

18th
ANNUAL
REPORT
2019-2020



Brooks

LABORATORIES LIMITED

AN EU-GMP approved carbapenem facility

*World-class Dedicated Carbapenem Injection
Facility at Unit 2-Vadodara, Gujarat.*



CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Atul Ranchal	Chairman
Mr. Rajesh Mahajan	Managing Director
Mr. Suresh Garg	Technical Director
Mr. Rajnish Kumar Bedi	Independent Director
Mr. Deepak Mahajan	Independent Director
Mrs. Sonia Gupta	Independent Director

CHIEF FINANCIAL OFFICER

Mr. Prashant Rathi

COMPANY SECRETARY

Mrs. Jyoti Sancheti

BANKERS

Kotak Mahindra Bank
Indian Bank

AUDITORS

M/s SGCO & Co. LLP
Chartered Accountants
4A, Kaledonia-HDIL, 2nd Floor, Sahar Road,
Near Andheri Station, Andheri (East)
Mumbai – 400 069
Tel: 022 66256363

REGD. OFFICE & WORKS

Unit 1: Village Kishanpura
Nalagarh Road
Baddi, Distt. Solan, H.P.- 174101
Telefax.: 01795-236939

Unit 2: Vadodara Address:
Village Manglej
Nareshwar Road, Taluka
Karjan, Dist. Vadodara
Gujarat:391210, Tel.:02666-235500

CORPORATE OFFICE

502, Kanakia Atrium -2
Next to Hotel Courtyard Marriott
Andheri Kurla Road, Andheri (East)
Mumbai – 400093
Tel.: 022-61933100/Fax.: 022-61933114
Email: investors@brookslabs.net
Website:www.brookslabs.net
CIN:L24232HP2002PLC00026

REGISTRAR & SHARE TRANSFER AGENT

Link Intime India Pvt. Ltd.
C-101, 247 Park, LBS Marg, Vikhroli (West)
Mumbai -400083
Tel.: 022-49186000/ Fax.: 022-49186060
email: rnt.helpdesk@linkintime.co.in
website: www.linkintime.co.in

Brooks
"EUGMP Approved Dedicated Carbapenem Facility"



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million vials per a

Brooks

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CHAIRMAN'S LETTER



Dear Shareholders,

Hope all of you are staying safe and are taking good care of your families and near and dear ones in today's unprecedented times.

Last year we started on the process of consolidation of domestic business and embarked on the journey of gearing up to target and plan for internationally rewarding markets in our chosen field of Injectibles.

Let me share the progress we have made since then:

For domestic markets, your company started marketing critical care products more aggressively in four states Maharashtra, Gujarat, Rajasthan and UP as compared to only state of Maharashtra previous year, with better results, with more accomplished teams and more demanded products to have a better outlook as a critical care player in domestic market. Additionally, within one year we have made our presence felt in the market with a more comprehensive product range with satisfying results and hopefully we would increase our territorial reach in more number of states this year. This shall add a sustainable set of revenues and earnings for your company.

On international front, to get a better and expedient reach in regulated markets internationally, we have signed a joint venture agreement with a Bengaluru based company, Streriscience Private Limited., a company whose promoters have understanding and international reach and strong track record and presence in many regulated countries. This is a significant step to aggregate mutual synergies and would speed up your Company's footprints in international markets like Europe and America, together with a more accomplished and experienced partner. This will transform your company's credibility in those territories and open up more business opportunities. It shall also enhance the manufacturing capabilities of your company with more innovative products, as a result of fresh investments and richer experience coming in from our Joint Venture partner. This transaction is subject to your approval at the forthcoming AGM.

Though both the above steps are in progress, your Company has performed much better last year with better revenues and margins; despite of the COVID-19 situation, halting raw material supplies for many weeks and associated production and demand losses. We are sure that with the continued hard work and focussed efforts of our teams and with your wishes and support, your company will see a value enhancing road map ahead with sustainable growth both in domestic and in international markets.

As always, I thank each one of you for having faith in us. I have always believed that vision and sincere efforts always gets blessings from the Almighty; we just need to have patience for great things to blossom.

With renewed best wishes.

Sincerely,

Place: Mumbai
Date: 03.09.2020

Atul Ranchal
Brooks Laboratories Ltd.

MANAGING DIRECTOR'S SPEECH



Dear Shareholders

Healthcare industry including Pharmaceuticals is poised for big change after Covid pandemic which has changed the lifestyle of Human kind worldwide. Indian Pharma industry is poised for new challenges due to changed world order after Covid & thrust of Govt. of India to be self sufficient (atmanirbhar). Meanwhile govt. of India has come out with list of KSM & API in which govt. has announced production linked incentive. We foresee new opportunities of API manufacturing in India. We are undertaking feasibility study of the same.

At Brooks we are continuously reducing our focus on institutional business due to uncertainty of payments & irregularity of business. Our new thrust is towards marketing of our own brands which we are expanding continuously. Our target is to achieve 50% of our total sales from our own marketing team in next 3 years. Our international business has started picking up now. With more approvals from various countries in current year the sales are likely to improve substantially.

The new joint venture with Steriscience will help Vadodara facility to expand its manufacturing capability & backward integration of the present facility. Also the marketing expertise of Steriscience will help the marketing joint venture to capture new territories specially the regulated markets much faster.

As we celebrate our 19th year of existence of Brooks laboratories Limited, I take this opportunity to thanks all our colleagues, creditors, customers & various government agencies & investors.

With two Joint ventures in place we expect this financial year to be much better compared to last year. We welcome to interact with you at Annual General Meeting.

Place: Mumbai
Date: 03.09.2020

Rajesh Mahajan
Managing Director,
Brooks Laboratories Ltd.



CONTENTS

	Page No.
Notice	06
Management Discussion and Analysis.....	21
Directors' Report.....	26
Independent Auditor's Report.....	65
Annexure "A" to Independent Auditor's Report.....	68
Annexure "B" to Independent Auditor's Report.....	70
Balance Sheet	72
Statement of Profit & Loss.....	73
Cash Flow Statement	74
Statement of Changes in Equity	76
Notes forming part of the Financial Statements	77

NOTICE

Notice is hereby given that the 18th Annual General Meeting of Brooks Laboratories Limited will be held on Monday, 28th September 2020 at 9 a.m. through Video Conference/Other Audio-Visual Means, to transact the following business:

ORDINARY BUSINESS:

1. Adoption of annual audited financial statement and reports thereon

To receive, consider and adopt the audited financial statement of the Company for the financial year ended 31st March 2020 and the Report of the Directors and Auditors thereon.

2. Appointment of Director in place of those retiring by rotation

To appoint a Director in place of Mr. Rajesh Mahajan (DIN: 02000634), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. To ratify the remuneration of the Cost Auditors

To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

“RESOLVED THAT under the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof), the Company hereby ratifies the remuneration payable to M/s. Balwinder & Associates, Cost Accountants, Mohali (Firm Reg No. 000201), as recommended by the Audit Committee and approved by the Board of Directors of the Company as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31st March 2021, amounting to Rs. 60,000/- plus taxes.”

4. To re-appoint Mr. Atul Ranchal (DIN: 01998361) as a Whole-time Director designated as Chairman.

To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

“RESOLVED THAT according to the provisions of sections 196, 197, 203, Schedule V and other applicable provisions of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force) and on the recommendation of Nomination and Remuneration Committee and Board of Directors, consent of the members be and is hereby accorded for the re-appointment of Mr. Atul Ranchal (DIN: 01998361) as a Whole-time Director designated as Chairman for 5 years with effect from 1st November 2020 to 31st October 2025, on such remuneration as set out in the Explanatory Statement annexed to the Notice convening this Meeting and on terms and conditions as agreed between the Board and Mr. Atul Ranchal. He shall be liable to retire by rotation and shall be entitled to Sitting Fees for attending the Meetings of the Board of Directors or any committee thereof.”

5. To re-appoint Mr. Rajesh Mahajan (DIN: 02000634) as a Managing Director.

To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

“RESOLVED THAT according to the provisions of sections 196, 197, 203, Schedule V and other applicable provisions of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force) and on the recommendation of Nomination and Remuneration Committee and Board of Directors, consent of the members be and is hereby accorded for the re-appointment of Mr. Rajesh Mahajan (DIN: 02000634) as a Managing Director for 5 years with effect from 1st November 2020 to 31st October 2025, on such remuneration as set out in the Explanatory Statement annexed to the Notice convening this Meeting and on terms and conditions as agreed between the Board and Mr. Rajesh Mahajan. He shall be liable to retire by rotation and he shall be entitled to Sitting Fees for attending the Meetings of the Board of Directors or any committee thereof.”

6. To consider the remuneration of Mr. Atul Ranchal (DIN: 01998361) as a Whole-time Director designated as Chairman.

To consider and, if thought fit, to pass the following Resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of sections 197, 198, Schedule V and other applicable provisions, if any of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force) and in supersession of an earlier resolution, and as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors of the Company, the consent of the members be and is hereby accorded to fix the remuneration payable to Mr. Atul Ranchal, Chairman cum Whole Time Director of the Company, for a period from 1st November, 2020 to 31st October, 2023, as set out in the Explanatory Statement annexed to the Notice, with further authority to the Board to alter and vary such terms and conditions including remuneration as may be mutually agreed by the Board of Directors of the Company and Mr. Atul Ranchal subject to the conformity with the provisions of the Companies Act, 2013.”

“**RESOLVED FURTHER THAT** such remuneration, is within the overall limits of the managerial remuneration as prescribed under the Companies Act, 2013, read with Schedule V thereto, and/or any guidelines prescribed by the Government from time to time.”

“**RESOLVED FURTHER THAT** to give effect to this Resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary and settle any/or all questions/ matters arising for the above matter, and to execute all such deeds, documents, agreements, and writings as may be necessary for giving effect to this Resolution, take such further steps in this regard, as may be considered desirable or expedient by the Board in the best interest of the Company.”

7. To consider the remuneration of Mr. Rajesh Mahajan (DIN: 02000634) as a Managing Director.

To consider and, if thought fit, to pass the following Resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of sections 197, 198, Schedule V and other applicable provisions if any, of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force) and in supersession of an earlier resolution, and as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors of the Company, the consent of the members be and is hereby accorded to fix the remuneration payable to Mr. Rajesh Mahajan, Managing Director of the Company, for a period from 1st November, 2020 to 31st October, 2023, as set out in the Explanatory Statement annexed to the Notice, with further authority to the Board to alter and vary such terms and conditions including remuneration as may mutually agreed by the Board of Directors of the Company and Mr. Rajesh Mahajan subject to the conformity with the provisions of the Companies Act, 2013.”

“**RESOLVED FURTHER THAT** such remuneration, is within the overall limits of the managerial remuneration as prescribed under the Companies Act, 2013, read with Schedule V thereto, and/or any guidelines prescribed by the Government from time to time.”

“**RESOLVED FURTHER THAT** to give effect to this Resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary and settle any/or all questions/ matters arising for the above matter, and to execute all such deeds, documents, agreements, and writings as may be necessary for giving effect to this Resolution, take such further steps in this regard, as may be considered desirable or expedient by the Board in the best interest of the Company.”

8. To Enhance the Investment Limit

To consider and, if thought fit, to pass the following Resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the Section 186 of the Companies Act, 2013 and such other provisions as may be applicable, if any, and the Rules made thereunder, including any statutory modification or re-enactment thereof for the time being in force the consent of the members be and is hereby accorded to the Board of Directors of the Company to agree to, at its discretion, make loan(s) and/or give any guarantee(s)/provide any security(ies) in connection with loan(s) made to and to make investments in shares, debentures and/ or any other securities of other body corporates or person whether Indian or overseas and/or in various schemes of Mutual Funds or such other funds, as they may in their absolute discretion deem beneficial and in the interest of the Company in excess of 60% of the paid up Share Capital and Free Reserves and Securities Premium of the Company or 100% of Free Reserves and Securities Premium of the Company whichever is more, as prescribed under Section 186 of the Companies Act, 2013 from time to time, in one or more tranches, up to maximum amount of Rs. 200 Crores (Rupees Two Hundred Crores Only), notwithstanding that investments along with Company’s existing loans or guarantee/ security or investments shall be more than the limits prescribed under Section 186 aforesaid or up to the limits so prescribed under Section 186 (as may be amended from time to time), whichever is higher and that the Board is authorized to do all such acts, deeds, matters and things as may be necessary to give effect to this resolution, and to settle any question or doubt that may arise in this regard.”

“**RESOLVED FURTHER THAT** the Board be and is hereby authorised to take from time to time all decisions and steps in respect of the above loans, guarantees and investment including the timing, amount and other terms and conditions of such loans, guarantees and investment and varying the same through transfer, sale, disinvestments or otherwise either in part or in full as it may deem appropriate, and to do and perform all such acts, deeds, matters and things, as may be necessary or expedient in this regard and to exercise all the rights and powers which would vest in the Company in pursuance of such loans, guarantees and investment.”

9. To consider the slump sale of the Vadodara facility

To consider and, if thought fit, to pass the following Resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to Section 180(1)(a) of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 read with Rules made there-under (including its statutory modification or re-enactment thereof for the time being in force), the provisions of the Memorandum and Articles of Association of the Company, the provisions of the listing agreement entered into by the Company with the Stock Exchanges where the shares of the Company are listed, and such other

approvals, consents and permissions being obtained from the appropriate authorities to the extent applicable and necessary, the consent of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred as the “Board” which term shall be deemed to include any Committee which the Board may have constituted or hereinafter constitute from time to time to exercise its powers including the power conferred by this resolution), to sell / transfer / dispose off its Vadodara facility situated at Village Manglej, Nareshwar Road, Off Nh-8, Taluka Karjan, Dist. Vadodara, Gujarat -391210 together with associated assets, liabilities, all the licences, permits, consents, and approvals as a going concern/on a slump sale basis on an “as is where is” basis or in any other manner as the Board may deem fit in the interest of the Company to Brooks Steriscience Limited (Under Incorporation as a wholly-owned subsidiary of the Company), as per the terms and conditions of business transfer agreement proposed to be executed.

“RESOLVED FURTHER THAT the Board be and is hereby authorised and empowered to finalise and execute necessary documents including but not limited to definitive Agreements, Business Transfer Agreement, deeds of assignment/conveyance and other ancillary documents, with effect from such date and in such manner as is decided by the Board to do all such other acts, deeds, matters and things as they may deem necessary and/or expedient to give effect to the above Resolution including without limitation, to settle any questions, difficulties or doubts that may arise regarding sale and transfer of the Undertaking as they may in their absolute discretion deem fit.

“RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred, to any Committee of Directors or any one or more directors of the Company with power to delegate to any Officers of the Company, with authorities as required, affixing the Common Seal of the Company on agreements/ documents, arranging delivery and execution of contracts, deeds, agreements, and instruments.”

“RESOLVED FURTHER THAT the Company be and is hereby authorizes the Directors of the Company, Mr. Atul Ranchal, Chairman and Mr. Rajesh Mahajan, Managing Director to severally sign all the necessary documents, including the business transfer agreement for and on behalf of the Company in connection with the transfer of Vadodara facility and associated assets and liabilities of the facility to Brooks Steriscience Limited, and to do such other acts deeds and things as may be necessary to give effect to this resolution.

10. To consider the slump sale of Baddi facility

To consider and, if thought fit, to pass the following Resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to Section 180(1)(a) of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 read with Rules made there-under (including its statutory modification or re-enactment thereof for the time being in force), the provisions of the Memorandum and Articles of Association of the Company, the provisions of the listing agreement entered into by the Company with the Stock Exchanges where the shares of the Company are listed, and such other approvals, consents and permissions being obtained from the appropriate authorities to the extent applicable and necessary, the consent of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred as the “Board” which term shall be deemed to include any Committee which the Board may have constituted or hereinafter constitute from time to time to exercise its powers including the power conferred by this resolution), to sell / transfer / dispose off its Baddi facility situated at Village Kishanpura, Baddi Nalagarh Road, Baddi, Himachal Pradesh -174101 together with associated assets, liabilities, all the licences, permits, consents and approvals as a going concern/on a slump sale basis on an “as is where is” basis or in any other manner as the Board may deem fit in the interest of the Company to a Special purpose vehicle, that is to be incorporated as a wholly owned subsidiary of the Company.

“RESOLVED FURTHER THAT the Board be and is hereby authorised and empowered to finalise and execute necessary documents including but not limited to definitive Agreements, Business Transfer Agreement, deeds of assignment/conveyance and other ancillary documents, with effect from such date and in such manner as is decided by the Board to do all such other acts, deeds, matters and things as they may deem necessary and/or expedient to give effect to the above Resolution including without limitation, to settle any questions, difficulties or doubts that may arise regarding sale and transfer of the Undertaking as they may in their absolute discretion deem fit.

“RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred, to any Committee of Directors or any one or more directors of the Company with power to delegate to any Officers of the Company, with authorities as required, affixing the Common Seal of the Company on agreements/ documents, arranging delivery and execution of contracts, deeds, agreements, and instruments.”

“RESOLVED FURTHER THAT the Company be and is hereby authorizes the Directors of the Company, Mr. Atul Ranchal, Chairman and Mr. Rajesh Mahajan, Managing Director to severally sign all the necessary documents, including the business transfer agreement for and on behalf of the Company in connection with the transfer of Baddi facility and associated assets and liabilities of the facility a special purpose vehicle, that is to be incorporated as a wholly-owned subsidiary of the Company and to do such other acts deeds and things as may be necessary to give effect to this resolution.

11. To adopt a new set of Memorandum of Association of Company.

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

“RESOLVED THAT under the provisions of section 4 and section 13 of the Companies Act, 2013, and other applicable provisions read with the rules and regulations made thereunder including any amendment, re-enactment or statutory modification thereof, approval of the members be and is hereby accorded to amend the Memorandum of Association of the Company as per the draft concerning the object clause (Clause III) of the Memorandum of Association of the Company and such other amendments as may be required to align the Memorandum of Association with the provisions of the Companies Act, 2013.

RESOLVED FURTHER THAT Mr. Atul Ranchal, Chairman and Mr. Rajesh Mahajan, Managing Director of the Company, be and are hereby severally authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds, matters, and things, including delegate such authority, as may be considered necessary, proper or expedient to give effect to the above resolution.

RESOLVED FURTHER THAT Mr. Atul Ranchal, Chairman, Mr. Rajesh Mahajan, Managing Director and Company Secretary of the Company, be and are hereby severally authorized to do all such acts, deeds, matters, and things and to sign all such other documents, in each case, as they or any of them may deem necessary, proper or desirable (including without limitation making the appropriate e-filings with the Registrar of Companies / Ministry of Corporate Affairs), in connection with the amendment of Memorandum of Association of the Company, as approved by the Board and the members of the Company and/ or generally to give effect to the foregoing resolutions.

Place: Mumbai
September 3, 2020

By Order of the Board of Directors
For **Brooks Laboratories Limited**

Sd/-

Jyoti Sancheti
Company Secretary & Compliance Officer

Registered Office:
Village Kishanpura,
Nalagarh Road, Baddi, Distt. Solan, H.P.
CIN: L24232HP2002PLC000267
Email id: investors@brookslabs.net

NOTES:

1. An Explanatory Statement according to Section 102(1) of the Companies Act, 2013, in respect of the items of Special Business given in this Notice, is annexed hereto.
2. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
3. The Register of Members and Share Transfer Books will remain closed from Tuesday, September 22, 2020, to Monday, September 28, 2020 (both days inclusive).
4. Members who have not registered their e-mail addresses so far are requested to register the same with their respective Depository Participants, in case of shares held in dematerialised form and with the Registrar and Share Transfer Agent in case of shares held in physical form so that all communication including Annual Report, Notices, Circulars, etc. can be sent to them electronically.
5. SEBI has mandated submission of Permanent Account Number (PAN) by every member of the Company. Members holding shares in dematerialised form are requested to submit their PAN to their respective Depository Participants. Members holding shares in physical form can submit their PAN to the Registrar and Share Transfer Agent.
6. For any assistance or information about shares, dividends, etc. Members may contact the Registrar and Share Transfer Agents viz. Link Intime India Private Limited, C-101, 247 Park, L.B.S. Marg, Vikhroli (W), Mumbai- 400083 (Tel: 022-49186000; Fax: 022-49186060; Email: rnt.helpdesk@linkintime.co.in; Website: www.linkintime.co.in)
7. All documents referred to in the Notice and accompanying Statements are open for inspection at the Registered Office of the Company on all working days of the Company between 10 a.m. and 12 noon up to the date of the Meeting.
8. In case of any queries regarding the Annual Report, the Members may write to investors@brookslabs.net to receive an email response.

CDSL e-Voting System – For Remote e-voting and e-voting during AGM

- As you are aware, because of the situation arising due to the COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No. 17/2020 dated April 13, 2020, and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus be held through video conferencing (VC) or other audiovisual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
- According to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020, and May 05, 2020, the Company is providing the facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
- The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on a first-come-first-served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc. who are allowed to attend the AGM without restriction on account of the first-come-first-served basis.
- The attendance of the Members attending the AGM through VC/OAVM will be counted to ascertain the quorum under Section 103 of the Companies Act, 2013.
- As per the Companies Act, 2013, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf. Under MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint a proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
- Since the AGM is being held through VC as per the MCA Circulars, the physical attendance of Members has been dispensed with. Accordingly, the facility for the appointment of proxies by the Members will not be made available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

- In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.brookslabs.net. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.
- The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020, and MCA Circular No. 17/2020 dated April 13, 2020, and MCA Circular No. 20/2020 dated May 05, 2020.

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

- The voting period begins on Friday, 25th September 2020 at 9.00 am and ends on Sunday, 27th September 2020 at 5.00 pm. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off Monday, 21st September 2020 (record date) may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- Shareholders who have already voted before the meeting date would not be entitled to vote at the meeting venue.

The shareholders should log on to the e-voting website www.evotingindia.com.

- Click on the "Shareholders" module.
- Now enter your User ID
- For CDSL: 16 digits beneficiary ID,
- For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- Next enter the Image Verification as displayed and Click on Login.
- If you are holding shares in Demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- If you are a first time user follow the steps given below:

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

- After entering these details appropriately, click on the "SUBMIT" tab.
- Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in Demat form will now reach the 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that the company opts for e-voting through the CDSL platform. It is strongly recommended not to share your password with any other person and take the utmost care to keep your password confidential.
- For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same, the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

- After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- You can also take a print of the votes cast by clicking on the “Click here to print” option on the Voting page.
- If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- Shareholders can also cast their votes using CDSL’s mobile app “m-Voting”. The m-Voting app can be downloaded from the respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

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

1. For Physical shareholders- please provide necessary details like Folio No., Name of the shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to investors@brookslabs.net/rnt.helpdesk@linkintime.co.in
2. For Demat shareholders - please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to investors@brookslabs.net/rnt.helpdesk@linkintime.co.in.
3. The company/RTA shall co-ordinate with CDSL and provide the login credentials to the above-mentioned shareholders.

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

- A shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members log in by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of the Company will be displayed.
- Shareholders are encouraged to join the Meeting through Laptops / IPads for a better experience.
- Further shareholders will be required to allow Camera and use the Internet with good speed to avoid any disturbance during the meeting.
- Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective networks. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least **10 days before meeting** mentioning their name, demat account number/folio number, email id, a mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **10 days before the meeting** mentioning their name, Demat account number/folio number, email id, a mobile number at investors@brookslabs.net. These queries will be replied to by the company suitably by email.
- Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

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

- The procedure for e-Voting on the day of the AGM is the same as the instructions mentioned above for Remote e-voting.
- Only those shareholders, who are present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through the e-Voting system available during the AGM.
- If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
- Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
- **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI, etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts, they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively, Non-Individual shareholders are required to send the relevant Board Resolution/ Authority letter, etc. together with the attested specimen signature of the duly authorized signatory who is authorized to vote, to the Scrutinizer and the Company at the email address viz; investors@brookslabs.net (designated email address by the company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.
- In case you have any queries or issues regarding e-voting, you may refer to the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under the help section or write an email to helpdesk.evoting@cdslindia.com or call 1800225533.
- All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call 1800225533.

A statement under Section 102(1) of the Companies Act, 2013 ('Act')

Resolution No. 3

As per Notification dated 31st December 2014 issued by the Ministry of Corporate Affairs, the Companies (Cost Records and Audit) Rules, 2014, provisions relating to auditing of cost accounting records are applicable to the Company with effect from the date of above Notification. Accordingly, the audit of cost accounting records of the Company is mandatory from the financial year 2014-15.

At the recommendation of the Audit Committee, the Board of Directors has approved the appointment of M/s Balwinder & Associates, Cost Accountants, as the Cost Auditors to conduct the audit of the cost records of the Company for the financial year 2020-21 at a remuneration of Rs. 60,000/- plus taxes per financial year.

Section 148 (3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditor) Rules, 2014, requires the remuneration payable to the Cost Auditors to be ratified by the Members of the Company. Accordingly, the approval of the Members is sought for passing an Ordinary Resolution for ratification of the remuneration to the Cost Auditor payable for the financial year 2020-21.

The Board accordingly recommends the resolutions for the approval of the shareholders by way of an Ordinary resolution.

The Directors recommend the Resolutions for the approval of Members.

Resolution No. 4, 5, 6 and 7

Mr. Atul Ranchal, Chairman, and Mr. Rajesh Mahajan, Managing Director, jointly conceptualized the idea of setting up of Brooks Laboratories Limited. It's because of their vision and able leadership that the Company is well established and earned name and fame.

Mr. Atul Ranchal, Chairman, and Mr. Rajesh Mahajan, Managing Director, are not at all associated with any other company. They are devoting their time and energy exclusively for the growth and diversification of Brooks Laboratories Limited. They have visualized the idea of this pharmaceutical Company, developed it, nurtured it, and brought it to its present state.

The Managing Duo of Mr. Rajesh Mahajan, Managing Director, and Mr. Atul Ranchal, Chairman has worked aggressively and accelerated the growth of the Company tremendously within a short time. They designed the organization structure, work allocation, and overall control systems of the Company. They have been instrumental in the growth and diversification of the Company.

Mr. Atul Ranchal and Mr. Rajesh Mahajan have conveyed their consent to act as Directors of the Company and made necessary disclosures. Both are not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013

Mr. Atul Ranchal and Mr. Rajesh Mahajan possess appropriate skills and the necessary experience and knowledge. The brief profile of Mr. Atul Ranchal & Mr. Rajesh Mahajan and the detail of their shareholding as per requirements of the Companies Act, 2013, the rules made thereunder, and Secretarial Standard (SS-2) is mentioned in Annexure 2.

Keeping in mind their best efforts and the workload which has multiplied over years, the Board of Directors have approved the re-appointment of Mr. Atul Ranchal as a Whole-time Director designated as Chairman and Mr. Rajesh Mahajan as a Managing Director,

for 5 years with effect from 1st November 2020 to 31st October 2025 and further approved their remuneration of Rs. 8,00,000/- per month each plus perquisites and allowances, for three years w.e.f. 1st November 2020 to 31st October 2023, on the recommendation of the Nomination and Remuneration Committee and subject to the approval of the members at the ensuing Annual General Meeting. A Statement according to clause (iv) of 2nd proviso of Section II of Part II of Schedule V to the Companies Act, 2013 is given in Annexure 1 in this Notice. The detailed terms and conditions for the payment of remuneration to each of the two directors are as follows:

Terms and Conditions:**a) Salary**

Rs. 8,00,000/- per month with such annual increments/increases as may be decided by the Nomination and Remuneration Committee with the approval of the Board of Directors from time to time.

b) Commission

Commission on profits not exceeding 1% of the net profits of the Company in any financial year as the Board may determine from time to time.

