

तेतालीसवीं वार्षिक रिपोर्ट

2020-2021

Fourty Third Annual Report

2020-2021



इण्डियन मैडिसिन्स फार्मेस्यूटिकल कॉर्पोरेशन लिमिटेड

(भारत सरकार का उद्यम)

मोहान, जिला अल्मोड़ा (वाया रामनगर-244715) उत्तराखण्ड

INDIAN MEDICINES PHARMACEUTICAL CORPORATION LIMITED

(A Government of India Enterprise)

Mohan, Distt. Almora (Via Ramnagar-244715) Uttarakhand

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BOARD OF DIRECTORS (1.4.2020 to 31.3.2021)



1. Prof. (VD.) Pradeep Kumar Prajapati
Managing Director Incharge
Indian Medicines
Pharmaceutical Corp. Ltd.
Mohan (Via Ram Nagar-244715)
Distt. Almora (Uttarakhand)
(w.e.f. 24.09.2018 to 06.07.2020)



2. Dr. Mukesh Kumar
Managing Director
Indian Medicines
Pharmaceutical Corp. Ltd.
Mohan (Via Ram Nagar-244715)
Distt. Almora (Uttarakhand)
(w.e.f. 06.07.2020 to till date)



3. Mr. Vikram Singh
Director
Ministry of Ayush
AYUSH Bhawan,
INA, B-Block, GPO Complex,
New Delhi - 110023
(w.e.f. 04.07.2019 to till date)



4. Shri Raj Kumar
Deputy Secretary (IFD-AYUSH)
Ministry of Health & Family
Welfare
Nirman Bhawan
New Delhi - 110001
(w.e.f. 11.01.2019 to till date)

Company Secretary	- CS Pankaj Kumar Jha
Statutory Auditor	- M/S Achal Srivastava & Co. Chartered Accountants First Floor, Sunlight Complex, Opposite Khatushyam Mandir, Talli Bamouri, Haldwani, Nainital (Uttarakhand) Mob No.: 9760037812 Ph.No.05946-220424 E-mail: achalsrivastava.co.hld@gmail.com
Bankers	- State Bank of India Mohan, Distt. Almora (Uttarakhand) - Axis Bank Limited Ramnagar, Distt. Nainital (Uttarakhand) - State Bank of India Nirman Bhawan, New Delhi - Corporation Bank Haridwar (Uttarakhand)
Registered Office and Unit (1)	- Mohan Distt. Almora, (Via Ramnagar-244715) Uttarakhand Telephones: (05947) 287844, 287828, 287837, 287825
Unit (2)	- Imlikhera Distt. Haridwar (Uttarakhand) 247667



Ref. No. IMPCL/Corp/CS/2021-22/52

Date 28.01.2022

NOTICE

Notice is hereby given that the 43rd **Annual General Meeting** of the members of **INDIAN MEDICINES PHARMACEUTICAL CORPORATION LIMITED** will be held as scheduled below: -

DATE : 03.02.2022
DAY : THURSDAY
TIME : 05:30 PM
VENUE : THROUGH VIDEO CONFERENCE.

to transact the following business.

ORDINARY BUSINESS :

1. To receive, consider and adopt the audited Statement of profit & loss for the year ended March 31, 2021, the Balance Sheet as at that date and Directors' report and Auditor's report along with other related documents and comments of Comptroller & Auditor General of India thereon.
2. To consider and fix the remuneration of Statutory Auditors of the Company appointed by the Comptroller & Auditor General of India i.e. M/s Achal Srivastava & Co., Chartered Accountants of Haldwani, Uttarakhand, for the year 2021-22.
3. To approve Final Equity Dividend declared for Financial Year 2020-2021.

Place : Mohan
Dated : 28.01.2022

By order of the Board of Directors
For **INDIAN MEDICINES PHARMACEUTICAL CORPORATION LTD.**
Sd./-
(CS Pankaj Kumar Jha)
Company Secretary

REGISTERED OFFICE :-

Mohan (Via - Ramnagar), District - Almora, Uttarakhand - 244715.

To,
All Members of the Company, Auditors, All Directors.

NOTE :-

A member entitled to attend and vote at the meeting is entitled to appoint proxy to attend and vote instead of himself and such proxy need not be a member of the company. Proxies in order to be effective must be received by the Company not less than forty-eight hours before the meeting.

C.C. to :-

- 1) The Under Secretary, Ministry of AYUSH, AYUSH Bhawan, B-Block, GPO Complex, INA, New Delhi-110023.
- 2) The Registrar of Companies, Uttarakhand, Mezzanine Floor 78 Rajpur road, Office No. 259, Shri Radha Palace Dehradun The Mall, PIN-248001. Uttarakhand.

Place : Mohan
Dated : 28.01.2022

By order of the Board of Directors
For **INDIAN MEDICINES PHARMACEUTICAL CORPORATION LTD.**
Sd./-
(CS Pankaj Kumar Jha)
Company Secretary

N.B.:- Consent of Shareholders U/S 136 of the Companies Act, 2013 is being obtained/has been obtained.



PROXY FORM

Shares held _____

Regd. Folio No. _____

(Name in block letters) _____

“I/We _____ Resident of _____
_____ being a member/members of the Indian Medicines Pharmaceutical
Corporation Limited, hereby appoint _____ Resident of _____
as my proxy to vote for me and on my behalf at the Annual General Meeting of the company
to be held on THURSDAY, February 03, 2022 05:30 PM.or any adjournment thereof.”

Signature _____

Signed this _____ day of _____

*Note : The Proxy to be effective should be deposited at the Registered office of the Company
not less than 48 hours before the commencement of the meeting.*

FROM THE DESK OF MANAGING DIRECTOR

IMPCL has created History. At the outset and on behalf of the Board of Directors and on my personal behalf let me begin by wishing you a Very Happy New Year, bringing in you Happiness, Prosperity and Good Health. Assuming that all of you must have been vaccinated by now. I sincerely hope you stay safe and protected from the current Pandemic COVID.

The story behind IMPCL's creating history is by recording the highest ever Turnover and Highest ever Profit for the year 2020-21. The turnover being Rs. 164.02 Crore, Profit Before Tax (PBT) at Rs. 15.69 Crore and Profit After Tax (PAT) Rs. 11.05 Crore. Despite the continued COVID impact in operations, IMPCL ended FY 2020-21 with growth in Revenue from Operations.. Kudos to all those associated with this History.

Though it has been a difficult year for all businesses, the year saw IMPCL progress on its overall growth, as Pandemic also has given an opportunity to increase the consumption of Ayurvedic medicines in general and particularly Immuno - Boosting Medicines.

IMPCL has initiated Business diversification in the area of Ayurvedic Veterinary medicine as well as WHO-GMP/CoPP certification process. This has happened for the first time in the History of IMPCL since its operations and IMPCL is committed to acquire the same.

As for the Growth strategy, IMPCL is contemplating foraying into the field of Export and is also exploring the area of another Vertical of AYUSH segment which is not covered in IMPCL Product mix.

IMPCL has already participated in the Government Portal, Government e Marketplace (GeM) which would allow IMPCL to enhance the business perspective of the Organisation.

With our strong commitment and unmatched product portfolio, for the Government Sector/Institutions and their Public Health Centre across the country as well as Private Practitioners of Ayurvedic treatment in general and particularly classical Ayurvedic Medicines for which we have been effectively managing our business.

Like previous years the Company has a strong commitment towards environment sustainability and social development. In line with that we had developed an in-house medicinal plant garden for captive consumption of the production activities. Today, we continue to grow various medicinal herbs within the premises of the company.

Remembering FY 2020-21, which has been a record year in terms of turnover and profit but a difficult year in terms of operations. Our dedicated and experienced team of management, employees and casual workers and the commitment to their assignment, has been the success story for our high turnover and profit. I would like to take this opportunity to thank our team for their continued hard work and commitment, particularly during the Pandemic impacted period.

I would also like to thank all, in the Ministry of Ayush , being our administrative Ministry for the help and support extended by them. I extend my gratitude to our various Business Associates for their continued commitment and support towards IMPCL.

Finally our commitment towards quality and effective medicines, for suitably propagating our Ayurvedic and Unani Medicinal system.

Sincerely,

(Dr. Mukesh Kumar)
Managing Director

DIRECTORS' REPORT

The Members

Indian Medicines Pharmaceutical Corporation Limited,

The Board of Directors have immense pleasure in presenting the Annual Report of Indian Medicines Pharmaceutical Corporation Ltd. (IMPCL), on the business and operations of the company for the year ending 31st March 2021. Your Company has tremendously improved in its overall performance with record Turnover and Profits which has been highlighted below.

1. FINANCIAL HIGHLIGHTS

The Financial highlights of your company are as below:

(Rs. in Crores)			
Sr. No.	Particulars	For the year 2020-21	For the Year 2019-20
1	Revenue from operations	164.02	97.04
2	Other Income	1.45	0.20
3	Profit before tax (PBT)	15.69	0.43
4	Profit after Tax (PAT)	11.05	0.45
5	Reserve & Surplus	33.97	23.04
6	Paid up Share Capital	51.98	51.98
7	Earnings Per share (Basic & diluted)	2.13	0.09
8	Book Value of the Share	10.00	10.00

2. SHARE CAPITAL

The Authorised Share Capital of the Company remains at Rs. 75 Crore and paid up capital continues to remain at Rs. 51.98 Crore.

3. Cash Credit

As on 31.03.2021, the Cash Credit Limit for Working Capital requirements is with State Bank of India, Mohan Branch which continues to be Rs. 3.0 Crore . The interest burden for the year has been at Rs 0.02 Crore (Previous Year Rs. 0.03 Crore).

4. GROSS SALES TURNOVER

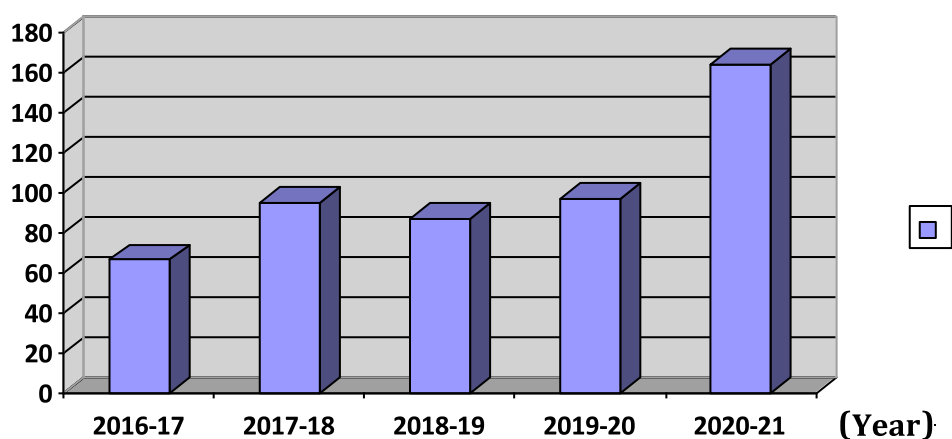
The Company has achieved a Gross Sales turnover of Rs. 164.02 Crore for the current Financial Year as against Rs. 97.04 Crore achieved during the year 2019-20. The Gross sales turnover of the company is inclusive of Rs 125.00 Crore of the in-house facility of unit situated at "Mohan" and "Imlikhera" as well as Rs. 39.02 crore through loan license firms, i.e. M/s Shree Dhanwantri Herbals for Ayurvedic Medicines and M/s Multani Pharmaceutical Ltd. for Unani Medicines. . For the Financial Year 2021-22 the Company has set a target of Rs. 180 crore .

5. Gross Sales Turnover Graph

The Gross Sales Turnover of the Company for the various years has been of the order of as follows.

Year	2016-17	2017-18	2018-19	2019-20	2020-21
Rs. Crore	66.45	95.21	86.83	97.04	164.02

(Rs. in Crores)



6. Financial Results

The summarised financial results for the year 2020-21 are furnished below:-

(Rs. in Crores)

Particulars	For the year 2020-21	For the Year 2019-20
Profit before interest, depreciation and tax	18.90	4.08
Less: Interest and other financial charges	0.02	0.03
Cash Profit	18.88	4.05
Less: Depreciation	3.19	3.62
Profit before tax (PBT)	15.69	0.43
Less: Provision For Taxation	4.64	(0.02)
Profit after tax and adjustments	11.05	0.45

7. DIVIDEND

Your Directors inform that the company has recorded the highest turnover till date and are pleased that the company has recommended for the first time payment of dividend at 15% of Profit after Tax for the year 2020-21.

8. INVENTORIES AND DEBTORS

The value of total inventories consisting of raw materials, Work in Progress and Finished Goods were Rs 32.44 crore which worked out to 19.78 % (Previous year 27.79%) of sales turnover. As on 31.03.2021, debtors were Rs 23.72 Crore (Previous year Rs. 36.37 Crore) .

9. DEPOSITS

During the year under review, your company did not accept any deposits within the meaning of the provisions of Chapter V – Acceptance of Deposits by Companies of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

10. PARTICULARS OF LOANS, GUARANTEES OR INVESTEMENTS

During the year under review, your company has not given any loans or Guarantees covered under the provisions of Section 186 of the companies Act, 2013.

11. CONTRIBUTION TO PUBLIC EXCHEQUER

Your company has contributed a sum of Rs. 3.44 crore (Previous Year Rs 1.82 crore) to the exchequer of Central and State Governments by way of Income Tax, GST etc.

12. INTERNAL CONTROL SYSTEMS AND ADEQUACY

The Company has proper and adequate systems of internal controls, commensurate with the nature of its business, size and complexity of operations. This ensures that all transactions are authorised, recorded and reported correctly, and assets are safeguarded and protected against loss from unauthorised use or disposition. This system are routinely tested and certified by Statutory as well as Internal Auditors. In case of any area of correction is found or observed by the Auditors, the same has been reported in their report.

13. RELATED PARTY TRANSACTIONS

All the related party transactions that were entered into during the financial year were on arm's length basis and were in ordinary course of business. There were no materially significant transactions with related parties during the year which were in conflict with interest of the Company. Suitable disclosures as required under AS-18 have been made in Note No. 29.18 of the notes to the Financial Statement.

Since all related party transactions entered into by the Company were in the ordinary course of business and were on arm's length basis, Form AOC – 2 is not applicable to the Company.

