



BETA DRUGS LIMITED
NOTE '3' : SIGNIFICANT ACCOUNTING POLICIES
(Forming part of Accounts)
FOR THE YEAR ENDED 31ST MARCH, 2019

3.1. Basis of Accounting

The financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India under the historical convention on accrual basis. These financial statements have been prepared to comply, in all material aspects, with the accounting standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and the presentation requirements as prescribed by the Schedule III of the Companies Act, 2013 to the extent applicable.

3.2. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires that management makes estimates and assumptions that affect the reported amounts of income and expenses of the year, the reported balance of assets and liabilities and the disclosure relating to contingent liabilities as at the date of the financial statements. These estimates are based upon management's best knowledge of current events and actions. The difference between the actual results and estimates are recognised in the period in which the results are known/materialised.

3.3. Fixed Assets

-Tangible Assets

Tangible Assets are stated at cost of acquisition or construction less accumulated depreciation and impairment of assets, if any. The cost comprises purchase price, borrowing costs if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

- Capital Work-in-Progress

Expenses incurred during construction/installation period are included under capital work-in-progress and allocated to relevant fixed assets in the ratio of cost of the respective assets on completion of construction/installation. WIP as on 31.03.2019 is Rs. 15,04,15,738.88.

3.4. Depreciation/Amortisation

- Depreciation on tangible assets is provided, on Written Down Value method, over the useful life of assets estimated by the management in accordance with Schedule-II of the Companies Act, 2013. **(Refer note 4.7).**
- Residual value of assets has been considered at 5% of the original cost of the assets.
- Depreciation on additions to fixed assets is calculated on date of put to use as certified by the management.
- Depreciation on assets sold & scrapped, during the year, is provided upto the month in which such fixed assets are sold or scrapped.

3.5. Impairment of Assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An asset is treated as impaired when the carrying cost of the assets exceeds its recoverable value. An impairment loss, if any, is charged to the Statement of Profit & Loss in the year in which an asset is identified as impaired. Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the assets no longer exist or have decreased.

3.6. Valuation of Inventories

- Raw Material Chemicals & Salts
- Packing Material
- Finished Goods Oncology products comprises of Injections, Tablets & Capsules
- Work In Progress (Semi Finished Goods)
- Is valued at cost or estimated realisable value, whichever is lower. The company has determined the cost of Inventory using the First-In, First Out method.

The company has appointed cost auditor to ascertain and verify the authenticity of cost records maintained by the company. The valuation of Finished Goods as well as Work in Process material has been taken as certified by the cost auditor. The value of raw material and packing material has been taken at cost.

3.7. Revenue Recognition

- Revenue from sale of goods is recognised when risk and rewards of ownership are transferred to the customers.
- Revenue from services is recognised when services are rendered and related costs are incurred.
- Other income is recognised on accrual basis unless otherwise stated.
- Insurance and other claims are accounted for on settlement of claims/on receipt.
- Revenue from sales/services are shown net of taxes, as applicable.

3.8. Employee Benefits

a) Short-term Employee Benefits:



- Leave Encashment, on the basis of actual computation, is accounted for on accrual basis, during the tenure of employment the payment in respect thereof is made by the Company from its own funds as per the past practice consistently followed by the Company.
- Payment of Bonus – This year the company has made the provision of Rs. 25,83,964.00 as per The Payment of Bonus Act, 1965.

b) Post-Employment Benefits

(i) Defined Contribution Plans :

Contributions as required under the Statute/Rule are made to Employees State Insurance & Provident Fund and charged to the Statement of Profit & Loss of the year when the contributions to the respective funds are due.

(ii) Defined Benefit Plans :

Gratuity is accounted for on accrual basis - the Company is in the process of taking the Gratuity policy with Life Insurance Corporation of India or any other insurer covered under the specified provisions of the Income Tax Act, 1961.

The company has got the Actuarial Valuation done by independent consultant for FY 2018-19 to determine the projected benefit obligation for Gratuity Benefit and the accounting expenses associated with Gratuity Benefit on 31-03-2019 in accordance with Revises AS-15(Rev).

Details Calculation of Gratuity Provision as per Certified Actuary.