The amount of commission shall be payable after the Annual Audited Accounts are approved by the Board of Directors and adopted by the Shareholders.

c) Perquisites

Perquisites are divided into Category A and Category B:

Category A:

Comprises of Medical Reimbursement, Leave Travel Assistance, Accommodation, Personal Accident Insurance, Club fees, Car, Telephone/Telefax, Reimbursement of Servant's Salary and such other allowances, perquisites and facilities as may be decided by Nomination and Remuneration Committee with the approval of Board of Directors from time to time.

Category B:

Comprises of entitlement of Gratuity and encashment of leave at the end of tenure. These shall not be included in the computation of ceiling on remuneration laid down in Section 197 of the Companies Act, 2013.

d) Reimbursement of expenses:

Expenses incurred for travelling, boarding and lodging during business trips, entertainment expenses actually and properly incurred for the Company's business.

e) Sitting Fees

Entitled of sitting fees for attending the Meetings of the Board of Directors or any Committee thereof.

f) Minimum Remuneration

To be paid the aforesaid remuneration, as minimum remuneration in the event of absence or inadequacy of profits.

Save and except Mr. Atul Ranchal and Mr. Rajesh Mahajan and their relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors, Key Managerial Personnel or their relatives is concerned or interested in the Resolution Nos. 4,5,6 & 7.

The Board accordingly recommends the resolution no. 4 & 5 for the approval of the shareholders by way of an Ordinary resolution and resolution no. 6 & 7 by way of Special Resolution.

The Directors recommend the Resolutions for the approval of Members.

Resolution No. 8

Under the provisions of Section 186 of the Companies Act, 2013, the powers to give loans, make investments, provide any guarantee or security beyond the limits prescribed, can be exercised by the Board only with the consent of the shareholders obtained by a Special Resolution. Therefore, it is necessary to obtain approval of the shareholders through Special Resolution(s) to enable the Board of Directors of the Company under Section 186 of the said Act to make a loan, to make investments, give guarantee or provide security, more than the limit prescribed to the Act, provided that the total amount so invested by the Board shall not exceed Rs. 200 crores (Rupees Two hundred crores only).

The Board accordingly recommends the resolution for the approval of the shareholders by way of a special resolution.

None of the Director(s) or their relative(s) are, in any way, concerned or interested in the aforesaid resolutions.

Resolution No. 9

In line with the strategic directions outlined by the Board of Directors (the “Board”) of the Company, the Board at its meeting held on 21st July 2020 approved the sale and transfer of its Vadodara facility situated at Village Manglej, Nareshwar Road, Off Nh-8, Taluka Karjan, Dist. Vadodara, Gujarat – 391210 as a going concern on a slump sale basis (as defined in Section 2(42C) of the Income Tax Act, 1961) to Brooks Steriscience Limited (“Manufacturing JV”) (which is under incorporation as a wholly-owned subsidiary of the Company) upon the terms and subject to the conditions outlined in the Business Transfer Agreement (“BTA”) proposed to be entered into between the Company and the Manufacturing JV, which was also approved by the Board at the same meeting.

The proposed sale and transfer of the Vadodara facility as a slump exchange shall conform with all the applicable laws and regulations. The Company will be executing the BTA and other related agreements such as conveyance deed, assignment deed, etc. for the purpose. The slump exchange has been largely tax neutral given that the value for the slump exchange was the tax written down value of the facility being exchanged.

In terms of Section 180(1)(a) of the Act, shareholders’ approval is required by a company to sell or otherwise dispose-off the whole or substantially the whole of the undertaking of the company. An undertaking is defined to mean an undertaking in which the investment of a company exceeds 20% of its net worth as per the audited balance sheet of the preceding financial year or an undertaking which generates 20% of the total income of a company during the previous financial year. Given that the undertaking being transferred generated more than 20% of the total income during the previous financial year ended March 31, 2020, the sale/transfer of the identified Vadodara facility requires the approval of the members by a special resolution under Section 180(1)(a) of the Act.

The Board of Directors believes that the aforesaid proposal is in the best interest of the Company and hence, the Board recommends passing of the Special Resolution for approval of the members.

None of the Director(s) or their relative(s) are, in any way, concerned or interested in the aforesaid resolutions except to the extent of their respective shareholding, if any, in the Company.

Resolution No. 10

In line with the strategic directions outlined by the Board of Directors (the “Board”) of the Company, the Board at its meeting held on 3rd September 2020 has agreed to carve out its Baddi facility situated at Village Kishanpura, Nalagarh Road, Baddi, Tehsil Nalagarh, Distt. Solan, Baddi – 174101. For this purpose, a Special Purpose Vehicle (SPV) will be created as a wholly-owned subsidiary of the Company. The proposed sale and transfer of the Baddi facility as a slump exchange shall conform with all the applicable laws and regulations.

In terms of Section 180(1)(a) of the Act, shareholders’ approval is required by a company to sell or otherwise dispose-off the whole or substantially the whole of the undertaking of the company. An undertaking is defined to mean an undertaking in which the investment of a company exceeds 20% of its net worth as per the audited balance sheet of the preceding financial year or an undertaking which generates 20% of the total income of a company during the previous financial year. Given that the undertaking being transferred generated more than 20% of the total income during the previous financial year ended March 31, 2020, the sale/transfer of the identified Vadodara facility requires the approval of the members by a special resolution under Section 180(1)(a) of the Act.

The Board of Directors believes that the aforesaid proposal is in the best interest of the Company and hence, the Board recommends passing of the Special Resolution for approval of the members.

None of the Director(s) or their relative(s) are, in any way, concerned or interested in the aforesaid resolutions except to the extent of their respective shareholding, if any, in the Company.

ITEM NO. 11

Upon enactment of the Companies Act, 2013, the Memorandum of Association of the Company were required to be re-aligned as per the provisions of the new Act.

Your directors’ in its meeting held on 3rd September 2020 had approved (subject to the approval of members) the amendment in the Memorandum of Association of the Company concerning the following:

- a. **Clause III (B)** - Matters which are necessary for furtherance of the Objects specified In Clause 3(A) by way of insertion(s)/ deletion(s)/ alteration(s);
- b. **Clause III (C)** – Other objects have been deleted;
- c. Other amendments are required to align the existing memorandum of association with the provisions of the Companies Act, 2013.

The draft of the amended Memorandum of Association proposed for approval is available for inspection by the shareholders of the Company during normal business hours at the Corporate Office of the Company. In terms of Section 4 and 13 of the Companies Act, 2013, the consent of the Members by way of Special Resolution is required for proposed amendments in the Memorandum of Association of the Company.

The Board accordingly recommends the resolution for the approval of the shareholders by way of a special resolution.

None of the Director(s) or their relative(s) are, in any way, concerned or interested in the aforesaid resolutions.

Place: Mumbai
September, 3, 2020

By order of the Board of Directors
For **Brooks Laboratories Limited**

Sd/-

Jyoti Sancheti
Company Secretary &
Compliance Officer

Regd. Office: Village Kishanpura,
Nalagarh Road, Baddi, Distt.Solan, H.P.
CIN: L24232HP2002PLC000267
Email id: investors@brookslabs.net

ANNEXURE 1

 STATEMENT under 2ND PROVISIO TO SCHEDULE V [PART II SECTION II (Clause iv)] OF THE COMPANIES ACT, 2013

I. GENERAL INFORMATION				
1. Nature of Industry	Pharmaceuticals			
2. Date of commencement of commercial production	The Company was incorporated on 23.01.2002. Its plant at Baddi started its commercial production in June 2006			
3. In the case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the Prospectus	N.A.			
4. Financial Performance based on given indicators	Please refer to Exhibit 1.1			
5. Foreign investments or collaborators, if any	NRI Investment of Rs.9,65,440/- as on 31.03.2020			
II. INFORMATION ABOUT THE APPOINTEE		Mr. Atul Ranchal, Chairman cum Whole Time Director		Mr. Rajesh Mahajan, Managing Director
1. Background Details	Refer the Statement to Resolution No. 4 above and Annexure 2		Refer the Statement to Resolution No. 5 above and Annexure 2	
2. Past Remuneration	Year	Remuneration	Year	Remuneration
	2019-20	Rs.96.00 lacs	2019-20	Rs. 96.00 lacs
	2018-19	Rs.96.00 lacs	2018-19	Rs.96.00 lacs
3. Recognition or Awards	N.A.		N.A.	
4. Job Profile and his suitability	Refer the Statement to Resolution No. 4 above and Annexure 2		Refer the Statement to Resolution No. 5 above and Annexure 2	
5. Remuneration proposed	Salary–Rs.8 lacs per month plus Perquisites & Allowances		Salary–Rs.8 lacs per plus Perquisites & Allowances	
6. Comparative remuneration profile concerning the industry, size of the Company, profile of the position and person (in case of expatriates, the relevant details would be w.r.t. the country of origin)	Please refer to Exhibit 1.2		Please refer to Exhibit 1.2	
7. Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any	Mr. Atul Ranchal is one of the promoters of the Company. He has no pecuniary relationship with the Company apart from receiving remuneration or relationship with the managerial personnel.		Mr. Rajesh Mahajan is one of the promoters of the Company. He has no pecuniary relationship with the Company apart from receiving remuneration or relationship with the managerial personnel.	
I. OTHER INFORMATION				
1. Reasons for loss or inadequate profits	During the Financial Year 2019-20, due to high operational and depreciation costs at Vadodara factory, the Company has incurred a loss of Rs. 2,437.60 lacs.			
2. Steps were taken or proposed to be taken for improvement	Pharma Industry majorly depends on the regulatory approvals. We are in the process of securing the regulatory approvals from many foreign countries which will increase the export sales of the company.			
3. The expected increase in productivity and profits in measurable terms	In the financial year 2019-20, the sales volume of the Vadodara factory increased by three times compared to the financial year 2018-19. Further in the financial year 2020-21, we are expecting more international approvals which will increase the sales of the Company manifold.			
IV. DISCLOSURES				
	Please refer to Exhibit 1.3			

Exhibit 1.1
Financial Position of the Company

The financial position of the Company as per the audited Financial Statements of the last 5 years is as follows:

(Rs. In lacs)

Particulars	2019-20	2018-19	2017-18	2016-17	2015-16
Sales and Other Income	7009.48	5790.77	5714.44	5766.25	8157.04
Profits after tax	(2437.60)	(1480.54)	(1381.28)	195.65	1063.34
Earnings Per Share (in Rs.)	(13.84)	(9.20)	(8.53)	1.21	6.57
Fixed Assets	11217.70	11717.18	12401.04	11858.96	1633.56
Capital Work In Progress	-	-	52.16	0.00	8708.91
Long Term Loans & Advances	1139.93	1386.39	1725.84	2047.39	1656.05
Current Assets	3791.79	3174.09	2964.82	2400.83	3253.15
Equity Share Capital	2470.28	1618.64	1618.64	1618.64	1618.64
Reserves & Surplus	7371.32	8896.43	9828.59	10782.02	10586.35
Long Term Borrowings	1139.93	1386.39	1725.84	1080.51	34.24
Current Liabilities	4579.91	4746.11	3984.97	2482.45	2792.16

Exhibit 1.2
Industry Trends

Annual Remuneration withdrawn by the Executive Directors of some of the leading Pharmaceutical Companies in India is as follows:

Dr. Reddy Laboratories Limited (as per Annual Report 2019-20)

(In lakhs)

S. No.	Name of Director	Designation	Remuneration
1.	K. Satish Reddy	Chairman	925.90
2.	G V Prasad	Co-Chairman & CEO	1437.60

Aurobindo Pharma Limited (as per Annual Report 2019-20)

(In lakhs)

S. No.	Name of Director	Designation	Remuneration
1.	K. Nithyananda Reddy	Wholetime Director	151.20
2.	N Govindarajan	Managing Director	1688.70
3.	M. Sivakumaran	Wholetime Director	151.20
4.	M. Madan Mohan Reddy	Wholetime Director	406.70
5.	P. Sarath Chandra Reddy	Wholetime Director	87.30

Cipla Ltd. (as per Annual Report 2019-20)

(In lakhs)

S. No.	Name of Director	Designation	Remuneration
1.	Mr. Umang Vohra	Managing Director	1357
2.	Ms. Samina Hamied	Executive Vice Chairperson	674

Exhibit 1.3**Information on the remuneration of all directors as per Part IV of Clause (iv) of Section II of Part II of Schedule V to the Companies Act, 2013.**

The details of proposed remuneration of Mr. Atul Ranchal, Chairman cum Whole-time Director and Mr. Rajesh Mahajan, Managing Director of the Company is as given below:

Terms and Conditions:**a) Salary**

Rs. 8,00,000/- per month with such annual increments/increases as may be decided by the Nomination and Remuneration Committee with the approval of the Board of Directors from time to time.

b) Commission

Commission on profits not exceeding 1% of the net profits of the Company in any financial year as the Board may determine from time to time.

The amount of commission shall be payable after the Annual Audited Accounts are approved by the Board of Directors and adopted by the Shareholders.

c) Perquisites

Perquisites are divided into Category A and Category B:

Category A:

Comprises of Medical Reimbursement, Leave Travel Assistance, Accommodation, Personal Accident Insurance, Club fees, Car, Telephone/Telefax, Reimbursement of Servant's Salary and such other allowances, perquisites and facilities as may be decided by Nomination and Remuneration Committee with the approval of Board of Directors from time to time.

Category B:

Comprises of entitlement of Gratuity and encashment of leave at the end of tenure. These shall not be included in the computation of ceiling on remuneration laid down in Section 197 of the Companies Act, 2013.

d) Reimbursement of expenses:

Expenses incurred for traveling, boarding, and lodging during business trips, entertainment expenses actually and properly incurred for the Company's business.

e) Sitting Fees

Entitled of sitting fees for attending the Meetings of the Board of Directors or any committee thereof.

f) Minimum Remuneration

To be paid the aforesaid remuneration, as minimum remuneration in the event of absence or inadequacy of profits.

g) Notice Period- 90 days

The details of the remuneration of all other directors are disclosed in the Corporate Governance Report on 35 further given under Part VI of Extract of Annual Return in Form No. MGT-9.

ANNEXURE 2

Profile of Directors seeking Appointment/Re-appointment in ensuing Annual General Meeting under SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 are mentioned below

Name of Director	Mr. Atul Ranchal	Mr. Rajesh Mahajan
Designation	Chairman cum Whole-time director	Managing Director
DIN	01998361	0200634
Date of Birth	09.10.1967	19.07.1969
Age	52 years	51 years
Date of Appointment	23.01.2002	23.01.2002
Qualifications	B.Sc. (Microbiology), PGDFMT	B.Sc.(Biology), MBA
Brief Resume		
Expertise in Specific Functional Areas	Business Management	Business Management
Number of Board Meetings attended during the year	7	8
Relationship with other Directors	Nil	Nil
Shareholding in Brooks Laboratories Limited	6263071 Equity Shares	5114151 Equity Shares
Directorships held in other companies	Nil	Nil
Membership/Chairmanship of Committees in other Companies	Nil	Nil

Management Discussion & Analysis

Company's revenues stood at Rs. 6968.85 lacs experiencing an increase of 26.64% over the previous year at Rs. 5503.01 lacs

(Rs in lacs)

PARTICULARS	2019-20	2018-19
Turnover	6968.85	5503.01
Other Income	40.63	287.76
Total Income	7009.48	5790.77
Expenditure	7361.06	6339.34
Profit before Depreciation, Interest & Tax (PBDIT)	(351.58)	(548.57)
Financial Expenses (Interest)	335.03	296.26
Profit before Depreciation and Tax (PBDT)	(686.61)	(844.83)
Depreciation and Amortization	664.76	649.96
Profit before Tax (PBT)	(1351.37)	(1494.79)
Extraordinary items (Gain)	14.73	(7.11)
Income Tax (net of MAT Credit)	1086.23	14.23
Profit after Tax	(2422.87)	(1487.67)
Earnings per Share (in Rs.)	(13.84)	(9.20)

Revenues:

The turnover of the company for the year ended March 31, 2020 stood at Rs. 6968.85 lakhs as against Rs. 5503.01 lakhs for the previous year ended March 31, 2019; there was 26.64% increase over the previous year. Increase in revenue at both the facilities was result of growth in international business.

Cost of material:

There has been marginal decrease in the cost of materials as a percentage to Net sales, from 73.72% of sales in FY 2018-2019 to 71.02% of sales for this year. This decrease is due to better realizations in international business.

Employment Cost:

There is an increase in the employment cost by Rs. 119.06 lakhs, a 9.76% rise as compared to the previous year ended March 31, 2019. The increase is due to annual increments & also due to increase in manpower in marketing.

Finance Cost:

Finance expense was Rs. 335.03 lakhs in FY 2019-2020 versus finance cost of Rs. 296.26 in FY 2018-2019. Due to higher use of working capital.

Depreciation:

There is increase in depreciation due to capitalisation of additional assets of Vadodara plant after start of commercial production. (Rs. 664.76 in 2019-20 and Rs. 649.96 in 2018-19).

Tax:

There is no Tax liability for the financial year 2019-20.

Industry Structure and Developments

Pharma Industry majorly depends on the regulatory approvals. We are in process of getting the approvals from many foreign countries and we are expecting to secure more international approvals in coming year and further we expect to have multifold increase in sales volume in Vadodara facility.

Opportunities-

Joint Venture Agreement:

The Company looks for opportunities in order to expand its product line either through complimentary or strategic acquisitions of other

companies, asset acquisition, licensing agreements or any other arrangement. The Company entered into a joint venture agreement with a strategic partner who have understanding and international reach and strong track record and presence in many regulated countries. This is a significant step to aggregate mutual synergies and would speedup up the Company's footprints in international markets like Europe and America, together with a more accomplished and experienced partner. This will transform the company's credibility in those territories and open up more business opportunities. It shall also enhance the manufacturing capabilities of the company with more innovative products, as a result of fresh investments and richer experience coming in from our Joint Venture partner.

Segment wise and product wise performance

Our sales are primarily from two segments i.e. Domestic and International. Currently, we are focusing on International Market as it is growing faster than Domestic market.

Outlook

Outlook for Domestic Market

As per IQVIA report, the India pharmaceutical market is expected to be one of the fastest growing pharmaceutical markets in the world with underlying growth drivers like rising incidences of lifestyle diseases, higher disposable income, improved access to healthcare facilities and increasing penetration of medical insurance. The Government is also increasing its investments towards the healthcare sector with initiatives like Ayushman Bharat-Pradhan Mantri Jan Aarogya Yojana and Jan Aushadi Kendras, which is improving the affordability and accessibility of quality medical treatment amongst the economically weaker sections of the society. While these drivers will ensure good visibility of growth for the Indian pharmaceutical industry over the medium to long-term horizon, there could be some near-term impact on the Indian pharmaceutical industry due to COVID-19. Due to extended lockdowns in a large part of the country and because of the fear of getting infected, lots of elective surgeries are getting deferred. Many of the hospitals have shut their OPDs and doctors have stopped going to their clinics. This has impacted the generation of new prescriptions which is an important growth driver for the pharma industry. With the gradual relaxation in lockdown rules, activity levels are expected to pick up in hospitals and clinics, which should help the pharma industry to gather momentum. The Company remains positive over the medium to long-term and expects to deliver healthy growth in the Indian Pharmaceutical Market.

Outlook for International Markets

The Company thrives to grow at a similar pace in the international markets. The Company continued to focus on increasing its operational efficiencies and optimising costs to mitigate the risks arising out of tightening rules by the local governments, evolving regulatory environment and volatility in the currency exchange rates. To augment the growth in these markets, the Company is focussing on With more international approvals in coming year to have multifold increase in sales.

Discussion of Financial performance with respect to Operational Performance

The company operated the Baddi plant at almost full capacity, though the production in units was more but realization per unit went down due to stiff competition resulting in lower sales in value terms. Also we have gone selective in government tenders due to delayed payment of various government agencies thus reducing our sales realization. Sales at Vadodara facility have started picking up but at low pace due to delays in approvals from regulatory agencies of different countries. With more international approvals in coming year we expect to have multifold increase in sales in Vadodara facility.

Internal Control System and their adequacy

Brooks believes that internal control is a prerequisite for governance and that business plans should be exercised within a framework of checks and balances. The Company has a well-established internal control framework, which is designed to continuously assess the adequacy, effectiveness and efficiency of financial and operational controls. The management is committed to ensuring an effective internal control environment, commensurate with the size and complexity of the business, which provides an assurance on compliance with internal policies, applicable laws, regulations and protection of resources and assets.

Human Resources Policy

Mission Statement

HR supports and upholds Brooks' goals by nurturing a Positive and Engaging work environment while identifying and responding to the changing needs of the Organization and our Society.

Vision Statement

Brooks Human Resources department will serve as a Guardian for Excellence and Leadership through:

- Improving Organizational Effectiveness
- Innovative HR solutions
- Attract, Retain and Develop the talent
- Extraordinary Quality of services
- Building collaborative partnerships (HR as Business Partner)
- Develop a Robust Employee engagement plan for the staff & wage workforce through multiple engagement initiatives across the year.

Core values of HR Department

▣ **Focused Approach**

We advance Brooks mission by thinking and acting in the best interests of the organization and the workforce; in particular, when developing policies, processes, programs and delivering services.

▣ **Innovative**

HR at Brooks would be dedicated to Quality, Excellence and Continuous improvement. We work to ensure the Brooks remains competitive in its Human Resources policies and practices by actively seeking and developing best practices, methods and approaches.

▣ **Being Professional**

We adhere to high professional standards of quality, competency and conduct. We act with honesty and integrity. We anticipate and are proactive, collegial and collaborative in our work. We remain current in professional practice.

▣ **Accountable**

We are accessible and answer to stakeholders for results in accordance with policies, standards, commitments and principles. We document, measure and report performance and evaluate program effectiveness.

▣ **Transparent**

We balance requests to share information clearly and openly while respecting the security of confidential and personal information entrusted to the department.

▣ **Employees**

We have 376 peoples employed on the rolls of the Company.

Risk management

For its operations the Directors believe that, the company has laid down internal financial controls to be followed by the company; and that such internal financial controls are adequate and were operating effectively for Risk Management.

Risk & Concerns:

Risk is a potential event or non-event, the occurrence or non-occurrence of which can adversely affect the objectives of the Company. Impact of risks could either be monetary that is impact on business profits due to increase in costs, decreasing revenue amongst others or non-monetary which is delay in securing regulatory approvals, reputational damage etc. The Company is susceptible to risks arising out of our business strategy, succession planning and decision on innovation or product portfolio. If there is any significant unfavorable shift in industry trend or pattern of demand, our returns on investments might get affected. We have risks associated with clients' and prospective clients' dispositions.

Any delays due to changes in regulatory requirement, clearances or executional failures could materially affect the timing and implementation of our strategy. Further, due to higher profitability in the injectables space and price pressure in the orals because of the competition, we have seen more Companies are eyeing injectables segment as an area to grow, thus increasing some competition from India in various markets like USA. Emerging countries' currencies have become significantly devalued making our products expensive or reduced margins in the emerging countries market.

Regulators across the globe strictly monitor the pharmaceuticals manufacturing facilities. Governing laws across the globe are becoming increasingly stringent over time, with severe penalties or actions in the event of non-compliance or violations to regulatory standards. In the scenario where we or any of our suppliers fail to comply with such regulations, there could be a regulator-enforced

shutdown of concerned production facilities, withdrawal of drug approvals previously granted, failure or delay in obtaining approvals for new products, prohibition on the sale or import of non complying products etc. Such impact would significantly affect the delivery of our objectives. Given the evolving nature and regulatory complexities relating to Injectables production, there is a continuous challenge in meeting the regulatory requirements. This might also lead to additional requirements from the regulators before granting commercialization approval. The additional requirements would not only increase our financial commitments but also shift the launch timelines, thereby impacting Company strategy.

In addition to the above, other key risks relating to our current operations include human capital risk such as loss of key personnel, timely replenishment of critical vacant roles, reliance on third party sole suppliers or service providers including reliance on regional suppliers, disruption of operations from natural disasters, risk arising out of strategic projects, foreign exchange fluctuations, changing landscape of statutory regime etc.

At **BROOKS**, Risk Management is a key strategic focus for the Members of Board. All key functions of the Company are independently responsible to monitor risks associated with in their respective areas of operations such as production, supply chain, marketing, finance, accounting, treasury, legal, human resource and others areas like health, safety and environment.

Brooks Lab Operations:

Manufacturing:

The Company has started production and sales at its state-of-the-art manufacturing facility at Vadodara. In addition, upgradation of injectables was carried out at the Baddi facility to focus on high profit international markets. All facilities and production lines are upgraded regularly to meet current cGMP, Safety, Health and Environmental Standards. Various initiatives are taken towards energy and water conservation. The Company's journey towards achieving operational excellence across functions was driven through its efforts through automation of operations & upgrading the facility to qualify for higher regulatory approvals.

Environment, Health & Safety (EHS)

Brooks is committed to comply to high standards of environment, health and safety performance and is an integral to its working. Brooks ensures that each employee strives to achieve EHS excellence.

Quality

Brooks assures a culture of compliance and follows systematic interventions to consistently meet and exceed quality standards. Brooks is committed to enhance its quality management systems to meet and exceed the current expectations of regulatory authorities such as CDSCO, US FDA, EU GMP, TGA, MCC, WHO, etc. Its state-of-the-art manufacturing facilities at Vadodara is cGMP & EU GMP compliant and Baddi is cGMP compliant in conformity with national and international standards. Brooks looks forward for implementation of robust and effective quality management systems for continuously monitoring through quality metrics and internal audits.

THREATS, RISKS AND CONCERNS for Brooks Operations:

Drug Price Control:

The Health Ministry keeps on revising the list of Drugs under price control. It is likely that the Government may bring more drugs and formulations under price control or change the mechanism of calculating the ceiling price of the drugs, which are under the ambit of the revised policy, which in turn will affect the net margins of the Company.

Generics:

The Government of India is continuously bringing in policies to shift the market towards generic products. The implementation of this process requires action by all stakeholders. This may have impact on future business strategies of the Company.

Manufacturing & Supplying Risk:

Although a major portion of the Company's finished formulations and injectables are being manufactured at in-house facilities, the Company also depends on its suppliers for sourcing of its raw materials. Any significant disruption at in-house facilities or any of its suppliers locations due to economic, political & social factors or any other event may impair the Company's ability to meet the markets demand on a timely basis. In addition, the Company's manufacturing capabilities could be impacted by quality deficiencies in the products, which its suppliers provide, leading to impact on its financial performance.

New capital investments:

The Company has earmarked all capital investments in fy 2019-20 towards marketing of our products in domestic & international market. Company has started with own marketing team in Maharashtra, Gujarat, Rajasthan & Uttar Pradesh and to be followed in other states in phased manner.

