of repayment for Long Term secured borrowings:

	<b>Nature of Security</b>	<b>Terms of Repayment</b>
i.	Term loan from bank, balance outstanding amounting to 29,81,688.36 (March 31, 2018 : 37,96,962.94) is secured by pari passu charge on exclusive first charge on the entire movable assets acquired out of the said loans from the	Repayable in 60 monthly installments starting from May, 2017 Last installment due in April, 2022 Rate of interest 8.2% .p.a. as at year end.
ii	Term loan from bank, balance outstanding amounting to 710,519.98 (March 31, 2018 : 909,437.25) is secured by pari passu charge on exclusive first charge on the entire movable assets acquired out of the said loans from the	Repayable in 60 monthly installments starting from May, 2017 Last installment due in April, 2022 Rate of interest 8.45% .p.a. as at year end.
iii	Term loan from bank, balance outstanding amounting to 24,44,506.66 (March 31, 2018 :32,97,552.08) is secured by pari passu charge on exclusive first charge on the entire movable assets acquired out of the said loans from the	Repayable in 48 monthly installments starting from October, 2017 Last installment due in September, 2021 Rate of interest 7.89% .p.a. as at year end.
Installments falling due within a year in respect of all the above Loans aggregating 41,13,046.73 (March 31, 2018: 6136714.99 ) have been grouped under "Current maturities of long-term debt" (Refer Note 15.)		

The carrying amounts of financial and non financial assets as security for secured borrowings are disclosed in Note No. 29

**Note - "13"****Current Borrowings****(₹ in Lacs)**

	As at 31st March, 2019	As at 31st March, 2018
<b>Secured</b>		
Loans repayable on demand from banks	105.31	517.71
(Working capital loan from banks, and are secured by hypothecation of inventories and books debts both present and future)		
<b>Total Current Borrowings (A+B)</b>	<b>105.31</b>	<b>517.71</b>

The carrying amounts of financial and non financial assets as security for secured borrowings are disclosed in Note 29.

**Note - "14"****Trade Payables****(₹ in Lacs)**

	As at 31st March, 2019	As at 31st March, 2018
Trade payables [Refer Note below]	18.38	42.96
Amounts due to related parties [Refer Note 33]	-	12.45
Others	1,299.81	1,214.69
<b>Total Trade Payables</b>	<b>1,318.18</b>	<b>1,270.11</b>

**Note :****Dues to Micro And Small Enterprises**

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosure pursuant to the said MSMED Act are as follows.

	(₹ in Lacs)	
	As at 31st March, 2019	As at 31st March, 2018
	<b>Current</b>	<b>Current</b>
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end.	18.38	42.96
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end.	-	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year.	-	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year.	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year.	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made.	-	-
Further interest remaining due and payable for earlier years.	-	-

**Note - "15"****Other Current Financial Liabilities**

(₹ in Lacs)

	As at 31st March, 2019	As at 31st March, 2018
Current maturities of long-term debt (Refer Note 12)	20.24	18.67
Interest accrued but not due on borrowings	0.41	0.54
Deposits from Dealers, Agents, etc.	74.03	64.97
Salary and Wages payable	51.67	48.17
Capital Creditors	2.06	4.06
<b>Total Other Current Financial Liabilities</b>	<b>148.41</b>	<b>136.41</b>

(a) There are no amounts due for payment to the Investor Education and Protection Fund Under Section 125 of the Companies Act, as at the year end.

**Note - "16"****Provisions**

(₹ in Lacs)

	As at 31st March, 2019	As at 31st March, 2018
Provision for employee benefits	89.16	36.00
Other Provision	134.66	70.64
Provision for litigation/dispute	-	-
<b>Total Provisions</b>	<b>223.81</b>	<b>106.64</b>

**Note - "17"****Other Current Liabilities**

(₹ in Lacs)

	As at 31st March, 2019	As at 31st March, 2018
Revenue received in advance ( Advance From Customers)	341.82	162.68
Statutory Dues	18.85	10.42
Other payables	71.73	69.32
<b>Total Other Current Liabilities</b>	<b>432.40</b>	<b>242.42</b>

**Note - "18"****Revenue From Operations****(₹ in Lacs)**

	Year Ended 31st March, 2019	Year Ended 31st March, 2018
<i>Sale of Products</i>		
(i) Manufactured goods	7,589.76	6,099.38
(ii) Stock-in trade	36.43	7.17
<i>Sales of Services</i>		
(i) Income from Analytical , Job work & Conversion & Packing Charges	16.00	25.38
<i>Other operating revenue</i>		
(i) Export Incentives, etc	144.68	87.94
(ii) Process waste sale	1.31	1.32
(iii) Other	10.62	5.65
<b>Total Revenue From Operations</b>	<b>7,798.80</b>	<b>6,226.82</b>

**Note - "19"****Other Income****(₹ in Lacs)**

	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Interest income	261.95	305.98
Dividend Income	95.22	110.74
Rent and compensation	0.22	1.00
Other non-operating income	4.45	0.71
Net gain on foreign currency transaction & translation	83.82	27.18
Net gain on sale / Fair valuation of investments through profit and loss*	46.03	-
Share of Profit From LLP	-	4.08
Provision no longer required	14.83	22.06
<b>Total Other Income</b>	<b>506.52</b>	<b>471.75</b>

\* Includes fair value gain / (loss) as at 31st March, 2019 amounting to Rs. 4,602,598.45 (31st March, 2018 Rs. (1,888,716.04))

**Note - "20"****Cost Of Materials Consumed****(₹ in Lacs)**

	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Opening Stock	714.33	615.39
Purchases	4,846.67	3,408.12
Less : Closing Stock	915.17	714.33
<b>Total Cost of Materials Consumed</b>	<b>4,645.84</b>	<b>3,309.17</b>

**Note - "21"****Purchases of Stock-in-Trade****(₹ in Lacs)**

	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Stock in Trade	84.66	226.66
<b>Total Cost of Materials Consumed</b>	<b>84.66</b>	<b>226.66</b>

**Note - "22"****Changes in Inventories of Finished Goods, Stock-In-Trade and Work-In-Progress****(₹ in Lacs)**

	Year Ended 31st March, 2019	Year Ended 31st March, 2018
<i>Opening inventories</i>		
Finished goods	470.25	564.58
Work-in-progress	165.99	102.72
	<b>636.24</b>	<b>667.30</b>
<i>Closing inventories</i>		
Finished goods	298.06	470.25
Work-in-progress	185.57	165.99
	<b>483.62</b>	<b>636.24</b>
<b>Total Changes in Inventories of Finished Goods, Stock-In-Trade and</b>	<b>152.61</b>	<b>31.07</b>

**Note - "23"****Manufacturing and Operating Costs****(₹ in Lacs)**

	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Consumption of Analytical Spares	81.71	45.62
Power and fuel	201.43	176.44
Job work charges	0.44	9.43
Repairs to buildings	17.51	16.64
Repairs to machinery	58.13	48.84
Other Manufacturing and Operating expenses	66.63	60.35
<b>Total Manufacturing and Operating Costs</b>	<b>425.85</b>	<b>357.32</b>

**Note - "24"****Employee Benefits Expense****(₹ in Lacs)**

	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Salaries and wages	1,080.60	962.57
Contribution to provident funds and other funds	39.79	37.50
Gratuity and Pension plan expense	48.21	11.88
Workmen and Staff welfare expenses	35.49	14.02
<b>Total Employee Benefits Expense</b>	<b>1,204.10</b>	<b>1,025.97</b>

**Note - "25"****Finance Costs****(₹ in Lacs)**

	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Interest expense on Debentures and Term Loans	47.25	73.60
Interest expense - others	0.43	4.50
Other borrowing costs	9.19	29.05
<b>Total Finance Costs</b>	<b>56.87</b>	<b>107.15</b>

**Note - "26"****Depreciation and Amortization Expense****(₹ in Lacs)**

	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Depreciation on Property, Plant and Equipment	118.29	104.93
<b>Total Depreciation and Amortization Expense</b>	<b>118.29</b>	<b>104.93</b>

**Note - "27"****Other Expenses****(₹ in Lacs)**

	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Rent	6.92	6.72
Insurance	7.74	6.32
Repairs and Maintenance Others	0.91	0.34
Rates and Taxes	7.15	3.52
Advertisement Expenses	1.64	1.62
Commission to selling agents	39.27	86.59
Freight, Octroi, etc	310.23	224.41
Bad Debts, Advances, Claims and Deposits written off	125.60	84.31
Legal and Professional Expenses	165.53	82.52
Travelling and Conveyance	104.10	94.64
Printing & Stationery Exp	10.47	9.97
Sales Discount	103.09	71.67
Communication Exp.	14.84	13.02
Sales Promotion expenses	46.13	27.64
Director Fees (Refer Note 34)	1.90	2.60
Expenditure incurred for Corporate Social Responsibility (Refer Note 42)	40.00	15.00
Contribution to Charitable Funds	1.00	1.46
Share of Loss From LLP	26.15	-
Net gain on sale / Fair valuation of investments through profit and loss*	-	18.89
Exchange Fluctuation - Others	-	-
Miscellaneous Expenses	172.71	130.13
<b>Total Other Expenses</b>	<b>1,185.37</b>	<b>881.36</b>

**Legal and Professional expenses include:****(₹ in Lacs)**

	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Auditors' remuneration and expenses	2,40,000.00	2,40,000.00
Total	<b>2,40,000.00</b>	<b>2,40,000.00</b>

**Note - "28"****Income Tax Expenses****(₹ in Lacs)**

	Year Ended 31st March, 2019	Year Ended 31st March, 2018
<i>Tax expense recognized in the Statement of Profit and Loss</i>		
<b>Current tax</b>	125.00	210.00
Current Tax on taxable income for the year		
<b>Total Current Tax expense</b>	<b>125.00</b>	<b>210.00</b>
<i>Deferred tax</i>		
Deferred tax charge/(credit)	59.02	10.49
Prior Years Taxes	(18.73)	21.07
Tax in respect of earlier years FY 16-17	2.01	-
<b>Total income tax expense/( Income)</b>	<b>(16.71)</b>	<b>(178.44)</b>

**A. Reconciliation of the income tax expenses to the amount computed by applying the statutory income tax rate to the**  
(₹ in Lacs)

Reconciliation of effective tax rate	Year Ended 31st March, 2019	Year Ended 31st March, 2018
<b>Profit before tax</b>	440.45	654.93
<b>Enacted income tax rate in India applicable to the Company</b>	27.820%	33.063%
<b>Tax amount at the enacted income tax rate</b>	122.53	216.54
Add / (deduct) impact of -		
Expenses not allowable for tax purposes	34.70	22.50
Income exempt from Income taxes (dividend and Interest Income)	(39.25)	110.74
Others	7.06	13.35
<b>Total income tax expense</b>	<b>125</b>	<b>2,10,00,000</b>

The effective tax rate is 27.820% (2017-18: 32.15%).

**B) The movement in deferred tax assets and liabilities during the year ended March 31, 2018 and March 31, 2019:**

	As at 1st April, 2017 - Deferred Tax Asset /(Liabilities)	Credit/ (charge) in statement of Profit and Loss	Credit/ (charge) directly in other equity	As at 31st March, 2018 - Deferred Tax Asset/ (Liabilities)	Credit/ (charge) in Statement of Profit and Loss	As at 31st March, 2019 -Deferred Tax Asset/ (Liabilities)
Depreciation	4.76	(0.95)	-	3.81	(7.58)	(3.77)
Expenses allowed in the year of payment	10.44	(8.99)	-	1.45	23.35	24.80
Others	50.44	20.42	-	70.86	(74.79)	(3.93)
<b>Total</b>	<b>65.64</b>	<b>10.48</b>	<b>-</b>	<b>76.12</b>	<b>-59.02</b>	<b>17.10</b>

**Significant Estimates :** Based on the approved plans and budgets, the company has estimated that the future taxable income will be sufficient to absorb carried forward unabsorbed depreciation, which management believes is probable, accordingly the company has recognized deferred tax asset on aforesaid losses.

**Note - "29"**

**Assets Pledged as Security**

The carrying amounts of assets Pledged as security for current and non-current borrowings are:

	As at 31st March, 2019	As at 31st March, 2018
<b>Current Assets</b>		
<i>Financial Assets</i>		
<u>Floating Charge</u>		
Receivables	2,980.94	2,544.16
Fixed Deposit lien by bank against term loan O/D Facility	-	-
		-
<i>Non Financial Assets</i>		
<u>Floating Charge</u>		
Inventories	1,214.77	985.21
<b>Total Current assets Pledged as security</b>	<b>4,195.71</b>	<b>3,529.37</b>
<b>Non Current Assets</b>		
<u>First Charge</u>		
Land	13.42	13.42
Building	86.90	95.52
Others		
<b>Total non-current assets Pledged as security</b>	<b>100.31</b>	<b>108.94</b>
<b>Total assets Pledged as security</b>	<b>4,296.02</b>	<b>3,638.31</b>



**Note - 30****Contingent Liabilities And Capital Commitment (To The Extent Not Provided For)****i) Contingent Liabilities****(₹ in Lacs)**

<b>Particulars</b>	<b>As at 31st March, 2019</b>	<b>As at 31st March, 2018</b>
(a) Claims against the Company not acknowledged as debts in respect of past disputed liabilities		
(i) Disputed Sales Tax Dues	57.57	57.57
(ii) Disputed Income Tax Dues	74.93	21.00
(b) Guarantees		
(i) Guarantees to Banks and Financial Institutions against credit facilities extended to third parties and other Guarantees	270.85	232.60
(c) Disputed Excise Duty Receivable	3.27	-
(d) Provident Fund		
(i) The Honourable Supreme Court, has passed a decision on 28th February, 2019 in relation to inclusion of certain allowances within the scope of "Basic wages" for the purpose of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. The Company, based on legal advice, is awaiting further clarifications in this matter in order to reasonably assess the impact on its financial statements, if any. Accordingly, the applicability of the judgement to the Company, with respect to the period and the nature of allowances to be covered, and resultant impact on the past provident fund liability, cannot be reasonably ascertained, at present.	Amount not determinable	-

**Note - "31"****Lease****(₹ in Lacs)**

<b>Particulars</b>	<b>As at 31st March, 2019</b>	<b>As at 31st March, 2018</b>
<i>a) Premises taken on operating lease:</i>		
The Company has entered into operating lease arrangements for certain facilities and office premises		
(i) Lease payments recognised in the Statement of Profit and Loss	6.92	6.72

**Note - "32"****Segment Reporting**

As the Company operates in the single segment of drugs and chemicals which is the primary reportable segment as per Accounting Standard Ind As 108 on 'Operating Segment', hence no separate disclosure pertaining to the same has been given.