Particulars	Amount
Present Value of Benefit Obligation as on 31.03.2019	33,46,133.00
Fair Value of Plan Assets on 31.03.2018	-
Net Liability / (Asset) recognised in Balance Sheet	33,46,133.00
Current Service Cost	13,73,284.00
Interest Cost	1,36,163.00
Expected Return on Plan Assets	-
Net Actuarial Losses (Gains) recognised in the year	68,341.00
Expenses recognised in Statement of Profit and Loss	15,77,788.00

Gratuity Provision for FY 2017-18 was provided for Rs. 4,44,513.00 and Rs. 15,77,788.00 for FY 2018-19.

c) Termination Benefits : Termination benefits are recognised as an expense as and when incurred.

3.9. Foreign Currency Transactions

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of transaction or the average of opening and closing rates. The difference in the rate of exchange, if any, is accounted at the time of realisation or settlement and is recognized in the Statement of Profit and Loss.

Exchange differences (Gains) arising on foreign currency transactions for purchase of Plant and Machinery is adjusted against the cost of acquisition of that asset.

3.10. Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets to the extent that they relate to the period till such assets are ready to use. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit & Loss. Details of the borrowing cost capitalized due the FY18-19 is as mentioned below :

During the year, the Company has capitalised borrowing costs of Rs. 8,30,397.00 (Previous year 2,24,094.00) relating to credit facility availed for installation of Plant and Machinery, included in Capital Work in Progress.

3.11. Investments

- Current Investments are carried at cost or fair market value whichever is lower.
- Non-Current Investments are carried at cost. Provision for diminution in value of non-current investments is made only, if a decline is other than temporary.



3.12. Operating Lease

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases. Operating lease charges are recognised as an expense in the Statement of Profit & Loss on monthly due basis. The company has taken following premises on lease :

- 1.) Administrative office located at Panchkula-SCO 184, First floor, Sector 5, Panchkula -134114. The lease is entered into with M/s B.T. Associates, Panchkula for 10 years with monthly rent of Rs. 2,40,720.00 plus GST@18 percent.
- 2.) Branch office located at Peninsula Park, Office no-1101, 11th Floor, Andheri West, Mumbai-400053, Maharashtra. The lease is entered into with Mr. Rakesh Pravinchandra Desai and Mrs. Tejpal Rakesh Desai, Mumbai for 3 years with monthly rent of Rs. 1,43,000.00 plus GST@18 percent. The monthly rent paid by the company for financial year 2018-19 is Rs. 1,57,300.00 plus GST@18 percent with an increment of 10 percent from Feb-19 onwards.
- 3.) Company Guest House located at 101, Gopush Occupants Association, Vithal Nagar Chs Ltd., NS Road 11, JVPD Scheme, Vile Parle (W), Plot No. 27 NR, Juhu Bus Vile Parle (W), Mumbai, Maharashtra – 400049. The lease is entered into with Ms. Jagruti K Purohit and Sh. Kirit B Purohit, Mumbai for 3 years with monthly rent of Rs. 2,50,000.00 plus GST@18 percent. The monthly rent paid by the company for financial year 2018-19 is Rs. 2,68,750.00 plus GST@18 percent. with an increment of 7.5 percent from April-18 onwards.

3.13. Taxes on Income

- Current Tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961.
- Deferred tax is recognised, subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.
- Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off assets against liabilities.
- Minimum Alternate Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will be in a position to avail of such credit under the provisions of the Income Tax Act, 1961.

3.14. Earnings Per Share (EPS)

- Annualised basic earnings per equity share is arrived at based on net profit/(loss) attributable to equity shareholders to the basic weighted average number of equity shares outstanding.
- Annualised diluted earnings per equity share is arrived at based on adjusted net profit/(loss) attributable to equity shareholders to the adjusted weighted average number of equity shares outstanding, for the effects of all dilutive potential equity shares; except where the results are anti-dilutive. At present the Company does not have any dilutive potential equity shares.

3.15. Cash Flow Statement:

- The Cash Flow Statement is prepared by the indirect method set out in Accounting Standard (AS) 3 on Cash Flow Statements and presents the cash flows by operating, investing and financing activities of the Company.
- Cash and cash equivalents presented in the Cash Flow Statement consists of balance in current accounts and cash balances.