Company is in process of registration of its products in various countries by filing Dossiers in regulated markets and semi regulated markets to capture sales in these markets, these are procedural steps which have to be followed and these steps take its own time, but processes are being followed actively.

Currency fluctuation risks:

Foreign currency risks arise out of overseas operations and financing activities. Exchange rate volatility significantly impacts earnings and net equity because of invoicing in foreign currencies, expenditure in foreign currencies, foreign currency borrowings and translation of financial statements of overseas subsidiaries into Indian rupees. The Company has a defined foreign exchange risk management framework to manage these risks excluding translation risks.

International Taxation:

As the Company has potential tax exposure resulting from application of varying laws and interpretations, which include intercompany transactions with related parties in relation to various aspects of business. Although the Company believes its cross border transactions between affiliates are based on internationally accepted practices, tax authorities in various jurisdictions may have different views or interpretations and subsequently challenge the amount of profits taxed in their jurisdiction resulting into increase in tax liability including interest and penalties causing the tax expenses to increase.

Financial Ratios

Ratio	Unit	FY20	FY19	Change %	Reason if variance more than 25% or more
Return on NW	In times	-25%	-14%	74.01%	Reversal of MAT credit entitlement caused increase in losses
Debtors T/O ratio	In Days	81.73	75.73	7.92%	
Inventory T/O ratio	In Days	72.35	66.68	8.49%	
Interest coverage ratio*	In times	NA	NA	NA	
Current ratio	In times	0.83	0.67	23.62%	
Debt equity ratio	In times	0.27	0.30	-7.89%	
Operating Profit Margin	In % to Sales	-5%	-10%	-49%	Improvement in Operating profit for FY20 due to increase in gross margin
Net Profit Margin	In % to Sales	-35%	-27%	28.61%	Reversal of MAT credit entitlement caused increase in losses

For and on Behalf of the Board
 For **Brooks Laboratories Limited**

Sd/-
Atul Ranchal
 Chairman
 (DIN: 01998361)

Place: Mumbai
 Date: 03.09.2020

Directors' Report

The Board of Directors of your Company has pleasure in presenting the 18th Annual Report on the affairs of the Company together with the Audited Accounts of the Company for the year ended 31st March, 2020.

1. Financial Results

The Financial Results for the year are as under: -

(Rs in lacs)

PARTICULARS	2019-20	2018-19
Turnover	6968.85	5503.01
Other Income	40.63	287.76
Total Income	7009.48	5790.77
Expenditure	7361.06	6339.34
Profit before Depreciation, Interest & Tax (PBDIT)	(351.58)	(548.57)
Financial Expenses (Interest)	335.03	296.26
Profit before Depreciation and Tax (PBDT)	(686.61)	(844.83)
Depreciation and Amortization	664.76	649.96
Profit before Tax (PBT)	(1351.37)	(1494.79)
Extraordinary items (Gain)	14.73	(7.11)
Income Tax (net of MAT Credit)	1086.23	14.23
Profit after Tax	(2422.87)	(1487.67)
Earnings per Share (in Rs.)	(13.84)	(9.20)

2. Performance of the Company

During the year under review, your Company has achieved a turnover of Rs.69.69 crores as compared to Rs. 55.03 crores in the previous year showing an increase in turnover as compare to previous year. The Company has incurred a net Loss after tax and depreciation of Rs. 24.23 Crores as compared to loss of Rs. 14.88 Crores in the previous year.

3. Operations during the year

The company operated the Baddi plant at almost full capacity, though the production in units was more but realization per unit went down due to stiff competition resulting in lower sales in value terms. Also we have gone selective in government tenders due to delayed payment of various government agencies thus reducing our sales realization. Sales at Vadodra facility have started picking up but at low pace due to delays in approvals from regulatory agencies of different countries. With more international approvals in coming year we expect to have multifold increase in sales in Vadodara facility.

4. Disclosure of Utilisation funds raised through

a. Preferential Allotment

The amount of Rs. 8,11,75,000 (Rupees Eight Crores Eleven Lakhs and Seventy Five Thousand) raised through Preferential Allotment of Convertible Warrants to the Promoter group of the Company. The Company received Rs. 5,55,49,000 (Rupees Five Crores Fifty Five Lakhs Forty Nine Thousand) in the financial year 2018-19 and balance Rs. 2,56,26,000 (Rupees Two Crores Fifty Six Lakhs Twenty Six Thousand) is received in the financial year 2019-20 is used for Working Capital requirements of the Company.

b. Rights Issue

The amount of Rs. 15,33,27,800 (Rupees Fifteen Crore Thirty Three Lakhs Twenty Seven Thousand and Eight Hundred) raised through Issue of 76,66,390 Rights Equity Shares with a face value of Rs. 10/- each at a price of Rs. 20/- per Rights Equity Shares (including a premium of Rs. 10/- per Rights Equity Shares on the rights basis in the ratio of 9 Rights Equity shares for every 20 fully paid up Equity Shares. The amount raised by the Issue of the Rights Equity Shares is used for working capital of the Company.

5. Dividends

In view of the financial constraints during the year, the Board of Directors has not recommended any dividend for this year.

6. Reserves

The Company has not transferred any amount to reserves and not withdrawn any amount from the reserves.

7. Deposits

During the financial year 2019-20, the Company has not accepted any deposits from the public within the provisions of Chapter V of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

8. Joint Venture Agreement

The Company has entered into a joint venture agreement vide the Board resolution passed on July 21, 2020 with a Bengaluru based company, Streriscience Private Limited., a company whose promoters have understanding and international reach and strong track record and presence in many regulated countries. This will transform company's credibility in those territories and open up more business opportunities. It shall also enhance the manufacturing capabilities of the company with more innovative products, as a result of fresh investments and richer experience coming in from our Joint Venture partner.

9. Capital Structure of the Company

During the year under review, the Company has

- i. Increased the Authorised Capital from Rs. 20,00,00,000/- (Rs. Twenty Crores) divided in 2,00,00,000 (Two Crores) Equity Shares of Rs. 10/- (Rs. Ten) each to Rs. 25,00,00,000/- (Rs. Twenty Five crores) divided in 2,50,00,000 (Two Crores Fifty Lakhs) Equity Shares of Rs. 10/- (Rs. Ten) each
- ii. Increased the paid up Capital from Rs. 16,18,64,220/- (Rs. Sixteen Crore Eighteen Lakh Sixty Four Thousand Two Hundred and Twenty) divided in 1,61,86,422 (One Crore Sixty One Lakh Eighty Six Thousand Four Hundred and Twenty Two) Equity shares of Rs. 10/- (Rs. Ten) each to Rs. 24,70,28,120/- (Rupees Twenty Four Crore Seventy Lakh Twenty Eight Thousand One Hundred and Twenty) divided in 2,47,02,812 (Two Crore Forty Seven Lakh Two Thousand Eight Hundred and Twelve) Equity Shares of Rs. 10/- (Rs. Ten).

During the period under review, the Company has

- iii. Converted 8,50,000 Convertible Warrants into Equity Shares with face value of Rs. 10/- each by passing circular resolution dated 09.07.2019 and 26.07.2019 upon receipt of total consideration of Rs. 8,11,75,000 (Rupees Eight Crore Eleven Lakh Seventy Five thousand) in several tranches.
- iv. Issued 76,66,390 Rights Equity Shares with face value of Rs. 10/- each at a price of Rs. 20/- per Equity shares (including premium of Rs. 10/- per Equity shares) for an amount aggregating to Rs. 1533.28 lakhs on Rights basis in the ratio of 9 Rights Equity shares for every 20 fully paid up Equity shares. The Issue was opened on February 19, 2020 and closed on March 12, 2020. Subsequently, the allotment was approved by the Board of Director in their (10/2019-20) meeting held on March 19, 2020.

The present paid up Equity Share Capital of the Company as on 31st March, 2020 is Rs. 2470.28 lacs.

10. Conversion of Convertible Warrants

In terms of SEBI (Issue of capital and Disclosure Requirements) Regulations, 2009 as amended ("ICDR Regulations"), the Company upon the Shareholders approval at the Annual General Meeting of the Company held on 10th August, 2018 issued and allotted 8,50,000 Convertible Warrants through Preferential Allotment to the Promoter group of the Company by passing the circular Resolution dated 6th September, 2018 and 14th September, 2018 at a conversion price of Rs. 95.50 per Equity Shares aggregating to Rs. 8,11,75,000/-. The Company has received 25% of the consideration along with the application. These Warrants will be converted into an equivalent number of Equity shares of face value Rs. 10/- each at a premium of Rs. 85.50 per share in the Company upon receipt of balance 75% of consideration with in a period of 18 months from the date of allotment. The Company received Rs. 5,55,49,000 (Rupees Five Crores Fifty Five Lakhs Forty Nine Thousand) in the financial year 2018-19 and balance Rs. 2,56,26,000 (Rupees Two Crores Fifty Six Lakhs Twenty Six Thousand) is received in the financial year 2019-20 upon which the Warrants were converted in to the Equity Shares of the Company by passing circular resolution dated 09.07.2019 and 26.07.2019.

11. Rights Issue

At the (2/2019-20) Meeting of Board of Directors held on 11th June, 2019 the Board of Directors has approved the proposal of raising of funds by way of offer and issue of equity shares to the members of the Company on rights basis (Rights Issue) for an amount of upto Rs. 25 crores. Further, at the (6/2019-20) meeting held on 31st January 2019, the Board of Directors approved the issue of 76,66,390 Equity Shares at Rs. 20/- each (including premium of Rs. 10/- per share) for an amount aggregating upto Rs. 15.33 Crores on Rights basis in the ratio of 9 Rights Equity shares for every 20 fully paid up Equity shares held by the Equity shareholders on the Record date February 12, 2020. Accordingly, the issue of shares to be issued on rights basis was opened on February 19, 2020 and closed on March 12, 2020 and subsequently the necessary approvals/consents under the provisions of SEBI (ICDR) Regulations, 2009, SEBI (LODR) Regulations, 2015 and the Companies Act, 2013 were obtained.

12. Change in the nature of business, if any

During the period under review there was no change in the nature of business of the company.

13. Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.

They have been no material changes and commitments, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

14. Details of revision of Financial Statement or the Report

There was no revision in Financial Statement or the Report in respect of any of the three preceding financial years.

15. List of all Credit Ratings

Rating Agency	Instrument Type	Rating	Remarks
CARE Rating Limited	Long Term Bank Facilities	CARE D (Single D)	This rating is as on August 25, 2020.
	Short Term Bank Facilities	CARE D (Single D)	

16. Changes in Directors and Key Managerial Personnel

In accordance with the provisions of Section 152 of the Companies Act, 2013, Mr. Rajesh Mahajan(DIN No. 02000634), Managing Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Dr. D.S. Maity, Whole time Director designated as a Technical Director of the Company resigned from the Board w.e.f. August 26, 2019 and Mr. Suresh Garg has been appointed as the additional whole time Director designated as the Technical Director of the Company w.e.f. August 26, 2019 and regularised on September, 2019.

Mr. Anil Kumar Pillai, CFO of the Company resigned w.e.f. May 12, 2020 and Mr. Prashant Rathi has been appointed as the CFO of the Company w.e.f. July 24, 2020.

Mr. Rajnish Kumar Bedi, (DIN No. 05287369) Independent Director, Mr. Deepak Mahajan, (DIN No. 06702389) Independent Director of the Company whose term was expired on 7th August, 2019 has been re-appointed for the second consecutive term of five years from 8th August, 2019 to 7th August, 2024 and Mrs. Sonia Gupta, Independent Director of the Company whose term was expired on 29th September, 2019 has been re-appointed for the second consecutive term of five years from 30th September, 2019 to 29th September, 2024 vide special Resolution passed by the Shareholders through Postal Ballot on 20th July, 2019.

17. Disclosure for Re-appointment of Independent Directors

The continued association of Independent Directors would be of immense benefit to the Company. Hence, Mr. Rajnish Kumar Bedi, Mr. Deepak Mahajan and Mrs. Sonia Gupta has been reappointed for second consecutive term of five years as Independent Directors of the Company.

18. Statement on declaration given by the Independent Directors

As required under Section 149 (7) of the Companies Act, 2013, all the Independent Directors have given their respective declarations that they meet the criteria of independence as specified in Section 149 (6) of the Companies Act, 2013.

The Independent Directors have complied with the Code of Conduct for Independent Directors as prescribed in Schedule IV of the Companies Act, 2013. They have also given the affirmation for complying the Code of Conduct as formulated by the Company for Directors and Senior Management personnel.

The Independent Directors also given their Consent in DIR-2 and declaration As required under Section 149 (7) of the Companies Act, 2013, all the Independent Directors have given their respective declarations that they meet the criteria of independence as specified in Section 149 (6) of the Companies Act, 2013 at the time of reappointment for the 2nd term.

19. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future

There is no significant and material order passed by the regulators or courts or tribunals during the financial year 2019-20 that impacts the going concern status and company's operations in future.

20. Details of Subsidiary/Joint Ventures/Associate Companies

The Company does not have any Subsidiary or Joint Ventures or Associate Companies.

21. Corporate Governance Report and Management Discussion & Analysis

Your Company is committed to good corporate governance practices. The Report on Corporate Governance is given in **Annexure 1** and Management Discussion & Analysis provided above, as stipulated in Regulation 34 of listing Regulations forms part of this Director's Report.

22. Corporate Social Responsibility

The Company has constituted a Corporate Social Responsibility Committee in accordance with Section 135 of the Companies Act, 2013 and rules framed there under.

A report on the CSR activities in the prescribed format as set out in Annexure to the Companies (Social Responsibility Policy) Rules, 2014, is given in **Annexure 2** to this Directors' Report. The Policy is disclosed on the Company's website: www.brookslabs.net.

23. Human Resources

Harmonious employees' relations prevailed throughout the year. Your Directors place on record their appreciation to all employees for their hard work and dedication.

24. Number of Meetings of the Board

The details of the number of meetings of the Board and other Committees are given in the Corporate Governance Report in Annexure 1 which forms a part of this Annual Report.

25. Composition of Committees

The details pertaining to composition of Committees are included in the Corporate Governance Report in Annexure 1, which forms part of this Annual Report.

26. Recommendations of Audit Committee

All the recommendations of Audit Committee were accepted by the Board of Directors.

27. Vigil Mechanism

Pursuant to the requirements of the Companies Act, 2013, the Company has established Vigil mechanism/Whistle Blower Policy for directors and employees to report genuine concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The vigil mechanism provides for adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the Chairman of the Audit Committee in appropriate or exceptional cases. The Policy is disclosed on the Company's website: www.brookslabs.net.

28. Directors' Responsibility Statement

Pursuant to Section 134(5) of the Companies Act, 2013, the Directors confirm that:

- a. in the preparation of the annual accounts for the year ended 31st March, 2020, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2020 and of the profit of the Company for that period;
- c. the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

- d. the Directors had prepared the annual accounts on a going concern basis;
- e. the Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;
- f. the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

29. Internal Financial Controls related to financial statement

The Company has in place adequate internal financial controls related to financial statement. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

30. Fraud Reported by Auditor

There is no fraud reported by the Auditor.

31. Extract of Annual Return

Pursuant to Section 134(3)(a) of the Companies Act, 2013, an extract of Annual Return in the prescribed Form MGT 9 is given as Annexure 7 to this Directors' Report. The Directors' Report as a part of Annual Report is placed on the Company's website: www.brookslabs.net.

32. Statutory Auditors

M/s. SGCO & Co. LLP, Chartered Accountants, Mumbai, were re-appointed as the Statutory Auditors of the Company for a second term of 5(five) consecutive years at the 17th Annual General meeting held on 25th September, 2019 to hold office from the conclusion of 17th Annual General Meeting of the Company till the conclusion of 22nd Annual General Meeting of the Company.

The Report given by the Statutory Auditors on the financial statement of the Company is part of the Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the auditors in their Report.

33. Cost Auditors

Pursuant to the provisions of section 148(3) of the Companies Act, 2013, the Board has appointed M/s. Balwinder Singh & Associates (Firm Reg. No. 000201), Cost Accountants, F-125, Phase VIII B, Industrial Area, Mohali- 160071, as the Cost Auditors of the Company to conduct an audit of the cost records of bulk drugs and formulations, maintained by the Company for the financial year ending 31st March, 2021. The Board has approved the remuneration payable to the Cost Auditors subject to ratification of the Members at the forthcoming Annual General Meeting.

The Cost Audit Reports would be submitted to the Central Government within the prescribed time.

34. Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company engaged the services of M/s. Sharma Sarin and Associates, Company Secretaries in practice, Chandigarh, to conduct the Secretarial Audit of the Company for the financial year ended 31st March, 2020.

The Secretarial Audit Report (Form MR-3) is given as Annexure 3 to this Directors' Report. The said Report does not contain any qualification, reservation or adverse remark or disclaimer.

35. Particulars of Loans, Guarantees or Investments

Details of Investments covered under the provisions of Section 186 of the Companies Act, 2013 is given in the Note No. 5 of the Notes to the Financial Statement.

36. Loan from Directors

During the year under review Loan of Rs. 68,00,000/- (Rupees Sixty Eight Lakhs) received from Mr. Atul Ranchal (DIN No. 01998361), Chairman of the Company and Rs. 31,05,000/- (Rupees Thirty One Lakh and five thousand only) received from Mr. Rajesh Mahajan (DIN No. 02000634), Managing Director of the Company were received in several tranches. The amount is not being given out of funds acquired by him by borrowing or accepting loans or deposits from others as declaration given by them at the time of giving the money.

The loan received from the Directors of the Company has been repaid by the Company in full on or before March 31, 2020.

37. Contracts and arrangements with Related Parties

All transactions of the Company with Related Parties are in the ordinary course of business and at arm's length. Information about the transactions with Related Parties is presented in Note No. 31(b) in Notes to the Accounts.

Form AOC – 2 pursuant to the provisions of Section 134 (3) (h) of the Companies Act, 2013, read with Rule 8 (2) of the Companies (Accounts) Rules, 2014 is given as **Annexure 5** to this Directors' Report.

38. Risk Management Policy

The Company does not have any Risk Management Committee due to the non-applicability of the provisions of Regulation 21 of the Listing Regulations, whereas the Company has Risk Management Plan. Business Continuity Plans are periodically reviewed and tested to enhance their relevance. The Risk Management Framework covering business, operational and financial risk is being continuously reviewed by the Audit Committee. At present, in the opinion of the Board of Directors, there are no risks which may threaten the existence of the Company.

39. Disclosure pursuant to Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The information required pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in Annexure 6 to this Directors' Report.

The Statement pursuant to Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable to the Company for the financial year 2019-20.

40. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The Statement of conservation of energy, technology absorption, foreign exchange earnings and outgo, as required prescribed in Rule 8(3) of the Companies (Accounts) Rules, 2014 is given in Annexure 4 to this Directors' Report.

41. Policy on appointment and remuneration of Directors

The Nomination and Remuneration Committee of the Company has recommended to the Board a Policy relating to the remuneration for Directors, Key Managerial Personnel and other employees including the criteria for determining the qualification, positive attributes and independence of a Director, as required under Section 178(1) of the Companies Act, 2013 which was adopted by the Board. A brief detail of the policy is given in the Corporate Governance Report in Annexure 1 which forms a part of this Annual Report. The Policy is disclosed on the Company's website: www.brookslabs.net.

42. Evaluation of Performance of Board, its Committees and Individual directors

During the year, a meeting of the Independent Directors was held to review the performance of the non-independent Directors and the Board as a whole and the Chairman on the parameters of effectiveness and to assess the quality, quantity and timeliness of the flow of information between the Management and the Board. Mr. Deepak Mahajan was appointed as the Lead Director to oversee the evaluation process at the meeting of the Independent Directors.

43. Compliance with Secretarial Standards

The Company has complied the applicable Secretarial Standards as listed below-

- a. SS-1 on Meetings of the Board of Directors
- b. SS-2 on General Meeting
- c. SS-3 on Dividend(Company has not declared any Dividend since 2012)
- d. SS-4 on Report of the Board of Directors

44. Corporate Insolvency Resolution Process initiated under the Insolvency and Bankruptcy Code, 2016 (IBC)

There is no such application filed for corporate insolvency resolution process, by a financial or operational creditor or by the company itself under the IBC before the NCLT.

45. Failure to implement any Corporate Action

The Company has not failed to complete or implement any corporate action within the specified time limit.

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

The Internal Complaint Committee under the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 has been formed.

There is nil case filed and disposed as required under the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013.

47. Acknowledgement

Your Directors are pleased to place on record their sincere gratitude to the Central Government, State Government(s), Financial Institutions, Bankers and Business Constituents for their continuous and valuable co-operation and support to the Company. They also take this opportunity to express their deep appreciation for the devoted and sincere services rendered by the employees at all levels of the operations of the Company during the year.

For and on Behalf of the Board
For **Brooks Laboratories Limited**

Sd/-
Atul Ranchal
Chairman
(DIN: 01998361)

Place: Mumbai
Date: 03.09.2020

ANNEXURE 1

CORPORATE GOVERNANCE REPORT

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The company's Corporate Governance system is based on certain key principles, including fairness and integrity, transparency and disclosure, accountability, equal treatment of all shareholders, and social responsibility. Corporate Governance extends beyond corporate laws. Its fundamental objective is not the mere fulfillment of the requirements of the law, but also the institution of, and adherence to, systems and procedures ensuring commitment of the Board in transparently managing a company for the maximization of long-term shareholder value.

Your Company is committed to adopting the best practices of Corporate Governance. The company has adopted an appropriate Corporate Governance framework to ensure timely and accurate disclosure of all material matters, including financial position, performance, ownership, and governance. Its endeavor has always been to maximize the long term value to the shareholders of the Company.

2. BOARD OF DIRECTORS

- **Composition of Board, Category of Directors, and their other Directorships/Committee positions.**

The Board is represented by senior and eminent professionals. The Board consists of Six Directors, of whom three are Executive and three are Non-Executive Independent Directors including one Woman Director. Thus, the composition of the Board complies with the statutory requirements in this regard. The Chairman and the Executive Directors are liable to retire by rotation. Day-to-day management of the Company, under the superintendence and control of the Board, is vested with the Managing Director, who is supported by a competent Management Team. Thus, the Company is committed to good corporate governance, based on an effective independent Board, the separation of supervisory role from executive management, and the constitution of committees to oversee critical areas.

There is no relationship between the Directors inter se.

The composition of Board, as on date, and the Directorship/Committee positions of the Directors in other companies are as follows:

Name	Category and Designation	Other Directorships	Other Committee Memberships
Atul Ranchal	Chairman / Executive Promoter Director	NIL	NIL
Rajesh Mahajan	Managing Director / Executive Promoter Director	NIL	NIL
Suresh Garg	Executive Director/Technical Director	NIL	NIL
Rajnish Kumar Bedi	Independent Director	NIL	NIL
Deepak Mahajan	Independent Director	NIL	NIL
Sonia Gupta	Independent Director	NIL	NIL

- **Attendance of each Director at the Board Meeting and the last Annual General Meeting**

During the financial year 2019-20, 10(ten) Board Meetings were held, that is on 29th May 2019, 11th June 2019, 14th August 2019, 26th August 2019, 13th November 2019, 31st January 2020, 7th February 2020, 14th February 2020, 3rd March 2020 and 19th March 2020. The gap between any two Board Meetings did not exceed 120 days. The Annual General Meeting was held on 25th September 2019. The details of the attendance of the Directors at these meetings are as follows:

Name	Board Meetings attended during the year	Whether last AGM attended
Atul Ranchal	7	YES
Rajesh Mahajan	8	YES
Dr. D. S. Maity*	2	NA
Mr. Suresh Garg**	5	YES
Rajnish Kumar Bedi	8	YES
Deepak Mahajan	7	YES
Sonia Gupta	7	YES

* Dr. D.S.Maity, Technical Director of the Company resigned from the Board w.e.f. 26th August 2019.

** Mr. Suresh Garg was appointed as an Additional Director on 26th August 2019 and regularized on 25th September 2019 as a Technical Director of the Company.

- **Conduct of Board Meetings**

The Board meets at least once in a calendar quarter to, inter alia, to review the quarterly financial results, the strategic business plan, and the annual budget. The annual calendar of meetings is tentatively agreed upon at the beginning of each year. Additionally, meetings are convened to transact special business, as and when necessary.

- **Details of skills/expertise/ competence of the Board of Directors:**

Name	Category	Skills/Expertise/Competence
Mr. Atul Ranchal	Promoter and Executive	He has 25 years of rich experience in the pharmaceutical industry. He focuses on strategy and plans, identification of key areas for growth.
Mr. Rajesh Mahajan	Promoter and Executive	He has 20 years of experience in the pharmaceutical industry. He looks after research and development, new product development, and total quality management.
Mr. Suresh Garg	Executive	He has expertise in manufacturing technology and he oversees the production planning and provides guidance in effective utilisation of capacities. He has rich experience in regulatory affairs of the pharma industry.
Mr. Rajnish Kumar Bedi	Non-Executive and Independent	He has experience in the Banking sector and expertise in Financial management and strategy.
Mr. Deepak Mahajan	Non-Executive and Independent	He has rich experience in overall management, organisation, etc
Mrs. Sonia Gupta	Non-Executive and Independent	She has good experience in Administration.

The Independent Directors fulfill the conditions specified in the Listing Regulations and are independent of the management.

3. COMMITTEES

As mandated by SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, (hereinafter referred to as Listing Regulations) the Company has constituted an Audit Committee, a Nomination and Remuneration Committee, and a Stakeholders' Relationship Committee. The Company Secretary of the Company acts as the Secretary to these Committees. The Minutes of each of the Committee Meetings are placed before the Board for noting /discussions.

AUDIT COMMITTEE

The Audit Committee (the Committee) monitors and provides effective supervision of the Management's financial reporting process to ensure accurate, timely, and proper disclosures and the transparency, integrity, and quality of financial reporting.

i. Terms of reference:

The terms of reference of the Audit Committee are in accordance with those specified in Regulation 18 of Listing Regulations and Section 177 of the Companies Act, 2013.

ii. Composition

The Audit Committee comprises of three Directors as members, out of which two are Non-executive Independent Directors as given below:

Name	Designation	Category
Rajnish Kumar Bedi	Chairman	Independent Director
Rajesh Mahajan	Member	Executive Director
Deepak Mahajan	Member	Independent Director

iii. Meetings and Attendance

During the financial year 2019-20, the Audit Committee met five times i.e. on 29th May 2019, 14th August 2019, 26th August 2019, 13th November 2019, and 14th February 2020. The gap between any two meetings did not exceed 120 days. The Chairman of the Audit Committee was present at the Annual General Meeting held on 25th September 2019. The detail of the attendance of Members at these meeting was as follows:

Name	Attendance at the Meetings
Rajnish Kumar Bedi	5
Rajesh Mahajan	5
Deepak Mahajan	5

NOMINATION & REMUNERATION COMMITTEE

The Nomination and Remuneration Committee ensures that the Company's remuneration policy is aligned with the Board's vision, values, and overall business objectives and is appropriately designed to motivate the Executive Directors, Key Management Personnel, and the Senior Management to pursue the long term growth and success of the Company.

i. Terms of Reference:

The terms of reference of the Nomination and Remuneration Committee are per those specified in Regulation 19 of Listing Regulations and Section 178 of the Companies Act, 2013.

ii. Composition

The Nomination and Remuneration Committee comprises of three Non-executive Independent Directors in compliance with the applicable statutory requirements, as given below:

Name	Designation	Category
Rajnish Kumar Bedi	Chairman	Independent Director
Deepak Mahajan	Member	Independent Director
Sonia Gupta	Member	Independent Director

iii. Meetings & Attendance

During the financial year 2019-20, the Nomination and Remuneration Committee met four times i.e. on 29th May 2019, 26th August 2019, 16th December 2019, and 14th February 2020. The detail of the attendance of Members at these meeting was as follows:

Name	Attendance at the Meetings
Rajnish Kumar Bedi	4
Deepak Mahajan	4
Sonia Gupta	4

iv. Remuneration Policy

The Nomination and Remuneration Policy of the Company is performance-driven and is structured to motivate directors and employees, recognize their merits and achievements, and promote excellence in their performance.