Note - "33"

		Ownership interest	
		As at	As at
		31st March, 2019	31st March, 2018
<b>I. Relationships :</b>			
<b>a) Subsidiary Companies :</b>			
Norfolk Mercantile Private Limited	India	100%	100%
<b>b) Other Significant influence</b>			
Seabright Landmark Projects LLP	India	18%	18%
<b>c) Executive Directors</b>			
Shri Mahendra Singh Chawla	Chairman and Managing Director	13.82%	11.76%
Shri Paresh Chawla	Managing Director	14.47%	14.47%
Shri Pravin C Shah	Whole-Time Director	5.75%	5.75%
<b>d) Relatives of Executive Directors with whom transactions have taken place ..</b>			
Saraswati P Shah	Wife of Whole Time Director	0.82%	0.82%
Shri Shitul Shah	Son of Whole Time Director	2.60%	2.60%
<b>e) Entity is controlled by Executive directors and their relatives</b>			
Auram Enterprises	Firm of Son of Whole Time Director	NA	NA
<b>f) Non executive directors and enterprises over which they are able to exercise significant influence (with whom transactions have taken place)</b>			
Shri Devendra Baheti	Non Executive	NA	NA
Shri Krishna Das Malani	Non Executive	NA	NA
Shri Sharad Chand Lunawat	Non Executive	NA	NA
Smt. Jyoti Jain	Non Executive	NA	NA
<b>g) Key Managerial Persons</b>			
Shri Bakulesh Shah	CFO	4.88%	4.88%
<b>h) Relatives of Key Managerial Persons with whom transactions have taken place</b>			
Rupal Shah	Wife of Key Managerial Person	2.66%	2.66%
Vinit Shah	Son of Key Managerial Person	NA	NA

2. Transactions carried out with related parties referred in 1 above, in ordinary course of business:

Nature of transactions	Related Parties							
	Referred in 1(a) above	Referred in 1(b) above	Referred in 1(C) above	Referred in 1(d) above	Referred in 1(e) above	Referred in 1 (f) above	Referred in 1 (g) above	Referred in 1 (h) above
<b>Purchases</b>								
Goods and Materials	-	-	-	-	7.73	-	-	-
	(NIL)	(NIL)	(NIL)	(NIL)	(8,219.00)	(NIL)	(NIL)	(NIL)
<b>Sales</b>								
Goods, Materials and Services	-	-	-	-	-	-	-	-
	(NIL)	(NIL)	(NIL)	(NIL)	(NIL)	(NIL)	(NIL)	(NIL)
<b>Expenses</b>								
Employee benefits expenses	-	-	220.44	36.96	-	-	30.00	25.80
	(NIL)	(NIL)	(211.20)	(22.20)	(NIL)	(NIL)	(30.00)	(18.00)
Directors' Fees	-	-	-	-	-	1.90	-	-
	(NIL)	(NIL)	(NIL)	(NIL)	(NIL)	(2.60)	(NIL)	(NIL)
Other Reimbursements	-	-	12.12	-	-	-	-	-
	(NIL)	(NIL)	(18.28)	(NIL)	(NIL)	(NIL)	(NIL)	(NIL)
<b>Income</b>								
Interest/Dividen/Share of Profit	13.49	109.19	-	-	-	-	-	-
	(53.56)	(8.00)	(NIL)	(NIL)	(NIL)	(NIL)	(NIL)	(NIL)
<b>Finance</b>								
Loans and Advances given	222.28	-	-	-	-	-	-	-
	(19.65)	(NIL)	(NIL)	(NIL)	(NIL)	(NIL)	(NIL)	(NIL)
<b>Investments</b>								
Investments made	-	722.71	-	-	-	-	-	-
	(NIL)	(875.00)	(NIL)	(NIL)	(NIL)	(NIL)	(NIL)	(NIL)

Previous years figures are in ( )

	As at 31st March, 2019	As at 31st March, 2018
Outstandings		
Loans and Advances		
Subsidiaries		
Beginning of the year	310.44	840.09
Receivable	222.28	19.65
Received during the year	532.72	597.50
End of the year	-	262.24
Payable (Trade Payables & Other Liabilities)		
Executive Directors	13.13	10.49
Key Management personnel	1.96	1.93
Relatives of key managerial personnel	1.93	1.49
End of the year	17.02	13.91
Receivable		
Subsidiaries	13.49	53.56
LLP	109.19	8.00
End of the year	122.68	61.56
Investments		
Subsidiaries	1,083.85	1,079
LLP	1,840.81	1,292
End of the year	2,924.66	2,370.15

#### Executive Directors Compensation

	31st March, 2019	31st March, 2018
a) Short- term employee benefits	220.44	211.20
Total compensation	220.44	211.20

#### 3. Disclosure in respect of material transactions with related parties during the year. (included in 2 above).

	2018-19	2017-18
Purchases		
Goods and Materials		
Auram Enterprises ( Relative of Director)	7.73	-
Remuneration		
Shri Mahendra Singh Chawla	84.00	84.00
Shri Pares Chawla	84.00	84.00
Shri Pravin C Shah	52.44	43.20
Director Sitting Fees and Commission to Non Executive Directors (excluding GST)		
Shri Devendra Singh Baheti	0.40	0.60
Shri Krishna Das Malani	0.50	0.70
Shri Sharad Chand Lunawat	0.50	0.60
Smt. Jyoti Jain	0.50	0.70
Interest/ Share of Profit		
Norfolk Mercantile Private Limited	13.49	53.56
Interest on capital received from LLP	135.34	-
Share of Profit from Seabright Landmark Projects LLP	(26.15)	4.07
Investment		
Seabright Landmark Projects LLP	722.71	875.00
Loan Advanced		
Norfolk Mercantile Private Limited	222.28	19.65
Receivable		
Norfolk Mercantile Private Limited	13.49	53.56

#### Loans and advances in the nature of loans given

(₹ in Lacs)

	Amount outstanding as at 31st March, 2019	Maximum balance during the year 31st March, 2019	Shares held by Loanee in the	
			No. of Shares outstanding at the year end	Maximum No. of shares held during the year
(i) Subsidiaries:				
Norfolk Mercantile Private Limited	-	310.44	-	-

#### Note - "34"

Application for merger of Norfolk Mercantile Private Limited, wholly owned subsidiary of Alpa Laboratories Limited was filed before NCLT, Mumbai Bench by Norfolk Mercantile Private Limited on 07th December, 2017 is pending before the Bench as on the date of Financial Statments.

#### Note - "35"

Court Case has been filed against Innovec Laboratories Private Limited ( Medicare Nagpur) for ₹ 28,94,502 (Previous Year- ₹ 28,94,502) for recovery of outstanding amounts.

**Note - "36"**

**Fair Value Measurement**

*Financial Instrument by category and hierarchy*

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

1. Fair value and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these
3. The fair values for loans and investment in preference shares were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counter party
4. The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

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

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

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

(Amount in Rs.)

Financial Assets and Liabilities as at 31st March, 2019	Routed through Profit and Loss			Routed through OCI				Carried at Amortised Cost			
	Non-Current	Current	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>											
<i>Investments</i>											
- Equity instruments	2.00	-	2.00	-	-	2.00	2.00	-	-	-	-
- Preference Shares	71.85	-	71.85	-	-	-	-	-	71.85	-	71.85
- Debentures	1,010.00	-	1,010.00	-	-	1,010.00	1,010.00	-	-	-	-
- in LLP	1,840.81	-	1,840.81	-	-	1,840.81	1,840.81	-	-	-	-
- Mutual Funds	-	2,996.10	2,996.10	2,962.44	-	-	2,962.44	-	-	-	-
<i>Other Assets</i>											
- Loan to Employees	-	1.54	1.54	-	-	-	-	-	-	-	1.54
- Security Deposit	13.33	163.26	176.58	-	-	-	-	176.58	-	-	-
- Inter Corporate Deposit	-	501.96	501.96	-	-	-	-	-	-	-	501.96
- Government subsidy receivable	29.45	11.27	40.73	-	-	-	-	-	-	40.73	40.73
- Other Financial Assets	-	154.16	154.16	-	-	-	-	-	-	-	154.16
- Trade Receivable	-	2,980.94	2,980.94	-	-	-	-	-	-	-	2,980.94
- Cash and Cash Equivalents	-	13.48	13.48	-	-	-	-	-	-	-	13.48
- Other Bank Balance	-	75.00	75.00	-	-	-	-	-	-	-	75.00
	<b>2,967.44</b>	<b>6,897.71</b>	<b>9,865.15</b>	<b>2,962.44</b>	<b>-</b>	<b>2,852.81</b>	<b>5,815.25</b>	<b>-</b>	<b>176.58</b>	<b>40.73</b>	<b>217.31</b>
<b>Financial Liabilities</b>											
Borrowings	41.13	105.31	146.44	-	-	-	-	-	-	-	0.00
Other Financial Liabilities	-	148.41	148.41	-	-	-	-	-	-	-	0.00
Trade Payables	-	1,318.18	1,318.18	-	-	-	-	-	-	-	0.01
	<b>41.13</b>	<b>1,571.90</b>	<b>1,613.04</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.02</b>

(Amount in Rs. `)

Financial Assets and Liabilities as at 31st March, 2018				Routed through Profit and Loss				Routed through OCI				Carried at Amortised Cost			
	Non-Current	Current	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>															
<i>Investments</i>															
- Equity instruments	2.00	-	2.00	-	-	2.00	2.00	-	-	-	-	-	-	-	-
- Preference Shares	66.61	-	66.61	-	-	-	-	-	-	-	-	-	66.61	-	66.61
- Debentures	1,010.00	-	1,010.00	-	-	1,010.00	1,010.00	-	-	-	-	-	-	-	-
- in LLP	1,287.62	-	1,287.62	-	-	1,287.62	1,287.62	-	-	-	-	-	-	-	-
- Mutual Funds	-	1,768.16	1,768.16	1,721.65	-	-	1,721.65	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Other Assets</i>															
- Loan to Employees	-	1.79	1.79	-	-	-	-	-	-	-	-	-	-	-	1.79
- Security Deposit	-	105.89	105.89	-	-	-	-	-	-	-	-	-	-	105.89	105.89
- Loans to Related Parties	-	310.44	310.44	-	-	-	-	-	-	-	-	-	-	310.44	310.44
- Inter Corporate Deposit	-	156.50	156.50	-	-	-	-	-	-	-	-	-	-	156.50	156.50
- Other Financial Assets	-	8.44	8.44	-	-	-	-	-	-	-	-	-	-	8.44	8.44
- Trade Receivable	-	2,544.16	2,544.16	-	-	-	-	-	-	-	-	-	-	2,544.16	2,544.16
- Cash and Cash Equivalents	-	13.50	13.50	-	-	-	-	-	-	-	-	-	-	13.50	13.50
- Other Bank Balance	-	2,115.06	2,115.06	-	-	-	-	-	-	-	-	-	-	2,115.06	2,115.06
	<b>2,366.23</b>	<b>7,023.95</b>	<b>9,390.18</b>	<b>1,721.65</b>	<b>-</b>	<b>2,299.62</b>	<b>4,021.27</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>66.61</b>	<b>5,255.79</b>	<b>5,322.40</b>
<b>Financial Liabilities</b>															
Borrowings	61.37	517.80	579.17	-	-	-	-	-	-	-	-	-	-	579.17	579.17
Other Financial Liabilities	-	135.99	135.99	-	-	-	-	-	-	-	-	-	-	135.99	135.99
Trade Payables	-	1,268.49	1,268.49	-	-	-	-	-	-	-	-	-	-	1,268.49	1,268.49
	<b>61.37</b>	<b>1,922.29</b>	<b>1,983.65</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,983.65</b>	<b>1,983.65</b>

**Note - "37"****Financial Risk Management***Financial risk management objectives and policies*

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Managing Board.

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loans and borrowings.

The Company manages market risk by evaluating and exercising independent control over the entire process of market risk management. The recommend risk management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures like foreign exchange forward contracts, borrowing strategies and ensuring compliance with market risk limits and policies.

*Market Risk- Foreign currency risk.*

The Company operates internationally and portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through its sales and services in overseas and purchases from overseas suppliers in various foreign currencies. Foreign currency exchange rate exposure is partly balanced by purchasing of goods, commodities and services in the respective currencies.

(a) Particulars of unhedged foreign currency exposures as at the reporting date

As at 31st March, 2019		( In Foreign currency)
Particulars		USD
Trade Receivable		10,93,603.52
Advances from Customers		68,536.25
Advances to suppliers		60,360.00
Trade Payable		1,20,750.00

**As at 31st March, 2018**

As at 31st March, 2018		USD
Particulars		USD
Trade Receivable		14,10,647.53
Advances from Customers		-
Advances to suppliers		-
Trade Payable		56,026.00

(a) (iii) *Market Risk- Price Risk*

(a) *Exposure*

The Company's exposure to equity securities price risk arises from investments held by the Company and classified in the balance sheet either at fair value through OCI or at fair value through profit and loss. To manage its price risk arising from investments in equity securities, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.

(b) *Sensitivity*

The table below summarizes the impact of increases/decreases of the BSE index on the Company's equity and Gain/Loss for the period. The analysis is based on the assumption that the index has increased by 5 % or decreased by 5 % with all other variables held constant, and that all the Company's equity instruments moved in line with the index.

Impact on Profit before tax

	As at 31st March, 2019	As at 31st March, 2018
BSE Sensex 30- Increase 5%	1,48,12,177.00	34,77,037.70
BSE Sensex 30- Decrease 5%	(1,48,12,177.00)	(34,77,037.70)

Above referred sensitivity pertains to quoted mutual fund investment (Refer note 4). Profit for the year would increase/ (decrease)

(c) *Foreign Currency Risk Sensitivity*

A change of 5% in Foreign currency would have following Impact on profit before tax

	(Amount in ₹)			
	2018-2019		2017-2018	
	5% Increase	5% decrease	5% Increase	5% decrease
USD	33,36,399	(33,36,399)	44,05,507	(44,05,507)
EURO	-	-	-	-
<b>Increase / (decrease) in profit or loss</b>	<b>33,36,399</b>	<b>(33,36,399)</b>	<b>44,05,507</b>	<b>(44,05,507)</b>

**Credit risk**

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses financial reliability of customers and other counter parties, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of financial assets. Individual risk limits are set and periodically reviewed on the basis of such information.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- Actual or expected significant adverse changes in business,
- Actual or expected significant changes in the operating results of the counterparty,
- Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
- Significant increase in credit risk on other financial instruments of the same counterparty,
- Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized as income in the statement of profit and loss.

The Company measures the expected credit loss of trade receivables and loan from individual customers based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends. Based on the historical data, loss on collection of receivable is not material hence no additional provision considered.

**Ageing of Account receivables**

	As at 31st March, 2019	As at 31st March, 2018
0-3 months	11,17,15,926.98	6,04,50,274.00
3-6 months	11,58,99,735.81	13,26,08,430.00
6 months to 12 months	1,82,44,034.52	2,04,78,875.00
beyond 12 months	5,22,34,242.03	4,08,78,591.00
<b>Total</b>	<b>29,80,93,939.34</b>	<b>25,44,16,170.00</b>

Financial Assets are considered to be of good quality and there is no significant increase in credit risk. Ageing has been disclosed as per the information provided by the management

**Movement in provisions of doubtful debts**

	As at 31st March 2019	As at 31st March, 2018
Opening provision	-	-
Add:- Additional provision made	1,25,02,314.30	80,00,000
Less:- Provision reversed	1,25,02,314.30	80,00,000
Closing provision	-	-

**Liquidity Risk**

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Company treasury maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows.

**(i) Financing arrangements**

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

	As at 31st March, 2019	As at 31st March, 2018
Expiring within one year (bank overdraft and other)	10,94,69,320	6,82,19,540.66
Expiring beyond one year (bank loans)	-	-

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice. Subject to the continuance of satisfactory credit ratings, the bank loan facilities may be drawn at any time in INR.

**(ii) Maturity patterns of borrowings**

	As at 31st March, 2019				As at 31st March, 2018			
	0-1 years	1-5 years	beyond 5 years	Total	0-1 years	1-5 years	Beyond 5 Year	Total
Long term borrowings (Including current maturity of long term)	20	41	-	61	19	61	-	80
Short term borrowings	105	-	-	105	518	-	-	518
<b>Total</b>	<b>126</b>	<b>41</b>	<b>-</b>	<b>167</b>	<b>536</b>	<b>61</b>	<b>-</b>	<b>598</b>

**(iii) Maturity patterns of other Financial Liabilities**

As at 31st March 19	0-3 months	3-6 months	6 months to 12 months	Beyond 12 Month	Total
Trade Payable	13,18,18,315	-	-	-	13,18,18,315.48
Payable related to Capital goods	2,05,675	-	-	-	2,05,675.00
Other Financial liability (Current and Non Current)	1,31,02,909.39	5,00,728	10,32,183.11	-	1,46,35,820.41
<b>Total</b>	<b>14,51,26,900</b>	<b>5,00,728</b>			<b>14,56,27,627.78</b>

As at 31st March 18	0-3 months	3-6 months	6 months to 12 months	Beyond 12 Month	Total
Trade Payable	12,56,04,379	-	-	-	12,56,04,379
Payable related to Capital goods	4,05,835	-	-	-	4,05,835
Other Financial liability (Current and Non Current)	1,17,78,564	4,62,022	9,52,393	-	1,31,92,979
<b>Total</b>	<b>13,77,88,778</b>	<b>4,62,022</b>	<b>9,52,393</b>	<b>-</b>	<b>13,92,03,193</b>

**Note - "38"**

**Capital Risk Management**

**a) Risk Management**

The Company aim to manages its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders.

