

10/09/2019

To,  
The Department of Corporate Services,  
BSE Limited Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai - 400 001

Scrip: **EARUM**  
Scrip Code: **542724**  
Ref: **Earum Pharmaceuticals Ltd**

Sub.-: Submission of Annual Report for the F.Y. 2018-19, Pursuant to Regulation 34 (1) of the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015.

Dear Sir,

Pursuant to Regulation 34(1) of SEBI (LODR) Regulation, 2015 enclosed is a copy of the Revised Annual Report being sent to the shareholders which contains the Notice of the Annual General Meeting of the Company. We informed there was typographical /copy paste mistake in following sub note, which is uploaded as on 04/09/2019, we rectified that copy paste mistake, There was no change in financial data.

Following Sub Note change in Annual Report-2018-19.

- |  |            |
|--|------------|
| 1. Sub Note 1 : Unsecured Loan             | Page:50    |
| 2. Sub Note 2 : Trade Payable              | Page:50-51 |
| 3. Sub Note 3: Other Current Liability     | Page:52    |
| 4. Sub Note 4: Short term Loans & Advances | Page:53    |
| 5. Sub Note 5: Current Bank Accounts       | Page:53    |
| 6. Sub Note 6: Sundry Debtors              | Page:54-55 |

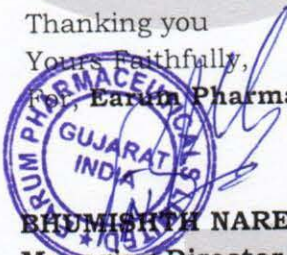
The Seventh Annual General Meeting of members of the Company will be held on Friday, the 27<sup>th</sup> day of September, 2019 at 11.30 am. At A-1106, Empire Business Hub, Near Auda Water Tank, Science City Road, Sola, Ahmedabad-380060, Gujarat, India.

The above is for your kind information and record. You are requested to acknowledge the receipt.

Thanking you

Yours Faithfully,

For, **Earum Pharmaceuticals Ltd**



**RAJESH NARENDRA BHAI PATEL**

Managing Director and Chairman

Din: 02516641

Healthy Life ... Healthy World...



**EARARUM**<sup>TM</sup>  
PHARMACEUTICALS LIMITED



**2018-19**  
**ANNUAL REPORT**

# Annual Report

Of



For

**Year Ending On  
31-03-2019**

Statutory Auditors

**J M PATEL & BROS.**

204, Harsh Avenue, Navjivan Press Road,  
Nr. Old High Court Crossing, Ahmedabad-380014

## Corporate Information

### Board of Directors

<b>Bhumishth Narendrabhai Patel</b>	Managing Director and Chairman
<b>Payal Bhumishth Patel</b>	Whole time Director
<b>Narendrakumar Gangaramdas Patel</b>	Non-Executive Director
<b>Hetarth Ashokkumar Patel</b>	Independent Director
<b>Alpesh Fatehsingh Purohit</b>	Independent Director

### Chief Financial Officer

Payal Bhumishth Patel

### Company Secretary & Compliance Officer

Parsotam Purohit

### Statutory Auditors

**J M PATEL & BROS.**  
204, Harsh Avenue,  
Navjivan Press Road,  
Nr. Old High Court Crossing,  
Ahmedabad - 380014

### Our Banker

State Bank of India,  
Drive In Road Branch  
Ahmedabad- 380009

### Listed at (SME Platform)

**BSE Limited,**  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai – 400001

### Registrars & Share Transfer Agents

**Bigshare Services Pvt. Ltd**  
1<sup>st</sup> Floor, Opp. Vasant Oasis  
Next to Keys Hotel, Mumbai – 400059

### Registered Office

G1, Ground Floor, V R Complex,  
Near Sanathal Cross Road,  
SP Ring Road, Sanathal,  
Ahmedabad-382210,  
Gujarat, INDIA.

### Corporate Office

A-1106, Empire Business Hub,  
Near AUDA Water Tank,  
Science City Road, Sola,  
Ahmedabad-380060,  
Gujarat, INDIA.

## INSIDE THE DOCUMENT

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## ABOUT US

**O**ur Company is engaged in the pharmaceutical business involving marketing, trading and distribution of wide range of pharmaceutical formulation products such as anti-biotic drugs, anti-malarial drugs, anti-allergic & anti cold drugs, analgesic/ anti-pyretic & anti-inflammatory drugs, dermatology products, cerebral activator drugs, neurological drugs, gastro intestinal drugs, steroids, gynecology drugs, calcium, multivitamins, anti-oxidants and injections. We offer wide range of pharmaceuticals formulation products, of which around 120 products are marketed by us under our own brand name, the manufacturing of which is outsourced by us to third parties. Apart from pharmaceutical formulation products, we also deal in trading of active pharmaceutical ingredients (API's).

Mr. Bhumishth Narendrabhai Patel and Mrs. Payal Bhumishth Patel are the key promoters of our company. Our promoters collectively have more than four decades of experience among them. Our Company was originally incorporated as “Earum Pharmaceuticals Private Limited” on July 26, 2012 at Ahmedabad, Gujarat under the provisions of the Companies Act, 1956. On January 23, 2019, our company was converted into a Public Limited Company and consequently the name of our Company was changed from “Earum Pharmaceuticals Private Limited” to “Earum Pharmaceuticals Limited”.

## MANAGEMENT SPEAK

### OUR VISION

At Earum Pharmaceuticals, we have a vision to be the leading pharmaceutical and consumer products across the Globe all the way through concentrated Research and Development. To attain Global excellence in Healthcare and providing the highest quality products and services by:

- EXCEEDING THE EXPECTATIONS of the clients in the chosen markets we serve
- Continuously seizing the OPPORTUNITY TO BUILD VALUE for all internal & external shareholders
- To be VALUE DRIVEN organization

### OUR MISSION

Our mission is to establish a firm that extends a helping hand towards the society by providing the accessibility of Quality therapeutic products with affordable cost. We aspire to be one of the leading healthcare solution providers worldwide through:

- Our KNOWLEDGE – Developing New Products, Technology & Processes.
- Our PRODUCTS & SERVICES – Wide range of products in Formulations & API.
- Our PRACTICES – Making Best Better all the time. Offering effective solutions at affordable price.
- Our PEOPLE - Fostering team work. Nurturing talent and acting with passion and pace.
- Our RESPONSIBILITY - Respecting the environment. Caring for our communities we belong to.

## OUR STRENGTHS

### EXPERIENCED MANAGEMENT TEAM

The team comprises of personnel having technical, operational and business development experience. We believe that our management team's experience and their understanding of the pharmaceutical business will enable us to continue to take advantage of both current and future market opportunities. This has enabled us to get repeated orders from our existing customers and attract new customers.

### DIVERSIFIED PRODUCT PORTFOLIO

Our Company has diverse product portfolio across various segments to fulfill customer's requirements. Our offerings include wide range of finished formulations.. Our product range in formulations allows our existing customers to source majority of their product requirements from us and also enables us to expand our business from existing customers as well as address a larger base of potential new customers.

### QUALITY ASSURANCE

We believe that quality is an ongoing process of building and sustaining relationships. Our strength lies in understanding the requirements of the customer and our execution capabilities.

### DOMESTIC MARKETING

We carry our business operations in Indian States such as Gujarat, Maharashtra, Chhattisgarh, Uttar Pradesh, Mizoram, Andhra Pradesh, Rajasthan, Madhya Pradesh, Manipur, Assam, Meghalaya, Tamil Nadu, Kerala, Telangana, etc.

## Chairman's speech



Dear Stakeholder,

On behalf of our Directors and myself, it is my pleasure to greet all of you at 7<sup>th</sup> Annual General Meeting. I take this opportunity to welcome all investor, Board Member

During the year under review your Company has raised an amount of Rs. 6,65,28,000 (Rupees Six Crore Sixty Five Lacs Twenty Eight Only) and enlist itself on the SME Platform of the BSE Limited, giving me an opportunity to thank all the investors who put their confidence on the growth potential of the Company.

The year witnessed incremental sales of 30.28% over the previous year at Rs. 50,70,00,145 (Rupees Fifty Crore Seventy lacs One Hundred Ninety Forty Five Only). We are building a more agile and innovation-driven enterprise, with an aggressive growth approach, which can respond faster to changing consumer demand and market dynamics. At the same time, we remain committed to our core principles and values to make specialty medicines accessible and affordable to all.

Over the years, we have constantly innovated intermediates, organic and inorganic molecules and have niche pharmaceutical intermediates.

I am deeply thankful to all our stakeholders for their encouragement and support. In particular, I am grateful to our inherent strength - all our employees. I am extremely proud of them.

By order of the Board For

**EARUM PHARMACEUTICALS LIMITED.**

**S/D**  
**BHUMISHTH NARENDRABHAI PATEL**

Managing Director and Chairman

DIN: 02516641

Place: Ahmedabad

**Date: 29th August 2019**





**EARUM**<sup>TM</sup>  
PHARMACEUTICALS LIMITED



# NOTICE to Shareholders



# Notice of 7<sup>th</sup> Annual General Meeting

27<sup>th</sup> SEPTEMBER 2019 AT 11:30 AM AT THE CORPORATE OFFICE OF THE COMPANY



**NOTICE is hereby given that 7<sup>th</sup> Annual General Meeting of the Members of Earum Pharmaceuticals Limited will be held on Friday 27, 2019 at 11.30 AM at the Corporate Office of the Company situated at A-1106, Empire Business Hub, Near AUDA Water Tank, Science City Road, Sola Ahmedabad 380060, Gujarat, India to transact the following business**

## **ORDINARY BUSINESS :**

### **1. Adoption of Audited Financial Statements**

To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2019, together with the Reports of the Board of Directors and the Auditors thereon; and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as Ordinary Resolution:

“RESOLVED THAT the audited financial statement of the Company for the financial year ended March 31, 2019 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted”

### **2. Appointment of a Director retiring by rotation**

To appoint Shri Narendrakumar Gangaramdas Patel, who retires by rotation and being eligible, offers himself for reappointment as a Director and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution :

“RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Shri Narendrakumar Gangaramdas Patel (DIN: 07017438), who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

### **3. To approve the appointment of Statutory Auditor and authorize directors to approve their remuneration and in this regards, to consider and if through fit, to pass with or without modification s, the following resolution as an Ordinary Resolution.**

“RESOLVED THAT pursuant to the provisions of Sections 139, 142 and all other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modifications or reenactment thereof, for the time being in force), the Appointment of M/s. J M PATEL& BROS., Chartered Accountants (Firm Reg. No.100398W) as the Statutory Auditors of the Company to hold the office from the conclusion of this Annual General Meeting till the conclusion of the 12<sup>th</sup> Annual General Meeting at such remuneration as may be fixed by the Board of Directors of the Company”

By order of the Board of directors  
For Earum Pharmaceuticals Limited.

**S/D**

**Parsotam Purohit**

Company Secretary

Place: Ahmedabad

Date: 29th August 2019

## NOTES :

1. The Company got listed with BSE on SME platform on 4<sup>th</sup> July, 2019.
2. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of him/herself and proxy need not be a member. The proxies to be effective should be deposited at the Registered Office/Corporate office of the Company not later than 48 hours before the commencement of the meeting.
3. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
4. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, and Regulation 44 of the Listing Regulation (Including any Statutory Modification or re-enactment thereof for the time being in force), the Company is not providing e- Voting facility as per Provisions of Companies Act, 2013. SME listed Company is not Mandatory to provide E- voting Facility.
5. Corporate Members intending to send their authorized representatives are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
6. Pursuant to SEBI (LODR) Regulations, 2015, details of directors seeking appointment/reappointment at the Meeting are given in detail, is annexed hereto.
7. A statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Business to be transacted at the meeting is annexed hereto.
8. Shareholders are requested to bring their copy of Annual Report to the meeting.
9. Members/Proxies should fill Attendance Slip for attending the meeting.
10. The Register of Members and Share Transfer Books of the Company will remain closed from Friday the 20<sup>th</sup> September, 2019 to Friday the 27<sup>th</sup> September, 2019 (both days inclusive) .The Record date / Cut- off date to determine the eligibility of members for the purpose of voting at the 7<sup>TH</sup> Annual General Meeting is Thursday the 19<sup>th</sup> September, 2019.
11. Members seeking any information or clarification on Accounts are requested to send written queries to the Company, at least one week before the date of the meeting. Replies will be provided in respect of such written queries received only at the meeting.
12. Relevant documents referred to in the accompanying Notice and the Statement is open for inspection by the members at the administrative office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.
13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company or its Share registrars and Transfer Agents.
14. Members holding shares in physical form and who have not registered their email IDs are requested to register their email IDs with the Company's Share Registrars and Transfer Agents.