For Whole-time/Executive Directors

The remuneration paid to Whole-time/ Executive Directors is recommended by the Nomination and Remuneration Committee and approved by the Board of Directors, subject to the subsequent approval by the shareholders and if required, of the Central Government. The Remuneration paid to Whole-time/ Executive Directors is as follows:

(Rs. In lacs)

Name	Designation	Remuneration	Sitting Fees
Mr. Atul Ranchal	Chairman cum Whole-Time Director	96.00	1.40
Mr. Rajesh Mahajan	Managing Director	96.00	1.60
Dr. D. S. Maity*	CEO cum Technical Director	11.88	0.40
Mr. Suresh Garg**	Technical Director	18.05	1.00

* Dr. D.S.Maity, Technical Director of the Company resigned from the Board w.e.f. 26th August 2019.

** Mr. Suresh Garg was appointed as an Additional Director on 26th August 2019 and regularized on 25th September 2019 as a Technical Director of the Company.

Notice Period- The Notice Period for the Whole-time/ Executive Directors is 90 days

For Non-Executive/Independent Directors

The Remuneration paid to the Non-executive/ Independent Directors for the financial year 2019-20 is as follows:

Name	Designation	Sitting Fees for the year (in Rs.)
Mr. Rajnish Kumar Bedi	Independent Director	1,60,000
Mr. Deepak Mahajan	Independent Director	1,40,000
Mr. Sonia Gupta	Independent Director	1,40,000

Sitting fees paid to Non-Executive Directors including independent & women directors are not less than Executive Directors.

None of the Non-Executive/Independent Directors has any other pecuniary interest in the Company.

Mr. Deepak Mahajan, Non-Executive Independent Director, holds 435 shares in the Company as on 31st March 2020. None of the other Non-executive Independent Directors holds any shares in the Company.

v. PERFORMANCE EVALUATION OF BOARD

In terms of the provisions of the Companies Act, 2013 and Schedule II part D of the Listing Obligations & Disclosures Regulations, 2015, the Board has carried out the annual performance evaluation of its own including the various Committee and the individual Directors with a detailed questionnaire covering various aspects of Board's functioning like the composition of Board and its Committees, Board culture, the performance of specific duties and obligations.

A similar process with a separate exercise was carried out to evaluate the performance of the Independent Directors, who were evaluated on parameters such as the independence of judgment, level of engagement, their contribution, and safeguarding the interests of the Company.

STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholder Relationship Committee considers and resolves the grievances of the security holders of the company including complaints related to transfer of shares, non-receipt of Annual Report, and other such issues.

i. Terms of Reference:

The terms of reference of the Stakeholder Relationship Committee are following those specified in Regulation 20 of Listing Regulations and Section 178 of the Companies Act, 2013.

ii. Composition:

The Stakeholders Relationship Committee comprises of three Directors as members, out of which two are Non-executive Independent Directors as given below:

Name	Designation	Category
Rajnish Kumar Bedi	Chairman	Independent Director
Rajesh Mahajan	Member	Executive Director
Deepak Mahajan	Member	Independent Director

iii. Meetings & Attendance

During the financial year 2019-20, the Stakeholders Relationship Committee met four times i.e. on 26th June 2019, 25th September 2019, 16th December 2019, and 13th March 2020. The Chairman of the Audit Committee was present at the Annual General Meeting held on 25th September 2019. The detail of the attendance of Members at these meeting was as follows:

Name	Attendance at the Meetings
Rajnish Kumar Bedi	4
Rajesh Mahajan	4
Deepak Mahajan	4

iv. Name and Designation of Compliance Officer

Mrs. Jyoti Sancheti is the Company Secretary cum Compliance Officer of the Company as required under Regulation 6 of Listing Regulations.

v. Complaints

During the financial year 2019-20, there were no complaints received from shareholders, which was resolved and, no complaints were pending as on 31st March 2020.

FAMILIARISATION PROGRAMME OF INDEPENDENT DIRECTORS

The Company keeps its Directors informed of the activities of the Company, its management, and operations, and provides an overall industry perspective as well as issues being faced by the industry proactively. The detail of familiarization programs provided to the Independent Directors of the Company is available on the Company's website www.brookslabs.net.

4. GENERAL BODY MEETINGS

i. Location and time of the last three Annual General Meetings

Date	Time	Venue	Special Resolutions, if any
25 th September, 2019	9:00 a.m.	Hotel Gianz, Baddi-Nalagarh Highway, NH-21A, Baddi, Distt. Solan, Himachal Pradesh	Nil
10 th August 2018	9:00 a.m.	Hotel Gianz, Baddi-Nalagarh Highway, NH-21A, Baddi, Distt. Solan, Himachal Pradesh	3
28 th September 2017	9:00 a.m.	Hotel Gianz, Baddi-Nalagarh Highway, NH-21A, Baddi, Distt. Solan, Himachal Pradesh	Nil

ii. Postal Ballot

During the year under review, 6(Six) Special Resolution was passed through Postal Ballot.

During the year under review, the Company had completed the process of obtaining the approval of its Members through Postal Ballot as per provisions of Section 110 of the Act and Rules made thereunder. The approval of Members obtained through Postal Ballot was about:

Sr. No.	Particulars	Type of Resolution Ordinary/Special
1.	Increase in Authorised Share Capital of the Company	Special
2.	Approval for the alteration of Capital clause of Memorandum of Association of the Company	Special
3.	Approval for raising of Funds by way of Issue of Securities/Allotment of Shares on Rights Issue Basis	Ordinary
4.	Adoption of new sets of Articles of association of the Company	Special
5.	Re-appointment of Mr. Rajnish Kumar Bedi (DIN No. 05287369) as an Independent Director of the Company	Special
6.	Re-appointment of Mr. Deepak Mahajan (DIN No. 06702389) as an Independent Director of the Company	Special
7.	Re-appointment of Mrs. Sonia Gupta (DIN No. 06998420) as an Independent Director of the Company	Special

The results of the above matter were announced on July 20, 2019.

Voting Pattern and Procedure for Postal Ballot:

- (i) The Company has appointed Mr. Nitesh Chaudhary, Practicing Company Secretaries, (Membership No. FCS 10010) as the Scrutiniser for conducting the Postal Ballot and electronic voting process;
- (ii) The online voting was available from 19th June 2019 at 9.00 a.m. to 18th July 2019 at 5.00 p.m.
- (iii) All Postal Ballot forms received/receivable up to the close of working hours on July 18, 2019, the last date and time fixed by the Company for receipt of the forms in the Postal Ballot, had been considered by Scrutiniser in his scrutiny;
- (iv) Envelopes containing Postal Ballot forms received after July 18, 2019, for the respective Postal Ballot had not been considered for his scrutiny;
- (v) The process for the Postal Ballot was carried out fairly and transparently.
- (vi) The result of the Postal Ballot was announced on July 20, 2019, as per Scrutiniser's Report the details of which are available on our company website www.brookslabs.net.

No special resolution is proposed to be conducted through Postal Ballot as on the date of this Report.

5. Disclosures**i. Related Party Transactions**

During the financial year 2019-20, there were no materially significant transactions with related parties that may have potential conflict with the interests of the Company at large. Further details of related party transactions are presented in Note No. 35(b) in Notes to the Accounts. The Company has formulated a policy on materiality of related party transactions and disclosed the same on the website of the Company www.brookslabs.net.

ii. Accounting treatment

The financial statements of the Company have been prepared to comply in all material respects with the Indian Accounting Standards ("Ind AS") notified under the Companies (Accounting Standards) Rules, 2015.

iii. Management

The Management Discussion and Analysis, as required under Regulation 34 of Listing Regulations, is given in Annexure 2 to the Directors' Report which forms a part of this Annual Report.

iv. CEO / CFO Certification

The Chief Executive Officer and the Chief Financial Officer of the Company have certified to the Board concerning the financial statements and other matters as required by Regulation 17 of Listing Regulations. The Certificate forms a part of this Annual Report.

v. Code of Conduct for Prevention of Insider Trading

The Company has adopted a Code of Conduct to regulate, monitor and report trading by insiders and code of practices and procedures for fair disclosures of unpublished price sensitive information in terms of Regulations 8(1), 9(1) and 9(2) of SEBI (Prohibition of Insider Trading) Regulations, 2015. All the Directors, employees at senior management level, and other employees who could have access to unpublished price sensitive information of the Company are governed by this code.

vi. Code of Conduct

The Company has adopted a Code of Conduct for members of the Board and senior management personnel as required under Regulation 26 of Listing Regulations. The said Code has been communicated to all the Directors and Members of the Senior Management. The Code is posted on the Company's website www.brookslabs.net

vii. Whistle Blower Policy

The Company believes in conducting its affairs fairly and transparently by adopting the highest standards of professionalism, honesty, integrity, and ethical behavior. Accordingly, a Whistle Blower Policy ("Policy") has been formulated where employees can voice their genuine concerns about any unethical or unacceptable business practice or any event of misconduct. It provides a mechanism for the employees of the Company to approach the Ethics Officer or the Chairman of the Audit Committee. The Company ensures that genuine Whistle Blowers are accorded complete protection from any kind of unfair treatment.

The Policy is posted on the website of the Company www.brookslabs.net.

No person has been denied access to the Audit Committee.

viii. The Company has complied with all the mandatory requirements of Corporate Governance and the Company has also adopted non-mandatory requirements of Corporate Governance during the financial year 2019-20 as shown below:

- **Chairman:** The Chairman of the Company is the executive chairman.

Shareholder Rights: Though the half-yearly results are not sent to the Shareholders individually, all the results are promptly uploaded on the Company's website www.brookslabs.net

Audit qualifications: The audit report is an unmodified opinion.

Separate posts of Chairman and CEO: The post of Chairman is separate from that of the Managing Director in the Company.

Reporting of Internal Auditor: The Internal Auditor of the Company has independent direct access to the Audit Committee.

6. MEANS OF COMMUNICATION

- i. **Quarterly Results:** The quarterly, half-yearly financial results along with Statement of Assets and Liabilities and annual audited financial results of the Company have been sent to the Stock Exchange immediately after they are approved by the Board of Directors.
- ii. **Newspaper:** The Company publishes the statement of financial results (quarterly/half-yearly/annual) in prominent English and Hindi newspapers like Financial Express and Jansatta.
Website: The financial results are also simultaneously posted on the Company's website www.brookslabs.net.
- iii. Any official news relating to investors' information is released to the Stock Exchanges and also available on the website of the Company.

7. Details of the utilization of funds raised through preferential allotment as specified under Regulation 32(7A)

The amount of Rs. 8,11,75,000 (Rupees Eight Crores Eleven Lakhs and Seventy-Five Thousand) raised through Preferential Allotment of Convertible Warrants to the Promoter group of the Company. The Company received Rs. 5,55,49,000 (Rupees Five Crores Fifty Five Lakhs Forty-Nine Thousand) in the financial year 2018-19 and balance Rs. 2,56,26,000 (Rupees Two Crores Fifty Six Lakhs Twenty Six Thousand) is received in the financial year 2019-20 is used for Working Capital requirements of the Company.

8. Certificate from a company secretary in practice that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Board/Ministry of Corporate Affairs or any such statutory authority has been annexed as Annexure 'B' to the Corporate Governance Report.
9. Total fees for all services paid by the listed entity to the statutory auditor and all entities in the network firm/ network entity of which the statutory auditor is a part was Rs. 13,46,720/- (Rupees Thirteen Lakh Forty-Six Thousand Seven Hundred and Twenty only), for the year under review

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

The Internal Complaint Committee under the Sexual Harassment of Women at the Workplace (Prevention, Prohibition, and Redressal) Act, 2013 has been formed.

There is a nil case filed and disposed of as required under the Sexual Harassment of Women at the Workplace (Prevention, Prohibition, and Redressal) Act, 2013.

11. GENERAL SHAREHOLDERS INFORMATION**(i) Annual General Meeting Information:**

Day and Date: Monday, 28th September 2020

Time : 9:00 a.m.

Venue: Annual General Meeting through Video conferencing/Other Audio-Visual Means facilities

Book Closure: 21st September 2020 to 27th September 2020 (both days inclusive)

(ii) Financial year (tentative)

The Company expects to announce the financial results for the financial year 2020-21, as per the following schedule:

1st quarter ending 30th June 2020: on or before 15th September 2020*

2nd quarter ending 30th September 2020: on or before 14th November 2020

3rd quarter ending 31st December 2020: on or before 14th February 2021

4th quarter and financial year ending: on or before 30th May 2021

31st March 2021

19th Annual General Meeting: on or before 30th September 2021

* Relaxation given by SEBI vide circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/140 dated 29th July 2020

(iii) Stock Exchange Information:

The Company's shares are listed on the following Stock Exchanges, having nation-wide trading terminals:

Stock Exchange	Stock Code
BSE Limited (BSE)	533543
National Stock Exchange of India Limited (NSE)	BROOKS

The Listing Fee for the financial year 2020-21 has not been paid to both the above Stock Exchanges.

(iv) Market Price Data (high, low during each month in the financial year 2019-20):

Month	BSE				NSE			
	Price in		S&P BSE SENSEX		Price in		NIFTY 50	
	High	Low	High	Low	High	Low	High	Low
Apr-19	63.4	51.5	38858.88	39487.45	61.80	52.10	11856.15	11549.10
May-19	58.6	46.75	39036.51	40124.96	58.95	45.70	12041.15	11108.30
Jun-19	54.7	39	39806.86	40312.07	54.75	38.05	12103.05	11625.10
Jul-19	46.45	34.3	39543.73	40032.41	47.70	34.40	11981.75	10999.4
Aug-19	45.5	31.1	37387.18	37807.55	45.85	30.45	11181.45	10637.15
Sep-19	41.3	27.05	37181.76	39441.12	41.15	32.30	11694.85	10670.25
Oct-19	36.35	28.1	38813.48	40392.22	37.80	29.00	11945.00	11090.15
Nov-19	37.4	25.05	40196.07	41163.79	36.90	29.40	12158.80	11802.65
Dec-19	31.9	22.05	41072.94	41809.96	31.40	22.30	12287.15	11832.30
Jan-20	48.55	27.1	41349.36	42273.87	48.90	29.00	12430.50	11929.60
Feb-20	45.3	22.25	40753.18	41709.3	46.10	22.00	12246.70	11175.05
Mar-20	25	14.05	38910.95	39083.17	24.00	13.85	11433.00	7511.10

(v) Registrars and Share Transfer Agents

Link In time India Private Limited
 C-101, 247 Park, LBS Marg,
 Vikhroli West, Mumbai-400083
 Tel: 022- 49186000, Fax: 022- 49186060
 Email: rnt.helpdesk@linkintime.co.in
 Contact person: Mr. Mahesh Masurkar
 (Team Leader- Investor Relation Registry)

(vi) Share Transfer System

The share transfers which were received in the physical form up to March 31, 2019, were processed and transferred by Registrar and Share Transfer Agents and the share certificates were returned within the stipulated period from the date of receipt, subject to the documents being valid and complete in all respects. Effective from April 1, 2019, SEBI has mandated that shares can be transferred only in Demat. Hence no transfer of shares in physical form can be lodged by the shareholders.

(vii) Shareholding Pattern as on 31st March 2020

Category	No. of Shares	% of Shareholding
1. Promoter and Promoter Group	16406249	66.41
2. Bodies Corporate	701409	2.84
3. Resident Individuals	7498348	30.35
4. Non-resident and FII's	96806	0.40
Total	24702812	100.00

(viii) Distribution of Shareholding as on 31st March 2020

Number of Shares		Shareholders		No. of Shares	
From	To	Number	% of Total	Number	% of Total
1	500	9832	82.9355	1386207	5.6115
501	1000	1009	8.5112	824515	3.3377
1001	2000	471	3.973	723391	2.9284
2001	3000	178	1.5015	457358	1.8514
3001	4000	82	0.6917	292072	1.1823
4001	5000	70	0.5905	328323	1.3291
5001	10000	94	0.7929	667095	2.7005
10001	and above	119	1.0038	20023851	81.0590
TOTAL		11855	100	24702812	100

(ix) Dematerialization of Shares

As on 31st March 2020, 99.99% of the total Equity Share Capital was held in dematerialized form. Only 2000 shares were held in physical form.

(x) Outstanding GDR/ADR/warrants or any convertible instruments, conversion date and likely impact on Equity

The Company has not issued any GDR/ADR and there are no outstanding warrants or any convertible instruments.

(xi) Commodity Price Risk or Foreign Exchange risk and hedging activities

The Company has no significant Commodity price risk or Foreign exchange risk. The Company has not undertaken any hedging activities for commodity price risk and foreign exchange risk.

(xii) Plant locations

Unit	Address
Unit - I	Village Kishanpura, Nalagarh Road, Baddi, Dist. Solan, Himachal Pradesh
Unit - II	Survey No. 61/62, Village Manglej, Nareshwar Road, Taluka Karjan, Distt. Vadodara, Gujarat – 391210

(xiii) Address for correspondence
Registered Office and Works:

Village Kishanpura
 Nalagarh Road
 Baddi, Distt. Solan
 Himachal Pradesh
 Tel: 01795-654001/04/06
 Fax: 01795-236939
 E-mail: investors@brookslabs.net
 Website: www.brookslabs.net

Corporate Office:

502, Kanakia Atrium-2
 Next to Hotel Courtyard Marriott
 Andheri Kurla Road, Andheri (E)
 Mumbai – 400 093
 Tel: 022 61933100
 Fax: 022 61933114

(xiv) List of all Credit Ratings

Rating Agency	Instrument Type	Rating	Remarks
CARE Rating Limited	Long Term Bank Facilities	CARE D (Single D)	This rating is as on August 25, 2020.
	Short Term Bank Facilities	CARE D (Single D)	

(xv) Disclosures concerning Demat suspense account/unclaimed suspense account

Detail of Equity shares lying in the Escrow Demat account concerning the Rights Issue of the Company during the period under review

- a. Balance at the beginning of the Year (as on 23.03.2020)-
Equity Shares- 10352
No. of Shareholders- 4
- b. During the Year
No one approached the Company for the transfer of shares from suspense account.
No shares are transferred from the suspense account.
- c. Balance at the end of the Year
Equity Shares- 10352
No. of Shareholders- 4
- d. The voting rights on the shares lying in the suspense account remain frozen till the rightful owner of such shares claim the shares

DECLARATION**(As required under Regulation 34 of Listing Regulations)**

As required under Regulation 34 of Listing Regulations with the Stock Exchanges, the Board Members and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended 31st March 2020.

For **Brooks Laboratories Limited**

Sd/-

Rajesh Mahajan
Managing Director
(DIN: 02000634)Place: Mumbai
Date: 03.09.2020**AUDITOR'S CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER REGULATION 34 OF LISTING REGULATIONS**

To,

The Members
Brooks Laboratories Limited

We have examined the compliance of Corporate Governance by Brooks Laboratories Limited for the year ended 31st March 2020, as stipulated in the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 of the said Company with Stock Exchange. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to the review of the procedures and implementations thereof adopted by the Company for ensuring compliance with the conditions of the certificate of Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

As required by the guidance note issued by the Institute of Chartered Accountants of India, we have to state that no investor complaint is pending for a period exceeding one month as on 31st March 2020 against the Company, as per records maintained by the Investor Grievance Committee of the Company.

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

For **Sharma Sarin & Associates**
Company Secretaries

Sd/-

P.D. SHARMA
Partner
C.P.No. 2692
M.NO, 2285**UDIN: F002285B000638932**Place : Chandigarh
Date: 31/08/2020

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

*(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)*

TO,

**THE MEMBERS OF
BROOKS LABORATORIES LIMITED
VILLAGE KISHANPURA NALAGARH ROAD,
BADDI, NALAGARH,
HP 174101 IN**

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Brooks Laboratories Limited** having CIN L24232HP2002PLC000267 and having registered office at VILLAGE KISHANPURA NALAGARH ROAD, BADDI NALAGARH HP 174101 IN (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	ATUL RANCHAL	01998361	01.04.2006
2	RAJESH MAHAJAN	02000634	01.04.2006
3	RAJNISH KUMAR BEDI	05287369	23.05.2012
4.	DEEPAK MAHAJAN	06702389	28.09.2013
5.	SONIA GUPTA	06998420	29.09.2014
6.	SURESH GARG	08544308	26.08.2019

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

For Sharma Sarin & Associates

**P. D. Sharma
Partner**

**FCS 2285, CP No. 2692
UDIN: F002285B000639121**

Place: Chandigarh
Date :31.08.2020

MD/CFO CERTIFICATION**(As required under Regulation 17(8) of the Listing Regulations)**

To,

The Board of Directors
Brooks Laboratories Limited

We, Rajesh Mahajan, Managing Director and Prashant Rathi, Chief Financial Officer of the Brooks Laboratories Limited ("the Company"), hereby certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2020 and based on our knowledge and belief, state that:
- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and for evaluating the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee that:
- (i) there has been no significant changes in internal control over financial reporting during the year under reference;
 - (ii) there has not been any significant changes in accounting policies during the year which need to be disclosed in the notes to the financial statements; and
 - (iii) we are not aware of any material instances of significant fraud during the year and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For **Brooks Laboratories Limited**

Sd/-

Sd/-

Date: 03.09.2020
Place: Mumbai**Rajesh Mahajan**
Managing Director
(DIN:02000634)**Prashant Rathi**
Chief Financial Officer

Annexure 2

Annual Report on the CSR activities pursuant to Section 135 of the Companies Act, 2013 read with the Companies (Social Responsibility Policy) Rules, 2014

1. A brief outline of the Company's CSR Policy

The Company's philosophy towards Corporate Social Responsibility (CSR) is conducting business by integrating its economic, environmental and social objectives in such a way that it will contribute for the social good together with its operational growth. The Company believes that CSR is a process by which an organization thinks about its relationship with its stakeholders for the common good and demonstrates its commitment to the same. The Company intends to undertake multiple initiatives like promoting healthcare and education, ensuring environment sustainability etc. under its CSR policy

The Company has adopted a CSR Policy in compliance with the provisions of the Companies Act, 2013 and can be accessed on the Company's website www.brookslabs.net.

2. Composition of the Committee:

The Committee comprises of three Directors as members with one Non-executive Independent Director as given below:

Name	Designation	Category
Rajesh Mahajan	Chairman	Executive Director
Atul Ranchal	Member	Executive Director
Rajnish Kumar Bedi	Member	Independent Director

3. Average Net Profit of the Company of last three financial years: 0

4. Details of prescribed CSR expenditure (2% of the Average Net Profit):

- a. Total CSR amount to be spent for the financial year 2014-15: Rs.17.54 lacs
- b. Total CSR amount to be spent for the financial year 2015-16: Rs.17.06 lacs
- c. Total CSR amount to be spent for the financial year 2016-17: Rs.17.89 lacs
- d. Total CSR amount to be spent for the financial year 2017-18: Rs.14.88 lacs
- e. Total CSR amount to be spent for the financial year 2018-19: Rs. 9.25 lacs
- f. Total CSR amount to be spent for the financial year 2019-20: Rs. 2.04 lacs
- g. Total Amount spent during the year: Rs. 66,200
- h. Amount unspent: Rs 71.82 lacs

1	2	3	4	5	6	7	8
S.No	CSR project or activity identified	Sector in which the Project is covered	Projects or Programs 1) Local area or other 2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: 1) Direct Expenditure on projects or programs 2) Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency*
1.	Rural Sport	Promotion of Rural Sports	Baddi, Himachal Pradesh	Rs. 5,100/-	Rs. 5,100/-	Rs. 5,100/-	Direct
2.	For benefit of War Widows and their Dependents	For benefit of War Widows and their Dependents	Baddi, Himachal Pradesh	Rs. 5,100/-	Rs. 5,100/-	Rs. 10,200/-	Through Gram Panchayat

1	2	3	4	5	6	7	8
S.No	CSR project or activity identified	Sector in which the Project is covered	Projects or Programs 1) Local area or other 2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: 1) Direct Expenditure on projects or programs 2) Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency*
3.	Ecological Balance	Plantation of Trees	Mumbai	Rs. 6,000/-	Rs. 6,000/-	Rs. 16,200/-	Direct
4.	Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund)	Contribution for COVID-19 pandemic	India	Rs. 50,000/-	Rs. 50,000/-	Rs. 66,200/-	Direct

*Give details of implementing agency

5. In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report

For the financial year 2019-20, few activities in relation to fulfilling the Corporate Social Responsibility of the Company were shortlisted as per Schedule VII of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy), Rules 2014 and the Company has spent Rs. 66,200/-, however there is a shortfall of Rs. 71.82 lakh in amount to spent on CSR as on 31st March, 2020. CSR is an on-going initiative and the Company is committed to fulfilling its responsibility and incurs expenditure in accordance with the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014.

6. The CSR Committee affirms that the implementation and monitoring of the CSR Policy, is in compliance with CSR objectives and Policy of the Company.

For and on Behalf of the Board
For Brooks Laboratories Limited

Sd/-

Atul Ranchal
 (Chairman)
 (DIN:01998361)

Place: Mumbai
 Date: 03.09.2020

Form No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2020

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

To,

The Members,
BROOKS LABORATORIES LIMITED

We have conducted the Secretarial Audit of the Compliance of applicable statutory provisions and the adherence to good corporate practices by **BROOKS LABORATORIES LIMITED**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the Corporate conducts/Statutory Compliances and expressing our opinion thereon.