The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary

**Note - "39"****Earning Per Share**

(₹ in Lacs)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Earnings Per Share has been computed as under:		
Net Profit after Tax as per Statement of Profit and Loss attributable to Equity	266.54	476.50
Weighted average number of equity shares outstanding	21,04,06,000.00	21,04,06,000.00
Earnings Per Share (₹) - Basic (Face value of ₹ 10 per share)	1.27	2.24

Diluted earning per share is same as basic earning per share.

**Note - "40"****Amalgamation**

Norfolk Mercantile Private Limited had issued 1,010 9% compulsory convertible Debentures of 1,00,000/- each to Alpa Laboratories Limited (holding company) in the earlier years. Due to shortage of liquidity, the Subsidiary company has went into the option of Merger with the holding Company to take the benefit of synergy. By virtue of this, the Board of Directors of the holding Company and the subsidiary company approved the Scheme of amalgamation in the nature of merger in the Board meeting held on 10th August, 2017 and 11th August, 2017 respectively. The Board of Director's looking into the benefit of synergy and considering the fact of pending petition of Merger before the NCLT has waived the interest amount on debentures to be paid by Norfolk Mercantile Private Limited to Alpa Laboratories Limited.

**Note - "41"****Details Of Corporate Social Responsibility (CSR) Expenditure:**

(₹ in Lacs)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Amount required to be spent as per Section 135 of the Act	18.63	11.81
Amount spent during the year on:		
(i) Construction / acquisition of an asset	-	-
ii) On purpose other than (i) above	40.00	15.00
<b>Total</b>	<b>40.00</b>	<b>15.00</b>

**Note - "42"**

This Financial Statement were approved by the board of directors dated May 27, 2019

We authenticate the correctness of the above

**ALPA LABORATORIES LIMITED**

C.I.N.- L85195MP1988PLC004446

As Per Our Report of Even Date Attached

For and on behalf of

**ANURADHA RATNAPARKHI & ASSOCIATES**

Chartered Accountants

Firm Registration No.: 023451C

**PARESH CHAWLA**

Managing Director

D.I.N.: 00520411

**M.S. CHAWLA**

Director

D.I.N.: 00362058

**BAKULESH SHAH**

Chief Financial Officer

**MEGHA NEEMA**

Company Secretary

Memb. No.39643

**ANURADHA RATNAPARKHI**

Proprietor

Membership Number: 075412

Place: Indore

Dated: 27th May, 2019



## **Annexure A (Annexed to and forming part of the Accounts for the year ended 31<sup>st</sup> March, 2019)**

### **SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES**

#### **A.**

#### **COMPANY BACKGROUND**

Incorporated as Alpa Laboratories Private Limited on 18<sup>th</sup> March 1988 under the Companies Act, 1956 and converted to public limited company on 03<sup>rd</sup> September 1998 with the name of Alpa Laboratories Limited. The Company has been listed on the Bombay Stock Exchange and the National Stock Exchange since 06<sup>th</sup> August 2007.

#### **1. Basis of Preparation of Financial Statements**

##### *(i) Compliance with Ind AS*

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

The accounting policies are applied consistently to all the periods presented in the financial statements.

##### *(ii) Historical cost convention*

The financial statements have been prepared on a historical cost basis, except for the following:

- 1) certain financial assets and liabilities that are measured at fair value;
- 2) assets held for sale - measured at lower of carrying amount or fair value less cost to sell;

##### *(iii) Current non-current classification*

All the assets and liabilities have been classified as current or non current as per the Company's normal operating cycle and other criteria set out in Schedule III of the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalent, the Company has ascertained its operating cycle to be 12 months for the purpose of current - non current classification of assets and liabilities.

##### *(iv) Fair Value*

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

#### **2. Use of estimates and critical accounting judgements**

In the preparation of financial statements, the Company makes judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Key source of estimation of uncertainty at the date of standalone financial statements, which may cause material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in

respect of impairment, useful lives of property, plant and equipment and intangible assets, valuation of deferred tax assets, provisions, contingent liabilities and fair value measurements of financial instruments as discussed below. Key source of estimation of uncertainty in respect of revenue recognition and employee benefits have been discussed in the respective policies.

### **3. Revenue Recognition**

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

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and specific criteria have been met for each of the Company's activities as described below.

#### *Sale of goods*

Revenue from sale of goods is recognised when the Company has transferred to the buyer the significant risks and rewards of ownership, no longer retains control over the goods sold, the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the Company and the costs incurred or to be incurred in respect of the transaction can be measured reliably. Depending on the contractual terms, risks and rewards of ownership is transferred when the delivery is completed. In case of exports sale delivery is completed on issuance of bill of lading

#### *Interest income*

Interest income is accrued on a time proportion basis, by reference to the principal outstanding and effective interest rate applicable.

#### *Other operating revenue - Export incentives*

"Export Incentives under various schemes are recognized on accrual basis.

#### *Other Incomes*

Other incomes have been recognized on accrual basis in the financial statements, except when there is uncertainty of collection.

### **4. Property, plant and equipment**

An item of property, plant and equipment is recognised as an asset if it is probable that future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. This recognition principle is applied to costs incurred initially to acquire an item of property, plant and equipment and also to costs incurred subsequently to add to, replace part of, or service it. All other repair and maintenance costs, including regular servicing, are recognised in the statement of profit and loss as incurred. When a replacement occurs, the carrying value of the replaced part is derecognised. Where an item of property, plant and equipment comprises major components having different useful lives, these components are accounted for as separate items.

Property, plant and equipment is stated at cost/deemed cost, less accumulated depreciation and impairment. Cost includes all direct costs and expenditures incurred to bring the asset to its working condition and location for its intended use. Trial run expenses (net of revenue) are capitalised.

Borrowing costs incurred during the period of construction is capitalised as part of cost of qualifying asset. The gain or loss arising on disposal of an item of property, plant and equipment is determined as the difference between sale proceeds and carrying value of such item, and is recognised in the statement of profit and loss.

## **5. Depreciation and amortisation of property, plant and equipment and intangible assets**

Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Items of property, plant and equipment are depreciated in a manner that amortizes the cost (or other amount substituted for cost) of the assets after commissioning, less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 on a Written Down Value basis. Land is not depreciated.

Property, plant and equipment's residual values and useful lives are reviewed at each balance sheet date and changes, if any, are treated as changes in accounting estimate.

- a. Fixed asset is depreciated on a written down value basis over the useful lives of assets as prescribed under Part C of Schedule II of the Companies Act 2013.
- b. Depreciation for assets purchased or sold during the period is charged to revenue pro-rata to the period of their use.

## **6. Inventories**

Finished goods (including for trade), work in process and raw materials are stated at 'Cost or Net Realizable Value, whichever is lower'. Cost of Inventories comprises cost of purchases and other costs incurred in bringing the inventories to their present location and condition. 'First In First Out' cost formula is used for determination of cost of inventories.

## **7. Foreign Currency Transactions**

### *(i) Functional and presentation currency*

The financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency.

### *(ii) Transactions and balances*

Transactions in foreign currencies are recognised at the prevailing exchange rates on the transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognised in the Statement of Profit and Loss.

Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognised in the Statement of Profit and Loss.

## **8. Employee Benefit**

- a. The Company's contribution to Life Insurance Corporation of India (LIC) for group gratuity policy is charged to the Profit and Loss account each year. The contribution for Group Gratuity Policy is based on values as actually determined and demanded by LIC at the year end.
- b. Payments to defined contribution plans are charged as an expense as they fall due. Payments made to state managed retirement benefit schemes are dealt with as payments to defined contribution schemes where the Company's obligations under the schemes are equivalent to those arising in a defined contribution retirement benefit scheme.

## **9. Borrowing Cost**

Borrowing cost consists of interest and other costs incurred in connection with the borrowing of funds and also include exchange differences to the extent regarded as an adjustment to the same. Borrowing costs directly attributable to the acquisition and/ or construction of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Standalone Statement of Profit and Loss as incurred.

## **10. Borrowings**

Borrowings are initially recognised at net of transaction costs incurred and measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in the Statement of Profit and Loss over the period of the borrowings using the effective interest method.

Preference shares, which are mandatorily redeemable on a specific date are classified as liabilities. The dividend on these preference shares is recognised in Statement of Profit and Loss as finance costs.

## **11. Provisions & Contingent liabilities and assets**

- a. Provisions are recognized only when there is a present obligation, as a result of past events and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.
- b. Contingent liability is disclosed for (i) Possible obligations which will be confirmed only by future events not wholly within the control of the Company or (ii) Present obligations arising from the past events where it is probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of obligation cannot be made.
- c. Contingent assets are neither recognized nor disclosed except when realization of income is virtually certain, related asset is disclosed.

## **12. Taxation**

Tax expense recognized in Standalone Statement of Profit and Loss comprises the sum of deferred tax and current tax except the ones recognized in other comprehensive income or directly in equity.

Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations. Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity).

Minimum Alternate Tax ('MAT') credit entitlement is recognized as an asset only when and to the extent there is convincing evidence that normal income tax will be paid during the specified period. In the year in which MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the Standalone Statement of Profit and Loss and shown as MAT credit entitlement. This is reviewed at each balance sheet date and the carrying amount of MAT credit entitlement is written down to the extent it is not reasonably certain that normal income tax will be paid during the specified period.

Deferred tax is recognized on temporary differences between the carrying amount of assets and liabilities in the financial statement and the corresponding tax bases used in computation of taxable profit under Income Tax Act, 1961.

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 reporting date. Deferred tax relating to items recognized outside Standalone Statement of Profit and Loss is recognized outside Standalone Statement of Profit and Loss (either in other comprehensive income or in equity).

### **13. Leases**

#### *Operating Lease*

As a lessee

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company, as lessee, are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases.

As a lessor

Lease income from operating leases where the Company is a lessor is recognized in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

### **14. Financial Instruments**

#### i) Financial Assets

##### *A. Initial Recognition and Measurement*

All Financial Assets are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of Financial Assets, which are not at Fair Value Through Profit or Loss, are adjusted to the fair value on initial recognition. Purchase and sale of Financial Assets are recognised using trade date accounting.

##### *B. Subsequent measurement*

###### *a) Financial Assets measured at Amortised Cost (AC)*

A Financial Asset is 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.

###### *b) Financial Assets measured at Fair Value Through Other Comprehensive Income (FVTOCI)*

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

###### *c) Financial Assets measured at Fair Value Through Profit or Loss (FVTPL)*

A Financial Asset which is not classified in any of the above categories are measured at FVTPL.

##### *C. Investments in subsidiaries, associates and joint ventures*

Investments in subsidiaries, associates and joint ventures are carried at cost/deemed cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of investment is assessed and an impairment provision is recognised, if required immediately to its recoverable amount. On disposal of such investments, difference between the net disposal proceeds and carrying amount is recognised in the statement of profit and loss.

#### *D. Other Equity Investments*

All other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'.

#### *E. Impairment of Financial Assets*

The Company measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

### ii) Financial Liabilities

#### *A. Initial Recognition and Measurement*

All Financial Liabilities are recognized at fair value and in case of borrowings, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

#### *B. Subsequent Measurement*

Financial Liabilities are carried at amortized cost using the effective interest method.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

### iii) Derecognition of Financial Instruments

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

### iv) Offsetting

Financial Assets and Financial Liabilities are offset and the net amount is presented in the balance sheet when, and only when, the Company has a legally enforceable right to set off the amount and it intends, either to settle them on a net basis or to realise the asset and settle the liability simultaneously

## **15. Earnings Per Share**

Basic earnings per share has been computed by dividing profit or loss for the year by the weighted average number of shares outstanding during the year. Partly paid up shares are included as fully paid equivalents according to the fraction paid up.

Diluted earnings per share has been computed using the weighted average number of shares and dilutive potential shares except where the result would be anti-dilutive.

## **16. Government Grants**

Grants from the government are recognised at their fair value where there is reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to Profit and Loss on a straight - line basis over the expected lives of related assets and presented within other income.

## **17. Recent Accounting Pronouncements**

*Ind AS 116 :*

On 30th March 2019, the Ministry of Corporate Affairs (MCA) has notified Ind AS 116 Leases, under Companies (Indian Accounting Standards) Amendment Rules, 2019 which is applicable with effect from 1st April, 2019.

Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lease accounting model for lessee and requires the lessee to recognize right of use assets and lease liabilities for all leases with a term of more than twelve months, unless the underlying asset is low value in nature. Currently, operating lease expenses are charged to the statement of profit and loss. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

As per Ind AS 116, the lessee needs to recognise depreciation on rights of use assets and finance costs on lease liabilities in the statement of profit and loss. The lease payments made by the lessee under the lease arrangement will be adjusted against the lease liabilities.

The Company is currently evaluating the impact on account of implementation of Ind AS 116 which might have on profit & loss and balance sheet ratio i.e. Earnings before interest, tax, depreciation and amortisation (EBITDA), Asset coverage, debt equity, interest coverage, etc.

The preparation of financial statements requires the use of accounting estimates which by definition will seldom equal the actual results. Management also need to exercise judgement in applying the Group's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgement are:

Estimation of current tax expenses and Payable and Recognition of deferred tax assets for carried forward tax losses - Note 28

Estimated Fair value of unlisted securities - Note 36

Impairment of Trade receivables - Note 5

Probable outcome of matters included under Contingent Liabilities - refer note 30

## INDEPENDENT AUDITOR'S REPORT

**To the Board of Directors of Alpa Laboratories Limited,**

*Report on the Consolidated Financial Statements*

*Opinion*

1. We have audited the accompanying consolidated financial statements (the “Consolidated Financial Statements”) of Alpa Laboratories Limited (“the Company”), its subsidiary, herein referred to as the “Group” (refer note 42 to the attached consolidated financial statements), which comprise the consolidated Balance Sheet as at 31<sup>st</sup> March, 2019, the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Cash Flow Statement for the year then ended, the Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information prepared based on the relevant records (hereinafter referred to as “the Consolidated Ind AS Financial Statements”).
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group, its associates and jointly controlled companies as at March 31, 2019, and their consolidated total comprehensive income (comprising of consolidated profit and consolidated other comprehensive income), their consolidated cash flows and consolidated changes in equity for the year ended on that date.

*Basis of Opinion*

3. We conducted our audit in accordance with the Standards of Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

*Key Audit Matters*

4. 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.

*Management’s Responsibility for the Consolidated Financial Statements*

5. The Holding 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 preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated cash flows and changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The Holding



Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. The respective Board of Directors of the companies included in the group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the group and for preventing and detecting fraud and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

*Auditor's Responsibility*

6. Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.
7. We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.
8. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.
9. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

*Report on Other Legal and Regulatory Requirements*

10. As required by Section 143 (3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements;

CONT'D.....| 2 |....

(2)

- b. In our opinion, proper books of account as required by law maintained by the Holding Company and its subsidiaries including relevant records relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and records of the Holding Company and the reports of the other auditors.;
- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained by the Holding Company and its subsidiaries included in the Group, including relevant records relating to the preparation of the consolidated Ind AS financial statements;
- d. In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of written representations received from the directors of the Holding Company taken on record by the Board of Directors of the Holding Company and the relevant assertion contained in the audit reports of standalone financial statements of each subsidiary, none of the directors is disqualified as on 31st March, 2019 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 Holding Company, its subsidiary companies and the operating effectiveness of such controls, refer to our separate Report in Annexure A.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The consolidated Ind AS financial statements disclose the impact of pending litigations as at 31st March, 2019 on its consolidated financial position of the Group.
  - ii. Provision has been made in the consolidated Ind AS financial statements as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts as at 31st March, 2019.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary company during the year ended March 31, 2019.

For and on behalf of  
**ANURADHA RATNAPARKHI &  
ASSOCIATES**  
Chartered Accountants  
Firm's registration number: 023451C

**ANURADHA RATNAPARKHI**  
Proprietor  
Membership number: 075412

Place: Indore  
Date: This 27<sup>th</sup> Day of May, 2019

## **ANNEXURE A” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF ALPA LABORATORIES LIMITED**

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting of Alpa Laboratories Limited (hereinafter referred to as “the Holding Company”) and its subsidiary company, which is incorporated in India, as of that date.