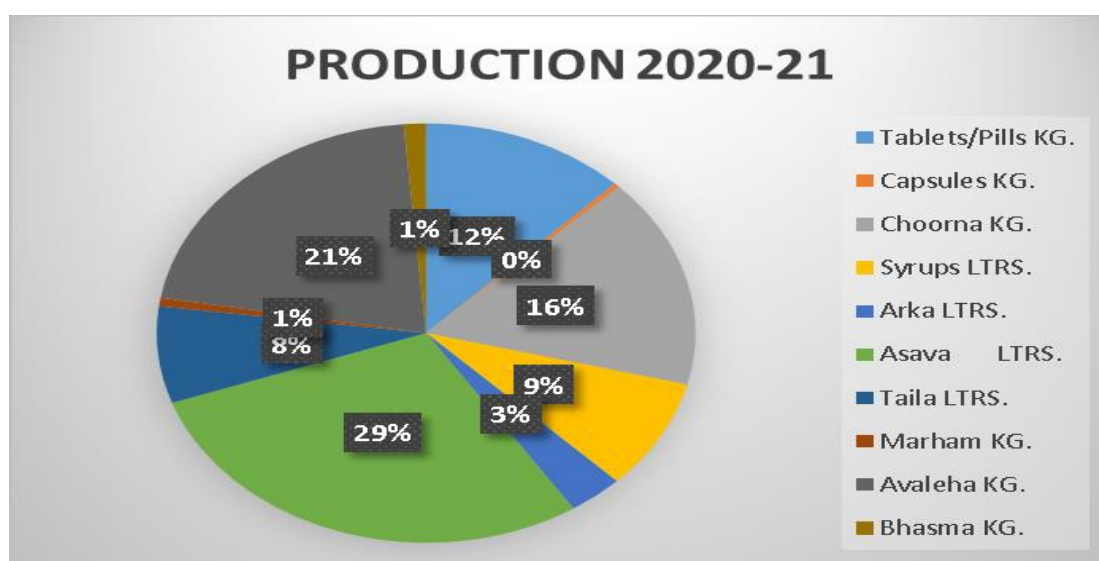
14. CAPACITY UTILISATION

Licensed/Installed capacity and actual production of Mohan Unit:

S. No.	ITEM	UNIT	INSTALLED CAPACITY		ACTUAL PRODUCTION	
			2020-21	2019-20	2020-21	2019-20
1.	Tablets/Pills	KG.	200000.00	200000.00	154129.100	66120.600
2.	Capsules	KG.	50000.00	50000.00	4201.100	2731.000
3.	Choorna	KG.	600000.00	600000.00	202337.080	176485.300
4.	Syrups	LTRS.	300000.00	300000.00	106161.600	51868.700
5.	Arka	LTRS.	50000.00	50000.00	41273.120	18887.400
6.	Asava	LTRS.	500000.00	500000.00	358700.000	261856.000
7.	Taila	LTRS.	300000.00	300000.00	92902.250	63553.900
8.	Marham	KG.	30000.00	30000.00	8103.000	2811.500
9.	Avaleha	KG.	250000.00	250000.00	261184.750	123129.500
10.	Bhasma	KG.	50000.00	50000.00	16574.500	3236.800
	TOTAL		2330000.00	2330000.00	1245566.50	770680.700

Licensed/Installed capacity and actual production of Imlikhera (Haridwar) Unit:

S. No.	ITEM	UNIT	INSTALLED CAPACITY		ACTUAL PRODUCTION	
			2020-21	2019-20	2020-21	2019-20
1.	Tablets/Pills	KG.	22000.00	22000.00	28872.30	9504.10
2.	Capsules	KG.	14000.00	14000.00	----	---
3.	Choorna	KG.	380000.00	380000.00	463499.00	73820.90
4.	Syrups	LTRS.	145000.00	145000.00	1330.00	7736.50
5.	Arka	LTRS.	---	---	----	---
6.	Asava	LTRS.	360000.00	360000.00	351771.00	261142.80
7.	Taila	LTRS.	145000.00	145000.00	51831.50	13736.30
8.	Marham	KG.	23000.00	23000.00	37.80	---
9.	Avaleha	KG.	25000.00	25000.00	13276.60	281.80
10.	Bhasma	KG.	3000.00	3000.00	23.03	254.70
	TOTAL		1117000.00	1117000.00	910641.13	366477.10



15. ENCOURAGEMENT TO MICRO, SMALL ENTERPRISES

Government of India vide Order No. S.O. 581(6) dated 23.03.2012 and S.O. dated 14.11.2018 has notified a new Public Procurement Policy for Micro and Small Enterprises. As per the Order, minimum 25% of total annual Purchases have to be procured from MSEs including reservation of 25% to units owned by Scheduled Caste/Scheduled Tribe Entrepreneurs. Your company has procured goods from Micro Small Enterprises during 2020-21 to the extent of Rs 20.58 crore against a total procurement of Rs 64.45 crore which is around 32% in compliance of the above said guidelines.

16. HUMAN RESOURCES

The Company is having shortage of qualified and requisite workforce. The total workforce of the company as on 31.03.2021 was 92, consisting of 13 Officers and 79 Non-Officers. The number of women employees in the Company was 08. The Company is in the process of recruiting requisite workforce in the year 2021-22 to ensure optimal functioning of the organisation and achievement of its targets and goals.

17. HUMAN RESOURCE DEVELOPMENT

Your Company's talent management strategy is focused on building a competent workforce to meet business needs, and it is also cantered around workforce planning and talent acquisition, performance management, capacity building, career growth, succession planning and leadership development. Employees are most valuable tangible assets of the company. We have created a favourable work environment. Investing in people's competencies is the existing mantra for growth of the Organisation. In order to keep pace with the latest changing scenario, and the need to update the knowledge and skills of human, the company has taken various initiatives.

The company continues to organize requisite training programmes both in house as well as through Institutes/Consultants enabling the employees to acquire requisite capabilities and skills in furthering the benefit to the organisation. The Company has organised Nil Nos. of Training Programmes in-house and Nil Nos. Programmes External.

18. REPRESENTATION OF SC & ST CANDIDATES

The strength of employees belonging to the SC/ST category, as on 31.03.2021 was 25 Nos. (SCs-24 & STs-01) and in the Previous year it was 27 Nos. (SCs-26 & STs-01).

19. REPRESENTATION OF MINORITIES AND PERSONS WITH DISABILITY

The strength of employees belonging to Minorities category as on 31.03.2021 was 04 Nos. (previous year 03 Nos.)

In compliance of Government Guidelines the Company had recruited the requisite number of employees. However presently the strength of employees belonging to persons with Disability category as on 31.03.2021 was 02 Nos.

20. HUMAN RELATIONS

During the year under review, the industrial relation scenario in the Company was peaceful, cordial and healthy.

21. EMPLOYEE WELFARE

The Company continues bus services facilities to its employees for commute to office and back. Inter alia the company also provides, interest free medical advance, Festival Advance to its desiring employees and medicines to its employees at discounted price. The expenditure on the provision of welfare and other amenities during the year amounted to Rs 41.43 lakh (Rs. 28.14 lakh during 2019-20).

22. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place an Anti Sexual Harassment Policy in line with requirements of the Sexual Harassment of Women at Work Place (Prevention, Prohibition And Redressal Act, 2013). All employees (permanent, contractual, temporary, trainees) are covered under the policy. Internal complaints committee (ICC) has been set up to redress any complaint received.

The following is a summary of sexual harassment complaints received and disposed off during the financial year.

No. of complaints received: Nil

No. of complaints disposed off: NA

23. SAFETY

There have been no fatal accidents during the year. The company continues its focus on high safety standards in its operations. Employees have been provided with requisite safety gears for its day to day operations.

24. ENVIRONMENT PROTECTION AND SUSTAINABILITY MEASURES

Climate change and global warming arising out of human activities is the biggest concern globally. Meeting the challenges require proactive innovative solution to sustain economic activities with minimal impact on environmental systems. Your Company has taken the following initiatives like Landscaping, Lawn preparation, maintenance of Garden at factory, etc.

25. RISK MANAGEMENT

Your Company has adopted a Risk Management Policy for its Business Processes. It establishes various levels of risk, accountability and overview within the Company, while vesting identified managers with responsibility for each significant risk. The Company has identified various risks and also has mitigation plans for its risk identified. The Risk policy is reviewed every year to identify new risks and its process of mitigation is also established.

26. CONSERVATION OF ENERGY, TECHNICAL ABSORPTION, FOREIGN EXCHANGE/OUTGO

The particular regarding Conservation of Energy, Technical Absorption, Foreign Exchange/Outgo, as prescribed under Sub-Section 3 (m) of Section 134 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, are given as Annexure-2, which forms part of this report.

27. RIGHT TO THE INFORMATION ACT, 2005

Your Company has implemented Right to Information (RTI) Act, 2005, which enhances the common citizen by providing access to information with a view to enlighten them on the accountability and transparency practised in the company. The Company has always endeavoured to ensure that various enabling provisions of the RTI Act, 2005 are implemented in letter and spirit. The number of RTI applications received and disposed off during year 2020-21 is given below:

No. of RTI applications pending as on 1st April 2020	-NIL
No. of RTI applications received during year 2020-21	29
No. of RTI applications disposed during year 2020-21	29
No. of RTI applications pending as on 31st March 2021	-NIL

Apart from RTI applications, the Company has received six (2+1) appeals against the decision of CPIO, which too was duly attended to and appropriately disposed by the First Appellate Authority/CIC.

28. EXTRACT OF ANNUAL RETURN

The extract of Annual Return is enclosed at Annexure-A (Format No. MGT-9)

29. PARTICULARS OF EMPLOYEES PURSUANT TO SECTION 134(3) OF THE COMPANIES ACT, 2013

Information regarding particulars of employees drawing remuneration in excess of the limit specified under Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable as no employee of the Company has drawn remuneration in excess of the stipulated limit during the year under review.

30. RESPONSIBILITY STATEMENT OF BOARD OF DIRECTORS

To the best of their knowledge and belief and according to the information and explanations obtained by them from respective HOD's, Statutory Auditors and Internal Auditors, your Directors make the following statement in terms of Section 134(3)(c) of the Companies Act, 2013:

- a. That in the preparation of Annual Accounts, the Applicable Accounting Standards have been followed along with proper explanation relating to Material Departures.
- b. That such accounting policies have been applied consistently and judgements made and estimates, that are reasonable and prudent, so as to give true and fair view of the states of affairs of the Company at the end of the financial year and of the profit of the company for that period.
- c. That proper and sufficient care has been taken for the maintenance of the adequate accounting records in accordance with the provisions of the companies Act, 2013, for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities.
- d. That the annual accounts for the year ended 31st March, 2021 have been prepared on a going concern basis.
- e. That the company has laid down internal financial controls systems to be followed by the company and that such internal financial controls are adequate and are operating effectively.
- f. That proper systems are in devised to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.
- g. Further, report of CAG U/S 143 (6)(b) of the Companies Act, 2013 on Financial Statements of IMPCL for the year ending 31st March, 2021 has been observed and directed to adhere to the observation of the CAG/Auditor.

31. Disqualification of Directors

In terms of Notification No. GSR/E dated 05.06.2013, issued by Ministry of Corporate Affairs, the Government Companies are exempted from the provisions of Section 164(2) of the Companies Act, 2013.

32. KEY MANAGERIAL PERSONNEL

Company has appointed Key Managerial Personnel as per the Provisions of the Companies Act, 2013. The Managing Director, Nominee Directors and Company Secretary are appointed as Key Managerial Personnel.

33. BOARD OF DIRECTORS

Appointment of Director is notified by Government of India as per the provisions of Memorandum and Articles of Association of the Company. There is only one Functional Director i.e. Managing Director and all others are Non-Executive Directors (Nominees of Government). An amount of Rs. 21.97 lac as remuneration has been paid to Managing Director during the year 2020-21.

34. CHANGES IN THE BOARD

During the year Dr. Mukesh Kumar was appointed as Managing Director of the Company and Dr. Pradeep Kumar Prajapati was ceased to act as Managing Director Incharge of the company w.e.f 06.07.2020.

35. WOMEN DIRECTORS

Presently your Board does not have a Women Director. Section 149 of the Companies Act, 2013 read with Rule 3 of Companies (Appointment and Qualification of Directors) Rules, 2014 provides for appointment of a Women Director in the Board of the Company in case of fulfilment of certain conditions. However, your Company does not mandatorily require to comply for such appointment. Hence, required provisions for composition of Board of Directors are being complied with.

36. COMMITTEES OF THE BOARD

As a part of better Corporate Governance practices and in compliance with the requirements of the relevant provisions of applicable laws and statutes your Company has constituted a Corporate Social Responsibility Committee. The details with respect to the compositions, powers, roles of this Committee are approved by Board of Directors in their meeting held in the year 2016-17 dated 25.03.2017.

37. DECLARATION FROM INDEPENDENT DIRECTORS

Presently on the Board of your Company independent Directors have not been appointed. However, in compliance of relevant laws and statutes read with provisions of the guidelines issued by office of Department of Public Enterprises the appointment of Independent Directors on the Board of the Company is under process on the date of this report.

38. BOARD MEETINGS HELD DURING THE YEAR

During the year in compliance of the provisions of Section 173 read with Companies (Meetings of Board and its powers) Rules, 2014, 04 meetings conducted dated 29.06.2020, 30.09.2020, 11.11.2020 and 22.02.2021.

39. ANNUAL GENERAL MEETING

The 42nd Annual General Meeting of the Company was held on 26.02.2021.

40. RATING OF THE COMPANY vis – a – vis MOU TARGETS

Rating of the company for the year 2020-21 has not carried out. . The Management is confident to achieve better ratings in the coming years.

41. OFFICAL LANGUAGE

During the year under review, efforts were made for effective and successful implementation of the official language policy of the Government. Forms circulars and notice has been made bilingual. Annual report of the company for 2020-21 has also been printed in Hindi.

