MULLER & PHIPPS (INDIA) LIMITED

ONE HUNDRED TWO ANNUAL REPORT
2018-2019

MULLER & PHIPPS (INDIA) LIMITED

CIN NO. L63090MH1917PLC007897

ONE HUNDRED TWO ANNUAL REPORT 2018-2019

DIRECTORS :
Mr. Milan Dalal
Mr. Raymond Simkins
Mrs. Kamlini Maniar (Woman Independent Director)
Mr. P. V. Mohan Whole-time Director
Mr. Venu Krishnan Independent Director
Mr. Radheshyam Swami Independent Director

COMPANY SECRETARY
Saloni. A. Shah

REGISTERED OFFICE :
204 ,Madhva Commercial Premises,
C-4 Bandra Kurla Complex,
Bandra East,
Mumbai -400 051.
Phone No. 26591191
Fax No. 26591186
Email Id: mnpco@mulphico.co.in

AUDITORS :
K. F. Jetsey & Co.

SECRETARIAL AUDITORS :
Sanjay Soman & Associates
Company Secretaries

BANKERS:
State Bank of India
Syndicate Bank

REGISTRARS & TRANSFER AGENTS :
Link Intime India Pvt Ltd
C-101,247 Park,
LBS Marg, Vikhroli (W) Mumbai 400 083
Tel No. 022-49186000

REGIONAL OFFICES/DEPOTS :
Mumbai, Indore,
Delhi, Ghaziabad,
Chandigarh, Kolkata, Cuttack,
Patna, Kochi,

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NOTICE

Notice is hereby given that the **ONE HUNDRED TWO ANNUAL GENERAL MEETING (AGM) OF MULLER & PHIPPS (INDIA) LIMITED** will be held at M. C Ghia Hall, Indian Textile Accessories & Machinery Manufacturers' Association, Bhogilal Hargovindas Building, 4th Floor,18/20, K. Dubash Marg, Kala Ghoda, Mumbai-400 001 on Friday 27th September, 2019 at 9.30 a.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt :

   (a) the Audited Standalone Financial Statements of the Company for the Financial year ended March 31, 2019, together with the Reports of the Directors and Auditors thereon and

   (b) the Audited Consolidated Financial Statement of the Company for the Financial year ended March 31, 2019, together with the Reports of the Auditors thereon.

2. To appoint a Director in place of Mr. Milan Dalal (DIN 00062453) who retires by rotation and being eligible, offers himself for reappointment.

3. To appoint M/s. K F Jetsey & Co., Chartered Accountants (Firm Registration No.104209W issued by the Institute of Chartered Accountants of India), as Statutory Auditors of the Company, to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS:

4. **Appointment of Mr. Venu Krishnan (DIN: 00006592) as an Independent Director of the Company**

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

   "**RESOLVED THAT** pursuant to the provisions of Section 149, 150 and 152 and other applicable provisions if any, of the Companies Act, 2013, and the Rules made thereunder, read with Schedule IV of the said Act, Mr. Venu Krishnan (DIN:00006592) who was appointed as an Additional Director of the Company with effect from March 11 2019, under section 161 of the Companies Act, 2013,be and is hereby appointed as Independent Director of the Company to hold office for a term upto Five consecutive years commencing from the date of ensuing Annual General Meeting of the Company"

5. **Appointment of Mr. Radheshyam Swami (DIN: 08449295) as an Independent Director of the Company**

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

   "**RESOLVED THAT** pursuant to the provisions of Section 149, 150 and 152 and other applicable provisions if any, of the Companies Act, 2013, and the Rules made thereunder, read with Schedule IV of the said Act, Mr. Radheshyam Swami (DIN:08449295) who was appointed as an Additional Director of the Company with effect from May 10 2019, under section 161 of the Companies Act, 2013,be and is hereby appointed as Independent Director of the Company to hold office for a term upto Five consecutive years commencing from the date of ensuing Annual General Meeting of the Company"

6. **To appoint Mr. P. V. Mohan (DIN 00195051) as Whole Time Director**

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

   "**RESOLVED THAT** in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and remuneration of Managerial Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Company be and is hereby accorded to the appointment of Mr. P. V. Mohan (DIN 00195051) as Whole Time Director of the Company, for a period of five years with effect from May 10, 2019, with remuneration, on the terms and conditions as set out in the Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors, (herein after referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said appointment and/or remuneration as it may deem fit within the limits specified under the Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof.

   RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

7. **Approval for continuation of holding office of Non- Executive Director of the Company, by Mr. Raymond Simkins (DIN: 01573312) who will be above the age of 75 (Seventy Five) years as on 1st April, 2019**.

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

   "RESOLVED THAT pursuant to Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, which has been inserted by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, to be effective from 1st April, 2019 and other applicable provisions, if any, of the Companies Act, 2013, including any amendment(s), statutory modification(s) or re-enactment(s) thereof, for the time being in force, approval of the members of the Company be and is hereby granted for continuation of holding office of Non- Executive Director of the Company, by Mr. Raymond Simkins (DIN: 01573312) who will be above the age of 75 (Seventy Five) years as on 1st April, 2019."

"**RESOLVED FURTHER THAT** the Board of Directors (including any Committee thereof) and/or Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things and to take all such steps as may be considered necessary, proper or expedient to give effect to this resolution."

8. **Approval for continuation of holding office of Women Non- Executive - Independent Director of the Company, by Mrs. Kamlini Maniar (DIN: 06926167) who will be above the age of 75 (Seventy Five) years as on 1st April, 2019**.

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

"**RESOLVED THAT** pursuant to Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, which has been inserted by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, to be effective from 1st April, 2019 and other applicable provisions, if any, of the Companies Act, 2013, including any amendment(s), statutory modification(s) or re-enactment(s) thereof, for the time being in force, approval of the members of the Company be and is hereby granted for continuation of holding office of Women Non- Executive - Independent Director of the Company, by Mrs. Kamlini Maniar (DIN: 06926167) who will be above the age of 75 (Seventy Five) years as on 1st April, 2019."

"RESOLVED FURTHER THAT the Board of Directors (including any Committee thereof) and/or Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things and to take all such steps as may be considered necessary, proper or expedient to give effect to this resolution.

Registered office:
204, Madhava, 2nd Floor,
Bandra Kurla Complex,
Near Family Court, Bandra East,
Mumbai 400 051

By Order of the Board
For MULLER AND PHIPPS (INDIA) LTD

MILAN DALAL
DIRECTOR
DIN00062453

Place: Mumbai
Date: 30th May, 2019.

NOTES

1. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on a poll instead of him self / her self and such proxy need not be a member of the Company. Proxies, in order to be effective must be received by the Company not less than 48 hours before the Meeting. A Member or his proxy is requested to produce at the entrance of the meeting hall Admission Slip forwarded to the Member, duly completed and signed in accordance with the specimen signature registered with the Company. A Member or his proxy is requested to bring the Annual Report sent to the Member, as extra copy will not be supplied due to high cost of paper and printing.
2. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto and forms part of this Notice.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 20th September, 2019 to 27th September, 2019 (both days inclusive) for the purpose of AGM.
4. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares. Members can contact the Company / RTA for assistance in this regard.
5. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically. To support the "Green Initiative" members who have not registered their e-mail addresses are requested to register the same with RTA / Depositories.
6. Pursuant to Section 108 of the Companies Act, 2013, read with the relevant Rules of the Act, the Company is pleased to provide the facility to Members to exercise their right to vote by electronic means. The members, whose names appear in the Register of Members / list of Beneficial owner as on September 19, 2019 , i.e the date prior to the commencement of book closure date are entitled to vote on the Resolutions set forth in this Notice. Members who have acquired shares after the dispatch of the Annual Report and before the book closure may approach the Company for issuance of User ID and Password for exercising their right to vote by electronic means..

7. As per Clause 35A of the Listing Agreement, the results of the e-voting are to be submitted to the Stock Exchange within 48 hours of the conclusion of the AGM. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.mulphico.co.in and the website of NSDL.

8. Annexure to item No. 2 of the Notice in relation to the details of Directors retiring by rotation and seeking reappointment as Director at the Annual General Meeting. (in pursuance of Clause 49 of the Listing Agreement)

Name	**Mr. Milan Dalal**
Date of Birth & Age	09-02-1962 (59 years)
Appointed on	31-07-2006
Qualification	B.com
Expertise/Experience	Marketing Operations and Financial
Shareholding	NIL
Directorship in Other Public Companies	Foods and Inns Limited MPIL Corporation Limited Amalgamated Electricity Company Limited

9. **Voting through Electronic means**:

(i) In compliance with provisions of Section 108 of the Companies Act, 2013, and the Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended (hereinafter called **'**the Rules' for the purpose of this section of the Notice) and Regulation 44 of SEBI Listing Regulations,2015, the Company is pleased to provide the facility of remote e-voting to exercise votes on the items of the business given in the Notice through electronic voting system, to Members holding shares on September 19, 2019 (end of day), being the Cut- off date for the purpose of Rule 20 (4) (vii) of the Rules fixed for determining voting rights of members, entitled to participate in the remote e- voting process, through the e-voting platform provided by the National Securities Depository Limited (NSDL) or to vote at the Annual General Meeting. Person who is not a member as on the cut- off date should treat this Notice for information purpose only. Those Members, who do not wish to use the remote e-voting facility, the Company is enclosing a Ballot Form.

(ii) The remote e-voting period will commence at10.00 am on Monday September 23, 2019 and will end at 5.00 pm on Thursday September 26, 2019.

(iii) The Company has appointed Mr. Rajesh Kanojia, to act as the Scrutinizer, to scrutinize the entire remote e-voting process in a fair and transparent manner.

The instructions for remote E-Voting are as under:

(A) For members who receive notice of Annual General Meeting through e-mail

(a) Those members whose valid e-mail IDs are registered with the Company/ Depository Participant(s) will receive an e-mail from NSDL.

(b) Open e-mail and open PDF file viz; "MNP-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.

(c) Launch internet browser by typing the following URL:http://www.evoting.nsdl.com

(d) Click on "Shareholders-Login"

(e) Put user ID and password as initial password noted in step (i) above. Click "Login"

(f) "Password change" menu appears. Change the password with new password of your choice with minimum 8 digits/ characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(g) Home page of "e-voting" opens. Click on "e-voting: Active E-voting Cycles"

(h) Select "EVEN" (Electronic Voting Event Number) of Muller and Phipps India Limited

(i) Now you are ready for e-voting as "Cast Vote" page opens.

(j) Cast your vote by selecting appropriate option and click on "Submit" and also click on "Confirm" when prompted.

(k) Upon confirmation, the message "Vote cast successfully" will be displayed.

(l) Once you have voted on the resolution, you will not be allowed to modify your vote.

(m) For the votes to be considered valid, the corporate and institutional shareholders (companies, trust, societies etc) are required to send a scanned copy (PDF/JPG format) of the relevant Board Resolution / Appropriate Authorization etc. together with attested specimen signature of the duly authorised signatory(ies), to the Scrutinizer through e-mail at rajeshkanojia68@gmail.com with a copy marked to evoting@nsdl.co.in

(B) For members who receive the notice of Annual General Meeting in physical form:

(a) User ID and initial password is provided as per the format given in the Attendance Slip of the Annual General Meeting:

(b) Please follow all steps from Sl. No (A) (b) to (A) (m) above, to cast your vote.

(C) Voting facility at Annual General Meeting

(a) In addition to the remote e voting facility as described above, the Company shall make voting facility available at the venue of the annual general meeting through ballot forms and members attending the meeting, who have not already cast their votes by remote e-voting, shall be able to exercise their right at the meeting.

(b) Members who have cast their votes by remote e- voting prior to the meeting may attend the meeting, but shall not be entitled to cast their vote again.

(D) General Instructions

(a) If you forget your password, you can reset your password by using 'Forget User Details/ Password' option available on http:// www.evoting.nsdl.com

(b) Any person, who acquired shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut- off date i.e September 19, 2019 may obtain the login ID and password by sending a request at evoting@nsdl.co.in or santosh.jaiswal@linkintime.co.in.

(c) The Scrutinizer shall submit his report to the Chairman, who shall declare the results of the voting. The results declared along with the scrutinizer's report shall be placed on the Company's website www.mulphico.co.in and on the website of NSDL and shall also be communicated to the Stock Exchange. The resolution shall be deemed to be passed at the annual general meeting of the Company, scheduled to be held on September 27, 2019.

EXPLANATORY STATEMENT

(Pursuant to section 102 of the Companies Act, 2013)

As required by section 102 of the Companies Act, 2013, the following explanatory statement sets out all material facts relating to the business mentioned under items Nos 4 to 8 of the accompanying notice.

Item No 4 &5

The Board of Directors of the Company had appointed Mr. Venu Krishana (DIN: 00006592) and Mr. Radheshyam Swami (DIN: 08449295) as an Additional Directors of the Company with effect from March 11, 2019 and May 10, 2019 respectively. In accordance with the provisions of Section 161 of Companies Act, 2013, Mr. Venu Krishnan and Mr. Radheshyam Swami shall hold office up to the date of the forthcoming Annual General meeting and are eligible to be appointed as an Independent Directors for a term upto five years from the date of ensuing Annual General Meeting. The Company has received notice under section 160 of the Companies Act, 2013 for Mr. Venu Krishnan and Mr. Radheshyam Swami signifying their candidature as an Independent Directors of the Company.

A brief profile of Mr. Venu Krishnan and Mr. Radheshyam Swami, including nature of their expertise, is provided below.

The Company has received a declaration of independence from Mr. Venu Krishnan and Mr. Radheshyam Swami. In the opinion of the Board, Mr. Venu Krishnan and Mr. Radheshyam Swami fulfills the conditions specified in the Companies Act, 2013 and the Equity Listing Agreement, for appointment as Independent Director of the Company.

Name	**Mr. Venu Krishnan**
Date of Birth & age	18-07-1954 (65 years)
Appointed on	March 11, 2019
Qualification	B.Com
Expertise/ Experience	Business Strategy planner, Finance, Human Resource

The Other Directorships / Committee Membership of Mr. Venu Krishnan are as follows:

Name of the company	Committee Membership	Board Membership
Standard Precious Alloy Industries Private Limited	--	Director
Kovalam Hotels Limited(TRF)	--	Director
Fransciso Hospitality Private limited	--	Director
Share Space Realty Private Limited	--	Director
Carnival (Realty) India Private Limited	--	Director
Kartiya Structures LLP	--	Director

Name	Mr. Radheshyam Swami
Date of Birth & age	01.07.1948 (71 years)
Appointed on	May 10, 2019
Qualification	Post Graduate
Expertise/ Experience	Finance, Investment Banking

The Other Directorships / Committee Membership of Mr. Radheshyam Swami are as follows:

Name of the company	Committee Membership	Board Membership
NONE		

None of the Directors or Key Managerial Personnel and their relatives, except Mr. Venu Krishnan and Mr. Radheshyam Swami are concerned or interested (financially or otherwise) in this Resolution.

The Board commends the Ordinary Resolution set out at Item No 4 & 5 for approval of the Members

Item No 6

The Nomination and Remuneration Committee at its meeting held on 13th August, 2019 had recommended the remuneration to Mr. P V Mohan (DIN 00195051) as 'Whole Time Director' for a period of five years from May 10, 2019 on the terms of remuneration set out below. The Board of Directors, have approved the recommendations subject to the approval by the members at Annual General Meeting by way of special resolution.

The material terms of remuneration payable to Mr. P V Mohan are as under:

1. **Basic Salary:**

   ₹ 16,06,800/- per annum with such increases as may be decided by the Board of Directors (which includes any Committee thereof) from time to time.

2. **Perquisites and allowances:**

   In addition to the salary, the following perquisites, allowances shall be allowed to the –Whole Time Director--.

   (i) Company's contribution to Provident Fund and Superannuation Fund to the extent these either singly or put together are not taxable under the Income Tax Act.

   (ii) Gratuity at the rate of half month's salary for each completed year of service.

   (iii) Leave with full pay as per the rules of the company, with encashment of unavailed leave being allowed.

   (iv) Reimbursement of medical expenses incurred for self and family in India or abroad, including hospitalization, nursing home and surgical charges and in case of medical treatment abroad, the air fare, boarding/lodging for patient and attendant.

   (v) Reimbursement of actual travelling expenses for proceeding on leave twice in a block of four years in respect of herself and family.

   (vi) Reimbursement of membership fees for clubs in India or abroad, including any admission / life membership fees for the purpose of Company's business.

   (vii) Personal accident insurance policy in accordance with the scheme applicable to senior employees.

   (viii) Cost of insurance cover against the risk of any financial liability or loss because of any error of judgment, as may be approved by the Board of Directors from time to time.

   (ix) Reimbursement of entertainment expenses incurred in the course of business of the company.

(x) Free use of Company's car alongwith driver.

(xi) Telephone including mobile phones, tele-fax and other communication facilities at Company's cost, at his residence.

(xii) Subject to any statutory ceiling/s, the Whole Time Director may be given any other allowances, perquisites benefits and facilities as the Board of Directors may decide from time to time.

3. Valuation of perquisites

Perquisites/allowances shall be valued as per Income-Tax Rules and in the absence of any such rules, shall be valued at actual cost.

4. Computation of ceiling:

Following shall not be included in the computation of perquisites for the purposes of the ceiling:

a) Contribution to Provident and Superannuation Funds referred to in para 3(i) above.

b) Gratuity payable as per para 3(ii), to the extent of half a month's salary for each completed year of service.

c) Encashment of leave at the end of the tenure as per para 3(iii) above.

5. Other terms:

a) No sitting fees shall be paid to Mr. P V Mohan for attending the meetings of the Board of Directors or any Committee thereof, during his tenure as 'Whole Time Director' of the Company.

b) Compensation for loss of office before the expiry of the term of office would be payable to the 'Whole Time Director' as per the provisions of the Companies Act, 2013.

6. Minimum Remuneration:

In case of absence or inadequacy of profits in any financial year, the aforesaid remuneration and perquisites shall be paid to Mr. P V Mohan as minimum remuneration

Mr. P V Mohan is interested in the resolution set out respectively in Item No 6 of Notice, which pertains to his -appointment and remuneration payable to him.

Save and expect above, none of the Directors/ Key Managerial personnel of the Company/ their relatives are in any way concerned or interested, financially or otherwise, in this resolution.

The Board recommends the Special Resolution set out in Item No 6 of the Notice for approval by members.

Item No 7

Securities and Exchange Board of India (SEBI) has vide its Notification No. SEBI/LAD-NRO/GN/2018/10 dated May 09, 2018 issued the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 ("the Amendment Regulations") which brought amendments in the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 ("the Listing Regulations") to be effective from 1st April, 2019, save as otherwise specifically provided for in the Amendment Regulations. Regulation 17(1A) of the Listing Regulations, which has been inserted by the Amendment Regulations, requires the listed entities to obtain approval of shareholders by way of Special Resolution to appoint or continue the directorship of Non-Executive Directors who have attained the age of 75 years. Regulation 17(1A) is going to be effective from 1st April, 2019.

Accordingly, for continuation of directorship of Mr. Raymond Simkins, who will be above the age of 75 years as on 1st April, 2019, a special Resolution, has been proposed and justifications for the same is given below:

Mr. Raymond Simkins, 75, is associated with the Company since 1982, He Holds a degree of M.E from Buckingham Technical College. He is currently the president of the Getz Group with interest throughout the Asia/ Pacific region where he had been associated since 1966. He has over 50 years of experience in Commercial, Marketing operations and International Business.

Mr. Simkins is also on the Board and Committees of the Board of several other leading companies as stated below:

Name of the Company	Nature of Interest	Committee of Board
Foods and Inns Limited	Director	--
Getz Pharma Pvt. Ltd	Director	--

Mr. Raymond Simkins is interested in the resolution set out at Item No. 7 of the Notice.

Save and except the above, none of the other Directors/Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board recommends the Special Resolution set out at Item No. 7, of the Notice for approval of the Members.

Item No 8

Securities and Exchange Board of India (SEBI) has vide its Notification No. SEBI/LAD-NRO/GN/2018/10 dated May 09, 2018 issued the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 ("the Amendment Regulations") which brought amendments in the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 ("the Listing Regulations") to be effective from 1st April, 2019, save as otherwise specifically provided for in the Amendment Regulations. Regulation 17(1A) of the Listing Regulations, which has been inserted by the Amendment Regulations, requires the listed entities to obtain approval of shareholders by way of Special Resolution to appoint or continue the directorship of Non-Executive Directors who have attained the age of 75 years. Regulation 17(1A) is going to be effective from 1st April, 2019.

Accordingly, for continuation of directorship of Mrs. Kamlini Maniar, who will be above the age of 75 years as on 1st April, 2019, a special Resolution, has been proposed and justifications for the same is given below:

Mrs. Kamlini Maniar, 79, is associated with the Company since 2015.

Mrs. Maniar is ex Banker and has vide experience in foreign exchange banking and corporate financing. She was appointed as Woman Director as per provisions of Section 149(1) of the Companies Act 2013 and Clause 49 of the Listing Agreement. Presently as per Regulation 17 of SEBI (LODR) Regulations, 2015 it is necessary to appoint atleast one woman director on the Board of Directors.

Mrs. Kamlini Maniar is also on the Board and Committees of the Board of several other leading companies as stated below:

Name of the Company	Nature of Interest	Committee of Board
Foods and Inns Limited	Director	CSR Committee, Audit Committee
Pioneer Investcorp Limited	Director	--

Mrs. Kamlini Maniar is interested in the resolution set out at Item No. 8 of the Notice.