#### **Management’s Responsibility for Internal Financial Controls**

The respective Board of Directors of the Holding company, its subsidiary company, which is company incorporated in India, are responsible for establishing and maintaining internal financial controls based on “internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI)”. 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 the respective 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 Act.

#### **Auditors’ Responsibility**

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

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

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

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

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

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

In our opinion, the Holding Company, its subsidiary company, which is incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, 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 and on behalf of  
**ANURADHA RATNAPARKHI &  
ASSOCIATES**  
Chartered Accountants  
Firm's registration number: 023451C

**ANURADHA RATNAPARKHI**  
Proprietor  
Membership number: 075412

Place: Indore  
Date: This 27<sup>th</sup> Day of May, 2019

**ALPA LABORATORIES LIMITED**

C.I.N.- L85195MP1988PLC004446

**Consolidated Balance Sheet as at 31<sup>st</sup> March, 2019**

(₹ in Lacs)

	Note No.	As at 31/03/2019	As at 31/03/2018
<b>I. ASSETS</b>			
<b>(1) Non-current Assets</b>			
(a) Property, plant and equipment	1A	576.13	612.16
(b) Capital work-in-progress	1B	11.78	-
(c) Intangible Assets	2	202.25	404.50
<b>(d) Financial assets</b>			
(i) Investments	2A	1,840.81	1,287.62
(ii) Other Financial Assets	2B	43.02	-
(e) Deferred tax assets (Net)		17.10	76.13
<b>(2) Current Assets</b>			
(a) Inventories	3	1,403.87	1,372.30
<b>(b) Financial Assets</b>			
(i) Investments	4	2,996.10	1,768.16
(ii) Trade Receivables	5	2,999.80	2,602.02
(iii) Cash and cash equivalents	6	14.91	19.03
(iv) Bank Balances other than cash and cash equivalents	7	75.00	2,115.00
(v) Loans	8	594.61	706.44
(vi) Other financial assets	9	312.25	237.59
(c) Current Tax Assets (net)		32.00	146.93
(d) Other current assets	10	979.20	804.53
<b>Total Assets</b>		<b>12,098.84</b>	<b>12,152.42</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>(1) Equity</b>			
(a) Equity Share Capital	11	2,104.06	2,104.06
(b) Other Equity	11B	7,723.64	7,650.85
<b>(2) Liabilities</b>			
<b>Non-current liabilities</b>			
<b>(a) Financial Liabilities</b>			
(i) Borrowings	12	41.13	61.37
<b>(3) Current liabilities</b>			
<b>(a) Financial Liabilities</b>			
(i) Borrowings	13	105.31	517.71
(ii) Trade payables	14	1,318.60	1,327.36
(iii) Other financial liabilities	15	148.41	136.41
(b) Short term provisions	16	223.93	106.87
(c) Other current liabilities	17	433.75	247.78
<b>Total Equity And Liabilities</b>		<b>12,098.84</b>	<b>12,152.42</b>
The accompanying notes are an integral part of these consolidated financial statements			

We authenticate the correctness of the above

For and on behalf of the Board of  
**ALPA LABORATORIES LIMITED**  
C.I.N.- L85195MP1988PLC004446

**PARESH CHAWLA** M.S. CHAWLA  
Managing Director Director  
D.I.N.: 00520411 D.I.N.: 00362058

**BAKULESH SHAH** MEGHA NEEMA  
Chief Financial Officer Company Secretary  
Memb. No.39643

As Per My Report of Even Date Attached

For and on behalf of  
**ANURADHA RATNAPARKHI & ASSOCIATES**  
Chartered Accountants  
Firm Registration No.: 023451C

**ANURADHA RATNAPARKHI**  
Proprietor  
Membership Number: 075412

Place: Indore

Dated: 27th May, 2019

**ALPA LABORATORIES LIMITED**

C.I.N.- L85195MP1988PLC004446

**Consolidated Statement of Profit and Loss for the year ended 31<sup>st</sup> March, 2019**

(₹ in Lacs)

	Particulars	Note No.	For the Year ended 31st March, 2019	For the Year ended 31st March, 2018
<b>I.</b>	<b><u>CONTINUING OPERATIONS</u></b>			
(1)	<b>Income</b>			
	Revenue from operations	18	7,798.80	6,284.68
	Other Income	19	529.88	485.86
	<b>Total Income</b>		<b>8,328.68</b>	<b>6,770.54</b>
(2)	<b>Expenses</b>			
	Cost of materials consumed	20	4,645.84	3,309.17
	Purchases of stock-in-trade	21	84.66	283.51
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	22	152.61	31.07
	Manufacturing and Operating Cost	23	425.85	357.32
	Employee benefits expense	24	1,204.10	1,025.97
	Finance costs	25	56.87	107.15
	Depreciation and amortisation expense	26	311.82	307.18
	Other expenses	27	1,193.08	885.14
	<b>Total Expenses</b>		<b>8,074.83</b>	<b>6,306.52</b>
(3)	<b>Profit / (loss) before tax</b>		<b>253.85</b>	<b>464.03</b>
(4)	<b>Tax expense</b>			
	Current tax		(125.00)	(210.00)
	Deferred tax charge/(credit)		(59.02)	10.49
	Tax in respect of earlier years		9.56	16.16
(5)	<b>Profit/(Loss) for the year from continuing operations</b>		<b>79.39</b>	<b>280.68</b>
(6)	<b>Other Comprehensive Income/Expences</b>			
	<b>(i) Items that will not be reclassified to profit or loss</b>			
	Interest & Discounting as OCI		6.60	-
(7)	<b>Total Comprehensive Income for the year</b>		<b>72.79</b>	<b>280.68</b>
(8)	Earning per equity share of ₹/- each (for continuing operations)			
	(1) Basic (₹)		<b>0.00</b>	<b>0.00</b>
	(2) Diluted (₹)			
	The notes form an integral part of these financial statements			

We authenticate the correctness of the above  
For and on behalf of the Board of  
**ALPA LABORATORIES LIMITED**  
C.I.N.- L85195MP1988PLC004446

As Per My Report of Even Date Attached  
For and on behalf of  
**ANURADHA RATNAPARKHI & ASSOCIATES**  
Chartered Accountants  
Firm Registration No.: 023451C

**PARESH CHAWLA**  
Managing Director  
D.I.N.: 00520411

**M.S. CHAWLA**  
Director  
D.I.N.: 00362058

**BAKULESH SHAH**  
Chief Financial Officer

**MEGHA**  
Company Secretary  
Memb. No.39643

**ANURADHA RATNAPARKHI**  
Proprietor  
Membership Number: 075412

Place: Indore  
Dated: 27th May, 2019

**Consolidated Cash Flow Statement for the year ended 31<sup>st</sup> March, 2019**

(₹ in Lacs)

	For the Year ended 31st March, 2019	For the Year ended 31st March, 2018
<b>I. CASH FLOW FROM OPERATING ACTIVITY</b>		
Profit / (loss) before tax	254	464
Adjustments for:		
Depreciation and amortization expenses	312	307
Finance cost	57	107
Dividend income	(95)	(111)
Interest income	(291)	(318)
Net gain on sale / fair valuation of investments through profit and loss	(41)	21
Bad debts / assets written off	133	84
(Profit)/ loss on sale of fixed assets (net)/ Investment	-	(8)
<b>Operating profit before working capital changes</b>	<b>329</b>	<b>548</b>
Changes in Operating assets and liabilities:		
Decrease/ (Increase) in Trade Receivable/Other Receivables	(756)	(427)
Decrease/ (Increase) in Inventories	(32)	(68)
Increase/ (Decrease) in Provisions	327	(16)
Increase/ (Decrease) in Trade payable/Current Liabilities	189	(1,123)
<b>Net Cash Generated by Operating Activities</b>	<b>58</b>	<b>(1,086)</b>
Income taxes paid	(217)	(183)
<b>Net Cash Generated by Operating Activities Before Exceptional Items</b>	<b>(159)</b>	<b>(1,270)</b>
Exceptional Items	-	-
<b>Net Cash Generated by Operating Activities After Exceptional Items (I)</b>	<b>(159)</b>	<b>(1,270)</b>
<b>II. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Proceeds from:		
Dividend received from others	95	111
Interest Received	291	318
Investment Property	-	419
Payments for:		
Property, plant and equipment	(85)	(197)
Purchase of Investment (Current Assets)	(1,187)	(984)
Investment in LLP	(553)	(813)
<b>Net Cash Used in Investing Activities (II)</b>	<b>(1,440)</b>	<b>(1,147)</b>
<b>III. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from / (Payment) for:		
Long Term Borrowings	(20)	14
Loan Recovered / (Repayment)	(412)	975
Interest Paid	(57)	(107)
Government Grant Received	12	-
<b>Net Cash Generated by Financing Activities (III)</b>	<b>(478)</b>	<b>883</b>
<b>IV. Net Increase/(Decrease) In Cash and Cash Equivalents (I + II + III)</b>	<b>(2,076)</b>	<b>(1,534)</b>
<b>V. Cash and Cash Equivalents as at the beginning of the year</b>	<b>2,134</b>	<b>3,668</b>
<b>VI. Cash and Cash Equivalents as at the end of the year</b>	<b>58</b>	<b>2,135</b>
<b>Cash and Cash Equivalents as at the end of the year comprise of</b>		
Cash & Bank Balances as per the Balance Sheet	90	2,134
(Less) Deposits Lodged towards Security Deposit & Margin Money against Bank	(75)	(2,115)
<b>Balances as per statement of Cash Flows</b>	<b>15</b>	<b>19</b>

We authenticate the correctness of the above  
For and on behalf of the Board of  
**ALPA LABORATORIES LIMITED**  
C.I.N.- L85195MP1988PLC004446

As Per My Report of Even Date Attached  
For and on behalf of  
**ANURADHA RATNAPARKHI & ASSOCIATES**  
Chartered Accountants  
Firm Registration No.: 023451C

**PARESH CHAWLA**    **M.S. CHAWLA**    **BAKULESH SHAH**    **MEGHA NEEMA**  
Managing Director    Director    Chief Financial Officer    Company Secretary  
D.I.N.: 00520411    D.I.N.: 00362058       Memb. No.39643

**ANURADHA RATNAPARKHI**  
Proprietor  
Membership Number: 075412

Place: Indore  
Dated: 27th May, 2019

**ALPA LABORATORIES LIMITED****C.I.N.- L85195MP1988PLC004446****Consolidated Statement of Changes In Equity for the year ended 31<sup>st</sup> March, 2019***A. Equity share capital*

	Note No.	Amount
<b>As at 31st March, 2017</b>		2,104.06
Changes in equity share capital	1	-
<b>As at 31st March, 2018</b>		2,104.06
Changes in equity share capital	1	-
<b>As at 31st March, 2019</b>		<b>2,104.06</b>

*B. Other Equity*

	Note No.	Balance as at 1st April, 2017	Profit for the year	Other Comprehensive Income	Total Comprehensive Income	Balance as on 31st March, 2018	Profit for the year	Other Comprehensive Income	Total Comprehensive Income	Balance as at 31st March, 2019
(i) Reserves										
<i>1.1 Other Reserve</i>										
Retained Earnings		1,874.12	280.68	-	280.68	2,154.80	79.39	(6.60)	72.79	2,227.59
Securities premium		5,496.05	-	-	-	5,496.05	-	-	-	5,496.05
<b>Total Reserves (i)</b>		<b>7,370.18</b>	<b>280.68</b>	<b>-</b>	<b>280.68</b>	<b>7,650.85</b>	<b>79.39</b>	<b>(6.60)</b>	<b>72.79</b>	<b>7,723.64</b>



**ALPA LABORATORIES LIMITED**  
**C.I.N.- L85195MP1988PLC004446**

**Notes To The Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2019**

**Note - "1A"**

**Property, Plant And Equipment**

		(₹ in Lacs)										
		Land	Building	Plant and Machinery	Furniture and Fixtures	Vehicles	Office Equipment	Computers	Utility	Electrical Installation	QC and Lab Equipments	Total
		Freehold										
I	<i>Gross Carrying amount</i>											
	Balance as at 1st April, 2017	13.42	489.14	1,375.97	58.26	76.35	11.77	31.77	175.37	171.60	200.21	2,603.87
	Additions during the year	-	13.58	119.79	9.67	49.82	1.58	0.91	1.70	-	0.25	197.30
	Disposals	-	-	-	-	-	-	-	-	-	-	-
	Balance as at 31st March, 2018	13.42	502.73	1,495.76	67.93	126.17	13.35	32.68	177.08	171.60	200.45	2,801.17
	Additions during the year	-	-	103.21	3.70	-	9.33	1.25	-	-	15.75	133.24
	Disposals	-	-	52.74	-	-	-	-	0.79	-	6.19	59.71
Balance as at 31st March, 2019	13.42	502.73	1,546.24	71.62	126.17	22.68	33.93	176.29	171.60	210.02	2,874.70	
II	<i>Accumulated Depreciation</i>											
	Balance as at 1st April, 2017	-	399.05	1,153.66	32.35	6.55	10.18	28.19	153.39	164.49	136.22	2,084.08
	Additions during the year	-	8.16	46.09	6.73	32.11	0.75	1.80	1.45	0.41	15.42	112.92
	Disposals	-	-	6.43	-	0.03	-	-	0.05	-	1.49	7.99
	Balance as at 31st March, 2018	-	407.21	1,193.32	39.09	38.63	10.92	30.00	154.79	164.90	150.15	2,189.01
	Addition during the year	-	8.63	49.21	8.16	31.86	4.04	1.45	1.29	0.29	12.85	117.78
	Disposals	-	-	7.14	-	-	-	-	0.09	-	0.98	8.21
Balance as at 31st March, 2019	-	415.83	1,235.40	47.25	70.49	14.97	31.44	155.99	165.18	162.02	2,298.57	
III	<i>Net Carrying amount (I - II)</i>											
	Balance as at 31st March, 2018	13.42	95.52	302.44	28.84	87.54	2.42	2.68	22.29	6.71	50.30	612.16
	Balance as at 31st March, 2019	13.42	86.90	310.84	24.38	55.68	7.71	2.49	20.30	6.42	48.00	576.13

**Note - "1B"**

**Capital Work In Progress**

		(₹ in Lacs)
		Amount
31st March, 2018		-
31st March, 2019		11.78

Note - "2"

Intangible Assets

<b>Goodwill</b>		<b>(₹ in Lacs)</b>
<i>I</i>	<i>Gross Carrying amount</i>	
	<b>Balance as at 31st March, 2017</b>	1,011.26
	Addition during the year	-
	Disposals	-
	<b>Balance as at 31st March, 2018</b>	1,011.26
	Addition during the year	-
	Disposals	-
	<b>Balance as at 31st March, 2019</b>	1,011.26
<i>II</i>	<i>Accumulated amortisation</i>	
	<b>Balance as at 31st March, 2017</b>	404.50
	Addition during the year	202.25
	Disposals	-
	<b>Balance as at 31st March, 2018</b>	606.75
	Addition during the year	202.25
	Disposals	-
	<b>Balance as at 31st March, 2019</b>	809.00
<i>III</i>	<i>Net Carrying amount (I - II)</i>	
	Balance as at 31st March, 2017	606.75
	Balance as at 31st March, 2018	404.50
	Balance as at 31st March, 2019	202.25

Note - "2A"

Non-Current Investments

(₹ in Lacs)

		31st March, 2019		31st March, 2018	
<b>B. Investments in LLP</b>		<b>No. of Units</b>	<b>Amount</b>	<b>No. of Units</b>	<b>Amount</b>
<u>Unquoted, fully paid up</u>					
	(i) <u>Equity Instruments at cost</u>				
	Seabright Landmark Projects LLP (Equity Shares of ` 10 each)		1,840.81		1,287.62
<b>Total Investment in LLP (B)</b>		-	<b>1,840.81</b>		<b>1,287.62</b>
Aggregate amount of unquoted investments before impairment			<b>1,840.81</b>		<b>1,287.62</b>

Note - "2B"

Financial Assets

(₹ in Lacs)