42. CORPORATE SOCIAL RESPONSIBILITY AND SUSTAINABLE DEVELOPMENT

Corporate Social Responsibility (CSR) is an integral part of the company's business strategy. As a responsible corporate citizen, we take charge of our social and Environmental Footprint. The Board of Directors have approved CSR Policy of the Company. An amount of RS. 12.66 lakh has been allocated and Rs. 27 lacs have been spent towards contribution in PM Relief Funds and Rs. 8.89 Lakh towards the health camps and distribution of Immune Boosting Kits under CSR Activities during the year 2020-2021.

43. CORPORATE GOVERNANCE

Your Company is committed to maintain the highest standards of good Corporate Governance and has taken adequate steps to adhere to all stipulations laid down in Department of Public Enterprises O.M. No.18(8)-2005-GM dated 14.05.2010. Corporate Governance certificate by the practicing Company Secretary M/s Sudist Thakur & Associates have been obtained and also Company Secretary confirming compliance of conditions of Corporate Governance.

44. FORMATION & DEVELOPMENT

F & D department of your Company is dedicated to carrying out formulation & development aimed at creating scientific knowledge for new development and value additions in the field of Ayurvedic and Unani medicines. Your company has not incurred any expenditure on F & D during year.

45. QUALITY MANAGEMENT SYSTEMS

During the year the company has obtained/renewed the certifications of ISO 9001:2015, GMP Certificates, Certificate from Pollution Department, Factory licence etc.

46. CORPORATE COMMUNICATIONS

Your Company has adopted a number of communication interventions to present itself as an organisation based on values and as a provider of quality medicines products at affordable costs, contributing to nation building. In order to facilitate dissemination of information and interaction with all stakeholders regarding announcements, updates, achievements, growth, recent developments on operational and financial front, besides updates on website and social media, regular press communiqué and press meetings have also been arranged by your Company.

47. VIGILANCE

Vigilance activities are taken care by the Company Secretary, nominated during the year as Chief Vigilance Officer of the company which strives to ensure probity & integrity at all levels in the Company by:

- Providing guidance, supervision and relevant assistance to its officials in the Company;
- Dissemination of preventive vigilance advises and system improvement directives to all its stakeholders;
- Conducting time to time vigilance inspections, investigation, systems studies to ensure adherence to the existing Rules and regulations of the Company;
- Keeping the competent authority appraised of vigilance findings from time to time to ensure appropriate corrective actions;

48. SUBSIDIARIES AND JOINT VENTURE

Company does not have any Subsidiaries or Joint Venture of any type of business.

49. VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has nominated an officer as Public Grievance Officer of the Company, to provide a formal solution to the Employees and Officers and Public at large to report their concerns about unethical behaviour or violation of the Companies code of conduct..

50. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY.

There are no significant and material orders passed by the regulators or courts or tribunals which would impact the going concern status of the company.

51. MATERIAL CHANGES AND COMMITMENT, IF ANY, AFFECTING THE FINANCIAL POSITION

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statement relate and on the date of this report.

52. AUDITORS

52.1 Statutory Auditors

The Comptroller and Auditor General of India has appointed M/s Achal Srivastava & Co., Chartered Accountants, First Floor, Sunlight Complex Opposite Khatu Shyam Mandir, Talli Bamouri, Haldwani, Distt. Nainital (Uttarakhand), as Statutory Auditor of the Company for financial year 2020-21. The observations/qualifications made in the Auditors' Report read together with relevant notes thereon are self- explanatory and hence, do not call for any further comments Under Section 134 of the Companies Act ,2013.

52.2 Cost Auditors

M/s H. C. B. & Company, Cost Accountants, Delhi was appointed as Cost Auditor for the financial year 2019-20 to conduct Cost Audit of the Accounts maintained by the Company in respect of the various products prescribed under Companies (Cost Record and Audit) Rules, 2014. Pursuant to the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rule, 2014. The appointment of Cost Auditor has been approved by passing of resolution in the meeting of Board of Directors.

53. IMPACT OF COVID-19 PANDEMIC ON IMPCL

Consumption of Ayurvedic medicines has increased during the COVID-19 Pandemic. IMPCL has recorded growth in a particular segment due to supply of Immune Boosting Ayurvedic medicines to counter pandemic Covid-19 which contributed in a sizable manner to our turnover.

54. APPRECIATION AND ACKNOWLEDGEMENTS

Your Directors would like to make a special mention of the valuable guidance, support and co-operation your Company has been receiving from the Ministry of AYUSH, Government of India and look forward to their continued support in all future endeavours.

The Directors express their sincere thanks to the Comptroller and Auditor General of India, the Principal Director of Commercial Audit & Ex-officio Member of Audit Board, Statutory Auditors, Cost Auditors and Internal Auditors for the co-operation and support extended by them.

The Directors take this opportunity to thank the Company's bankers, regulatory authorities, customers, vendors, consultants, technology licensors, contractors and other business associates and trading partners for their continued support and confidence reposed in the Company.

Your Directors also place on record their deep appreciation to its employees at all levels for their hard work, dedication and commitment. The enthusiasm and unstinting efforts of the employees have enabled the Company to remain as industry leaders.

For and on behalf of the Board of Directors

(DR. MUKESH KUMAR)
MANAGING DIRECTOR
DIN: 08792177

(VIKRAM SINGH)
DIRECTOR
DIN: 08559981

PLACE: New Delhi
DATE:

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March 2021
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the
Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

- i) CIN : U2431UR1978GOI004637
ii) Registration Date : 12.07.1978
iii) Name of the Company : Indian Medicines Pharmaceutical Corporation Limited
iv) Category / Sub-Category of the Company : Government Company
v) Address of the Registered office and contact details : Mohan, Distt. Almora (Via Ramnagar-244715 (UTTARKHAND)
vi) Whether listed company : No
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any : NOT APPLICABLE

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl.No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Ayurvedic Medicines	21003	85
2	Unani Medicines	21003	15

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sl.No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY /ASSOCIATE	% of shares held	Applicable Section
--------	---------------------------------	---------	--------------------------------	------------------	--------------------

NOT APPLICABLE

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**i) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	Nil	Nil	Nil		Nil	Nil	Nil		
b) Central Govt	Nil	51000,000	51000,000	98.11	Nil	51000,000	51000,000	98.11	NIL
c) State Govt (s)	Nil	980000	980000	1.89	Nil	980000	980000	1.89	NIL
d) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
e) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
f) Any Other....	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
Sub-total (A) (1):-	Nil	51980,000	51980,000	100	Nil	51980,000	51980,000	100	
(2) Foreign									
g) NRIs - Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
h) Other – Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
i) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
j) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
k) Any Other....	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
Sub-total (A) (2):-	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
Total shareholding of Promoter (A) = (A)(1)+(A) (2)	Nil	51980,000	51980,000	100	Nil	51980,000	51980,000	100	

B. Public Shareholding									
1. Institutions									
a) Mutual Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
b) Banks / FI	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
c) Central Govt	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
d) State Govt(s)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
e) Venture Capital Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
f) Insurance Companies	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
g) FIIs	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
h) Foreign Venture Capital Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
i) Others (specify)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Sub-total									
(B)(1):-									
2. Non- Institutions									
a) Bodies Corp.									
i) Indian	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
ii) Overseas	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
c) Others (specify)									
Sub-total									
(B)(2):-									
Total Public	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
C. Shares held by Custodian for GDRs & ADRs	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Grand Total (A+B+C)	NIL	51,980,000	51,980,000	100	NIL	51,980,000	51,980,000	100	NIL

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of 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	President of India	50,998,700	98.1122	NIL	50,998,700	98.1122	NIL	NIL
2	Secretary (AYUSH)	1100	0.0021	NIL	1100	0.0021	NIL	NIL
3	Additional Secretary (AYUSH)	100	0.0002	NIL	100	0.0002	NIL	NIL
4	Director (AYUSH)	100	0.0002	NIL	100	0.0002	NIL	NIL
5	K.M.V.N.Ltd. (PSU of State Government of Uttarakhand)	980,000	1.8853	NIL	980,000	1.8853	NIL	NIL
	Total	51,980,000	100	NIL	51,980,000	100	NIL	NIL

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

Sl. No.	For each of the Promoter's Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	51,980,000	100	51,980,000	100
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	N.A.	N.A.	N.A.	N.A.
3	At the End of the year	51,980,000	100	51,980,000	100

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

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	51,980,000	100	51,980,000	100
2	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	N.A.	N.A.	N.A.	N.A.
3	At the End of the year (or on the date of separation, if separated during the year)	51,980,000	100	51,980,000	100

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	100	0.0002	100	0.0002
2	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	N.A.	N.A.	N.A.	N.A.
3	At the End of the year	100	0.0002	100	0.0002

V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	NOT APPLICABLE			
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	NOT APPLICABLE			
Change in Indebtedness during the financial year	NOT APPLICABLE			
· Addition				
· Reduction				
Net Change	NOT APPLICABLE			
Indebtedness at the end of the financial year	NOT APPLICABLE			
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	NOT APPLICABLE			

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager	Name of MD/WTD/ Manager	Total Amount
	Managing Director	Prof. Pradeep Kumar Prajapati (24 th Sep, 2018 to 06 th July, 2020)	Dr. Mukesh Kumar (06 th July, 2020 to 31 st Mar, 2021)	
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	NIL NIL NIL	20,07,367.00 NIL NIL	20,07,367.00 NIL NIL
2.	Stock Option	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL
4.	Commission - as % of profit - Others, specify...	NIL	NIL	NIL
5.	Others, please specify (EPF)	NIL	1,89,496.00	1,89,496.00
	Total(A)	NIL	21,96,863.00	21,96,863.00
	Ceiling as per the Act			

B. Remuneration to other directors:

Sl.No.	Particulars of Remuneration	Name of Directors				Total Amount
1	Independent Directors · Fee for attending board committee meetings · Commission · Others, please specify	-----	-----	-----	-----	
	Total (1)					
2	Other Non-Executive Directors · Fee for attending board committee meetings · Commission · Others, please specify	Vikram Singh	Raj Kumar			
	Total (2)	-----	-----	-----	-----	
	Total (B)=(1+2)	-----	-----	-----	-----	
	Total Managerial Remuneration	-----	-----	-----	-----	
	Overall Ceiling as per the Act	-----	-----	-----	-----	

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary (a)Salary as per provisions contained in section17(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	N. A.	15,00,428.00	N. A.	15,00,428.00
		NIL	NIL	NIL	NIL
		NIL	16,800.00	NIL	16,800.00
2.	Stock Option	N. A.	NIL	N. A.	NIL
3.	Sweat Equity	N. A.	NIL	N. A.	NIL
4.	Commission - as % of profit -others, specify...	N. A.	NIL	N. A.	NIL
5.	Others, please specify (EPF)	N. A.	1,14,179.00	N. A.	1,14,179.00
	Total	N. A.	16,13,407.00	N. A.	16,13,407.00

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act,	Brief Description		Authority [RD/NCLT/COURT]	Appeal made, if any(give Details)
COMPANY					
Penalty	NIL				
Punishment					
Compounding					
B.DIRECTORS					
Penalty	NIL				
Punishment					
Compounding					
C. OTHER OFFICERS INDEFAULT					
Penalty	NIL				
Punishment					
Compounding					

**For and on behalf of the Board of Directors of
INDIAN MEDICINES PHARMACEUTICAL CORPORATION LIMITED**

(DR. MUKESH KUMAR)
MANAGING DIRECTOR
DIN: 08792177

(VIKRAM SINGH)
DIRECTOR
DIN: 08559981

PLACE: New Delhi
DATE:

ANNEXURE TO DIRECTORS' REPORT

Information as per Section 134 (3) (m) of the Companies Act, 2013 read with Companies (Accounts) Rules 2014 forming part of the Directors' Report for the year ended 31st March 2021.

A. CONSERVATION OF ENERGY:

- (a) energy conservation measures taken :
-with the help of sun energy certain materials are being dried.
- (b) additional investments and proposals, if any, being implemented for reduction of consumption of energy
- Solar dryer was installed by the Company.
- (c) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods.
-Drying process with the help of sun energy saved energy (electricity) consumption and thereby reduction of cost of production of goods, data is not quantified.
- (d) total energy consumption and energy consumption per unit of production as per

Form-A

(a) Power and Fuel Consumption

		2020-21	2019-20
1.	Electricity		
	Purchase Unit	10,62,109	864637
	Total amount (In Rs.)	75,30,354.00	7660684.00
	Rate/Unit (In Rs.)	7.09	8.86
	Own Generation		
	Through diesel generator		
	Unit	NA	NA
	Units per Ltr. of diesel oil	NA	NA
	Cost/Unit	NA	NA
	Through Steam Turbine/generator		
	Units	NA	NA
	Units per Ltr. of diesel oil	NA	NA
	Cost/Unit	NA	NA
2.	Coal (specify quality and where used)		
	Quantity (Tonnes)	NIL	NIL
	Total Cost	NIL	NIL
	Average rate	NIL	NIL

3.	Furnace Oil Quantity (Kg./Ltr.) Total Amount Average rate	NIL NIL NIL	NIL NIL NIL
4.	Other/Internal generation** (Kanda and Fire Wood) Kanda: Quantity (Kg.) Total Amount Rate Fire Wood: Quantity (Qtl.) Total Amount Rate Diesel: Quantity (Ltr.) Total Amount Average rate	210794 10,53,970.00 5.00 29795.30 30,24,819.00 101.52 1,13,382.62 82,24,775.00 72.54	 924615 4327201.00 4.68 88064.11 57,24,167.00 65.00

** Purchased quantity and value given

(b) Consumption per unit of production

Particulars	2020-21	2019-20
Electricity Rupees Unit	3.49	6.74
Furnace oil Rupees Unit	NA	NA
others specify fuel, (Kanda, Firewood & Diesel) Rupees Unit	5.71	8.84

B. TECHNOLOGY ABSORPTION

(a)	Efforts made in technology absorption as per Form-B Research and Development (R & D)	
	1. Specific areas in which R & D Carried out by the Company	Development and manufacturing of Drugs for CCRUM and CCRAS for Intra Mural Clinical Research Projects. 1. Conversion of Pills in to tablets. 2. Development of monograph on standard operational
		procedures (SOPs) of manufacturing process and quality standards of ASU/Bhasma formulation.
	2. Benefits derived as a result of the above R & D	Improvement in quality & business
	3. Future plan of action	Standardisation & process validation of ISM products.