# Notice of 7<sup>th</sup> Annual General Meeting

27<sup>ST</sup> SEPTEMBER 2019 AT 11:30 AM AT THE CORPORATE OFFICE OF THE COMPANY



15. The Notice of the Annual General Meeting and Annual Report of the Company for the year ended 31st March, 2019 is uploaded on the Company's website [www.earumpharma.com](http://www.earumpharma.com) and may be accessed by the members and also on the website of the Bombay Stock Exchange Ltd. [www.bseindia.com](http://www.bseindia.com).
16. Electronic copy of the Annual Report for 2018-19 is being sent to all the members whose email IDs are registered with the Company / Depository Participants(s) for communication purposes unless any member has requested for a physical copy of the same. For members who have not registered their email address, a physical copy of the Annual Report for 2018 - 19 is being sent in the permitted mode.

**NOTE :** E-voting Facility shall not apply to companies referred to in Chapter XB or Chapter XC of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 (the "ICDR regulations") along with companies with less than 1000 members. Chapter XB of the ICDR regulations deals with the issue of specified securities by small and medium enterprises and Chapter XC of the ICDR regulations relates to listing on the exchange made possible without bringing an initial public offer by small-and-medium enterprises ("SMEs")

By order of the Board of directors

For Earum Pharmaceuticals Limited.

**S/D**

**Parsotam Purohit**

**Company Secretary**

Place : Ahmedabad

**Date: 29th August, 2019**

# Notice of 7<sup>th</sup> Annual General Meeting

27<sup>ST</sup> SEPTEMBER 2019 AT 11:30 AM AT THE CORPORATE OFFICE OF THE COMPANY



## Profile of Directors (seeking appointment/reappointment):

**Mr.Narendrakumar Gangaramdas Patel**, aged 52 years is a Director and Promoter of the Company. He looks and heads of the Purchase Department of the pharma intermediates in the Company. He has over 6 years of experience in Pharmaceutical Pharma Industry.

Details Of The Directors Seeking Appointment / Re-Appointment In The 7th Annual General Meeting Of The Company.

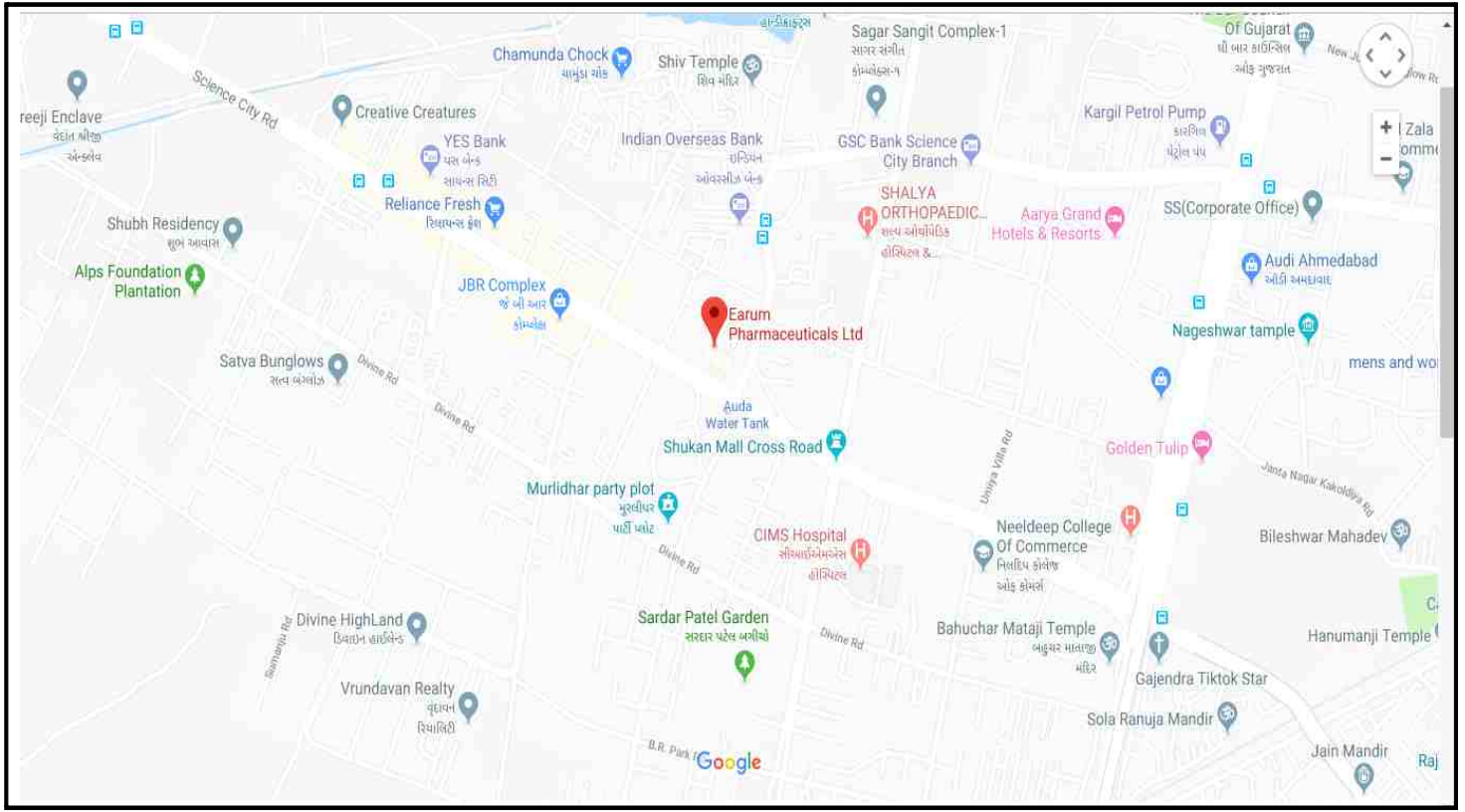
<b>Name of Director</b>	Mr.NARENDRAKUMAR GANGARAMDAS PATEL (DIN: 01076206)
<b>Terms and conditions of appointment/reappointment,</b>	Executive Director, liable to retire by rotation
<b>Date of Birth</b>	01/06/1957
<b>Date of Appointment</b>	05/03/2019
<b>Relationship with other Directors Inter-se</b>	Father of BHUMISHTH NARENDRABHAI PATEL and Father in Law of PAYAL BHUMISHTH PATEL
<b>No. of Equity Shares held in the Company</b>	29186 shares
<b>List of other Companies in which Directorships are held</b>	One
<b>List of committees of Board of Directors (across all other Companies) in which Chairmanship/Membership is held</b>	NIL
<b>No of Meetings of the Board attended during the FY 2018-19.</b>	Two

# Notice of 7<sup>th</sup> Annual General Meeting

27<sup>ST</sup> SEPTEMBER 2019 AT 11:30 AM AT THE CORPORATE OFFICE OF THE COMPANY



## Route Map to the Venue of Annual General Meeting



## Venue of Annual General Meeting :

A-1106 Empire Business Hub, Nr. AUDA Water Tank,  
Science City Road, Sola, Ahmedabad - 380060, Gujarat, India.



**EARUM<sup>TM</sup>**  
PHARMACEUTICALS LIMITED



# ATTENDANCE & PROXY SLIPS

# Notice of 7<sup>th</sup> Annual General Meeting

27<sup>ST</sup> SEPTEMBER 2019 AT 11:30 AM AT THE CORPORATE OFFICE OF THE COMPANY



## Proxy form

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

<b>Name of Member</b>		<b>Registered address &amp; Email Id:</b>	
<b>Folia</b>		<b>No. of equity shares</b>	

I / We, being the member(s) of \_\_\_\_\_ shares of the above company, hereby appoint below at sr. no. 1 or failing him sr. 2

<b>Sr. No</b>	<b>Name of Proxy</b>	<b>Address &amp; emailId</b>	<b>Signature</b>
<b>1</b>			

as my / our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 7th Annual General Meeting of the Company, to be held on Friday, 27th September, 2019 at 11:30 A.M. at A-1106, Empire Business Hub, Near AUD A Water Tank, Science City Road, Sola Ahmedabad 380060 and at any adjournment thereof in respect of such resolutions as are indicated below:

<b>Item No</b>	<b>Resolutions</b>	<b>Vote (optional, see Note 2)</b>	
		<b>For</b>	<b>Against</b>
<b>1</b>	To consider and Adopt Audited Financial Statements for the year ended on March 31, 2019, together with reports of Director and Auditor's thereon;		
<b>2</b>	To consider re-appointment of Mr.Narendrakumar Gangaramdas Patel (DIN : 07017438 ), who retires by rotation and being eligible, offers himself for re-appointment,		
<b>3</b>	To approve the appointment of Statutory Auditor and authorize directors to approve their remuneration and in this regards, to consider and if thro ugh fit, to pass with or without modifications,		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2019,

Affix  
Revenue  
Stamp

\_\_\_\_\_  
**Signature of Proxy holder(s)**

\_\_\_\_\_  
**Signature of Shareholder**



# Notice of 7<sup>th</sup> Annual General Meeting

27<sup>ST</sup> SEPTEMBER 2019 AT 11:30 AM AT THE CORPORATE OFFICE OF THE COMPANY



## Notes :

- 1.** A Member / Proxy attending the meeting must complete this Attendance slip in legible writing and hand it over at the entrance. Sign at appropriate place as applicable to you.
- 2.** Body Corporate / Company, who are a member, may attend through its representative. Original copy of authorization / resolution should be deposited with the Company.
- 3.** Please read the instructions printed under the Notes to the Notice of this Annual General Meeting.
- 4.** A person can act as Proxy on behalf of not more than fifty (50) members and holding in aggregate not more than ten percent of total share capital of the Company. Members holding more than ten percent of total share capital of the Company may appoint a single person as proxy, who shall not act as proxy for any other member.

# Notice of 7<sup>th</sup> Annual General Meeting

27<sup>ST</sup> SEPTEMBER 2019 AT 11:30 AM AT THE CORPORATE OFFICE OF THE COMPANY



## Attendance Slip

I hereby certify that I am a registered member / proxy for the registered member of the Company,

I hereby record my presence at the Seventh Annual General Meeting of the Company being held on Friday, September 27, 2019 at 11.30 AM at the Corporate office of the Company situated A-1106, Empire Business Hub, Near AUDA Water Tank, Science City Road, Sola Ahmedabad 380060, Gujarat, India.

Registered Folio No.	
Name and address of the Member Joint Holder 1 Joint Holder 2 No. of equity shares	

Name of the Proxy: \_\_\_\_\_

-----  
**Signature of Proxy**

-----  
**Signature of Member**

### Notes :

1. A Member / Proxy attending the meeting must complete this Attendance slip in legible writing and hand it over at the entrance. Sign at appropriate place as applicable to you.
2. Body Corporate / Company, who are a member, may attend through its representative. Original copy of authorization / resolution should be deposited with the Company.
3. Please read the instructions printed under the Notes to the Notice of this Annual General Meeting.
4. A person can act as Proxy on behalf of not more than fifty (50) members and holding in aggregate not more than ten percent of total share capital of the Company. Members holding more than ten percent of total share capital of the Company may appoint a single person as proxy, who shall not act as proxy for any other member.



**EARARUM**<sup>TM</sup>  
PHARMACEUTICALS LIMITED



# **DIRECTOR'S** Report

To  
 The Member,  
 Earum Pharmaceuticals Limited,  
 Dear Shareholder

The Directors have pleasure in presenting Seventh Annual General Meeting along with Audited Statement of Accounts of the Company for the year ended 31st March, 2019.

Particulars	For the year ended 31 <sup>st</sup> March 2019 (Rs)	For the year ended 31 <sup>st</sup> March 2018 (Rs)
Sales	50,70,00,145	35,43,66,709
Other Income	5,33,951	40,98,721
Total Revenue	50,75,34,096	35,84,65,430
Less : Expenditure	47,50,90,992	33,95,13,887
Earning before interest, Dep. & Tax	3,24,43,104	1,89,51,543
Less; Depreciation	3,76,668	2,18,645
Earning before interest & Tax	3,20,66,436	1,87,32,898
Less : Interest	92,98,367	63,18,952
Profit before Tax	2,27,68,069	1,24,13,945
Less: Provision for taxation	61,54,500	32,50,200
Less;Deferred tax	Nil	22,613
Profit After Tax	1,66,13,56z9	91,41,132
Prior period adjustment	Nil	NIL
Written of Assets as per companies Act 2013	NIL	NIL
Earnings per share 1.Basic	53.83	29.62
2.Diluted	53.83	29.62

### Operational Overview

Your Company delivered yet another year of consistent and profitable growth. During the year the company has earned total income of 50,75,34,096/- (Previous year ` 35,84,65,430). The Company continues to operate only in one segment i.e pharmaceuticals intermediates and there is no change in the nature of Business of the Company. After all the financial adjustments, the company has earned a net profit after tax of 1, 66, 13,569/- (One Crore Sixty Six Lacs Thirteen Thousand Five Hundred Sixty Nine Only).

### Dividend

This year company not issues any dividend to shareholder.

### Reserves

The amount of profit **1,66,13,56** rupees is transferred to the Reserve and Surplus Account

### Review of Business Operations and Future Prospects

The company has accumulated profits at the end of the Financial Year. In order to improve the performance further, the Company continues its focus on cost efficiencies, improving product quality and developing capabilities for servicing the stringent requirements of customers.