		31st March, 2019		31st March, 2018	
<b>Other Financial Assets</b>		<b>Amount</b>		<b>Amount</b>	
	(i) Subsidy Receivable (Long Term)		29.69		-
	(ii) Deposits		13.33		-
<b>Total Other Financial Assets (C)</b>			<b>43.02</b>		<b>-</b>

## Note - "4"

## Current Investments

(₹ in Lacs)

	31st March, 2019		31st March, 2018		
	No. of Units	Amount	No. of Units	Amount	
<b>A. Investment in Mutual Funds</b>					
<u>Unquoted</u>					
<u>(i) At Fair Value through Profit and Loss</u>					
	ABSL Resurgent India Fund Series 6 Reg G Fund (Units of 2,50,000 each, Paid up value 9.07 per Unit of each, Previous	2,50,000.00	22.68	2,50,000.00	24.88
	Aditya Birla SL Balanced 95 G Fund (Units of 12803.67 each, Paid up value 760.39 per Unit of each, Previous year 737.01	12,803.67	97.36	12,803.67	94.36
	Aditya Birla SL Balance Advantage D Fund (Units of 151584.750 each, Paid up value 20.38 per Unit of each,	1,51,584.75	30.89	1,51,584.75	31.77
	Aditya Birla SL Balance 95 D Fund (Units of 58104.807 each, Paid up value 135.94 per Unit of each, Previous year	58,104.81	78.99	58,104.81	81.02
	Aditya Birla SL Equity D Fund (Units of 22816.464 each, Paid up value 99.09 per Unit of each, Previous year 101.30 each)	22,816.46	22.61	22,816.46	23.11
	Aditya Birla SL Equity Saving Reg D Fund (Units of 282534.247 each, Paid up value 11.35 per Unit of each,	2,82,534.25	32.07	2,82,534.25	31.47
	Aditya Birla Sunlife Credit Risk Reg G (Units of 766183.716 each, Paid up value 13.6694 per Unit of each, Previous year	7,66,183.72	104.73	-	-
	Aditya Birla SL Top 100 D Fund (Units of 139257.906 each, Paid up value 16.19 per Unit of each, Previous year 14.95 each)	1,39,257.91	22.56	1,39,257.91	20.83
	Aditya Birla SL Medium Term G (Units of 451858.948 each, Paid up value 22.7807 per Unit of 22.78 each, Previous year	4,51,858.95	102.94	-	-
	Axis Dynamic Equity Fund (Units of 483091.787 each, Paid up value 10.35 per Unit of 10.92 each, Previous year 10.35 each)	4,83,091.79	52.75	4,83,091.79	50.00
	DSP BR Equity & Bond D Fund (Units of 132439.7 each, Paid up value 22.85 per Unit of each, Previous year 24.274 each)	1,32,439.70	30.26	1,32,439.70	32.15
	DSP BR Equity Saving Reg D Fund (Units of 301098.123 each, Paid up value 10.65 per Unit of each, Previous year	3,01,098.12	32.07	3,01,098.12	32.78
	DSP BR Equity Saving Reg DM Fund (Units of 407129.286 each, Paid up value 10.892 per Unit of each, Previous year	4,07,129.29	44.35	4,07,129.29	44.78
	Franklin India Balance D Fund (Units of 443266.158 each, Paid up value 22.4151 per Unit of each, Previous year 20.8343	4,43,266.16	99.36	4,43,266.16	92.35
	Franklin India Credi Risk G (Units of 549556.233 each, Paid up value 19.5790 per Unit of each, Previous year NIL each)	5,49,556.23	107.60	-	-
	Franklin India High Growth Co. D Fund (Units of 62950.787 each, Paid up value 24.3766 per Unit of each, Previous year	62,950.79	15.35	62,950.79	15.29
	Franklin India Income Opportunities G (Units of 479908.625 each, Paid up value 22.3187 per Unit of each, Previous year	4,79,908.63	107.11	-	-
	Franklin India ST Income Ret G (Units of 2701.683 each, Paid up value 3997.2692 per Unit of each, Previous year NIL each)	2,701.68	107.99	-	-
	Franklin Prima Plus Fund D (New) Fund (Units of 11075.485 each, Paid up value 36.7998 per Unit of each, Previous year	11,075.49	4.08	11,075.49	4.12
	Franklin Prima Plus Fund D (Old) Fund (Units of 71539.989 each, Paid up value 36.7997 per Unit of each, Previous year	71,539.99	26.33	71,539.99	26.58
	HDFC Balance DQ Fund (Units of 170973.045 each, Paid up value 28.886 per Unit of each, Previous year 30.387 each)	1,70,973.05	49.39	1,70,973.05	51.95

	HDFC Equity Saving D Fund (Units of 1444209.303 each, Paid up value 11.1090 per Unit of each, Previous year 11.4030)	14,44,209.30	160.44	14,44,209.30	164.68
	ICICI Pru Balanced Advantage D Fund (Units of 201421.801 each, Paid up value 15.45 per Unit of each, Previous year 15.08)	2,01,421.80	31.12	2,01,421.80	30.37
	ICICI Pru Balanced Advantage DM Fund (Units of 643089.085 each, Paid up value 14.33 per Unit of each, Previous year 14.41 each)	6,43,089.09	92.15	6,43,089.09	92.67
	ICICI Pru Balanced DM Fund (Units of 645643.105 each, Paid up value 22.93 per Unit of each, Previous year 24.05 each)	6,45,643.11	148.05	6,45,643.11	155.28
	ICICI Pru Balanced G Fund (Units of 90505.092 each, Paid up value 134.44 per Unit of each, Previous year 124.89 each)	90,505.09	121.68	90,505.09	113.03
	ICICI Pru Equity Arbitrage D Fund (Units of 2394641.354 each, Paid up value 13.62 per Unit of each, Previous year)	60,64,500.78	825.99	23,94,641.35	326.61
	ICICI Pru Credit Risk G (Units of 533267.919 each, Paid up value per Unit of 19.8545 each, Previous year NIL each)	5,33,267.92	105.88	-	-
	IDFC Dynamic Equity Reg D Fund (Units of 461326.961 each, Paid up value 10.85 per Unit of each, Previous year 10.8383)	4,61,326.96	50.05	4,61,326.96	50.00
	IDFC Focused Equity Reg- D Fund (Units of 169150.930 each, Paid up value 12.10 per Unit of each, Previous year 12.7949)	1,69,150.93	20.47	1,69,150.93	21.64
	Kotak Equity Savings Reg DM Fund (Units of 403691.576 each, Paid up value 11.3765 per Unit of each, Previous year)	4,03,681.58	45.92	4,03,681.58	45.00
	L&T India Prudence DY Fund (Units of 252873.563 each, Paid up value 12.075 per Unit of each, Previous year 12.52 each)	2,52,873.56	30.54	2,52,873.56	31.66
	Motilal Oswal Most Focused Dynamic Equity Reg DY Fund (Units 286582.718 of each, Paid up value 11.5144 per Unit of each, Previous year 11.6064 each)	2,86,582.72	33.00	2,86,582.72	33.26
	Kotak Credit Risk G (Units of 519912.655 each, Paid up value 20.3346 per Unit of each, Previous year NIL each)	5,19,912.66	105.72	-	-
	Reliance Yield Maximizer ( Debt Fund) (Units of 336.6845 each, Paid up value 10000 per Unit of each, Previous year)	336.68	33.67	0.00	46.51
	<b>Total Investment in Mutual funds (A)</b>		2,996.10		1,768.16
	<b>Total Current Investments</b>		<b>2,996.10</b>		<b>1,768.16</b>
	Aggregate amount of unquoted investments		2,996.10		1,768.16

**Note - "3"****Inventories****(₹ in Lacs)**

	As at 31st March, 2019	As at 31st March, 2018
Raw materials	915.1657994	714.3349368
Work-in-progress	185.57	165.99
Finished goods	298.06	470.25
Stores and spares	5.08	21.73
<b>Total Inventories</b>	<b>1,403.87</b>	<b>1,372.30</b>

**Note - "5"****Trade Receivables****(₹ in Lacs)**

	As at 31st March, 2019	As at 31st March, 2018
(a) Unsecured, considered good		
(i) From others	2,999.80	1,905.72
(b) Doubtful		
(i) From others	-	696.30
<b>Total Trade Receivables</b>	<b>2,999.80</b>	<b>2,602.02</b>

**Note - "6"****Cash And Cash Equivalents****(₹ in Lacs)**

	As at 31st March, 2019	As at 31st March, 2018
(a) Cash in hand	0.72	1.81
(b) Balances with Banks - In current accounts	14.19	17.22
<b>Total Cash and Cash Equivalents</b>	<b>14.91</b>	<b>19.03</b>

**Note - "7"****Bank Balances Other Than Cash And Cash Equivalents****(₹ in Lacs)**

	As at 31st March, 2019	As at 31st March, 2018
Margin money deposits (Refer Note (a) below)	75.00	2,115.00
<b>Total Bank Balances Other Than Cash And Cash Equivalents</b>	<b>75.00</b>	<b>2,115.00</b>

Note:

(a) Held as lien by bank against bank guarantees amounting to 75,00,000 ( Nil as at 31st March, 2018 )

**Note - "8"****Loans****(₹ in Lacs)**

	As at 31st March, 2019	As at 31st March, 2018
<i>(Unsecured, considered good)</i>		
Inter corporate Deposit	593.07	704.65
Loans to employees	1.54	1.79
<b>Total Loans</b>	<b>594.61</b>	<b>706.44</b>

**Note - "9"****Other Current Financial Assets****(₹ in Lacs)**

	As at 31st March, 2019	As at 31st March, 2018
<i>(Unsecured, considered good)</i>		
Subsidy Receivable	11.27	-
Deposits with others	163.26	105.89
Export Benefits receivables	33.76	112.86
Claims Receivable	93.50	10.40
Advances recoverable	1.56	1.37
Dividend receivable	5.55	-
Interest receivable	3.35	7.07
<b>Total Other Current Financial Assets</b>	<b>312.25</b>	<b>237.59</b>

**Note - "10"****Other Current Assets****(₹ in Lacs)**

	As at 31st March, 2019	As at 31st March, 2018
Advances to Suppliers	400.48	375.56
Balance with customs, port trust, excise and other govt. authorities	376.10	181.30
Prepaid expenses	15.31	12.74
Advances recoverable in kind for value to be received	181.50	173.00
Other advances	5.81	61.92
<b>Total Other Current Assets</b>	<b>979.20</b>	<b>804.53</b>

Note - "11"

Equity Share Capital

(₹ in Lacs)

	As at 31st March, 2019	As at 31st March, 2018
<b>Authorised</b>		
250,00,000 Shares [31st March, 2018: 250,00,000] Equity Shares of ₹10 each	2,500.00	2,500.00
Issued, subscribed and fully paid up		
2,10,40,600 Equity Shares [31st March, 2018: 2,10,40,600] Equity Shares of ₹ 10	2,104.06	2,104.06
<b>Total Equity Share Capital</b>	<b>2,104.06</b>	<b>2,104.06</b>

Notes:

a) Reconciliation of number of shares

(₹ in Lacs)

	As at 31st March, 2019		As at 31st March, 2018	
	Number of Shares	Amount	Number of Shares	Amount
Equity Shares :				
Balance as at the beginning of the year	2,10,40,600.00	2,104.06	2,10,40,600.00	2,104.06
Issued during the year	-	-	-	-
<b>Balance as at the end of the year</b>	<b>2,10,40,600.00</b>	<b>2,104.06</b>	<b>2,10,40,600.00</b>	<b>2,104.06</b>

b) Rights, preferences and restrictions attached to shares

Equity shares: The Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

c) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of Shareholder	As at 31st March, 2019		As at 31st March, 2018	
	%	No. of Shares	%	No. of Shares
Mahendra Singh Chawla	13.82	29,06,760	11.76	24,73,920
Paresh Chawla	14.47	30,44,980	14.47	30,44,980
Pravin C Shah	5.75	12,10,580	5.75	12,10,580

Note - "11B"

Other Equity

	Securities Premium Reserve	Retained Earnings	Total
<b>Balance as at 1st April, 2017</b>	5,496.05	1,874.12	7,370.18
Profit for the year	-	280.68	280.68
Other Comprehensive Income for the year	-	-	-
<b>Total Comprehensive Income for the year</b>	-	280.68	280.68
<b>Balance as at 1st April, 2018</b>	5,496.05	2,154.80	7,650.85
Profit for the year	-	79.39	79.39
Other Comprehensive Income for the year	-	(6.60)	(6.60)
<b>Total Comprehensive Income for the year</b>	-	72.79	72.79
<b>Balance as at 31st March, 2019</b>	<b>5,496.05</b>	<b>2,227.59</b>	<b>7,723.64</b>

Securities premium reserve

Securities premium reserve is used to record the premium on issue of shares.

**Note - "12"****Non-Current Borrowings****(₹ in Lacs)**

	As at 31st March, 2019	As at 31st March, 2018
Secured		
Term loans from banks	41.13	61.37
Secured - Total	41.13	61.37
<b>Total Non-Current Borrowings</b>	<b>41.13</b>	<b>61.37</b>

Nature of Security and terms of repayment for Long Term secured borrowings:

	<b>Nature of Security</b>	<b>Terms of Repayment</b>
i.	Term loan from bank, balance outstanding amounting to 29,81,688.36 (March 31, 2018 : 37,96,962.94) is secured by pari passu charge on exclusive first charge on the entire movable assets acquired out of the said loans from	Repayable in 60 monthly installments starting from May, 2017 Last installment due in April, 2022 Rate of interest 8.2% .p.a. as at year end.
ii	Term loan from bank, balance outstanding amounting to 710,519.98 (March 31, 2018 : 909,437.25) is secured by pari passu charge on exclusive first charge on the entire movable assets acquired out of the said loans from the	Repayable in 60 monthly installments starting from May, 2017 Last installment due in April, 2022 Rate of interest 8.45% .p.a. as at year end.
iii	Term loan from bank, balance outstanding amounting to 24,44,506.66 (March 31, 2018 :32,97,552.08) is secured by pari passu charge on exclusive first charge on the entire movable assets acquired out of the said loans from	Repayable in 48 monthly installments starting from October, 2017 Last installment due in September, 2021 Rate of interest 7.89% .p.a. as at year end.

Installments falling due within a year in respect of all the above Loans aggregating 41,13,046.73 (March 31, 2018: 6136714.99 ) have been grouped under "Current maturities of long-term debt" (Refer Note 15.)

**The carrying amounts of financial and non financial assets as security for secured borrowings are disclosed in Note No. 29**

**Note - "13"****Current Borrowings****(₹ in Lacs)**

	As at 31st March, 2019	As at 31st March, 2018
Secured		
Loans repayable on demand from banks	105.31	517.71
(Working capital loan from banks, and are secured by hypothecation of inventories and books debts both present and future)		
<b>Total Current Borrowings (A+B)</b>	<b>105.31</b>	<b>517.71</b>

The carrying amounts of financial and non financial assets as security for secured borrowings are disclosed in Note 29.

**Note - "14"****Trade Payables****(₹ in Lacs)**

	As at 31st March, 2019	As at 31st March, 2018
Trade payables [Refer Note below]	18.38	42.96
Amounts due to related parties [Refer Note 33]	-	12.45
Others	1,300.23	1,271.95
<b>Total Trade Payables</b>	<b>1,318.60</b>	<b>1,327.36</b>

Note :

*Dues to Micro And Small Enterprises*

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises

Development Act, 2006

(‘MSMED Act’). The disclosure pursuant to the said MSMED Act are as follows.



	(₹ in Lacs)	
	As at 31st March, 2019	As at 31st March, 2018
	Current	Current
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	18.38	42.96
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
Further interest remaining due and payable for earlier years	-	-

**Note - "15"**

**Other Current Financial Liabilities**

(₹ in Lacs)

	As at	As at
	31st March, 2019	31st March, 2018
Current maturities of long-term debt (Refer Note 12)	20.24	18.67
Interest accrued but not due on borrowings	0.41	0.54
Deposits from Dealers, Agents, etc.	74.03	64.97
Salary and Wages payable	51.67	48.17
Capital Creditors	2.06	4.06
<b>Total Other Current Financial Liabilities</b>	<b>148.41</b>	<b>136.41</b>

(a) There are no amounts due for payment to the Investor Education and Protection Fund Under Section 125 of the Companies Act, as at the year end.