3.16. Contingencies and Provisions

A provision is recognised when the Company has a present obligation as a result of past events. It is probable that an outflow of resources embodying economic benefit will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on the best estimate of the expenditure required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

A contingent liability is disclosed, unless the possibility of an outflow of resources embodying the economic benefit is remote.



Details of Contingent Liabilities in the form of Bank Guarantee as on 31.03.2019.

Bank Name	Bank Guarantee No.	Opening Date	Expiry Date	In Favour	Amount
ICICI Bank Ltd	0043BGFD003118	02.09.2017	31.08.2025	The President of India Through The Deputy Commissioner of Customs, Air Cargo Complex, New Delhi	8,22,770
Vijaya Bank	8304IBGIS180059	26.10.2018	30.05.2020	PRESIDENT OF INDIA THROUGH OFFICE OF DGAFMS,NEW DELHI	90,000
Vijaya Bank	8304IBGIS180060	26.10.2018	30.05.2020	PRESIDENT OF INDIA THROUGH OFFICE OF DGAFMS,NEW DELHI	37,000
Vijaya Bank	8304IBGIS180065	31.12.2018	04.10.2020	PRESIDENT OF INDIA THROUGH OFFICE OF DGAFMS,NEW DELHI	76,000
Vijaya Bank	8304IBGIS180066	31.12.2018	29.09.2020	PRESIDENT OF INDIA THROUGH OFFICE OF DGAFMS,NEW DELHI	79,000
Vijaya Bank	8304IBGIS180068	31.12.2018	29.09.2020	PRESIDENT OF INDIA THROUGH OFFICE OF DGAFMS,NEW DELHI	52,000
Vijaya Bank	8304IBGIS180069	31.12.2018	04.10.2020	PRESIDENT OF INDIA THROUGH OFFICE OF DGAFMS,NEW DELHI	61,000
Vijaya Bank	8304IBGIS180070	31.12.2018	04.10.2020	PRESIDENT OF INDIA THROUGH OFFICE OF DGAFMS,NEW DELHI	38,000
Vijaya Bank	8304IBGIS180071	31.12.2018	04.10.2020	PRESIDENT OF INDIA THROUGH OFFICE OF DGAFMS,NEW DELHI	32,000
Vijaya Bank	8304IBGIS180019	08.03.2019	08.06.2020	TAMILNADU MEDICAL SERVICES CORP, LTD,NO.417, PANTHEON ROAD,	2,33,883
Vijaya Bank	8304IBGIS180021	29.03.2019	22.11.2020	PRESIDENT OF INDIA THROUGH OFFICE OF DGAFMS,NEW DELHI	1,26,000
Vijaya Bank	8304IBGIS180022	29.03.2019	20.11.2020	PRESIDENT OF INDIA THROUGH OFFICE OF DGAFMS,NEW DELHI	81,000
				TOTAL	17,28,653

**NOTE 4 : OTHER NOTES TO ACCOUNTS****(Forming part of Accounts)**FOR THE YEAR ENDED 31ST MARCH, 2019**4.1. Contingent Liabilities & Commitments:**

- a) Estimated amount of contracts remaining to be executed and not provided for in the books of account - Nil (previous year - Nil).
- b) Contingent Liabilities:
- Claims against the Company not acknowledged as debt - Nil (previous year - Nil).
 - Liabilities in respect of Income Tax, Service Tax, Sales Tax and other material statutory dues have been accounted for on the basis of respective returns filed with the relevant authorities. Additional demand, if any, arising at the time of assessments will be accounted for in the year in which assessments are completed.