Your Company has boosted its sales and thus the profitability by increasing the production capacity by installing new machines for forward and backward integration. This has helped us to tap the big names in the industry and there after building up our customer range. Our focus is on optimal utilization of resources, less cost and more profit.

### Details of The Associates/ Joint Venture / Subsidiaries Companies

The company does not have holding or subsidiary companies during the year and no other company has become holding / subsidiary/ joint venture.

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status of the company and its future operation.

### Share Capital Structure

The Issued, Subscribed and Paid-up equity share capital as on 31st March, 2019 was 30,85,650 divided into 3,08,565 shares of 10/- each.

### Meetings of the Board

The Board met seven times during the financial year. Details of meetings are given in the Corporate Governance Report annexed herewith and forms part of this report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013

### DIRECTORS, KEY MANAGERIAL PERSONNEL

#### DIRECTORS

During the year your Company has designated Mr. BHUMISHTH NARENDRABHAI PATEL (DIN-02516641) as Chairman of the Board and Managing Director. Mrs. PAYAL BHUMISHTH PATEL (DIN-05300011) was appointed wholetime director and Mr. Narendrakumar Gangaramdas Patel (07017438) was appointed Non Executive Director with effect from March 5<sup>TH</sup>, 2019. Mr. Hetarth Ashokkumar Patel (DIN-07940476) and Mr. Alpesh Fatehsingh Purohit (DIN-07389212) who meets the criteria of independence as specified in section 149 of the Companies Act, 2013 read with Schedule V and have given declaration to that effect were appointed as independent directors with effect from March 5<sup>TH</sup>, 2019 for a period of five years.

#### (ii) KEY MANAGERIAL PERSONNEL

During the year pursuant to the provisions of Section 203 of the Act read with the rules made there under, board appointed following as whole time key managerial personnel of the Company:

1. Mr. Bhumishth Narendrabhai Patel (DIN-02516641) - Managing Director
2. Mrs. Payal Bhumishth Patel (05300011) - Whole Time Director
3. Mrs. Payal Bhumishth Patel - Chief Financial Officer;
4. Mr. Parsotam K Purohit - Company Secretary and Compliance Officer.

#### SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

Your Company is not having any subsidiary, associate or joint venture. Further during the financial year under review, no company has become or ceased to be subsidiary, joint venture or associate of the Company.

#### Public Deposit

The Company has not accepted any public deposit during the year under review and no amount against the same was outstanding at the end of the year.

Declaration by Independent Directors.

The Company has received necessary declarations from each Independent Director of the Company confirming that he/she met with the criteria of independence as laid out in sub-section (6) of Section 149 of the Companies Act, 2013 and under Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### Board Diversity

A diverse Board enables efficient functioning through differences in perspective and skill, and also fosters differentiated thought processes at the back of varied industrial and management expertise, gender, knowledge and geographical background. The Company follows diverse Board structure.

Conservation Of Energy, Technology Absorption And Foreign Exchange Earnings And Outgo  
As required under Section 134 (3) (m) of the Act read with Rule 8 of The Companies (Accounts) Rules, 2014, particulars relating to conservation of Energy, R & D, Technology absorption and Foreign Exchange earnings / outgo are separately provided in the annexure to the Directors' Report as Annexure - 1.

### Dematerialization of Securities

Your Company's Equity shares are admitted in the System of Dematerialization by both the Depositories namely NSDL and CDSL. The Company has signed tripartite Agreement through Registrar and Share Transfer Agent M/s Big share Services Pvt. Ltd. The Investors are advised to take advantage of timely dematerialization of their securities. The ISIN allotted to your Company is INE060601015. Total Share dematerialized up to 31st March 2019 were which constitute 100% of total capital. Your Directors request all the shareholders to dematerialize their shareholding in the company as early as possible.

### Health, Safety and Environment

Safety and occupational health responsibilities are integral to your Company's business process. Safety is a key performance indicator and your Company is committed to ensuring zero harm to its employees, to any person in the Company premises and to the community. The Company is continuously focusing on improved training, new initiatives and communications enhancing safety in the work place. Apart from safety initiatives, your Company is also focusing on environment protection policy.

The Company has obtained necessary approvals from concerned Government Department / Pollution Control Board.

### Directors Retiring By Rotation

Mr. Narendrakumar Gangaramdas Patel shall retire by rotation at the ensuing Annual General Meeting as per provisions of Law. He is eligible for reappointment and has offered himself for directorship of the company. Your directors recommend for his reappointment.

### Director's Responsibility Statement

Pursuant to the requirement under section 134(3) (C) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed that :

- 1** In the preparation of the annual accounts for the financial year ended 31st March 2018 as far as possible and to the extent, if any, accounting standards mentioned by the auditors in their report as not complied with, all other applicable accounting standards have been followed along with proper explanation relating to material departure
- 2** The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and profit and loss account of the Company for that period;
- 3** The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- 4** The Directors have prepared the annual accounts on a going concern basis; and
- 5** The Directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively

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

### **CORPORATE GOVERNANCE**

Your company believes that sound corporate Governance is critical for enhancing and retaining investor trust and your company always seeks to ensure that its performance goals are met accordingly. The company has established systems and procedures to ensure that its Board of Directors is well informed and well equipped to fulfill its overall responsibilities and to provide management with the strategic direction needed to create long term shareholders value. The company had adopted many ethical and transparent governance practices even before they were mandated by law. The company has always worked towards building trust with shareholders, employees, customers, suppliers and other stakeholders based on the principles of good corporate governance. However since the securities of the Company are listed on SME platform of BSE Limited pursuant to the SEBI (LODR) Regulations 2019 company is not required to attach report on Corporate Governance to the report of Directors.

### **MATERIAL CHANGES AND COMMITMENTS :**

The Company had received the Listing approval on July 4<sup>th</sup>, 2019 by BSE Limited for 18, 48,000 Equity Shares allotted pursuant to Initial Public Offering.  
So there is no committee during the year.

### **COMPLIANCE OF SECRETARIAL STANDARDS**

The Board of Directors hereby confirms that all the applicable Secretarial Standards have been duly complied with during the year under review.

### **PARTICULARS OF EMPLOYEE**

There is no employee drawing salary in excess of the limit as specified in the Act.

### **DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has zero tolerance towards any action on the part of any employee which may fall under the ambit of 'Sexual Harassment' at workplace, and is fully committed to uphold and maintain the dignity of every women employee working in the Company. The Company values the dignity of individuals and strives to provide a safe and respectable work environment to all its employees. The Company is committed to provide an environment, which is free of discrimination, intimidation and abuse. Pursuant to the Act Company has constituted compliance committee. Company has not received any complaint under the said Act during the year under review.

### **CAUTIONARY NOTE**

The statements forming part of the Director's Report may contain certain forward looking remarks within the meaning of applicable securities laws and regulations. Many factors could cause the actual results, Performances or achievements of the company to be materially different from any future results, performances or achievements that may be expressed or implied by such forward looking statements.



### CORPORATE SOCIAL RESPONSIBILITY

Pursuant to Section 135 of the Act, provisions of Corporate Social Responsibility are not applicable to your Company as your Company has not earned net profit of ₹ 5 crore or more during previous financial year, neither it has the net worth of ₹ 500 crores or more, nor the turnover of the Company was of ₹ 1000 crores or more for the previous financial year.

### RELATED PARTY TRANSACTIONS

During the year your Company has not entered into any material related party transactions as specified in Section 188 of the Act. Details of related party transactions as required under Accounting standard are reported in the explanatory notes to the financial statements.

### Green Initiative

As the Act permits paperless compliances and as a measure of green initiative, we appeal to all those members who have not registered their e-mail addresses so far are requested to register their e-mail address in respect of electronic holding with their concerned Depository Participants and/or with the Company.

### Appreciation

Your Directors place on record their sincere appreciation for the valuable support and co-operation as received from Government Authorities, Financial Institutions, Banks and all stake holders during the year. Directors are also thankful for the support extended by Customers, Suppliers and contribution made by the employees at all level. Directors would also like to acknowledge continued patronage extended by Company's shareholders in its entire endeavor.

On Behalf Of the Board of Directors  
For, Earum Pharmaceuticals Limited

S/D  
**BHUMISHTH NARENDRABHAI**  
Managing Director  
Din: 02516641

S/D  
**PAYAL BHUMISHTH PATEL**  
Whole Time Director  
Din: 05300011

**Annexure: A**  
**Form No. MGT-9**  
**Extract of Annual Return**  
**As on the financial year ended on 31<sup>st</sup> March, 2019**

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

**1 REGISTRATION AND OTHER DETAILS :**

CIN	U24230GJ2012PLC071299
Registration Date	26.07.2012
Name of the Company	Earum Pharmaceuticals Limited
Category / Sub-Category of the Company	Company having share capital
Address of the Registered Office and contact details	G1, Ground Floor, V R Complex, Near Sanathal Cross Road, SP Ring Road, Sanathal.Ahmedabad-382210 Telephone No.-91 79 48402525 Email ID: earumpharma@gmail.com
Whether listed company	No
Name, Address and contact details of Registrar & Transfer Agents (RTA), if any	<b>Bigshare Services Pvt. Ltd.</b> 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai 400059, Phone: 91-22-62638200 EmailID: <b>bssahd@bigshareonline.com</b>

**2 PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

Sr. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1.	Pharma Intermediate	202	100%

**3 PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sr. No.	Name and Address of the Company	CIN/GLN	Holding / Subsidiary/ Associate	% of shares held	Applicable Section
<b>NOT APPLICABLE</b>					

**SHARE HOLDING PATTERN**

(Equity Share Capital Breakup as percentage of Total Equity)

## (i) Category - wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total	Demat	Physical	Total	% of Total	
<b>A. Promoters</b>									
<b>1) Indian</b>									
a) Individual/ HUF	308565	0	308565	100	308562	0	308562	99.99	.001
b) Central Govt.	0	0	0	0	0	0	0	0	-
c) State Govt (s)	0	0	0	0	0	0	0	0	-
d) Bodies Corporate	0	0	0	0	1	0	1	0	-
e) Banks / FI	0	0	0	0	0	0	0	0	-
f) Any Other...	0	0	0	0	0	0	0	0	-
<b>Sub-total (A) (1) :-</b>	<b>308565</b>	<b>0</b>	<b>308565</b>	<b>100</b>	<b>308563</b>	<b>0</b>	<b>308563</b>	<b>99.99</b>	<b>.001</b>
<b>2) Foreign</b>									
NRIs-Individuals	0	0	0	0	0	0	0	0	-
Other-Individuals	0	0	0	0	0	0	0	0	-
Bodies Corporate	0	0	0	0	0	0	0	0	-
Banks / FI	0	0	0	0	0	0	0	0	-
Any other	0	0	0	0	0	0	0	0	-
<b>Sub-total (A) (2) :-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-</b>
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>B. Public Shareholding</b>									
<b>1) Institutions</b>									
a) Mutual Funds	0	0	0	0	0	0	0	0	-
b) Banks / FI	0	0	0	0	0	0	0	0	-
c) Central Govt.	0	0	0	0	0	0	0	0	-
d) State Govt(s)	0	0	0	0	0	0	0	0	-
e) Venture Capital Funds	0	0	0	0	0	0	0	0	-
f) Insurance Companies	0	0	0	0	0	0	0	0	-
g) FIs	0	0	0	0	0	0	0	0	-
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	-
i) Others (specify)	0	0	0	0	0	0	0	0	-
- Foreign Portfolio Investor	0	0	0	0	0	0	0	0	-
-Alternate Investment Funds	0	0	0	0	0	0	0	0	-
<b>Sub-total (B)(1) :-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>2) Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	0	0	0	0	0		0	0	-
ii) Overseas	0	0	0	0	0	0	0	0	-
b) Individuals									
i) Individuals shareholders holding nominal share capital upto Rs.2 lakhs for Financial Year	0	0	0	0	2	0	2	0	0
i) Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs for Financial Year 2017-18	0	0	0	0	0	0	0	0	0
c) Qualified Foreign Investors	0	0	0	0	0	0	0	0	-
d) NBFCs Registered with RBI	0	0	0	0	0	0	0	0	-
e) Others (specify)									
Directors	0	0	0	0	0	0	0	0	-
Hindu Undivided Family	0	0	0	0	0	0	0	0	-
Trusts	0	0	0	0	0	0	0	0	-

Custodians / Clearing member	0	0	0	0	0	0	0	0	-
NRIs (Repat) and (Non Repat)	0	0	0	0	0	0	0	0	-
IEPF	0	0	0	0	0	0	0	0	-
<b>Sub-total(B)(2) :-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>2</b>	<b>.0001</b>	<b>.0001</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>2</b>	<b>.0001</b>	<b>.0001</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0	0	0	0	0	-
<b>Grand Total (A+B+C)</b>	<b>308565</b>	<b>0</b>	<b>308565</b>	<b>100</b>	<b>308565</b>	<b>0</b>	<b>308565</b>	<b>100</b>	<b>-</b>