**Note - "16"**

**Provisions**

(₹ in Lacs)

	As at	As at
	31st March, 2019	31st March, 2018
Provision for employee benefits	89.16	36.00
Other Provision	134.78	70.87
Provision for litigation/dispute	0.00	0.00
<b>Total Provisions</b>	<b>223.93</b>	<b>106.87</b>

**Note - "17"**

**Other Current Liabilities**

(₹ in Lacs)

	As at	As at
	31st March, 2019	31st March, 2018
Revenue received in advance ( Advance From Customers)	341.82	162.68
Statutory Dues	20.20	15.78
Other payables	71.73	69.32
<b>Total Other Current Liabilities</b>	<b>433.75</b>	<b>247.78</b>

**Note - "18"**

**Revenue From Operations**

(₹ in Lacs)

	Year Ended 31st March, 2019	Year Ended 31st March, 2018
<i>Sale of Products</i>		
(i) Manufactured goods	7,589.76	6,099.38
(ii) Stock-in trade	36.43	65.02
<i>Sales of Services</i>		
(i) Income from Analytical , Job work & Conversion & Packing Charges	16.00	25.38
<i>Other operating revenue</i>		
(i) Export Incentives, etc	144.68	87.94
(ii) Process waste sale	1.31	1.32
(iii) Other	10.62	5.65
<b>Total Revenue From Operations</b>	<b>7,798.80</b>	<b>6,284.68</b>

**Note - "19"**

**Other Income**

(₹ in Lacs)

	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Interest income	290.55	317.65
Dividend Income	95.22	110.74
Rent and compensation	0.22	1.00
Other non-operating income	4.45	3.16
Net gain on foreign currency transaction & translation	83.82	27.18
Net gain on sale / Fair valuation of investments through profit and loss*	40.79	-
Share of Profit From LLP	-	4.08
Provision no longer required	14.83	22.06
<b>Total Other Income</b>	<b>529.88</b>	<b>485.86</b>

\* Includes fair value gain / (loss) as at 31st March, 2019 amounting to Rs. 4,078,628.45 (31st March, 2018 Rs. (1,888,716.04))

**Note - "20"**

**Cost Of Materials Consumed**

(₹ in Lacs)

	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Opening Stock	714.33	615.39
Purchases	4,846.67	3,408.12
Less : Closing Stock	915.17	714.33
<b>Total Cost of Materials Consumed</b>	<b>4,645.84</b>	<b>3,309.17</b>

**Note - "21"**

**Purchases of Stock-in-Trade**

(₹ in Lacs)

	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Stock in Trade	84.66	283.51
<b>Total Cost of Materials Consumed</b>	<b>84.66</b>	<b>283.51</b>

**Note - "22"**

**Changes in Inventories of Finished Goods, Stock-In-Trade and Work-In-Progress**

(₹ in Lacs)

	Year Ended 31st March, 2019	Year Ended 31st March, 2018
<i>Opening inventories</i>		
Finished goods	470.25	564.58
Work-in-progress	165.99	102.72
	<b>636.24</b>	<b>667.30</b>
<i>Closing inventories</i>		
Finished goods	298.06	470.25
Work-in-progress	185.57	165.99
	<b>483.62</b>	<b>636.24</b>
<b>Total Changes in Inventories of Finished Goods, Stock-In-Trade and Work-In-Progress</b>	<b>152.61</b>	<b>31.07</b>

## Note - "23"

**Manufacturing and Operating Costs**

(₹ in Lacs)

	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Consumption of Analytical Spares	81.71	45.62
Power and fuel	201.43	176.44
Job work charges	0.44	9.43
Repairs to buildings	17.51	16.64
Repairs to machinery	58.13	48.84
Other Manufacturing and Operating expenses	66.63	60.35
<b>Total Manufacturing and Operating Costs</b>	<b>425.85</b>	<b>357.32</b>

## Note - "24"

**Employee Benefits Expense**

(₹ in Lacs)

	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Salaries and wages	1,080.60	962.57
Contribution to provident funds and other funds (Refer Note 30)	39.79	37.50
Gratuity and Pension plan expense (Refer Note 30)	48.21	11.88
Workmen and Staff welfare expenses	35.49	14.02
<b>Total Employee Benefits Expense</b>	<b>1,204.10</b>	<b>1,025.97</b>

## Note - "25"

**Finance Costs**

(₹ in Lacs)

	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Interest expense on Debentures and Term Loans	47.25	73.60
Interest expense - others	0.43	4.50
Other borrowing costs	9.19	29.05
<b>Total Finance Costs</b>	<b>56.87</b>	<b>107.15</b>

## Note - "26"

**Depreciation and Amortization Expense**

(₹ in Lacs)

	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Depreciation on Property, Plant and Equipment	109.57	104.93
Amortization of Goodwill	202.25	202.25
<b>Total Depreciation and Amortization Expense</b>	<b>311.82</b>	<b>307.18</b>

## Note - "27"

**Other Expenses**

(₹ in Lacs)

	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Rent	6.92	6.72
Insurance	7.74	6.32
Repairs and Maintenance Others	0.91	0.34
Rates and Taxes	7.15	3.52
Advertisement Expenses	1.64	1.62
Commission to selling agents	39.27	86.59
Freight, Octroi, etc	310.23	224.41
Bad Debts, Advances, Claims and Deposits written off	132.97	84.31
Legal and Professional Expenses	165.61	83.09
Travelling and Conveyance	104.10	94.64
Printing & Stationery Exp	10.47	9.97
Sales Discount	103.09	71.67
Communication Exp.	14.84	13.02
Sales Promotion expenses	46.13	27.64
Director Fees	1.90	2.60
Expenditure incurred for Corporate Social Responsibility	40.00	15.00
Contribution to Charitable Funds	1.00	1.46
Share of Loss From LLP	26.15	-
Net gain on sale / Fair valuation of investments through profit and loss*	-	20.93
Miscellaneous Expenses	172.96	131.29
<b>Total Other Expenses</b>	<b>1,193.08</b>	<b>885.14</b>

**Legal and Professional expenses include:** (₹ in Lacs)

	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Auditors' remuneration and expenses	2.40	2.40
<b>Total</b>	<b>2.40</b>	<b>2.40</b>

**Note - "28"**

**Income Tax Expenses** (₹ in Lacs)

	Year Ended 31st March, 2019	Year Ended 31st March, 2018
<i>Tax expense recognized in the Statement of Profit and Loss</i>		
<b>Current tax</b>	125.00	210.00
Current Tax on taxable income for the year		
<b>Total Current Tax expense</b>	<b>125.00</b>	<b>210.00</b>
<i>Deferred tax</i>		
Deferred tax charge/(credit)	59.02	10.49
Prior Years Taxes	(11.57)	16.16
Tax in respect of earlier years FY 16-17	2.01	-
<b>Total income tax expense/( Income)</b>	<b>(9.56)</b>	<b>(183.35)</b>

**A. Reconciliation of the income tax expenses to the amount computed by applying the statutory income tax rate to the** (₹ in Lacs)

	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Reconciliation of effective tax rate		
<b>Profit before tax</b>	254	464
<b>Enacted income tax rate in India applicable to the Company</b>	27.820%	33.063%
<b>Tax amount at the enacted income tax rate</b>	71	153
Add / (deduct) impact of -		
Expenses not allowable for tax purposes	34,76,633	23
Income exempt from Income taxes (dividend and Interest Income)	(39,29,549)	(42)
Others	58,90,799	76
<b>Total income tax expense</b>	<b>125</b>	<b>210</b>

The effective tax rate is 27.820% (2017-18: 32.15%).

**B) The movement in deferred tax assets and liabilities during the year ended March 31, 2018 and March 31, 2019:**

	As at 1st April, 2017 - Deferred Tax Asset (Liabilities)	Credit/ (charge) in statement of Profit and Loss	Credit/ (charge) directly in other equity	As at 31st March, 2018 - Deferred Tax Asset/ (Liabilities)	Credit/ (charge) in Statement of Profit and Loss	As at 31st March, 2019 -Deferred Tax Asset/ (Liabilities)
Depreciation	4.76	(0.95)	-	3.81	(7.58)	(3.77)
Expenses allowed in the year of payment	10.44	(8.99)	-	1.45	23.35	24.80
Others	50.44	20.42	-	70.86	(74.79)	(3.93)
<b>Total</b>	<b>65.64</b>	<b>10.48</b>	<b>0</b>	<b>76.12</b>	<b>-59.02</b>	<b>17.10</b>

**Significant Estimates :** Based on the approved plans and budgets, the company has estimated that the future taxable income will be sufficient to absorb carried forward unabsorbed depreciation, which management believes is probable, accordingly the company has recognized deferred tax asset on aforesaid losses.

**Note - "29"**

**Assets Pledged as Security**

The carrying amounts of assets Pledged as security for current and non-current borrowings are:

(₹ in Lacs)

	As at 31st March, 2019	As at 31st March, 2018
<b>Current Assets</b>		
<i>Financial Assets</i>		
<u>Floating Charge</u>		
Receivables	2,980.94	2,544.16
<i>Non Financial Assets</i>		
<u>Floating Charge</u>		
Inventories	1,214.77	985.21
<b>Total Current assets Pledged as security</b>	<b>4,195.71</b>	<b>3,529.37</b>
<b>Non Current Assets</b>		
<u>First Charge</u>		
Land	13.42	13.42
Building	86.90	95.52
<b>Total non-current assets Pledged as security</b>	<b>100.31</b>	<b>108.94</b>
<b>Total assets Pledged as security</b>	<b>4,296.02</b>	<b>3,638.31</b>

**Note - 30****Contingent Liabilities And Capital Commitment (To The Extent Not Provided For)**

## i) Contingent Liabilities

**(₹ in Lacs)**

Particulars	As at 31st March, 2019	As at 31st March, 2018
(a) Claims against the Company not acknowledged as debts in respect of past disputed liabilities		
(i) Disputed Sales Tax Dues	57.57	57.57
(ii) Disputed Income Tax Dues	74.93	21.00
	-	-
(b) Guarantees	-	-
(i) Guarantees to Banks and Financial Institutions against credit facilities extended to third parties and other Guarantees	270.85	232.60
	-	-
(c) Disputed Excise Duty Receivable	3.27	-
(d) Provident Fund		
(i) The Honourable Supreme Court, has passed a decision on 28th February, 2019 in relation to inclusion of certain allowances within the scope of "Basic wages" for the purpose of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. The Company, based on legal advice, is awaiting further clarifications in this matter	Amount not determinable	-

**Note - "31"****Lease****(₹ in Lacs)**

Particulars	As at 31st March, 2019	As at 31st March, 2018
a) Premises taken on operating lease:		
The Company has entered into operating lease arrangements for certain facilities and office premises		
(i) Lease payments recognised in the Statement of Profit and Loss	6.92	6.72

**Note - "32"****Segment Reporting**

As the Company operates in the single segment of drugs and chemicals which is the primary reportable segment as per Accounting Standard Ind As 108 on 'Operating Segment', hence no separate disclosure pertaining to the same has been given.

Note - "33"

		Ownership interest	
		As at	As at
		31st March, 2019	31st March, 2018
<b>1. Relationships :</b>			
<b>a) Other Significant influence</b>			
Seabright Landmark Projects LLP	India	18%	18%
<b>b) Executive Directors</b>			
Shri Mahendra Singh Chawla	Chairman and Managing Director	13.82%	11.76%
Shri Paresh Chawla	Managing Director	14.47%	14.47%
Shri Pravin C Shah	Whole-Time Director	5.75%	5.75%
<b>c) Relatives of Executive Directors with whom transactions have taken place</b>			
Saraswati P Shah	Wife of Whole Time	0.82%	0.82%
Shri Shitul Shah	Son of Whole Time Director	2.60%	2.60%
<b>d) Entity is controlled by Executive directors and their relatives</b>			
Auram Enterprises	Firm of Son of Whole Time Director	NA	NA
<b>e) Non executive directors and enterprises over which they are able to exercise significant influence (with whom transactions have taken place)</b>			
Shri Devendra Baheti	Non	NA	NA
Shri Krishna Das Malani	Non	NA	NA
Shri Sharad Chand Lunawat	Non	NA	NA
Smt. Jyoti Jain	Non	NA	NA
<b>f) Key Managerial Persons</b>			
Shri Bakulesh Shah	CFO	4.88%	4.88%
<b>g) Relatives of Key Managerial Persons with whom transactions have taken place</b>			
Rupal Shah	Wife of Key Managerial Person	2.66%	2.66%
Vinit Shah	Son of Key Managerial Person	NA	NA

2. Transactions carried out with related parties referred in 1 above, in ordinary course of business:

Nature of transactions	Related Parties						
	Referred in 1(a) above	Referred in 1(b) above	Referred in 1(c) above	Referred in 1(d) above	Referred in 1(e) above	Referred in 1(f) above	Referred in 1(g) above
<i>Purchases</i>							
Goods and Materials	-	-	-	8	-	-	-
	(NIL)	(NIL)	(NIL)	(NIL)	(NIL)	(NIL)	(NIL)
<i>Expenses</i>							
Employee benefits expenses	-	220	37	-	-	30	26
	(NIL)	(211)	(22)	(NIL)	(NIL)	(30)	(18)
Directors' Fees	-	-	-	-	2	-	-
	(NIL)	(NIL)	(NIL)	(NIL)	(3)	(NIL)	(NIL)
Other Reimbursements	-	12	-	-	-	-	-
	(NIL)	(18)	(NIL)	(NIL)	(NIL)	(NIL)	(NIL)
<i>Income</i>							
Interest/Dividend/Share of Profit	109	-	-	-	-	-	-
	(4)	(NIL)	(NIL)	(NIL)	(NIL)	(NIL)	(NIL)
<i>Investments</i>							
Investments made	723	-	-	-	-	-	-
	(875)	(NIL)	(NIL)	(NIL)	(NIL)	(NIL)	(NIL)
Investments withdrawn	173	-	-	-	-	-	-
	(NIL)	(NIL)	(NIL)	(NIL)	(NIL)	(NIL)	(NIL)

Previous years figures are in ( )

	As at 31st March, 2019	As at 31st March, 2018
Outstandings		
Payable (Trade Payables & Other Liabilities)		
Executive Directors	13	13.13
Key Management personnel	2	1.93
Relatives of key managerial personnel	2	1.49
End of the year	17	16.55
Receivable		
LLP	109	8.00
End of the year	109	8.00
Investments		
LLP	1,841	1,288
End of the year	1,841	1,287.62

#### Executive Directors Compensation

	31st March, 2019	31st March, 2018
a) Short- term employee benefits	220	211
Total compensation	220	211

#### 3. Disclosure in respect of material transactions with related parties during the year. (included in 2 above).

	2018-19	2017-18
Purchases		
Goods and Materials		
Auram Enterprises ( Relative of Director)	7.73	-
Remuneration		
Shri Mahendra Singh Chawla	84.00	84.00
Shri Paresh Chawla	84.00	84.00
Shri Pravin C Shah	52.44	43.20
Director Sitting Fees and Commission to Non Executive Directors (excluding GST)		
Shri Devendra Singh Baheti	0.40	0.60
Shri Krishna Das Malani	0.50	0.70
Shri Sharad Chand Lunawat	0.50	0.60
Smt. Jyoti Jain	0.50	0.70
Interest/ Share of Profit		
Interest on capital received from LLP	135.34	-
Share of Profit from Seabright Landmark Projects LLP	(26.15)	4.08
Investment		
Seabright Landmark Projects LLP	722.71	875.00

#### Note - "34"

Application for merger of Norfolk Mercantile Private Limited, Wholly owned subsidiary of Alpa laboratories Limited was filed before NCLT, Mumbai by Norfolk Mercantile Private Limited on 7th December, 2017. The same is pending before the Bench as on the date of the financial statements.

#### Note - "35"

Court Case has been filed against Innovec Laboratories Private Limited ( Medicare Nagpur) for ` 28,94,502 (Previous Year- ` 28,94,502) for recovery of outstanding amounts.