Based on our verification of the **BROOKS LABORATORIES LIMITED**, Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, We hereby report that in our opinion, the Company has, during the Audit period covering the Financial Year ended on **31st March, 2020** complied with the Statutory Provisions listed hereunder and also that the Company has proper Board-processes and Compliance-Mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the Books, Papers and Minute Books, Forms and Returns filed and other records maintained by **BROOKS LABORATORIES LIMITED** for the Financial Year ended **31st March, 2020**, according to the Provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018
- (vi) Other laws as informed and certified by the management of the Company which are specifically applicable to the Company based on their sector/industry is ;
 - (a) Drugs and Cosmetics Act, 1940 and rules made there under
 - (b) The Trade Mark Act, 1999

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Stock Exchange(s).
- (iii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

- a. *The Company has allocated the funds and yet to spend total 2% of its average net profit as required under Section 135 of Companies Act, 2013 on the activities mentioned in Schedule VII under Section 135 of the Companies Act, 2013. The Company has spent Rs. 66,200/- against the CSR activities, as shown below in table, as mentioned in Schedule VII under Section 135 of the Companies Act, 2013 as against Rs 71.82 lacs till 31.03.2020.*

Manner in which the amount spent during the financial year is detailed below:

1	2	3	4	5	6	7	8
S.No	CSR project or activity identified	Sector in which the Project is covered	Projects or Programs 1) Local area or other 2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: 1) Direct Expenditure on projects or programs 2) Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency*
1.	Rural Sport	Promotion of Rural Sports	Baddi, Himachal Pradesh	Rs. 5,100/-	Rs. 5,100/-	Rs. 5,100/-	Direct
2.	For benefit of War Widows and their Dependents	For benefit of War Widows and their Dependents	Baddi, Himachal Pradesh	Rs. 5,100/-	Rs. 5,100/-	Rs. 10,200/-	Through Gram Panchayat
3.	Ecological Balance	Plantation of Trees	Mumbai	Rs. 6,000/-	Rs. 6,000/-	Rs. 16,200/-	Direct
4.	Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund)	Contribution for COVID-19 pandemic	India	Rs. 50,000/-	Rs. 50,000/-	Rs. 66,200/-	Direct

- b. *According to the Auditor's Report, disputed dues to Income Tax, sales tax, service tax, duty of custom, duty of excise and value added tax which have not been deposited on accounts of disputes with the related authorities as under:*

Name of liability	Demand Amount Raised (Rs. In lacs)	Stay Amount Paid (Rs. In lacs)	Period to which matter pertains	Forum at which dispute is pending
Income tax	1400.72	291.39	A.Y. 2012-13	Commissioner of Income Tax-Appeals
Income tax	339.51	101.00	A.Y. 2013-14	Commissioner of Income Tax-Appeals
Income tax	142.85	21.45	A.Y. 2014-15	Commissioner of Income Tax-Appeals
Income tax	0.68	-	A.Y. 2015-16	Commissioner of Income Tax-Appeals
Income tax	73.45	51.45	A.Y. 2016-17	Commissioner of Income Tax-Appeals

- c. **The Company has passed two resolutions by Circulation under Section 175 of the Companies Act 2013 dated as given below:-**

- Resolution by circulation dated 09.07.2019
- Resolution by circulation dated 26.07.2019

Further As per Section 175(2) of the Companies Act 2013 A **resolution under section 175(1) shall be noted at a subsequent meeting of the Board or the committee thereof, as the case may be, and made part of the minutes of such meeting.**

The company has not taken the above resolutions on record in its subsequent Meeting of Board of Directors dated 14.08.2019 however; the same have been noted in Board meeting held on 26.08.2019.

D. As per the Management Representation, the Company has stated that they have made all labour law Compliances.

We further Report That:

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

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

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

We further report that there are adequate systems and processes in the Company commensurate with the size and its operations to monitor and ensure Compliance with Applicable Laws, Rules, Regulations and Guidelines.

We further report that, during the period under review, the Company had made allotment of 7,666,390 Equity Shares at a Price of Rs.20/- each including premium of Rs 10/- each on Right Issue basis dated 19.03.2020. Further, the Board of Directors made allotment of 8,50,000 equity shares by way of converting the warrants into Equity Shares at a Price of Rs. 95.50/- each including premium of Rs 85.50/- each through circular resolutions dated 09.07.2019 and 26.07.2019.

Note:

Due to COVID-19 pandemic the timelines revised for submission of compliance filing under various regulations by the Stock Exchanges. We relied on the representation made to us by the management wherever required through online mode due to several restrictions imposed by the Central and State Govt. on travel and considering public health and safety measures due to limited access to information/ documents/ data as required for audit assessment.

For **Sharma Sarin & Associates**

Sd/-

P. D. Sharma

Partner

FCS 2285, CP No. 2692

UDIN: F002285B000598452

Place: Chandigarh

Date: 20.08.2020

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

'Annexure A'

To,

The Members**BROOKS LABORATORIES LIMITED**

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

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

For **Sharma Sarin & Associates**

Sd/-

P. D. Sharma
Partner

FCS 2285, CP No. 2692
UDIN: F002285B000598452

Place: Chandigarh
Date: 20.08.2020

Annexure 4

Particulars of conservation of energy, technology absorption, foreign exchange earnings and outgo, as prescribed in Rule 8(3) of the Companies (Accounts) Rules, 2014.

A. CONSERVATION OF ENERGY

Your Company has always been conscious of the need to conserve energy and reduce the cost of production. Upgraded new Chillers have been installed in the core production areas which not only provide increased cooling efficiency for controlled areas but are also energy saving.

B. TECHNOLOGY ABSORPTION

Research and Development (R&D)

(a) Specific areas in which Research and Development is carried out by the Company: -

R & D has been carried out in areas of

1. Improvement on product quality.
2. Innovation in manufacturing process to increase yields and reduce reaction time to enhance productivity.

(b) Benefits derived as a result of above R & D:

R & D efforts at Brooks Laboratories Ltd. have yielded positive results, which can be measured from the fast growth of the Company, both in terms of turnover and penetration of geographies.

Generation of Intellectual wealth: Key inventions/ technologies for drug substance synthesis were protected by filing patent applications.

Your Company was able to improve the quality of existing products and develop customer specific materials with stringent specifications, gaining an edge over competition and penetrating global markets.

Technology Absorption, Adaptation and Innovation

1. Efforts in brief, made towards technology absorption, adaptation and innovation:

- Setting up of a new project in Gujarat with world class facilities and infrastructure for development of cost competitive active pharmaceutical ingredients and drug products.
- State-of-the-art development laboratories.
- Further enhancement of technological expertise in the field of complex formulations' manufacturing.

2. Benefits derived as a result of the above efforts:

- These initiatives will result in development of cost effective active pharmaceutical ingredients.
- Speedy introduction of difficult-to-formulate products in all markets upon approval.
- Reduction of raw material cost, time cycle and increased productivity.

Imported Technology: Nil

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Foreign Exchange Earnings: US \$ 965,690.22

Euro 65,412.00

Foreign Exchange Outgo: US \$ 3,05,817.95

Euro 14,356.00

For and on Behalf of the Board
For **Brooks Laboratories Limited**

Sd/-

Atul Ranchal
(Chairman)
DIN: 01998361

Place: Mumbai
Date: 03.09.2020

Annexure 5**Form AOC – 2****Pursuant to Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014**

Form for disclosure of particulars of contract / arrangements entered in to by the Company with the related parties referred to in sub-Section 188 (1) of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

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

There were no contracts or arrangements or transactions entered in to by the Company during the year ended 31st March, 2020, which were not at arm's length basis.

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

There were no material contracts or arrangement or transactions at arm's length basis for the year ended 31st March, 2020.

Information about the transactions with Related Parties are presented in Note No. 35(b) in Notes to the Financial Statement.

For and on Behalf of the Board
For **Brooks Laboratories Limited**

Sd/-

Atul Ranchal
(Chairman)
DIN: 01998361

Place: Mumbai
Date: 03.09.2020

Annexure 6

Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

- i) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2019-20:

Name	Designation	Ratio to Median Remuneration
Mr. Atul Ranchal	Chairman	57.03:1
Mr. Rajesh Mahajan	Managing Director	57.03:1
Dr. D.S. Maity*	Whole-time Director	14.11:1
Mr. Suresh Garg**	Whole-time Director	18.38:1

* Dr. D.S.Maity, Technical Director of the Company resigned from the Board w.e.f. 26th August, 2019.

** Mr. Suresh Garg was appointed as an additional Director on 26th August, 2019 and regularized on 25th September, 2019 as a Technical Director of the Company.

Apart from above directors, there were three Independent Directors who were paid sitting fees for attending the Meetings.

- ii) Increase in remuneration of any Director, Chief Financial Officer and Company Secretary during the financial year 2019-20.

Name	Designation	% increase in remuneration
Atul Ranchal	Chairman	No Change
Rajesh Mahajan	Managing Director	No Change
Dr. D.S. Maity*	Whole-time Director	No Change
Mr. Suresh Garg**	Whole-time Director	No Change
Anil Kumar Pillai	Chief Financial Officer	No Change
Jyoti Sancheti	Company Secretary	No Change

* Dr. D.S.Maity, Technical Director of the Company resigned from the Board w.e.f. 26th August, 2019.

** Mr. Suresh Garg was appointed as an additional Director on 26th August, 2019 and regularized on 25th September, 2019 as a Technical Director of the Company.

- iii) The median remuneration of employees during the financial year 2019-20 is increased to Rs. 14028 as compared to the last financial year 2018-19 was Rs.12060.
- iv) The number of permanent employees on the rolls of the Company as on 31st March, 2020 was 376 employees.
- v) Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2018-19 and its comparison with the increase in the managerial remuneration for the same financial year.

(Amount in Lakhs)

Remuneration paid to employees excluding managerial personnel for the FY 2019-20	Remuneration paid to employees excluding managerial personnel for the FY 2018-19	% change in remuneration paid to employees excluding managerial personnel	Remuneration paid to managerial personnel for the FY 2019-20	Remuneration paid to managerial personnel for the FY 2018-19	(%) change in remuneration paid to managerial personnel
1028.09	929.48	10.61	221.93	215.67	2.90

- vi) It is affirmed that the Remuneration paid is as per the Remuneration Policy of the Company.

Annexure 7

Form No. MGT-9

Extract of Annual Return

(As on the financial year ended on 31st March, 2019)

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

I. Registration and Other Details:

- | | | |
|---|---|--|
| 1. CIN | : | L24232HP2002PLC000267 |
| 2. Registration Date | : | 23 rd January, 2002 |
| 3. Name of the Company | : | Brooks Laboratories Limited |
| 4. Category | : | Company limited by shares |
| 5. Sub-Category of the Company | : | Indian Non-Government Company |
| 6. Address of the Registered office & contact details : | | Village Kishanpura, Nalagarh Road
Baddi, Dist. Solan, Himachal Pradesh
Telefax.: 01795-236939
Email id: investors@brookslabs.net
Website: www.brookslabs.net |
| 7. Whether listed company | : | Yes |
| 8. Name, Address and Contact details of Registrar and Transfer Agent: | : | Link In Time India Private Limited
C-101, 247 Park, L.B.S.Marg,
Vikhroli (W), Mumbai- 400083
Tel: 022- 49186000, Fax: 022- 49186060
Email: rnt.helpdesk@linkintime.co.in |

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:-

Name and Description of main products / services	NIC Code of the Product/ Service	% of total turnover of the Company
Pharmaceuticals	210	100%

III. Particulars of Holding, Subsidiary and Associate Companies

The Company does not have any Holding, Subsidiary and Associate Companies

IV. Share Holding Pattern (Equity Share Capital breakup as percentage of Total Equity)

(i) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter and Promoter Group									
1 Indian									
Individuals/HUF	7606222	0	7606222	46.9914	16406249	0	16406249	66.4145	19.4231
Central Government	0	0	0	0.0000	0	0	0	0.0000	0.0000
State Government(s)	0	0	0	0.0000	0	0	0	0.0000	0.0000
Banks / Financial Institutions	0	0	0	0.0000	0	0	0	0.0000	0.0000
Any Other									
Promoter Group (Individuals)	2205727	0	2205727	13.6270	0	0	0	0.0000	-13.6270
Sub Total (A)(1)	9811949	0	9811949	60.6184	16406249	0	16406249	66.4145	5.7961

Category of Shareholders		No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2	Foreign									
(a)	Non-Resident Individuals	0	0	0	0.0000	0	0	0	0.0000	0.0000
(b)	Government	0	0	0	0.0000	0	0	0	0.0000	0.0000
(c)	Banks / Financial Institutions	0	0	0	0.0000	0	0	0	0.0000	0.0000
(d)	Foreign Portfolio Investor	0	0	0	0.0000	0	0	0	0.0000	0.0000
(d)	Any Other (specify)	0	0	0	0.0000	0	0	0	0.0000	0.0000
	Sub Total (A)(2)	0	0	0	0	0	0	0	0.0000	0.0000
	Total Shareholding of Promoter (A)=(A)(1)+(A)(2)	9811949	0	9811949	60.6184	16406249	0	16406249	66.4145	5.7961
(B)	Public shareholding									
1	Institutions									
(a)	Mutual Funds/UTI	0	0	0	0.0000	0	0	0	0.0000	0.0000
(b)	Banks / Financial Institutions	1175	0	1175	0.01	262	0	262	0.0011	-0.0062
(c)	Alternate Investment Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
(d)	Foreign Portfolio Investor	0	0	0	0.0000	0	0	0	0.0000	0.0000
(e)	Venture Capital Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
(f)	Insurance Companies	0	0	0	0.0000	0	0	0	0.0000	0.0000
(g)	Provident Funds/ Pension Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
(h)	Foreign Venture Capital Investors	0	0	0	0.0000	0	0	0	0.0000	0.0000
(l)	Any Other (specify)	0	0	0	0.0000	0	0	0	0.0000	0.0000
	Sub Total (B) (1)	1175	0	1175	0.0073	262	0	262	0.0011	-0.0062
2	Central Government/State Government(s)/President of India				0.0000					0.0000
	Total(B)(2)	0	0	0	0.0000	0.0000	0	0	0.0000	0.0000
3	Non-institutions								0.0000	0.0000
(a)	Individuals					0	0	0	0.0000	0.0000
(i)	Individuals - shareholders holding nominal share capital up to Rs 1 Lakh	3624495	700	3625195	22.3965	4203337	700	4204037	17.0185	-5.3781
(ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 Lakh	1259213	0	1259213	7.7794	2806247	0	2806247	11.3600	3.5806
(b)	NBFCs registered with SEBI	16050	0	16050	0.0992	0	0	0	0.0000	-0.0992
(c)	Overseas Depositories(holding DRs) (balancing figure)	0	0	0	0.0000	0.0000	0	0	0.0000	0.0000
(c)	Any Other									
i	Non Resident Indians (Repat)	75373	0	75373	0.4657	73269	0	73269	0.2966	-0.1691
ii	Non Resident Indians (Non Repat)	31974	0	31974	0.1975	23275	0	23275	0.0942	-0.1033
iii	Clearing Member	189024	0	189024	1.1678	45812	0	45812	0.1855	-0.9823
iv	Hindu Undivided Family	305853	0	305853	1.8896	438315	0	438315	1.7744	-0.1152
v	Office Bearers	376	1300	1676	0.0104	2637	1300	3937	0.0159	0.0056
vi	Bodies Corporate	868940	0	868940	5.3683	701409	0	701409	2.8394	-2.5289
	Sub Total (B)(3)	6371298	2000	6373298	39.3743	8294301	2000	8296301	33.5844	-5.7899
	Total Public Shareholding Public Group (B)=(B)(1)+(B)(2)+(B)(3)	6372473	2000	6374473	39.3816	8294563	2000	8296563	33.5855	-5.7961

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Total (A)+(B)	16184422	2000	16186422	100.0000	24700812	2000	24702812	100.0000	0.0000
(C) Non Promoter-Non Public	0	0	0	0.0000	0.0000	0	0	0	0.0000
(C1) Shares underlying DRs	0	0	0	0.0000	0.0000	0	0	0	0.0000
(1) Custodian/DR Holder	0	0	0	0.0000	0.0000	0	0	0	0.0000
(c2) Shares held by Employee Trust	0	0	0	0.0000	0.0000	0	0	0	0.0000
(2) Employee Benefit Trust(under SEBI(Share based Employee Benefit)	0	0	0	0.0000	0.0000	0	0	0	0.0000
Sub Total (C)	0	0	0	0.0000	0.0000	0	0	0	0.0000
GRAND TOTAL (A)+(B)+(C)	16184422	2000	16186422	100.0000	24700812	2000	24702812	100.0000	0.0000

(ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Share Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Share Pledged/ encumbered to total shares	
1	Mr. Atul Ranchal	4113071	25.41063	0.0000	6263071	25.3537	0.0000	-0.0569
2	Mr. Rajesh Mahajan	3493151	21.58075	0.0000	5114151	20.7027	0.0000	-0.8780

(iii) Change in Promoters' Shareholding

Sr. No.	Shareholder's Name	Shareholding		Date of transaction	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2017 to 31.03.2018)	
		No. shares at the beginning 01.04.2017	% of total shares of the Company				No. of shares	% of total shares of the Company

Sr. No.	Promoter's Name	Shareholding at the beginning of the year-2019		Transactions during the year		Cumulative Shareholding At the end of the year-2020	
		No. of Shares held	% of total shares of the Company			No. of shares	% of total shares of the Company
1.	Atul Ranchal	4113071	25.41063			4113071	25.41063
	Market Buy			27 Mar 2020	2150000	6263071	25.3537
	At the end of the year					6263071	25.3537
2	Rajesh Mahajan	3493151	21.58075			3493151	21.58075
	Market Buy			27 Mar 2020	1621000	5114151	20.7027
	At the end of the year					5114151	20.7027

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

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year-2019		Transactions during the year		Cumulative Shareholding At the end of the year-2020	
		No. of Shares held	% of total shares of the Company			No. of shares	% of total shares of the Company
1.	Varalakshmi Guttikonda	279208	1.1303			279208	1.1303
	Market Buy			19 Apr 2019	46	145871	0.9012
	Market Buy			24 May 2019	2538	281792	1.1407
	Market Buy			27 Mar 2020	126805	408597	1.6541
	At the end of the year					408597	1.6541
2	Chetan Rasiklal Shah	0	0			0	0
	Market Buy			07 Feb 2020	1000	1000	0.004
	Market Buy			27 Mar 2020	404076	405076	1.6398
	At the end of the year					405076	1.6398
3	Saravana Global Holdings Limited	143991	0.5829			143991	0.5829
	Market Buy			31 Mar 2020	10000	153991	0.6234
	At the end of the year					153991	0.6234
4	Dilip J Shah (HUF)	80000	0.3238			80000	0.3238
	Market Buy			27 Mar 2020	50000	130000	0.5263
	At the end of the year					130000	0.5263
5	Pinky Nirav Adalja	41000	0.166			41000	0.166
	Market Buy			20 Sep 2019	5000	46000	0.1862
	Market Buy			17 Jan 2020	10000	56000	0.2267
	Market Buy			24 Jan 2020	5000	61000	0.2469
	Market Buy			31 Jan 2020	5000	66000	0.2672
	Market Buy			14 Feb 2020	6666	72666	0.2942
	Market Buy			27 Mar 2020	32699	105365	0.4265
	At the end of the year					105365	0.4265
6	K L Enterprises LLP	0	0			0	0
	Market Buy			11 Oct 2019	167810	167810	0.6793
	Market Sell			14 Feb 2020	-21500	146310	0.5923
	Market Sell			21 Feb 2020	-10090	136220	0.5514
	Market Sell			27 Mar 2020	-36220	100000	0.4048
	At the end of the year					100000	0.4048
7	Nirav Shachikumar Adalja	10000	0.0405			10000	0.0405
	Market Buy			23 Aug 2019	250	10250	0.0415
	Market Buy			17 Jan 2020	10000	20250	0.082
	Market Buy			24 Jan 2020	7126	27376	0.1108
	Market Buy			14 Feb 2020	22725	50101	0.2028
	Market Buy			06 Mar 2020	15906	66007	0.2672
	Market Buy			13 Mar 2020	10000	76007	0.3077
	Market Buy			27 Mar 2020	18394	94401	0.3821
	At the end of the year					94401	0.3821
8	S. Heera dev Singh	200	0.0008			200	0.0008
	Market Buy			27 Mar 2020	81016	81216	0.3288
	At the end of the year					81216	0.3288

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year-2019		Transactions during the year		Cumulative Shareholding At the end of the year-2020	
		No. of Shares held	% of total shares of the Company			No. of shares	% of total shares of the Company
9	Joseph Antony Vachaparambil	0	0			0	0
	Market Buy			27 Dec 2019	11929	11929	0.0483
	Market Buy			31 Dec 2019	2571	14500	0.0587
	Market Buy			03 Jan 2020	2011	16511	0.0668
	Market Buy			10 Jan 2020	37439	53950	0.2184
	Market Sell			17 Jan 2020	-4030	49920	0.2021
	Market Buy			31 Jan 2020	5530	55450	0.2245
	Market Buy			07 Feb 2020	1569	57019	0.2308
	Market Sell			14 Feb 2020	-11740	45279	0.1833
	Market Buy			21 Feb 2020	1104	46383	0.1878
	Market Sell			06 Mar 2020	-7252	39131	0.1584
	Market Sell			13 Mar 2020	-41	39090	0.1582
	Market Sell			20 Mar 2020	-3975	35115	0.1421
	Market Buy			27 Mar 2020	40750	75865	0.3071
	At the end of the year					75865	0.3071
10	Rajiv Syal	10568	0.0428			10568	0.0428
	Market Buy			13 Sep 2019	1000	11568	0.0468
	Market Buy			30 Sep 2019	2000	13568	0.0549
	Market Buy			04 Oct 2019	9000	22568	0.0914
	Market Buy			11 Oct 2019	29	22597	0.0915
	Market Buy			18 Oct 2019	5000	27597	0.1117
	Market Buy			20 Dec 2019	4028	31625	0.128
	Market Buy			27 Dec 2019	6801	38426	0.1556
	Market Buy			28 Feb 2020	4000	42426	0.1717
	Market Buy			06 Mar 2020	1746	44172	0.1788
	Market Buy			13 Mar 2020	1000	45172	0.1829
	Market Buy			20 Mar 2020	5011	50183	0.2031
	Market Buy			27 Mar 2020	25000	75183	0.3043
	At the end of the year					75183	0.3043
11	Sabsons International Pvt. Ltd.	55000	0.2226			55000	0.2226
	At the end of the year					55000	0.2226
12	Jain Vijay Vaktavarmal	68740	0.2783			68740	0.2783
	Market Buy			10 May 2019	2000	70740	0.2864
	Market Sell			17 May 2019	-2000	68740	0.2783
	Market Sell			21 Jun 2019	-1140	67600	0.2737
	Market Sell			04 Oct 2019	-35000	32600	0.132
	Market Sell			11 Oct 2019	-5000	27600	0.1117
	Market Sell			18 Oct 2019	-402	27198	0.1101
	Market Sell			22 Nov 2019	-5959	21239	0.086
	Market Sell			06 Dec 2019	-7510	13729	0.0556
	Market Sell			13 Dec 2019	-11729	2000	0.0081
	Market Buy			20 Dec 2019	3770	5770	0.0234
	Market Buy			27 Dec 2019	3925	9695	0.0392

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year-2019		Transactions during the year		Cumulative Shareholding At the end of the year-2020	
		No. of Shares held	% of total shares of the Company			No. of shares	% of total shares of the Company
	Market Sell			03 Jan 2020	-4000	5695	0.0231
	Market Buy			10 Jan 2020	1500	7195	0.0291
	Market Buy			17 Jan 2020	2000	9195	0.0372
	Market Sell			24 Jan 2020	-5500	3695	0.015
	Market Buy			31 Jan 2020	805	4500	0.0182
	Market Buy			07 Feb 2020	3835	8335	0.0337
	Market Buy			14 Feb 2020	1746	10081	0.0408
	Market Buy			21 Feb 2020	10000	20081	0.0813
	Market Buy			28 Feb 2020	3728	23809	0.0964
	Market Buy			06 Mar 2020	2607	26416	0.1069
	Market Sell			20 Mar 2020	-335	26081	0.1056
	Market Buy			27 Mar 2020	6500	32581	0.1319
	At the end of the year					32581	0.1319
13	IL &FS Securities Services Limited	286110	1.1582			286110	1.1582
	Market Sell			05 Apr 2019	-168410	117700	0.4765
	Market Sell			12 Apr 2019	-105890	11810	0.0478
	Market Sell			19 Apr 2019	-200	11610	0.047
	Market Sell			17 May 2019	-200	11410	0.0462
	Market Sell			21 Jun 2019	-2020	9390	0.038
	At the end of the year					9390	0.038
14	Karvy Stock Broking Ltd	41032	0.1661			41032	0.1661
	Market Buy			05 Apr 2019	1439	42471	0.1719
	Market Sell			12 Apr 2019	-4221	38250	0.1548
	Market Buy			19 Apr 2019	438	38688	0.1566
	Market Buy			26 Apr 2019	2254	40942	0.1657
	Market Sell			03 May 2019	-4715	36227	0.1467
	Market Buy			10 May 2019	70	36297	0.1469
	Market Sell			17 May 2019	-1471	34826	0.141
	Market Sell			24 May 2019	-720	34106	0.1381
	Market Sell			31 May 2019	-686	33420	0.1353
	Market Buy			07 Jun 2019	535	33955	0.1375
	Market Buy			14 Jun 2019	375	34330	0.139
	Market Sell			21 Jun 2019	-1057	33273	0.1347
	Market Sell			29 Jun 2019	-330	32943	0.1334
	Market Buy			05 Jul 2019	122	33065	0.1339
	Market Buy			12 Jul 2019	561	33626	0.1361
	Market Sell			19 Jul 2019	-559	33067	0.1339
	Market Buy			26 Jul 2019	282	33349	0.135
	Market Sell			02 Aug 2019	-144	33205	0.1344
	Market Sell			09 Aug 2019	-119	33086	0.1339
	Market Sell			16 Aug 2019	-803	32283	0.1307
	Market Buy			23 Aug 2019	846	33129	0.1341
	Market Buy			30 Aug 2019	3236	36365	0.1472
	Market Sell			06 Sep 2019	-194	36171	0.1464

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year-2019		Transactions during the year		Cumulative Shareholding At the end of the year-2020	
		No. of Shares held	% of total shares of the Company			No. of shares	% of total shares of the Company
	Market Sell			13 Sep 2019	-3241	32930	0.1333
	Market Sell			20 Sep 2019	-1242	31688	0.1283
	Market Buy			27 Sep 2019	180	31868	0.129
	Market Buy			04 Oct 2019	76	31944	0.1293
	Market Buy			11 Oct 2019	389	32333	0.1309
	Market Sell			18 Oct 2019	-10	32323	0.1308
	Market Sell			25 Oct 2019	-1678	30645	0.1241
	Market Buy			01 Nov 2019	80	30725	0.1244
	Market Sell			29 Nov 2019	-8153	22524	0.0912
	Market Sell			06 Dec 2019	-20	22504	0.0911
	Market Sell			13 Dec 2019	-475	22029	0.0892
	Market Sell			27 Dec 2019	-60	21969	0.0889
	Market Sell			31 Dec 2019	-540	21429	0.0867
	Market Sell			03 Jan 2020	-1	21428	0.0867
	Market Sell			10 Jan 2020	-7698	13730	0.0556
	Market Sell			17 Jan 2020	-6406	7324	0.0296
	At the end of the year					7324	0.0296
15	Satish Jagannath Aggarwal	99000	0.4008			99000	0.4008
	Market Sell			14 Jun 2019	-10000	89000	0.3603
	Market Sell			21 Jun 2019	-7500	81500	0.3299
	Market Sell			13 Sep 2019	-3050	78450	0.3176
	Market Sell			01 Nov 2019	-15831	62619	0.2535
	Market Sell			08 Nov 2019	-26441	36178	0.1465
	Market Sell			15 Nov 2019	-12944	23234	0.0941
	Market Sell			22 Nov 2019	-23234	0	0
	At the end of the year					0	0
16	Indianivesh Securities Limited	38940	0.1576			38940	0.1576
	Market Buy			05 Apr 2019	167810	206750	0.8369
	Market Buy			12 Apr 2019	182	206932	0.8377
	Market Buy			19 Apr 2019	100	207032	0.8381
	Market Sell			26 Apr 2019	-168105	38927	0.1576
	Market Sell			24 May 2019	-5	38922	0.1576
	Market Buy			31 May 2019	5500	44422	0.1798
	Market Sell			07 Jun 2019	-5500	38922	0.1576
	Market Buy			14 Jun 2019	10000	48922	0.198
	Market Sell			21 Jun 2019	-10000	38922	0.1576
	Market Sell			05 Jul 2019	-8725	30197	0.1222
	Market Buy			12 Jul 2019	25	30222	0.1223
	Market Sell			26 Jul 2019	-3200	27022	0.1094
	Market Buy			02 Aug 2019	487	27509	0.1114
	Market Buy			09 Aug 2019	505	28014	0.1134
	Market Sell			23 Aug 2019	-28014	0	0
	At the end of the year					0	0

(v) Shareholding of Directors and Key Managerial Personnel:

Sr No	For each of the Directors and KMP	Shareholding		Date of transaction	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares at the beginning (01.04.2018)/ end of the year 31.03.2019	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	Mr. Atul Ranchal, Chairman	4113071	25.41				6263071	25.3537
2	Mr. Rajesh Mahajan, Managing Director	3493151	21.58				5114151	20.7027
3	Dr. D.S. Maity*, Executive Director	3000	0.02				0	0.00
4	Mr. Suresh Garg**, Executive Director	410	0.001				410	0.001
5	Mr. Deepak Mahajan, Independent Director	435	0.003				435	0.001

None of the other Directors and Key Managerial Personnel hold any shares in the Company.