4.2. Issued, Subscribed & Paid up Capital:

Issued, Subscribed and Paid-up capital of the company is Rs. 8,64,95,000.00 (Divided into 86,49,500.00 shares of Rs. 10 each)

4.3. Reserves & Surplus:

- The amount shown in the Reserve & Surplus represents only surplus carried forward from the earlier year plus the surplus earned during the year. Total amount of surplus outstanding as on 31.03.2019 is Rs. 31,94,65,064.64 which includes Share Premium of Rs. 16,16,12,604.98 and Free Reserves of Rs. 15,78,52,459.66

4.4. Long-term Borrowings

Secured :

Term Loan:

S.NO	Lender	Nature of facility	Loan	Amount outstanding as at March 31, 2019	Sanctioned Rate of interest (%)	Repayment Terms	Security / Principal terms and conditions
1	Vijaya Bank	Term Loan of Rs. 150.00 Lakhs (A/c No. 830409041000055)	Term Loan	Rs. 32.59 Lakhs	13.20%	Total Installments of Rs 3.36 Lacs P.M. divided into 63 Equated monthly installment. First Installment Commenced from January, 2015.	(1)All stocks of raw material/ stock in process/ finished warehouse/goods goods kept at factory, in transit and all other locations belonging to company
		Term Loan of Rs. 50.00 Lakhs (A/c No 830408391000014)	Term Loan	Rs. 11.63 Lakh	13.20%	Total Installments of Rs 1.12 Lacs P.M. divided into 63 Equated monthly installment. First Installment Commenced from January,2015.	(2)Equitable mortgage of .factory land in village Nandpur comprised in Khewat/Khatoni no. 114/157 in khasra No. 733/465 (00-05), 466(00-02), 735/467 (02-00), village Nandpur Tehsil Nalagarh, Distt. Baddi measuring 2 Bigha 7 Biswa owned by M/s Beta Drugs Pvt. Ltd. vide sale deed no. 712 dated 24.03.2006 charged to



						ML of the Company.	
		Term Loan of Rs. 50.00 Lakhs (A/c No. 830409041000064)	Term Loan	Rs. 28.59 Lakh	13.00%	Total Installments of Rs 1.15 Lacs P.M. divided into 60 Equated monthly installment. First Installment Commenced from April,2017.	(3)Hypothecation of Plant & Machinery & other movable fixed assets of the company.
		Term Loan of Rs. 15.00 Lakhs (A/c No. 830408411000229)	Term Loan	Rs. 10.64 Lakh	10.05%	Total Installments of Rs .249 Lacs P.M. divided into 84 Equated monthly installment. First Installment Commenced from August,2016.	(4)Collateral Charge on Vacant Showroom site at Khata No. 9/10 in Khasra No. 56 (1-2), village Dharampur, Hadbast No. 152, Tehsil Kalka measuring 1 Biswa 2 Biswani i.e. 55 Sq. Yards owned by one of the director Mr. Rahul Batra S/o Vijay Batra vide sales Deed No. 674 dated 16.05.2011.
		Term Loan of Rs. 10.14 Lakhs (A/c No. 830408411000259)	Term Loan	Rs. 8.62 Lakh	9.15%	Total Installments of Rs 0.21 Lacs P.M. divided into 60 Equated monthly installment. First Installment Commenced from May,2018.	(5) Personal Guarantee of Vijay Kumar Batra S/o Sh. Jiwan dass, Balwant Singh S/o Sh. Sadhu Ram, Varun Batra S/o Sh. Vijay Kumar batra, Neeraj Batra W/o Sh. Vijay Kumar Batra, Rahul Batra S/o Sh. Vijay Kumar Batra.
2	SIDBI Loan	Term Loan of Rs. 100.00 Lakhs (Sanctioned Amount Rs. 100 Lac and Disbursed amount Rs. 98.65 Lac)	Term Loan	Rs. 85.12 Lakhs	11.65%	Total Installments of Rs 1.23 Lacs P.M. divided into 80 Equated monthly installment. Last Installment i.e. 81st Installment is of Rs. 0.25 Lac.	(6) HYP of Motor Vehicles from the bank in the name of Company. 1) HYP of Machinery and Fixed Deposit amounted Rs. 34 Lac with SIDBI as collateral.