None of the other Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board recommends the Special Resolution set out at Item No. 8 of the Notice for approval of the Members

Registered office:
204, Madhava, 2nd Floor,
Bandra Kurla Complex,
Near Family Court, Bandra East,
Mumbai 400 051

By Order of the Board
For MULLER AND PHIPPS (INDIA) LTD

MILAN DALAL
DIRECTOR
DIN00062453

Place: Mumbai
Date: 30th May, 2019.

REPORT OF THE BOARD OF DIRECTORS

The Members of Muller & Phipps India Limited

Your Directors present the **ONE HUNDRED TWO ANNUAL REPORT** of your Company together with the Audited Financial Statements of Accounts for the year ended 31st March,2019.

1. FINANCIAL RESULTS

Amount (₹lacs) Particulars	**2018-19**	2017-18
Gross Sales	**374.07**	313.96
Profit / (Loss) after interest and Finance Charges	**23.64**	(04.81)
Provision for Depreciation	**-**	1.02
Net profit/ (Loss) before exceptional item and tax	**23.64**	(03.79)
Add/ Less Exceptional Items	**-**	-
Provision for taxation	**4.60**	**-**
Prior period adjustments	**-**	-
Profit/(Loss)for the year	**19.04**	(03.79)
Add: Profit/(Loss) Balance brought forward from Previous Year	**(554.93)**	(552.20)
Balance available for appropriation	**(534.94)**	(554.93)

During the current year sales have increased by 20% over the previous year viz ₹ 374 lakhs in 2018-19 as compared to ₹ 314 lakhs in 2017-18 enabling the Company operationally profitable.

2. TRANSFER TO RESERVES

Due to carried forward losses in previous year , the Company has adjusted the current year profit in the carried forward losses.

3. DIVIDEND

In the view of carried forward losses, Directors do not recommend any dividend for the year under report.

4. CHANGE IN THE NATURE OF BUSINESS, IF ANY

There has been no change in the nature of business of the Company. The Company is engaged in the marketing and distribution of medicated preparation under our own brands. Going forward, we are in the final stage of introducing a range of frozen snacks and fruit products under the brand Tiff-n-Bites and Treatos.

5. THE STATE OF COMPANY AFFAIRS -MANAGEMENT ANALYSIS

In the current year looking at the present economic conditions we anticipate a possible downward trend in the sales as experienced by FMCG/PHARMA industries. it is hoped that our planned introduction of frozen foods products under the Company's own brands will ensure sustained growth in the sales and profitability.

6. MATERIAL CHANGES BETWEEN THE END OF THE FINANCIAL YEAR AND THE DATE OF THE BOARD REPORT

There has been no material changes and commitments affecting financial position between end of the financial year and the date of the report.

7. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

There are adequate internal control procedures commensurate with the size of the Company and the nature of its W business, For the purchase of inventory and fixed assets and for the sale of Goods.

8. DETAILS OF SUBSIDIARY/ASSOCIATE/JOINT VENTURE COMPANY:

Name of the Company	CIN	% of shares held
Muller and Phipps Industrial Services Limited	U74140MH1988PLC047489	100%
Muller and Phipps Agencies Limited	U51900MH1981PLC025416	100%

9. PERFORMANCE AND FINANCIAL POSITION OF THE SUBSIDIARY INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENT

Particulars	Muller and Phipps Agencies Limited	Muller and Phipps Industrial Services Limited
Date of Incorporation	12-Oct-1981	26-May-1988
Percentage of Capital held by the Company	100%	100%
Reporting period of subsidiary	NA	NA
Authorised share capital	₹500000/-	₹500000/-
Paid-up share capital	₹500000/-	₹500000/-
Revenue	₹50504/-	40108/-
Profit/(Loss) before Tax	(₹10216/-)	(₹20706/-)
Taxes	NIL	NIL
PAT	(₹10216/-)	(₹20706/-)
Companies share in profit / (Loss)	100%	100%

10. ASSOCIATE COMPANY AND JOINT VENTURE

As on the date of this Report, there is no joint venture company.

11. FIXED DEPOSITS

The Company has not accepted any Fixed deposit during the financial year 2018-19.

12. AUDITORS

Appointment of Statutory Auditors

M/s. K.F. Jetsey & Co, Chartered Accountants, Mumbai, bearing ICAI Registration No. q who hold office as Auditors of your Company up to the conclusion of the forthcoming Annual General Meeting, offer themselves for the reappointment being eligible. A certificate has been obtained from them pursuant to Section 141(3)(g) of the Companies Act,2013 to the effect that their appointment, if made, would be within the limits provided therein.

13. AUDITORS' REPORT: Directors' note on Auditor's qualifications

The Directors have noted the remark about the net worth of the Company is completely eroded and as there are profits from operational activities for year ended 31st March, 2019. The Directors are hopeful of positive out come of efforts to revive the business with additional products in current portfolio in coming years which will help company to be profitable again. Accordingly, the Directors had prepared the annual accounts on a going concern basis.

14. SHARE CAPITAL

During the year under report, the Company has not issued any shares.

15. NOMINATION AND REMUNERATION COMMITTEE, RISK MANAGEMENT COMMITTEE OR ANY OTHER COMMITTEE

The provisions pertaining to Corporate Governance do not apply to the Company and hence there is no requirement of constitution of any Committee.

16. EXTRACT OF THE ANNUAL RETURN

The extract of the Annual Return prepared in Form MGT-9 in pursuance of Section 92 of the Companies Act,2013 is annexed and forms part of this Report.

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

The nature of business being dealing in consumer products retailing, providing information with regard to conservation of energy and technology absorption as required under Section 134(3) of the Companies Act,2013 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules,2014 and forming part of this Report does not arise for your Company.

Foreign exchange earned in terms of actual inflows during the year and the foreign exchange outgo during the year in terms of actual outflows as per table below:

Amountin ₹

Particulars	2018-19	2017-18
Foreign Exchange Earnings in terms of actual inflows	Nil	Nil
Foreign Exchange Outgo in terms of actual outflows	Nil	Nil

18. CORPORATE SOCIAL RESPONSIBILITY

Since the Company's net worth as well as its net loss are both below the minimum prescribed limits, the provisions of clause(o) of Section 134(3) of the Companies Act,2013 read together with Rule 9 of the Companies (Corporate Social Responsibility)Rules,2014 do not apply and hence disclosures on Corporate Social Responsibility are not required to be given.

19. DIRECTORS:

In terms of the Articles of Association of the Company. Mr. Milan Dalal retire at the ensuing Annual General Meeting and being eligible offers himself for the reappointment.

The Board of Directors has appointed Mr. P V Mohan as Whole Time Director of the Company for a period of five years with effect May 10, 2019.

The Board pursuant to the provisions of Section 149 and 152 of the Companies Act 2013 and subject to the approval of shareholders in the ensuing Annual General Meeting has appointed Mr. Venu Krishnan and Mr. Radheshyam Swami as Independent Directors of the Company for a period of five years.

During the year under review, the Company has designated Mr. Ramesh Pai, Chief Financial Officer as KMPs as per the definition under section 2(51) and section 203 of the Act

20. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

During the year 2018-2019, the Board of Directors met 5(Five)times as per table below in the year 2018-19

30th May 2018	14th August 2018	2nd November 2018	12th February 2019	11th March 2019

21. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register Maintained under Section 189 of the Companies Act, 2013 and hence no information is required to be furnished. Details of investments in all bodies corporate are given in Note 5 in the Financial Statements.

22. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The Company's contracts or arrangements with related parties of which the details are given in Note No. 36 of the Financial Statements.

a **Holding Company :** Development Holding Asia Ltd.

Subsidiaries : Muller and Phipps (Industrial Services) Ltd. Muller and Phipps Agencies Ltd.

b **Other parties where the company has entered in transaction during the year Fellow Subsidiary:**

GetzBros. Company Limited

Associates:

Foods and Inns Ltd. Western Press Pvt. Ltd

Pharmpak Pvt. Limited

c **Directors and their Relatives:**

Mr. Milan Dalal- Director

Mr. Raymond Simkins- Director

Mr. P V Mohan- Whole Time Director

Mr. Venu Krishnan-Independent Director

Mr. Radhyeswami-Independent Director

Mrs. Kamlini Maniar (Woman Independent Director)

23. MANAGERIAL REMUNERATION

The company does not have any appointment in this category in the year under review.

24. SECRETARIAL AUDIT REPORT AND COST AUDIT REPORT

M/s Sanjay Soman & Associates, Company Secretaries in Whole-time Practice, Mumbai, were appointed Secretarial Auditors of the Company by the Board, pursuant to the provisions of Section 204 of the Companies Act,2013 and the Rules made there under.

The Secretarial Audit Report issued by M/s Sanjay Soman & Associates is attached in Annexure 3 and forms part of this Report.

Directors have noted the qualifications reported in the said Report and submit the following replies: does not contain any qualification, reservation or adverse remark or disclaimer.

1. The Company will undertake to regularize the appointments of the Independent Directors and Compliance officer as per provisions of Sec 149(4) of listing agreement
2. The Company also undertakes to keep record for the purpose of monitoring the changes in the shareholdings as required under section 93 of the Companies Act 2013 for the purpose of reporting the same in MGT10 within stipulated time from such change. in top 8 shareholders including the promoters.
3. The Directors have already noted and assured completion of the records pertaining to Fixed Assets.

Given the nature of the Company's activities, the provisions relating to submission of Cost Auditors' Report do not apply to the Company.

25. CORPORATE GOVERNANCE CERTIFICATE

The provisions pertaining to Corporate Governance do not apply to the Company and hence the Company is not required to furnish any certificate with regard to Corporate Governance.

26. RISK MANAGEMENT POLICY

The provisions pertaining to Corporate Governance do not apply to the Company and hence the Company is not required to furnish any report regarding Risk Management Policy.

27. PARTICULARS OF EMPLOYEES

During the year under report, there was no employee of the category mentioned in Section 197(12) of the Companies Act, 2013 read with the Companies (Particulars of Employees) Rules,2014 and hence information in this regard is not required to be furnished.

28. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE: Rule 8(5)(vii) of the Companies (Accounts) Rules, 2014

There were no instances during the year attracting the provisions of Rule 8(5) (vii)of the Companies(Accounts) Rules,2014. However, the details of litigations pending the final result as per note 31 of financial statements are disclosed Under Contingent liabilities.

29. DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 134(5) of the Companies Act, 2013, the Directors hereby confirm that:

1. In the preparation of the Annual Accounts, the applicable accounting standards have been followed;
2. They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company at the end of the financial year covered under this Report and of the profit of your Company for the year;
3. They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safe guarding the assets of your Company and for preventing and detecting fraud and other irregularities;
4. The Annual Accounts have been prepared on a going concern basis.
5. They have laid down internal financial controls to be followed by the Company and that such internal financial controls Are adequate and were operating effectively.

6. They have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

30. ACKNOWLEDGEMENT

Your Directors wish to place on record their appreciation of the co-operation and diligent efforts of the employees of your Company.

FOR AND ON BEHALF OF THE BOARD

	Milan Dalal	**Venu Krishnan**
Place : Mumbai	**Director**	**Director**
Dated: 30/May /2019	**DIN 00062453**	**DIN00006592**

Annexure 1 to Report of Board of Directors

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

For the financial year ended on 31.03.2019

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company

(Management & Administration) Rules, 2014

I. REGISTRATION & OTHER DETAILS:

1.	CIN	**L63090MH1917PLC007897**
2.	Registration Date	**12th October 1917**
3.	Name of the Company	**Muller& Phipps India Limited**
4.	Category/Sub-category of the Company	Company Limited by Shares
5.	Address of the Registered Office & contact details	**204, Second Floor, Madava Commercial Comlex, Bandra Kurla Complex, Bandra East Mumbai -4000 51.**
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar &Transfer Agent, if any.	LinkIn time India Pvt Limited C-101,247 Park, LBS Marg, Vikhroli (West), Mumbai 400083.

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.	Medicated Dental Products (Cavisan and Cavifast)	30550	44.94%
2.	Ayurvedic Skin Ointment (Nixoderm)	24233	46.88%
3.	Home Care Product (Alfa Plus)	24249	08.18%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

S l . No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	%of shares held	Applicable Section
1	Muller and Phipps Industrial Services Limited	U74140MH1988PLC047489	Subsidiary	100%	2(87)
2	Muller and Phipps Agencies Limited	U51900MH1981PLC025416	Subsidiary	100%	2(87)

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

A. Category-wise Share Holding

Sr. No.	Category of Shareholders	Shareholding at the beginning of the year – 2018				Shareholding at the end of the year – 2019			
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	%of Total Shares
(A)	Shareholding of Promoter and Promoter Group								
[1]	Indian								
(a)	Individuals/ Hindu Undivided Family	-	-	-	-	-	-	-	-
(b)	Central Government / State Government(s)	-	-	-	-	-	-	-	-
(c)	Bodies Corporate	-	-	-	-	-	-	-	-
(d)	Financial Institutions / Banks	-	-	-	-	-	-	-	-
(e)	Any Other (Specify)								
	Sub Total (A)(1)	-	-	-	-	-	-	-	-

Sr. No.	Category of Shareholders	Shareholding at the beginning of the year – 2018				Shareholding at the end of the year – 2019			
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	%of Total Shares
[2]	Foreign								
(a)	Individuals(Non-Resident Individuals / Foreign Individuals)	-	-	-	-	-	-	-	-
(b)	Bodies Corporate	-	3,22,680	3,22,680	51.63	-	3,22,680	3,22,680	51.63
(c)	Institutions	-	-	-	-	-	-	-	-
(d)	Any Other (Specify)								
	Sub Total (A)(2)	-	3,22,680	3,22,680	51.63	-	3,22,680	3,22,680	51.63
	Total Shareholding of Promoter and Promoter Group(A)=(A)(1)+(A)(2)	**-**	**3,22,680**	**3,22,680**	**51.63**	**-**	**3,22,680**	**3,22,680**	**51.63**
(B)	Public Shareholding								
[1]	Institutions								
(a)	Mutual Funds / UTI	-	-	-	-	-	-	-	-
(b)	Financial Institutions / Banks	-	100	100	0.02	-	100	100	0.02
(c)	Central Government / State Government(s)	-	-	-	-	-	-	-	-
(d)	Venture Capital Funds	-	-	-	-	-	-	-	-
(e)	Insurance Companies	-	-	-	-	-	-	-	-
(f)	Foreign Institutional Investors	-	-	-	-	-	-	-	-
(g)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-
(h)	Any Other (Specify)								
	Sub Total (B)(1)	-	100	100	0.02	-	100	100	0.02
[2]	Non-Institutions								
(a)	Bodies Corporate	1,36,720	425	1,37,145	21.94	1,36,492	325	1,36,817	21.89
(i)	Indian	-	-	-	-	-	-	-	-
(ii)	Overseas	-	-	-	-	-	-	-	-
(b)	Individuals								
(i)	Individual shareholders holding nominal share capital upto ₹2 lakh.	93,461	44,102	1,37,563	22.01	1,01,045	41,738	1,42,783	22.01
(ii)	Individual shareholders holding nominal share capital in excess of ₹2 lakh	-	-	-	-	-	-	-	-
(c)	Any Other (Specify)								
	Clearing Member	304	-	304	0.00	75	-	75	0.01
	Non Resident Indians (Repat)	100	250	350	0.06	100	225	325	0.05
	Non Resident Indians (Non Repat)	37	-	37	0.00	62	-	62	0.00
	Other Directors/Relatives	19,429	5000	24,429	3.95	15,950	-	15,950	2.55
	Other Directors	2,350	-	2,350	0.38	2,350	-	2,350	0.38
	Trusts	42	-	42	0.01	42	-	42	0.01
	Hindu Undivided Family	-	-	-	-	3816			
	Sub Total (B)(2)	2,52,443	49,777	3,02,220	48.36	2,59,932	42,288	3,02,220	48.36
	Total Public Shareholding(B)=(B) (1)+(B)(2)	**2,52,443**	**49,877**	**3,02,320**	**48.37**	**2,59,932**	**42,388**	**3,02,320**	**48.37**
	Total (A)+(B)	**2,52,443**	**3,72,557**	**6,25,000**	**100.00**	**2,59,932**	**3,65,068**	**6,25,000**	**100.00**
(C)	Shares held by custodians and against which depository receipts have been issued								
[1]	Promoter and Promoter Group	-	-	-	-	-	-	-	-
[2]	Public	-	-	-	-	-	-	-	-
	Total (A)+(B)+(C)	**2,52,443**	**3,72,557**	**6,25,000**	**100.00**	**2,59,932**	**3,65,068**	**6,25,000**	**100.00**

B. Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year 2018			Shareholding at the end of the year 2019			% change in share-holding during the year
		No.of shares	%of total shares of the company	%of shares pled-ged/ encum-bered to total	No.of shares	%of total shares of the company	%of shares pled-ged/ encum-bered to total	
1.	Development Holdings Asia Limited	322680	51.6288		322680	51.6288		

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

Sl. No.	Particulars	Shareholding at the beginning of the year 2018		Cumulative Shareholding during the year 2019	
		No.of shares	%of total shares of the Company	No.of shares	%of total shares of the Company
	At the beginning of the year	322680	51.6288	322680	51.6288
	Date wise increase/ decrease in promoters' share-holding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/Sweat Equity etc.)	No Changes in the promoters shareholdings from 1-4-2018 to 31-3-2019			
	Atthe end of the year			322680	51.6288

D. **Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs/ADRs)**

Sr No.	Name&Type of Transaction	Shareholding at the beginning of the year –2018		Reason	Cumulative Shareholding at the end of the year – 2019	
		NO.OF SHARES HELD	%OF TOTAL SHARES OF THE COMPANY		NOOF SHARES HELD	%OF TOTAL SHARES OF THE COMPANY
1	SWAR INVESTMENTS AND TRADING CO PVT LTD	56350	9.0160		56350	9.0160
2	SATYAJYOTI HOLDINGS PRIVATE LIMITED	49525	7.9240		49525	7.9240
3	REKHA B DALAL	17000	2.7200		17000	2.7200
4	DRAVYA FINANCE LTD.,	10650	1.7040		10650	1.7040
5	VISHAL GANDHI	10028	1.6040		10028	1.6040
6	CHANDRAPRABHA GANDHI	11835	1.8936		11835	1.8936
7	PURSARTH TRADING PRIVATE LIMITED.	6867	1.0987		6867	1.0987
8	SHREE BAHUBALI STOCK TRADING PRIVATE LTD	5146	0.8234		5146	0.8234
9	ADITI. A. DALAL	4000	0.6400		4000	0.6400
10	SATYAN B. DALAL	4000	0.6400		4000	0.6400

Shareholding of Directors and Key Managerial Personnel

Sr. No.	Shareholding of each Director and each Key Managerial Personnel	Shareholding at the beginning of the year 2018		Cumulative shareholding during the year 2019	
		No. of shares	%of total shares of the Company	No. of shares	%of total shares of the Company
1	**Mr. Milan B. Dalal**				
	At the beginning of the year	**2,350.00**	**0.376**	**2350**	**0.3760**
	Date wise increase/decrease in promoters' shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)				
	At the end of the year	**2,350.00**	**0.3760**	**2350**	**0.3760**
2	**Mr. Ray Simkins**				
	At the beginning of the year	-	-	-	-
	Date wise increase/decrease in promoters' shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)				
	At the end of the year	-	-	-	-
3	**Mrs.Kamlini C. Maniar**				
	At the beginning of the year	-	-	-	-
	Date wise increase/decrease in promoters' shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)				
	At the end of the year	-	-	-	-

Sr. No.	Shareholding of each Director and each Key Managerial Personnel	Shareholding at the beginning of the year 2018		Cumulative shareholding during the year 2019	
		No. of shares	%of total shares of the Company	No. of shares	%of total shares of the Company
4	**Mr. Venu Krishnan**				
	At the beginning of the year				
	Date wise increase/decrease in promoters' shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)				
	At the end of the year				

V. **INDEBTEDNESS: (Indebtedness of the Company including interest outstanding/accrued but not due for payment)**

	Secured Loans excluding deposits	Unsecured loans	Deposits	Total indebtedness
In debt ness at the beginning of the year	-	-	-	-
(i) Principal amount	-	1,89,00,000	-	1,89,00,000
(ii) Interest due but not paid	-	1,19,49,761	-	1,19,49,761
(iii) Interest accrued but not due	-	-	-	-
Total (i) + (ii) + (iii)		3,08,49,761		3,08,49,761
Change in indebtedness during the financial year	-	-	-	-
• Addition		2,18,20,346		2,18,20,346
• Reduction	-	1,87,63,220	-	1,87,63,220
Net change	-	30,57,126	-	30,57,126
Indebtedness at the end of the year	-	-	-	-
(i) Principal amount	-	2,04,00,000	-	2,04,00,000
(ii) Interest due but not paid	-	1,35,06,887	-	1,35,06,887
(iii) Interest accrued but not due	-	-	-	-

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

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

Sr. No.	Name of the Person and Designation	Particulars of Remuneration	Total Amount
	Mr. P. V. Mohan. President-Operation	Gross Salary	₹9,71,000/-

B. **Remuneration to other Directors:**

Sr. No.	Particulars of Remuneration	Names of Directors			Total Amount
1	**Other Non-Executive Directors**	**Milan Dalal**		**Ray Simkins**	
	Fee for attending Board/Committee Meetings	₹25000/-	-	15000/-	₹40000/-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (3) of	₹25000/-	-	15000/-	₹40000/-
	Other Non. Exe. Dir.				
2	**Independent Directors:Z**	**Mrs. Kamlini Maniar**			**Total**
	Fee for attending Board/Committee Meetings	₹ 15,000/-			₹ 15,000/-
	Commission	-			
	Others, please specify	-			
	Total (1)	₹ 15,000/-			₹ 35,000/-
	Total B 1+B2 = 1(3) + 2(1)	**₹55,000/-**			**₹55,000/-**

REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD The Company has no Key Managerial Personnel other than the Director

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		CEO	CS	CFO	
1.	Gross salary				
	Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	-	-	-	-
	Value of perquisites under Section 17(2) of the Income-tax Act, 1961	-	-	-	-
	Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit -others, specify	-	-	-	-
5.	Others,please specify	-	-	-	-
	Total	-	-	-	-

VII. PENALTIES / PUNISHMENT/COMPOUNDING

There were no penalties, punishment and compounding of offences during the year ended March 31, 2019

Annexure 2 to Report of Board of Directors

Directors and Related party Disclosure and particulars of Transactions :

1 (As per note no. 36 of Financial Statements for 2018-2019)

Notes to the financial statements for the year ended 31st March, 2019

Related Party Disclosure

The transactions with Related Parties during the year were as follows :

Particulars	Fellow Subsidiary		Subsidiaries				Associates								Key Management Personnel			
	Getz Bros. Co. Ltd.		Muller & Phipps Agencies Ltd.		Muller & Phipps (Industrial Services) Ltd.		Foods and Inns Ltd.		Getz Pharma Pvt. Ltd.		Western Press Pvt. Ltd.		Pharmpak Private Limited		Mr. Milan Dalal		Mr. P. V. Mohan	
	As at March 31, 2019	As at March 31, 2018	**As at March 31, 2019**	As at March 31, 2018	**As at March 31, 2019**	As at March 31, 2018	**As at March 31, 2019**	As at March 31, 2018	**As at March 31, 2019**	As at March 31, 2018	**As at March 31, 2019**	As at March 31, 2018	**As at March 31, 2019**	As at March 31, 2018	**As at March 31, 2019**	As at March 31, 2018	**As at March 31, 2019**	As at March 31, 2018
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
Nature of Transactions																		
Purchase of Goods	-	-	-	-	-	-	-	-	-	-	-	-	**1,41,73,629**	14,677,897	-	-	-	-
Directors Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**25,000**	20,000	-	-
Salaries and Other Employee Benefits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**12,06,000**	-
Printing and Stationery	-	-	-	-	-	-	-	-	-	-	**1,79,128**	1,38,438	-	-	-	-	-	-
Interest Expenses	-	-	**32,000**	32,000	-	-	**16,46,232**	23,12,497	**4,11,371**	-	-	-	-	-	-	-	-	-
Doubtful Advances provided	-	-	-	-	**46,585**	76,806	-	-	-	-	-	-	-	-	-	-	-	-
Intercorporate Loans received	-	-	-	-	-	-	-	-	**2,00,00,000**	-	-	-	-	-	-	-	-	-
Intercorporate Loans re-paid	-	-	-	-	-	-	**1,85,00,000**	-	-	-	-	-	-	-	-	-	-	-
Outstanding at year-end																		
Intercorporate Loans payable	-	-	**4,00,000**	4,00,000	-	-	-	1,85,00,000	**2,00,00,000**	-	-	-	-	-	-	-	-	-
Loans and Advances given	-	-	-	-	**13,77,345**	13,30,760	-	-	-	-	-	-	-	-	-	-	-	-
Other Receivables	**2,87,54,011**	2,87,54,011	-	-	-	-	**15,00,000**	-	-	-	-	-	-	-	-	-	-	-
Payables	**4,71,10,790**	4,71,10,790	-	-	-	-	-	-	-	-	**7,22,441**	7,48,659	**51,41,768**	5,238,754	-	-	-	-
Interest Payable	-	-	**13,640**	45,138	-	-	**1,33,86,233**	1,19,04,623	**1,07,014**	-	-	-	-	-	-	-	-	-
Doubtful Advances Provision	-	-	-	-	**13,77,345**	13,30,760	-	-	-	-	-	-	-	-	-	-	-	-

Annexure 3 to Report of Board of Directors
Form MR3: Secretarial Audit Report

For the year 2018-19

[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
MULLER AND PHIPPS (INDIA) LTD
CIN: L63090MH1917PLC007897
204, Madhava, 2nd Floor,
Bandra Kurla Complex,
Bandra East, Mumbai 400 051

We conducted the audit of secretarial compliances as per applicable statutory provisions to the company and the adherence to good corporate practices by **Muller & Phipps India Limited** (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 under the normal operating circumstances to pursue the main objects of the company. Based on our verification of the 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, we hereby report that in our opinion, the Company has, during the audit period ended on 31st March 2019, complied with the below listed statutory provisions and also with the Board-processes in a manner prescribed, subject to the reporting made hereinafter:

1. We have examined the books, papers, minutes, forms and returns filed and other records maintained by the Company for the year ended on 31st March 2019, according to the provisions of:

I. The Companies Act, 2013 (the Act) and the Rules made thereunder;

II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;

III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

V. Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India;

VI. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company :-

a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers)Regulations, 2011; - *Not Applicable in absence of any such event during the year*

b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; - *Not Applicable in absence of any such event during the year*

d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; ; - *Not Applicable so far as Issue of capital is concerned, in absence of any such event during the year.*

e. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; - *Not Applicable in absence of any such event during the year*

f. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015and as amended in 2018;

2. We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test-check basis, the Company has, in our opinion, complied with the provisions of:

i) The employees State Insurance Act, 1948,

ii) Employees provident Fund and Miscellaneous provisions Act 1952, and other applicable labour related laws,

iii) Other applicable rules and regulations of local civic bodies, state governments and authorities wherever applicable as per management representation letter given to us; And

iv) Companies Act, 2013 and the Rules made under that Act , and the Memorandum and Articles of Association of the Company, with regard to:

a) Maintenance of various statutory registers and documents and making necessary entries therein;

b) Closure of the Register of members.

c) forms, returns, documents and resolutions required to be filed with the Registrar of Companies

d) service of documents by the Company on its Members, Auditors and the Registrar of Companies, stock exchange, or law offices;

e) notice of board meetings, the meetings of independent directors, passing of resolutions, minutes of the proceedings of the Board meetings and its reporting its outcome to stock exchange, and notice and proceedings of Annual General Meeting held on 24th September 2018.

f) approvals of the Members, the Board of Directors, and the government authorities, wherever required with or without dissents on the items in the proceedings;

g) constitution of the Board of Directors, appointment, retirement and reappointment of Directors including the Woman Director, Independent Directors, Auditors, Practising Company Secretary and other Key managerial personenel;

h) payment of sitting fees to the Director; remuneration of Auditors;

i) Transfers and transmissions of the Company's shares and issue and dispatch of duplicate/endorsed certificates of shares wherever necessary as per RTA;

j) borrowings and registration, modification and satisfaction of charges;- ; - *Not Applicable in absence of any such event during the year*

k) investment of the Company's funds ;

l) The financial statements in the form specified in Schedule III to the Act and comply with Accounting Standards or Indian Accounting Standards as applicable as provided under Companies (Accounts) Second Amendment Rules, 2015 (4A) dated 4th September, 2015.

m) Directors' report;

n) contracts, registered office and publication of name of the Company; and

o) Generally, all other applicable provisions of the Act and the Rules made under the Act,

3. *Subject to the observations below for the period under review:*

   *i. Company needs to comply with Companies (Meetings of board and its powers) Rules, 2014, disclosure of interest of Directors and other applicable provisions and maintain the record as prescribed.**

   *ii. The company needs to have non- interested Director and Independent Director to carry on the business of the company to form appropriate quorum at the Board Meetings.**

   iii. The company needs to observe the shareholding pattern as given every week by Registrar and Transfer Agent appointed by the company to show changes, in the top ten shareholders of the company including promoters, as per provisions of u/s 93 of the Companies Act 2013 so as to avoid default of reporting the change for the purpose of insider trading transactions, beneficial ownership etc.

   *iv. the company has mentioned 'Compliance officer' for the purpose of statutory Compliances in absence any appointment of a Whole Time Director, a qualified Company Secretary and a Chief Financial Officer of the company which is mandatory.**

   *v. The company needs to maintain proper and duly authenticated records pertaining the Board meetings, minutes of board and shareholders' meetings, including the minutes of the subsidiary companies as per revised Secretarial Standards applicable to the company as per Secretarial Standards SS1 and SS2.**

   **since company has undertaken due compliance of the provisions of the Companies Act 2013 as amended till date read together with latest regulations issued by SEBI(LODR) of 2018 in the year 2019-20 and reported the same to the Stock Exchange as regards appointment of Independent Director, Company Secretary and others.*

4. We further report that:

   based on the information received and records maintained by the company and subject to our remarks in 3 above, there are reasonably 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.

For Sanjay Soman & Associates
Company Secretaries
Sd/-
Sanjay Soman
Prop
CP817

Place : Mumbai
Date : 29th May 2019

Encl: Annexure A to the Secretarial Audit Report of even date.

Annexure A to Secretarial Audit Report.

To
The Members,
Muller & Phipps India Limited
CIN: L63090MH1917PLC007897

Secretarial Audit Report in MR 3 below for the Financial Year ended 31.03.2019 is to be read with the following notes:

A. Management's Responsibility-

1. Maintenance of secretarial records,
2. Making Management Policies,
3. Observance of the applicability of any other objects specific laws, rules, regulations, standards to the company and maintenance of compliances thereunder,
4. And devising adequate process flow to ensure chronological evidences of the compliance with statutory provisions so far as applicable to the company.

B. Auditor's Responsibility-

1. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company as regards to the compliances.
2. We have followed the audit practices and processes to obtain the records, evidences and information from the company management which we believe is adequate and appropriate, to provide a reasonable basis for our opinion.
3. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events.

C. Disclaimer-

1. We have relied on Statutory Auditors Report on Financial Statements so far as the correctness and appropriateness of financial records, observations and reporting and Books of Accounts of the Company and we have not verified them.
2. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Sanjay Soman & Associates
Company Secretaries

Sanjay Soman
Prop. CP817

Mumbai,
Date:29/05/2019.

ANNEXURE 4 FORM AOC -1

(Pursuant to first provisio to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014) Statement containing salient features of the Financial Statement of Subsidiaries/Associates/Joint Ventures

Sr no	Particulars	Subsidiary	Subsidiary
1	Name of the Company	Muller & Phipps Agencies Ltd	Muller & Phipps Industrial Services Ltd
2	Reporting period for the subsidiary concerned,if different from the holding companys reporting period	31/3/2019	31/3/2019
3	Reporting Currency and Exchange rates as on the last date of the relevant Financial Year in case of foreign subsidiaries	N/A	N/A
4	Share Capital	500,000	500,000
5	Reserves & Surplus	(142,515)	(20,92,427)
6	Total Assets	4,59,248	18,067
7	Total Liabilities	1,01,763	16,10,494
8	Investments	-	-
9	Turnover	50,504	40,108
10	Profit before Taxation (A)	(10,216)	(20,706)
11	Provision for Taxation (B)	-	-
12	Profit after Taxation (A)- (B)	(10,216)	(20,706)
13	Proposed Dividend	-	-
14	% of Shareholding	100%	100%

Milan Dalal
Director
DIN No. 00062453

Place: Mumbai
Dated: 29/05/2019.

INDEPENDENT AUDITOR'S REPORT

To the Members of Muller & Phipps (India) Limited

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone financial statements of Muller & Phipps (India) Limited ('the Company'), which comprise the Balance Sheet as at 31st March, 2019, the Statement of Profit and Loss including the statement of 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.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cashflows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act, read Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adeaquate accounting records in accordance with the provisions of the Act for the safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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 true and fair view and free from material misstatements, whether due to fraud or error.

In preparing the standalone 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.

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

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under

section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the 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 accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

We are independent of the Company in accordance with the Code of Ethics issued by the ICAI together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Basis for Qualified Opinion

The financial statements have been prepared on a going concern basis by the management as there are profits from operational activities for the year ended 31st March 2019 and even though the net worth of the Company has been completely eroded and also on the basis that they have business plans for profitable operations in the future. However, no such detailed plans have been shown or explained to us to our satisfaction and hence we are unable to form any opinion on the going concern status of the Company.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in the Basis for Qualified Opinion paragraph above, the aforesaid standalone 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 state of affairs of the company as at March 31, 2019, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Key Audit Matters

Key audit matters are those that, in professional judgement, were of the most significant in our audit of the Standalone Ind AS financial statements for finanacial year March 31, 2019.

These matter were addressed in the context of our audit of the consolidated financial Ind AS financial statements as whole and in forming our opinion theron, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provide in that context.

Key audit matters	How our audit addressed the key audit matter
Recognised of tax credit (as prescribed in 2.10 of the financial statement)	

The Group has recognized Minimum Alternate Tax (MAT) credit receivable of Rs. 4.6 lakhs as at 31st March, 2019. The recognisition of MAT credit and deferred tax asset (together referred to as "tax credit" hereinafter) is a key audit matter as the responsibility of such tax credits within the allowed time frame involves significant estimate of financial projection, availability of sufficient taxable income in the future and significant judgement in the interpretation of tax regulations and tax positions adopted by the group.	• Our audit procedures included considering the Group's accounting policies with respect to recognition of tax credits in accordance with Ind AS 12 "Income Taxes"
	• We preformed test of controls over recognition of tax credits through inspection of evidence of performance of these controls.
	• We preformed the following tests of details:
	  • We involved our tax specialists who evalued the group's tax positions by comparing with prior years and past precedents.
	  • We discussed the future business plans and financial projection with the company.
	  • We assessed the managements long term financial projections and the key assumptions used in the projection by comparing it to the approved business plan and projections used for impairment assessment where applicable.
	• We have assessed the disclosure in accordance with the requirements of Ind AS 12 "Income Taxes"

• Related Party Transaction (as perscribed in Schedule 36 of the financial statements)	

During the year, the company has purchased goods from Pharmpak Private Limited worth
Rs. 1.41 crore respectively.
The company has paid director sitting fees to Mr. Milan Dalal of Rs. 25,000/-
The company has purchased printing and stationeries from Western Press Private Limited for Rs. 1.79 lakhs
During the year the group has provided for a total of Rs. 20.90 lakhs as interest to Foods and Inns Ltd., Getz Pharma Pvt Ltd and its subsidiary Muller & Phillips Agencies Ltd.
The company has provided for Doubtful Advance of Rs. 46,585/- against its Subsidary Muller & Phipps (Industrial Services) Ltd.
Determination of transaction prices for such related party transaction outside the normal course of business is a key audit and the significant judgements involved in determining the transaction value.
	• Our audit procedures included considering the compliance with the various requirements for entering in to such related party transaction.
	• We performed test of controls over related party transactions through inspection of evidence of performance of these controls.
	• We performed the following tests of details:
	  • We have read the valuation reports and fairness apinion obtained from independent valuers and assessed the objectivity and competence of the independent valuers.
	  • We have read the approvals obtained from Board of Directors, Shareholders and all other regulatory approvals for the transactions.
	• We have assessed the disclosures in accordance with Ind AS 24 " Related Party Disclosures".

Other information, such as "Information Other than the Financial Statements and Auditor's Report Thereon"

The Company's Board of Director is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the Ind AS financial statement and our auditor's report thereon.

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

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the 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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 issued by Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the 'Annexure I' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
    a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
    b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
    c. The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Changes in Equity dealt with by this Report are in agreement with the books of account.
    d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read Companies (Indian Accounting Statndards) Rules, 2015, as amended.
    e. The going concern matter described under the Basis of Qualification paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.
    f. On the basis of written representations received from the directors as on 31st March, 2019, and 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.
    g. 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 II'.
3. With respect to 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 explaination given to us:
    i. The Company has disclosed the impact of pending litigations on its financial positions in its financial statements – Refer Note 31 to the financial statements.
    ii. The Company did not have any long-term contract including derivative contracts for which there were any material forseeable losses.
    iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
    iv. The disclosure in the standalone financial statements dealing in specified bank notes during the period from 8 November 2016 to 30 November 2016 have not been made in the financial statements since they do not pertain to the financial year ended 31st March, 2019.
4. With respect to the matter to be included in the Auditors Report under Section 197(16):

    In our Opinion and according to information and explanation given to us, the remuneration paid during the current year by the Holding Company and its subsidiaries which are incorporated in India is in accordance with the provisions of Section 197 of the Act. The remuneration paid t any director by the Holding Company and its subsidiaries which are incorporated in India, is not in excess of the limit laid down under Section 197 of the Act. The ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required t be commented upon by us.

For K. F. Jetsey & Co.
Chartered Accountants
Firm's Registration No. 104209W

(CA. Keshav Jetsey)
Proprietor
Membership No. 033206

Place: Mumbai
Date: 30th May, 2019

Annexure I

Annexure to the Independent Auditor's Report of even date on the Standalone Ind AS Financial Statements of Muller & Phipps (India) Limited.

Report on Companies (Auditor's Report) Order, 2016, issued by the Central Government in terms of sub section (11) of section 143 of the Companies Act, 2013 ('the Act')

As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government in terms of sub section (11) of section 143 of the Act, and on the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of the audit, we further report that: -

1. a) The Company has not maintained proper records to show full particulars, including quantitative details and situation of Property, Plant and Equipment.
   b) No physical verification of Property, Plant and Equipment has been conducted by the management during the year or in the recent past. In our opinion, the frequency of verification needs to be improved to be commensurate with the size of the Company and the nature of its business.
   c) The Company does not own any immovable property.
2. a) The inventory has been physically verified by the management at reasonable intervals during the year and no material discrepancies found .
   b) In our opinion, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
   c) The Company has maintained proper records of inventory. The discrepancies between the physical inventory and the book records noticed on physical verification were not material and have been properly dealt with in the books of account.
3. The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act').
4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
5. The Company has not accepted any deposits from the public within the meaning of the provisions of Sections 73 to 76 or any other relevant provisions of the Act and Rules framed thereunder.
6. The Central Government has not prescribed maintenance of cost records under sub section (1) of sec 148 of the Companies Act, 2013.
7. a) According to the information and explanations given to us by the management and on the basis of examination of the books of accounts carried out by us, the Company has been regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service Tax, Excise Duty, Value Added Tax, Cess and other statutory dues, as applicable, with the appropriate authorities. There were no undisputed arrears of statutory dues outstanding as at 31st March, 2019 for a period of more than six months from the date they became payable.
   b) According to the information and explanations given to us by management and the records of the Company examined by us, there were no disputed dues in respect of Income-tax, Sales-tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax and Cess which have not been deposited as at 31st March, 2019 other than those shown below ::

Nature of dues pending	Amount ₹	Forum where dispute is
Inco Income Tax A.Y 2001-02	10,57,725	Deputy Commissioner of Income-tax for giving effect to ITAT orders which are in favour of the Company.
Income Tax Penalty A.Y 2001-02	2,10,00,000	Deputy Commissioner of Income-tax for giving effect to ITAT orders which are in favour of the Company.
Sales Tax A.Y 2004-05 A.Y 2002-03	2,85,000 2,29,000	Sales Tax Authorities – Lucknow

8. The Company does not have any loans or borrowings from any financial institutions, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.
9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable.
10. According to information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
11. The Company has not paid any managerial remuneration during the year.