* Dr. D.S.Maity, Technical Director of the Company resigned from the Board w.e.f. 26th August, 2019.

** Mr. Suresh Garg was appointed as an additional Director on 26th August, 2019 and regularized on 25th September, 2019 as a Technical Director of the Company.

V. Indebtedness

Indebtedness of the Company including interest outstanding / accrued but not due for payment

(Rs. in lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	3,122.79			3,122.79
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	3,122.79			3,122.79
Change in Indebtedness during the financial year				
• Addition	-			-
• Reduction	484.34			484.34
Net Change	484.34			484.34
Indebtedness at the end of the financial year				
i) Principal Amount	2,638.44			2,638.44
ii) Interest due but not paid	-			-
iii) Interest accrued but not due	14.23			14.23
Total (i+ii+iii)	2,652.68			2,652.68

VI. Remuneration of Directors and Key Managerial Personnel
A. Remuneration to Managing Director, Whole-time Director and/or Manager

(Rs. in lacs)

Sl. No.	Particulars of Remuneration	Name of the MD/ WTD/ Manager				Total Amount
		Atul Ranchal	Rajesh Mahajan	D.S. Maity*	Suresh Garg**	
1	Gross salary a. Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 Value of perquisites u/s 17(2) of the Income-tax Act, 1961 Profits in lieu of salary under section 17(3) Income-tax Act, 1961	96.00	96.00	11.88	18.05	221.93
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission - As % of profit - Others, please specify	-	-	-	-	-
5	Others, please specify	-	-	-	-	-
	Total A	96.00	96.00	11.88	18.05	221.93
	Ceiling as per the Schedule V of Companies Act, 2013 (@ 1 Crore 20 lakh per Managerial Person)					

* Dr. D.S.Maity, Technical Director of the Company resigned from the Board w.e.f. 26th August, 2019.

** Mr. Suresh Garg was appointed as an additional Director on 26th August, 2019 and regularized on 25th September, 2019 as a Technical Director of the Company.

B. Remuneration of Other Directors

(Rs in lacs)

Sl. No.	Particulars of Remuneration	Name of the Directors			Total Amount
		Rajnish Kumar Bedi	Deepak Mahajan	Sonia Gupta	
1	Independent/Non-Executive Directors				
	Fee for attending board/ committee meetings	1.60	1.40	1.40	4.40
	Commission	-	-	-	-
	Others, please Specify	-	-	-	-
	Total B	1.60	1.40	1.40	4.40
	Total Managerial Remuneration (A+B)				226.33
	Ceiling as per the Schedule V of Companies Act, 2013 (@ 1 Crore 20 lakh per Managerial Person)				

Remuneration to Key Managerial Personnel other than MD/Manager/WTD

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		Anil Kumar Pillai	Jyoti Sancheti	
1	Gross salary a. Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 Value of perquisites u/s 17(2) of the Income-tax Act, 1961 Profits in lieu of salary under section 17(3) Income-tax Act, 1961	15.08	6.72	21.80
2	Stock Option	-	-	
3	Sweat Equity	-	-	
4	Commission - As % of profit - Others, please specify	-	-	
5	Others, please specify	-	-	
	Total	15.08	6.72	21.80

VII. Penalties/Punishment/ Compounding of Offences

There were no penalties, punishment or compounding of offence for breach of any provisions of the Companies Act, 2013 by the Company during the year under review.

INDEPENDENT AUDITOR'S REPORT

To the Members of Brooks Laboratories Limited

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of Brooks Laboratories Limited ("the Company"), which comprise the balance sheet as at 31st March 2020, and the statement of Profit and Loss (Including Other Comprehensive Income), statement of cash flows and statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and loss (Financial performance including other comprehensive income), its cash flows and changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

1. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
2. We have determined that there are no key audit matters to be communicated in our report.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis Board's Report and Report on Corporate governance but does not include the financial statements and our auditor's report thereon.

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

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

Responsibilities of Management and Those Charged with Governance for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

1. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
2. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also :
 - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
3. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
4. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
5. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We draw attention to Note no. 44 to the Financial Statements, which describes the uncertainties due to the outbreak of SARS-CoV-2 virus (COVID-19). In view of these uncertainties, the impact on the Company's financial statements is significantly dependent on future developments. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

- 1 As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

- 2 As required by Section 143(3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The financial statements dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Ind AS as specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 36 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
3. In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director 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 S G C O & Co. LLP
Chartered Accountants
FRN. 112081W/W100184

Sd/-

Suresh Murarka
Partner

Mem. No. 44739

UDIN : 20044739AAAAEC1346

Place: Mumbai

Date: 30th July, 2020

Annexure “A” to Independent Auditor’s Report

Annexure “A” referred to in Paragraph 1 of “Report on Other Legal and Regulatory Requirements” of our Report of even date on the accounts of Brooks Laboratories Limited for the year ended 31st March 2020.

As required by the Companies (Auditors Report) Order, 2016 and according to the information and explanations given to us during the course of the audit and on the basis of such checks of the books and records as were considered appropriate we report that:

- (i) a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- b) As explained to us, the fixed assets have been physically verified by the management in accordance with a phased programme of verification, which in our opinion is reasonable, considering the size of the company and the nature of its assets. In accordance with this program certain fixed assets were verified during the year. The frequency of verification is reasonable and no discrepancies have been noticed on such physical verification.
- c) According to the information and explanations given to us and on the basis of our examination of records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) During the year due to lockdown the company was not able to carry out the physical verification of inventory as at 31st March, 2020 as per the schedule. The physically verification has been done in earlier years and there has been no material discrepancies found.
- (iii) a) During the year the Company has not granted any Loan, secured or unsecured, to any party covered in the registered maintained under section 189 of the Companies Act, 2013.
- b) In view of our comments in para (iii) (a) above, clauses 3 (iii) (a), (b) and (c) of the said Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanation given to us, section 185 of the Companies Act, 2013 is not applicable, since the Company has not granted any loan during the year. With regards to investments in securities of other body corporates, the Company has complied with the provisions of section 186 of the Companies Act, 2013.
- (v) The Company has not accepted any deposits from the public.
- (vi) As per explanation & information given to us, the Company has maintained proper cost records pursuant to the rules prescribed by the Central Government for the maintenance of cost records under section 148 (1) of the Companies Act, 2013. However, the same have not been reviewed by us.
- (vii) a) According to the records of the Company, amount deducted/accrued in the books of accounts in respect of the undisputed statutory dues including Provident Fund, Employee’s State Insurance, Income tax, Goods and Services tax, Duty of Customs, Cess and other Statutory Dues to the extent applicable to the Company, have been regularly deposited with the appropriate authorities. According to the information and explanations given to us, there are no undisputed amount payable in respect of such statutory dues which have remained outstanding as at 31st March, 2020 for a period more than six months from the date they became payable.
- b) According to the information and explanations given to us, disputed dues of Income Tax, Goods and Services Tax, and Duty of Customs which have not been deposited on account of disputes with the related authorities are as under.

Nature of Statute	Demand Amt Raised (Rs. in lacs)	Stay Amt Paid (Rs. in lacs)	Period to which matter pertains	Forum at which dispute is pending
Income Tax	1,400.72	291.39	A.Y 2012-13	Commissioner of Income Tax – Appeals
	339.51	101.00	A.Y 2013-14	Commissioner of Income Tax – Appeals
	142.85	21.45	A.Y 2014-15	Commissioner of Income Tax – Appeals
	0.68	-	A.Y 2015-16	Commissioner of Income Tax – Appeals
	73.45	51.45	A.Y.2016-17	Commissioner of Income Tax – Appeals

- (viii) In our opinion and according to the information and explanation given to us the Company has not defaulted in repayment of its dues to banks and financial institution. The Company did not have any outstanding dues to debenture holders during the year.
- (ix) According to the information & explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) or term loans during the year.
- (x) According to the information & explanations given to us, no fraud by the company or on the company by its officers or employees has been noticed or reported during the course of our audit.

- (xi) According to the information and explanation given to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3 (xii) of the Order is not applicable.
- (xiii) According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not entered into any transactions with related parties in terms of section 177 and 188 of the Act. Accordingly, paragraph 3 (xiii) of the Order is not applicable.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company
- (xv) According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with the directors or persons connected with him. Accordingly, paragraph 3 (xv) of the Order is not applicable.
- (xvi) In our opinion and according to the information and explanation given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For S G C O & Co. LLP
Chartered Accountants
FRN. 112081W/W100184

Sd/-

Suresh Murarka
Partner

Mem. No. 44739
UDIN : 20044739AAAAEC1346

Place: Mumbai

Date: 30th July, 2020

Annexure “B” to the Independent Auditor’s Report of even date on the financial statements of Brooks Laboratories Limited for the year ended 31st March 2020.**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 Brooks Laboratories Limited (“the Company”) as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding there liability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For S G C O & Co. LLP
Chartered Accountants
FRN. 112081W/W100184

Sd/-

Suresh Murarka
Partner

Mem. No. 44739

UDIN : 20044739AAAAEC1346

Place: Mumbai

Date: 30th July, 2020

Balance Sheet Statement for the year ended 31 March 2020

Particulars	Note No.	Rs. (in Lakhs)	
		As at March 31, 2020	As at March 31, 2019
ASSETS			
Non-current assets			
Property, plant and equipment	3A	11,217.70	11,717.18
Right of use Assets	3B	67.48	-
Intangible Asset	3C	17.04	8.00
Intangible asset under development	3D	10.99	28.91
Investment property	4	-	44.70
Financial assets			
Investments	5	2.00	2.00
Other financial assets	6	162.73	163.56
Income tax assets (net)	7	496.55	495.19
Deferred tax assets (net)	8	-	1,091.19
Other non-current assets	9	20.11	63.45
Total non-current assets		11,994.60	13,614.18
Current assets			
Inventories	10	1,377.49	1,005.34
Financial assets			
Trade receivables	11	1,556.20	1,141.82
Cash and cash equivalents	12	39.60	249.85
Other bank balances	13	113.18	81.89
Other financial assets	14	60.19	40.28
Other current assets	15	645.13	654.91
Total current assets		3,791.79	3,174.09
TOTAL ASSETS		15,786.39	16,788.27
EQUITY AND LIABILITIES			
Equity			
Equity share capital	16A	2,470.28	1,618.64
Other equity	16B	7,371.32	8,896.44
Total equity		9,841.60	10,515.08
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	17	1,139.93	1,386.39
Lease Liabilities	18	52.91	-
Provisions	19	172.04	147.53
Total non-current liabilities		1,364.88	1,533.92
Current liabilities			
Financial liabilities			
Borrowings	20	1,261.03	1,446.88
Lease Liabilities	21	23.12	-
Trade payables	22		
- Due to micro and small enterprises		445.56	302.96
- Due to others		2,161.05	2,410.96
Other financial liabilities	23	489.01	433.84
Other current liabilities	24	144.12	100.54
Provisions	25	56.02	44.09
Total current liabilities		4,579.91	4,739.27
TOTAL EQUITY AND LIABILITIES		15,786.39	16,788.27

Notes 1 to 45 form an integral part of the financial statements

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

For S G C O & Co. LLP

Chartered Accountants

Firm Registration No : 112081W/W100184

Sd/-

Suresh Murarka

Partner

Mem. No. 44739

Place: Mumbai

Date : 30th July, 2020

For and on behalf of the Board of Directors

Sd/-

Atul Ranchal

Chairman

Din : 01998361

Sd/-

Prashant Rathi

CFO

Sd/-

Rajesh Mahajan

Managing Director

Din : 02000634

Sd/-

Jyoti Sancheti

Company Secretary

Place: Mumbai

Date : 30th July, 2020

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

Particulars	Note No.	Rs. (in Lakhs)	
		Year ended 31 March 2020	Year ended March 31, 2019
Income			
Revenue from operations	26	6,968.85	5,503.01
Other income	27	40.63	287.76
Total income		7,009.48	5,790.77
Expenses			
Cost of materials consumed	28	4,949.80	4,057.21
Purchases of stock-in-trade	29	61.48	-
Changes in inventories of finished goods, work - in progress	30	(328.90)	(113.62)
Employee benefits expense	31	1,338.41	1,219.35
Finance costs	32	335.03	296.26
Depreciation and amortisation expense		664.76	649.96
Other expenses	33	1,340.27	1,176.40
Total expenses		8,360.85	7,285.56
Profit / (Loss) before tax		(1,351.37)	(1,494.79)
Tax expense/ (credit)			
- Deferred tax [Refer note 8(a)]		174.38	(14.48)
- MAT credit reversal [Refer note 8(b)]		911.85	-
- Tax of earlier years		-	0.23
Total tax expense/ (credit)		1,086.23	(14.25)
Profit/ (loss) for the year (A)		(2,437.60)	(1,480.54)
Other comprehensive income (OCI)			
Items not to be reclassified subsequently to profit or loss			
- Measurement of defined employee benefit plans		19.68	(9.85)
- Income tax relating to above items		(4.95)	2.74
Other comprehensive income for the year, net of tax (B)		14.73	(7.11)
Total comprehensive income/ (loss) for the year, net of tax (A+B)		(2,422.87)	(1,487.65)
Earnings per equity share of Rs. 10 each			
Basic and diluted (in Rs.)	34	(13.84)	(8.91)

Notes 1 to 45 form an integral part of the financial statements

For S G C O & Co. LLP

Chartered Accountants

Firm Registration No : 112081W/W100184

Sd/-

Suresh Murarka

Partner

Mem. No. 44739

Place: Mumbai

Date : 30th July, 2020

For and on behalf of the Board of Directors

Sd/-

Atul Ranchal

Chairman

Din : 01998361

Sd/-

Prashant Rathi

CFO

Place: Mumbai

Date : 30th July, 2020

Sd/-

Rajesh Mahajan

Managing Director

Din : 02000634

Sd/-

Jyoti Sancheti

Company Secretary

Cash Flow Statement for the year ended 31 March 2020

Particulars	Rs. In Lakhs	
	Year ended 31 March 2020	Year ended March 31, 2019
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net (loss) / profit before tax	(1,351.37)	(1,494.79)
Adjustments for		
Depreciation and amortisation expense	664.76	649.96
Finance cost	335.03	296.26
Interest income	(15.12)	(10.84)
Remeasurement of defined benefit obligations	19.68	(9.85)
Dividend from current investments	(0.35)	(0.54)
Profit on sale of asset	-	(17.14)
Loss on discarded asset	135.40	-
Provision for expected credit loss	36.16	16.04
Unrealised foreign exchange gain	(0.00)	0.39
Operating profit before working capital changes	(175.81)	(570.51)
Adjustments for changes in working capital:		
Decrease / (increase) in trade receivables	(447.76)	(185.96)
Decrease / (increase) in inventories	(372.15)	135.60
Decrease / (increase) in other assets	53.12	(17.06)
Decrease / (increase) in other financial assets	(20.44)	48.04
(Decrease) / Increase in trade and other payables	(107.31)	49.83
(Decrease) / Increase in other financial liabilities	52.83	28.70
(Decrease) / Increase in other liabilities	43.58	36.98
(Decrease) / Increase in long term provisions	24.51	39.10
(Decrease) / Increase in short term provisions	11.93	(12.74)
Cash generated from / (used in) operations	(937.51)	(448.00)
Direct taxes paid (net of refunds received)	(1.36)	(56.50)
Net cash (used in) / from generated from operating activities (A)	(938.87)	(504.50)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment (including capital work in progress and capital advances)	(258.37)	(86.72)
Proceeds from sale of property, plant and equipment	43.00	153.00
Net (investments in)/ proceeds from bank deposits (having original maturity of more than three months)	(31.28)	34.57
Interest received	13.70	10.13
Dividend received	0.35	0.54
Net cash (used in) / generated from investing activities (B)	(232.59)	111.52

Cash Flow Statement for the year ended 31 March 2020

C. CASH FLOW FROM FINANCING ACTIVITIES

Money received against share warrants	1,754.78	555.49
Proceeds/ (Repayments) from borrowings (net)	(425.99)	328.11
Repayment of Lease Liabilities	(28.56)	-
Finance costs paid	(339.01)	(305.29)
Net cash (used in) / from financing activities (C)	961.22	578.31
Net decrease in cash and cash equivalents (A+B+C)	(210.25)	185.33
Cash and cash equivalents at the beginning of the year	249.85	64.52
Cash and cash equivalents at the end of the year	39.60	249.85

Note:

1. The above cash flow statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS 7) - Statement of Cash Flow.
2. Components of cash and cash equivalents considered only for the purpose of cash flow statement as follows :

	Rs. In Lakhs	
Particulars	Year ended 31 March 2020	Year ended March 31, 2019
In bank current accounts	33.55	246.96
Cash on hand	2.76	2.89
Fixed deposits with original maturity of less than 3 months	3.29	-
	39.60	249.85

3. Previous year's figures have been regrouped and rearranged wherever necessary in order to confirm to current year's classification.

Notes 1 to 45 form an integral part of the financial statements

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

For S G C O & Co. LLP

Chartered Accountants
 Firm Registration No : 112081W/W100184
 Sd/-
Suresh Murarka
 Partner
 Mem. No. 44739

Place: Mumbai
 Date : 30th July, 2020

For and on behalf of the Board of Directors

Sd/-	Sd/-
Atul Ranchal	Rajesh Mahajan
Chairman	Managing Director
Din : 01998361	Din : 02000634
Sd/-	Sd/-
Prashant Rathi	Jyoti Sancheti
CFO	Company Secretary

Place: Mumbai
 Date : 30th July, 2020

Statement of Changes in Equity for the year ended 31 March 2020

A) Equity share capital

Particulars	Number	(₹ in lakhs)
Equity shares of Rs. 10/- each issued, subscribed and paid		
As at 1 April 2019	16,186,422	1,618.64
Changes in Equity Share Capital	85,16,390	851.64
As at 31 March 2020	2,47,02,812	2,470.28

Money received against share warrants

In terms of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended ("ICDR Regulations"), the Company has converted 6,37,500 Warrants on 9th July, 2019 and 2,12,500 Warrants on 26th July, 2019 into equivalent number of Equity Shares of face value Rs. 10/- each and at a premium of Rs. 85.50 per share in the Company on receipt of full amount.

Shares issued on Rights basis

On March 12, 2020, the Company allotted 76,66,390 Equity Shares of face value of Rs.10 each, at a price of Rs. 20 per equity share (including a premium of Rs.10 per share), aggregating to Rs. 1,533.27 lakhs to the existing shareholders on a "rights" basis in the ratio of 1 Equity Share for every 9 equity shares held by equity shareholders

B) Other equity

Particulars	Reserves and surplus		Other comprehensive income	Money received against share warrants	Total equity attributable to equity holders
	Securities premium reserve	Retained earnings	Remeasurement of Defined Benefit Plans		
As at 1 April 2018	5,341.40	4,476.20	10.98	-	9,828.58
Loss for the Year	-	(1,480.52)	-	-	(1,480.52)
Other Comprehensive Income for the year	-	-	(7.11)	-	(7.11)
Money received against share warrants during the year	-	-	-	555.49	555.49
As at 31 March 2019	5,341.40	2,995.67	3.87	555.49	8,896.44
Impact on adoption of IND AS 116 (Refer Note 37)	-	(5.39)	-	-	(5.39)
Loss for the Year	-	(2,437.60)	-	-	(2,437.60)
Other Comprehensive Income for the period	-	-	14.73	-	14.73
Money received against share warrants during the period	-	-	-	256.26	256.26
Share Warrants converted into Equity shares	726.75	-	-	(811.75)	(85.00)
Received on allocation of shares on Rights basis	766.64	-	-	-	766.64
Issue expenses written off against Securities Premium	(34.76)	-	-	-	(34.76)
As at 31 March 2020	6,800.03	552.68	18.60	-	7,371.32

Notes 1 to 45 form an integral part of the financial statements

This is the Statement of Changes in Equity referred to in our audit report of even date

For S G C O & Co. LLP

Chartered Accountants
 Firm Registration No : 112081W/W100184
 Sd/-
Suresh Murarka
 Partner
 Mem. No. 44739

For and on behalf of the Board of Directors

Sd/-
Atul Ranchal
 Chairman
 Din : 01998361
 Sd/-
Prashant Rathi
 CFO

Sd/-
Rajesh Mahajan
 Managing Director
 Din : 02000634
 Sd/-
Jyoti Sancheti
 Company Secretary

Place: Mumbai
 Date : 30th July, 2020

Place: Mumbai
 Date : 30th July, 2020

Accompanying notes to the financial statement for the Year ended March 31, 2020

Note 1 Corporate Information

Brooks Laboratories Limited is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956 and was incorporated on 23rd January, 2002. The shares of the company are listed on BSE & NSE in India. The Company has manufacturing plants at Baddi, Himachal Pradesh and Vadodara, Gujarat. The Company is a pharmaceutical manufacturing company working on contract basis.

Note 2.1 Significant Accounting Policies

i Basis of Preparation

The financial statements of the Company have been prepared to comply in all material respects with the Indian Accounting Standards ("Ind AS") notified under the Companies (Accounting Standards) Rules, 2015.

The financial statements have been prepared under the historical cost convention with the exception of certain financial assets and liabilities which have been measured at fair value, on an accrual basis of accounting.

All the assets and liabilities have been classified as current and non-current as per normal operating cycle of the Company and other criteria set out in as per the guidance set out in Schedule III to the Act. Based on nature of services, the Company ascertained its operating cycle as 12 months for the purpose of current and non-current classification of asset and liabilities.

The Company's financial statements are reported in Indian Rupees, which is also the Company's functional currency, and all values are rounded to the nearest lakhs (INR 00,000), except when otherwise indicated.

ii Accounting Estimates

The preparation of the financial statements, in conformity with the Ind AS, requires the management to make estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and the results of operation during the reported period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates which are recognised in the period in which they are determined.

Estimates and assumptions

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

Deferred tax assets

In assessing the realisability of deferred income tax assets, management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the Company will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

Defined benefit plans

The cost and present value of the gratuity obligation and compensated absences are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, attrition rate and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

iii Property, Plant and Equipment

Property, Plant and Equipment are stated at cost of acquisition including attributable interest and finance costs, if any, till the date of acquisition/ installation of the assets less accumulated depreciation and accumulated impairment losses, if any. Subsequent expenditure relating to Property, Plant and Equipment is capitalised only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the Statement of Profit and Loss as incurred. The cost and related accumulated depreciation are eliminated from the financial statements, either on disposal or when retired from active use and the resultant gain or loss are recognised in the Statement of Profit and Loss.

Capital work-in-progress, representing expenditure incurred in respect of assets under development and not ready for their intended use, are carried at cost. Cost includes related acquisition expenses, construction cost, related borrowing cost and other direct expenditure.

iv Depreciation/ Amortisation

- a) Depreciation on Property, Plant and Equipment has been provided on a pro-rata basis on the straight-line method over the estimated useful lives of the assets which are in agreement with the rates prescribed under schedule II to the Companies Act 2013, except for the category of assets mentioned in Table B in order to reflect the actual usage of the asset.
- b) Intangible assets consisting of softwares, licenses and Dossier/ Marketing Rights are amortised over their useful life.

Table A showing category of assets of which useful life are as prescribed under Companies Act

Sr. No.	Asset category	As per Companies Act 2013	Useful life Baddi	Useful life Vadodara
1	Plant & Machinery	20 years	20 years	-
2	Lab Equipments	10 years	10 years	-
3	Computer	3 years	3 years	3 years
4	Office Equipments	5 years	5 years	5 years
5	Furniture	10 years	10 years	10 years
6	Electrical Installation	10 years	10 years	10 years
7	Factory Building	30 Years	30 Years	30 Years
8	Office Premises	60 Years	60 Years	60 Years
9	Server	6 years	6 years	6 years
10	Vehicles	8-10 years	8-10 years	8-10 years

Table B showing category of assets of which useful life are different from what prescribed under Companies Act

Sr. No.	Asset category	As per Companies Act 2013	Useful life Vadodara	Difference
1	Plant & Machinery	20 years	15 years	5 years

The Company, based on technical assessment made by technical expert and management estimate, depreciates certain items of property plant and equipment (as mentioned above) over estimated useful lives which are different from the useful lives prescribed under Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

v Investment Property

Investment properties are held to earn rentals or for capital appreciation, or both. Investment properties are measured initially at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes.

Investment Property is initially measured at cost including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Any gain or loss on disposal of investment property calculated as the difference between the net proceeds from disposal and the carrying amount of the item is recognised in Statement of Profit & Loss.

vi Financial Instruments

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

a) Financial Assets

Initial Recognition

In the case of financial assets, not recorded at fair value through profit or loss (FVTPL), financial assets are recognised initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent Measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

Financial Assets at Amortised Cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model with an objective 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. Interest income from these financial assets is included in finance income using the effective interest rate ("EIR") method. Impairment gains or losses arising on these assets are recognised in the Statement of Profit and Loss.

Financial Assets Measured at Fair Value

Financial assets are measured at fair value through OCI if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of Profit and Loss.

Financial asset not measured at amortised cost or at fair value through OCI is carried at FVPL.