**Note - "36"**

**Fair Value Measurement**

*Financial Instrument by category and hierarchy*

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.
3. The fair values for loans and investment in preference shares were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counter party credit risk.
4. The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

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

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

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

(₹ in Lacs)

Financial Assets and Liabilities as at 31st March, 2019	Routed through Profit and Loss			Routed through OCI				Carried at Amortised Cost				
	Non-Current	Current	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	
<b>Financial Assets</b>												
<i>Investments</i>												
- in LLP	1,841	-	1,841	-	-	1,841	1,841	-	-	-	-	-
- Mutual Funds	-	2,996	2,996	2,962	-	-	2,962	-	-	-	-	33.67
<i>Other Assets</i>												
- Loan to Employees	-	2	2	-	-	-	-	-	-	-	-	2
- Security Deposit	13.33	163	177	-	-	-	-	-	177	-	-	-
- Inter Corporate Deposit	-	593	593	-	-	-	-	-	-	-	-	593
- Government subsidy receivable	29.69	11	41	-	-	-	-	-	-	40.97	41	-
- Other Financial Assets	-	138	138	-	-	-	-	-	-	-	-	138
- Trade Receivable	-	3,000	3,000	-	-	-	-	-	-	-	-	3,000
- Cash and Cash Equivalents	-	15	15	-	-	-	-	-	-	-	-	15
- Other Bank Balance	-	75	75	-	-	-	-	-	-	-	-	75
	<b>1,884</b>	<b>6,993</b>	<b>8,877</b>	<b>2,962</b>	<b>-</b>	<b>1,841</b>	<b>4,803</b>	<b>-</b>	<b>177</b>	<b>41</b>	<b>218</b>	<b>3,856</b>
<b>Financial Liabilities</b>												
<i>Borrowings</i>												
Borrowings	41	105	146	-	-	-	-	-	-	-	-	146
Other Financial Liabilities	-	148	148	-	-	-	-	-	-	-	-	148
Trade Payables	-	1,319	1,319	-	-	-	-	-	-	-	-	1,319
	<b>41.1304673</b>	<b>1572</b>	<b>1613.456781</b>	<b>3185.783095</b>	<b>4799.239875</b>	<b>7985.02297</b>	<b>12784.26285</b>	<b>20769.28582</b>	<b>33553.54866</b>	<b>54322.83448</b>	<b>87876.38314</b>	<b>142199.2176</b>
												<b>230075.6007</b>
												<b>372274.8184</b>
												<b>602350.4191</b>



Financial Assets and Liabilities as at 31st March, 2018				Routed through Profit and Loss				Routed through OCI				Carried at Amortised Cost			
	Non-Current	Current	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>															
<i>Investments</i>															
- in LLP	1,288	-	1,288	-	-	1,288	1,288	-	-	-	-	-	-	-	-
- Mutual Funds	-	1,768	1,768	1,721.65	-	-	1,722	-	-	-	-	-	-	46.51	47
<i>Other Assets</i>															
- Loan to Employees	-	2	2	-	-	-	-	-	-	-	-	-	-	2	2
- Security Deposit	-	106	106	-	-	-	-	-	-	-	-	-	-	106	106
- Inter Corporate Deposit	-	705	705	-	-	-	-	-	-	-	-	-	-	705	705
- Other Financial Assets	-	8	8	-	-	-	-	-	-	-	-	-	-	8	8
- Trade Receivable	-	2,602	2,602	-	-	-	-	-	-	-	-	-	-	2,602	2,602
- Cash and Cash Equivalents	-	19	19	-	-	-	-	-	-	-	-	-	-	19	19
- Other Bank Balance	-	2,115	2,115	-	-	-	-	-	-	-	-	-	-	2,115	2,115
	<b>1,288</b>	<b>7,325</b>	<b>8,613</b>	<b>1,722</b>	<b>-</b>	<b>1,288</b>	<b>3,009</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,603</b>	<b>5,603</b>
<b>Financial Liabilities</b>															
<i>Borrowings</i>															
Borrowings	61	518	579											579	579
Other Financial Liabilities	-	136	136											136	136
Trade Payables	-	1,327	1,327											1,327	1,327
	<b>61</b>	<b>1,981</b>	<b>2,043</b>	<b>4,024</b>	<b>6,067</b>	<b>10,092</b>	<b>16,159</b>	<b>26,250</b>	<b>42,409</b>	<b>68,659</b>	<b>1,11,068</b>	<b>1,79,727</b>	<b>2,90,796</b>	<b>4,70,523</b>	<b>7,61,319</b>

**Note - "37"****Financial Risk Management***Financial risk management objectives and policies*

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Managing Board.

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loans and borrowings.

The Company manages market risk by evaluating and exercising independent control over the entire process of market risk management. The recommend risk management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures like foreign exchange forward contracts, borrowing strategies and ensuring compliance with market risk limits and policies.

*Market Risk- Foreign currency risk.*

The Company operates internationally and portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through its sales and services in overseas and purchases from overseas suppliers in various foreign currencies. Foreign currency exchange rate exposure is partly balanced by purchasing of goods, commodities and services in the respective currencies.

(a) Particulars of unhedged foreign currency exposures as at the reporting date

<b>As at 31st March, 2019</b>		<b>( In Foreign currency)</b>	
Particulars	USD		
Trade Receivable	10,93,603.52		
Trade Payable	1,20,750.00		
Advance from Customer	68,536.25		
Advance to supplier	60,360.00		
<b>As at 31st March, 2018</b>		<b>( In Foreign currency)</b>	
Particulars	USD		
Trade Receivable	14,10,647.53		
Trade Payable	56,026.00		
Advance from Customer	-		
Advance to supplier	-		

(a) (iii) *Market Risk- Price Risk*

(a) *Exposure*

The Company's exposure to equity securities price risk arises from investments held by the Company and classified in the balance sheet either at fair value through OCI or at fair value through profit and loss. To manage its price risk arising from investments in equity securities, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.

(b) *Sensitivity*

The table below summarizes the impact of increases/decreases of the BSE index on the Company's equity and Gain/Loss for the period. The analysis is based on the assumption that the index has increased by 5 % or decreased by 5 % with all other variables held constant, and that all the Company's equity instruments moved in line with the index.

Impact on Profit before tax

	<b>As at 31st March, 2019</b>	<b>As at 31st March, 2018</b>
BSE Sensex 30- Increase 5%	1,48,12,177.00	86,08,245.90
BSE Sensex 30- Decrease 5%	(1,48,12,177.00)	(86,08,245.90)

Above referred sensitivity pertains to quoted mutual fund investment (Refer note 4). Profit for the year would increase/ (decrease)

(c) *Foreign Currency Risk Sensitivity*

A change of 5% in Foreign currency would have following Impact on profit before tax

(Amount in Rs. `)

	<b>2018-2019</b>		<b>2017-2018</b>	
	5% Increase	5% decrease	5% Increase	5% decrease
USD	33,36,399	(33,36,399)	44,05,507	(44,05,507)
<b>Increase / (decrease) in profit or loss</b>	<b>33,36,399</b>	<b>(33,36,399)</b>	<b>44,05,507</b>	<b>(44,05,507)</b>

*Credit risk*

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses financial reliability of customers and other counter parties, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of financial assets. Individual risk limits are set and periodically reviewed on the basis of such information.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forward-looking information such as:

- i) Actual or expected significant adverse changes in business,
- ii) Actual or expected significant changes in the operating results of the counterparty,
- iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations.
- iv) Significant increase in credit risk on other financial instruments of the same counterparty,
- v) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized as income in the statement of profit and loss.

The Company measures the expected credit loss of trade receivables and loan from individual customers based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends. Based on the historical data, loss on collection of receivable is not material hence no additional provision considered.

*Ageing of Account receivables*

	As at 31st March, 2019	As at 31st March, 2018
0-3 months	11,17,15,926.98	6,62,36,144.00
3-6 months	11,58,99,735.81	13,26,08,430.00
6 months to 12 months	1,82,44,034.52	2,04,78,875.00
beyond 12 months	5,41,20,112.03	4,08,78,591.00
<b>Total</b>	<b>29,99,79,809.34</b>	<b>26,02,02,040.00</b>

Financial Assets are considered to be of good quality and there is no significant increase in credit risk.

Ageing has been disclosed as per the information provided by the management

*Movement in provisions of doubtful debts*

	As at 31st March 2019	As at 31st March, 2018
Opening provision	-	-
Add:- Additional provision made	1,25,02,314.30	80,00,000
Less:- Provision reversed	1,25,02,314.30	80,00,000
Closing provision	-	-

*Liquidity Risk*

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Company treasury maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of

(i) Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

	As at 31st March, 2019	As at 31st March, 2018
Expiring within one year (bank overdraft and other)	11,99,99,895	6,82,28,541.00
Expiring beyond one year (bank loans)	-	-

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice. Subject to the continuance of satisfactory credit ratings, the bank loan facilities may be drawn at any time in INR.

(ii) Maturity patterns of borrowings

	As at 31st March, 2019				As at 31st March, 2018			
	0-1 years	1-5 years	beyond 5 years	Total	0-1 years	1-5 years	Beyond 5 Year	Total
Long term borrowings (Including current)	20	41	-	61	19	61	-	80
Short term borrowings	105	-	-	105	518	-	-	518
<b>Total</b>	<b>126</b>	<b>41</b>	<b>-</b>	<b>167</b>	<b>536</b>	<b>61</b>	<b>-</b>	<b>598</b>

(iii) Maturity patterns of other Financial Liabilities

As at 31st March 19	0-3 months	3-6 months	6 months to 12 months	Beyond 12 Month	Total
Trade Payable	13,18,60,455	-	-	-	13,18,60,455.48
Payable related to Capital goods	2	-	-	-	2.06
Other Financial liability (Current and Non Current)	1,31,02,909.00	5,00,728	10,32,183.00	-	1,46,35,820.00
<b>Total</b>	<b>14,49,63,367</b>	<b>5,00,728</b>	<b>10,32,183</b>	<b>-</b>	<b>14,64,96,277.54</b>

As at 31st March 18	0-3 months	3-6 months	6 months to 12 months	Beyond 12 Month	Total
Trade Payable	13,13,16,679	-	-	-	13,13,16,679
Payable related to Capital goods	4,05,835.00	-	-	-	4,05,835
Other Financial liability (Current and Non Current)	1,17,78,564.00	4,62,022	9,52,392	-	1,31,92,978
<b>Total</b>	<b>14,35,01,078</b>	<b>4,62,022</b>	<b>9,52,392</b>	<b>-</b>	<b>14,49,15,492</b>

**Note - "38"**

**Capital Risk Management**

*a) Risk Management*

The Company aim to manages its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to our

The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

**Note - "39"****Earning Per Share****(₹ in Lacs)**

	Year ended 31st March, 2019	Year ended 31st March, 2018
Earnings Per Share has been computed as under:		
Net Profit after Tax as per Statement of Profit and Loss attributable to Equity	72.79	280.68
Weighted average number of equity shares outstanding	2,10,40,600.00	2,10,40,600.00
Earnings Per Share (₹) - Basic (Face value of ₹ 10 per share)	0.00	0.00

Diluted earning per share is same as basic earning per share.

**Note - "41"****Details Of Corporate Social Responsibility (CSR) Expenditure:****(₹ in Lacs)**

	Year ended 31st March, 2019	Year ended 31st March, 2018
Amount required to be spent as per Section 135 of the Act	18.65	11.81
Amount spent during the year on:		
(i) Construction / acquisition of an asset	-	-
ii) On purpose other than (i) above	40.00	15.00
<b>Total</b>	<b>40.00</b>	<b>15.00</b>

**Note: "42"****General Information**

A. The consolidated Financial Statements presents the consolidated Accounts of Alpa Laboratories

Limited with its following subsidiary:

**I. Subsidiaries**

Indian Subsidiaries

Name	Country Of Incorporation	Proportion of Ownership Interest	
		As at 31st March 2019	As at 31st March 2018
Norfolk Mercantile Pvt. Ltd.	India	100%	100%

II. Disclosure mandated by Schedule III of Companies Act, 2013, by way of additional information:

Name of Entities	Net assets i.e Total Assets minus Total Liabilities		Share In Profit & Loss (Including Other Comprehensive Income)	
	As a % of Consolidated Net Assets	Amount In `	As a % of Consolidated Net Assets	Amount In `
<b>Parent:</b>				
Alpa Laboratories Limited				
As on 31-03-2019	107.76%	10,590.93	366.19%	266.54
As on 31-03-2018	105.84%	10,324.39	169.77%	476.50
<b>Subsidiary</b>				
Norfolk Mercantile Pvt. Ltd.				
As on 31-03-2019	-7.63%	(749.46)	-265.80%	(193.47)
As on 31-03-2018	-5.70%	(555.98)	-70.66%	(198.32)
<b>Sub Total - 31-03-2019</b>	<b>100.14%</b>	<b>9,841.47</b>	<b>100.38%</b>	<b>73.07</b>
<b>Sub Total - 31-03-2018</b>	<b>100.14%</b>	<b>9,768.40</b>	<b>99.11%</b>	<b>278.18</b>
<b>Inter Company Elimination &amp; Consolidation Adjustment</b>				
As on 31-03-2019	0.14%	13.47	-0.38%	-0.28
As on 31-03-2018	0.14%	13.40	0.89%	2.50
<b>Grand Total - 2019-20</b>	<b>100%</b>	<b>9,828.00</b>	<b>100%</b>	<b>72.79</b>
<b>Grand Total - 2018-19</b>	<b>100%</b>	<b>9,755.00</b>	<b>100%</b>	<b>280.68</b>
<b>Minority Interest 2019-20</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
<b>Minority Interest 2018-19</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>

B. Significant Accounting Policies and notes to these Consolidated Financial Statements are intended to serve as a means of informative disclosure and guide to better understanding the consolidated position of the Companies Recognising this purpose, the Company has disclosed only such Policies and Notes from the individual financial

**Note - "43"**

The Financial Statements were authorised for issue by the directors on 27th May, 2019.

As Per Our Report of Even Date Attached  
We authenticate the correctness of the above  
**ALPA LABORATORIES LIMITED**  
C.I.N.- L85195MP1988PLC004446

As Per Our Report of Even Date Attached  
For and on behalf of  
**ANURADHA RATNAPARKHI & ASSOCIATES**  
Chartered Accountants  
Firm Registration No.: 023451C

**PARESH CHAWLA** Managing Director  
D.I.N.: 00520411  
**M.S. CHAWLA** Director  
D.I.N.: 00362058  
**BAKULESH SHAH** Chief Financial Officer  
**MEGHA NEEMA** Company Secretary  
Memb. No.39643

**ANURADHA RATNAPARKHI**  
Proprietor  
Membership Number: 075412

Place: Indore  
Dated: 27th May, 2019

## **Annexure A (Annexed to and forming part of the Accounts for the year ended 31<sup>st</sup> March, 2019)**

### **SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES**

#### **A.**

#### **COMPANY BACKGROUND**

Incorporated as Alpa Laboratories Private Limited on 18<sup>th</sup> March 1988 under the Companies Act, 1956 and converted to public limited company on 03<sup>rd</sup> September 1998 with the name of Alpa Laboratories Limited. The Company has been listed on the Bombay Stock Exchange and the National Stock Exchange since 06<sup>th</sup> August 2007.

#### **1. Basis of Preparation of Financial Statements**

##### *(i) Compliance with Ind AS*

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

The accounting policies are applied consistently to all the periods presented in the financial statements.

##### *(ii) Historical cost convention*

The financial statements have been prepared on a historical cost basis, except for the following:

- 1) certain financial assets and liabilities that are measured at fair value;
- 2) assets held for sale - measured at lower of carrying amount or fair value less cost to sell;

##### *(iii) Current non-current classification*

All the assets and liabilities have been classified as current or non current as per the Company's normal operating cycle and other criteria set out in Schedule III of the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalent, the Company has ascertained its operating cycle to be 12 months for the purpose of current - non current classification of assets and liabilities.

##### *(iv) Fair Value*

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

#### **2. Principles of consolidation and equity accounting**

##### *(i) Subsidiaries*

Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the group.