**(ii) Shareholding of Promoters**

Sr. No.	Name of Shareholders	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 shares pledged / encumbered to total shares	No. of shares	% of total shares of the Company	% of shares pledged / encumbered to total shares	
1	Bhumishth Narendrabhai Patel	125096	40.54	0	125095	40.54	0	0
2	Payal Bhumishth Patel	125096	40.54	0	125095	40.54	0	0
3	Narendrakumar Gangaramdas Patel	29186	9.46	0	29185	9.46	0	0
4	Sushilababen Narendrakumar Patel	29187	9.46	0	29186	9.46	0	0
5	Auxilia Pharmaceuticals Private Limited	0	0	0	1	0	0	0
<b>TOTAL</b>		<b>308565</b>	<b>100</b>	<b>0</b>	<b>308563</b>	<b>99.99%</b>	<b>0</b>	<b>0</b>

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

Sr. No.		Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	308565	100%	-	-
	Date wise Increase / Decrease in Promoters Share holding during the Year specifying the reasons for increase / decrease	NOT APPLICABLE		0	0
	At the End of the year	-	-	308563	99.99%

4.	Sushilababen Narendrakumar Patel						
	At the beginning of the year	01.04.2018	-	29187	9.54%	-	-
	Date wise Increase / Decrease in Promoters Share holding during the Year specifying the reasons for increase / decrease	No change During the year.					
	At the end of the year	31.03.2019	-	29187	9.54%	29187	9.46%
5.	Auxilia Pharmaceuticals Private Limited						
	At the beginning of the year	01.04.2018					
	Date wise Increase / Decrease in Promoters Share holding during the Year specifying the reasons for increase / decrease	20.12.2018	Purchase	1	0.00%		
	At the end of the year	31.03.2019	-	-	0.0	1	0.00%

**(iv) Promoters and Holders of GDRs and ADRs :**

Sr. No.	For each of the top 10 shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No of shares	% of total shares of the Company	No of shares	% of total shares of the Company
1.	Sharma Shashikant Vedprakash	0	0	1	0.00%
2.	Sharma Himanshi Shashikant	0	0	1	0.00%

## Notes :

Sr. No.	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Bhumishth Narendrabhai Patel						
	At the beginning of the year	01.04.2018	-	125096	40.54%	-	-
	Date wise Increase / Decrease in Promoters Share holding during the Year specifying the reasons for increase / decrease	20.12.2018	Transfer	(1)	0.00%	-	-
	At the end of the year	31.03.2019	-	-	-	125095	40.54%
2	Payal Bhumishth Patel						
	At the beginning of the year	01.04.2018	-	125096	40.54%	-	-
	Date wise Increase/Decrease in Promoters Share holding during the Year specifying the reasons for increase / decrease	20.12.2018	Transfer	(1)	0.00%	-	-
	At the end of the year	31.03.2019	-	-	-	125095	40.54%
3.	Narendrakumar Gangaramdas Patel						
	At the beginning of the year	01.04.2018	-	29186	9.46%	-	-
	Date wise Increase / Decrease in Promoters Share holding during the Year specifying the reasons for increase / decrease	20.12.2018	Transfer	(1)	0.00%	-	-
	At the end of the year	31.03.2019	-	-	-	29185	9.46%

**(v) Shareholding of Directors:**

Sr. No.	For each of the Directors	Shareholding at the beginning of the year		Change during the year	* Shareholding at the end of the year	
		No of shares	% of total shares of the Company	No of shares	No of shares	% of total shares of the Company
1	Mr.Bhumishth N. Patel	125096	40.54%	0	125095	40.54%
2	Mrs.Payal B. Patel	125096	40.54%	0	125095	40.54%
3	Mr.Narendrakumar G. Patel	29186	9.46%	0	29186	9.46%

**(vi) Indebtedness****Indebtedness of the Company including interest outstanding / accrued but not due for payment**

	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	5,75,40,988	1,50,34,900	-	7,52,75,888
ii) Interest due but not paid	-	-	-	
iii) Interest accrued but not due	-	-	-	
<b>Total (i+ii+iii)</b>	<b>5,75,40,988</b>	<b>1,50,34,900</b>	<b>-</b>	<b>7,52,75,888</b>
<b>Change in Indebtedness during the financial year</b>				
• Addition	86,06,389	1,46,37,622		2,32,44,011
• Reduction		-		-
<b>Net Change</b>	<b>86,06,389</b>	<b>1,46,37,622</b>	<b>-</b>	<b>2,32,44,011</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	6,61,47,377	2,96,72,522		9,85,19,899
ii) Interest due but not paid		-	-	
iii) Interest accrued but not due		-	-	
<b>Total (i+ii+iii)</b>	<b>6,61,47,377</b>	<b>2,59,04,795</b>	<b>-</b>	<b>9,85,19,899</b>



**(vii) Remuneration of Directors and Key Managerial Personnel :****A. Remuneration to Managing Director, Whole-time Directors and/or Manager :****(Amount in Rs.)**

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		BHUMISHTH NARENDRABHAI PATEL ( Managing Director )	PAYAL BHUMISHTH PATEL (Whole Time Director)	
1.	Gross Salary a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961  b) Value of perquisites u/s 17(2) Income Tax Act, 1961  c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961	9,60,000/-	9,60,000/-	19,20,000
2.	Stock Option	NIL	NIL	-
3.	Sweat Equity	NIL	NIL	-
4.	Commission - as % of profit - Others, specify.....	NIL	NIL	-
5.	Others, please specify	NIL	NIL	-
	<b>Total (A)</b>	<b>9,60,000/-</b>	<b>9,60,000/-</b>	<b>19,20,000/-</b>
	Overall Ceiling as per the Companies Act, 2013	Company converted its status to public limited Company with effect from 23/01/2019. Prior to that Company being private company no ceiling was applicable		

## B. Remuneration to other directors

Sr. No.	Particulars of Remuneration	Name of Independent and Non - Executive Directors			Total Amount
		HETARTH ASHOKKUMAR PATEL	ALPESH FATEHSINGH PUROHIT	NARENDRAKUMAR GANGARAMDAS PATEL	
1	<b>Independent Directors</b> <ul style="list-style-type: none"> <li>• Fee for attending board committee meetings</li> <li>• Commission</li> <li>• Others, please specify</li> </ul>	NIL	NIL	NIL	-
2	<b>Other Non-Executive Directors</b> <ul style="list-style-type: none"> <li>• Fee for attending board committee meetings</li> <li>• Commission</li> <li>• Others, please specify</li> </ul>	NIL	NIL	NIL	-
3	<b>Total</b>	-	-	-	-
4	<b>Total Managerial Remuneration</b>				
5	<b>Overall Ceiling as per the Companies Act, 2013 (11% of the Net Profit excluding Sitting Fees)</b>				

**(IV) PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES :**

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority (RD/NCLT/Court)
<b>A. COMPANY</b>				
Penalty			NIL	
Punishment				
Compounding				
<b>B. DIRECTORS</b>				
Penalty			NIL	
Punishment				
Compounding				
<b>C. OTHER OFFICERS IN DEFAULT</b>				
Penalty			NIL	
Punishment				
Compounding				

**For and on behalf of the Board  
Earum Pharmaceuticals Limited**

S/D

**BHUMISHTH NARENDRABHAI PATEL**

Chairman and Managing Director

DIN: 02516641

Place : Ahmedabad

Date : 29.08.2019



# EARARUM<sup>TM</sup>

## PHARMACEUTICALS LIMITED



# AUDIT Report

## INDEPENDENT AUDITOR'S REPORT

To the Members of,

**EARUM PHARMACEUTICALS LIMITED**

### REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of EARUM PHARMACEUTICALS LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2019, and the Statement of Profit and Loss for the year then ended and the summary of significant accounting policies and other explanatory information.

### MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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.

### AUDITOR'S RESPONSIBILITY

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Company has an adequate internal financial control system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

## OPINION

In our opinion and to the best of our information and according to the explanations given to us, the 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 the affairs of the company as at 31st March 2019, and its profits for the year ended on that date.

## 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 section 143 subsection (11) of the Act The statement on the matters specified in the paragraphs 3 and 4 of the Order is not applicable to the company.
2. As required by section 143(3) of the Act, we report that :
  - A We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - B In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - C The Balance Sheet, Statement of Profit and Loss dealt with by this Report are in agreement with the books of account;
  - D In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with the Rule 7 of the Companies (Accounts) Rules, 2014.
  - E On the basis of written representations received from the directors as on MARCH 31, 2019, and taken on record by the Board of Directors, none of the directors is disqualified as on MARCH 31, 2019, from being appointed as a director in terms of section 164(2) of the Act.
  - F With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in **Annexure-A**
  - G With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and accordance to the explanation given to us:
    - i. The company does not have any pending litigation which would impact its Financial Positions.
    - ii. The company does not have any long term contracts including derivative contract for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For,  
**M/s J M PATEL & BROS.,**  
Chartered Accountants  
Firm Registration No.: 107707W

S/D  
**CA JASHWANT M PATEL**  
Partner  
Membership No.: 030161  
Place: Ahmedabad  
Date: 29/08/2019

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

We have audited the Internal Financial Controls over financial reporting of EARUM PHARMACEUTICALS LIMITED (“the Company”) as of 31 MARCH 2019 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### AUDITORS' RESPONSIBILITY

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

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

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

## MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 31 MARCH 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For,**  
**M/s J M PATEL & BROS.,**  
**Chartered Accountants**  
**Firm Registration No.: 107707W**

**S/D**  
**CA JASHWANT M PATEL**  
**Partner**  
**Membership No.: 030161**  
**Place: Ahmedabad**  
**Date: 29/08/2019**



## ANNEXURE REFERRED TO IN PARAGRAPH 11 OF THE AUDITOR'S REPORT ON ACCOUNTS FOR THE YEAR ENDED 31st MARCH, 2019

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

- (i) a.** The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - b.** As explained to us, all the fixed assets have been physically verified by the management in a phased manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
  - c.** According to information & explanation given to us, the title deeds of immovable properties are held in the name of the company.
- (ii)** The inventories have been physically verified by the management at reasonable interval. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification.
- (iii)** Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. So clause (a), (b) & (c) are not applicable to the company.
- (iv)** According to the information and explanations given to us, Company has not provide any loans, investments, guarantees and security as per provision of section 185 and 186 of companies act, 2013. Therefore, the provision of clause 3(iv) of the Companies (Auditor's Report) Order, 2016 are not applicable to the company.
- (v)** The Company has not accepted any deposits from the public within meaning of section 73 to section 76 during the year of the companies Act, 2013 and rules framed there under to the extent notified.
- (vi)** The central government has not prescribed maintenance of cost records pursuant to the companies (Cost records and audit) Rules, 2014, as amended by sub section (1) of section 148 of the companies act, 2013.
- (vii) a.** According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Sales Tax, Income Tax, Service Tax, Duty Of Customs, Duty Of Excise, VAT and any other statutory dues, though there has been a slight delay in few cases, and is regular in depositing undisputed statutory dues, with the appropriate authorities.
  - b.** According to the information & explanation given to us, there is no disputed dues.
- (viii)** Based on our audit procedures and according to information & explanation given to us, we are of the opinion that Company has not defaulted in repayment of dues to financial institutions, banks & government. The Company has not issued any debentures.

**(ix)** Company has not raised any money through initial public offer or further public offer. In our opinion and according to the information and explanations given to us, the term loans were applied for the purposes for which those are raised.

**(x)** During the course of our examination of books and record of the company, carried out in accordance with the generally accepted auditing practice in India, and according to the information and explanations given to us, we have neither come across any instance or material fraud by the company or on the company by its officer or employee noticed or reported during the year, nor have been informed of any such case by the Management.

**(xi)** Company is a "public company" as defined under section 2(71) of the act. Therefore section 197, the relevant extract of the Rules 4 & 5 of the companies (Appointment & Remuneration of Managerial Personnel) Rules 2014 and schedule V are applicable to the company. Hence, the provision of clause (xi) of the companies (Auditor's Report) Order, 2016 is applicable to the company.

**(xii)** Company is not a Nidhi Company, so Nidhi Rules, 2014 are not applicable to it. Therefore, the provisions of clause 3(xii) of the Companies (Auditor's Report) Order, 2016 are not applicable to the company.

**(xiii)** According to the information and explanations given to us, all transactions with the related parties are in compliance with Section 177 and 188 of the Companies Act, 2013. All the details have been disclosed in the Financial Statements as required under Accounting Standard 18, related party disclosure specified under section 133 of the act, read with rule 7 of the Companies (Accounts) Rules, 2014.

**(xiv)** Company has not made any preferential allotment or private placement of shares or fully or partly convertible debenture during the year under review. Therefore, the provisions of clause 3(xiii) of the Companies (Auditor's Report) Order, 2016 are not applicable to the company.

**(xv)** According to the information and explanations given to us, company has not entered into any non-cash transactions with directors or person connected with him. Therefore, the provisions of clause 3(xv) of the Companies (Auditor's Report) Order, 2016 are not applicable to the company.