Impairment of Financial Assets

In accordance with Ind AS 109, the Company applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets and credit risk exposures.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/ expense in the Statement of Profit and Loss.

De-recognition of Financial Assets

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

b) Equity Instruments and Financial Liabilities

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 which are issued for cash are recorded at the proceeds received, net of direct issue costs. Equity instruments which are issued for consideration other than cash are recorded at fair value of the equity instrument.

Financial Liabilities

1) Initial Recognition

Financial liabilities are classified, at initial recognition, as financial liabilities at FVPL, loans and borrowings and payables as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

2) Subsequent Measurement

The measurement of financial liabilities depends on their classification, as described below

Financial liabilities at FVPL

Financial liabilities at FVPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation. Amortisation is recognised as finance income in the Statement of Profit and Loss.

Financial liabilities at amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the Statement of Profit and Loss.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

3) De-recognition of Financial Liabilities

Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de-recognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

c) **Offsetting Financial Instruments**

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

vii Employee Benefits

a **Defined Contribution Plan**

Contributions to defined contribution schemes such as provident fund, employees' state insurance, labour welfare are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. The above benefits are classified as Defined Contribution Schemes as the Company has no further obligations beyond the monthly contributions.

b **Defined Benefit Plan**

The Company also provides for gratuity which is a defined benefit plan, the liabilities of which is determined based on valuations, as at the balance sheet date, made by an independent actuary using the projected unit credit method. Re-measurement, comprising of actuarial gains and losses, in respect of gratuity are recognised in the OCI, in the period in which they occur. Re-measurement recognised in OCI are not reclassified to the Statement of Profit and Loss in subsequent periods. Past service cost is recognised in the Statement of Profit and Loss in the year of plan amendment or curtailment. The classification of the Company's obligation into current and non-current is as per the actuarial valuation report.

c **Leave entitlement and compensated absences**

Accumulated leave which is expected to be utilised within next twelve months, is treated as short-term employee benefit. Leave entitlement, other than short term compensated absences, are provided based on a actuarial valuation, similar to that of gratuity benefit. Re-measurement, comprising of actuarial gains and losses, in respect of leave entitlement are recognised in the Statement of Profit and Loss in the period in which they occur.

d **Short-term Benefits**

Short-term employee benefits such as salaries, wages, performance incentives etc. are recognised as expenses at the undiscounted amounts in the Statement of Profit and Loss of the period in which the related service is rendered. Expenses on non-accumulating compensated absences is recognised in the period in which the absences occur.

e **Termination benefits**

Termination benefits are recognised as an expense as and when incurred.

viii Cash and Cash Equivalents

Cash and cash equivalents in the Balance Sheet comprises of cash at banks and on hand, which are subject to an insignificant risk of changes in value.

ix Borrowing Costs

Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Also, the EIR amortisation is included in finance costs.

Borrowing costs relating to acquisition, construction or production of a qualifying asset which takes substantial period of time to get ready for its intended use are added to the cost of such asset to the extent they relate to the period till such assets are ready to be put to use. All other borrowing costs are expensed in the Statement of Profit and Loss in the period in which they occur.

x Foreign Exchange Translation and Accounting of Foreign Exchange Transaction

a **Initial Recognition**

Foreign currency transactions are initially recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction. However, for practical reasons, the Company uses a monthly average rate if the average rate approximate the actual rate at the date of the transactions.

b Conversion

Monetary assets and liabilities denominated in foreign currencies are reported using the closing rate at the reporting date. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

c Treatment of Exchange Difference

Exchange differences arising on settlement/ restatement of short-term foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss except those arising from investment in Non Integral operations.

xi Revenue Recognition

- a) Revenue from contracts with customers is recognized on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

- b) Revenue from sales of goods is recognized net of rebates and discounts on transfer of significant risks and rewards of ownership to the buyer. Sales of goods are recognized gross of excise duty but net of Sales Tax and Value Added Tax. From July '17 onwards, Sales are considered net of Goods and Services Tax.
- c) Interest is recognised on a time proportion basis taking in to account the amount outstanding and the rate applicable.
- d) Dividend income is recognised when right to receive the same is established.

xii Income Tax

Income tax comprises of current and deferred income tax. Income tax is recognised as an expense or income in the Statement of Profit and Loss, except to the extent it relates to items directly recognised in equity or in OCI.

a Current Income Tax

Current income tax is recognised based on the estimated tax liability computed after taking credit for allowances and exemptions in accordance with the Income Tax Act, 1961. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

b Deferred Income Tax

Deferred tax is determined by applying the Balance Sheet approach. Deferred tax assets and liabilities are recognised for all deductible temporary differences between the financial statements' carrying amount of existing assets and liabilities and their respective tax base. Deferred tax assets and liabilities are measured using the enacted tax rates or tax rates that are substantively enacted at the Balance Sheet date. The effect on deferred tax assets and liabilities of a change in tax rates is recognised in the period that includes the enactment date. Deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Such assets are reviewed at each Balance Sheet date to reassess realisation.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Minimum Alternative Tax ("MAT") credit is recognised as an asset only when and to the extent it is probable that the Company will pay normal income tax during the specified period.

xiii Impairment of Non-Financial Assets

As at each Balance Sheet date, the Company assesses whether there is an indication that a non-financial asset may be impaired and also whether there is an indication of reversal of impairment loss recognised in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, the Company determines the recoverable amount and impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:

- In case of an individual asset, at the higher of the assets' fair value less cost to sell and value in use; and
- In case of cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of cash generating unit's fair value less cost to sell and value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specified to the asset. In determining fair value less cost to sell, recent market transaction are taken into account. If no such transaction can be identified, an appropriate valuation model is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the Statement of Profit and Loss, except for properties previously revalued with the revaluation taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation.

When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through the Statement of Profit and Loss.

xiv Trade receivables

A receivable is classified as a 'trade receivable' if it is in respect of the amount due on account of goods sold or services rendered in the normal course of business. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the EIR method, less provision for impairment.

xv Trade payables

A payable is classified as a 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. These amounts are unsecured and are usually settled as per the payment terms stated in the contract. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the EIR method.

xvi Inventories

Inventories are valued as follows:

- Finished Goods are valued at lower of cost or net realisable value.
- Raw Material are valued at lower of cost or net realisable value.
- Packing Materials are valued at cost or net realisable value.
- Work in process is valued at lower of cost or net realisable value.
- Stock in trade is valued at a lower of cost or net realizable value.

Cost is arrived at on weighted average cost method.

xvii Leases

Company as a lessee

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

Transition

Effective April 1, 2019, the Company adopted IND AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Company's incremental borrowing rate at the date of initial application. Comparatives as at and for the year ended March 31, 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included as part of our Annual Report for year ended March 31, 2019.

xviii Earnings Per Share

Basic earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the Company and weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares).

xix Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of obligation. Provisions (excluding gratuity and compensated absences) are determined based on management's estimate required to settle the obligation at the Balance Sheet date. In case the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. A contingent liability also arises, in rare cases, where a liability cannot be recognised because it cannot be measured reliably.

xx Share Issue Expenses

Share issue expenses are adjusted against the Securities Premium Account as permissible under Section 52(2) of the Companies Act, 2013, to the extent balance is available for utilization in the Securities Premium Account.

xxi Rounding of amounts

All amounts disclosed in the financials statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III.

Note 3A : Property, plant and equipment

Particulars	Rs. (in Lakhs)													
	Land	Factory Building	Office Building	Plant and Machinery	Lab Equipments	Electrical Installations	Furniture & Fixtures	Vehicles	Office Equipment	Computer	Generator	Leasehold Improvement	Server	Total
Year ended March 31, 2019														
Gross carrying value														
Balance as at 1 April, 2018	1,740.69	4,401.22	438.58	5,641.91	7.04	457.48	137.58	225.32	60.29	34.09	23.67	-	42.94	13,210.79
Additions	-	-	-	78.20	-	1.35	2.25	-	6.32	0.80	-	11.05	-	99.97
Disposals	-	-	(141.17)	-	-	-	-	-	-	-	-	-	-	(141.17)
Balance as at 31 March 2019	1,740.69	4,401.22	297.41	5,720.10	7.04	458.83	139.83	225.32	66.61	34.88	23.67	11.05	42.94	13,169.59
Accumulated depreciation														
Balance as at 1 April, 2018	-	171.34	14.99	440.67	3.32	51.25	22.45	55.42	19.00	17.04	6.62	-	7.65	809.75
Depreciation charge during the year	-	150.40	5.09	370.26	1.60	46.05	14.06	28.97	10.29	9.49	3.31	1.29	7.16	647.96
Deletions / Adjustments	-	-	(5.30)	-	-	-	-	-	-	-	-	-	-	(5.30)
Balance as at 31 March 2019	-	321.74	14.77	810.92	4.93	97.31	36.51	84.38	29.29	26.53	9.93	1.29	14.80	1,452.41
Net Carrying Amount as at March 31, 2019	1,740.69	4,079.48	282.63	4,909.18	2.12	361.52	103.32	140.93	37.32	8.35	13.75	9.76	28.14	11,717.18
Year ended March 31, 2020														
Gross carrying value														
Balance as at 1 April 2019	1,740.69	4,401.22	297.41	5,720.10	7.04	458.83	139.83	225.32	66.61	34.88	23.67	11.05	42.94	13,169.59
Additions	-	4.03	-	237.87	3.09	11.21	7.13	-	1.91	3.32	-	-	-	288.56
Disposals	-	-	-	(292.06)	-	-	-	-	-	(8.80)	-	-	-	(300.85)
Balance as at 31 March 2020	1,740.69	4,405.25	297.41	5,665.92	10.13	470.04	146.96	225.32	68.52	38.20	14.88	11.05	42.94	13,739.00
Accumulated depreciation														
Balance as at 1 April 2019	-	321.74	14.77	810.92	4.93	97.31	36.51	84.38	29.29	26.53	9.93	1.29	14.80	1,452.41
Depreciation charge during the year	-	150.88	5.05	387.05	0.90	46.81	14.48	4.95	10.37	4.52	3.31	2.22	7.17	637.71
Deletions / Adjustments	-	-	-	(164.33)	-	-	-	-	-	-	(6.20)	-	-	(170.53)
Balance as at 31 March 2020	-	472.62	19.83	1,033.65	5.82	144.12	50.99	89.33	39.66	31.05	7.04	3.51	21.97	1,919.59
Net Carrying Amount as at March 31, 2020	1,740.69	3,932.63	277.58	4,632.27	4.30	325.93	95.97	135.98	28.86	7.15	7.84	7.54	20.97	11,217.70

Note 3B : Right to use of Assets

Particulars	Rs. (in Lakhs)	
	Office Premises	Total
Year ended March 31, 2020		
Gross Carrying Amount		
Balance as at April, 1, 2019	-	-
Transition impact on adoption of IND AS 116	91.32	91.32
Additions	-	-
Disposals	-	-
Transfers	-	-
Balance as at March 31, 2020	91.32	91.32
Accumulated Depreciation		
Balance as at April, 1, 2019	-	-
Depreciation charge during the year	23.84	23.84
Disposals	-	-
Balance as at March 31, 2020	23.84	23.84
Net Carrying Amount as at March 31, 2020	67.48	67.48

Note 3C : Intangible Assets

Particulars	Rs. (in Lakhs)		
	Computer Software	Dossiers/ Marketing rights	Total
Year ended 31 March 2019			
Gross carrying value			
Balance as at 1 April, 2018	-	-	-
Additions	10.00	-	10.00
Balance as at 31 March 2019	10.00	-	10.00
Accumulated Amortisation			
Balance as at 1 April, 2018	-	-	-
Amortisation charge for the year	(2.00)	-	(2.00)
Balance as at 31 March 2019	(2.00)	-	(2.00)
Closing Net Carrying Amount as at 31 March 2019	8.00	-	8.00
Year ended 31 March 2020			
Gross carrying value			
Balance as at 1 April, 2019	10.00	-	10.00
Additions	2.00	10.25	12.25
Balance as at 31 March 2020	12.00	10.25	22.25
Accumulated Amortisation			
Balance as at 1 April, 2019	(2.00)	-	(2.00)
Amortisation charge for the year	(2.06)	(1.15)	(3.21)
Balance as at 31 March 2020	(4.06)	(1.15)	(5.21)
Closing Net Carrying Amount as at 31 March 2020	7.94	9.10	17.04

Note 3D : Intangible Assets Under Development

Particulars	Rs. (in Lakhs)
Gross carrying value	
Balance as at 31 March 2019	28.91
Additions	16.74
Less : Transferred to Expenses	(24.41)
Less : Transferred to Intangible Assets	(10.25)
Balance as at 31 March 2020	10.99
Net carrying value	
Balance as at 31 March 2019	28.91
Balance as at 31 March 2020	10.99

Rs. (in Lakhs)

Note 4 : Investment Property

Particulars	Land	Total
Gross carrying value		
Balance as at 1 April 2018 (at deemed cost)	44.70	44.70
Additions	-	-
Disposals	-	-
Balance as at 31 March 2019	44.70	44.70
		-
Balance as at 1 April 2019 (at deemed cost)	44.70	44.70
Additions	-	-
Disposals	(44.70)	(44.70)
Balance as at 31 March 2020	-	-

Note:

i) Fair Value

Particulars	As at 31 March 2020	As at 31 March 2019
Investment Properties	-	30.88
	-	30.88

Estimation of Fair value :

The company has classified the same under Level 2 of Fair value hierarchy.

Note 5 : Investments

Particulars	As at 31 March 2020	As at 31 March 2019
I. Investments valued at FVTPL (Unquoted)		
Investment in equity shares		
i) In other companies	2.00	2.00
Total non-current investments	2.00	2.00

Note 5.1 Detailed list of non-current investments

Particulars	As at 31 March 2020		As at 31 March 2019	
	Nos	Rs. in lakhs	Nos	Rs. in lakhs
Investments valued at FVTPL, fully paid up (Unquoted)				
Shivalik Solid Waste Management Limited (Face Value of Rs. 10/- each, fully paid)	20,000	2.00	20,000	2.00
Total non-current investments	20,000	2.00	20,000	2.00

Particular	As at 31 March 2020	As at 31 March 2019
Aggregate of non-current investments:		
Book value of investments (net of impairment allowance)	2.00	2.00
Investments carried at deemed cost	2.00	2.00
Investments carried at fair value through profit and loss	-	-

**Note 6 : Other financial assets
(Unsecured, Considered Good)**

Particular	As at 31 March 2020	As at 31 March 2019
Security Deposits	187.10	179.24
Less : ECL provision	(33.95)	(31.17)
Fixed Deposits	9.57	15.49
	162.73	163.56

* includes Rs. 9.57 lacs (31 March 2019: Rs. 15.49 lacs) pledged with bank as margin against bank guarantee.

Note 7 : Income Tax Assets
(a) Amounts recognised in Statement of Profit and Loss

Particulars	As at 31 March 2020	As at 31 March 2019
Current tax expense (A)		
Current year	-	-
Short/(Excess) provision of earlier years	-	0.23
Deferred tax expense (B)		
Origination and reversal of temporary differences [Refer note 8(a)]	174.38	(14.48)
Reversal of MAT Credit [Refer note 8(b)]	911.85	-
Tax expense recognised in the income statement (A+B)	1,086.23	(14.26)

(b) Amounts recognised in other comprehensive income

Particulars	As at 31 March 2020			As at March 31, 2019		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurements of the defined benefit plans	19.68	(4.95)	14.73	(9.85)	2.74	(7.11)
	19.68	(4.95)	14.73	(9.85)	2.74	(7.11)

(c) Reconciliation of effective tax rate

Particulars	As at 31 March 2020	As at 31 March 2019
Profit before tax	(1,351.38)	(1,494.77)
Tax using the Company's domestic tax rate (Current year 25.17% and Previous Year 27.82%)	(340.14)	(415.85)
Tax effect of :		
Effect of expenses that is non-deductible in determining taxable profit	(33.45)	(13.88)
Indexed Cost of Land	7.02	7.37
Effect of current year losses for which deferred tax asset is recognised [Refer note 8(a)]	540.96	408.10
Tax expense as per Statement of Profit & Loss	174.38	(14.25)
Effective tax rate	(12.90)	0.95
Reversal of MAT Credit [Refer note 8(b)]	911.85	-
Total Tax expense as per Statement of Profit & Loss	1,086.23	(14.25)

(d) Income tax assets (net)

Particular	As at 31 March 2020	As at 31 March 2019
Advance income tax and TDS(Net of Provisions)	31.26	29.90
Income Tax paid against dispute	465.29	465.29
Total income tax assets (Net)	496.55	495.19

Note 8 : Deferred tax assets (net)

Particular	As at 31 March 2020	As at 31 March 2019
Deferred income tax asset		
Provision for employee benefits	49.80	47.10
Provision for expected credit loss on trade receivables	82.49	117.54
Financial asset carried at amortised cost	0.04	0.03
Expenditure allowed in income tax below expenditure debited to Profit and Loss Account.	-	-
Unabsorbed depreciation (to the extent of liabilities) [Refer note (a) below]	765.22	970.99
Deferred tax assets	897.55	1,135.66
Deferred income tax liabilities		
Excess of net block of fixed assets as per books over net block for tax	(808.88)	(859.13)
Financial liabilities carried at amortised cost	(1.00)	(2.51)
Indexed Cost of Land	(87.67)	(94.68)
Deferred tax liabilities	(897.55)	(956.32)
MAT credit entitlement [Refer note (b) below]	-	911.85
Deferred tax assets (net)	-	1,091.19

- a) The company has incurred losses during the current and previous periods. Therefore in view of present uncertainty regarding generation of sufficient future taxable income, the Company has recognised deferred tax assets on unabsorbed depreciation / losses to the extent of liabilities at the year end on the prudent basis as per Ind AS 12 on 'Income Taxes'.
- b) The new section – 'Section 115BAA' has been inserted in the Income Tax Act, 1961 by the Government of India on September 20, 2019 vide the Taxation Laws (Amendment) Ordinance 2019 to give the benefit of a reduced corporate tax rate for the domestic companies. Section 115BAA states that domestic companies have the option to pay tax at a rate of 22% plus surcharge of 10% and cess of 4%. The Effective Tax rate being 25.17% from the FY 2019-20 (AY 2020-21) onwards if such domestic companies adhere to certain conditions specified. The company need not pay tax under MAT if it opts for Section 115BAA. On the basis of estimated future financial performance of the Company, the management has elected to exercise the abovementioned option of a reduced corporate tax rate. Accordingly, MAT Credit entitlement amounting to Rs. 911.85 lacs as at 31st March, 2019 will not be available from FY 2019-20 and the same has been reversed during the year.

Movement in Deferred Tax Assets/(Liabilities)

Particulars	Property, Plant and Equipment	Provision for expected credit loss on trade receivables	Provision for employee benefits	MAT credit entitlement	Others	Total
At April 1, 2018	(358.75)	109.21	42.55	959.52	(3.50)	749.04
Charged / (credited)						
– to Statement of Profit and Loss	375.93	8.32	7.28	(47.67)	1.02	344.89
– to other comprehensive income	-	-	(2.74)	-	-	(2.74)
At March 31, 2019	17.18	117.54	47.10	911.85	(2.48)	1,091.19
Charged / (credited)						
– to Statement of Profit and Loss	(148.51)	(35.05)	(2.25)	(911.85)	1.52	(1,096.14)
– to other comprehensive income	-	-	4.95	-	-	4.95
At March 31, 2020	(131.33)	82.49	49.80	-	(0.96)	0.00

**Note 9 : Other Non Current Assets
(Unsecured, Considered Good)**

Particular	As at 31 March 2020	As at 31 March 2019
Prepaid rent	1.46	2.22
Capital advances	18.65	61.23
	20.11	63.45

**Note 10 : Inventories
(Valued at lower of cost or net realisable value)**

Particular	As at 31 March 2020	As at 31 March 2019
Work-in-progress	269.26	137.66
Finished goods	420.11	244.66
Stock in Trade	21.85	
Raw materials	359.32	395.31
Packing materials	306.96	227.70
	1,377.49	1,005.34

**Note 11 : Trade receivables
(Unsecured)**

Particular	As at 31 March 2020	As at 31 March 2019
Trade receivables		
- considered good	1,850.00	1,402.24
Less: Provision for expected credit loss	(293.80)	(260.42)
	1,556.20	1,141.82

Note 12 : Cash and cash equivalents

Particulars	As at 31 March 2020	As at 31 March 2019
Balances with banks		
- Current accounts in Indian rupees	31.50	246.96
- Current accounts in Foreign currency	2.05	-
Cash on hand	2.76	2.89
Fixed deposits with original maturity of less than 3 months	3.29	-
	39.60	249.85

Note 13 : Other bank balances

Particular	As at 31 March 2020	As at 31 March 2019
Earmarked balances with banks for:		
Margin money deposits with original maturity of more than 3 months and remaining maturities of less than 12 months *	122.75	97.38
Less : Fixed deposits with original maturity of more than one year (refer note no. 6)	(9.57)	(15.49)
	113.18	81.89

* includes Rs. 113.17 lacs (31 March 2019: Rs. 81.89 lacs) pledged with bank as margin against bank guarantee.

Note 14 : Other financial assets
(Unsecured)

Particular	As at 31 March 2020	As at 31 March 2019
Accrued Interest on Fixed deposit	11.84	5.94
Export Incentive Receivables	26.43	-
Refund receivable from Government Authorities	21.92	18.76
Other Receivables	-	155.79
Less: Provision for Expected Credit loss	-	(140.21)
	60.19	40.28

Note 15 : Other current assets
(Unsecured, Considered Good)

Particular	As at 31 March 2020	As at 31 March 2019
Advance to suppliers	63.56	54.29
Duties and Taxes Receivable	570.84	567.55
Prepaid expenses	10.32	11.17
Others	0.41	21.90
	645.13	654.91

Note 16A : Equity Share capital

Particulars	As at 31 March 2020	As at 31 March 2019
Authorised share capital		
25,000,000 (P.Y. 20,000,000) Equity Shares of Rs.10/- each	2,500.00	2,000.00
Total authorised share capital	2,500.00	2,000.00
Issued, subscribed and paid-up equity share capital:		
2,47,02,812 (P.Y.16,186,422) Equity shares of Rs. 10/- each	2,470.28	1,618.64
Total issued, subscribed and paid-up equity share capital	2,470.28	1,618.64
Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting year		
Particulars	Number	Amount
As at 1 April 2018	1,61,86,422	1,618.64
Issued during the year	-	-
As at 31 March 2019	1,61,86,422	1,618.64
Issued during the period	85,16,390	851.64
As at 31 March 2020	2,47,02,812	2,470.28

Terms/rights attached to equity shares:

- (i) The company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.
- (ii) 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, if any. The distribution will be in proportion to the number of equity shares held by the shareholders. Shareholding of more than 5%:

Name of the Shareholder	As at March 31, 2020		As at March 31, 2019	
	No. of shares	% held	No. of shares	% held
Atul Ranchal	62,63,071	25.35%	41,13,071	25.41%
Rajesh Mahajan	51,14,151	20.70%	34,93,151	21.58%

During the previous year the Company has increased its Authorised Share Capital from Rs.2000 lacs (divided into 2,00,00,000 equity shares of the face value Rs.10 each) to Rs.2500 lacs (divided into 2,50,00,000 equity shares of the face value Rs.10 each) at the extraordinary general meeting of the Company held on June 11, 2019.

Note 16B : Other Equity

Particulars	As at 31 March 2020	As at 31 March 2019
Securities premium reserve	6,800.03	5,341.40
Retained earnings	552.68	2,995.66
Items of Other Comprehensive Income		
- Remeasurements of defined benefit plans	18.60	3.87
Money received against share warrants	-	555.49
	7,371.32	8,896.43

Nature and purpose of reserves
Securities premium reserve

The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve.

Retained earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders, if any.

Remeasurements of Net Defined Benefit Plans:

Differences between the interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised in 'Other comprehensive income' and subsequently not reclassified to the Statement of Profit and Loss.

Money received against share warrants

In terms of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended ("ICDR Regulations"), the Company has converted 6,37,500 Warrants on 9th July, 2019 and 2,12,500 Warrants on 26th July, 2019 into equivalent number of Equity Shares of face value Rs. 10/- each and at a premium of Rs. 85.50 per share in the Company on receipt of full amount.

Shares issued on Rights basis

On March 12, 2020, the Company allotted 76,66,390 Equity Shares of face value of Rs.10 each, at a price of Rs. 20 per equity share (including a premium of Rs.10 per share), aggregating to Rs. 1,533.27 lakhs to the existing shareholders on a "rights" basis in the ratio of 1 Equity Share for every 9 equity shares held by equity shareholders

Note 17 : Borrowings

Particulars	As at 31 March 2020	As at 31 March 2019
Secured		
Term loan from bank	1,380.80	1,588.32
Less: Current Maturities of Long Term debts	(252.48)	(247.61)
	1,128.32	1,340.71
Hire Purchase Loans		
From Banks	6.29	16.50
Less: Current Maturities of Long Term debts	(6.29)	(10.21)
	-	6.29
From Others	39.48	65.86
Less: Current Maturities of Long Term debts	(27.87)	(26.46)
	11.61	39.39
	1,139.93	1,386.39

Total non-current borrowings
Nature of security and terms of repayment :
Term loan from bank

Rs 969.40 lacs (PY Rs. 1,085.87 lacs). The loan is secured by hypothecation of Plant and Machinery at Vadodara unit and collaterally secured by Equitable Mortgage of land and building at Vadodara unit. It is further secured by Personal Guarantee of two Directors of the Company. Term loan from Indian Bank carries interest @ MCLR- 1 year+ 2.40%. The loan is repayable in 32 equal quarterly instalments starting from March, 2018.

Rs 415.37 lacs (PY Rs. 507.68 Lacs). The loan is secured by hypothecation of Plant and Machinery at Vadodara unit and collaterally secured by Equitable Mortgage of land and building at Vadodara unit. It is further secured by Personal Guarantee of two Directors of the Company. The loan from Indian bank carries interest @ MCLR- 1 year + 3.00% and is repayable in 78 monthly installments of Rs. 7.69 lacs per month commencing from April, 2018. Interest is to be serviced as and when debited to the account

Hire Purchase Loans

Rs 6.29 lacs (PY Rs. 16.50 lacs) Hire purchase loan from Axis Bank. The loan is secured by hypothecation of vehicles financed. Hire purchase loans from Axis Bank Ltd carries interest @ 9.5% p.a. The loans are repayable in 60 equal monthly instalments starting from November, 2015.

From Others

Rs. 39.48 lacs (PY Rs. 65.86 lacs) Hire Purchase Loan from Kotak Mahindra Prime Ltd. The loan is secured by hypothecation of vehicles financed. Hire purchase loans from Kotak Mahindra Prime Ltd carries interest @ 10.67% p.a. The loan is repayable in 60 equal monthly instalments starting from June, 2016.