		Term Loan of Rs. 400.00 Lakhs	Term Loan	Rs. 400 Lakhs	8.09%	Total Installments of Rs 7.40 Lacs P.M. after moratorium of 6 months divided into 53 Equated monthly installment. Last Installment i.e. 54th Installment is of Rs. 7.80 Lac.	1) HYP of Machinery amounted Rs. 829.00 Lacs and Fixed Deposit amounted Rs.150 Lac with SIDBI as collateral. Also Extension of Charge on Fixed Deposit already lien marked against previous SIDBI loan.
3	Axis Bank	Vehicle Loan of Rs.69.25 Lakhs	Term Loan	Rs. 40.51 Lakhs	8.38%	Total Installments of Rs 2.18 Lacs P.M. divided into 36 Equated monthly installment.	1) HYP of Motor Vehicles from the bank in the name of Company.
		Vehicle Loan of Rs.8.00 Lakhs	Term Loan	Rs. 6.74 Lakhs	8.40%	Total Installments of Rs 0.16 Lacs P.M. divided into 60 Equated monthly installment.	1) HYP of Motor Vehicles from the bank in the name of Company.
4	HDFC Bank	Vehicle Loan of Rs. 43.00 Lakhs	Term Loan	Rs. 19.29 Lakhs	8.76%	Total Installments of Rs 1.36 Lacs P.M. divided into 36 Equated monthly installment.	1) HYP of Motor Vehicles from the bank in the name of Company.
5	HDFC Bank	Vehicle Loan of Rs. 7.50 Lakhs	Term Loan	Rs. 6.47 Lakhs	8.98%	Total Installments of Rs 0.15 Lacs P.M. divided into 60 Equated monthly installment.	1) HYP of Motor Vehicles from the bank in the name of Company.

Unsecured :**Term Loan:**

S.NO	Lender	Nature of facility	Loan	Amount outstanding as at March 31, 2019	Rate of interest (%)	Repayment Terms	Security / Principal terms and conditions
1	ICICI Bank Limited	Unsecured Business Loan Rs. 27.50 Lakhs	Term Loan	Rs. 3.93 Lakhs	16.00%	Total Installments of Rs 1.34 Lacs P.M. divided into 24 Equated monthly installment.	Unsecured Loan
2	Edelweiss	Unsecured Business Loan of Rs. 40 Lakhs	Term Loan	Rs. 18.36 Lakhs	18.50%	Total Installments of Rs 1.46 Lacs P.M. divided into 37 Equated monthly installment.	Unsecured Loan

Interest on the above term loans is payable on monthly basis.

4.5. In the opinion of the Directors, "Current Assets" and "Loans & Advances" are approximately of the value stated in the Balance Sheet, if realized in the ordinary course of business and to the best of their knowledge provisions for all the known liabilities have been made and, *as certified*, all the contractual and statutory obligations have been duly complied with.



4.6. Party balances have been incorporated in the financial statements at the value as per the books of accounts & are considered hopeful of recovery/good for payment. The balance confirmation letter for both debtor and creditors are sent by the company through registered post, and only in few cases the balance confirmation is received from them.

4.7. **Depreciation / Amortisation**

- The management estimates the remaining useful life of existing fixed assets as on 01st April, 2014 as follows:-

Building	30 years
Furniture & Fixtures	10 years
Machinery	15 years
Lab Equipment	10 years
Equipment (Other)	5 years
Vehicles	8 years

For these class of assets, based on internal assessment and independent technical evaluation carried out by external valuers the management believes that the useful lives as given above best represent the period over which management expects to use these assets. Hence the useful lives for these assets is different from the useful lives as prescribed under Part-C of Schedule-II of the Companies Act, 2013. (Refer note 3.4).

4.8. **Earnings Per Share (AS-20)**

	<u>Year ended</u> <u>31st March, 2019</u>	<u>Year ended</u> <u>31st March, 2018</u>
Numerator		
Net Profit/(Loss)		
attributable to Equity shareholders	` 7,71,40,924.85	` 6,76,36,664.85
Denominator		
Number of Equity shares	No.'s 86,49,500	No.'s 86,94,500
Nominal		
Value per Equity share	` 10	` 10
Earnings per Equity share		
- Basic and diluted	` 8.92/8.92	` 7.82/7.82

4.9. **Non-Current Investments:**

Investment in Joint ventures and Associates are accounted for using the equity method of accounting. Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise Dividends received or receivable from associates or joint ventures are recognized as a reduction in the carrying amount of the investment.