The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

*(ii) Associates*

Associates are all entities over which the company has significant influence but not control or joint control. This is generally the case where the group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

*(iii) Joint ventures*

Interests in joint ventures are accounted for using the equity method, after initially being recognised at cost in the consolidated balance sheet.

*(iv) Equity Method*

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the group and its associates and joint ventures are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group.

**3. Use of estimates and critical accounting judgements**

In the preparation of financial statements, the Company makes judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Key source of estimation of uncertainty at the date of standalone financial statements, which may cause material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of impairment, useful lives of property, plant and equipment and intangible assets, valuation of deferred tax assets, provisions, contingent liabilities and fair value measurements of financial instruments as discussed below. Key source of estimation of uncertainty in respect of revenue recognition and employee benefits have been discussed in the respective policies.

#### **4. Revenue Recognition**

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

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and specific criteria have been met for each of the Company's activities as described below.

##### *Sale of goods*

Revenue from sale of goods is recognised when the Company has transferred to the buyer the significant risks and rewards of ownership, no longer retains control over the goods sold, the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the Company and the costs incurred or to be incurred in respect of the transaction can be measured reliably. Depending on the contractual terms, risks and rewards of ownership is transferred when the delivery is completed. In case of exports sale delivery is completed on issuance of bill of lading

##### *Interest income*

Interest income is accrued on a time proportion basis, by reference to the principal outstanding and effective interest rate applicable.

##### *Other operating revenue - Export incentives*

"Export Incentives under various schemes are recognized on accrual basis.

##### *Other Incomes*

Other incomes have been recognized on accrual basis in the financial statements, except when there is uncertainty of collection.

#### **5. Property, plant and equipment**

An item of property, plant and equipment is recognised as an asset if it is probable that future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. This recognition principle is applied to costs incurred initially to acquire an item of property, plant and equipment and also to costs incurred subsequently to add to, replace part of, or service it. All other repair and maintenance costs, including regular servicing, are recognised in the statement of profit and loss as incurred. When a replacement occurs, the carrying value of the replaced part is derecognised. Where an item of property, plant and equipment comprises major components having different useful lives, these components are accounted for as separate items.

Property, plant and equipment is stated at cost/deemed cost, less accumulated depreciation and impairment. Cost includes all direct costs and expenditures incurred to bring the asset to its working condition and location for its intended use. Trial run expenses (net of revenue) are capitalised.

Borrowing costs incurred during the period of construction is capitalised as part of cost of qualifying

asset. The gain or loss arising on disposal of an item of property, plant and equipment is determined as the difference between sale proceeds and carrying value of such item, and is recognised in the statement of profit and loss.

## **6. Depreciation and amortisation of property, plant and equipment and intangible assets**

Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Items of property, plant and equipment are depreciated in a manner that amortizes the cost (or other amount substituted for cost) of the assets after commissioning, less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 on a Written Down Value basis. Land is not depreciated.

Property, plant and equipment's residual values and useful lives are reviewed at each balance sheet date and changes, if any, are treated as changes in accounting estimate.

- a. Fixed asset is depreciated on a written down value basis over the useful lives of assets as prescribed under Part C of Schedule II of the Companies Act 2013.
- b. Depreciation for assets purchased or sold during the period is charged to revenue pro-rata to the period of their use.

## **7. Inventories**

Finished goods (including for trade), work in process and raw materials are stated at 'Cost or Net Realizable Value, whichever is lower'. Cost of Inventories comprises cost of purchases and other costs incurred in bringing the inventories to their present location and condition. 'First In First Out' cost formula is used for determination of cost of inventories.

## **8. Foreign Currency Transactions**

### *(i) Functional and presentation currency*

The financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency.

### *(ii) Transactions and balances*

Transactions in foreign currencies are recognised at the prevailing exchange rates on the transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognised in the Statement of Profit and Loss.

Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognised in the Statement of Profit and Loss.

## **9. Employee Benefit**

- a. The Company's contribution to Life Insurance Corporation of India (LIC) for group gratuity policy is charged to the Profit and Loss account each year. The contribution for Group Gratuity Policy is based on values as actually determined and demanded by LIC at the year end.
- b. Payments to defined contribution plans are charged as an expense as they fall due. Payments made to state managed retirement benefit schemes are dealt with as payments to defined contribution



schemes where the Company's obligations under the schemes are equivalent to those arising in a defined contribution retirement benefit scheme.

#### **10. Borrowing Cost**

Borrowing cost consists of interest and other costs incurred in connection with the borrowing of funds and also include exchange differences to the extent regarded as an adjustment to the same. Borrowing costs directly attributable to the acquisition and/ or construction of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Standalone Statement of Profit and Loss as incurred.

#### **11. Borrowings**

Borrowings are initially recognised at net of transaction costs incurred and measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in the Statement of Profit and Loss over the period of the borrowings using the effective interest method.

Preference shares, which are mandatorily redeemable on a specific date are classified as liabilities. The dividend on these preference shares is recognised in Statement of Profit and Loss as finance costs.

#### **12. Provisions & Contingent liabilities and assets**

- a. Provisions are recognized only when there is a present obligation, as a result of past events and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.
- b. Contingent liability is disclosed for (i) Possible obligations which will be confirmed only by future events not wholly within the control of the Company or (ii) Present obligations arising from the past events where it is probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of obligation cannot be made.
- c. Contingent assets are neither recognized nor disclosed except when realization of income is virtually certain, related asset is disclosed.

#### **13. Taxation**

Tax expense recognized in Standalone Statement of Profit and Loss comprises the sum of deferred tax and current tax except the ones recognized in other comprehensive income or directly in equity.

Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations. Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity).

Minimum Alternate Tax ('MAT') credit entitlement is recognized as an asset only when and to the extent there is convincing evidence that normal income tax will be paid during the specified period. In the year in which MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the Standalone Statement of Profit and Loss and shown as MAT credit entitlement. This is reviewed at each balance sheet date and the carrying amount of MAT credit entitlement is written down to the extent it is not reasonably certain that normal income tax will be paid during the specified period.

Deferred tax is recognized on temporary differences between the carrying amount of assets and liabilities in the financial statement and the corresponding tax bases used in computation of taxable profit under Income Tax Act, 1961.

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 reporting date. Deferred tax relating to items recognized outside Standalone Statement of Profit and Loss is recognized outside Standalone Statement of Profit and Loss (either in other comprehensive income or in equity).

#### **14. Leases**

##### *Operating Lease*

As a lessee

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company, as lessee, are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases.

As a lessor

Lease income from operating leases where the Company is a lessor is recognized in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

#### **15. Financial Instruments**

##### i) Financial Assets

###### *A. Initial Recognition and Measurement*

All Financial Assets are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of Financial Assets, which are not at Fair Value Through Profit or Loss, are adjusted to the fair value on initial recognition. Purchase and sale of Financial Assets are recognised using trade date accounting.

###### *B. Subsequent measurement*

###### a) Financial Assets measured at Amortised Cost (AC)

A Financial Asset is 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.

###### b) Financial Assets measured at Fair Value Through Other Comprehensive Income (FVTOCI)

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

c) Financial Assets measured at Fair Value Through Profit or Loss (FVTPL)

A Financial Asset which is not classified in any of the above categories are measured at FVTPL.

*C. Impairment of Financial Assets*

The Company measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

ii) Financial Liabilities

*A. Initial Recognition and Measurement*

All Financial Liabilities are recognized at fair value and in case of borrowings, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

*B. Subsequent Measurement*

Financial Liabilities are carried at amortized cost using the effective interest method.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

iii) Derecognition of Financial Instruments

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

iv) Offsetting

Financial Assets and Financial Liabilities are offset and the net amount is presented in the balance sheet when, and only when, the Company has a legally enforceable right to set off the amount and it intends, either to settle them on a net basis or to realise the asset and settle the liability simultaneously

**16. Earnings Per Share**

Basic earnings per share has been computed by dividing profit or loss for the year by the weighted average number of shares outstanding during the year. Partly paid up shares are included as fully paid equivalents according to the fraction paid up.

Diluted earnings per share has been computed using the weighted average number of shares and dilutive potential shares except where the result would be anti-dilutive.

**17. Government Grants**

Grants from the government are recognised at their fair value where there is reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to Profit and Loss on a straight - line basis over the expected lives of related assets and presented within other income.

## **18.Recent Accounting Pronouncements**

*Ind AS 116 :*

On 30th March 2019, the Ministry of Corporate Affairs (MCA) has notified Ind AS 116 Leases, under Companies (Indian Accounting Standards) Amendment Rules, 2019 which is applicable with effect from 1st April, 2019.

Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lease accounting model for lessee and requires the lessee to recognize right of use assets and lease liabilities for all leases with a term of more than twelve months, unless the underlying asset is low value in nature. Currently, operating lease expenses are charged to the statement of profit and loss. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

As per Ind AS 116, the lessee needs to recognise depreciation on rights of use assets and finance costs on lease liabilities in the statement of profit and loss. The lease payments made by the lessee under the lease arrangement will be adjusted against the lease liabilities.

The Company is currently evaluating the impact on account of implementation of Ind AS 116 which might have on profit & loss and balance sheet ratio i.e. Earnings before interest, tax, depreciation and amortisation (EBITDA), Asset coverage, debt equity, interest coverage, etc.

## **B. Critical estimates and judgements -**

The preparation of financial statements requires the use of accounting estimates which by definition will seldom equal the actual results. Management also need to exercise judgement in applying the Group's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgement are:

Estimation of current tax expenses and Payable and Recognition of deferred tax assets for carried forward tax losses - Note 28

Estimated Fair value of unlisted securities - Note 36

Impairment of Trade receivables - Note 5

Probable outcome of matters included under Contingent Liabilities - refer note 30

## Annexure “A” to the Directors’ Report -Form AOC-1

**Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures (Pursuant to first proviso to sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014).**

### Part “A” Subsidiary Financial Summary

(Figures in ` Lacs)

Name of Subsidiary	Norfolk Mercantile Private Limited	
	As on 31.03.2019	As on 31.03.2018
Particulars		
Share Capital	2.00	2.00
Reserves & Surplus	(751.45)	(558.82)
Total Assets	338.94	988.22
Total Liabilities (excluding share capital and reserves and surplus)	1088.40	1545.04
Details of investments	202.25	404.50
Turnover (Includes Other income)	42.09	67.67
Profit/ (Loss) before taxation	(186.32)	(199.32)
Provision for taxation	0.00	0.00
Profit/ (Loss) after taxation	(186.32)	(199.32)
Proposed dividend	0.00	0.00
% of share holding	100%	100%
Reporting Currency	INR	INR
Exchange Rate to INR on March 31	Nil	Nil

**PROXY FORM  
(FORM MGT-11)**

**ALPA LABORATORIES LIMITED**

**REGD. OFFICE: 33/2, Pigdamber, A.B. Road, Rau, Dist. INDORE (M.P.) 453446**

**Website : www.alpalabs.in**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s) \_\_\_\_\_ Email Id.: \_\_\_\_\_

Registered Address \_\_\_\_\_ Folio. No./ Client Id.: \_\_\_\_\_

DP. Id.: \_\_\_\_\_ I/ We being member(s) of \_\_\_\_\_ shares of the above named company hereby appoint:

Name \_\_\_\_\_ Email Id.: \_\_\_\_\_

Address \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him;

Name \_\_\_\_\_ Email Id.: \_\_\_\_\_

Address \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him;

Name \_\_\_\_\_ Email Id.: \_\_\_\_\_

Address \_\_\_\_\_ Signature: \_\_\_\_\_

as my/ our proxy to attend and vote (on a poll) for me/ us on my/ our behalf at the 31<sup>st</sup> Annual General Meeting of the Company, to be held on 30<sup>th</sup> September 2019 at 10:30 AM and at any adjournment thereof in respect of resolutions as are indicated below:

1	Adoption of Audited Financial Statements, Directors' Report and Auditors' Report for the Year ended 31 <sup>st</sup> March 2019
2	Appointment of rotational director Mr. Paresh Chawla
3	Ratification of Cost Auditors and Fixing their remuneration
4	Remuneration of Cost Auditors
5	Appointment of Mr. Pravin Shah, Whole time Director after attaining age of 70 Years

Affix 1  
Revenue  
Stamp

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2019 Signature of Shareholder(s) \_\_\_\_\_

Note: 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.

Note: 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.

## ATTENDANCE SLIP

**ALPA LABORATORIES LIMITED**

**REGD. OFFICE: 33/2, Pigdamber, A.B. Road, Rau, Dist. INDORE (M.P.) 453446**

**Website : [www.alpalabs.in](http://www.alpalabs.in)**

Folio No. \_\_\_\_\_ Number of Shares \_\_\_\_\_ DP Id \_\_\_\_\_ Client Id \_\_\_\_\_

I hereby record my presence at the 31<sup>st</sup> Annual General Meeting of the Company held on 30<sup>th</sup> September 2019, at 10:30 AM.

Name of the Shareholder (in BLOCK letters) \_\_\_\_\_

Email Id. of the Shareholder (in BLOCK letters) \_\_\_\_\_

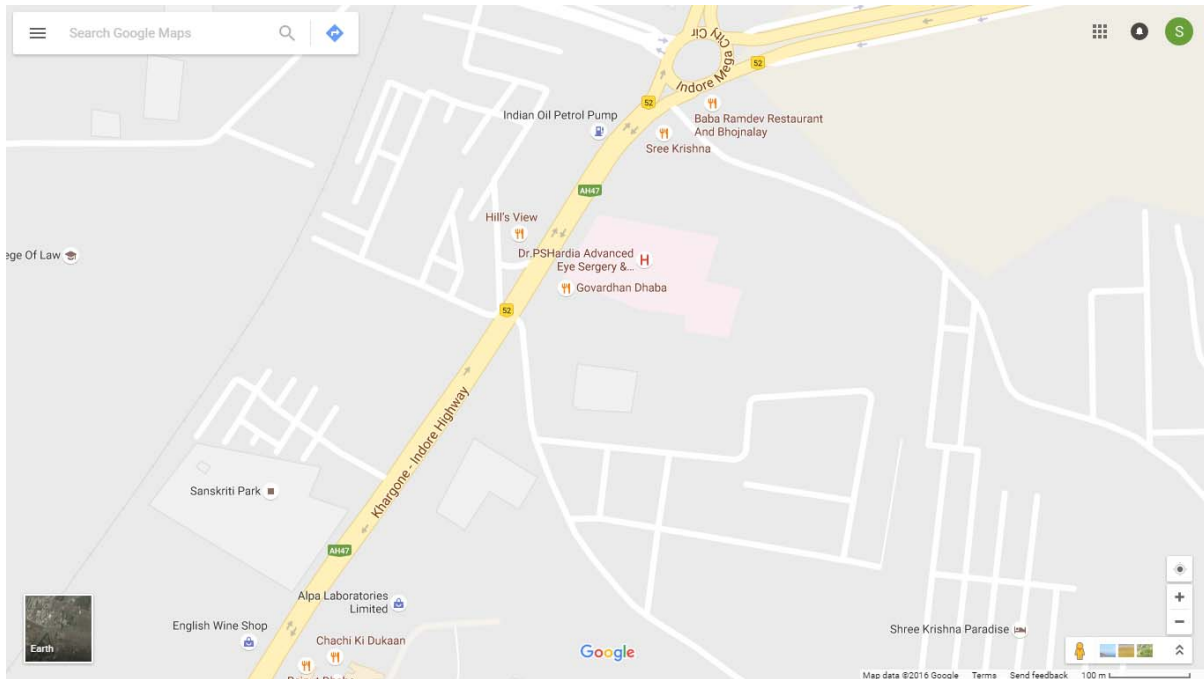
Signature of the shareholder(s) \_\_\_\_\_

Name of the proxy (in BLOCK letters) \_\_\_\_\_

Signature of the proxy \_\_\_\_\_

- Notes: 1. Please hand over this slip at the entrance.  
2. Attendance is permitted only in case shares are held on the date of the meeting.

**LOCATION MAP OF VENUE OF MEETING**



**ALPA LABORATORIES LIMITED**

If undelivered, please return to:

Alpa Laboratories Limited, 33/2 Pigdambar, A.B. Road, Rau, Indore (M.P.) 453446