12. Clause (xii) of the Order is not applicable to the Company since the Company is not a Nidhi Company.
13. According to the information and explanations given to us and the records of the Company examined by us, all the transactions with the related parties are in compliance with Section 177 and 188 of the Act, where applicable and the details as required by the Accounting Standards have been disclosed in the Financial Statements.
14. According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.
15. According to the information and explanations given to us and the records of the Company examined by us, the Company has not entered into any non-cash transactions covered in Section 192 of the Act with Directors or persons connected with him during the year
16. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For K. F. Jetsey & Co.
Chartered Accountants
Firm's Registration No. 104209W

(CA Keshav Jetsey)
Proprietor
Membership No. 033206

Place: Mumbai
Date: 30th May, 2019

Annexure II

Annexure to the Independent Auditor's Report of even date on the Standalone Ind AS Financial Statements of Muller & Phipps (India) 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 Muller & Phipps (India) Limited ('the Company') as of 31st March, 2019 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting 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, to the extent applicable to an audit of internal financial controls, 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 31st March 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 K. F. Jetsey & Co.
Chartered Accountants
Firm's Registration No. 104209W

(CA. Keshav Jetsey)
Propreitor
Membership No. 033206

Place : Mumbai
Date: 30th May, 2019

STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2019

Particulars	Notes	As at March 31, 2019 ₹	As at March 31, 2018 ₹
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	3	**4,17,590**	5,12,603
Other Intangible Assets	4	**-**	-
Financial Assets			
Investments	5	**1,00,000**	1,00,000
Loans	6	**-**	-
Other Financial Assets	7	**4,00,46,623**	3,82,85,710
Total Non-Current assets		**4,05,64,213**	3,88,98,313
Current Assets			
Inventories	8	**7,35,975**	5,49,318
Financial Assets			
Trade Receivables	9	**41,13,709**	34,84,241
Cash and cash equivalents	10	**26,09,690**	17,46,893
Other Bank Balances	11	**-**	-
Other Current Assets	12	**1,07,653**	73,414
Total Current assets		**75,67,027**	58,53,866
TOTAL ASSETS		**4,81,31,240**	4,47,52,179
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	13	**62,50,000**	62,50,000
Other Equity		**(5,34,94,125)**	(5,54,93,703)
Total Equity		**(4,72,44,125)**	(4,92,43,703)
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	14	**2,04,00,000**	1,89,00,000
Other Financial Liabilities	15	**2,87,04,001**	2,87,04,001
		4,91,04,001	4,76,04,001
Provisions			
Employee Benefit Obligations	16	**1,595,005**	16,15,373
Total Non-current Liabilities		**5,06,99,006**	4,92,19,374
Current Liabilities			
Financial Liabilities			
Trade Payables	17	**2,35,00,373**	2,39,15,714
Other Financial Liabilities	18	**1,35,06,887**	1,19,49,761
Other Current Liabilities	19	**41,34,982**	48,16,512
Provisions			
Employee Benefit Obligations	20	**29,13,117**	39,33,521
Tax Liabilities	21	**6,21,000**	1,61,000
Total Current Liabilities		**4,46,76,359**	4,47,76,508
TOTAL EQUITY AND LIABILITIES		**4,81,31,240**	4,47,52,179

The accompanying notes 1 to 40 form an integral part of the financial statements

As per our Report Attached

For **K.F JETSEY & CO**
Chartered Accountants
Firm's Registration No.104209W

K F JETSEY
Proprietor
Membership No. 033206

Place: Mumbai
Dated: 30th May, 2019

For and on behalf of the Board of Directors of
Muller and Phipps (India) Limited

MILAN DALAL
Director
DIN No.: 00062453

VENU KRISHNAN
Director
DIN No.: 00006592

P V MOHAN
Whole-time Director
DIN No.: 00195051

RAMESH PAI
Chief Financial Officer

SALONI. A. SHAH
Company Secretary

Place: Mumbai
Dated: 30th May, 2019

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2019

Particulars	Notes	For year ended March 31, 2019 ₹	For year ended March 31, 2018 ₹
INCOME			
Revenue from Operations	22	3,74,06,960	3,13,95,741
Other Income	23	8,07,472	17,58,424
TOTAL REVENUE		3,82,14,432	3,31,54,165
EXPENDITURE			
Purchases (net of returns) of Stock- in-trade	24	1,60,30,981	1,36,80,410
Changes in Inventories of Finished Goods	25	(1,86,657)	(1,05,354)
Employee Benefits Expense	26	87,03,971	86,29,721
Finance Costs	27	20,89,603	23,60,504
Depreciation and Amortisation Expense	28	1,11,011	1,01,773
Other Expenses	29	91,00,860	88,66,141
TOTAL EXPENSES		3,58,49,769	3,35,33,195
PROFIT / (LOSS) BEFORE EXCEPTIONAL ITEMS AND TAX		23,64,663	(3,79,030)
PROFIT / (LOSS) BEFORE TAX		23,64,663	(3,79,030)
Current Tax		4,60,000	-
Deferred Tax Adjustment - Debit / (Credit)		-	-
PROFIT / (LOSS) FOR THE YEAR		19,04,663	(3,79,030)
OTHER COMPREHENSIVE INCOME			
Items that wil not be reclassified to profit or loss			
Re-measurement gains / (losses) on defined benefit plans		94,915	1,05,595
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		19,99,578	(2,73,435)
Earning per Share - Basic and Diluted	39	3.05	(0.61)

The accompanying notes 1 to 40 form an integral part of the financial statements

As per our Report Attached

For **K.F JETSEY & CO**
Chartered Accountants
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Company Secretary

Place: Mumbai
Dated: 30th May, 2019

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2019

EQUITY SHARE CAPITAL

Particulars	**As at March 31, 2019 ₹**	As at March 31, 2018 ₹
Outstanding at the beginning of the year	**62,50,000**	62,50,000
Issued during the year	**-**	-
Bought back during the year	**-**	-
Outstanding at the end of the year	**62,50,000**	62,50,000

OTHER EQUITY

Particulars	Share application money pending allotment (₹)	Reserves and Surplus		Other Comprehensive Income (₹)	Total (₹)
		Securities Premium Reserve (₹)	General Reserve (₹)		
Balance as at April 01, 2018	**-**	**2,25,00,000**	**(7,80,99,298)**	**105,595**	**(5,54,93,703)**
Profit for the year	**-**	**-**	**19,04,663**	**-**	**19,04,663**
Other Comprehensive Income	**-**	**-**	**-**	**94,915**	**94,915**
As at March 31, 2019	**-**	**2,25,00,000**	**(7,61,94,635)**	**2,00,510**	**(5,34,94,125)**
Balance as at April 01, 2017	-	2,25,00,000	(7,77,20,268)	-	(5,52,20,268)
Profit for the year	-	-	(3,79,030)	-	(3,79,030)
Other Comprehensive Income	-	-	-	1,05,595	1,05,595
As at March 31, 2018	-	2,25,00,000	(7,80,99,298)	1,05,595	(5,54,93,703)

The accompanying notes 1 to 40 form an integral part of the financial statements

As per our Report Attached

For **K.F JETSEY & CO**
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Company Secretary

Place: Mumbai
Dated: 30th May, 2019

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

	Particular	**For the year ended March 31, 2019 ₹**		For the year ended March 31, 2018 ₹	
A.	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Net Profit/(Loss) Before Tax		**23,64,663**		(3,79,030)
	Adjustments for				
	Depreciation	**1,11,011**		1,01,773	
	Profit / (Loss) on Sale of Fixed Assets	**-**		-	
	Interest and Finance Charges Expenses	**20,89,603**	**22,00,614**	23,60,504	24,62,277
	Operating Profit/(Loss) before Working Capital Changes		**45,65,277**		20,83,247
	Adjustment for				
	(Increase)/Decrease in Trade and Other Receivables		**(20,24,620)**		22,67,353
	(Increase)/Decrease in Inventories		**(1,86,653)**		(1,05,354)
	Increase/(Decrease) in Sundry Creditors and Other Liabilities		**(20,42,731)**		(25,01,131)
	Cash Used in Operations		**3,11,273**		17,44,115
	Taxes Paid		**(4,00,000)**		(1,34,340)
	Net Cash from Operating Activities		**(88,727)**		16,09,775
B.	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Purchase of Fixed Assets		**(15,999)**		(1,83,863)
	Sale of Fixed Assets		**-**		-
	Investment / (encashment) - Margin Money Deposits		**-**		-
	Net Cash (used in) Investing Activities		**(15,999)**		(1,83,863)
C.	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Intercorporate Loan		**15,00,000**		-
	Interest Paid		**(5,32,477)**		(7,02,610)
	Net Cash (used in) Financing Activities		**9,67,523**		(7,02,610)
	Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)		**8,62,797**		7,23,302
	Cash and Cash Equivalents as at beginning of the year		**17,46,893**		10,23,591
	Cash and Cash Equivalents as at close of the year		**26,09,690**		17,46,893

As per our Report Attached

For **K.F JETSEY & CO**
Chartered Accountants
Firm's Registration No.104209W

K F JETSEY
Proprietor
Membership No. 033206

Place: Mumbai
Dated: 30th May, 2019

For and on behalf of the Board of Directors of
Muller and Phipps (India) Limited

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DIN No.: 00062453

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RAMESH PAI
Chief Financial Officer

SALONI. A. SHAH
Company Secretary

Place: Mumbai
Dated: 30th May, 2019

Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2019

1 CORPORATE INFORMATION

Muller and Phipps (India) Ltd is a public limited company incorporated in India having its registered office at 204, Madhava Building, Bandra Kurla Complex, Bandra East, Mumbai-400051. The Company is engaged in marketing of over the counter medical preparation and home care products.

2 SIGNIFICANT ACCOUNTING POLICIES

Statement of Compliance

The Financial Statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules,2015 and in accordance with the accounting standards notified under the section 133 of the Companies Act 2013, read with together with rule 7 of the Companies (Accounts) Rules 2014.

A. Optional Exemption:

Deemed cost for property, plant and equipment and intangible assets

The Company has elected to continue with the carrying value determined in accordance the normally accecpted accounting principal for all of its property, plant and equipment and intangibile assets recognised as of 1st April, 2016 (transition date) and use that carrying value as deemed cost of such assets as of transition date.

B. Mandatory Exceptions:

Use of Estimate

On assessment of the estimates made under the normally accecpted accounting principal financial statements, the Company has concluded that there is no necessity to revise the estimates under Ind AS, as there is no objective evidence of an error in those estimates.

Impairment of Investment in Subsidary

The Company reviews its carrying value of investments carried at amortised cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The Financial Statements have been prepared under historical cost basis, except for certain financial assets which are measured at fair value or amortised cost at the end of each reporting period, as explained in the accounting policies below.

2.2 PROVISIONS AND CONTINGENT LIABILITIES

A provision is recognised when the Group has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. Contingent assets are neither recognised nor disclosed in the financial statements.

2.3 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. The policy has been further explained under note 2(l).

2.4 REVENUE RECOGNITION

Effective April 1, 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18

Revenue and Ind AS 11 Construction Contracts. The Company has adopted Ind AS 115 using the cumulative effect method. The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018). The standard is applied retrospectively only to contracts that are not completed as at the date of initial application and the comparative information in the statement of profit and loss is not restated – i.e. the comparative information continues to be reported under Ind AS 18 and Ind AS 11. Refer note 2(d) – Significant accounting policies – Revenue recognition in the Annual report of the Company for the year ended March 31, 2018, for the revenue recognition policy as per Ind AS 18 and Ind AS 11. The impact of the adoption of the standard on the financial statements of the Company is insignificant.

Revenue is measured at fair value of consideration received or receivable. All income and expenditure items are recognised on accrual basis.

Revenue is recognised only when evidence of an arrangement is obtained and the other criteria to support revenue recognition are met, including the price is fixed or determinable, services have been rendered and collectability of the resulting receivables is reasonably assured.

Revenue is reported net of discounts and indirect taxes

Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2019

2.5 COST RECOGNISITION

Costs and expenses are recognised when incurred and have been classified according to their nature.

The costs of the Group are broadly categorised into employee benefit expenses, cost of traded goods, depreciation and amortisation and other operating expenses. Employee benefit expenses include employee compensation, allowances paid, contribution to various funds and staff welfare expenses. Other operating expenses mainly include fees to external consultants, facility expenses, travel expenses, communication expenses, bad debts and advances written off, allowance for doubtful trade receivables and advances (net) and other expenses. Other expenses is an aggregation of costs which are individually not material such as commission and brokerage, recruitment and training, legal and professional fees, etc.

Payments to employees under voluntary retirement schemes are deferred and written off equally over a period of 5 years starting from the year in which payment is made.

2.6 FOREIGN CURRENCY TRANSLATION

Foreign currency revenue transactions are booked at the exchange rate prevailing at the date of the transaction. Exchange loss/gain on realisation/payment is booked to exchange fluctuation. Foreign currency assets and liabilities outstanding as at the year end, if any, are translated at the year end exchange rates.

2.7 TAXATION

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the Statement of Profit and Loss except to the extent that it relates to items recognized directly inequity, in which case it is recognized in other comprehensive income.

Provision for taxes is made based on the current applicable tax rates. Adjustment for deferred tax is made based on the tax effect of timing differences resulting from the recognition of items in the financial statements and their allowance under the tax laws, subject to the consideration of prudence. The effect on deferred tax of a change in income tax rates is recognised in the period that includes the enactment date.

2.8 CASH AND CASH EQUIVALENTS

Cash and cash equivalents consists of balances with bank which are unrestricted for withdrawal and usage.

2.9 PROPERTY, PLANT AND EQUIPMENT AND DEPRECIATION

i) Property, Plant and Equipment are stated at acquisition cost less accumulated depreciation.

ii) Depreciation on Tangible assets are provided by written down value method over the estimated useful life prescribed under part "C" Schedule II of Companies Act, 2013, keeping a residual value of 5 %.

iii) Technical Know-how is depreciated equally over a period of 20 years starting from the month in which Technical Know-how has been put to use.

iv) Trade Marks/Brand are depreciated equally over 10 years starting from the month in which the Trade Marks / Brand have been acquired.

v) Impairment in the carrying value of the fixed assets is recognised in accordance with Accounting Standard No. 28 - ' Impairment of Assets'.

Type of asset	Method	Useful lives
Plant and Machinery	Written DownValue	8 Years
Office Equipment	Written DownValue	5 Years
Furniture and Fixtures	Written DownValue	8 Years
Computer Equipments	Written DownValue	3 Years
Motor Vehicles	Written DownValue	4 Years

2.10 INTANGIBLE ASSETS

Intangible assets purchased are measured at cost as of the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment. If any.

Intangiable assets consist of technical know how

2.1 IMPAIRMENTS

i) FINANCIAL ASSETS (OTHER THAN AT FAIR VALUE)

The Group assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. In determining the allowances for doubtful trade receivables, the Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based

Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2019

on the ageing of the receivables that are due and rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

ii) NON-FINANCIAL ASSETS

a) TANGIBLE AND INTANGIBLE ASSETS

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value- in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

b) GOODWILL

CGUs to which goodwill has been allocated are tested for impairment annually, or more frequently when there is indication for impairment. If the recoverable amount of a CGU is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit on a pro-rata basis of the carrying amount of each asset in the unit.

2.1 Financial instruments:

i) Initial recognition and measurement:

Financial assets and/or financial liabilities are recognised when the Company becomes party to a contract embodying the related financial instruments. All financial assets, financial liabilities are initially measured at fair value. Transaction costs that are attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from as the case may be, the fair value of such assets or liabilities, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

ii) Financial Assets:

Classification and subsequent measurement of financial assets:

a) Classification of financial assets:

- The Company classifies its financial assets in the following measurement categories:
  - those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
  - those measured at amortised cost.
- The classification is done depending upon the Company’s business model for managing the financial assets and the contractual terms of the cash flows.
- For investments in debt instruments, this will depend on the business model in which the investment is held.
- The Company reclassifies debt investments when and only when its business model for managing those assets changes.

b) Subsequent Measurement:

- **Debt instruments:**

  Subsequent measurement of debt instruments depends on the Company’s business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

  - **Financial assets at amortised cost**

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

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

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

Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2019

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

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

- **Equity instruments:**

  The Company subsequently measures all equity investments at fair value. There are two measurement categories into which the Company classifies its equity instruments:

  Investments in equity instruments at FVTPL:

  Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for equity instruments which are not held for trading.

  Investments in equity instruments at FVTOCI:

  On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the reserve for 'equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to Statement of Profit and Loss on disposal of the investments.

c) Impairment of Financial Assets:

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset. For trade receivables, the Company measures the loss allowance at an amount equal to lifetime expected credit losses. Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

d) Derecognition of Financial Assets:

A financial asset is primarily derecognised when:

- the right to receive cash flows from the asset has expired, or
- the Company has transferred its rights to receive cash flows from the asset; and
- the Company has transferred substantially all the risks and rewards of the asset, or
- the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

  On derecognition of a financial asset in its entirety (other than investments in equity instruments at FVOCI), the differences between the carrying amounts measured at the date of derecognition and the consideration received is recognised in the Statement of Profit and Loss.

iii) **Financial Liabilities and Equity Instruments**

Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instrument is recognised and deducted directly in equity. No gain or loss is recognised in the Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2019

Financial Liabilities

Classification and Subsequent Measurement.

The Company's financial liabilities include trade and other payables, loans and borrowings and derivative financial instruments. Subsequent measurement of financial liabilities depends on their classification as fair value through profit and loss or at amortized cost. All changes in fair value of financial liabilities classified as FVTPL are recognized in the Statement of Profit and Loss. Amortised cost category is applicable to loans and borrowings, trade and other payables. After initial recognition the financial liabilities are measured at amortised cost using the Effective Interest Rate method.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. Gains and losses are recognized in profit and loss when the liabilities are derecognized.

Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and presented on net basis in the Balance Sheet when there is a currently enforceable legal right to offset the recognised amounts and there is an intention either to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

Derivative Financial Instruments

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in the Statement of Profit and Loss immediately.

2.13 EMPLOYEE/RETIREMENT BENEFITS

The Company has made arrangements with the Life Insurance Corporation of India through Gratuity Fund and Superannuation Fund for meeting its employee retirement liability. The liability for gratuity is calculated on basis of actuarial valuation as reduced by funded amount. Leave encashment benefit is provided for based on actuarial valuation basis.

2.14 INVENTORIES

i) Raw material are valued at cost on FIFO basis or net realisable value whichever is lower

ii) Process stock is valued at material cost or net realisable value whichever is lower.

iii) Finished goods are valued at cost or net realisable value whichever is lower. Cost in respect of own manufactured goods includes material cost, direct labour and attributable production overheads.

2.15 INVESTMENTS

Long-term investments are valued at cost except that any permanent diminution in the value thereof is recognised in the profit and loss account.

2.16 TRADE RECEIVABLES

Trade Receivables are non interest bearing and are generally for a period of 45 to 60 days. Credit period which may go up due to market conditions.

2.17 EARNING PER SHARE

Basic earnings per share is computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. The Company did not have any potentially dilutive securities in any of the years presented.

2.18 LEASES :

Ind AS requires an entity to assessee whether a contract or arrangement contains a lease. In accordance with Ind AS 17, this assessment should be carried out at the inception of the contract or arraganement. Ind AS 101 provides an option to make this assessment on basis of facts and circumstances existing at the date of transition to Ind AS, except where the effect is expected to be not material. The company has elected to apply this exemption for such contracts/arrangements.

Leases are classified as finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The company's has not entered in operating lease arrangements for any of its premises or other equipment. However they have taken certain premises only under annual leave and license.

Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2019

3 PROPERTY, PLANT AND EQUIPMENT (PPE)

Particulars	Plant and Machinery	Office Equipment	Furniture and Fixtures	Computer Equipment	Motor Vehicles	TOTAL
	₹	₹	₹	₹	₹	₹
Cost as at 01-04-2018	3,89,862	19,95,990	35,29,591	31,50,096	-	**90,65,539**
Additions during the year	-	10,500	5,499	-	-	**15,999**
Deductions during the year	-	-	-	-	-	**-**
Cost as at 31-03-2019	3,89,862	20,06,490	35,35,090	31,50,096	-	**90,81,538**
Accumulated Depreciation at 01-04-2018	3,41,263	17,73,509	34,39,471	29,98,694	-	**85,52,937**
Depreciation charge for the year	16,261	3,126	11,307	80,317	-	**1,11,011**
Depreciation disposals for the year	-	-	-	-	-	**-**
Accumulated Depreciation at 31-03-2019	3,57,524	17,76,635	34,50,778	30,79,011	-	**86,63,948**
Net Value as at 31-03-2019	32,338	2,29,855	84,312	71,085	-	**4,17,590**
Cost as at 01-04-2017	3,89,862	19,95,990	35,29,591	29,66,234	-	88,81,677
Additions during the year	-	-	-	183,863	-	1,83,863
Deductions during the year	-	-	-	-	-	-
Cost as at 31-03-2018	3,89,862	19,95,990	35,29,591	31,50,097	-	90,65,540
Accumulated Depreciation at 01-04-2017	3,23,792	17,54,066	34,26,544	29,46,762	-	84,51,164
Depreciation charge for the year	17,471	19,443	12,927	51,932	-	1,01,773
Depreciation disposals for the year	-	-	-	-	-	-
Accumulated Depreciation at 31-03-2018	3,41,263	17,73,509	34,39,471	29,98,694	-	85,52,937
Net Value as at 31-03-2018	48,599	2,22,481	90,120	1,51,403	-	5,12,603

4 INTANGIBLE ASSET

Particulars	Technical Know-How ₹
Cost as at 01-04-2018	**3,88,25,605**
Additions during the year	**-**
Deductions during the year	**-**
Cost as at 31-03-2019	**3,88,25,605**
Total Depreciation as at 31-03-2019	**1,00,29,947**
Impairmental Provision as at 31-03-2019	**2,87,95,658**
Net Value as at 31-03-2019	**-**
Cost as at 01-04-2017	3,88,25,605
Additions during the year	-
Deductions during the year	-
Cost as at 31-03-2018	3,88,25,605
Total Depreciation as at 31-03-2018	1,00,29,947
Impairmental Provision as at 31-03-2018	2,87,95,658
Net Value as at 31-03-2018	-

Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2019

5 NON-CURRENT ASSETS

FINANCIAL ASSETS

Particulars	As at March 31, 2019 ₹	As at March 31, 2018 ₹
Investments		
Unquoted, Non-trade - at Cost		
Shares in Subsidiary Companies -		
50,000 Equity Shares of ₹10 each fully paid up of Muller & Phipps (Agencies) Ltd.	**5,00,000**	5,00,000
10,000 Equity Shares of ₹10 each fully paid up of Muller & Phipps (Industrial Services) Ltd.	**1,00,000**	1,00,000
4,000 14% Cumulative Redeemable Preference Shares of ₹100 each fully paid up of Muller & Phipps (Industrial Services) Ltd.	**4,00,000**	4,00,000
	10,00,000	10,00,000
Less: Provision for diminution in value of shares	**9,00,000**	9,00,000
	1,00,000	1,00,000

6 *LOANS*

Particulars	As at March 31, 2019 ₹	As at March 31, 2018 ₹
Unsecured, Considered Good unless otherwise specified		
Advances to related parties		
Due from Muller and Phipps (Industrial Services) Ltd.- Considered good	**-**	-
- Considered doubtful	**13,77,345**	13,30,760
	13,77,345	13,30,760
Less: Provision for Doubtful Advances	**13,77,345**	13,30,760
	-	-

7 *OTHER FINANCIAL ASSETS*

Particulars	As at March 31, 2019 ₹	As at March 31, 2018 ₹
Unsecured, Considered Good		
Receivable from related party - Getz Bros Co. Ltd.	**2,87,54,011**	2,87,54,011
- Foods and Inns Limited	**15,00,000**	-
Security Deposits	**25,44,408**	25,44,408
Advances others - Considered good	**-**	1,39,087
- Considered doubtful	**-**	-
Advance Tax and Tax Refunds Due	**72,48,204**	68,48,204
	4,00,46,623	3,82,85,710

Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2019

CURRENT ASSETS

8 *INVENTORIES*

Particulars	**As at March 31, 2019 ₹**	As at March 31, 2018 ₹
Cosmetics / Toiletries	**66,458**	-
Medicated Preparations	**6,69,517**	5,49,318
	7,35,975	5,49,318

9 *TRADE RECEIVABLES*

Particulars	**As at March 31, 2019 ₹**	As at March 31, 2018 ₹
FINANCIAL ASSETS		
Unsecured, Considered Good unless otherwise specified		
Debts overdue for more than six months - Considered good	**-**	-
- Considered doubtful	**87,005**	87,005
	87,005	87,005
Other Debts- Considered good	**41,13,709**	34,84,241
	42,00,714	35,71,246
Less: Provision for Doubtful Debts	**87,005**	87,005
	41,13,709	34,84,241

10. *CASH AND CASH EQUIVALENTS*

Particulars	**As at March 31, 2019 ₹**	As at March 31, 2018 ₹
Cash on hand	**27,571**	40,312
Balances with Banks		
On Current Account	**25,51,839**	16,77,349
On Savings Account	**30,280**	29,232
	26,09,690	17,46,893

11 *OTHER BANK BALANCES*

Particulars	**As at March 31, 2019 ₹**	As at March 31, 2018 ₹
Margin Money with Bank	**-**	-
	-	-

12 *OTHER CURRENT ASSETS*

Particulars	**As at March 31, 2019 ₹**	As at March 31, 2018 ₹
Unsecured, Considered Good		
Loans to Employees	**11,760**	7,760
Advances to staff	**10,000**	-
Prepaid Expenses	**85,893**	65,654
	1,07,653	73,414

Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2019

13 EQUITY SHARE CAPITAL

Particulars	As at March 31, 2019 ₹	As at March 31, 2018 ₹
Authorised		
20,00,000 Equity Shares of ₹ 10 each	**2,00,00,000**	2,00,00,000
Issued, Subscribed and Fully Paid-up		
6,25,000 Equity Shares of ₹ 10 each	**62,50,000**	62,50,000
	62,50,000	62,50,000

13.1 Rights and Restrictions attached to Equity Shares

The Company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors, If any is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

13.2 Shares held by Holding Company

Out of the above equity shares, 3,22,680 (previous year 3,22,680) shares are held by Holding Company - M/s. Development Holding Asia Ltd.