Note 18 : Lease Liabilities

Particulars	As at 31 March 2020	As at 31 March 2019
Lease Liabilities	52.91	-
	52.91	-

Note 19 : Provisions

Particulars	As at 31 March 2020	As at 31 March 2019
Provision for employee benefits		
- Gratuity	113.39	104.35
- Leave entitlement and compensated absences	58.64	43.17
	172.03	147.53

Note 20 : Borrowings

Particulars	As at 31 March 2020	As at 31 March 2019
Secured		
Cash Credit from banks	1,261.03	1,446.88
	1,261.03	1,446.88

Secured loans from Banks includes :

- a) Cash Credit facility from Kotak Mahindra Bank amounting to Rs. 732.06 lacs (PY Rs. 751.93 lacs) is secured by 1st Hypothecation charge on Stocks, Receivable & all current assets and collaterally secured by Equitable Mortgage of Industrial Property at Baddi & Corporate office, Mumbai. It is further secured by Personal Guarantee of Directors of the Company. It carries interest @ (KMBR as on date 9.50%) + 1% with a minimum of 10.5%.
- b) Cash Credit facility from Indian Bank amounting to Rs. 528.97 lacs (PY 694.95 lacs) is secured by 1st Hypothecation charge on Stocks, WIP and finished goods, book debts/other Receivables of Vadodara unit and collaterally secured by Equitable Mortgage of land and building bearing block no 61 & 62 at Vadodara. It is further secured by Personal Guarantee of Directors of the Company. It carries interest @ MCLR- 1 year (8.60%) + 2.40% i.e. 11%.

Note 21 : Lease Liabilities

Particulars	As at 31 March 2020	As at 31 March 2019
Lease Liabilities	23.12	-
	23.12	-

Note 22 : Trade payables

Particulars	As at 31 March 2020	As at 31 March 2019
- Total outstanding dues of Micro Enterprises and Small Enterprises (Refer note below)	445.56	302.96
- Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	2,161.05	2,410.96
	2,606.61	2,713.92

The Company has amounts due to micro and small suppliers registered under the Micro, Small and Medium Enterprises Development Act 2006 (MSMED Act).

The disclosure pursuant to the said Act is as under:

Particulars	As at 31 March 2020	As at 31 March 2019
Principal amount due to suppliers under MSMED Act	445.56	302.96
Interest accrued and due to suppliers under MSMED Act on the above amount	-	-
Payment made to suppliers (other than interest) beyond appointed day during the year	1,189.78	290.06
Interest paid to suppliers under MSMED Act	-	-
Interest due and payable to suppliers under MSMED Act towards payments already made	-	-
Interest accrued and remaining unpaid at the end of the accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act.	-	-

Note: Interest paid or payable by the company on the aforesaid principal amount has been waived by the concerned suppliers

Note 23 : Other financial liabilities

Particulars	As at 31 March 2020	As at 31 March 2019
Current maturities of long term borrowings (Refer note 17)	286.64	284.29
Interest accrued and due on borrowings	14.23	15.93
Salary & wages payable	92.18	75.94
Payable for capital goods	36.31	-
Duties & Taxes payable	32.65	24.99
Consignee Sales Agents Deposits	27.00	32.69

Note 24 : Other liabilities

Particulars	As at 31 March 2020	As at 31 March 2019
Advance from customer	144.12	100.54
	144.12	100.54

Note 25 : Provisions

Particulars	As at 31 March 2020	As at 31 March 2019
Provision for employee benefits		
- Gratuity	18.06	15.70
- Leave entitlement and compensated absences	7.77	6.08
- Bonus Payable	30.19	22.32
	56.02	44.09

Rs. in lakhs

Note 26 : Revenue from operations

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Sale of drugs*	6,913.25	5,503.01
Other Operating revenue	-	-
Export Incentives	29.44	-
Sale of Dossier	24.73	-
Sale of scrap	1.43	-
	-	-
Total Revenue from Operations	6,968.84	5,503.01

* Sales are reported net of discounts, rebates and returns.

Note 27 : Other income

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Interest income	15.12	10.84
Profit On Sale of Asset	-	17.14
Dividend from long term investments	0.35	0.54
Sundry Balance written back	21.85	227.00
Insurance claim received	-	20.20
Miscellaneous income	3.32	12.04
Total other income	40.62	287.76

Note 28 : Cost of materials consumed

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Raw Material (Including Packing Material)		
Opening stock	623.02	872.22
Add: Purchases	4,993.06	3,856.39
Less:Loss on account of Flood from purchase	-	(22.47)
Less: Closing stocks	(666.27)	(623.02)
Less:Loss on account of Flood from Finished goods	-	(25.89)
	4,949.79	4,057.21

Note 29 : Purchases of stock-in-trade

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Purchases of Stock-in-trade	61.48	-
	61.48	-

Note 30 : Changes in inventories of finished goods, work - in progress

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Opening inventory		
- Finished Goods	244.66	183.61
- Traded Goods	-	-
- Work-in-progress	137.66	85.09
	382.32	268.70
Closing inventory		
- Finished Goods	420.11	244.66
- Traded Goods	21.85	-
- Work-in-progress	269.26	137.66
	711.22	382.32
Changes in inventories	(328.90)	(113.62)

Note 31 : Employee benefits expense

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Salaries and wages	1,028.09	929.48
Contribution to provident and other funds	67.31	53.20
Director Remuneration	221.93	215.67
Staff welfare	21.09	20.99
Total employee benefits expense	1,338.41	1,219.35

Note 32 : Finance costs

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Interest expense	327.15	296.26
Interest expense on lease liability	7.89	-
Total finance costs	335.03	296.26

Note 33 : Other expenses

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
<u>Manufacturing expenses</u>		
Stores & spares consumed	157.16	123.55
Power & fuel	290.13	256.37
<u>Repairs & maintenance :</u>		
- Plant & machinery	24.71	11.51
- Factory building	7.15	5.63
Other factory expenses	186.14	204.09
<u>Administration, selling and distribution expenses</u>		
Rent	1.19	29.77
Insurance expenses	12.09	11.86
Legal and professional fees	93.26	36.95
Auditor's remuneration	9.53	9.00
Travelling & conveyance	134.68	96.12
Advertising & sales promotion expenses	64.74	48.45
Commission paid	30.30	24.31
Transportation, freight & handling charges	19.81	14.24
Loss on exchange fluctuation (net)	-	0.39
loss on account of Flood	-	48.37
Loss on sale/ discard of property, plant and equipment	135.40	-
Provision for Expected credit loss (net of reversal)	36.16	16.04
Miscellaneous Expenses	137.81	239.75
	1,340.27	1,176.39
Auditors' remuneration:		
i) Statutory audit fees	8.40	8.40
ii) Taxation Matters	1.13	0.60
	9.53	9.00

Note 34 : Earnings per equity share of Rs. 10 each

The amount considered in ascertaining the Company's earnings per share constitutes the net loss after tax. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period. The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also the weighted average number of shares which could have been issued on conversion of all dilutive potential shares.

Basic and diluted EPS

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Profit computation for basic earnings per share of Rs. 10 each		
Net Profit after Tax as per Statement of Profit and Loss attributable to Equity Shareholders	(2,437.61)	(1,480.52)
Weighted average number of equity shares for EPS computation* (Nos.)	1,76,10,703	1,66,12,104
EPS - Basic and Diluted EPS	(13.84)	(8.91)

* after retrospective adjustment for bonus element involved in right issue as per Ind AS 33

Note 35 : Related party disclosures as required under Indian Accounting Standard 24, "Related party disclosures" are given below:

- a) Names of related parties and nature of relationship (to the extent of transactions entered into during the year except for control relationships where all parties are disclosed)

Name of related party	Nature of relation
(A) Directors	
Mr. Atul Ranchal	Chairman
Mr. Rajesh Mahajan	Managing Director
Dr. Durga Shankar Maity (Till 26 August, 2019)	Wholetime Director
Mr. Suresh Garg (wef 26 August, 2019)	Wholetime Director
Mr. Rajnish Kumar Bedi	Independent Director
Mr. Deepak Mahajan	Independent Director
Mrs. Sonia Gupta	Independent Director
(B) Key managerial personnel	
Mr. Anil Kumar Pillai (Till 12 May, 2020)	Chief Financial Officer
Mr. Prashant Rathi (wef 24 July, 2020)	Chief Financial Officer
Mrs. Jyoti Sancheti	Company Secretary
(C) Relative of Directors	
Mrs. Saras Gupta	
Mrs. Rajani Ranchal	
Mr. Savvy Ranchal	
Mr. Aryan Mahajan	
Mr. Manmohanlal Mahajan	
Mr. Erwin Mahajan	
Ms. Selina Ranchal	
Mrs. Davinder Kumari	

- b) Transactions carried out with related parties referred to above, in ordinary course of business and balances outstanding:

Particulars	Nature of Transaction	Year ended	Year ended
		31 March 2020	31 March 2019
Mr. Atul Ranchal	Director Remuneration	96.00	96.00
	Sitting Fees	1.40	1.00
	Loan taken	68.00	-
	Loan repaid	68.00	-
	Shares issued on Rights basis (including securities premium)	430.00	-
Mr. Rajesh Mahajan	Director Remuneration	96.00	96.00
	Sitting Fees	1.60	0.80
	Loan taken	31.05	-
	Loan repaid	31.05	-
	Shares issued on Rights basis	324.20	-
Dr. Durga Shankar Maity	Director Remuneration	11.88	23.76
	Sitting Fees	0.40	1.00
Mr. Rajnish Kumar Bedi	Sitting Fees	1.60	0.80
Mr. Deepak Mahajan	Sitting Fees	1.40	0.80
Mrs. Sonia Gupta	Sitting Fees	1.40	1.00

Mr. Suresh Garg	Director Remuneration	18.05	-
	Sitting Fees	1.00	-
Mrs. Saras Gupta	Salary	28.80	28.80
	Money received against share warrants	129.20	73.74
	Share warrants converted to Equity shares	202.94	-
	Shares issued on Rights basis	60.00	-
Mrs. Rajani Ranchal	Salary	28.80	28.80
	Money received against share warrants	7.94	195.00
	Share warrants converted to Equity shares	202.94	-
	Shares issued on Rights basis	64.00	-
Mrs. Davinder Kumari	Salary	24.00	24.00
	Shares issued on Rights basis	2.66	-
Mr. Anil Kumar Pillai	Salary	15.08	14.98
Mr. Savvy Ranchal	Money received against share warrants	37.94	165.00
	Share warrants converted to Equity shares	202.94	-
	Shares issued on Rights basis	51.40	-
Mr. Aryan Mahajan	Money received against share warrants	81.19	121.75
	Share warrants converted to Equity shares	202.94	-
	Shares issued on Rights basis	60.00	-
Mr. Manmohanlal Mahajan	Shares issued on Rights basis	66.20	-
Mr. Erwin Mahajan	Shares issued on Rights basis	64.00	-
Ms. Selina Ranchal	Shares issued on Rights basis	26.40	-
Mrs. Jyoti Sancheti	Salary	6.72	6.62

c. Balance Outstanding of Related Parties :

Particulars	Nature of Transaction	As at	As at
		31 March 2020	31 March 2019
Mr. Atul Ranchal	Director Remuneration Payable	4.50	2.60
	Sitting fees payable	3.20	1.80
	Loan Payable	-	-
Mr. Rajesh Mahajan	Director Remuneration Payable	4.30	5.56
	Sitting fees payable	3.22	1.62
Dr. Durga Shankar Maity	Salary & Wages Payable	-	1.42
	Sitting fees payable	1.30	0.90
Mr. Rajnish Kumar Bedi	Sitting fees payable	3.04	1.44
Mr. Deepak Mahajan	Sitting fees payable	2.84	1.44
Mrs. Sonia Gupta	Sitting fees payable	2.84	1.44
Mr. Suresh Garg	Salary & Wages Payable	1.19	-
Mrs. Saras Gupta	Salary & Wages Payable	1.49	1.85
	Money received against share warrants	-	73.74
Mrs. Rajani Ranchal	Salary & Wages Payable	1.54	1.49
	Money received against share warrants	-	195.00
Mrs. Davinder Kumari	Salary & Wages Payable	1.30	1.50
Mr. Anil Kumar Pillai	Salary & Wages Payable	1.14	0.92
Mrs. Jyoti Sancheti	Salary & Wages Payable	0.56	0.51
Mr. Savvy Ranchal	Money received against share warrants	-	165.00
Mr. Aryan Mahajan	Money received against share warrants	-	121.75

Note 36 : Contingent liabilities and Commitments
(A) Contingent liabilities
I) Guarantees

Particulars	As at 31 March 2020	As at 31 March 2019
i) Bank Guarantee	129.96	93.22
II) Other money for which the company is contingently liable		

Particulars	As at 31 March 2020	As at 31 March 2019
Disputed liability in respect of Income tax (Refer Note below)	1,957.21	1,957.21
Claims against the Company not acknowledged as debts	8.84	-

The Company has received Notice of Demand u/s 156 of the Income Tax Act, 1961 for the three assessment years and company has filed an appeal against the same. Details of the same are given as follows :

A.Y to which matter pertains	As at 31 March 2020		As at 31 March 2019	
	Demand Amount Raised	Stay amount paid	Demand Amount Raised	Stay amount paid
2012-13	1,400.72	291.39	1,400.72	291.39
2013-14	339.51	101.00	339.51	101.00
2014-15	142.85	21.45	142.85	21.45
2015-16	0.68	-	0.68	-
2016-17	73.45	51.45	73.45	51.45
Total	1,957.21	465.29	1,957.21	465.29

(B) Commitments

Particular	As at 31 March 2020	As at 31 March 2019
I) Contracts Remaining to Be Executed	-	96.84
II) EPCG Commitment (Refer Note below)	481.04	443.21

The Company has obtained license under Export Promotion Capital Goods Scheme(EPCG) for purchase of capital goods on zero percent custom duty. Under the EPCG the Company needs to fulfill certain export obligations, failing which, it is liable for payment of custom duty. Export obligations is Rs. 3,665.17 lacs (P.Y. Rs. 3,127.60 lacs) out of which Rs. 248.61 lacs needs to be completed within 6 years (till F.Y.2025-26), Rs. 1,355.88 lacs needs to be completed within 6 years (till F.Y.2020-21) & Rs. 2,060.68 lacs needs to be completed within 8 years (till F.Y.2021-22) from the date of purchase of respective Capital Goods.

Note 37 : Leases:

Effective April 1, 2019, the Company has adopted Ind AS 116, Leases, using modified retrospective approach. On adoption of the new standard IND AS 116 resulted in recognition of 'Right of Use' assets of Rs.91.32 lakhs and a lease liability of Rs.96.71 lakhs. The cumulative effect of applying the standard, amounting to Rs.5.39 lakhs was debited to retained earnings. The effect of this adoption is insignificant on the profit before tax, profit for the period and earnings per share. Ind AS 116 will result in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments.

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2020

Particulars	Year ended 31 March 2020
Balance as at 1st April, 2019	-
Transition impact on adoption of Ind AS 116	91.32
Addition	-
Deletion	-
Depreciation	(23.84)
Balance as at 31st March, 2020	67.48

The following is the break-up of current and non-current lease liabilities as at March 31, 2020

Particulars	As at 31 March 2020
Current lease liabilities	23.12
Non-Current lease liabilities	52.91
Balance as at 31st March, 2020	76.03

The following is the movement in lease liabilities during the year ended March 31, 2020:

Particulars	Year ended 31 March 2020
Balance as at 1st April, 2019	-
Transition impact on adoption of Ind AS 116	96.71
Addition	-
Finance cost accrued during the period	7.89
Deletion	-
Payment of lease liabilities	(28.56)
Balance as at 31st March, 2020	76.03

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2020 on an undiscounted basis :

Particulars	As at 31 March 2020
- Less than one year	23.12
- Later than one year but not later than five years	52.91
- Later than five years	-
TOTAL	76.03

Note 38 : Expenditure on Corporate Social Responsibility Activities

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Details of CSR Expenditure:		
Gross amount required to be spent by the Company during the year.	72.48	70.44

Particulars	Amount Spent		Amount yet to be Spent		Total	
	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
a) Construction / acquisition of any assets	-	-	-	-	-	-
b) On purpose other than 1 above	0.66	-	71.82	70.44	72.48	70.44

Note 39 : Segment Reporting as required under Indian Accounting Standard 108, "Operating Segments" :

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director/Chairman of the Company. The Company operates only in one Business Segment i.e. "Manufacturing of Drugs & Pharmaceutical", hence does not have any reportable Segments as per Ind AS 108 "Operating Segments".

Note 40 : Disclosure relating to employee benefits as per Ind AS 19 'Employee Benefits'
A Defined benefit obligations - Gratuity (Non Funded)

The gratuity plan is governed by the Payment of Gratuity Act, 1972 under which an employee who has completed five years of service is entitled to specific benefits. The level of benefits provided depends on the member's length of service and salary at retirement age.

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
a) Changes in defined benefit obligations		
Present value of obligation as at the beginning of the year		
Defined Benefit Obligation ("PBO") at the beginning of the year	120.05	89.03
Service cost	28.20	17.33
Interest cost	7.50	6.68
Actuarial loss / (gain)	(19.68)	9.85
Benefits paid	(4.61)	(2.84)
Present value of obligation as at the end of the year	131.45	120.05
b) Expenses recognised in the Statement of Profit and Loss		
Current service cost	28.20	17.33
Past service cost	-	-
Interest cost	7.50	6.68
Expected return on plan assets	-	-
Net actuarial (gain) / loss recognized in the year	-	-
Total	35.70	24.01
c) Remeasurement (gains)/ losses recognised in OCI		
Actuarial changes arising from changes in financial assumptions	-	-
Actuarial changes arising from changes in demographic assumptions	-	-
Experience adjustments	(19.68)	9.85
Total	(19.68)	9.85
d) Actuarial assumptions		
Discount rate	6.25% p.a.	7.5% p.a.
Normal retirement age (in years)	58	58
Salary escalation rate (% p.a.) *	5% p.a.	6% p.a.
Attrition rate	10% at all ages	
Mortality rate	Indian assured lives mortality (2012-14) ultimate	

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

e) Quantities sensitivity analysis for significant assumption is as below:

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
	1% increase	1% increase
i. Discount rate	124.61	113.93
ii. Salary escalation rate - over a long-term	139.09	126.81
	1% decrease	1% decrease
i. Discount rate	139.05	126.78
ii. Salary escalation rate - over a long-term	124.43	113.81

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation, keeping all other actuarial assumptions constant.

B Other Employee Benefits
Leave Encashment (Non Funded)

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
a) Changes in defined benefit obligations		
Present value of obligation as at the beginning of the year		
Defined Benefit Obligation ("PBO") at the beginning of the year	49.25	39.68
Service cost	25.23	18.37
Interest cost	3.08	2.98
Actuarial loss / (gain)	(6.35)	(7.21)
Benefits paid	(4.80)	(4.56)
Present value of obligation as at the end of the year	66.42	49.25
b) Expenses recognised in the Statement of Profit and Loss		
Current service cost	25.23	18.37
Past service cost	-	-
Interest cost	3.08	2.98
Expected return on plan assets	-	-
Net actuarial (gain) / loss recognized in the year	(6.35)	(7.21)
Total	21.96	14.14
c) Remeasurement (gains)/ losses recognised in OCI		
Actuarial changes arising from changes in financial assumptions	-	-
Actuarial changes arising from changes in demographic assumptions	-	-
Experience adjustments	-	-
Total	-	-
d) Quantities sensitivity analysis for significant assumption is as below:		
	1% increase	1% increase
i. Discount rate	63.43	46.93
ii. Salary escalation rate - over a long-term	69.70	51.82
	1% decrease	1% decrease
i. Discount rate	69.68	51.81
ii. Salary escalation rate - over a long-term	63.34	46.87

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation, keeping all other actuarial assumptions constant.

C Current/ non-current classification

Particulars	As at 31 March 2020	As at 31 March 2019
Gratuity		
Current	18.06	15.70
Non-current	113.39	104.35
	131.45	120.05
Leave entitlement (including sick leave)		
Current	7.77	6.08
Non-current	58.64	43.17
	66.42	49.25

Note 41 : Fair Value Measurement

Rs. in lakhs

(i) Financial instruments by category

Particulars	Refer note	As at March 31, 2020					As at March 31, 2019				
		Non - Current	Current	FVTPL	FVOCI	Amortised Cost	Non - Current	Current	FVTPL	FVOCI	Amortised Cost
Financial Assets:											
Investments											
Investments in equity shares	5	2.00	-	-	-	2.00	2.00	-	-	-	2.00
Trade receivables	11	-	1,556.20	-	-	1,556.20	-	1,141.82	-	-	1,141.82
Others financial assets	6 & 14	162.73	60.19	-	-	222.92	163.56	40.28	-	-	203.84
Cash and cash equivalents	12	-	39.60	-	-	39.60	-	249.85	-	-	249.85
Other bank balances	13	-	113.18	-	-	113.18	-	81.89	-	-	81.89
Total Financial Assets		164.73	1,769.18	-	-	1,933.91	165.56	1,513.83	-	-	1,679.39
Financial Liabilities:											
Borrowings	17 & 20	1,139.93	1,261.03	-	-	2,400.96	1,386.39	1,446.88	-	-	2,833.26
Lease Liabilities	18 & 21	52.91	23.12	-	-	76.03	-	-	-	-	-
Trade payables	20	-	2,606.61	-	-	2,606.61	-	2,713.92	-	-	2,713.92
Other financial liabilities	23	-	489.01	-	-	489.01	-	433.84	-	-	433.84
Total Financial Liabilities		1,192.84	4,379.76	-	-	5,572.61	1,386.39	4,594.63	-	-	5,981.01

The Company has not disclosed the fair values for financial instruments for other financial assets (current and non current), trade receivables, cash and cash equivalents and bank balances other than cash and cash equivalents, Borrowings (current and non current), Trade payables, other current financial liabilities because their carrying amounts are reasonable approximation of fair value.

(ii) Fair value hierarchy

Fair value hierarchy explains the judgement and estimates made in determining the fair values of the financial instruments that are -

a) recognised and measured at fair value

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 under the accounting standard.

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

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

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

Assets and Liabilities that are disclosed at Amortised Cost for which Fair values are disclosed are classified as Level 3.

If one or more of the significant inputs is not based on observable market data, the respective assets and liabilities are considered under Level 3.

Note 42 : Financial risk management objectives and policies

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk. Major financial instruments affected by market risk includes loans and borrowings.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's total debt obligations with floating interest rates.

The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows:

Particulars	As at March 31, 2020	As at March 31, 2019
Fixed-rate instruments:		
Financial liabilities (Borrowings)	45.77	82.35
	45.77	82.35
Variable-rate instruments:		
Financial liabilities (Borrowings)	2,641.83	3,035.20
	2,641.83	3,035.20

Interest rate sensitivity

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

Particulars	As at March 31, 2020	As at March 31, 2019
Increase in basis points	50 basis points	50 basis points
Effect on profit/(loss) before tax, increase by	13.21	15.18
Decrease in basis points	50 basis points	50 basis points
Effect on profit/(loss) before tax, decrease by	-13.21	-15.18

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

Foreign currency risk

The Company is exposed to insignificant foreign exchange risk as at the respective reporting dates.

Other price risk

The Company is not exposed to any other price risk.

Credit risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure of the financial assets are contributed by trade and other receivables, cash and cash equivalents and security deposits.

Trade receivables

The Company extends credit to customers in normal course of business. The Company considers factors such as credit track record in the market and past dealings for extension of credit to customers. To manage credit risk, the Company periodically assesses the financial reliability of the customer, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivables. Outstanding customer receivables are regularly monitored to make an assessment of recoverability. Receivables are provided as doubtful / written off, when there is no reasonable expectation of recovery. Where receivables have been provided / written off, the company continues regular follow up, engage with the customers, legal options / any other remedies available with the objective of recovering these outstandings. The Company is not exposed to concentration of credit risk to any one single customer since services are provided to vast specturm.

Other Financial Assets

The Company maintains exposure in cash and cash equivalents, security deposits and other receivables. The company goes through regular follow up for recovering the amount of deposit and other receivables. Credit risk on cash and cash equivalents is limited as the Company generally invest in deposits with banks and financial institutions with high credit ratings.

The movement of the allowance for lifetime expected credit loss is stated below:

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Balance at the beginning of the year	(260.42)	(198.31)
Balance at the end of the year	(293.80)	(260.42)

Liquidity is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

The table below provides details regarding the contractual maturities of significant financial liabilities:

Particulars	On demand	Less than 1 year	1 - 5 years	More than 5 years	Total
As at 31 March 2020					
Borrowings	1,261.03	286.64	1,002.06	137.86	2,687.59
Lease Liabilities	-	23.12	52.91	-	76.03
Trade payables	2,606.62	-	-	-	2,606.62
Other financial liabilities	202.38	-	-	-	202.38
	4,070.02	309.75	1,054.98	137.86	5,572.63
As at 31 March 2019					
Borrowings	1,446.88	284.29	1,036.13	350.25	3,117.55
Lease Liabilities	-	-	-	-	-
Trade payables	2,713.92	-	-	-	2,713.92
Other financial liabilities	149.55	-	-	-	149.55
	4,310.34	284.29	1,036.13	350.25	5,981.02

Note 43 : Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The Company strives to safeguard its ability to continue as a going concern so that they can maximise returns for the shareholders and benefits for other stake holders. The aim to maintain an optimal capital structure and minimise cost of capital.

To maintain or adjust the capital structure, the Company usually turns to reputed banks and other financial institutions for funds. Consistent with others in the industry, the Company monitors its capital using the gearing ratio which is total debt divided by total capital plus total debts.

Particulars	As at 31 March 2020	As at 31 March 2019
Total debts	2,702	3,133
Total equity	9,842	10,515
Total debts to equity ratio (Gearing ratio)	21.54%	22.96%

Note 44 :

In March 2020, the World Health Organisation declared COVID 19 to be a pandemic. The Company has adopted measures to curb the spread of infection in order to protect the health of its employees and ensure business continuity with minimal disruption including remote working, maintaining social distancing, sanitization of work spaces etc. The Company has considered internal and external information while finalizing various estimates in relation to its financial statement upto the date of approval of the financial statements by the Board of Directors and has not identified any material impact on the carrying value of assets, liabilities or provisions. Considering that the Company deals with pharmaceutical drugs that are classified as essentials, there has been minimal disruption with respect to operations including production and distribution activities. The Company also has not experienced any difficulties with respect to market demand, collections or liquidity. The actual impact of the global health pandemic may be different from that which has been estimated, as the COVID-19 situation evolves in India and globally. The Company will continue to closely monitor any material changes to future economic conditions.

Note 45 : Prior year comparatives

Previous year's figures have been regrouped or reclassified, to conform to the current year's presentation wherever considered necessary.

Notes 1 to 45 form an integral part of the financial statements

For S G C O & Co. LLP

Chartered Accountants

Firm Registration No : 112081W/W100184

Sd/-

Suresh Murarka

Partner

Mem. No. 44739

Place: Mumbai

Date : 30th July, 2020

For and on behalf of the Board of Directors

Sd/-

Atul Ranchal

Chairman

Din : 01998361

Sd/-

Prashant Rathi

CFO

Place: Mumbai

Date : 30th July, 2020

Sd/-

Rajesh Mahajan

Managing Director

Din : 02000634

Sd/-

Jyoti Sancheti

Company Secretary



CORPORATE OFFICE

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