**(xvi)** Company is not required to be registered under section 45-IA of the Reserve Bank Of India Act, 1934. Therefore, the provisions of clause 3(xvi) of the Companies (Auditor's Report) Order, 2016 are not applicable to the company.

For,  
**M/s. J M PATEL & BROS.,**  
Chartered Accountants

**S/D**  
**CA JASHWANT M PATEL**  
M. NO. 030161  
FRN:107707W  
PLACE : AHMEDABAD  
DATE: 27/08/2019

**EARUM PHARMACEUTICALS LTD. CIN:U24230GJ2012PLC071299**

G-1, Ground Floor ,V R Complex ,Nr Sanathal Cross Road ,S P Ring Road ,Sanathal ,Ahmedabad-382210

**BALANCE SHEET AS ON 31st MARCH 2019**

Particulars		Note No.	As at	As at
			31st March,2019	31st March,2018
			Rs.	Rs.
<b>I.</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>Shareholders Funds</b>			
	(a) Share Capital	<b>3</b>	30,85,650	30,85,650
	(b) Reserves and Surplus	<b>4</b>	5,63,63,782	4,07,50,213
	(c) Money Received Against Share Warrants		-	-
<b>2</b>	<b>Share Application Money Pending Allotment</b>		-	52,59,000
<b>3</b>	<b>Non-Current Liabilities</b>			
	(a) Long-Term Borrowings	<b>5</b>	2,35,58,402	1,48,94,895
	(b) Deferred Tax Liabilities (Net)	<b>6</b>	1,06,703	1,06,703
	(c) Other Long Term Liabilities		-	-
	(d) Long-Term Provisions		-	-
<b>4</b>	<b>Current Liabilities</b>			
	(a) Short-Term Borrowings	<b>7</b>	5,74,04,451.70	5,04,42,546
	(b) Trade Payables	<b>8</b>	6,82,38,517	7,00,58,383
	(c) Other Current Liabilities	<b>9</b>	1,48,57,045	72,38,447
	(d) Short-Term Provisions	<b>10</b>	89,13,150	32,58,650
<b>TOTAL &gt;&gt;&gt;&gt;</b>			<b>23,25,27,701</b>	<b>19,50,94,487</b>
<b>II.</b>	<b>ASSETS</b>			
	<b>Non-Current Assets</b>			
<b>1</b>	(a) Fixed Assets	<b>11</b>	47,54,637	19,50,232
	(i) Tangible Assets		-	-
	(ii) Intangible Assets		-	-
	(iii) Capital Work-In-Progress		-	-
	(iv) Intangible Assets under Development		-	-
	(b) Non-Current Investments		-	-
	(c) Deferred Tax Assets (Net)		-	-
	(d) Long-Term Loans and Advances		-	-
	(e) Other Non-Current Assets		-	-
<b>2</b>	<b>Current Assets</b>			
	(a) Current Investments		-	-
	(b) Inventories	<b>12</b>	10,93,39,779	8,29,19,417
	(c) Trade Receivables	<b>13</b>	10,84,51,418	10,78,86,440
	(d) Cash and Cash Equivalents	<b>14</b>	16,10,350	2,23,207
	(e) Short-Term Loans and Advances	<b>15</b>	83,45,217	20,88,891
	(f) Other Current Assets	<b>16</b>	26,300	26,300
<b>TOTAL &gt;&gt;&gt;&gt;</b>			<b>23,25,27,701</b>	<b>19,50,94,487</b>
<b>See accompanying notes forming part of the Financial Statements</b>				

As per our report of even date

For, Earum Pharmaceuticals Limited

 For,  
**M/s. J M PATEL & BROS.,**  
 FRN:107707W

 S/D  
**CA JASHWANT M PATEL**  
 (M. NO: 030161)

 S/D  
**BHUMISHTH PATEL**  
 (Managing Director)  
 DIN -02516641

 S/D  
**PAYAL PATEL**  
 (Whole Time Director)  
 DIN -05300011

 PLACE:AHMEDABAD  
 DATE: 29/08/2019

**EARUM PHARMACEUTICALS LTD. CIN:U24230GJ2012PLC071299**

G-1, Ground Floor ,V R Complex ,Nr Sanathal Cross Road ,S P Ring Road ,Sanathal ,Ahmedabad-382210

**PROFIT & LOSS ACCOUNT FOR THE TWELVE MONTH PERIOD ENDED ON 31ST March 2019**

Particulars	Note No.	For the Period	For the Year Ended 31st
		Ended 31st March 2019	March 2018
		Rs.	Rs.
I. Revenue from Operations	17	50,70,00,145	35,43,66,709
II Other Income	18	5,33,951	40,98,721
<b>Total Revenue (I + II)</b>		<b>50,75,34,096</b>	<b>35,84,65,430</b>
<b>III. Expenses:</b>			
Purchases of material	19	48,85,93,826	34,92,98,967
Changes in Inventories	20	(2,64,20,362)	(1,75,25,115)
Employee Benefits Expenses	21	38,23,477	32,21,796
Finance Costs	22	1,03,94,478	72,04,844
Depreciation and Amortization expense	11	3,76,668	2,18,645
Other Expenses	23	79,97,940	36,32,348
<b>Total Expenses</b>		<b>48,47,66,027</b>	<b>34,60,51,484</b>
<b>IV. Profit before exceptional and extraordinary items and tax (III-IV)</b>		<b>2,27,68,069</b>	<b>1,24,13,945</b>
V. Exceptional Items		-	-
Prior Period Expenses		-	-
<b>VI. Profit Before Extraordinary Items and Tax (V - VI)</b>		<b>2,27,68,069</b>	<b>1,24,13,945</b>
VIII. Extraordinary Items		-	-
<b>IX. Profit before tax (VII- VIII)</b>		<b>2,27,68,069</b>	<b>1,24,13,945</b>
X Tax expense:			
(1) Current tax		6154500	32,50,200
(2) Deferred tax		0	22,613
<b>XI Profit (Loss) for the period from continuing operations (VII-VIII)</b>		<b>1,66,13,569</b>	<b>91,41,132</b>
XII Profit/(loss) from discontinuing operations		-	-
XIII Tax expense of discontinuing operations		-	-
<b>XIV Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)</b>		<b>-</b>	<b>-</b>
<b>XV Profit (Loss) for the period (XI + XIV)</b>		<b>1,66,13,569</b>	<b>91,41,132</b>
<b>XVI BALANCE BROUGHT FROM PREVIOUS YEAR</b>		<b>-</b>	<b>-</b>
<b>XVII BALANCE CARRIED TO BALANCE SHEET</b>		<b>1,66,13,569</b>	<b>91,41,132</b>
<b>XVIII Earnings per equity share:</b>			
(1) Basic		53.83	29.62
(2) Diluted		53.83	29.62

As per our report of even date

For, Earum Pharmaceuticals Limited

 For,  
**M/s. J M PATEL & BROS.,**  
 FRN:107707W

 S/D  
**CA JASHWANT M PATEL**  
 (M. NO: 030161)

 S/D  
**BHUMISHTH PATEL**  
 (Managing Director)  
 DIN -02516641

 S/D  
**PAYAL PATEL**  
 (Whole Time Director)  
 DIN -05300011

 PLACE:AHMEDABAD  
 DATE: 29/08/2019

**EARUM PHARMACEUTICALS LTD. CIN:U24230GJ2012PLC071299**

G-1, Ground Floor ,V R Complex ,Nr Sanathal Cross Road ,S P Ring Road ,Sanathal ,Ahmedabad-382210

**CASH FLOW STATEMENT**

	For the Period Ended 31st March 2019	For the Year Ended 31st March,2018
<b>Cash flows from operating activities</b>		
Profit before taxation	2,27,68,069	1,24,13,945
<b>Adjustments for:</b>		
Depreciation	3,76,668	2,18,645
Investment income	-	(86,956)
Deferred tax Liability	-	-
Interest expense	1,03,94,478	-
Profit / (Loss) on the sale of property, plant & equipment	-	-
<b>Working capital changes:</b>		
(Increase) / Decrease in trade and other receivables	(5,64,978)	(7,30,71,312)
(Increase) / (Decrease) in inventories	(2,64,20,362)	(1,75,25,115)
(Increase) / (Decrease) in Short Term Loan & Advance	(62,56,326)	(8,82,146)
(Increase) / (Decrease) in Other Current Assets	-	12,85,178
Increase / (Decrease) in Trade payables	(18,19,866)	2,44,24,683
Increase / (Decrease) in Short term Provisions	56,54,500	20,60,220
Increase / (Decrease) in Other Current Liabilities	76,18,598	(1,64,66,691)
Cash generated from operations	1,17,50,781	(6,76,29,549)
Interest paid	(1,03,94,478)	-
Income taxes paid	(61,54,500)	(32,33,650)
Dividends paid	-	-
<b>Net cash from operating activities</b>	<b>(47,98,197)</b>	<b>(7,08,63,199)</b>
<b>Cash flows from investing activities</b>		
Business acquisitions, net of cash acquired	-	-
Purchase of property, plant and equipment	(31,81,073)	(5,64,593)
Proceeds from sale of equipment	-	-
Acquisition of portfolio investments	-	-
Investment income	-	86,956
<b>Net cash used in investing activities</b>	<b>(31,81,073)</b>	<b>(4,77,637)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issue of share capital	-	-
Proceeds from long-term borrowings	86,63,507	97,40,397
Proceeds from Short-term borrowings	69,61,906	3,54,88,038
Payment of Share Application Money	(52,59,000)	52,59,000
Share Capital Issue With Security Premium	(10,00,000)	1,92,85,500
<b>Net cash used in financing activities</b>	<b>93,66,413</b>	<b>6,97,72,935</b>
<b>Net increase in cash and cash equivalents</b>	<b>13,87,143</b>	<b>(15,67,901)</b>
Cash and cash equivalents at beginning of period	2,23,207	17,91,108
Cash and cash equivalents at end of period	16,10,350	2,23,207

As per our report of even date

For, Earum Pharmaceuticals Limited

 For,  
**M/s. J M PATEL & BROS.,**  
 FRN:107707W

 S/D  
**CA JASHWANT M PATEL**  
 (M. NO: 030161)

 S/D  
**BHUMISHTH PATEL**  
 (Managing Director)  
 DIN -02516641

 S/D  
**PAYAL PATEL**  
 (Whole Time Director)  
 DIN -05300011

 PLACE:AHMEDABAD  
 DATE: 29/08/2019

**NOTE : 1. SIGNIFICANT ACCOUNTING POLICIES FOR THE PERIOD ENDED 31<sup>ST</sup> MARCH 2019**

**1) Basis of Accounting :**

The Financial Statement have been prepared in accordance with the Generally Accepted Accounting Principles in India, to comply with the relevant provision of the Companies Act, 2013 (The "Act") and the Accounting Standard notified under the Act. The Financial Statement are prepared on accrual basis under the historical cost convention.

**2) Use of Estimates :**

The preparation of financial statement in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect reported amount of assets and liabilities on date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known \materialized.

**3) Fixed Assets & Depreciation :**

- a) Fixed Assets are stated at their original cost of acquisition including taxes, duties, freight and other incidental expenses related to acquisition of the concerned assets.
- b) Depreciation on fixed assets is provided on written down value method as per useful life prescribed in the schedule II of The Companies Act, 2013.

**4) Inventories :**

Inventories are valued at Cost or Net Realizable Value whichever is less.

**5) Recognition of Income & Expenditure :**

- a) Sales are recognized when practically all risks and rights connected with the ownership have been transferred to the buyer.
- b) Incomes from interest on deposits are accounted on accrual basis.

**6) Contingent Liabilities :**

Contingent liabilities are not provided (unless otherwise stated) and are disclosed by way of notes on account.

**7) Retirement Benefits :**

Contribution to Provident Funds is accounted on accrual basis. Bonus and other retirement benefits are recognized on payment basis.

**8) Taxation :**

Tax liability of the company is estimated considering the provision of the I.T. Act, 1961. The deferred tax for timing difference between the book and tax profit for the year is accounted using the MAT Tax rates and Tax Laws that have been enacted or substantially enacted at the balance sheet date. Deferred Tax assets arising from the timing difference are recognized to the extent that there is reasonable certainty that sufficient future taxable income will be available.

**9) Earning per Share :**

Basic earning per share is calculated by dividing the net profit after tax for the year attributable to Equity Shareholders of the Company by the weighted average number of Equity Shares issued during the year. The diluted earning per share is calculated on the same basis as basic earning per share, after adjusting for the effects of potential dilutive equity shares.

**10) Borrowing costs**

Borrowing costs relating to (i) funds borrowed for qualifying assets are capitalized up to the date the assets are put to use, and (ii) funds borrowed for other purposes are charged to the Profit and Loss Account.