13.3 Details of Shareholders holding more than 5% of the total Equity Shares

NAME OF THE SHAREHOLDER	As at March 31, 2019		As at March 31, 2018	
	No. of Shares	**% of Holdings**	No. of Shares	% of Holdings
Development Holding Asia Ltd.	**3,22,680**	**51.63%**	3,22,680	51.63%
Swar Investments and Trading Co. Pvt. Ltd.	**56,350**	**9.02%**	56,350	9.02%
Satyajyothi Holding Pvt. Ltd.	**49,525**	**7.92%**	49,525	7.92%

NON-CURRENT LIABILITIES

FINANCIAL LIABILITIES

14 *BORROWINGS*

Particulars	As at March 31, 2019 ₹	As at March 31, 2018 ₹
Unsecured		
Loans from Related Parties - Foods and Inns Ltd.	**-**	1,85,00,000
- Getz Pharma Pvt. Ltd.	**2,00,00,000**	-
Muller & Phipps Agencies Ltd.	**4,00,000**	4,00,000
	2,04,00,000	1,89,00,000

15 *OTHER FINANCIAL LIABILITIES*

Particulars	As at March 31, 2019 ₹	As at March 31, 2018 ₹
Security Deposits from C & F Agents	**-**	-
Advance Repayable	**2,87,04,001**	2,87,04,001
	2,87,04,001	2,87,04,001

Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2019

PROVISIONS

16 *EMPLOYEE BENEFIT OBLIGATIONS*

Particulars	As at March 31, 2019 ₹	As at March 31, 2018 ₹
Provision for Employee Benefits		
Gratuity	**976,831**	975,380
Leave Encashment	**618,174**	639,993
	15,95,005	16,15,373

CURRENT LIABILITIES

FINANCIAL LIABILITIES

17 *TRADE PAYABLES*

Particulars	As at March 31, 2019 ₹	As at March 31, 2018 ₹
Advance Repayable	**1,84,06,789**	1,84,06,789
Trade Payables	**50,93,584**	55,08,925
	2,35,00,373	2,39,15,714

18 *OTHER FINANCIAL LIABILITIES*

Particulars	As at March 31, 2019 ₹	As at March 31, 2018 ₹
Interest Accrued and due on Borrowings	**1,35,06,887**	1,19,49,761
Interest Accrued and due on Agents' Security Deposits	**-**	-
	1,35,06,887	1,19,49,761

19 OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2019 ₹	As at March 31, 2018 ₹
Statutory Liabilities	**4,88,774**	6,98,512
Expense Creditors	**23,18,002**	27,69,567
Others	**13,28,206**	13,48,433
	41,34,982	48,16,512

PROVISIONS

20 *EMPLOYEE BENEFIT OBLIGATIONS*

Particulars	As at March 31, 2019 ₹	As at March 31, 2018 ₹
Provision for Employee Benefits		
Gratuity	**16,49,376**	25,01,564
Leave Encashment	**3,58,952**	3,98,077
Employee related Liabilities	**9,04,789**	10,33,880
	29,13,117	39,33,521

Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2019

21 TAX LIABILITIES

Particulars	**As at March 31, 2019 ₹**	As at March 31, 2018 ₹
Provision for Taxation	**6,21,000**	1,61,000
	6,21,000	1,61,000

22 REVENUE FROM OPERATIONS

Particulars	**For the year ended March 31, 2019 ₹**	For the year ended March 31, 2018 ₹
Sale of Traded Goods		
Cosmetics / Toiletries	**25,93,045**	25,69,393
Medicated Preparations	**3,48,13,915**	2,88,26,348
	3,74,06,960	3,13,95,741

23 OTHER INCOME

Particulars	**For the year ended March 31, 2019 ₹**	For the year ended March 31, 2018 ₹
Interest from Bank Deposits	**1,094**	7,292
Credit Balances written back	**7,08,087**	9,88,470
Provision for expenses written back	**96,243**	7,35,662
Provision for Doubtful Debts Reversed	**-**	-
Provision for Leave Encashment	**-**	-
Miscellaneous Income	**2,048**	27,000
	8,07,472	17,58,424

24 PURCHASES (NET OF RETURNS) OF STOCK-IN-TRADE

Particulars	**For the year ended March 31, 2019 ₹**	For the year ended March 31, 2018 ₹
Cosmetics / Toiletries	**18,57,352**	18,44,302
Medicated Preparations	**1,41,73,629**	1,18,36,108
	1,60,30,981	1,36,80,410

25 CHANGES IN INVENTORIES OF FINISHED GOODS

Particulars	**For the year ended March 31, 2019 ₹**	For the year ended March 31, 2018 ₹
Opening Stock of Finished Goods		
Cosmetics / Toiletries	**-**	33,752
Medicated Preparations	**5,49,318**	4,10,212
	5,49,318	4,43,964
Less : Closing Stock of Finished Goods		
Cosmetics / Toiletries	**66,458**	-
Medicated Preparations	**6,69,517**	5,49,318
	7,35,975	5,49,318
Decrease / (Increase) in inventory of Finished Goods	**(1,86,657)**	(1,05,354)

Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2019

26 EMPLOYEE BENEFITS EXPENSE

Particulars	**For the year ended March 31, 2019 ₹**	For the year ended March 31, 2018 ₹
Salaries, Wages, Allowances and Bonus	**70,44,665**	68,05,662
Contribution to Provident and Other Funds	**6,82,630**	5,33,353
Gratuity	**2,59,178**	4,55,735
Provision for Leave Encashment	**3,552**	102,988
Staff Welfare Expenses	**7,13,946**	7,31,983
	87,03,971	86,29,721

27 FINANCE COSTS

Particulars	**For the year ended March 31, 2019 ₹**	For the year ended March 31, 2018 ₹
Interest on Intercorporate Loans	**20,60,277**	23,12,497
Interest Others	**29,326**	48,007
	20,89,603	23,60,504

28 DEPRECIATION AND AMORTISATION EXPENSES

Particulars	**For the year ended March 31, 2019 ₹**	For the year ended March 31, 2018 ₹
Depreciation on Tangible Assets	**1,11,011**	1,01,773
	1,11,011	101,773

29 OTHER EXPENSES

Particulars	**For the year ended March 31, 2019 ₹**	For the year ended March 31, 2018 ₹
Rent	**9,73,055**	11,82,240
Repairs and Maintenance-Others	**7,298**	10,558
Insurance	**31,369**	39,273
Rates and Taxes	**1,66,343**	3,55,794
Electricity	**1,44,502**	1,67,777
Travel and Conveyance	**17,40,939**	18,57,416
Postage, Telegram and Telephones	**2,77,718**	2,81,998
Brokerage	**-**	-
Directors Fees	**55,000**	35,000
Auditors Remuneration	**1,10,000**	1,31,959
Freight, Packing and Forwarding	**15,93,936**	13,55,713
Advertising and Sale Promotion	**4,20,196**	3,31,791
C & F Agents Service Charges	**-**	17,250
Cash Discount	**34,170**	94,755
Loss on sale of fixed assets	**-**	-
Fixed Asset written off	**-**	-
Provision for Doubtful Advances	**46,585**	76,806
Bad Debts Written-off	**-**	13,735
Miscellaneous Expenses	**34,99,749**	29,14,077
	91,00,860	88,66,141

Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2019

30 FINANCIAL INSTRUMENTS

The carrying value/ fair value of financial instruments (excluding investments in subsidiaries) by catagories is as follows

As at March 31,2019	Amortised Cost (₹)	Fair value through Profit and Loss (₹)	Fair value through other comprehensive Income (₹)	Total carrying/ fair value (₹)
Cash and cash equivalents	**26,09,690**	-	-	**26,09,690**
Other Bank Balances	-	-	-	-
Trade receivables	**41,13,709**	-	-	**41,13,709**
Other financial assets	**4,00,46,623**	-	-	**4,00,46,623**
	4,67,70,022	-	-	**4,67,70,022**
Trade payables	**2,35,00,373**	-	-	**2,35,00,373**
Borrowings	**2,04,00,000**	-	-	**2,04,00,000**
Other financial liabilities	**4,22,10,888**	-	-	**4,22,10,888**
	8,61,11,261	-	-	**8,61,11,261**
As at March 31,2018	**Amortised Cost (₹)**	**Fair value through Profit and Loss (₹)**	**Fair value through other comprehensive Income (₹)**	**Total carrying/ fair value (₹)**
Cash and cash equivalents	17,46,893	-	-	17,46,893
Other Bank Balances	-	-	-	-
Trade receivables	34,84,241	-	-	34,84,241
Other financial assets	3,82,85,710	-	-	3,82,85,710
	4,35,16,844	-	-	4,35,16,844
Trade payables	2,39,15,714	-	-	2,39,15,714
Borrowings	1,89,00,000	-	-	1,89,00,000
Other financial liabilities	4,06,53,762	-	-	4,06,53,762
	8,34,69,476	-	-	8,34,69,476

Carrying amount of cash and cash equivalents, trade receivables, other financial assets, trade payables and other financial liabilities approximate the fair value value because of their short term nature. Difference between carrying amounts and fair values of other financial assets and liabilities subsequently measured at amortised cost is not significant in each of the years presented.

Fair Value hierarchy

This section explains the judgements and estimates made in determining the fair value of the financial instruments that are (a) recognized and measured fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed the accounting standards below:

Level - 1

Hierarchy includes financial instruments measured using quoted price. This includes listed Equity shares that have quoted price. The listed equity shares are valued at closing market price on the date of reporting.

Level - 2

The fair value of financial instruments that are not traded in an active market (for example trade bond, over-the-counter derivatives) is determined using valuation technique which maximise the use of observable market data and rely as little as possible on entity -specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level-2.

Level - 3

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Liquidity risk

The Company needs continous access to funds to meet short and long term strategic investment requirements. The Company's inability to meet such requirements in stipulated period may hamper growth plan and even ongoing operations. Further the Company's inability to quikly convert assets into cash without incurring any material loss will expose it to liquidity risks

Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2019

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices.

Credit risk

The Company is exposed to credit risk from its operating activities and other financial assets. Since most of our transactions are done on credit, we are exposed to credit risk on accounts receivable. Any delay, default or inability on the part of the client to pay on time will expose us to credit risk and can impact our profitability.

Geographic and Client Concentration Risk

60% and 75% of the revenue of 2019 and 2018, respectively is generated from top 10 clients, for standalone. Any loss or major downsizing by these clients may impact Company's profitability. Further, excessive exposure to particular clients will limit company's negotiating capacity and expose to higher credit risk.

31

Particulars	**As at March 31, 2019 ₹**	As at March 31, 2018 ₹
Contingent liabilities not provided for		
a) Disputed Sales Tax demands	**21,47,000**	21,47,000
b) Disputed Income tax demands (including penalty)	**-**	-
c) Guarantees given by bank on behalf of the company	**-**	-

32 AUDITORS' REMUNERATION

Particulars	**As at March 31, 2019 ₹**	As at March 31, 2018 ₹
Audit Fees	**60,000**	60,000
For Tax Audit	**20,000**	20,000
For Others services, certification etc.	**30,000**	49,659
Out of Pocket Expenses	**-**	2,300
	110,000	1,31,959

33 The Company has not received any intimation from suppliers/creditors regarding their status under The Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure if any relating to amounts unpaid as at the year end together with the interest paid/payable as required under the said Act has not been made.

34 Deferred Tax Asset on carried forward losses and unabsorbed depreciation and other timing differences as at 31st March, 2019 has not been recognized as there is no virtual/reasonable certainty that the same can be realised in the future.

35. Names of related parties and description of relationship

a **Where control exists:**
Holding Company :
Development Holding Asia Ltd.
Subsidiaries :
Muller and Phipps (Industrial Services) Ltd.
Muller and Phipps Agencies Ltd.

b **Other parties where the company has entered in transaction during the year**
Fellow Subsidiary:
Getz Bros. Company Limited
Associates:
Foods and Inns Ltd.
Getz Pharma Pvt. Ltd.
Western Press Pvt Ltd.
Pharmpak Pvt. Ltd.
Key Managerial Personnel
Mr. Milan Dalal - Director
Mr. P. V. Mohan Whole-time Director

36 Related Party Disclosure

The transactions with Related Parties during the year were as follows :

Particulars	Fellow Subsidiary		Subsidiaries				Associates								Key Management Personnel			
	Getz Bros. Co. Ltd.		Muller & Phipps Agencies Ltd.		Muller & Phipps (Industrial Services) Ltd.		Foods and Inns Ltd.		Getz Pharma Pvt. Ltd.		Western Press Pvt. Ltd.		Pharmpak Private Limited		Mr. Milan Dalal		Mr. P. V. Mohan	
	As at March 31, 2019	As at March 31, 2018	**As at March 31, 2019**	As at March 31, 2018	**As at March 31, 2019**	As at March 31, 2018	**As at March 31, 2019**	As at March 31, 2018	**As at March 31, 2019**	As at March 31, 2018	**As at March 31, 2019**	As at March 31, 2018	**As at March 31, 2019**	As at March 31, 2018	**As at March 31, 2019**	As at March 31, 2018	**As at March 31, 2019**	As at March 31, 2018
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
Nature of Transactions																		
Purchase of Goods	-	-	-	-	-	-	-	-	-	-	-	-	**1,41,73,629**	14,677,897	-	-	-	-
Directors Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**25,000**	20,000	-	-
Salaries and Other Employee Benefits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	12,06,000	-
Printing and Stationery	-	-	-	-	-	-	-	-	-	-	**1,79,128**	1,38,438	-	-	-	-	-	-
Interest Expenses	-	-	**32,000**	32,000	-	-	**16,46,232**	23,12,497	**4,11,371**	-	-	-	-	-	-	-	-	-
Doubtful Advances provided	-	-	-	-	**46,585**	76,806	-	-	-	-	-	-	-	-	-	-	-	-
Intercorporate Loans received	-	-	-	-	-	-	-	-	**2,00,00,000**	-	-	-	-	-	-	-	-	-
Intercorporate Loans re-paid	-	-	-	-	-	-	**1,85,00,000**	-	-	-	-	-	-	-	-	-	-	-
Outstanding at year-end																		
Intercorporate Loans payable	-	-	**4,00,000**	4,00,000	-	-	-	1,85,00,000	**2,00,00,000**	-	-	-	-	-	-	-	-	-
Loans and Advances given	-	-	-	-	**13,77,345**	13,30,760	-	-	-	-	-	-	-	-	-	-	-	-
Other Receivables	**2,87,54,011**	2,87,54,011	-	-	-	-	**15,00,000**	-	-	-	-	-	-	-	-	-	-	-
Payables	**4,71,10,790**	4,71,10,790	-	-	-	-	-	-	-	-	**7,22,441**	7,48,659	**51,41,768**	5,238,754	-	-	-	-
Interest Payable	-	-	**13,640**	45,138	-	-	**1,33,86,233**	1,19,04,623	**1,07,014**	-	-	-	-	-	-	-	-	-
Doubtful Advances Provision	-	-	-	-	**13,77,345**	13,30,760	-	-	-	-	-	-	-	-	-	-	-	-

37 SEGMENT DISCLOSURES FOR THE YEAR ENDED 31st MARCH, 2019

I)	Primary Segment-Business	Cosmetic/Toiletry		Medicated preparation		Others		Total	
		As at March 31, 2019	As at March 31, 2018	**As at March 31, 2019**	As at March 31, 2018	**As at March 31, 2019**	As at March 31, 2018	**As at March 31, 2019**	As at March 31, 2018
		₹	₹	₹	₹	₹	₹	₹	₹
a)	Sales To External Customers	**25,93,035**	25,69,393	**3,48,13,915**	2,88,26,348	-	-	**3,74,06,950**	3,13,95,741
	Total Segment Revenue	**25,93,035**	25,69,393	**3,48,13,915**	2,88,26,348	-	-	**3,74,06,950**	3,13,95,741
b)	Segment Result (PBIT)	**(29,482)**	3,93,570	**97,11,652**	61,66,664	-	-	**96,82,170**	65,60,234
	Less : Interest & Finance Charges	-	-	-	-	-	-	**21,12,625**	23,60,504
	Less : Unallocable expenditure net of Unallocable income	-	-	-	-	-	-	**51,09,967**	(45,78,760)
	Profit / (Loss) Before Tax and exceptional items	-	-	-	-	-	-	**24,59,578**	(3,79,030)
	Profit / (Loss) Before Tax	-	-	-	-	-	-	**24,59,578**	(3,79,030)
	Current Tax	-	-	-	-	-	-	**460,000**	-
	Provision for Deferred Tax	-	-	-	-	-	-	-	-
	Profit / (Loss) After Tax	-	-	-	-	-	-	**19,99,578**	(3,79,030)
c)	Carrying amount of segment								
	Assets	**2,87,960**	3,89,402	**45,61,723**	36,23,929	-	-	**48,49,683**	40,13,331
	Unallocated Assets	-	-	-	-	-	-	**4,32,81,557**	4,07,38,848
	Total Assets	-	-	-	-	-	-	**4,81,31,240**	4,47,52,179
d)	Carrying amount of segment								
	Liabilities	**1,29,387**	3,22,741	**51,41,768**	53,38,754	**1,83,56,779**	1,85,06,779	**2,36,27,934**	2,41,68,274
	Unallocated Liabilities	-	-	-	-	-	-	**7,17,47,431**	6,98,27,608
	Total Liabilities	-	-	-	-	-	-	**9,53,75,365**	9,39,95,882
e)	Cost incurred to acquire segment								
	Fixed assets during year	-	-	-	-	-	-	-	-
	Unallocated Assets	-	-	-	-	-	-	**15,999**	1,83,863
f)	Depreciation/ Amortization								
	Unallocated Assets	-	-	-	-	-	-	**1,11,011**	1,01,773

The Common expenses has been allocated to segment on the basis of turnover of the segment to arrive at segment result.

Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2019

38 Disclosure as per Accounting Standard 15 (Revised)

As per Accounting Standard 15 " Employee Benefits ", the disclosure of employees benefits as Defined in the Accounting Standard are given below.

Defined Contribution Plans :	**As at March 31, 2019 ₹**	As at March 31, 2018 ₹
Contribution to Defined Contribution Plans, recognized as expenses for the year are as under:		
Employer's Contribution to Provident Fund	**4,30,036**	4,87,602
Employer's Contribution to Superannuation Fund	**1,80,000**	-

Defined Benefit Plan :

Gratuity Scheme

The employees gratuity scheme is a funded defined benefit scheme managed by the Life Insurance Corporation of India. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method.