	4. Expenditure of R & D	
(a)	Capital	-
(b)	Recurring	-
(c)	Total	-
(d)	Total R & D expenditure as a percentage of total turnover	-

Technology absorption, adaptation and innovation

1.	Efforts, in brief, made towards technology absorption adaptation and innovation	The company has been developing formulations/drugs for commercial production. It has its own facilities for testing of formulations/Drugs at all stages in production processes.
2.	Benefits derived as a result of the above efforts, e.g. product, improvement, cost reduction, product development import, substitution, etc.	Please see above.
3.	In Case of imported technology (Imported during the last 5 years reckoned from the beginning of the financial year) following information may be furnished:	
	(a) Technology imported	NIL
	(b) Year of Import	NIL
	(c) Has technology been fully absorbed	NIL
	(d) If not fully absorbed areas where this has not taken place, reasons therefore and future plans of action.	NIL

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

(a)	Activities relating to exports, initiatives taken to increase exports development of new export markets for products and services and export plans	NIL
(b)	Total foreign exchange used and earned.	NIL

For and on behalf of the Board of Directors

(DR. MUKESH KUMAR)
MANAGING DIRECTOR
DIN:08792177

PLACE: New Delhi

DATE: . .

(VIKRAM SINGH)
DIRECTOR
DIN: 08559981

I. CORPORATE SOCIAL RESPONSIBILITY AND OTHER ACTIVITY

Corporate Social Responsibility (CSR) & Sustainability is an integral part of the Company's ethos and policy and the Company has been pursuing this on a sustained basis. Company has continuously followed the Corporate Social Responsibility (CSR) guidelines issued by the Departments of Public Enterprises (DPEs). In last Financial Year, the Company has planned to spend allocated CSR funds in Cultivation of Medicines Plants, Imparting Vocational Training, Promoting Cultivation of medicinal plants under Contracts farming systems, Medicinal Garden through aids from Medicinal Plant Board and Promoting livelihood by supporting cultivation of medicinal plants and buying same from the Self help Groups etc.

In addition the CSR activity, the Company had given employment maximum to Local peoples. Around 100 employees out of total strength are from local area and surrounding hills. Besides this for the purpose of Production and other related works about 300 workers from the nearby areas are also engaged in the Company on daily wages basis. The Company is purchasing (available) raw material etc. locally besides from other places (Total raw material items around 500) (i.e. increase in the per-capita income, removal of inequalities, Standard of living raised, improvement in the hills economy and of national income, development of ancillaries, upliftment of poor masses and backward area as such to some extent.)

II. REPORT ON CORPORATE GOVERNANCE

Philosophy on Corporate Governance

IMPCL has established a sound framework of Corporate Governance which underlines commitment to quality of governance, transparency disclosures, consistent stakeholders' value enhancement and corporate social responsibility. IMPCL endeavours to transcend much beyond the regulatory framework and basic requirements of Corporate Governance, focusing consistently towards building confidence of its various stakeholders including shareholders, customers, employees, suppliers and the society at large. The company has developed a framework for ensuring transparency, disclosure and fairness to all, especially minority shareholders.

The Corporate Governance Policy of IMPCL rests upon the four pillars of transparency, full disclosure, independent monitoring and fairness to all. Our corporate structure, business procedures and disclosure practices have attained a sound equilibrium with our Corporate Governance policy resulting in achievement of goals as well as high level of business ethics.

The company believes that conducting business in a manner that complies with the Corporate Governance procedures and Code of Conduct, exemplifies each of our core values and positions us to deliver long-term returns to our shareholders, favourable outcomes to our customers, attractive opportunities to our employees and making the suppliers our partners in progress & enriching the society.

A brief description of the corporate governance practices followed in your Company is given below.

1. Composition of Board of Directors:

The composition of the Board represents an optimal mix of professionalism, knowledge and experience and enables the Board to discharge its responsibilities and provide effective leadership to the business. Your Company, being a Government Undertaking, the appointment/nomination of all the Directors is done by the President of India, through the Ministry of AYUSH. The Board requires an appropriate mix of executive and non-executive Directors during the year. The Articles of Association of the Company stipulates that the number of Directors shall not be less than three (3) and not more than ten (10).

The present strength of Board of Directors of the Company is three (3) comprising

- two (2) Part-time official Directors representing the Ministry of AYUSH, Government of India
- One functional Director namely Managing Director appointed w.e.f 06th July, 2020.
- the appointment of Independent Directors is under process.

The composition of the Board is under process to be in line with the Guidelines on Corporate Governance issued by the Department of Public Enterprises, Government of India.

Attendance of each Director at the Board Meetings held during 2020-21 and the last AGM

Director's Name S/shri	No. of Board Meetings		Last AGM for the year 2019-2020 (held on 26.02.2021)
	Held	Attended	
Functional Director i.e. Managing Director			
Dr. Mukesh Kumar	04	04	Yes
PART-TIME OFFICIAL DIRECTORS – GOVT. NOMINEES			
Shri Vikram Singh	04	04	Yes
Shri Raj Kumar	04	04	Yes

The above attendance of Directors is showing their presence in the meeting of Board of Directors, either as Director or as special invitees also.

Details of Directorships, Committee Memberships and Committee Chairmanship in other companies as on 31st March, 2021

No Director of the company is a member or Chairman of any other company or their Committees

Disclosure of relationship between Directors inter-se: **NIL**

2. Meeting

The notice and Agenda notes of the Board Meetings are circulated to the Directors as far as possible well in advance. During the financial year under review, four Board meetings were held on **29.06.2020, 30.09.2020, 11.11.2020, 22.02.2021** and AGM for the year 2019-20 held on 26.02.2021.

3. Remuneration of Directors

Ministry of AYUSH, Government of India appoints Managing Director. The remuneration and terms and conditions of the Managing Director are decided by Department of Public Enterprises. The Managing Director is appointed for a period of five years or till the date of their superannuation or until further orders, whichever is earlier.

Non-official part-time Directors are also appointed by the Ministry of AYUSH, Government of India for a period as directed in their letter of appointment. Such part time official Directors are not paid any remuneration for attending meeting of the Board and the Board appointed Sub Committees.

4. Appointment of Key Managerial Personnel

Pursuant to the provisions of Section 203 of Companies Act 2013 read with Companies (Appointment & Remuneration of Managerial Personnel) Rules 2014, which have come into force from 1st April, 2014 the following Directors/Executives as the Key Managerial Personnel (KMPs) of the Company was appointed during the year on their existing terms & conditions of appointment, including remuneration as on the date of this report:

DIN/PAN	Full Name	Designation
08792177	DR. MUKESH KUMAR	Managing Director
08559981	SHRI VIKRAM SINGH	Nominee Director
08659789	SHRI RAJ KUMAR	Nominee Director
BKZPK9980R	PANKAJ KUMAR JHA	Company Secretary

Vide office order No. Y-11016/03/2018-AYUSH (IMPCL) dated 25th June, 2020 Dr. Mukesh Kumar was appointed as Managing Director of the company. Dr. Mukesh Kumar assumed the charge of Managing Director w.e.f 06.07.2020 and vide Office Order No..R-13014/08/2011-AYUSH (IMPCL) dated 10th July, 2020, Dr. Pradeep Kumar Prajapati ceased to continue as Managing Director I/c w.e.f 06.07.2020.

5. COMPANY POLICIES

5.1 Policy on dealing with Related Party transactions:

The Company strictly follows all relevant provisions in the Companies Act, 2013 and the Companies (Meetings of Board and its Powers) Rules, 2014 on dealing with Related Party transactions.

5.2 Nomination and Remuneration Policy:

IMPCL being a Government Company, the power to appoint Directors and to fix their remuneration vests with Government of India. The Company is governed under DPE Guidelines regarding the Remuneration Policies of Directors. The Company had complied with the relevant guidelines prescribed by the Department of Public Enterprises in this regard.

6. BOARD CHARTER

As Trustees of the Company, the Board ensures that the Company has clear goals and policies for achievement which are in alignment with the Vision and Mission of the company. The Board provides strategic directions, reviews corporate performance, authorizes and monitors strategic decisions, ensures regulatory compliances and safeguards interest of stakeholders. The Board of Directors adhere to the Board Charter adopted by the Board of Directors, which clearly sets out the role, structure, responsibilities and operation of Company's Board of Directors and its delegation of authority.

7. SECRETARIAL STANDARDS

During the year under review the Central Government has approved the Secretarial Standards on Meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2). These Standards came into force on 01st July 2015 respectively. Adherence by the Company to these Standards is mandatory as per the provisions of the Companies Act, 2013. Accordingly, your Company has substantially complied with both the Standards. The SS 1 and SS 2 prescribes a set of principles for convening and conducting the Meetings of the Board of Directors, meetings of Committees, General Meetings and such other matters related thereto.

8. General Body meetings:

The Date, Time and Venue of the last three Annual General Meetings of the Company are as follows:

AGM	Financial Year	Date	Time	Venue
40 th	2017-18	14.12.2018	09.00 A.M	MOHAN
41 st	2018-19	15.02.2020	03.30 P.M	MOHAN
42 nd	2019-20	26.02.2021	12:00 P.M	Through Video Conferencing

Date, Time and Venue of 43rd Annual General Meeting of the Company

AGM	Financial Year	Date	Time	Venue
43 rd	2020-21	03.02.2022	5.30	Through Video Conferencing

9. Means of Communication

Plant Locations:

- Mohan, Via-Ram Nagar, District-Almora, Uttarakhand-244715

Address for Correspondence:

The address for the Registered office of the Company is:

Mohan, Via-Ram Nagar, District-Almora, Uttarakhand-244715

**For and on behalf of the Board of Directors of
INDIAN MEDICINES PHARMACEUTICAL CORPORATION LIMITED**

(DR. MUKESH KUMAR)
MANAGING DIRECTOR
DIN: 08792177

(VIKRAM SINGH)
DIRECTOR
DIN: 08559981

PLACE: New Delhi

DATE:

M/S INDIAN MEDICINES PHARMACEUTICAL CORPORATION LTD.
Mohan, Distt.-Almora (Via Ramnagar) Uttarakhand-244715
Balance Sheet As at 31st March 2021

(Amount in ₹)

S.No.	Particulars	Note No.	As at 31st March 2021	As at 31st March 2020
I.	<u>EQUITY & LIABILITIES</u>			
1.	<u>Share Holders Funds</u>			
	(a) Share Capital	3	51,98,00,000.00	519,800,000.00
	(b) Reserves & Surplus	4	33,96,50,542.61	230,400,023.63
2.	Share application money pending for allotment		-	-
3.	<u>Non Current Liabilities</u>			
	(a) Long Term Provisions(Leave Encashment & Gratuity)	5	92,54,575.00	19,121,565.00
4.	<u>Current Liabilities</u>			
	(a) Short Term Borrowings (Bank OD)	6	-	-
	(b) Trade Payables (Creditor)	7	32,15,63,187.00	384,745,120.95
	(c) Other Current Liabilities (Security, Advances)	8	26,91,73,732.54	314,437,685.84
	(d) Short Term Provisions	9	6,67,16,540.62	16,851,059.87
	TOTAL		1,52,61,58,577.77	1,485,355,455.29
II.	<u>ASSETS</u>			
1.	<u>Non Current Assets</u>			
	(a) Fixed Assets	10		
	(i) Tangible Fixed Assets		25,43,27,180.07	279,393,488.70
	(ii) Capital Work - In - Progress		14,42,885.00	732,611.00
	(b) Deferred Tax Assets	11	1,32,81,748.00	62,81,981.00
	(c) Long Term Loans and advances	12	16,27,503.45	42,39,204.06
2.	<u>Current Assets</u>			
	(a) Inventories	13	32,44,79,512.02	26,97,18,655.23
	(b) Trade Receivables	14	23,72,56,029.70	36,36,60,935.77
	(c) Cash and Cash Equivalents	15	45,75,79,264.94	41,85,11,401.45
	(d) Short Term Loans & Advances	16	6,52,01,705.86	3,55,63,141.00
	(e) Other Current Assets	17	17,09,62,748.73	10,72,54,037.08
	TOTAL		1,52,61,58,577.77	1,48,53,55,455.29
	Corporate Information	1		
	Significant Accounting Policies	2		
	Notes on Financial Statements	3 to 29		

* The accompanying Note No. 1 to 29 and significant accounting policies form an integral part of the financial statement.

For M/S Indian Medicines Pharmaceutical Corporation Ltd.

Arvind Kumar Aggarwal **Pankaj Kumar Jha**
(Chief Manager F &A) **(Company Secretary)**
Membership No. 32501 **Membership No. A27214**

Mukesh Kumar
(Managing Director)
DIN No. 08792177

Vikram Singh
(Director)
DIN No. 08559981

Place : Mohan
Date: 16.11.2021

FOR: ACHAL SRIVASTAVA & CO.
Chartered Accountants
Firm Registration No. : 013385C
(Sanjay Kumar Gupta)
Partner
Membership No.: 408105
Place : Haldwani

M/S INDIAN MEDICINES PHARMACEUTICAL CORPORATION LTD.
Mohan, Distt.-Almora (Via Ramnagar) Uttarakhand-244715
Statement of Profit & Loss for the year ended on 31st March 2021

		(Amount in ₹)	
S.No.	Particulars	Note No.	
		For the Year Ended 31.03.21	For the Year Ended 31.03.20
I.	Revenue from operations (Gross)	1,64,01,89,619.41	970,406,221.01
	Less : Excise Duty & Service Tax	-	-
	Revenue from Operation (Net)	18	1,64,01,89,619.41
II.	Other Income	19	1,45,10,822.77
III.	Total Revenue (I+II)	1,65,47,00,442.18	972,477,518.77
IV.	EXPENSES		
	Cost of Materials consumed	20	85,22,44,385.82
	Change in Inventories of Stock-in-Trade	21	(1,42,62,404.19)
	Employee Benefit Expenses	22	17,34,27,685.46
	Financial Costs	23	2,40,722.00
	Depreciation and Amortization Expenses	10	3,19,03,562.20
	Other Expenses	24	45,45,64,163.95
	Total Expenses (IV)	1,49,81,18,115.24	976,355,506.09
V.	Profit/(Loss) Before Exceptional, Prior Period and Extra Ordinary Items and Tax (III-IV)	15,65,82,326.94	(3,877,987.32)
VI.	Exceptional Items	-	-
VII.	Prior Period Expenses (Net)	25	(3,21,539.04)
VIII.	Extra Ordinary Items	-	-
IX.	Profit/(Loss) Before Tax (V-VI-VII-VIII)	15,69,03,865.98	4,277,604.20
X.	Tax Expenses :		
	(a) Current Tax	5,31,47,837.00	2,184,464.00
	(b) Earlier Year Taxation	2,39,152.00	-
	(c) Deferred Tax	11	(69,99,767.00)
XI.	Profit/(Loss) for the period from continuing operations	11,05,16,643.98	4,504,838.20
XII.	Profit/(Loss) for the period	11,05,16,643.98	4,504,838.20
XIII.	Earning Per Equity share	26	
	Face value of Rs. 10/- each		
	(a) Basic	2.13	0.09
	(b) Diluted	2.13	0.09
Corporate Information		1	
Significant Accounting Policies		2	
Notes of Financial Statements		3 to 29	

* The accompanying Note No. 1 to 29 and significant accounting policies from an integral part of the financial statement.