Equity shares have been stated at cost; provision for appreciation/diminution in the value of shares has not been made and no dividend was received during the year.

The provisions of Section 186 of the Companies Act, 2013 have been complied with.

During the financial year 2018-2019 the company has made investments in following entities : .

1. The company entered into a Joint Venture with SILUJIN Private Co. Ltd, Uzbekistan by incorporating subsidiary company namely BETA UBK INTERNATIONAL PRIVATE LIMITED in Republic of Uzbekistan registered with Department of Company Affairs, Tashkent Province, Uzbekistan dated 07.09.2018 to manufacture Oncology Drugs in Uzbekistan. The company holds 60 % in Joint Venture with 40 % share with SILUJIN Private Co. Ltd. The Company has invested \$48,000.00 and Silujin private Co. Ltd has invested

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\$32,000.00. The company has not included the accounts of M/s BETA UBK INTERNATIONAL PRIVATE LIMITED since the operations are not started yet.

- The company has incorporated a 100 % Subsidiary in the name of M/s Adley Formulations Private Limited with an investment of Rs. 1,26,00,000.00. Having 12,59,999 Equity Shares of Rs.10 each in the name of Beta Drugs Limited thru Mr. Vijay Kumar Batra, Managing Director and balance 1 Equity Share of Rs. 10 each through beneficial holder Mr. Rahul Batra.

This Wholly owned subsidiary has acquired the entire business of Adley Formulations. Adley Formulations is a Proprietorship firm, owned by Mr. Vijay Kumar Batra and is in business of manufacturing of Oncology and general medicines both in form of tablets & injectables since year 2008.

4.10. Taxes

- The exact liability of CST/VAT, Service Tax, GST, Income Tax and other statutory dues is indeterminate, till finalisation of assessments and no disputed dues or amounts were outstanding or remaining unpaid as at 31st March, 2019.
- MAT Credit Entitlement Rs. 1,53,70,422.70 i.e. additions during the year has been shown under the head 'Reserves & Surplus' with corresponding effect under the head 'Long-term Loans & Advances' in accordance with the accepted accounting principles; the opening MAT credit entitlement was Rs. 2,72,16,624.00
- The amount of tax credit determined shall be carried forward upto fifteen assessment years immediately succeeding the assessment year in which tax credit becomes allowable.

4.11. Segment Reporting

Since the Company primarily operates in one segment (i.e. Manufacturing of Oncology medicines), therefore segment reporting as required under Accounting Standard - 17 is not applicable - there is no reportable geographical segment as the export sale of the company is less than 10% of the total sales made in India.

4.12. Related Party Disclosures

Related parties & their relationship and related parties transactions.

S. NO.	Related Party	Nature of Relationship	Nature of Transaction	Amount Involved During the year
1.	Adley Lab Limited	Share holder are common (Holding more than 50 % shares)	Purchase of Goods	7,18,82,648.20
2.	Adley Formulations - Baddi	Managing Director is Proprietor of the Firm.	Sale of Goods	20,72,137.47
			Purchase of Goods	5,29,257.00
3.	B.T. Associates Private Limited	Share holder are common (Holding more than 50 % shares)	Payment of Building Rent	34,08,595.00
4.	Adley Formulations Private Limited	100 percent Subsidiary	Sale of Goods	10,64,392.00
5.	Varun Batra	Director	Salary	36,00,000.00
6.	Neeraj Batra	Director	Salary	32,00,000.00
7.	Balwant Singh	Director	Salary	16,32,000.00
8.	Rahul Batra	Director	Salary	12,00,000.00
9.	Jayant Kumar	Chief Financial Officer	Salary	11,04,000.00
10.	Rajni Brar	Company Secretary	Salary	5,28,000.00

4.13 Impairment of Assets

During the year, the Company has undertaken a review of all the fixed assets in line with the requirements of AS-28 on "Impairment of Assets" as notified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, based on such review, no provision for impairment is required to be recognised for the year.