Particulars		**As at March 31, 2019 ₹**	As at March 31, 2018 ₹
	Leave Encashment Scheme		
	The obligation for leave encashment which is a non funded long term employee scheme is recognized based on actuarial valuation.		
	The Disclosure in the respect of above Gratuity benefit Scheme as given below		
I	**Actuarial Assumptions**		
	Discount Rate	**7.30%**	7.65%
	Salary Escalation	**5%**	5%
	The rate of increase in compensation considered above takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.		
II	**Change in Present Value Of Obligation**		
	Opening of Defined Benefit Obligation	**35,05,662**	31,61,730
	Current Service Cost	**88,817**	1,06,072
	Past service cost	**-**	2,50,000
	Interest on defined benefit obligation	**1,71,400**	1,44,028
	Remeasurements due to :		
	Acturial loss/(gain) arising from change in financial assumptions	**31,331**	44,204
	Acturial loss/(gain) arising from change in demographic assumptions	**(532)**	-
	Acturial loss/(gain) arising on account of experience changes	**(1,16,872)**	(1,59,064)
	Benefits Paid	**(372,230)**	(41,308)
	Liabilities assumed/ (settled)	**-**	-
	Liabilities extinquished on settlements	**-**	-
	Value of Obligation at the end of year	**33,07,576**	35,05,662
III	**Changes in Fair Value Of Plan Assets**		
	Opening fair value of plan assets	**28,718**	76,233
	Employer contributions	**1,015,000**	-
	Interest on Plan Assets	**1,039**	3,058
	Administration expenses	**-**	-
	Remeasurements due to :		
	Actual return on plan assets less interest on plan assets	**8,842**	(9,265)
	Benefits paid	**(372,230)**	(41,308)
	Assets acquired/ (settled)	**-**	-
	Assets distributed on settlements	**-**	-
	Fair Value of plan Assets at the end of year	**681,369**	28,718

Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2019

IV	**Amounts to be Recognized in the Balance Sheet**		
	Opening net defined benefit liability/ (asset)	**3,476,944**	3,085,497
	Expense charged to profit & loss account	**259,178**	497,042
	Amount recognized outside profit & loss account	**(94,915)**	(105,595)
	Employer contributions	**(1,015,000)**	-
	Impact of liability assumed or (settled)	**-**	-
	Closing net defined benefit liability / (asset)	**26,26,207**	34,76,944
V	**Expenses Recognized in the Statement of Profit and Loss**		
	Current Service cost	**88,817**	1,06,072
	Past service cost	**-**	2,50,000
	Administration expenses	**-**	-
	Interest on net defined benefit liability/ (asset)	**1,70,361**	1,40,970
	Payable to retired employee's	**-**	-
	Expenses recognized in the statement of Profit and Loss Account	**259,178**	4,97,042
VI	**Amount recognised in other comprehensive income**		
	Opening amount recognised in other compehensive income outside profit and loss account	**(361,212)**	(255,617)
	Remeasurments during the period due to:		
	Changes in financial assumptions	**31,331**	44,204
	Changes in demographic assumptions	**(532)**	-
	Experience adjustments	**(116,872)**	(159,064)
	Actual return on plan assets less interest on plan assets	**(8,842)**	9,265
	Adjustment to recognise the effect of asset ceiling	**-**	-
	Closing Net Liability	**(456,127)**	(361,212)

39 Earnings Per Share (EPS)

Particulars		**As at March 31, 2019 ₹**	As at March 31, 2018 ₹
A	Profit/(Loss) Attributable to Equity Shareholders	**19,04,663**	(3,79,030)
B	Number of Equity Shares Outstanding during the year	**6,25,000**	6,25,000
C	Nominal Value of Equity Shares	**10**	10
	Basic Earning/Diluted Per Share (₹) (A/B)	**3.05**	(0.61)

40 The Financial Statements have been prepared on going concern basis although the net worth of the Company has been completely eroded, in view of the future business plans which will allow the Company to carry out its business profitably.

As per our Report Attached

For **K.F JETSEY & CO**
Chartered Accountants
Firm's Registration No.104209W

K F JETSEY
Proprietor
Membership No. 033206

Place: Mumbai
Dated: 30th May, 2019

For and on behalf of the Board of Directors of
Muller and Phipps (India) Limited

MILAN DALAL
Director
DIN No.: 00062453

VENU KRISHNAN
Director
DIN No.: 00006592

P V MOHAN
Whole-time Director
DIN No.: 00195051

RAMESH PAI
Chief Financial Officer

SALONI. A. SHAH
Company Secretary

Place: Mumbai
Dated: 30th May, 2019

INDEPENDENT AUDITOR'S REPORT

To the Members of Muller & Phipps (India) Limited

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated financial statements of Muller & Phipps (India) Limited (hereinafter referred to as 'the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') comprising of the Consolidated Balance Sheet as at 31st March, 2019, the Consolidated Statement of Profit and Loss including other comprehensive income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'the consolidated Ind AS financial statements').

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as 'the Act') that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including Accounting Standards specified under Section 133 of the Act, read Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the interim condensed standalone 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.

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

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free form material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 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 financial statements.

We are independent of the Company in accordance with the Code of Ethics issued by the ICAI together with the independence requirements that are relevant to our audit of the condensed financial statements under the provisions of the Act and the Rules made 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 obtained by us and the audit evidence obtained by the other auditor in terms of their reports referred to in sub-paragraph of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated financial statements.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, the aforesaid consolidated 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 as at 31st March, 2019, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Basis for Qualified Opinion

The financial statements have been prepared on a going concern basis by the management as there are profits from operational activities for the year ended 31st March 2019 and even though the net worth of the Company has been completely eroded and also on the basis that they have business plans for profitable operations in the future. However, no such detailed plans have been shown or explained to us to our satisfaction and hence we are unable to form any opinion on the going concern status of the Company.

Key Audit Matters

Key audit matters are those that, in professional judgement, were of the most significant in our audit of the consolidated Ind AS financial statements for finanacial year March 31, 2019.

These matter were addressed in the context of our audit of the consolidated financial Ind AS financial statements as whole and in forming our opinion theron, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provide in that context.

Key audit matters	How our audit addressed the key audit matter
Recognised of tax credit (as prescribed in 2.10 of the financial statement)	

The Group has recognized Minimum Alternate Tax (MAT) credit receivable of
Rs. 4.6 lakhs as at 31st March, 2019.
The recognisitionof MAT credit and deferred tax asset(together referred to as “ tax credit” hereinafter) is a key audit matter as the responsibility of such tax credits within the allowed time frame involves significant estimate of financial projection, availability of sufficient taxable income in the future and significant judgement in the interpretation of tax regulations and tax positions adopted by the the group.
	• Our audit procedures included considering the Group’s accounting policies with respect to recognition of tax credits in accordance with Ind AS 12 “Income Taxes”
	• We preformed test of controls over recognition of tax credits through inspection of evidence of performance of these controls.
	• We preformed the following tests of details:
	  • We involved our tax specialists who evalued the group’s tax positions by comparing with prior years and past precedents.
	  • We discussed the future business plans and financial projection with the company.
	  • We assessed the managements long term financial projections and the key assumptions used in the projection by comparing it to the approved business plan and projections used for impairment assessment where applicable.
	• We have assessed the disclosure in accordance with the requirements of Ind AS 12 “Income Taxes”

• Related Party Transaction (as percribed in Schedule 34 of the financial statements)	

During the year, the Group has purchased goods from Pharmpak Private Limited worth
Rs. 1.41 crore respectively.
The company has paid director sitting fees to Mr. Milan Dalal of Rs. 25,000/-
The Group has purchased printing and stationeries from Western Press Private Limited for Rs. 1.79 lakhs
During the year the group has provided for a total of Rs. 20.58 lakhs as interest to Foods and Inns Ltd. and Getz Pharma Pvt Ltd.
Determination of transaction prices for such related party transaction outside the normal course of business is a key audit and the significant judgements involved in determining the transaction value.
	• Our audit procedures included considering the compliance with the various requirements for entering in to such related party transaction.
	• We performed test of controls over related party transactions through inspection of evidence of performance of these controls.
	• We performed the following tests of details:
	  • We have read the valuation reports and fairness apinion obtained from independent valuers and assessed the objectivity and competence of the independent valuers.
	  • We have read the approvals obtained from Board of Directors, Shareholders and all other regulatory approvals for the transactions.
	• We have assessed the disclosures in accordance with Ind AS 24 “ Related Party Disclosures”.

Other Matters

We did not audit the financial statements / financial information of the two subsidiaries, whose financial statements / financial information reflect total assets of ₹ 4,77,315 as at 31st March, 2019, total revenues of ₹ 90,612 and net cash inflows amounting to ₹ -94/- for the year then ended on that date, as considered in the consolidated financial statements.

These financial statements / financial information have been audited by other auditor whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) and (11) of section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the report of the other auditor.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditor and the financial statements / financial information certified by the Management.

Other information, such as "Information Other than the Financial Statements and Auditor's Report Thereon"

The Holding Company's Board of Director is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the consolidated Ind AS financial statement and our auditor's report thereon.

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

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated 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.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, 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.

   (b) In our opinion, except for the effect of the matters described in the Basis for Qualifed Opinion paragraph above, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditor.

   (c) The reports on the accounts of its subsidiaries incorporated in India audited by the other auditor have been properly dealt with in preparing this report.

   (d) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.

   (e) In our opinion, except for the effect of the matters described in the Basis for Qualifed Opinion paragraph above, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read Companies (Indian Accountind Standards) Rules, 2015, as amended.

   (f) The matters described in the Basis for Qualifed Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Group.

   (g) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2019 taken on record by the Board of Directors of the Holding Company and the reports of the other statutory auditors of its subsidiary companies, none of the directors of the Group companies is disqualified as on 31st March, 2019 from being appointed as a director in terms of section 164 (2) of the Act

   (h) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure I"; and

2. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. The consolidated financial statements disclose the impact of pending litigation on the consolidated financial position of the Group - Refer Note 29 to the consolidated financial statements.

ii. The Group neither entered into any derivative contracts during the year nor were there any outstanding derivative contracts at the end of the year.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the companies in the Group during the year.

iv. The disclosure in the consolidated financial statements regarding holding as well as dealing in specified bank notes during the period from 8 november 2016 to 30 November 2016 have not been made in the financial statements since they do not pertain to the financial year ended 31st March, 2019.

3. With respect to the matter to be included in the Auditors Report under Section 197(16):

In our Opinion and according to information and explanation given to us, the remuneration paid during the current year by the Holding Company and its subsidiaries which are incorporated in India is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiaries which are incorporated in India, is not in excess of the limit laid down under Section 197 of the Act. The ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For K. F. Jetsey & Co.
Chartered Accountants
Firm's Registration No. 104209W

(CA Keshav Jetsey)
Proprietor
Membership No. 033206

Mumbai
30th May, 2019

Annexure I

Annexure to the Independent Auditor's Report of even date on the Consolidated Ind AS Financial Statements of Muller & Phipps (India) 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 31st March 2019, we have audited the internal financial controls over financial reporting of Muller & Phipps (India) Limited ("the Holding Company") and its subsidiary companies incorporated in India, as of the date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Holding Company and its subsidiary companies incorporated in India, are 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for 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 and its subsidiary companies 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 31st March 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 K. F. Jetsey & Co.
Chartered Accountants
Firm's Registration No. 104209W

(CA Keshav Jetsey)
Proprietor
Membership No. 033206

Mumbai
30th May, 2019

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2019

Particulars	Notes	As at March 31, 2019 ₹	As at March 31, 2018 ₹
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	3	**4,19,089**	5,14,102
Other Intangible Assets	4	**-**	-
Financial Assets			
Other Financial Assets	5	**4,00,46,623**	3,82,85,710
Total Non-Current assets		**4,04,65,712**	3,87,99,812
Current Assets			
Inventories	6	**7,35,975**	5,49,318
Financial Assets			
Trade Receivables	7	**41,13,709**	34,84,241
Cash and cash equivalents	8	**26,54,168**	17,91,465
Other Bank Balances	9	**-**	-
Other Current Assets	10	**1,25,350**	87,911
Total Current assets		**76,29,202**	59,12,935
TOTAL ASSETS		**4,80,94,914**	4,47,12,747
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	11	**62,50,000**	62,50,000
Other Equity		**(5,34,51,824)**	(5,54,67,065)
Total Equity		**(4,72,01,824)**	(4,92,17,065)
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	12	**2,00,00,000**	1,85,00,000
Other Financial Liabilities	13	**2,87,04,001**	2,87,04,001
		4,87,04,001	4,72,04,001
Provisions			
Employee Benefit Obligations	14	**1,595,005**	16,15,373
Total Non-current Liabilities		**5,02,99,006**	4,88,19,374
Current Liabilities			
Financial Liabilities			
Trade Payables	15	**2,38,35,386**	2,42,94,782
Other Financial Liabilities	16	**1,34,93,247**	1,19,04,623
Other Current Liabilities	17	**41,34,982**	48,16,512
Provisions			
Employee Benefit Obligations	18	**29,13,117**	39,33,521
Tax Liabilities	19	**6,21,000**	1,61,000
Total Current Liabilities		**4,49,97,732**	4,51,10,438
TOTAL EQUITY AND LIABILITIES		**4,80,94,914**	4,47,12,747
The accompanying notes 1 to 38 form an integral part of the financial statements			

As per our Report attached

For K.F.JETSEY & CO
Chartered Accountants
Firm's Registration No.104209W

For and onbehalf of the Board of Directors of
Muller and Phipps (India) Limited

MILAN DALAL
Director
DIN No.: 00062453

VENU KRISHNAN
Director
DIN No.: 00006592

K F JETSEY
Proprietor
Membership No. 033206

P V MOHAN
Whole-time Director
DIN No.: 00195051

RAMESH PAI
Chief Financial Officer

SALONI. A. SHAH
Company Secretary

Place: Mumbai
Dated: 30th May 2019

Place: Mumbai
Dated: 30th May 2019

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2019

Particulars	**Notes**	**For year ended March 31, 2019 ₹**	For year ended March 31, 2018 ₹
INCOME			
Revenue from Operations	**20**	**3,74,06,960**	3,13,95,741
Other Income	**21**	**8,98,084**	19,04,527
TOTAL REVENUE		**3,83,05,044**	3,33,00,268
EXPENDITURE			
Purchases (net of returns) of Stock- in-trade	**22**	**1,60,30,981**	1,36,80,410
Changes in Inventories of Finished Goods	**23**	**(1,86,657)**	(1,05,354)
Employee Benefits Expense	**24**	**87,03,971**	86,29,721
Finance Costs	**25**	**20,89,603**	23,60,504
Depreciation and Amortisation Expense	**26**	**1,11,011**	1,01,773
Other Expenses	**27**	**91,75,809**	89,79,150
TOTAL EXPENSES		**3,59,24,718**	3,36,46,204
PROFIT / (LOSS) BEFORE EXCEPTIONAL ITEMS AND TAX		**23,80,326**	(3,45,936)
PROFIT / (LOSS) BEFORE TAX		**23,80,326**	(3,45,936)
Current Tax		4,60,000	-
Deferred Tax Adjustment - Debit / (Credit)		**-**	-
PROFIT / (LOSS) FOR THE YEAR		**19,20,326**	(3,45,936)
OTHER COMPREHENSIVE INCOME			
Items that wil not be reclassified to profit or loss			
Re-measurement gains / (losses) on defined benefit plans		**94,915**	1,05,595
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**20,15,241**	(2,40,341)
Earning per Share - Basic and Diluted	**38**	**3.07**	(0.55)
The accompanying notes 1 to 38 form an integral part of the financial statements			

As per our Report attached

For K.F.JETSEY & CO
Chartered Accountants
Firm's Registration No.104209W

K F JETSEY
Proprietor
Membership No. 033206

Place: Mumbai
Dated: 30th May 2019

For and onbehalf of the Board of Directors of
Muller and Phipps (India) Limited

MILAN DALAL
Director
DIN No.: 00062453

VENU KRISHNAN
Director
DIN No.: 00006592

P V MOHAN
Whole-time Director
DIN No.: 00195051

RAMESH PAI
Chief Financial Officer

SALONI. A. SHAH
Company Secretary

Place: Mumbai
Dated: 30th May 2019

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2019

EQUITY SHARE CAPITAL

Particulars	**As at March 31, 2019** ₹	As at March 31, 2018 ₹
Outstanding at the beginning of the year	**62,50,000**	62,50,000
Issued during the year	**-**	-
Bought back during the year	**-**	-
Outstanding at the end of the year	**62,50,000**	62,50,000

OTHER EQUITY

Particulars	Share application money pending allotment	Reserves and Surplus		Other Comprehensive Income	Total
		Securities Premium Reserve	General Reserve		
	(₹)	(₹)	(₹)	(₹)	(₹)
Balance as at April 01, 2018	**-**	**2,25,00,000**	**(7,80,72,660)**	**105,595**	**(5,54,67,065)**
Profit for the year	**-**	**-**	**19,20,326**	**-**	**19,20,326**
Other Comprehensive Income	**-**	**-**	**-**	**94,915**	**94,915**
As at March 31, 2019	**-**	**2,25,00,000**	**(7,61,52,334)**	**2,00,510**	**(5,34,51,824)**
Balance as at April 01, 2017	-	2,25,00,000	(7,77,26,724)	-	(5,52,26,724)
Profit for the year	-	-	(3,45,936)	-	(3,45,936)
Other Comprehensive Income	-	-	-	1,05,595	1,05,595
As at March 31, 2018	-	2,25,00,000	(7,80,72,660)	1,05,595	(5,54,67,065)

The accompanying notes 1 to 38 form an integral part of the financial statements

As per our Report attached

For K.F.JETSEY & CO
Chartered Accountants
Firm's Registration No.104209W

For and onbehalf of the Board of Directors of
Muller and Phipps (India) Limited

MILAN DALAL
Director
DIN No.: 00062453

VENU KRISHNAN
Director
DIN No.: 00006592

K F JETSEY
Proprietor
Membership No. 033206

P V MOHAN
Whole-time Director
DIN No.: 00195051

RAMESH PAI
Chief Financial Officer

SALONI. A. SHAH
Company Secretary

Place: Mumbai
Dated: 30th May 2019

Place: Mumbai
Dated: 30th May 2019

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

	Particular	For the year ended March 31, 2019		For the year ended March 31, 2018	
		₹	₹	₹	₹
A.	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Net Profit/(Loss) Before Tax		**23,80,326**		(3,45,936)
	Adjustments for				
	Depreciation	**1,11,011**		1,01,773	
	Profit / (Loss) on Sale of Fixed Assets	**-**		-	
	Interest and Finance Charges Expenses	**20,89,603**	**22,00,614**	23,60,504	24,62,277
	Operating Profit/(Loss) before Working Capital Changes		**45,80,940**		21,16,341
	Adjustment for				
	(Increase)/Decrease in Trade and Other Receivables		**(20,27,820)**		22,67,354
	(Increase)/Decrease in Inventories		**(1,86,657)**		(1,05,354)
	Increase/(Decrease) in Sundry Creditors and Other Liabilities		**(20,86,782)**		(25,72,982)
	Cash Used in Operations		**2,79,681**		17,05,359
	Taxes Paid		**(4,00,000)**		(1,34,340)
	Net Cash from Operating Activities		**(1,20,319)**		15,71,019
B.	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Purchase of Fixed Assets		**(15,999)**		(1,83,863)
	Sale of Fixed Assets		**-**		-
	Investment / (encashment) - Margin Money Deposits		**-**		-
	Net Cash (used in) Investing Activities		**(15,999)**		(1,83,863)
C.	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Intercorporate Loan		**1,500,000**		-
	Interest Paid		**(5,00,979)**		(6,60,568)
	Net Cash (used in) Financing Activities		**9,99,021**		(6,60,568)
	Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)		**8,62,703**		7,26,588
	Cash and Cash Equivalents as at beginning of the year		**17,91,465**		10,64,877
	Cash and Cash Equivalents as at close of the year		**26,54,168**		17,91,465

As per our Report attached

For K.F.JETSEY & CO
Chartered Accountants
Firm's Registration No.104209W

K F JETSEY
Proprietor
Membership No. 033206

Place: Mumbai
Dated: 30th May 2019

For and onbehalf of the Board of Directors of
Muller and Phipps (India) Limited

MILAN DALAL
Director
DIN No.: 00062453

VENU KRISHNAN
Director
DIN No.: 00006592

P V MOHAN
Whole-time Director
DIN No.: 00195051

RAMESH PAI
Chief Financial Officer

SALONI. A. SHAH
Company Secretary

Place: Mumbai
Dated: 30th May 2019

Consolidated Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2019

1 CORPORATE INFORMATION

Muller and Phipps (India) Ltd is a public limited company incorporated in India having its registered office at 204, Madhava Building, Bandra Kurla Complex, Bandra East, Mumbai-400051. The Company is engaged in marketing of over the counter medical preparation and home care products.

The Subsidiary companies namely Muller & Phipps (Industrial Services) Limited is engaged in India as Indenting Agents and there is no business since inception in Muller and Phipps Agencies Limited

2 SIGNIFICANT ACCOUNTING POLICIES

2.1 Principles of Consolidation

The consolidated financial statements relate to Muller & Phipps (India) Ltd (the Company) and its wholly owned Subsidiary Companies. The consolidated financial statements have been prepared on the following basis :

The financial statements of the Company and its Subsidiary Companies have been combined on a line-by-line basis by adding together the book Value of like items of assets, liabilities, income and expenses.

The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are prepared to the extent possible, in the same manner as the Company's separate financial statements.

The Subsidiary Companies considered in the consolidated financial statements are :

Name of the Company	Country of Incorporation	% of Holdings
Muller & Phipps (Industrial Services) Limited	India	100
Muller & Phipps Agencies Limited	India	100

2.2 Statement of Compliance

The Financial Statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS).

The company has prepared opening Balance Sheet as per Ind AS as of 1st April, 2016 (transition date) by recognising all assets and liabilities whose recognisition is required by Ind AS, applying Ind AS to measure the recognised assets and liabilities. The optional exemption and mandatory exception availed by the Company under Ind AS 101 are as follows:

A. Optional Exemption:

Deemed cost for property, plant and equipment and intangible assets

The Company has elected to continue with the carrying value determined in accordance the normally accecpted accounting principal for all of its property, plant and equipment and intangibile assets recognised as of 1st April, 2016 (transition date) and use that carrying value as deemed cost of such assets as of transition date.

B. Mandatory Exceptions:

Use of Estimate

On assessment of the estimates made under the normally accecpted accounting principal financial statements, the Company has concluded that there is no necessity to revise the estimates under Ind AS, as there is no objective evidence of an error in those estimates.