For M/S Indian Medicines Pharmaceutical Corporation Ltd.

Arvind Kumar Aggarwal **Pankaj Kumar Jha**
(Chief Manager F &A) **(Company Secretary)**
Membership No. 32501 **Membership No. A27214**

Mukesh Kumar **Vikram Singh**
(Managing Director) **(Director)**
DIN No. 08792177 **DIN No. 08559981**

FOR: ACHAL SRIVASTAVA & CO.
Chartered Accountants
Firm Registration No. : 013385C
(Sanjay Kumar Gupta)
Partner
Membership No.: 408105
Place : Haldwani

Place : Mohan
Date: 16.11.2021

M/S INDIAN MEDICINES PHARMACEUTICAL CORPORATION LTD.
Mohan, Distt.-Almora (Via Ramnagar) Uttarakhand-244715

Cash Flow Statement For the year ended on 31st March 2021

(Amount in ₹)

Particulars	Year Ended 31.03.2021	Year Ended 31.03.2020
(A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax as per Profit and Loss Statement	15,69,03,865.98	42,77,604.20
Amount withdrawn out of Reserve & Surplus		
Adjustments for :		
Depreciation and Amortization Expenses	3,19,03,562.20	3,62,07,404.07
Provision for Leave Salary	32,02,539.00	46,03,417.00
Provision for Gratuity	60,52,036.00	1,86,87,972.00
Provision for Doubtful Debts	2,86,75,196.71	-
Interest on FDR / Others	(1,30,05,345.49)	(14,75,556.00)
Prior Period Income / Expenses	(3,21,539.04)	(81,55,591.52)
Gratuity Paid	(1,58,66,708.00)	(1,27,98,313.00)
Leave Encashment Paid	(32,54,857.00)	(14,49,245.00)
Finance Cost	2,40,722.00	3,44,284.00
Garden Produce Income	(26,711.50)	(87,432.40)
Ex-Gratia Provided (Net)	14,09,179.00	-
Bonus Provided (Net)	16,94,857.00	18,17,417.00
Operating Profit before Working Capital Changes	19,76,06,796.86	4,19,71,960.35
Adjustments for Working Capital Change		
(Increase)/Decrease in Long Term Loans & Advances (Other than Provision for Doubtful Debts)	6,34,535.61	(65,408.10)
(Increase)/Decrease in Short Term Loans & Advances (Other than Advance Tax Paid & Earlier Year Tax)	1,22,283.14	70,76,618.68
(Increase)/Decrease in Other Current Assets	(6,37,08,711.65)	(5,68,15,218.28)
(Increase)/Decrease in Inventory (Other than Garden Produce Income)	(5,47,34,145.29)	(5,38,49,469.96)
(Increase)/Decrease in Trade Receivables (Other than Provision for Doubtful Debts)	9,97,06,874.36	20,35,05,834.35
(Increase)/Decrease in Long Term Provisions	-	-
Increase/(Decrease) in Other Current Liabilities (Other than Prior Period Exp.)	(4,49,42,414.26)	20,31,03,653.02
Increase/(Decrease) in Short Term Provision (Other than Bonus Provided Net, Current Tax & CSR Provision)	(76,52,517.25)	(5,06,83,000.85)
Increase/(Decrease) in Trade Payables	(6,31,81,933.95)	6,24,82,275.57
Short Term Borrowings (Net)	-	(81,45,995.75)
Cash Generated from Operations	6,38,50,767.57	34,85,81,249.03
Taxes Paid (Net)	(3,00,00,000.00)	(1,50,00,000.00)
Interest received Other than FDRS	43,137.49	60,300.00
Net Cash from Operating Activities (A)	3,38,93,905.06	33,36,41,549.03
(B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(75,54,527.57)	(11,48,338.35)
Sales of Fixed Assets	7,000.00	-
Net Cash (Used in) Investing Activities (B)	(75,47,527.57)	(11,48,338.35)

For M/S Indian Medicines Pharmaceutical Corporation Ltd.

Arvind Kumar Aggarwal Pankaj Kumar Jha
(Chief Manager F & A) (Company Secretary)
Membership No. 32501 Membership No. A27214

Mukesh Kumar
(Managing Director)
DIN No. 08792177

Vikram Singh
(Director)
DIN No. 08559981

Place : Mohan
Date: 16.11.2021

FOR: ACHAL SRIVASTAVA & CO.
Chartered Accountants
Firm Registration No. : 013385C
(Sanjay Kumar Gupta)
Partner
Membership No.: 408105
Place : Haldwani

M/S INDIAN MEDICINES PHARMACEUTICAL CORPORATION LTD.
Mohan, Distt.-Almora (Via Ramnagar) Uttarakhand-244715

Cash Flow Statement For the year ended on 31st March 2021

(Amount in Rs.)

Particulars	Year Ended 31.03.2021	Year Ended 31.03.2020
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Finance Cost	(2,40,722.00)	(3,44,284.00)
Interest received in FDRS	1,29,62,208.00	14,15,256.00
Net Cash (Used in) / Generated from Financing Activities (C)	1,27,21,486.00	10,70,972.00
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	3,90,67,863.49	33,35,64,183.77
Opening Balance of Cash and Cash Equivalents	41,85,11,401.45	8,49,47,217.68
Closing Balance of Cash and Cash Equivalents	45,75,79,264.94	41,85,11,401.45
Components of Cash & Cash Equivalents		
Cash in Hand	47.00	8,079.00
Postage Stamp in Hand	1,022.00	5,516.00
Balances With SBI Mohan	11,98,01,506.44	26,64,59,894.84
Balances With SBI New Delhi	44,50,307.52	78,41,106.12
Balances With Corporation Bank (Haridwar)	5,19,733.72	57,21,810.22
Balances With SBI Mohan CC Account	1,10,534.28	1,98,68,722.75
Balances With Axis Bank Ltd.	2,55,084.89	72,09,412.65
Balances With SBI Mohan A/c (Project Fund)	3,17,68,676.09	3,36,95,893.09
Fixed Deposits with 3 Months (Lien)	-	3,20,000.00
Fixed Deposits with 3 Months (Free)	15,07,71,128.00	7,03,57,287.00
Fixed Deposits with more than 3 Months (but less than 12 months maturity) (Free)	8,28,95,352.00	16,29,685.78
Fixed Deposits with more than 3 Months (but less than 12 months maturity) (Lien)	-	49,87,665.00
Fixed Deposit with more than 12 months maturity(Free)	6,70,05,873.00	1,06,329.00
Fixed Deposit with more than 12 months maturity (Lien)	-	3,00,000.00
Corporate Information	1	
Significant Accounting Policies	2	
Notes of Financial Statements	3 to 29	

* The Accompanying note No. 1 to 29 and Significant Accounting Policies form an integral part of the financial statement

For M/S Indian Medicines Pharmaceutical Corporation Ltd.

Arvind Kumar Aggarwal Pankaj Kumar Jha
(Chief Manager F &A) (Company Secretary)
Membership No. 32501 Membership No. A27214

Mukesh Kumar
(Managing Director)
DIN No. 08792177

Vikram Singh
(Director)
DIN No. 08559981

Place : Mohan
Date: 16.11.2021

FOR: ACHAL SRIVASTAVA & CO.
Chartered Accountants
Firm Registration No. : 013385C
(Sanjay Kumar Gupta)
Partner
Membership No.: 408105
Place : Haldwani

INDIAN MEDICINES PHARMACEUTICAL CORPORATION LIMITED
MOHAN, DISTT. ALMORA (VIA RAMNAGAR-244715, UTTARAKHAND)

1. CORPORATE INFORMATION:

The company, a Public Sector Company owned & controlled by Ministry of Ayush, Govt. of India, was incorporated under the provisions of Companies Act, 1956. Its Corporate Identification Number CIN is –U24231UR1978GOI004637. The Company is engaged in the business of Manufacturing & Trading of Ayurvedic & Unani Medicines.

The Factory is located in a thick forest area. In view of nature of the product of the Company and being a small project, necessary environment conditions have also been maintained.

2. SIGNIFICANT ACCOUNTING POLICIES:

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS:

The Financial Statements have been prepared as of a going concern on historical cost convention and on “Accrual Method of Accounting” unless otherwise stated, in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 2013, as adopted consistently by the company, except in case of Commission to Market Organizers /Distributors which becomes payable/provision on realization of sale proceeds.

2.2 FIXED ASSETS:

- a. The ‘Gross Block’ of the Fixed Assets is stated at the historical cost of the acquisition/construction.
- b. Depreciation on the Fixed Assets is provided on the basis of life specified in the schedule II to the Companies Act, 2013.

2.3 INVENTORY VALUATION:

Raw material, Packing material, Stores and Consumable have been valued at cost, work-in-process at estimated cost and the finished goods have been valued at cost or net realizable value, whichever is lower.

2.4 CLAIMS:

Claims received from Insurance Company for loss in transit are accounted for on “receipt” basis.

2.5 GRATUITY:

The company has participated in a policy under “Group Gratuity Cash Accumulation Scheme” with Life Insurance Corporation of India for gratuity payable to the employees. Provision for liabilities in respect of Gratuity is made on the basis of Actuarial Valuation made by Life Insurance Corporation of India as at the date of Balance Sheet.

2.6 BONUS:

As per directives of the Department of Public Enterprises, the Central Public Sector Undertakings covered Under Section 20 of the Payment of Bonus Act, has been following such directives.

2.7 LEAVE ENCASHMENT LIABILITY:

Leave encashment liability is provided on “accrual basis” as per the certificate of Actuary valuation as at the date of Balance Sheet. The company has participated in a policy under “Leave Encashment Scheme” with Life Insurance Corporation Limited for Leave Encashment payable to the employees.

2.8 REVENUE RECOGNITION:

Sales are accounted for on the basis of date of Invoices for confirmed orders and ascertained goods and are net of Sales Returns, Rebates, Price Concessions and Trade- Tax.

M/S INDIAN MEDICINES PHARMACEUTICAL CORPORATION LTD.
Mohan, Distt.-Almora (Via Ramnagar) Uttarakhand-244715
Notes Forming part of Financial Statements

(Annexed to and forming part of the Statement of Profit and Loss for the year ended on 31st March 2021 and the Balance sheet as on 31st March 2021)

3. SHARE CAPITAL (Amount in ₹)

Particulars	Number of Shares	As at 31/03/2021	Number of Shares	As at 31/03/2020
Authorised				
Equity Shares of ₹ 10 each	75,000,000.00	750,000,000.00	75,000,000.00	750,000,000.00
Total	75,000,000.00	750,000,000.00	75,000,000.00	750,000,000.00
Issued				
Equity Shares of ₹ 10 each, fully paid up	51,980,000.00	51,98,00,000.00	51,980,000.00	51,98,00,000.00
Total	51,980,000.00	51,98,00,000.00	51,980,000.00	51,98,00,000.00
Subscribed and Paid up				
Equity Shares of ₹ 10 each, fully paid up	51,980,000.00	51,98,00,000.00	51,980,000.00	51,98,00,000.00
Total	51,980,000.00	51,98,00,000.00	51,980,000.00	51,98,00,000.00

3.1. Reconciliation of Number of Shares

Particulars	As at 31/03/2021		As at 31/03/2020	
	Number of Shares	(Amount in Rs.)	Number of Shares	(Amount in Rs.)
Equity Shares				
Opening Balance	51,980,000.00	51,98,00,000.00	51,980,000.00	51,98,00,000.00
Change during the year	-	-	-	-
Closing Balance	51,980,000.00	51,98,00,000.00	51,980,000.00	51,98,00,000.00

3.2. There was no equity Shares issued during the year ended 31st March 2021.

3.3. Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10/- per share.

All Equity shares rank parri passu in respect of dividend, vote & other rights.