4.14 **Fixed Assets:**

- During the financial year 2018-19 the company has made an addition of Rs. 13,69,41,086.88 as Capital Work-in Progress.
- During the financial Year 2018-19 there was an addition of Rs. 15,00,000.00 under the head Land.
- During the financial Year 2018-19 there was no addition under the head Building.
During the financial year, there was addition Of Rs. 85,49,474.09 made to Plant & Machinery, Furniture & Fixtures, Office Equipment, Vehicles & Computers.

4.15. **Deferred Tax Assets & Liabilities**

During the FY 2018-19 the company has made Deferred Tax Provision (Asset) of Rs. 24,79,381.06. Details of Calculation in mentioned below.

Calculation of Deferred Tax Asset / Liability	Amount in RS.
Deferred Tax Asset on depreciation	14,23,908.01
Deferred Tax Asset on provision of gratuity	3,24,866.55
Deferred Tax Asset on provision of bonus	5,32,038.19
Deferred Tax Asset on provision of CSR	1,98,568.31
Total Deferred Tax Asset Created for the financial year 2018-19 in Profit and Loss Account.	24,79,381.06
Less : Deferred Tax Liability as on 31.03.2018 (Opening)	14,99,675.95
Balance Deferred Tax Asset recognized in Balance Sheet	9,79,705.11

4.16. **Government Grants:**

During the year, the company has received Government Subsidy amounting Rs. 6,35,197.00 against the asset which was fully depreciated, hence this amount credited to the Profit & Loss Account.

4.17. **Micro, Small & Medium Enterprises**

Based on the information presently available, total outstanding as on 31.03.2019 is Rs.5,84,21,720.40 to micro or small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006.

4.18. **Auditor's Remuneration**

(exclusive of GST)

	<u>31st March, 2019</u> <u>AMOUNT</u>	<u>31st March, 2018</u> <u>AMOUNT</u>
-As Statutory Auditors	4,02,500	4,02,500
- Taxation Matters	-	-
- Certification	-	-
-Other Services	-	-
-As Internal Auditor	9,00,000	9,00,000
- Taxation Matters	-	-
- Certification	-	-
-Other Services	-	-
- Reimbursement of out of pocket expenses	-	-
TOTAL	<u><u>13,02,500</u></u>	<u><u>13,02,500</u></u>

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4.19 Other additional information

<u>Particulars</u>	<u>31st March, 2019</u>		<u>31st March, 2018</u>	
	<u>AMOUNT</u>		<u>AMOUNT</u>	
"A" Revenue from operations (under broad heads)				
Sales				
-Sales With in India	53,19,86,164.99		49,12,52,621.35	
-Export Sales	<u>4,85,00,674.00</u>	58,04,86,838.99	<u>1,44,15,249.91</u>	50,56,67,781.26
"B" Purchases				
-Chemicals, Bulk Drugs & Packing Material		28,61,00,183.50		23,32,46,427.98

4.20. Expenditure In Foreign Currency (On Accrual Basis) :- Following Expenses were incurred by the company during the year 2018-19.

	<u>31st March, 2019</u>		<u>31st March, 2018</u>	
	<u>AMOUNT</u>		<u>AMOUNT</u>	
- Import of Capital Goods		3,04,603		1,01,25,321
Revenue Expenses (Travel)		16,87,707		7,21,450
Revenue Expenses (RM Purchase)		26,39,390		-
TOTAL		<u>46,31,700</u>		<u>1,08,46,771</u>

4.21. Earning in Foreign Currency Particulars	For The Year Ended		For the year Ended	
	(31.03.2019)		(31.03.2018)	
FOB Value of Export	4,85,00,674.00*		1,44,15,249.91*	

* This includes indirect export.

4.22. Figures for previous year have been regrouped / rearranged where necessary to conform to the current year's presentation.

In terms of our attached report of even date.
For Kalra Rai & Associates

CHARTERED ACCOUNTANTS
F R No. – 008859N
Sd/-
LAJPAT RAI KALRA
PARTNER
M No. -087438

For and on behalf of the Board of Director

sd/- (Managing Director)	sd/- (Whole-time Director)
sd/- (Chief Financial Officer)	sd/- (Company Secretary)

Dated: 13/05/2019
Place : Chandigarh