**EARUM PHARMACEUTICALS LTD. CIN:U24230GJ2012PLC071299**

G-1, Ground Floor ,V R Complex ,Nr Sanathal Cross Road ,S P Ring Road ,Sanathal ,Ahmedabad-382210

**NOTES FORMING PART OF FINANCIAL STATEMENTS**
**Note 3 SHARE CAPITAL**

Particulars	As at 31st March 2019		As at 31st March 2018	
	Number	Rs.	Number	Rs.
<b>Authorised</b>				
Equity Shares of ` .10/- each	10,00,000	1,00,00,000	10,00,000	1,00,00,000
<b>Issued</b>				
Equity Shares of ` .10/- each	3,08,565	30,85,650	1,07,425	10,74,250
<b>Subscribed &amp; Paid up</b>				
Equity Shares of ` .10/-each fully paid	3,08,565	30,85,650	1,07,425	10,74,250
<b>Subscribed but not fully Paid up</b>				
Equity Shares of ` .10/- each, not fully paid up	-	-	-	-
<b>Total &gt;&gt;&gt;&gt;</b>	<b>3,08,565</b>	<b>30,85,650</b>	<b>1,07,425</b>	<b>10,74,250</b>

**Note 3.A: RECONCILIATION OF THE NUMBER OF SHARES**

Particulars	Equity Shares	
	Number	Rs.
Shares outstanding at the Beginning of the year	30,85,650	10,74,250
Shares Issued during the year	-	20,11,400
Shares bought back during the year	-	-
Shares outstanding at the year ended	3,08,565	30,85,650

**Note 3.B: TERMS/RIGHT ATTACHED TO EQUITY SHARES**

The company has only one class of shares i.e. Equity Shares having a face value of ` 10 each. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

**Note 3.C: Shareholder holding more than 5% shares as at the Balance Sheet date**

Sr. No.	Name of Shareholders	As at 31st March 2019		As at 31st March 2018	
		No. of Shares held	% Holding	No. of Shares held	% Holding
1	Mr. Bhumishth Patel	1,25,096	40.54	32,526	30.28
2	Mrs. Payal Patel	1,25,096	40.54	32,526	30.28
3	Mr. Narendra Patel	29,186	9.46	21,186	19.73
4	Mrs. Sushilaben Patel	29,187	9.46	21,187	19.73
	<b>Total &gt;&gt;&gt;&gt;</b>	<b>3,08,565</b>	<b>100</b>	<b>1,07,425</b>	<b>100</b>

**EARUM PHARMACEUTICALS LTD. CIN:U24230GJ2012PLC071299**

G-1, Ground Floor ,V R Complex ,Nr Sanathal Cross Road ,S P Ring Road ,Sanathal ,Ahmedabad-382210

**NOTES FORMING PART OF FINANCIAL STATEMENTS**
**Note 4 : RESERVES & SURPLUS**

Particulars	As at 31st March 2019	As at 31st March 2018
	Rs.	Rs.
<b>a. Surplus</b>		
Opening balance	1,29,54,321	37,96,638
(+) Net Profit/(Net Loss) For the current year	1,66,13,569	91,57,683
<b>Closing Balance</b>	<b>2,95,67,890</b>	<b>1,29,54,321</b>
<b>b. Securities Premium Reserve</b>	<b>2,67,95,892</b>	<b>2,77,95,892</b>
<b>Total &gt;&gt;&gt;&gt;&gt;&gt;&gt;&gt;</b>	<b>5,63,63,782</b>	<b>4,07,50,213</b>

**Note 5: Long Term Borrowing**

Particulars	As at 31st March 2019	As at 31st March 2018
	Rs.	Rs.
<b>Secured Loan</b>		
<b>(a) Term Loan</b>		
From Bank		
<b>HDFC BANK Auto Loan</b>	5,89,739.0	4,46,468
(Secured By Hypothecation of Cars)		
(of the above, ` Nil is guaranteed by Directors and / or others)		
Terms of Repayment: Repayable in EMIs of Rs.28255/- each.		
<b>Unsecured Loan</b>		
<b>HDFC Bank - USL</b>	16,46,755	24,97,928
(Unsecured Bank Loan)		
(of the above, ` Nil is guaranteed by Directors and / or others)		
Terms of Repayment: Repayable in EMIs of Rs.98297/- each.		
<b>ICICI Bank - USL</b>	5,34,157	12,36,414
(Unsecured Bank Loan)		
(of the above, ` Nil is guaranteed by Directors and / or others)		
Terms of Repayment: Repayable in EMIs of Rs.70839/- each.		
<b>Kotak Bank - USL</b>	30,08,477.0	14,81,434
(Unsecured Bank Loan)		
(of the above, ` Nil is guaranteed by Directors and / or others)		
Terms of Repayment: Repayable in EMIs of Rs.90700/- each.		
<b>RBL - USL</b>	6,17,404.0	14,36,198
(Unsecured Bank Loan)		
(of the above, ` Nil is guaranteed by Directors and / or others)		
Terms of Repayment: Repayable in EMIs of Rs.83440/- each.		
<b>(a) Loans and advances from Directors and relatives</b>	1,71,61,870.0	77,96,453
(Unsecured and considered Good)		
<b>Total &gt;&gt;&gt;&gt;&gt;</b>	<b>2,35,58,402</b>	<b>1,48,94,895</b>
<b>The above deposits have been classified as under:</b>		
As Non Current Liabilities :		-
As Other Current Liabilities (Note-09)		-



**EARUM PHARMACEUTICALS LTD. CIN:U24230GJ2012PLC071299**

G-1, Ground Floor ,V R Complex ,Nr Sanathal Cross Road ,S P Ring Road ,Sanathal ,Ahmedabad-382210

**Note : 6 : DEFFERED TAX LIABILITY**

Particulars	As at 31st March 2019	As at 31st March 2018
	Rs.	Rs.
<b>Deferred Tax Liability/(Asset)</b>		
Opening Balance	106703	84,090
Add: DTL Created during the Year	0	22,613
Closing Balance	<b>106703</b>	<b>1,06,703</b>
<b>Total &gt;&gt;&gt;&gt;</b>	<b>1,06,703</b>	<b>1,06,703</b>

**Note 7: Short Term Borrowing**

Particulars	As at 31st March 2019	As at 31st March 2018
	Rs.	Rs.
<b>Secured Loan</b>		
(a) OD Account		
SBI	5,74,04,452	-
Axis Bank	0	5,04,42,546
(Secured by Hypothication on Inventory cum Book Debts/CurrentAssets of the Company)		
<b>Total &gt;&gt;&gt;&gt;</b>	<b>5,74,04,452</b>	<b>5,04,42,546</b>

**Note : 8 : TRADE PAYABLES**

Particulars	As at 31st March 2019	As at 31st March 2018
	Rs.	Rs.
<b>a. Trade Payables for Goods</b>		
Micro, Small & Medium Enterprises		-
Others	6,67,34,917	6,84,28,651
<b>Total &gt;&gt;&gt;&gt;</b>	<b>6,67,34,917</b>	<b>6,84,28,651</b>
<b>b. Trade Payables for Assets</b>		
Micro, Small & Medium Enterprises		-
Others	6,35,019	5,03,903
<b>Total &gt;&gt;&gt;&gt;</b>	<b>6,35,019</b>	<b>5,03,903</b>
<b>c. Trade Payables for Expenses</b>		
Micro, Small & Medium Enterprises		-
Others	8,68,581	11,25,830
<b>Total &gt;&gt;&gt;&gt;</b>	<b>8,68,581</b>	<b>11,25,830</b>
<b>Grand Total (a + b + c) &gt;&gt;&gt;&gt;</b>	<b>6,82,38,517</b>	<b>7,00,58,383</b>

**Note : 9 : OTHER CURRENT LIABILITY**

Particulars	As at 31st March 2019	As at 31st March 2018
	Rs.	Rs.
<b>A. Current Maturities Of Long-Term Debt</b>		
<b>(i) Term Loans &amp; Unsecured Loans</b>		
<b>From Banks</b>		
<b>HDFC BANK Auto Loan</b>	-	2,79,654
(Secured By Hypothecation of Cars)		
(of the above, ` Nil is guaranteed by Directors and / or others)		
Terms of Repayment: Repayable in EMIs of Rs.28255/- each.		
<b>HDFC Bank - USL</b>	8,51,173	7,29,682
(Unsecured Bank Loan)		
(of the above, ` Nil is guaranteed by Directors and / or others)		
Terms of Repayment: Repayable in EMIs of Rs.98297/- each.		
<b>ICICI Bank - USL</b>	7,02,257	5,99,058
(Unsecured Bank Loan)		
(of the above, ` Nil is guaranteed by Directors and / or others)		
Terms of Repayment: Repayable in EMIs of Rs.70839/- each.		
<b>Kotak Bank - USL</b>	-	7,34,428
(Unsecured Bank Loan)		
(of the above, ` Nil is guaranteed by Directors and / or others)		
Terms of Repayment: Repayable in EMIs of Rs.90700/- each.		
<b>RBL - USL</b>	7,92,963	6,63,717
(Unsecured Bank Loan)		
(of the above, ` Nil is guaranteed by Directors and / or others)		
Terms of Repayment: Repayable in EMIs of Rs.83440/- each.		
<b>From NBFC</b>		
Bajaj Finance Limited - USL	758342.00	8,46,693
Capital First Limited - USL	1314334.00	5,94,049
India Infoline (IIFL) - USL	1561448.00	7,26,290
Ambit Finance Ltd-USL	1483398.00	
Indusind Bank-USL	2392008.00	
Northern ARC Cap-USL	1500000.00	
Magma Fincorp Limited - USL	1325403.00	5,86,737
Shriram City Union Finance Limited - USL	934343.00	4,34,003
Tata Capital Ltd - USL	1241376.00	5,85,560
<b>(a) Advance From Customers</b>		3,45,719
Unsecured and considered Good		
<b>(b) Duties &amp; Taxes</b>		
Tds Payable	-	81,518
<b>(c) Other Payable</b>		
Professional Tax On Salary	-	31,340
LC Establishment Expenses	-	-
others	-	-
<b>Total &gt;&gt;&gt;&gt;&gt;&gt;&gt;&gt;</b>	<b>1,48,57,045</b>	<b>72,38,447</b>

**Note : 10 : OTHER SHORT TERM PROVISION**

Particulars	As at 31st March 2019	As at 31st March 2018
	Rs.	Rs.
Provision for Income Tax	88,88,150	32,33,650
Unpaid Audit Fees	25,000	25,000
<b>Total &gt;&gt;&gt;&gt;&gt;&gt;&gt;&gt;</b>	<b>89,13,150</b>	<b>32,58,650</b>

## Note: 11 FIXED ASSET

Particulars	Gross Block				Depreciation				Net Block	
	As at 01-Apr-18	Additions during the year	Deletions during the year	As at 31-Mar-19	Upto 01-Apr-18	During the Period	Deletion during the period	Total upto 31-Mar-19	As at 31-Mar-19	As at 31-Mar-18
<b>Tangible Asset</b>										
Computer	1.86	1.05	-	2.91	1.11	0.45	-	1.56	1.35	0.75
Electronic Installation	0.98	0.86	-	1.84	0.24	0.08	-	0.32	1.52	0.74
Furniture & Fixture	4.40	13.27	-	17.67	0.25	0.57	-	0.82	16.85	4.15
Mobile Instrument	2.04	2.72	-	4.76	0.25	0.24	-	0.49	4.27	1.79
Software and Monitor	1.90	0.03	-	1.92	0.46	0.23	-	0.68	1.24	1.44
Air Conditioner	0.64	3.47	-	4.11	0.28	0.48	-	0.76	3.35	0.36
CCTV	1.17	0.12	-	1.29	0.56	0.14	-	0.70	0.59	0.61
CAR (Innova)	12.56	-	-	12.56	3.58	1.07	-	4.65	7.91	8.98
SCALE Machine	0.03	-	-	0.03	0.01	0.00	-	0.01	0.02	0.02
<b>Stripping Machine</b>	0.33	-	-	0.33	0.05	0.03	-	0.08	0.24	0.27
Office Equipment	-	10.29	-	10.29	-	0.44	-	0.44	9.85	0.00
<b>Intangible Asset</b>										
Trade Mark	0.56	0	0	0.56	0.15747	0.04	0	0.19747	0.36253	0.40253
<b>Total</b>	<b>26.45</b>	<b>31.81</b>	<b>-</b>	<b>58.26</b>	<b>6.95</b>	<b>3.77</b>	<b>-</b>	<b>10.71</b>	<b>47.55</b>	<b>19.50</b>
Previous Year	-	-	-	-	-	-	-	-	-	-

## Notes:

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

## NOTES FORMING PART OF FINANCIAL STATEMENTS

## NOTE :12 : INVENTORY

Particulars	As at 31st March 2019	As at 31st March 2018
	Rs.	Rs.
Stock of Raw Material/Stock in Trade	10,93,39,779	8,29,19,417
<b>Total &gt;&gt;&gt;&gt;&gt;&gt;&gt;&gt;</b>	<b>10,93,39,779</b>	<b>8,29,19,417</b>

## Note 13 : TRADE RECEIVABLES

Particulars	As at 31st March 2019	As at 31st March 2018
	Rs.	Rs.
<b>Unsecured, Considered Good</b>		
(i) Outstanding for a period exceeding 6 months	-	-
(ii) Others [Within 6 months]	10,84,51,418	10,78,86,440
<b>Total &gt;&gt;&gt;&gt;&gt;&gt;&gt;&gt;</b>	<b>10,84,51,418</b>	<b>10,78,86,440</b>