2.3 Other Significant Accounting Policies

These are set out in the notes to financial statements under 'Significant Accounting Policies' of the financial statements of the Company, Muller & Phipps (Industrial Services) Limited & Muller & Phipps Agencies Limited.

2.4 Basis of consolidation

The Company consolidates all entities which are controlled by it.

The Company establishes control when; it has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect the entity's returns by using its power over relevant activities of the entity.

Entities controlled by the Company are consolidated from the date control commences until the date control ceases.

All inter-company transactions, balances and income and expenses are eliminated in full on consolidation.

Consolidated Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2019

Changes in the Company's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Company's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to shareholders of the Company.

2.5 PROVISIONS AND CONTINGENT LIABILITIES

A provision is recognised when the Group has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. Contingent assets are neither recognised nor disclosed in the financial statements.

2.6 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. The policy has been further explained under note 2(l).

2.7 REVENUE RECOGNITION

Revenue is measured at fair value of consideration received or receivable. All income and expenditure items are recognised on accrual basis.

Revenue is recognised only when evidence of an arrangement is obtained and the other criteria to support revenue recognition are met, including the price is fixed or determinable, services have been rendered and collectability of the resulting receivables is reasonably assured.

Revenue is reported net of discounts and indirect taxes

2.8 COST RECOGNISITION

Costs and expenses are recognised when incurred and have been classified according to their nature.

The costs of the Group are broadly categorised into employee benefit expenses, cost of traded goods, depreciation and amortisation and other operating expenses. Employee benefit expenses include employee compensation, allowances paid, contribution to various funds and staff welfare expenses. Other operating expenses mainly include fees to external consultants, facility expenses, travel expenses, communication expenses, bad debts and advances written off, allowance for doubtful trade receivables and advances (net) and other expenses. Other expenses is an aggregation of costs which are individually not material such as commission and brokerage, recruitment and training, legal and professional fees, etc.

Payments to employees under voluntary retirement schemes are deferred and written off equally over a period of 5 years starting from the year in which payment is made.

2.9 FOREIGN CURRENCY TRANSLATION

Foreign currency revenue transactions are booked at the exchange rate prevailing at the date of the transaction. Exchange loss/gain on realisation/payment is booked to exchange fluctuation. Foreign currency assets and liabilities outstanding as at the year end, if any, are translated at the year end exchange rates.

2.10 TAXATION

Provision for taxes is made based on the current applicable tax rates. Adjustment for deferred tax is made based on the tax effect of timing differences resulting from the recognition of items in the financial statements and their allowance under the tax laws, subject to the consideration of prudence. The effect on deferred tax of a change in income tax rates is recognised in the period that includes the enactment date.

2.11 CASH AND CASH EQUIVALENTS

Cash and cash equivalents consists of balances with bank which are unrestricted for withdrawal and usage.

Consolidated Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2019

2.12 **PROPERTY, PLANTAND EQUIPMENT AND DEPRECIATION**

i) Property,Plant and Equipment are stated at acquisition cost less accumulated depreciation.

ii) Depreciation on Tangible assets are provided by written down value method over the estimated useful life prescribed under part “C” Schedule II of Companies Act, 2013, keeping a residual value of 5 %.

iii) Technical Know-how is depreciated equally over a period of 20 years starting from the month in which Technical Know-how has been put to use.

iv) Trade Marks/Brand are depreciated equally over 10 years starting from the month in which the Trade Marks / Brand have been acquired.

v) Impairment in the carrying value of the fixed assets is recognised in accordance with Accounting Standard No. 28 - ‘ Impairment of Assets’.

Type of asset	Method	Useful lives
Plant and Machinery	Written DownValue	8 Years
Office Equipment	Written DownValue	5 Years
Furniture and Fixtures	Written DownValue	8 Years
Computer Equipments	Written DownValue	3 Years
Motor Vehicles	Written DownValue	4 Years

2.13 **INTANGIBLE ASSETS**

Intangible assets purchased are measured at cost as of the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment. If any.

Intangiable assets consist of technical know how

2.14 **IMPAIRMENTS**

i) **FINANCIAL ASSETS (OTHER THAN AT FAIR VALUE)**

The Group assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. In determining the allowances for doubtful trade receivables, the Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

ii) **NON-FINANCIAL ASSETS**

a) **TANGIBLE AND INTANGIBLE ASSETS**

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value- in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

b) **GOODWILL**

CGUs to which goodwill has been allocated are tested for impairment annually, or more frequently when there is indication for impairment. If the recoverable amount of a CGU is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit on a pro-rata basis of the carrying amount of each asset in the unit.

Consolidated Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2019

2.15 **Financial instruments:**

i) **Initial recognition and measurement:**

Financial assets and/or financial liabilities are recognised when the Company becomes party to a contract embodying the related financial instruments. All financial assets, financial liabilities are initially measured at fair value. Transaction costs that are attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from as the case may be, the fair value of such assets or liabilities, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

ii) **Financial Assets:**

Classification and subsequent measurement of financial assets:

a) Classification of financial assets:

● The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

● The classification is done depending upon the Company's business model for managing the financial assets and the contractual terms of the cash flows.

● For investments in debt instruments, this will depend on the business model in which the investment is held.

● The Company reclassifies debt investments when and only when its business model for managing those assets changes.

b) **Subsequent Measurement:**

● **Debt instruments:**

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- **Financial assets at amortised cost**

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

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

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

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

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

● **Equity instruments:**

The Company subsequently measures all equity investments at fair value. There are two measurement categories into which the Company classifies its equity instruments:

Investments in equity instruments at FVTPL:

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for equity instruments which are not held for trading.

Investments in equity instruments at FVTOCI:

On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they

Consolidated Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2019

are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the reserve for 'equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to Statement of Profit and Loss on disposal of the investments.

c) **Impairment of Financial Assets:**

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset. For trade receivables, the Company measures the loss allowance at an amount equal to lifetime expected credit losses. Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

d) **Derecognition of Financial Assets:**

A financial asset is primarily derecognised when:

- the right to receive cash flows from the asset has expired, or
- the Company has transferred its rights to receive cash flows from the asset; and

\- the Company has transferred substantially all the risks and rewards of the asset, or

\- the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On derecognition of a financial asset in its entirety (other than investments in equity instruments at FVOCI), the differences between the carrying amounts measured at the date of derecognition and the consideration received is recognised in the Statement of Profit and Loss.

iii) **Financial Liabilities and Equity Instruments**

Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instrument is recognised and deducted directly in equity. No gain or loss is recognised in the Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial Liabilities

Classification and subsequent measurement.

The Company's financial liabilities include trade and other payables, loans and borrowings and derivative financial instruments. Subsequent measurement of financial liabilities depends on their classification as fair value through profit and loss or at amortized cost. All changes in fair value of financial liabilities classified as FVTPL are recognized in the Statement of Profit and Loss. Amortised cost category is applicable to loans and borrowings, trade and other payables. After initial recognition the financial liabilities are measured at amortised cost using the Effective Interest Rate method.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. Gains and losses are recognized in profit and loss when the liabilities are derecognized.

Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and presented on net basis in the Balance Sheet when there is a currently enforceable legal right to offset the recognised amounts and there is an intention either to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

Derivative Financial Instruments

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in the Statement of Profit and Loss immediately.

Consolidated Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2019

2.16 **EMPLOYEE/RETIREMENT BENEFITS**

The Company has made arrangements with the Life Insurance Corporation of India through Gratuity Fund and Superannuation Fund for meeting its employee retirement liability. The liability for gratuity is calculated on basis of actuarial valuation as reduced by funded amount. Leave encashment benefit is provided for based on actuarial valuation basis.

2.17 **INVENTORIES**

i) Raw material are valued at cost on FIFO basis or net realisable value whichever is lower

ii) Process stock is valued at material cost or net realisable value whichever is lower.

iii) Finished goods are valued at cost or net realisable value whichever is lower. Cost in respect of own manufactured goods includes material cost, direct labour and attributable production overheads.

2.18 **INVESTMENTS**

Long-term investments are valued at cost except that any permanent diminution in the value thereof is recognised in the profit and loss account.

2.19 **TRADE RECEIVABLES**

Trade Receivables are non interest bearing and are generally for a period of 45 to 60 days. Credit period which may go up due to market conditions.

2.20 **EARNING PER SHARE**

Basic earnings per share is computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. The Company did not have any potentially dilutive securities in any of the years presented.

2.21 **LEASES :**

Ind AS requires an entity to assessee whether a contract or arrangement contains a lease. In accordance with Ind AS 17, this assessment should be carried out at the inception of the contract or arraganement. Ind AS 101 provides an option to make this assessment on basis of facts and circumstances existing at the date of transition to Ind AS, except where the effect is expected to be not material. The company has elected to apply this exemption for such contracts/arrangements.

Leases are classified as finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The company’s has not entered in operating lease arrangements for any of its premises or other equipment.

However they have taken certain premises only under annual leave and license.

2.22 **Application of new and revised Ind AS’s**

All the Indian Accounting Standards (“Ind AS”) issued and notified by the Ministry of Corporate Affairs are efective and consider for the significant accounting policies to the extent relevant and applicable for the Company.

The Company has not applied the following new and revised Indian Accounting Standards (“Ind AS”) that have been issued and the notified by the Ministry of Corporate Affairs in March 2018 but are not effective. These amendments are in accordance with the recent amendments made by the International Accounting Standards Boards (IASB). The Company is evaluating the impact of these announcements on the financial statements.

Foreign currency transaction and advance consideration - Ind AS 21

On 28thMarch, 2018, Ministry of Corporate Affairs (“MCA”) has notified the companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on intial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in foreign currency. The amendment will come into force from 1st April, 2018.

Consolidated Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2019

3 PROPERTY, PLANT AND EQUIPMENT (PPE)

Particulars	Plant and Machinery	Office Equipment	Furniture and Fixtures	Computer Equipment	Motor Vehicles	TOTAL
	₹	₹	₹	₹	₹	₹
Cost as at 01-04-2018	3,89,862	20,25,990	35,29,591	31,50,096	-	**90,95,539**
Additions during the year	-	10,500	5,499	-	-	**15,999**
Deductions during the year	-	-	-	-	-	**-**
Cost as at 31-03-2019	3,89,862	20,36,490	35,35,090	31,50,096	-	**91,11,538**
Accumulated Depreciation at 01-04-2018	3,41,263	18,02,010	34,39,471	29,98,694	-	**85,81,438**
Depreciation charge for the year	16,261	3,126	11,307	80,317	-	**1,11,011**
Depreciation disposals for the year	-	-	-	-	-	**-**
Accumulated Depreciation at 31-03-2019	3,57,524	18,05,136	34,50,778	30,79,011	-	**86,92,449**
Net Value as at 31-03-2019	**32,338**	**2,31,354**	**84,312**	**71,085**	**-**	**4,19,089**
Cost as at 01-04-2017	3,89,862	20,25,990	35,29,591	29,66,234	-	89,11,677
Additions during the year	-	-	-	183,863	-	1,83,863
Deductions during the year	-	-	-	-	-	-
Cost as at 31-03-2018	3,89,862	20,25,990	35,29,591	31,50,097	-	90,95,540
Accumulated Depreciation at 01-04-2017	3,23,792	17,82,567	34,26,544	29,46,762	-	84,79,665
Depreciation charge for the year	17,471	19,443	12,927	51,932	-	1,01,773
Depreciation disposals for the year	-	-	-	-	-	-
Accumulated Depreciation at 31-03-2018	3,41,263	18,02,010	34,39,471	29,98,694	-	85,81,438
Net Value as at 31-03-2018	48,599	2,23,980	90,120	1,51,403	-	5,14,102

4 INTANGIBLE ASSET

Particulars	Technical Know-How ₹
Cost as at 01-04-2018	**3,88,25,605**
Additions during the year	**-**
Deductions during the year	**-**
Cost as at 31-03-2019	**3,88,25,605**
Total Depreciation as at 31-03-2019	**1,00,29,947**
Impairmental Provision as at 31-03-2019	**2,87,95,658**
Net Value as at 31-03-2019	**-**
Cost as at 01-04-2017	3,88,25,605
Additions during the year	-
Deductions during the year	-
Cost as at 31-03-2018	3,88,25,605
Total Depreciation as at 31-03-2018	1,00,29,947
Impairmental Provision as at 31-03-2018	2,87,95,658
Net Value as at 31-03-2018	-

Consolidated Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2019

NON-CURRENT ASSETS

FINANCIAL ASSETS

5 ***OTHER FINANCIAL ASSETS***

Particulars	As at March 31, 2019 ₹	As at March 31, 2018 ₹
Unsecured, Considered Good		
Receivable from related party - Getz Bros Co. Ltd.	**2,87,54,011**	2,87,54,011
- Foods and Inns Limited	**15,00,000**	-
Security Deposits	**25,44,408**	25,44,408
Advances others - Considered good	**-**	1,39,087
- Considered doubtful	**-**	-
Advance Tax and Tax Refunds Due	**72,48,204**	68,48,204
	4,00,46,623	3,82,85,710

CURRENT ASSETS

6 ***INVENTORIES***

Particulars	As at March 31, 2019 ₹	As at March 31, 2018 ₹
Cosmetics / Toiletries	**66,458**	-
Medicated Preparations	**6,69,517**	5,49,318
	7,35,975	5,49,318

FINANCIAL ASSETS

7 ***TRADE RECEIVABLES***

Particulars	As at March 31, 2019 ₹	As at March 31, 2018 ₹
Unsecured, Considered Good unless otherwise specified		
Debts overdue for more than six months - Considered good	**-**	-
- Considered doubtful	**87,005**	87,005
	87,005	87,005
Other Debts- Considered good	**41,13,709**	34,84,241
	42,00,714	35,71,246
Less: Provision for Doubtful Debts	**87,005**	87,005
	41,13,709	34,84,241

8 ***CASH AND CASH EQUIVALENTS***

Particulars	As at March 31, 2019 ₹	As at March 31, 2018 ₹
Cash on hand	**28,966**	41,707
Balances with Banks		
On Current Account	**25,94,922**	17,20,526
On Savings Account	**30,280**	29,232
	26,54,168	17,91,465

Consolidated Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2019

9 *OTHER BANK BALANCES*

Particulars	**As at March 31, 2019 ₹**	As at March 31, 2018 ₹
Margin Money with Bank	**-**	-
	-	**-**

10 *OTHER CURRENT ASSETS*

Particulars	**As at March 31, 2019 ₹**	As at March 31, 2018 ₹
Unsecured, Considered Good		
Advances Recoverable in cash or Kind or Value to be received	**17,697**	14,497
Loans to Employees	**11,760**	7,760
Advances to staff	**10,000**	-
Prepaid Expenses	**85,893**	65,654
	1,25,350	87,911

11 EQUITY SHARE CAPITAL

Particulars	**As at March 31, 2019 ₹**	As at March 31, 2018 ₹
Authorised		
20,00,000 Equity Shares of ₹ 10 each	**2,00,00,000**	2,00,00,000
Issued, Subscribed and Fully Paid-up		
6,25,000 Equity Shares of ₹ 10 each	**62,50,000**	62,50,000
	62,50,000	62,50,000

11.1 **Rights and Restrictions attached to Equity Shares**

The Company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors, If any is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

11.2 **Shares held by Holding Company**

Out of the above equity shares, 3,22,680 (previous year 3,22,680) shares are held by Holding Company - M/s. Development Holding Asia Ltd.

11.3 **Details of Shareholders holding more than 5% of the total Equity Shares**

NAME OF THE SHAREHOLDER No. of Shares	**As at March 31, 2019**		As at March 31, 2018	
	No. of Shares	**% of Holdings**	No. of Shares	% of Holdings
Development Holding Asia Ltd.	**3,22,680**	**51.63%**	3,22,680	51.63%
Swar Investments and Trading Co. Pvt. Ltd.	**56,350**	**9.02%**	56,350	9.02%
Satyajyothi Holding Pvt. Ltd.	**49,525**	**7.92%**	49,525	7.92%

Consolidated Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2019

NON-CURRENT LIABILITIES

FINANCIAL LIABILITIES

12 *BORROWINGS*

Particulars	**As at March 31, 2019 ₹**	As at March 31, 2018 ₹
Unsecured		
Loans from Related Parties - Foods and Inns Ltd.	**-**	1,85,00,000
- Getz Pharma Pvt. Ltd.	**2,00,00,000**	-
	2,00,00,000	1,85,00,000

13 *OTHER FINANCIAL LIABILITIES*

Particulars	**As at March 31, 2019 ₹**	As at March 31, 2018 ₹
Security Deposits from C & F Agents	**-**	-
Advance Repayable	**2,87,04,001**	2,87,04,001
	2,87,04,001	2,87,04,001

PROVISIONS

14 *EMPLOYEE BENEFIT OBLIGATIONS*

Particulars	**As at March 31, 2019 ₹**	As at March 31, 2018 ₹
Provision for Employee Benefits		
Gratuity	**9,76,831**	9,75,380
Leave Encashment	**6,18,174**	6,39,993
	15,95,005	16,15,373

CURRENT LIABILITIES

FINANCIAL LIABILITIES

15 *TRADE PAYABLES*

Particulars	**As at March 31, 2019 ₹**	As at March 31, 2018 ₹
Advance Repayable	**1,84,06,789**	1,84,06,789
Trade Payables	**54,28,597**	58,87,993
	2,38,35,386	2,42,94,782

16 *OTHER FINANCIAL LIABILITIES*

Particulars	**As at March 31, 2019 ₹**	As at March 31, 2018 ₹
Interest Accrued and due on Borrowings	**1,34,93,247**	1,19,04,623
Interest Accrued and due on Agents' Security Deposits	**-**	-
	1,34,93,247	1,19,04,623

Consolidated Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2019

17 OTHER CURRENT LIABILITIES

Particulars	**As at March 31, 2019 ₹**	As at March 31, 2018 ₹
Statutory Liabilities	**4,88,774**	6,98,512
Expense Creditors	**23,18,002**	27,69,567
Others	**13,28,206**	13,48,433
	41,34,982	48,16,512

PROVISIONS

18 *EMPLOYEE BENEFIT OBLIGATIONS*

Particulars	**As at March 31, 2019 ₹**	As at March 31, 2018 ₹
Provision for Employee Benefits		
Gratuity	**16,49,376**	25,01,564
Leave Encashment	**3,58,952**	3,98,077
Employee related Liabilities	**9,04,789**	10,33,880
	29,13,117	39,33,521

19 TAX LIABILITIES

Particulars	**As at March 31, 2019 ₹**	As at March 31, 2018 ₹
Provision for Taxation	**6,21,000**	1,61,000
	6,21,000	1,61,000

20 REVENUE FROM OPERATIONS

Particulars	**For the year ended March 31, 2019 ₹**	For the year ended March 31, 2018 ₹
Sale of Traded Goods		
Cosmetics / Toiletries	**25,93,045**	25,69,393
Medicated Preparations	**3,48,13,915**	2,88,26,348
	3,74,06,960	3,13,95,741

21 OTHER INCOME

Particulars	**For the year ended March 31, 2019 ₹**	For the year ended March 31, 2018 ₹
Interest from Bank Deposits	**1,094**	7,292
Credit Balances written back	**7,63,670**	11,02,393
Provision for expenses written back	**96,243**	7,35,662
Foreign Exchange Flutation Gain	**3,029**	-
Miscellaneous Income	**34,048**	59,180
	8,98,084	19,04,527

Consolidated Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2019

22 PURCHASES (NET OF RETURNS) OF STOCK-IN-TRADE

Particulars	For the year ended March 31, 2019 ₹	For the year ended March 31, 2018 ₹
Cosmetics / Toiletries	**18,57,352**	18,44,302
Medicated Preparations	**1,41,73,629**	1,18,36,108
	1,60,30,981	1,36,80,410

23 CHANGES IN INVENTORIES OF FINISHED GOODS

Particulars	For the year ended March 31, 2019 ₹	For the year ended March 31, 2018 ₹
Opening Stock of Finished Goods		
Cosmetics / Toiletries	**-**	33,752
Medicated Preparations	**5,49,318**	4,10,212
	5,49,318	4,43,964
Less : Closing Stock of Finished Goods		
Cosmetics / Toiletries	**66,458**	-
Medicated Preparations	**6,69,517**	5,49,318
	7,35,975	5,49,318
Decrease / (Increase) in inventory of Finished Goods	**(1,86,657)**	(1,05,354)

24 EMPLOYEE BENEFITS EXPENSE

Particulars	For the year ended March 31, 2019 ₹	For the year ended March 31, 2018 ₹
Salaries, Wages, Allowances and Bonus	**70,44,665**	68,05,662
Contribution to Provident and Other Funds	**6,82,630**	5,33,353
Gratuity	**2,59,178**	4,55,735
Provision for Leave Encashment	**3,552**	102,988
Staff Welfare Expenses	**7,13,946**	7,31,983
	87,03,971	86,29,721

25 FINANCE COSTS

Particulars	For the year ended March 31, 2019 ₹	For the year ended March 31, 2018 ₹
Interest on Intercorporate Loans	**20,60,277**	23,12,497
Interest Others	**29,326**	48,007
	20,89,603	23,60,504

26 DEPRECIATION AND AMORTISATION EXPENSES

Particulars	For the year ended March 31, 2019 ₹	For the year ended March 31, 2018 ₹
Depreciation on Tangible Assets	**1,11,011**	1,01,773
	1,11,011	101,773

Consolidated Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2019

27 OTHER EXPENSES

Particulars	For the year ended March 31, 2019 ₹	For the year ended March 31, 2018 ₹
Rent	**9,73,055**	11,82,240
Repairs and Maintenance-Others	**7,298**	10,558
Insurance	**31,369**	39,273
Rates and Taxes	**1,75,663**	3,94,886
Electricity	**1,44,502**	1,67,777
Travel and Conveyance	**17,40,939**	18,57,416
Postage, Telegram and Telephones	**2,77,718**	2,81,998
Brokerage	**-**	-
Directors Fees	**55,000**	35,000
Auditors Remuneration	**1,71,800**	1,67,809
Freight, Packing and Forwarding	**15,93,936**	13,55,713
Advertising and Sale Promotion	**4,20,196**	3,31,791
C & F Agents Service Charges	**-**	17,250
Cash Discount	**34,170**	94,755
Foreign Exchange Flutation	**-**	37,723
Provision for Doubtful Advances	**-**	-
Bad Debts Written-off	**-**	13,735
Miscellaneous Expenses	**35,50,163**	29,91,227
	91,75,809	89,79,150

28 Financial Instruments

The carrying value/ fair value of financial instruments (excluding investments in subsidiaries) by catagories is as follows

As at March 31,2019	Amortised Cost (₹)	Fair value through Profit and Loss (₹)	Fair value through other comprehensive Income (₹)	Total carrying/ fair value (₹)
Cash and cash equivalents	**26,54,168**	**-**	**-**	**26,54,168**
Other Bank Balances	**-**	**-**	**-**	**-**
Trade receivables	**41,13,709**	**-**	**-**	**41,13,709**
Other financial assets	**4,00,46,623**	**-**	**-**	**4,00,46,623**
	4,68,14,500	**-**	**-**	**4,68,14,500**
Trade payables	**2,38,35,387**	**-**	**-**	**2,38,35,387**
Borrowings	**2,00,00,000**	**-**	**-**	**2,00,00,000**
Other financial liabilities	**4,21,97,248**	**-**	**-**	**4,21,97,248**
	8,60,32,635	**-**	**-**	**8,60,32,635**

Consolidated Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2019

As at March 31,2018	Amortised Cost (₹)	Fair value through Profit and Loss (₹)	Fair value through other comprehensive Income (₹)	Total carrying/ fair value (₹)
Cash and cash equivalents	17,91,465	-	-	17,91,465
Other Bank Balances	-	-	-	-
Trade receivables	34,84,241	-	-	34,84,241
Other financial assets	3,82,85,710	-	-	3,82,85,710
	4,35,61,416	-	-	4,35,61,416
Trade payables	2,42,94,782	-	-	2,42,94,782
Borrowings	1,85,00,000	-	-	1,85,00,000
Other financial liabilities	4,06,08,624	-	-	4,06,08,624
	8,34,03,406	-	-	8,34,03,406

Carrying amount of cash and cash equivalents, trade receivables, other financial assets, trade payables and other financial liabilities approximate the fair value value because of their short term nature. Difference between carrying amounts and fair values of other financial assets and liabilities subsequently measured at amortised cost is not significant in each of the years presented.