3.4. Details of Shares held by shareholders holding more than 5% of the aggregate equity shares in the Company.

Name of shareholders	As at 31/03/2021		As at 31/03/2020	
	No. of Shares held	% of shareholding	No. of Shares held	% of shareholding
President of India along with nominees	5,10,00,000.00	98.11%	5,10,00,000.00	98.11%

4. RESERVES & SURPLUS (Amount in ₹)

Particulars	As at 31/03/2021	As at 31/03/2020
(A) Capital Reserve		
Balance as at beginning of the year	4,40,320.00	440,320.00
Balance as at end of the year	4,40,320.00	440,320.00
(B) Surplus /(Deficit) as per Statement of Profit & Loss		
Balance as at beginning of the year	22,99,59,703.63	22,60,97,678.43
Add: R&D and Sustainable Growth Fund	-	8,97,187.00
Add/Less : Surplus/Deficit for the year	11,05,16,643.98	45,04,838.20
Less : Fund Transfer for CSR	(12,66,125.00)	(15,40,000.00)
Total	33,92,10,222.61	22,99,59,703.63
Grand Total	33,96,50,542.61	23,04,00,023.63

5. LONG-TERM PROVISIONS (Amount in ₹)

Particulars	As at 31/03/2021	As at 31/03/2020
Provision For Employee benefits	92,54,575.00	1,91,21,565.00
Total	92,54,575.00	1,91,21,565.00

M/S INDIAN MEDICINES PHARMACEUTICAL CORPORATION LTD.
Mohan, Distt.-Almora (Via Ramnagar) Uttarakhand-244715
Notes Forming part of Financial Statements

(Annexed to and forming part of the Statement of Profit and Loss for the year ended on 31st March 2021 and the Balance sheet as on 31st March 2021)

6. SHORT-TERM BORROWINGS

(Amount in ₹)

Particulars	As at 31 March 2021	As at 31/03/2020
SECURED		
Cash credit from SBI, Mohan	-	-
Total	-	-

Note : SBI CC Account has been shown under schedule of cash & cash equivalent note no. 15

7. TRADE PAYABLE

(Amount in ₹)

Particulars	As at 31 March 2021	As at 31/03/2020
Sundry Creditors payable within normal operating cycle	32,15,63,187.00	38,47,45,120.95
Total	32,15,63,187.00	38,47,45,120.95

8. OTHER CURRENT LIABILITIES

(Amount in ₹)

Particulars	As at 31 March 2021	As at 31/03/2020
Trade / Security Deposits	83,63,742.00	22,26,444.40
Creditors for Capital Expenditure	76,74,134.00	60,80,430.60
Liabilities for expenses Creditor	14,64,14,906.76	16,09,89,400.93
Statutory dues	1,17,60,634.00	1,08,28,485.81
Advance from Customers	9,26,65,926.98	11,05,64,831.80
Staff Creditors	7,45,550.00	5,20,756.00
Other Payables	15,48,838.80	2,32,27,336.30
Total	26,91,73,732.54	31,44,37,685.84

9. SHORT TERM PROVISIONS

(Amount in ₹)

Particulars	As at 31 March 2021	As at 31/03/2020
Provision For Income Tax	5,31,47,837.00	21,84,464.00
Provision for Employees Benefits	42,36,013.00	29,42,394.00
Provision for Expenses	78,44,267.62	79,23,889.87
CSR fund	14,88,423.00	38,00,312.00
Total	6,67,16,540.62	1,68,51,059.87

M/S INDIAN MEDICINES PHARMACEUTICAL CORPORATION LIMITED, (UTTARAKHAND)												
NOTE NO. 10 (FIXED ASSETS) AS AT 31st MARCH 2021												
PARTICULARS	Useful Life (Years)	GROSS BLOCK				DEPRECIATION AS PER COMPANY ACT 2013 FOR THE YEAR ENDED 31st MAR 2021				NET BLOCK		
		As on 01/04/2020	Addition	Deletions	As on 31/03/2021	As on 01/04/2020	Additions	Deletions / Adjustment	As on 31/03/2021	As on 31/03/2021	As on 31/03/2021	As on 31/03/2020
1	2	3	4	5	6	7	8	9	10	11		12
Lease Hold Land Mohan	90	10,47,366.00	-	-	10,47,366.00	4,32,733.00	11,851.00	-	4,44,584.00	6,02,782.00		6,14,633.00
Lease Hold Land Ramnagar	30	4,47,260.00	-	-	4,47,260.00	3,42,902.00	14,909.00	-	3,57,811.00	89,449.00		1,04,358.00
Building (Other Than Factory Building)	60	57,75,501.00	4,27,338.00	-	62,02,839.00	54,68,389.75	15,698.00	-	54,84,087.74	7,18,751.26		3,07,111.25
Factory Building	30	37,57,61,229.00	3,73,170.00	-	37,61,34,399.00	13,99,20,389.81	2,23,97,882.00	-	16,23,18,271.81	21,38,16,127.19		23,58,40,839.19
Electrical Installations & Equipment	10	2,44,35,098.22	-	-	2,44,35,098.22	1,81,94,193.69	16,05,103.00	-	1,97,99,296.69	46,35,801.53		62,40,904.53
Plant & Machinery	15	8,54,46,933.75	51,55,784.12	5,17,580.00	9,00,85,137.87	5,80,20,509.22	52,64,424.60	-2,09,109.04	6,30,75,824.78	2,70,09,313.09		2,74,26,424.53
Generator	10	1,11,67,652.78	-	-	1,11,67,652.78	82,24,503.47	7,51,506.00	-	89,76,009.47	21,91,643.31		29,43,149.31
Lab Equipment	10	43,85,602.00	85,700.00	-	44,71,302.00	42,85,602.91	15,157.94	-	43,00,760.85	1,70,541.15		99,999.09
Library Books	5	2,03,561.00	-	-	2,03,561.00	2,01,411.93	-	-	2,01,411.93	2,149.07		2,149.07
Water Installation	10	9,45,505.00	-	-	9,45,505.00	8,15,032.30	28,688.00	-	8,43,720.30	1,01,784.70		1,30,472.70
Manufacturing Equipments	15	66,99,711.00	90,825.00	-	67,90,536.00	61,52,890.84	1,01,079.52	-	62,53,970.36	5,36,565.64		5,46,820.16
Furniture & Fixtures	10	1,74,94,244.08	2,80,195.81	-	1,77,74,439.89	1,31,63,752.78	11,45,244.59	-	1,43,08,997.37	34,65,442.52		43,30,491.30
Office Equipments	5	25,54,672.39	4,43,721.58	58,169.50	29,40,224.47	20,98,574.27	2,63,521.09	-42,781.91	23,19,313.45	6,20,911.02		4,56,098.12
Other Assets	10	1,11,075.00	-	-	1,11,075.00	1,06,507.00	376.00	-	1,06,883.00	4,192.00		4,568.00
Computer and Computer Peripheral	3	48,38,432.11	3,07,137.61	55,200.00	50,90,369.72	44,92,961.66	2,88,121.48	-52,440.00	47,28,643.14	3,61,726.58		3,45,470.45
TOTAL (A) TANGIBLES		54,13,13,843.33	71,63,872.12	6,30,949.50	54,78,46,765.95	26,19,20,354.63	3,19,03,562.20	-3,04,330.95	29,35,19,585.88	25,43,27,180.07		27,93,93,488.70
Pervious Year Tangible Total		54,01,65,504.98	11,48,338.35	-	54,13,13,843.33	22,57,12,950.43	3,62,07,404.07	-	26,19,20,354.50	27,93,93,488.83		31,44,52,554.42
(B) Capital WIP												
Capital WIP		7,32,611.00	14,42,885.00	7,32,611.00	14,42,885.00	-	-	-	-	14,42,885.00		7,32,611.00
TOTAL (B)		7,32,611.00	14,42,885.00	7,32,611.00	14,42,885.00	-	-	-	-	14,42,885.00		7,32,611.00
Pervious Year WIP Total		7,32,611.00	-	-	7,32,611.00	-	-	-	-	7,32,611.00		7,32,611.00
Grand Total (A+B)		54,20,46,454.33	86,06,757.12	13,63,560.50	54,92,89,650.95	26,19,20,354.63	3,19,03,562.20	-3,04,330.95	29,35,19,585.88	25,57,70,065.07		28,01,26,099.70
Pervious Year		54,08,98,115.98	11,48,338.35	-	54,20,46,454.33	22,57,12,950.43	3,62,07,404.07	-	26,19,20,354.50	28,01,26,099.83		31,51,85,165.42

(i) Lease of land of Mohan is for 90 Years. Therefore, proportionate amount of Rupees 11851.00 is being amortized every Year.

(ii) Lease of land at Ramnagar is for 30 Years. Therefore, proportionate amount of Rupees 14909.00 is being amortized every Year.

(iii) Depreciation is calculated on a W.D.V. basis over the estimated useful lives of Assets.

(iv) The Company has written a letter to the Additional Chief Conservator of Forest & Nodel Officer, Forest Department, Dehradun to Surender Ramnagar Land, on the direction of legal advisor / law firm i.e. M/s MV Kini as decided in Evaluation Committee Meeting held on 10/10/2019 regarding the strategic disinvestment of IMPL.

(v) Capital WIP Rs. 7,32,611/- shown under the Column no. 5, has been capitalized under Column no. 4, Rs.4,26,700/- Under the head "Plant & Machinery" Rs.1,36,019/- under the head "Computer & Computer Peripheral" and Rs. 1,69,892/- under repair & maintenance.

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(Annexed to and forming part of the Statement of Profit and Loss for the year ended on 31st March 2021 and the Balance sheet as on 31st March 2021)

11. DEFERRED TAX ASSETS

(Amount in ₹)

Particulars	As at 31 March 2021		As at 31/03/2020	
WDV As per Companies Act, 2013	25,43,27,180.07		27,93,93,488.70	
WDV As per Income Tax Act, 1961	25,89,03,768.76	(45,76,588.69)	28,37,57,658.19	(43,64,169.49)
DTL/ (DTA) related to fixed assets	(13,32,703.00)		(11,34,684.00)	
Provision for gratuity	60,52,036.00		1,58,66,708.00	
Provision for Leave Encashment	32,02,539.00		32,54,857.00	
Provision for doubtful debts	2,86,75,196.71			
Bonus Payable	16,94,857.00		18,10,417.00	
Ex-Gratia/PLI Payable	14,09,179.00			
	<u>4,10,33,807.71</u>		<u>1,97,97,298.00</u>	
DTL/(DTA) related to disallowance under the I.T. Act, 1961	(1,19,49,045.00)		(51,47,297.00)	
Total Direct Tax Liabilities / (Assets)	(1,32,81,748.00)		(62,81,981.00)	
Less: Deferred Tax liability/(Assets) b/d	(62,81,981.00)		(38,70,283.00)	
Provision for Deferred Tax for the year	(69,99,767.00)		(24,11,698.00)	

12. LONG TERM LOANS & ADVANCES

(Amount in ₹)

Particulars	As at 31 March 2021		As at 31/03/2020	
(Unsecured and considered good)				
Security Deposits	28,06,784.96			
Less: Provision for Doubtful Security Deposit	<u>(18,45,589.00)</u>	9,61,195.96	27,81,784.96	
Advance to creditors	1,96,333.49			
Less: Provision for Long Doubtful Advance	<u>(1,31,576.00)</u>	64,757.49	8,55,869.10	
(Secured and considered good)				
Advances for Capital Goods	6,01,550.00		6,01,550.00	
Total	16,27,503.45		42,39,204.06	

13. INVENTORIES

(Amount in ₹)

Particulars	As at 31 March 2021		As at 31/03/2020	
Finished goods	4,80,10,338.77		6,54,13,923.14	
Work-in-progress	12,63,33,612.61		10,15,04,352.70	
Stock Loan License	1,31,68,020.17		63,31,291.52	
Raw Material	11,84,81,263.86		7,95,28,769.35	
Packing Material	1,64,32,634.61		1,53,29,726.02	
Diesel	2,32,186.50		2,42,214.00	
Electrical Items	3,31,787.00		2,63,556.00	
Engg Items	8,74,784.00		6,57,170.00	
Consumable & Housekeeping Items	2,57,040.00		74,594.00	
Printing & Stationary	2,47,243.00		2,54,143.00	
Building Material	1,10,601.50		1,18,915.50	
Total	32,44,79,512.02		26,97,18,655.23	

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(Annexed to and forming part of the Statement of Profit and Loss for the year ended on 31st March 2021 and the Balance sheet as on 31st March 2021)

Details of Inventory	(Amount in ₹)		(Amount in ₹)	
	As at 31 March 2021		As at 31st March 2020	
	Opening	Closing	Opening	Closing
<u>L.L. Purchase Item in Stock</u>				
Broad category 1	63,31,291.52	1,31,68,020.17	1,15,07,263.08	63,31,291.52
Other	-	-	-	-
Total	63,31,291.52	1,31,68,020.17	1,15,07,263.08	63,31,291.52
<u>Finished Goods</u>				
Broad category 1	6,54,13,923.14	4,80,10,338.77	3,52,75,195.57	6,54,13,923.14
Other	-	-	-	-
Total	6,54,13,923.14	4,80,10,338.77	3,52,75,195.57	6,54,13,923.14
<u>Work in progress</u>				
Broad category 1	10,15,04,352.70	12,63,33,612.61	7,70,30,435.96	10,15,04,352.70
Other	-	-	-	-
Total	10,15,04,352.70	12,63,33,612.61	7,70,30,435.96	10,15,04,352.70
Raw Material	7,95,28,769.35	11,84,81,263.86	7,47,02,610.81	7,95,28,769.35
Packing Material	1,53,29,726.02	1,64,32,634.61	1,54,36,543.45	1,53,29,726.02
Stores	16,10,592.50	20,53,642.00	18,29,704.00	16,10,592.50
Total	9,64,69,087.87	13,69,67,540.47	9,19,68,858.26	9,64,69,087.87
Grand Total	26,97,18,655.23	32,44,79,512.02	21,57,81,752.87	26,97,18,655.23

14. TRADE RECEIVABLE

(Amount in ₹)

Particulars	As at 31/03/2021	As at 31/03/2020
(Unsecured; considered good unless stated otherwise)		
a) Trade Receivable Outstanding for a period exceeding 6 months from the date they were due for payment:		
-Considered good	17,52,11,347.97	-
-Considered doubtful	-	-
Less: Provision for Doubtful Debts	(2,66,98,031.71)	14,85,13,316.26
b) Others	8,87,42,713.44	20,67,09,589.26
Total	23,72,56,029.70	15,69,51,346.51

15. CASH AND CASH EQUIVALENTS

(Amount in ₹)

Particulars	As at 31/03/2021	As at 31/03/2020
Cash and Cash Equivalents		
Cash in Hand	47.00	8,079.00
Postage Stamp in Hand	1,022.00	5,516.00
Balances with SBI Mohan	11,98,01,506.44	26,64,59,894.84
Balances with SBI New Delhi	44,50,307.52	78,41,106.12
Balances with Corporation Bank (Haridwar Plant)	5,19,733.72	57,21,810.22
Balances with Axis Bank Ltd. (Ramnagar)	2,55,084.89	72,09,412.65
Balances with SBI Mohan A/c (Project Fund)	3,17,68,676.09	3,36,95,893.09
Balances with SBI CC Account Mohan	1,10,534.28	1,98,68,722.75
Fix Deposit with 3 months (Free)	15,07,71,128.00	7,03,57,287.00
Fix Deposit with 3 months (Lien)	-	3,20,000.00
Other Bank Balances		
Fix Deposit with more than 3 months but less than 12 months maturity (Free)	8,28,95,352.00	16,29,685.78
Fix Deposit with more than 3 months but less than 12 months maturity (Lien)	-	49,87,665.00
Fix Deposit with more than 12 months maturity (Free)	6,70,05,873.00	1,06,329.00
Fix Deposit with more than 12 months maturity (Lien)	-	3,00,000.00
Total	45,75,79,264.94	41,85,11,401.45