## Note 14 : CASH &amp; CASH EQUIVALENTS

Particulars	As at	As at
	31st March 2019	31st March 2018
	Rs.	Rs.
(a) Cash on hand	3,22,587	1,42,135
(b) Cheques, drafts on hand		
(c) Current Accounts		
In current accounts	12,87,763	81,072
(d) Others (specify nature)	-	-
<b>Total &gt;&gt;&gt;&gt;&gt;&gt;&gt;</b>	<b>16,10,350</b>	<b>2,23,207</b>

## Note 15 : SHORT TERM LOANS AND ADVANCES

Particulars	As at	As at
	31st March 2019	31st March 2018
	Rs.	Rs.
<b>a. Loans and advances to related parties</b>		
Secured, considered good	-	-
Unsecured, considered good	-	-
Doubtful	-	-
Less:Provision for doubtful loans and advances	-	-
<b>Total (a) &gt;&gt;&gt;&gt;&gt;</b>	<b>-</b>	<b>-</b>
<b>b. Loans and advances to other parties</b>		
Secured, considered good	-	-
Unsecured, considered good	75,92,396	12,68,222
Doubtful	-	-
Less:Provision for doubtful loans and advances	-	-
<b>Total (b) &gt;&gt;&gt;&gt;&gt;</b>	<b>75,92,396</b>	<b>12,68,222</b>
<b>c. Balances with government authorities</b>		
Unsecured, considered good	7,52,821	8,20,669
<b>Total (c) &gt;&gt;&gt;&gt;&gt;</b>	<b>7,52,821</b>	<b>8,20,669</b>
<b>Total (a+b+c) &gt;&gt;&gt;&gt;&gt;</b>	<b>83,45,217</b>	<b>20,88,891</b>

## Note 16 : OTHER CURRENT ASSETS

Particulars	As at	As at
	31st March 2019	31st March 2018
	Rs.	Rs.
<b>Other Current Assets</b>		
<b>1. Deposits to Authorities &amp; Client</b>		
BSNL Deposits	16,300	16,300
Godown Deposits	10,000	10,000
<b>2. Fixed Deposits</b>		
Fixed Deposits	-	-
<b>Total &gt;&gt;&gt;&gt;</b>	<b>26,300</b>	<b>26,300</b>

## NOTES FORMING PART OF FINANCIAL STATEMENTS

## Note 17 : REVENUE FROM OPERATIONS

Particulars	For the Period ended 31 March, 2019	For the year ended 31 March, 2018
	Rs.	Rs.
a. Sale of Products :	50,70,00,145	35,43,66,709
<b>Total &gt;&gt;&gt;&gt;</b>	<b>50,70,00,145</b>	<b>35,43,66,709</b>

## Note 18 : OTHER INCOME

Particulars	For the Period ended 31 March, 2019	For the year ended 31 March, 2018
	Rs.	Rs.
Balance Written Off	-	-
Damage Charges	-	35,56,690
C Form Charges	-	1,21,920
Discount/ Kasar - Vatav Income	5,02,629	3,04,660
FD Interest	-	86,956
Freight on Sales	31,322	28,495
<b>Total &gt;&gt;&gt;&gt;</b>	<b>5,33,951</b>	<b>40,98,721</b>

## Note 19 : PURCHASE OF MATERIAL

Particulars	For the Period ended 31 March, 2019	For the year ended 31 March, 2018
	Rs.	Rs.
Purchase	48,85,93,826	34,92,98,967
<b>Total &gt;&gt;&gt;&gt;</b>	<b>48,85,93,826</b>	<b>34,92,98,967</b>

## Note : 20 : INCREASE/DECREASE IN STOCK

Particulars	For the Period ended 31 March, 2019	For the year ended 31 March, 2018
	Rs.	Rs.
Opening Balance Of Stock in trade	8,29,19,417	6,53,94,302
Less: Closing Balance Of Stock in Trade	10,93,39,779	8,29,19,417
Increase/Decreases in Stock in Trade	(2,64,20,362)	(1,75,25,115)
<b>Total &gt;&gt;&gt;&gt;</b>	<b>(2,64,20,362)</b>	<b>(1,75,25,115)</b>

## Note 21: EMPLOYEE BENEFIT EXP.

Particulars	For the Period ended 31 March, 2019	For the year ended 31 March, 2018
	Rs.	Rs.
Director Remuneration	19,20,000	22,40,000
Salary/Wages Exp	17,91,475	9,79,066
Staff Welfare Exp	1,12,002	2,730
<b>Total &gt;&gt;&gt;&gt;</b>	<b>38,23,477</b>	<b>32,21,796</b>

**Note 22: FINANCIAL EXP.**

Particulars	For the Period ended 31 March, 2019	For the year ended 31 March, 2018
	Rs.	Rs.
Bank Charges	67,925	15,390
Interest on CC A/c	58,82,772	45,48,834
Interest on USL	32,24,428	14,31,127
Interest on CAR Loan	33,148	85,656
Interest on Income Tax	1,51,962	2,51,733
Interest on TDS	6,057	1,602
Penalty On Late filling GST	2,142	1,000
LC Charges	-	66,224
Loan Processing Fees	3,78,750	7,64,917
Valution Charges	-	38,361
Interest Expense	57,294	-
Prepayment Charges	5,90,000	-
<b>Total &gt;&gt;&gt;&gt;</b>	<b>1,03,94,478</b>	<b>72,04,844</b>

**Note 23 : OTHER EXPENSES**

Particulars	For the Period ended 31 March, 2019	For the year ended 31 March, 2018
	Rs.	Rs.
<b><u>Direct Expenses</u></b>		
Cylinder Charges	43,970	1,09,994
Discount Charges	1,093	2,11,494
Freight & Insurance Charges	6,80,453	5,39,624
Loading and Unloading Charges	1,69,451	2,54,413
Packing Material Charges	90,518	3,22,922
Product Permission Charges	16,500	54,500
Rate Difference	1,30,713	(1,96,104)
labour Charges	19,300	-
<b><u>Indirect Expenses</u></b>		
Audit Fees	2,01,000	25,000
Advertisement Expenses	-	12,198
Computer Repairs & Maintenance	1,86,025	21,438
Conveyance Expenses	1,82,360	1,76,215
Designing Charges	-	-
Donation Expenses	39,500	-
Electricity Charges	80,848	1,08,263
Entertainment Expenses	-	-
Food and Refreshment Exp	52,015	23,976
Godown Expenses	49,762	9,698
Insurance Charges	2,62,349	1,31,801
Internet Exp	34,902	16,202
Legal & Professional Charges	7,28,808	1,79,646
Municipal Tax Expenses	-	19,447
Maintenance Charges - Software	32,036	18,062
Office Expenses	3,07,000	63,129
Office Rent Expenses	1,55,093	1,04,288
Petrol & Diesel Expenses	1,49,013	1,22,290
Postage & Courier Charges	1,58,991	1,27,521
Repair & Maintenance	2,09,349	30,658
ROC Charges	4,04,500	33,200
Rounding Off	(13)	(12)
Sales Commission Expenses	21,24,207	-
Sales Promotion Expenses	8,37,572	82,049
Stationery & Printing Expenses	95,654	70,306
Tea & Refreshment Expenses	350	92,906
Telephone Expenses	93,264	1,17,510
GST Payment	22,784	-
Traveling Expenses	-	7,49,714
Architect Fees	3,01,000	-
Other Expenses	1,37,573	-
<b>Total &gt;&gt;&gt;&gt;</b>	<b>79,97,940</b>	<b>36,32,348</b>

## Sub Note 1 : Unsecured Loan

Particulars	As at	As at
	31st March 2019	31st March 2018
	Rs.	Rs.
<b>a. From Directors &amp; Others</b>		
Bhumisth N Patel	88,42,144	1,16,195
Bhuamik N Patel	-	3,71,307
Narendra G Patel	-	30,761
Payal B Patel	83,19,726	1,31,956
Sushilaben N Patel	-	-
<b>b. From Corporates - NBFC</b>		
Bajaj Finance Limited - USL	-	8,86,600
Capital First Limited - USL	-	12,71,199
India Infoline (IIFL) - USL	-	15,60,486
Magma Fincorp Limited - USL	-	12,52,230
Shriram City Union Finance Limited - USL	-	9,34,343
Tata Capital Ltd - USL	-	12,41,376
<b>Total &gt;&gt;&gt;&gt;</b>	<b>1,71,61,870</b>	<b>77,96,453</b>

## Sub Note 2 : Trade Payables

Particulars	As at	As at
	31st March 2019	31st March 2018
	Rs.	Rs.
<b>a. Trade Payables for Goods</b>		
Abil Chempharma Pvt Ltd	-	3,03,874
ACACIA BIOTECH TD.	-	3,02,356
ALDAC LIFECARE	-	1,35,559
ALDAC NUTRACEUTICALS	-	48,861
Anabiosis Medsciences Pvt Ltd	3,58,764	12,60,467
Assured Pharma Caps	-	21,219
Alcare Laboratories	(18,000)	-
Auric Impex Pvt Ltd	-	40,94,938
Blumark Healthcare	4,45,339	5,88,236
Bipin Offset	-	7,464
B.S.J. Corporation	-	26,550
Captab Biotec Unit II	(45,234)	2,54,189
Deep Print Progress Pvt Ltd	-	15,198
Dhara Chemicals	36,90,805	52,54,158
Dipan Pharma Chem	63,13,000	1,36,35,555
Embark Lifescience Pvt Ltd	76,962	76,962
ENVEE DRUGS PVT. LTD.	-	19,710
Flourish Pharma - Daman	-	2,02,331
GBK Healthcare	-	4,459
Innovative Healthcare	5,88,017	-
Jorden Pharma Chem	-	1,86,542
Khushi Medico	1,35,569	60,183
Mclain laborateies	2,87,082	-
Meril Pharmachem INC	1,40,94,582	1,92,73,202
Origin Formulations Pvt Ltd	(1,27,897)	3,91,642
ORIGIN LIFECARE PVT LTD	-	18,100
Praja Graphics	-	67,570
Pretech Telelinks	4,95,860	3,730
Ray remedies Pvt Ltd	7,11,997	-

Radius Biotech	3,67,64,296	-
Ratnaraj Nutrascience	-	23,560
Rosewood Healthcare	25,000	35,846
R.B. Enterprise	-	32,453
Shiv Industries	-	15,784
SK Speciality & Mediplant	11,340	11,340
Shree Sai Healthcare	27,09,319	-
Shree Pramukh Labs Pvt Ltd	14,851	-
Sunvion Lifescience	20,439	20,439
Truelife Pharma Pvt Ltd	2,27,919	1,53,333
United Pharma Chem	(45,091)	2,18,60,777
VS Healthcare	-	22,064
Velaa Pharma Traders	-	-
ZLV Drug Center & Lynda Cosmetic	-	-
<b>a. Total &gt;&gt;&gt;&gt;&gt;</b>	<b>6,67,34,917</b>	<b>6,84,28,651</b>
<b>b. Trade Payables for Assets</b>		
Ambica Hardware And Gallery	16,811.00	-
Creative Chair World	64,900.00	-
Dipesh Pawar	25,328.50	-
kalpesh Bhai Easy Office	3,422.00	-
Krishna Furniture	80,933.00	-
mahadev Craft	6,018.00	-
Sanguine Safety System Pvt Ltd	(62,662.00)	-
Shakti E Zone Pvt Ltd	1,03,000.00	-
Swiss Foam Industries	25,000.00	-
Shreeji Wood Ply Pvt Ltd	1,31,953.00	-
Shree Prabhujji Trading	5,500.00	-
tejas Electric	38,727.78	-
Vision Air Conditioning	6,918.21	-
V Tech Engineering	(1,18,000.00)	-
Flexibond Industries	-	18,318
HOF Furniture System Pvt Ltd	10,500	10,500
N G Patel & Co.	-	3,89,400
On Way Communication	2,67,570	12,200
Syscon Sysnet Pvt Ltd	37,115	6,500
UNIQUE SURVEILLANCE SYSTEM PVT LTD	(8,015)	66,985
<b>b. Total &gt;&gt;&gt;&gt;&gt;</b>	<b>6,35,019</b>	<b>5,03,903</b>
<b>c. Trade Payables for Expences</b>		
ASSURED PHARMA	27,240	-
Salary Payable	(3,84,380)	2,47,050
Bhumishth Patel -Petty Cash	-	35,770
CA Mukesh Laddha	35,000	-
Meet Enterprise	48,085	43,896
DTDC EXPRESS LIMITED	1,881	-
DEEP ENTERPRISE	15,198	-
HANUMAN C SUTHAR	3,91,667	-
HEM SECURITIES LIMITED	(12,000)	-
ICRA LIMITED	(1,35,000)	-
Online Services	2,250	5,208
HAMZAH ENTERPRISE PHARMA DIST	8,376	-
KHAN SALES CORPORATION	15,203	-
NEER SYSTEMS	16,599	-
MEDIEX HEALTHCARE PVT LTD	2,93,918	-
M/S SHREE BALAJI ENTERPRISE	8,822	-