Fair Value hierarchy

This section explains the judgements and estimates made in determining the fair value of the financial instruments that are (a) recognized and measured fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed the accounting standards below:

Level - 1

Hierarchy includes financial instruments measured using quoted price. This includes listed Equity shares that have quoted price. The listed equity shares are valued at closing market price on the date of reporting.

Level - 2

The fair value of financial instruments that are not traded in an active market (for example trade bond, over-the-counter derivatives) is determined using valuation technique which maximise the use of observable market data and rely as little as possible on entity -specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level-2.

Level - 3

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Liquidity risk

The Company needs continous access to funds to meet short and long term strategic investment requirements.The Company’s inability to meet such requirements in stipulated period may hamper growth plan and even ongoing operations. Further the Company’s inability to quikly convert assets into cash without incurring any material loss will expose it to liquidity risks.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices.

Credit risk

The Company is exposed to credit risk from its operating activities and other financial assets. Since most of our transactions are done on credit, we are exposed to credit risk on accounts receivable. Any delay, default or inability on the part of the client to pay on time will expose us to credit risk and can impact our profitability.

Consolidated Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2019

Geographic and Client Concentration Risk

75% and 60% of the revenue of 2019 and 2018, respectively is generated from top 10 clients, for standalone. Any loss or major downsizing by these clients may impact Company's profitability. Further, excessive exposure to particular clients will limit company's negotiating capacity and expose to higher credit risk.

29 Contingent liabilities not provided for

Particulars	**As at March 31, 2019 ₹**	As at March 31, 2018 ₹
a) Disputed Sales Tax demands	**21,47,000**	21,47,000
b) Disputed Income tax demands (including penalty)	**-**	-
c) Guarantees given by bank on behalf of the company	**-**	-
d) Arrears of Dividend in respect of 14% Cumulative Redeemable Preference Shares of Muller and Phipps (Industrial Services) Limited.	**8,59,178**	8,03,178

30 Auditors' Remuneration

Particulars	**As at March 31, 2019 ₹**	As at March 31, 2018 ₹
Audit Fees	**1,20,000**	95,850
For Tax Audit	**20,000**	20,000
For Others services, certification etc.	**31,800**	49,659
Out of Pocket Expenses	**-**	2,300
	171,800	1,67,809

31 The Company has not received any intimation from suppliers/creditors regarding their status under The Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure if any relating to amounts unpaid as at the year end together with the interest paid/payable as required under the said Act has been not made.

32 Deferred Tax Asset on carried forward losses and unabsorbed depreciation and other timing differences as at 31st March, 2019 has not been recognized as there is no virtual/reasonable certainty that the same can be realised in the future.

33 Names of related parties and description of relationship

a Where control exists:

Holding Company :

Development Holding Asia Ltd.

b Other parties where the company has entered in transaction during the year

Fellow Subsidiary:

Getz Bros. Company Limited

Associates:

Foods and Inns Ltd.

Getz Pharma Pvt. Ltd.

Western Press Pvt Ltd.

Pharmpak Pvt. Ltd.

Key Managerial Personnel

Mr. Milan Dalal - Director

Mr. P. V. Mohan Whole-time Director

Consolidated Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2019

34 Related Party Disclosure

The transactions with Related Parties during the year were as follows :

Particulars	Fellow Subsidiary		Associates								Key Management Personnel			
	Getz Bros. Co. Ltd.		Foods and Inns Ltd.		Getz Pharma Pvt. Ltd.		Western Press Pvt. Ltd.		Pharmpak Private Limited		Mr. Milan Dalal		Mr. P. V. Mohan	
	As at March 31, 2019	As at March 31, 2018	**As at March 31, 2019**	As at March 31, 2018	**As at March 31, 2019**	As at March 31, 2018	**As at March 31, 2019**	As at March 31, 2018	**As at March 31, 2019**	As at March 31, 2018	**As at March 31, 2019**	As at March 31, 2018	**As at March 31, 2019**	As at March 31, 2018
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
Nature of Transactions														
Purchase of Goods	-	-	-	-	-	-	-	-	**1,41,73,629**	14,677,897	-	-	-	-
Directors Fees	-	-	-	-	-	-	-	-	-	-	**25,000**	20,000	-	-
Salaries and Other Employee Benefits	-	-	-	-	-	-	-	-	-	-	-	-	**12,06,000**	-
Printing and Stationery	-	-	-	-	-	-	**1,79,128**	1,38,438	-	-	-	-	-	-
Interest Expenses	-	-	**16,46,232**	23,12,497	**4,11,371**	-	-	-	-	-	-	-	-	-
Doubtful Advances provided	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Intercorporate Loans received	-	-	-	-	**2,00,00,000**	-	-	-	-	-	-	-	-	-
Intercorporate Loans re-paid	-	-	**1,85,00,000**	-	-	-	-	-	-	-	-	-	-	-
Outstanding at year-end														
Intercorporate Loans payable	-	-	-	1,85,00,000	**2,00,00,000**	-	-	-	-	-	-	-	-	-
Loans and Advances given	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Receivables	**2,87,54,011**	2,87,54,011	**15,00,000**	-	-	-	-	-	-	-	-	-	-	-
Payables	**4,71,10,790**	4,71,10,790	-	-	-	-	**7,22,441**	7,48,659	**51,41,768**	5,238,754	-	-	-	-
Interest Payable	-	-	**1,33,86,233**	1,19,04,623	**1,07,014**	-	-	-	-	-	-	-	-	-
Doubtful Advances Provision	-	-	-	-	-	-	-	-	-	-	-	-	-	-

35 AOC - 1

A) Information required for Consolidated Financial Statements pursuant to Schedule 111 of the Companies Act, 2013

As at March 31, 2019								
Name of the Entity	**Net Assets Total Assets- Total Liabilities as % of Consolidated Net Assets**	₹	**Share in Profit or Loss as % of Consolidated Profit or Loss**	₹	**Share in Other Comprehensive Income as % of consolidated other comprehensive Income**	₹	**Share in Total Comprehensive Income as % of Consolidated total comprehensive income**	₹
Parent Company								
Muller and Phipps (India) Limited	-97.38%	(4,59,66,882)	101.61%	19,51,248	100%	,94,915	101.54%	20,46,163
Subsidiaries								
Muller and Phipps (Industrial Services) Ltd.	-3.37%	(15,92,427)	-1.08%	(20,706)	-	-	-1.03%	(20,706)
Muller and phipps Agencies Ltd.	0.75%	3,57,485	-0.53%	(10,216)	-	-	-0.51%	(10,216)
Total	**-100%**	**(4,72,01,824)**	**-100%**	**19,20,326**	**100%**	**,94,915**	**-100%**	**20,15,241**

As at March 31, 2018								
Name of the Entity	**Net Assets Total Assets- Total Liabilities as % of Consolidated Net Assets**	₹	**Share in Profit or Loss as % of Consolidated Profit or Loss**	₹	**Share in Other Comprehensive Income as % of consolidated other comprehensive Income**	₹	**Share in Total Comprehensive Income as % of Consolidated total comprehensive income**	₹
Parent Company								
Muller and Phipps (India) Limited	-97.56%	(4,80,13,046)	-87.36%	(3,02,224)	100%	1,05,595	-81.81%	(1,96,629)
Subsidiaries								
Muller and Phipps (Industrial Services) Ltd.	-3.19%	(15,71,720)	-1.20%	(4,150)	-	-	-1.73%	(4,150)
Muller and phipps Agencies Ltd.	0.75%	3,67,701	-11.44%	(39,562)	-	-	-16.46%	(39,562)
Total	**-100%**	**(4,92,17,065)**	**-100%**	**(3,45,936)**	**100%**	**1,05,595**	**-100%**	**(2,40,341)**

Net Assets and Share of Profit and Loss Reported in the above table have been considered from the respective audited Financial Statements.

Consolidated Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2019

35 SEGMENT DISCLOSURES FOR THE YEAR ENDED 31st MARCH, 2019

B) Primary Segment-Business

		Cosmetic/Toiletry		Medicated preparation		Others		Total	
		As at March 31, 2019	As at March 31, 2018	**As at March 31, 2019**	As at March 31, 2018	**As at March 31, 2019**	As at March 31, 2018	**As at March 31, 2019**	As at March 31, 2018
		₹	₹	₹	₹	₹	₹	₹	₹
a)	Sales To External Customers	**25,93,035**	25,69,393	**3,48,13,915**	2,88,26,348	**-**	-	**3,74,06,950**	3,13,95,741
	Total Segment Revenue	**25,93,035**	25,69,393	**3,48,13,915**	2,88,26,348	**-**	-	**3,74,06,950**	3,13,95,741
b)	Segment Result (PBIT)	**(29,482)**	3,93,570	**97,11,652**	61,66,664	**-**	-	**96,82,170**	65,60,234
	Less : Interest & Finance Charges	**-**	-	**-**	-	**-**	-	**21,12,625**	23,60,504
	Less : Unallocable expenditure net of Unallocable income	**-**	-	**-**	-	**-**	-	**51,09,967**	(45,78,760)
	Profit / (Loss) Before Tax and exceptional items	**-**	-	**-**	-	**-**	-	**24,59,578**	(3,79,030)
	Profit / (Loss) Before Tax	**-**	-	**-**	-	**-**	-	**24,59,578**	(3,79,030)
	Current Tax	**-**	-	**-**	-	**-**	-	**460,000**	-
	Provision for Deferred Tax	**-**	-	**-**	-	**-**	-	**-**	-
	Profit / (Loss) After Tax	**-**	-	**-**	-	**-**	-	**19,99,578**	(3,79,030)
c)	Carrying amount of segment								
	Assets	**2,87,960**	3,89,402	**45,61,723**	36,23,929	**-**	-	**48,49,683**	40,13,331
	Unallocated Assets	**-**	-	**-**	-	**-**	-	**4,32,81,557**	4,07,38,848
	Total Assets	**-**	-	**-**	-	**-**	-	**4,81,31,240**	4,47,52,179
d)	Carrying amount of segment								
	Liabilities	**1,29,387**	3,22,741	**51,41,768**	53,38,754	**1,83,56,779**	1,85,06,779	**2,36,27,934**	2,41,68,274
	Unallocated Liabilities	**-**	-	**-**	-	**-**	-	**7,17,47,431**	6,98,27,608
	Total Liabilities	**-**	-	**-**	-	**-**	-	**9,53,75,365**	9,39,95,882
e)	Cost incurred to acquire segment								
	Fixed assets during year	**-**	-	**-**	-	**-**	-	**-**	-
	Unallocated Assets	**-**	-	**-**	-	**-**	-	**15,999**	1,83,863
f)	Depreciation/ Amortization								
	Unallocated Assets	**-**	-	**-**	-	**-**	-	**1,11,011**	1,01,773

The Common expenses has been allocated to segment on the basis of turnover of the segment to arrive at segment result.

36 Disclosure as per Accounting Standard 15 (Revised)

As per Accounting Standard 15 " Employee Benefits ", the disclosure of employees benefits as Defined in the Accounting Standard are given below.

Defined Contribution Plans :	**As at March 31, 2019** ₹	As at March 31, 2018 ₹
Contribution to Defined Contribution Plans, recognized as expenses for the year are as under:		
Employer's Contribution to Provident Fund	**4,30,036**	4,87,602
Employer's Contribution to Superannuation Fund	**1,80,000**	-

Consolidated Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2019

Defined Benefit Plan :

Gratuity Scheme

The employees gratuity scheme is a funded defined benefit scheme managed by the Life Insurance Corporation of India. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method.

	Particulars	**As at March 31, 2019 ₹**	As at March 31, 2018 ₹
	Leave Encashment Scheme		
	The obligation for leave encashment which is a non funded long term employee scheme is recognized based on actuarial valuation.		
	The Disclosure in the respect of above Gratuity benefit Scheme as given below		
I	**Actuarial Assumptions**		
	Discount Rate	**7.30%**	7.65%
	Salary Escalation	**5%**	5%
	The rate of increase in compensation considered above takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.		
II	**Change in Present Value Of Obligation**		
	Opening of Defined Benefit Obligation	**35,05,662**	31,61,730
	Current Service Cost	**88,817**	1,06,072
	Past service cost	**-**	2,50,000
	Interest on defined benefit obligation	**1,71,400**	1,44,028
	Remeasurements due to :		
	Acturial loss/(gain) arising from change in financial assumptions	**31,331**	44,204
	Acturial loss/(gain) arising from change in demographic assumptions	**(532)**	-
	Acturial loss/(gain) arising on account of experience changes	**(1,16,872)**	(1,59,064)
	Benefits Paid	**(372,230)**	(41,308)
	Liabilities assumed/ (settled)	**-**	-
	Liabilities extinquished on settlements	**-**	-
	Value of Obligation at the end of year	**33,07,576**	35,05,662
III	**Changes in Fair Value Of Plan Assets**		
	Opening fair value of plan assets	**28,718**	76,233
	Employer contributions	**1,015,000**	-
	Interest on Plan Assets	**1,039**	3,058
	Administration expenses	**-**	-
	Remeasurements due to :		
	Actual return on plan assets less interest on plan assets	**8,842**	(9,265)
	Benefits paid	**(372,230)**	(41,308)
	Assets acquired/ (settled)	**-**	-
	Assets distributed on settlements	**-**	-
	Fair Value of plan Assets at the end of year	**681,369**	28,718
IV	**Amounts to be Recognized in the Balance Sheet**		
	Opening net defined benefit liability/ (asset)	**3,476,944**	3,085,497
	Expense charged to profit & loss account	**259,178**	497,042
	Amount recognized outside profit & loss account	**(94,915)**	(105,595)
	Employer contributions	**(1,015,000)**	-
	Impact of liability assumed or (settled)	**-**	-
	Closing net defined benefit liability / (asset)	**26,26,207**	34,76,944

Consolidated Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2019

Particulars		**As at March 31, 2019 ₹**	As at March 31, 2018 ₹
V	**Expenses Recognized in the Statement of Profit and Loss**		
	Current Service cost	**88,817**	1,06,072
	Past service cost	**-**	2,50,000
	Administration expenses	**-**	-
	Interest on net defined benefit liability/ (asset)	**1,70,361**	1,40,970
	Payable to retired employee's	**-**	-
	Expenses recognized in the statement of Profit and Loss Account	**259,178**	4,97,042
VI	**Amount recognised in other comprehensive income**		
	Opening amount recognised in other compehensive income outside profit and loss account	**(361,212)**	(255,617)
	Remeasurments during the period due to:		
	Changes in financial assumptions	**31,331**	44,204
	Changes in demographic assumptions	**(532)**	-
	Experience adjustments	**(116,872)**	(159,064)
	Actual return on plan assets less interest on plan assets	**(8,842)**	9,265
	Adjustment to recognise the effect of asset ceiling	**-**	-
	Closing Net Liability	**(456,127)**	(361,212)

37 Earnings Per Share (EPS)

Particulars		**As at March 31, 2019 ₹**	As at March 31, 2018 ₹
A	Profit/(Loss) Attributable to Equity Shareholders	**19,20,326**	(3,45,936)
B	Number of Equity Shares Outstanding during the year	**6,25,000**	6,25,000
C	Nominal Value of Equity Shares	**10**	10
	Basic Earning/Diluted Per Share (₹) (A/B)	**3.07**	(0.55)

38 The Financial Statements have been prepared on going concern basis although the net worth of the Company has been completely eroded, in view of the future business plans which will allow the Company to carry out its business profitably.

As per our Report attached

For K.F.JETSEY & CO
Chartered Accountants
Firm's Registration No.104209W

K F JETSEY
Proprietor
Membership No. 033206

Place: Mumbai
Dated: 30th May 2019

For and onbehalf of the Board of Directors of
Muller and Phipps (India) Limited

MILAN DALAL
Director
DIN No.: 00062453

VENU KRISHNAN
Director
DIN No.: 00006592

P V MOHAN
Whole-time Director
DIN No.: 00195051

RAMESH PAI
Chief Financial Officer

SALONI. A. SHAH
Company Secretary

Place: Mumbai
Dated: 30th May 2019

MULLER & PHIPPS (INDIA) LIMITED

CIN:L63090MH1917PLC007897
REGISTERED OFFICE : 204, Madhava Building, 2nd Floor,
Bandra Kurla Complex, Bandra East, Mumbai-400 051.
Tel No.26591191, Website: www.mulphico.co.in

ATTENDANCE SLIP

(To be presented at the entrance)

ONE HUNDRED TWO ANNUAL GENERAL MEETING ON FRIDAY, SEPTEMBER 27, 2019 AT 9.30 A.M.

M. C. Ghia Hall, Indian Textile Accessories & Machinery Manufacturers Association,
Bhogilal Hargovindas Building, 4th Floor, 18/20, K. Dubash Marg, Kala Ghoda, Mumbai - 400 001

Folio No. ___________________DP ID No.______________________ Client ID No.____

Name of the Member ____ Signature ____

Name of the Proxy holder______________________________________Signature ____

1. Only member/Proxy holder can attend the meeting.

2. Member/Proxyholder should bring his/her copy of the Annual Report for reference at the meeting.

MULLER & PHIPPS (INDIA) LIMITED

CIN:L63090MH1917PLC007897
REGISTERED OFFICE : 204, Madhava Building, 2nd Floor,
Bandra Kurla Complex, Bandra East, Mumbai-400 051.
Tel No.26591191, Website: www.mulphico.co.in

PROXY FORM

(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) : ____

Registered Address : ____

E-mail ID : ____

Folio No/ Client Id No : ____

I/We, being the member(s) of _________ Shares of Muller & Phipps (India) Limited, hereby appoint

1. Name : ____Email Id: ____

   Address:____Signature. ____

   or failing him

2. Name : ____Email Id: ____

   Address:____Signature. ____

   or failing him

3. Name : ____Email Id: ____

   Address:_________________________________Signature.____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the One Hundred One Annual General Meeting of the Company to be held on Friday, September 27, 2019 at 9.30 a.m. at M. C. Ghia Hall, Indian Textile Accessories & Machinery Manufacturers Association, Bhogilal Hargovindas Building, 4th Floor, 18/20, K. Dubash Marg, Kala Ghoda, Mumbai - 400 001 and at any adjourned meeting thereof in respect of such resolutions as are indicated below.

1. Adoption of Statement of Profit and Loss, Balance Sheet, Report of Board of Directors and Auditors for the year ended March 31, 2019.
2. Re-Appointment of Mr. Milan Dalal as Director of the Company.
3. Appointment of Auditors' M/s K F Jetsey & Co., Chartered Accountants.

Signed this_____ day of ______2019

Affix
₹1
Revenue
Stamp

Signature of Shareholder________________________

Signature of Proxy Shareholder_____________________

Notes 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. Any member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself. A Proxy need not be a member.

Registered Post / Speed Post / Courier

If undelivered please return to :
MULLER & PHIPPS (INDIA) LIMITED
204, Madhava Building, 2nd Floor,
Bandra Kurla Complex, Bandra East,
Mumbai - 400 051.