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(Annexed to and forming part of the Statement of Profit and Loss for the year ended on 31st March 2021 and the Balance sheet as on 31st March 2021)

16. SHORT TERM LOANS & ADVANCES

(Amount in ₹)

Particulars	As at 31 March 2021	As at 31/03/2020
(Unsecured and considered good)		
Advance to Staff	1,568.54	51,174.18
Festival advance to Staff	4,12,000.00	3,82,000.00
Medical advance to Staff	3,71,614.00	3,95,279.00
Other Receivables (EPFO)	1,12,57,094.00	1,12,57,094.00
Prepaid Expenses	14,78,982.32	12,48,963.82
Advance Tax and TDS	5,16,80,447.00	2,22,28,630.00
Total	6,52,01,705.86	3,55,63,141.00

17. OTHER CURRENT ASSETS

(Amount in ₹)

Particulars	As at 31 March 2021	As at 31/03/2020
Interest accrued on FDR	26,09,413.00	2,84,220.00
Duty & Taxes (Refundable)	15,82,18,533.73	9,85,77,499.46
Other Receivable	-	1,58,634.00
Tax of Reverse Charge (Receivable)	-	54,554.00
TDS on GST (Receivable)	1,01,34,802.00	81,79,129.62
Total	17,09,62,748.73	10,72,54,037.08

18. REVENUE FROM OPERATIONS

(Amount in ₹)

Particulars	Year ended 31/03/2021	Year ended 31/03/2020
<u>Sales of Goods/Products</u>		
Finished Goods	1,64,01,89,619.41	97,04,06,221.01
Total	1,64,01,89,619.41	97,04,06,221.01

19. OTHER INCOME

(Amount in ₹)

Particulars	Year ended 31/03/2021	Year ended 31/03/2020
Garden produce income	26,711.50	87,432.40
Interest on Bank FDR	1,29,62,208.00	14,15,256.00
Interest from others sources	43,137.49	60,300.00
Other Income	8,23,104.28	2,88,630.56
Scrap Sales	6,55,661.50	2,19,678.80
Total	1,45,10,822.77	20,71,297.76

20. CONSUMPTION OF MATERIALS

(Amount in ₹)

Particulars	Year ended 31/03/2021	Year ended 31/03/2020
<u>a) Purchases</u>		
Raw Material	46,75,92,501.27	22,89,61,083.41
Packing Material	9,97,65,831.57	5,86,37,326.19
Purchase against Loan License	24,77,44,108.57	22,50,76,593.02
Semi Finished Goods	7,69,23,093.51	
Consumable Goods	2,74,254.00	3,90,462.28
Total Purchases (a)	89,22,99,788.92	51,30,65,464.90
<u>b) Closing Stock</u>	13,49,13,898.47	9,48,58,495.37
Less: Opening Stock	9,48,58,495.37	9,01,39,154.26
Net Increase/(Decrease) (b)	4,00,55,403.10	47,19,341.11
Materials consumed (a)-(b)	85,22,44,385.82	50,83,46,123.79

Consumption of Raw Material

	Year Ended 31/03/2021		Year Ended 31/03/2020	
	Amount	%	Amount	%
Indigenous	42,86,40,006.76	100%	22,41,34,924.87	100%
Imported *	-	0%		0%
Total	42,86,40,006.76	100%	22,41,34,924.87	100%

* Includes incidental cost of purchase

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	(Amount in ₹)			
Consumption of Packing Material	Year ended 31st March 2021		Year ended 31st March 2020	
Indigenous	9,86,62,922.98	100%	5,87,44,143.62	100%
Imported *	-	0%	-	0%
Total	9,86,62,922.98	100%	5,87,44,143.62	100%
Consumption of Consumable Items	Yr. Ended 31/03/2021		Yr. Ended 31/03/2020	
Indigenous	2,74,254.00	100%	3,90,462.28	100%
Imported *	-	0%	-	0%
Total	2,74,254.00	100%	3,90,462.28	100%
Purchase of Semi Finished Goods	Year ended 31st March 2021		Year ended 31st March 2020	
Indigenous	7,69,23,093.51	100%	-	0%
Imported *	-	0%	-	0%
Total	7,69,23,093.51	100%	-	0%

* Includes incidental cost of purchase

	Year ended 31st March 2021		Year ended 31st March 2020	
Consumption of Loan License Material/Items				
Indigenous	24,77,44,108.57	100%	22,50,76,593.02	100%
Imported *	-	0%	-	0%
Total	24,77,44,108.57	100%	22,50,76,593.02	100%

* Includes incidental cost of purchase

21. CHANGE IN INVENTORIES (Amount in ₹)

Particulars	Year ended 31/03/2021	Year ended 31/03/2020
(a) Opening Stock :		
Finished Goods	6,54,13,923.14	3,52,75,195.57
Work in progress	10,15,04,352.70	7,70,30,435.96
L.L. Purchase Item in Stock	63,31,291.52	1,15,07,263.08
Total (a)	17,32,49,567.36	12,38,12,894.61
(b) Closing Stock :		
Finished Goods	4,80,10,338.77	6,54,13,923.14
Work in progress	12,63,33,612.61	10,15,04,352.70
L.L. Purchase Item in Stock	1,31,68,020.17	63,31,291.52
Total (b)	18,75,11,971.55	17,32,49,567.36
Increase / (decrease) in Inventories (a-b)	(1,42,62,404.19)	(4,94,36,672.75)

22. EMPLOYEES BENEFIT EXPENSES (Amount in ₹)

Particulars	Year ended 31/03/2021	Year ended 31/03/2020
Salaries & wages #	15,22,23,401.31	16,05,05,462.18
Contribution to Provident and other funds	78,06,424.00	1,07,23,767.00
Gratuity	60,52,036.00	1,86,87,972.00
Leave Encashment	32,02,539.00	46,03,417.00
Staff welfare expenses	41,43,285.15	28,14,421.96
Total	17,34,27,685.46	19,73,35,040.14

#Includes Directors salary and Remuneration : Rs. 21,96,863.00 (Including Employee Provident Fund).

23. FINANCE COST (Amount in ₹)

Particulars	Year ended 31/03/2021	Year ended 31/03/2020
Interest on :		
Interest on CC A/c on SBI Mohan	2,40,722.00	344,090.00
Penal Interest on CC A/c on SBI Mohan	-	194.00
Total	2,40,722.00	3,44,284.00

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24. OTHER EXPENSES**(Amount in ₹)**

Particulars	Year ended 31/03/2021	Year ended 31/03/2020
Freight Inward	4,41,967.79	3,94,162.66
Fees & Charges	1,53,976.70	3,25,065.24
Advertisement	3,87,040.00	2,68,288.00
Security Expenses	25,70,993.76	24,07,612.96
Books & Periodicals	60,525.00	-
Postage, Courier, Telephone & Internet Exp.	6,42,012.20	6,07,400.01
Printing & Stationery	4,97,423.08	4,76,824.78
Lease Rent	2,72,15,673.00	2,72,14,467.00
Loading & Unloading Charges	5,093.96	8,580.88
Job Work Charges	45,54,538.00	-
Manufacturing Expenses	3,76,320.00	2,22,305.00
Festival Expenses	42,93,569.54	39,50,205.25
Auditors Remuneration (Statutory Audit Fees)	30,000.00	30,000.00
Housekeeping & Gardening Expenses	14,43,619.95	4,32,120.55
Interest on PF, TDS & Income Tax	74,858.80	1,27,488.00
Bank Charges	24,280.20	38,646.12
Penalties (Service Tax & Others)	-	14,775.00
<u>Power & Fuel</u>		
(i) Electricity Charges	75,30,354.32	76,60,684.27
(ii) Fuel Expenses (Diesel)	82,24,775.06	57,24,167.20
(iii) Special Fuel (Fire wood & Kanda)	40,78,789.85	43,27,200.90
<u>Traveling & Conveyance</u>		
(i) Directors' Traveling	72,078.00	-
(ii) Foreign Traveling	-	-
(iii) Others	6,44,515.20	16,31,305.20
Lab Maintenance & Testing Charges	53,88,336.39	26,25,615.70
Staff Recruitment & Training Expenses	16,000.00	18,409.00
<u>Insurance</u>		
(i) Insurance Stock & Building	6,79,500.01	2,38,889.20
(ii) Transit Insurance inwards	-	-
Workmen Compensation Insurance	2,87,360.38	3,55,292.49
Legal & Professional Charges	5,78,510.00	8,64,710.00
Office Expenses	6,42,412.01	8,34,499.62
Other Expenses	13,013.00	-
Entertainment Expenses	1,51,399.12	1,38,335.00
<u>Repair & Maintenance</u>		
(i) Building	12,53,560.96	12,82,663.41
(ii) Machinery	39,93,933.19	20,78,613.86
(iii) Others	3,54,407.81	1,57,830.41
Rates & Taxes	5,880.00	71,787.00
<u>Selling & Distribution</u>		
(i) Rebate, Discount, & Commission	18,64,77,993.82	15,32,03,279.36
(ii) Transit Insurance Outwards	6,46,750.00	3,52,977.00
(iii) Loss in Transit	-	-
(iv) Kit, Packing and C&F Charges	6,44,80,279.71	3,64,31,490.05
(v) Late Delivery Charges	4,83,61,454.10	61,232.00
(vi) Short Supply	2,06,647.00	2,00,990.00
(vii) Business Promotional Expenses	2,000.00	96,197.00
(viii) Provision for Bad & Doubtful Debts	2,86,75,196.71	
(ix) Freight Outward	4,90,27,125.33	2,86,85,216.72
Total	45,45,64,163.95	28,35,59,326.84

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25. Prior Period Income (Net)**(Amount in ₹)**

Particulars	Year ended 31/03/2021	Year ended 31/03/2020
1- Prior Period Income		
Excess provision of Earlier Year written off	-	82,04,406.52
Excess provision of Earlier years TDS written off	1,12,430.00	
Excess Depreciation charged in P.Y. written off	2,09,109.04	
2- Prior Period Expenditure		
TDS with Interest Payable		(48,815.00)
Total	3,21,539.04	81,55,591.52

26. EARNINGS PER SHARE

Particulars	Year ended 31/03/2021	Year ended 31/03/2020
i) Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders	11,05,16,643.98	45,04,838.20
ii) Weighted Average number of equity shares used as denominator for calculating EPS(Basic)	5,19,80,000.00	5,19,80,000.00
iii) Weighted Average number of equity shares and all dilutive potential equity shares as denominator for calculating EPS (Diluted)	5,19,80,000.00	5,19,80,000.00
iv) Face Value per equity share	10.00	10.00
v) Basic Earnings per share	2.13	0.09
vi) Diluted Earnings per share	2.13	0.09

27. CONTINGENT LIABILITIES/COMMITMENTS**A. CONTINGENT LIABILITIES**

	Year ended 31/03/2021	Year ended 31/03/2020
EPFO-Haldwani (Liabilities under 7A Proceeding)	-	1,12,57,094.00
GST-Almora (GST Demand under Vehicle Protest)	1,34,300.00	1,34,300.00
Income Tax Demand for A.Y. 2015-16	23,23,311.00	23,23,311.00
Income Tax Demand for A.Y. 2012-13	13,38,644.00	13,38,644.00
Income Tax Demand for A.Y. 2013-14	-	7,65,207.00
Income Tax Demand for A.Y. 2016-17	52,232.00	52,232.00
Income Tax Demand for A.Y. 2017-18	4,34,249.00	4,34,249.00
Income Tax Demand for A.Y. 2019-20	3,32,376.00	3,32,376.00

B. LATE DELIVERY CHARGES

Director Ayurvedic Dept. Ajmer (Rajasthan)	-	79,38,728.00
Punjab Health Systems Corporation Ltd., Punjab	-	4,71,476.04
Director of Health Services M.S. Mumbai, Maharashtra	-	48,38,515.00
Director Ayurvedic Officer, Himanchal Pradesh	-	20,61,686.00
Director ISM & H Tibbia College, New Delhi	-	37,184.00

C. COMMITMENTS

Capital commitment under modernization project	23,04,914.50	23,04,914.50
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28. IMPACT OF PENDING LITIGATIONS ON ITS FINANCIAL POSITION

Litigation pending against/for the company does not seem to create any obligation on financial position of the Company.

For M/S Indian Medicines Pharmaceutical Corporation Ltd.

Arvind Kumar Aggarwal Pankaj Kumar Jha
(Chief Manager F & A) (Company Secretary)
Membership No. 32501 Membership No. A27214

Mukesh Kumar Vikram Singh
(Managing Director) (Director)
DIN No. 08792177 DIN No. 08559981

Place : Mohan
Date: 16.11.2021

FOR: ACHAL SRIVASTAVA & CO.
Chartered Accountants
Firm Registration No. : 013385C
(Sanjay Kumar Gupta)
Partner
Membership No.: 408105
Place : Haldwani

B. NOTES ON ACCOUNTS:

29.1 METHOD OF ACCOUNTING

Except for the method of accounting disclosed hereunder, the Accounts of the Company have been prepared on accrual basis.

29.2 SHAREHOLDING PATTERN:

The Govt. of India's Shareholding during the year was 98.11% of the Share Capital (i.e. Rs.51.00 Crore) and 1.89% (i.e. Rs.0.98 Crore) of the Share Capital was held by M/s Kumaon Mandal Vikas Nigam Ltd. Nainital (A State Public Sector Enterprise).