SNEHSHIP FAB	(1,69,000)	-
SNS BAGDADEE AGENCY PHARMA DIST.	5,858	-
Cubitree Technology Solutions Pvt Ltd	12,980	-
Cronic technologies	(61,500)	-
Shree Parshwa	(25,000)	-
Soniya Patel	3,01,000	-
Sunny Enterprise	7,100	-
Mona Communication	1,29,911	1,98,975
Vipulbhai - Office	-	-
PARESHA BEN P. PATEL	-	2,74,400
PRAJA GRAPHICS	46,490	-
R B ENTERPRISE	32,453	-
Payal Patel - Petty Cash	-	26,891
Payal Patel - OFFICE EXPS PAYABLE	1,96,421	-
Torrent Power Ltd	3,400	-
UGVCL	5,734	-
UMESH SHRIVASTVA	(50,000)	-
Vishal Vishwakar	20,000	-
Rupang Shah & Associates	-	18,000
SAVITABEN PATEL-SALES COMMISSION	-	2,60,000
SUBH EXPRESS COURIER PVT LTD	-	5,640
The Gold Filled Leather Works	79,875	10,000
<b>c. Total &gt;&gt;&gt;&gt;&gt;</b>	<b>8,68,581</b>	<b>11,25,830</b>
<b>Grand Total &gt;&gt;&gt;&gt;&gt;</b>	<b>6,82,38,517</b>	<b>7,00,58,383</b>

**Sub Note 3: OTHER CURRENT LIABILITY**

Particulars	As at	As at
	31st March 2019	31st March 2018
	Rs.	Rs.
<b>(a) Advance From Customers</b>		
<b>Unsecured</b>		
Hamzah Enterprise	-	8,376
KHAN SALES CORPORATION	-	15,203
Mediex Healthcare	-	2,93,918
M/s. Gosayi Medical Store	-	1,536
M/s. Shree Balaji Enterprise	-	18,140
Samarth Medical Agencies	-	2,688
SNS Bagdadee Agency Pharma Distributor	-	5,858
<b>Total &gt;&gt;&gt;&gt;&gt;&gt;&gt;&gt;&gt;</b>	<b>-</b>	<b>3,45,719</b>

## Sub Note 4: Short term Loans &amp; Advances

Particulars	As at	As at
	31st March 2019	31st March 2018
	Rs.	Rs.
<b>a. Loans and advances to related parties</b>	-	-
<b>a. Total &gt;&gt;&gt;&gt;</b>	-	-
<b>b. Loans and advances to other parties</b>		
Dhaval Gajjar - Loan	1,25,697	1,25,697
Mehul Dulera Loan	19,900	
Rakesh Patel Loan	20,258	1,00,000
Ronak Desai	75,000	75,000
Yash jain Loan	54,209	
Cronic technologies	3,00,000	
Advance tax	46,64,390	
Prepaid Insurance Expenses	-	66,020
Pinnacle Advisory	5,00,000	
Prepaid Internet Expenses	-	11,205
Dharm Healthcare	2,95,208	2,95,208
Galaxy Medical Agencies	21,847	21,847
NUTRAZEUS HEALTHCARE	-	
ROSEWOOD HEALTHCARE	-	
SHIVAM MEDICAL AGENCY	-	
Sibly Bio Science	1,36,050	1,36,050
TDS Receivable	9,07,460	
THREE B HEALTHCARE	-	3,64,818
Bajaj Finance - TDS Receivable	11,962	11,962
Capital First - TDS Receivable	12,313	12,313
IIFL - TDS Receivable	15,334	15,334
Shriram City Finance - TDS Receivable	9,140	9,140
TATA Capital - TDS Receivable	11,616	11,616
Magma Fincorp - TDS Receivable	12,012	12,012
Vijay And Co.	4,00,000	-
<b>b. Total &gt;&gt;&gt;&gt;</b>	<b>75,92,396</b>	<b>12,68,222</b>
<b>c. Balances with government authorities</b>		
Advance Income Tax Paid		3,50,000
VAT Receivable	-	
GST Receivable	7,82,821	1,56,301
Excise Receivable		-
TDS Receivable	(30,000)	3,14,368
<b>C. Total &gt;&gt;&gt;&gt;</b>	<b>7,52,821</b>	<b>8,20,669</b>
<b>Grand Total &gt;&gt;&gt;&gt;</b>	<b>83,45,217</b>	<b>20,88,891</b>

## Sub Note 5: Current Bank Accounts

Particulars	As at	As at
	31st March 2019	31st March 2018
	Rs.	Rs.
Axis Bank - 8288 (Current Account )	9,71,131	41,426
IDBI BANK- 00091020000064664	-	-
STATE BANK OF INDIA - 0694 (SOLA ROAD)	3,16,632	39,646
<b>Total &gt;&gt;&gt;&gt;</b>	<b>12,87,763</b>	<b>81,072</b>

## Sub Note 6: SUNDRY DEBTORS

Particulars	As at 31st March 2019	As at 31st March 2018
(i) Others [Within 6 months]		
AASHIRWAD HOSPITAL	-	2,430
Agrawal Agency	56,824	9,419
AKSHAYA PHARMA DISTRIBUTORS	2,89,663	1,63,990
Akshar Medical Agency	-	2,352
AASHIRWAD HOSPITAL	(4,890)	-
Aryan Enteprise	-	51,66,534
AMAN MEDICOS	6,372	-
Amey Medicos	3,217	3,217
Aaryan vaccine Point	31,863	-
Aarna Pharmacy	(3,662)	-
Ashapura Medicines	32,685	1,28,199
AMEN PHARMA	(719)	-
ARYA PHARMACEUTICALS	(6,289)	-
A R MEDICA	7,840	-
Bombey Medico	728	728
Balaji Distributors	1,428	-
B.N ENTERPRISES	3,540	-
B.R.ASSOCIATES	7,145	-
Bhargava Medicose	12,395	13,137
CHOUDHARY MEDICAL & GENERAL STORE	39,156	-
Connote Healthcare	3,21,644	-
Chatterjee Medicine	41,660	13,027
DHANVI ENTERPRISE	49,397	8,475
Dev Pharma	45,710	4,571
DR.Bhavesh Patel	7,068	22,068
Dr. Abid. G. Momin	10,036	-
DR ALTAF MEMON	12,723	-
DR AKIL PATNI	16,800	-
DR IMRAN MEMON	11,626	-
DR. Paresh S Patel	5,846	5,846
DR RASIK PATEL	4,256	49,783
Dr. Sandeep Bhatt	12,309	12,309
Devarshi Enterprise	31,73,066	-
Dr. Vijay Ajmera	4,352	4,352
Garg Enterprise	4,934	4,934
GANGA MEDICAL AGENCY	22,955	-
GIRIDHARI MEDICAL CORPORATION	9,322	-
GUDHANIYA AGENCIES	41,529	-
G. R. S. Distributors	83,288	78,920
Hari Om Chemist	3,496	7,896
Harshit Pharmaceutical & Surg	1,998	-
HARSIDDHI SARGICAL	19,056	-
HARYANA TRADE CORPORATION	1,42,866	-
Hindustan & Park Pharmaceuticals	6,718	6,718
Indikar Medical and Gen Stores	-	426
Kaysons Pharma	4,321	4,321
JAI SAI DISTRIBUTORS	(10,784)	-
JYOUTI DRUGS AGENCY	(4,462)	-
JFL Lifesciences Pvt. Ltd.	-	-
KAMALA AGENCY	7,280	-
Kings Life Sciences	-	61,97,286
Krishna Pharma	50,542	25,487
KRISHNA PHARMACUTICAL	9,042	-
LAKSHMI KANTH MEDICALS	8,41,778	2,47,905
Lakshmi Kanta Medicals	(5,78,000)	-
LIFE DRUGS	20,926	45,990
LIVING MEDIA	-	28,038
Metrix Life Care	1,02,01,037	1,86,36,149

M/S SANJIVANI DISTRIBUTORS	3,175	3,175
M/S GOSAYI MEDICAL STORE	(2,113)	-
M/s Saniya Medical Agency	-	45
M/S Sri Negendra Drug Agencies	1,566	1,566
M/s. Sriprati Enterprise	4,356	4,356
M/S LUCKY MEDICAL STORE	3,054	-
M/S MEDICAMENT PROP SUJEET KUMAR	62,846	-
M/s M. J. Medical Stores	2,239	-
M/S POMSON DRUGS	2,12,794	-
M/s. Super Drug House	4,389	4,389
M/S Uday Medical Store	13,561	13,561
NATURE MARKETING PVT. LTD	(3,95,028)	-
Naminath Enterprise	51,745	18,765
NEW DURGA MEDICAL	995	-
Navyug Pharma	5,59,325	5,36,925
NEW GOUR DRUG HOUSE	10,497	10,497
NEW R S MEDICAL HALL	1,37,647	-
NUKEN PHARMACEUTICALS	41,370	-
N S DRUG DISTRIBUTORS	27,836	21,715
Nureja Drug Distributor	(41,800)	-
Om Sai Medical Agenceis	(1,15,000)	-
On Bio Science	1,49,95,833	1,96,73,685
Qutbi Drug House	(950)	650
PHARMA HOUSE	1,066	-
PUSHPAM AGENCY	-	3,682
Punit Pharma Chem	-	86,88,250
PRAGYA MEDICAL STORE	7,101	-
QUALITY CARE PHARMA	69,720	-
RAJ ENTERPRISES	3,15,364	3,15,364
RAJ PHARMA	42,659	-
REGENCY PHARMACEUTICAL DIST	(1,509)	-
Rai Medical Agency	89	89
Royal Medicose	14,80,868	10,16,860
Raunak Medical Agencies	1,455	1,455
Reliance Pharmaceutical	32,620	-
Ridley Life Science Pvt Ltd	14,868	-
Ritesh Distributors	33,804	-
R J Pharma	27,278	-
R K & SONS MEDICO CENTER	14,733	-
RUDRAYANI MEDICAL&DISTRIBUTOR	12,904	-
SAI VANKATESHWARA PHARMA DIST	1,41,219	-
Ravi Agency	1,529	1,529
Saavalgi Pharmaceuticals	1,400	1,400
Sanelite Pvt.Ltd	1,82,550	-
Saina Pharmaceuticals	18,757	54,688
Samaira Enterprise	369	369
Sanjivni Charitable Trust & Aapi Hospital	896	896
Satyam Medical Store	590	590
Shivam Chemist	(40,297)	1,00,550
Shreeji Healthcare	73,61,713	1,89,57,972
Shree Sai Healthcare	37,36,435	37,36,435
Shivam Medical Agency	1,370	1,370
Shivam Medical Store	295	295
Shiv Kripa Medicos	1,150	13,287
Shiv Shakti Medical Agency	26,379	20,848
Shree Brahmani Pharma	4,133	7,560
Shree Krishna Distibutors	4,489	6,700
Shree Pharma	87,949	53,514

S.K. Enterprise	15,904	15,904
S Kumar Medical Hall	44,524	13,597
Srinidhi Pharma	12,114	12,114
SHREE PRAMUKH LABS PVT LTD-DR	14,868	-
SAMARTH MEDICAL AGENCIES	(1,105)	-
SHREE SWAMI SAMARTH MEDICAL	12,251	-
SHREYA DRUG AGENCY	24,446	-
SHRI SAIRAM PHARMA	32,480	-
S.K ENTERPRISE	56,069	-
SKS PETROCHEM	2,23,61,799	-
SUVARNA COOPERAT	(2,10,000)	-
SHANYA MEDICO AGENCY	1,41,087	-
SHIVALIK DRUGS	2,768	-
SHIVANSHI MEDICAL AGENCY	8,201	-
Sunanada Enterprise	6,803	7,591
SHREE BALAJI ENTERPRISE	14,672	6,751
SOAR PHARMA	1,390	9,671
Swaminarayan Medical Store	6,751	19,936
Shayona Pharma Trade	1,74,53,032	-
Topsun Pharma	9,671	-
Tripada Healthcare Pvt Ltd.	62,75,277	-
UNIVERSAL PHARMMACY	11,937	-
UNIVERSAL TRADERA	74,672	-
Urmila Medicals	30,809	-
Sunrise Pharma Trade	1,47,16,447	1,99,11,261
Vanu Pharma	2,08,698	2,08,698
Vee & Vee Agencies	55,407	1,12,921
Vijaya Durga Medical Agency	91,642	91,642
YASH PHARMA	58,026	48,076
Zenith Healthcare Limited	4,73,641	1,06,243
Vivia Pharma	75,460	-
ZLV Drug Centre & Lynda Cosmetics	(8,29,657)	-
Zodiac Global	-	-
(i) Outstanding for a period exceeding 6 months		
<b>Total &gt;&gt;&gt;&gt;</b>	<b>10,84,51,418</b>	<b>10,78,86,440</b>



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