29.3 EARNING PER SHARE:

The company has made a Profit of Rs. 11.05 Crore during the year. The basic & diluted EPS has been calculated Rs. 2.13

The calculation/reconciliation of basic and weighted share is as follows:

Basic	2020-21
Profit for the year after tax (Rs.)	11,05,16,643.98
Weighted average number of Shares (No.)	51980000
Earnings Per Share (Rs.)	2.13
Nominal Value Per Share (Rs.)	10.00

Diluted	2020-21
Profit for the year after tax (Rs.)	11,05,16,643.98
Weighted average number of Shares (No.)	51980000
Earnings Per Share (Rs.)	2.13
Nominal Value Per Share (Rs.)	10.00

29.4 CASH FLOW STATEMENT

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

29.5 MEDICINES FOR SAMPLES:

The inventory of finished goods has been taken after adjustment of an amount of Rs.2, 83,019.85 towards samples (previous year Rs.1, 28,796.37)

29.6 SHORTAGE/WASTAGE AND SPOILAGE OF STOCK:

The difference in the closing stock of Raw material, Packing material, finished goods etc. between quantity as per Stock Register and physically in hand is treated as Shortage/Wastage/Spoilage (Refer Point No. 29.25.X below) The same is considered as material consumed and is not separately shown in the Manufacturing, Trading and Profit & Loss Account.

29.7 SECURED LOANS:

The Company is having a cash credit limit of Rs. 300.00 lac with S.B.I. Mohan. The said limit is secured against hypothecation of stock & Debts receivable.

29.8 TRADE RECEIVABLES:

Almost 95% of Trade receivables are from Govt. Agencies. Hence all Trade Receivables are unsecured but considered good.

29.9 CONFIRMATION OF BALANCES:

Confirmation of Balances of Trade payables and advances from certain parties are yet to be received. For Trade receivables the same is being followed up.

29.10 INTEREST TO M.S.M.E. UNITS

In respect of the interest on delayed payments for the prescribed (small scale and Ancillary) Industries, no such interest has been paid.

29.11 VAT/CST/GST ASSESSMENTS:

The VAT/CST Assessments up to 31st March, 2017 has been completed. The VAT/CST Assessments for the quarter ended 30th June 2017 and subsequent Goods and Service Tax (GST) assessment is awaited.

29.12 DUTIES & TAXES (REFUNDABLE):

The breakup details of Duty and Taxes Refundable considered in the books of accounts towards GST/VAT/CST up to 31st March, 2021 branch-wise are as follows:

S.NO.	Name of Branches (State - wise)	Type of Taxes	Amount till 31 st Mar, 2021	Amount till 31 st Mar, 2020
1	Mohan, Uttarakhand	GST	14,21,09,724.88	8,75,55,291.54
2	Imlikhera, Uttarakhand	GST	1,45,12,068.30	90,03,059.37
3	Lucknow, U.P.	GST	75,642.00	2,11,335.00
4	Delhi, New Delhi	VAT/CST	14,72,684.55	14,72,684.55
5	Bangalore, Karnataka	GST	48,414.00	3,35,129.00
	Total:		15,82,18,533.73	9,85,77,499.46

29.13 PROVISION FOR INCOME TAX:

a) Provision of Income-Tax has been made during the year as per rules under Income- Tax Act. Return of Income up to A.Y. 2020-21 has been filed by the company.

b) INTEREST ON INCOME-TAX:

The interest on Income Tax has been provided separately in compliance with guidance notes of ICAI. The Amount provided is Rs NIL (Previous Year Rs.46, 323/-.)

29.14 LIABILITY NOT ACKNOWLEDGED AS DEBT

Following Demand has been raised by Income Tax Department which has not been accounted in books of account. Demand has been shown under Contingent Liabilities.

Assessment Year	Demand	Remarks	Status
2013-14	NIL	20% amount i.e Rs. 1, 91,400/-paid in April, 2019 and 5% amount i.e. Rs. 47,752/- paid in March, 2021 against the Total Demand of Rs. 9, 56,607/-. Case has been settled under "Vivaad se Vishwas Scheme".	-
2012-13	Rs.13, 38,644.00	20% amount i.e Rs. 3, 34,700/- of Total Demand of Rs. 16, 73,344/- already paid in April, 2019.	Appeal is pending with CIT (A).

2015-16	Rs.23, 23,311.00	20% amount i.e Rs. 5, 80,850/- of Total Demand of Rs. 29, 04,161/- already paid in Jan, 2019.	Appeal is pending with CIT (A).
2016-17	Rs. 52,232.00	20% amount i.e Rs. 11,100/- & Rs. 2000/- of Total Demand of Rs. 55,332 & Rs. 10,000/-respectively already paid in Jan, 2019.	
2017-18	Rs. 4, 34,249.00	20% amount i.e Rs. 1, 08,570/- of Total Demand of Rs. 5, 42,819/- already paid in Dec, 2019.	
2019-20	Rs. 3, 32,376.00	As per Intimation u/s 143(1) dated 30.04.2020, demand of Rs. 3, 32,376/-has been raised by Income Tax Dept.	Rectification request has already been submitted

29.15 (a) PAYMENT FOR GRATUITY:

During the year the Company has paid Rs.1,58,66,708.00 towards Gratuity to the “Group Gratuity Cash Accumulation Scheme” with Life Insurance Corporation of India for gratuity payable to the employees (Previous year Rs.99,77,049.00).

(b) PAYMENT FOR LEAVE-ENCASHMENT:

During the year the Company has paid Rs. 32, 54,857.00 towards Leave encashment to the “Group Leave Encashment Cash Accumulation Scheme” with Life Insurance Corporation of India for Leave encashment payable to the employees (Previous year Rs.1,00,685.00)

29.16 BONUS & EXGRATIA

Bonus Rs. 16, 94,857.00 for F.Y.2020-21 (previous year Rs. 18, 17,417.00) and Ex-gratia (PLI) Rs. 14,09,179/- (previous year NIL) has been charged to the Manufacturing, Trading and P & L Accounts. The Bonus Amount is within the permissible limit as provided under Payment of Bonus Act, 1965 i.e. 8.33% to 20 %.

29.17 WATER CESS LIABILITY:

Water Cess Liability for F.Y.2013-14 to F.Y. 2014-15 has been paid along with Air Pollution Cess Liability. No further bill/claim has been received till date.

29.18 RELATED PARTIES DISCLOSURE:

According to the provisions of Accounting Standard-18. The Related Parties are as under:

(i) **Related Parties as associates:** Kumaon Mandal Vikas Nigam Limited, Nainital (A State Public Sector Enterprise).

(ii) **Details of Transactions:**

	Op.Bal	Addition	Subtraction	Cl.Bal
Raw Drugs Purchase	NIL	NIL	NIL	NIL
Receiving Services	82,345.00 CR	NIL	NIL	82,345.00 CR
Construction Work (Not completed)	2,49,892.00 DR	NIL	NIL	2,49,892.00 DR

In addition, some payments towards lodging charges have been made by us.

(iii) Other related Parties: (Key management personnel-Managing Director)-

1. Prof. (Vaidya) P.K.Prajapati, M.D.Incharge (24th Sep, 2018 to 05th July, 2020)
2. Dr. Mukesh Kumar, M.D. (06th July, 2020 to till date)
3. Shri Pankaj Kumar Jha, Company Secretary.

(iv) Details of Transactions:

	Key management personnel(s)
Payment of Salaries	38,28,270 .00
Payment of Sitting Fee	0.00

29.19 MoU between IMPCL and KMVN Ltd.:

As per MoU between the company and M/s K.M.V.N.Ltd., Nainital (a state PSU under Govt. of Uttarakhand) approx. 4.5 acre land has been provided to set up 'Medico Tourism Centre' by the company; however, M/s K.M.V.N. Ltd. has constructed the Resort at said Land. As per 'Terms of Payment' of the said MOU, The accounts and records in respect of the MoU shall be maintained by the "Second Party" i.e. M/s K.M.V.N.Ltd. & Audited by auditors' appointed through First Party i.e. IMPCL and on agreed terms after meeting all revenue expenditure the income will be shared in the ratio of 70:30 between the "Second Party" M/s K.M.V.N.Ltd. and the "First Party" i.e IMPCL respectively. In this respect, First time a cheque of Rs. 1,14,362/- has been received on 20.09.2021 from M/s K.M.V.N.Ltd. as part of the share of 30% profit for the years 2012-13 and 2013-14.

29.20 COST ACCOUNTING

The price list is being vetted by the office of Chief Adviser Cost, Ministry of Finance, (Govt. of India) New Delhi by following necessary costing procedure and by maintaining required records of all the products.

29.21 COST AUDIT REPORT:

Company's turnover is more than Rs. 50 Crore. Hence, in compliance of section 148 of Companies Act, 2013, read with Companies (Cost Record and Audit) Rules, 2014 Company has engaged Cost Audit firm for cost audit for the F.Y.2020-21. Further, Company is maintaining cost records. Cost Audit up to F.Y. 2018-19 has been completed. For the Financial Year 2019-20 is in progress.

29.22 SEGMENT REPORTING:

The Company is engaged in Pharmaceutical Business only and there are no separate reportable segments as per accounting Standard-17 on "Segment Reporting" issued by the council of the Institute of Chartered Accountants of India.

29.23 REMUNERATION TO MANAGING DIRECTOR:

Remuneration to the Managing Director is Rs. 21,96,863/-(Previous year NIL including E.P.F.). The personal traveling expenses through official car are Rs. NIL. (Previous year Rs. NIL.)

29.24 AUDIT FEE & EXPENSES:

The provision for Audit Fee of Rs. 30,000/- has been made for the year 2020-21 (Previous Year Provision Rs. 30,000/-)

29.25 OTHER INFORMATION:

I.PROJECT EXPENDITURE

The Company has assigned the modernization work of the Plant to HLL Life care Limited. Construction work and installation/commissioning of the Machines have been completed. Total Fund Available under Project was Rs.42.28 Cr. Total Expenses booked under PROJECT Rs 42.05 Cr. Till 31st Mar, 2021. Balance amount of Rs. 0.23 cr. Shown under Capital Commitment.

II. Expenditure on employees, who are in receipt of remuneration aggregating not less than Rs.60, 00,000/- per financial year, if employed throughout the year or at a rate not less than Rs.5,00,000/- per month, if employed for part of the year. – NIL.

III. Licensed/Installed capacity and actual production of Mohan Unit:

S. No.	ITEM	UNIT	INSTALLED CAPACITY		ACTUAL PRODUCTION	
			2020-21	2019-20	2020-21	2019-20
1.	Tablets/Pills	KG.	200000.00	200000.00	154129.100	66120.600
2.	Capsules	KG.	50000.00	50000.00	4201.100	2731.000
3.	Choorna	KG.	600000.00	600000.00	202337.080	176485.300
4.	Syrups	LTRS.	300000.00	300000.00	106161.600	51868.700
5.	Arka	LTRS.	50000.00	50000.00	41273.120	18887.400
6.	Asava	LTRS.	500000.00	500000.00	358700.000	261856.000
7.	Taila	LTRS.	300000.00	300000.00	92902.250	63553.900
8.	Marham	KG.	30000.00	30000.00	8103.000	2811.500
9.	Avaleha	KG.	250000.00	250000.00	261184.750	123129.500
10.	Bhasma	KG.	50000.00	50000.00	16574.500	3236.800
	TOTAL		2330000.00	2330000.00	1245566.50	770680.700

IV. Licensed/Installed capacity and actual production of Imlikhera (Haridwar) Unit:

S. No.	ITEM	UNIT	INSTALLED CAPACITY		ACTUAL PRODUCTION	
			2020-21	2019-20	2020-21	2019-20
1.	Tablets/Pills	KG.	22000.00	22000.00	28872.30	9504.10
2.	Capsules	KG.	14000.00	14000.00	----	---
3.	Choorna	KG.	380000.00	380000.00	463499.00	73820.90
4.	Syrups	LTRS.	145000.00	145000.00	1330.00	7736.50
5.	Arka	LTRS.	---	---	----	---
6.	Asava	LTRS.	360000.00	360000.00	351771.00	261142.80
7.	Taila	LTRS.	145000.00	145000.00	51831.50	13736.30
8.	Marham	KG.	23000.00	23000.00	37.80	---
9.	Avaleha	KG.	25000.00	25000.00	13276.60	281.80
10.	Bhasma	KG.	3000.00	3000.00	23.03	254.70
	TOTAL		1117000.00	1117000.00	910641.13	366477.10

Note:

1. Installed Capacities are subject to variation depending upon the product mix.
2. The Installed Capacities are on single shift basis.
3. Licensed and Installed Capacities are certified by the Management and accepted by the Auditors without verification, being a technical matter.

V. Value of import calculated on C.I.F. Basis:

		2020-2021	2019-2020
(i)	Raw material	NIL	NIL
(ii)	Components & spare parts	NIL	NIL
(iii)	Capital Goods	NIL	NIL

VI. Expenditure in Foreign Currency:

		2020-2021	2019-2020
(i)	On account of Royalty, know-how professional, consultation fees, interest and other matters.	NIL	NIL

VII. Consumption of Raw Material, Spare parts and Components:

Particulars	For the Year 2020-21			For the Year 2019-2020		
	Qty. (Kg. /Ltr.)	Value (Rs. P.)	%	Qty. (Kg. /Ltr.)	Value (Rs. P.)	%
Raw Material						
(i) Imported	NIL	NIL	NIL	NIL	NIL	NIL
(ii) Indigenous	29,27,400.91	42,86,40,006.76	100%	14,66,821.84	22,41,34,924.87	100%
Packing Material						
(i) Imported	NIL	NIL	NIL	NIL	NIL	NIL
(ii) Indigenous	*	9,86,62,922.98	100%	*	5,87,44,143.62	100%
Spares and Components						
(i) Imported	NIL	NIL	NIL	NIL	NIL	NIL
(ii) Indigenous	**	2,74,254.00	100%	**	3,90,462.28	100%
Loan License Material						
(i) Imported	NIL	NIL	NIL	NIL	NIL	NIL
(ii) Indigenous	*	24,77,44,108.57	100%	*	22,50,76,593.02	100%
Semi Finished Material						
(i) Imported	NIL	NIL	NIL	NIL	NIL	NIL
(ii) Indigenous	*	7,69,23,093.51	100%	*	NIL	100%

*Not ascertainable ** Being small value spare parts components taken in repair and maintenance.

VIII. Earnings in Foreign Exchange:

		2020-2021	2019-2020
i)	Export of Goods calculated on FOB basis	NIL	NIL
ii)	Royalty, know-how professional and consultation fees, interest and dividend	NIL	NIL
iii)	Other Income	NIL	NIL

IX. Amount remitted in Foreign Currency Dividends:

		2020-2021	2019-2020
i)	No. of non-resident shareholders	NIL	NIL
ii)	No. of shares held by non-resident	NIL	NIL

X. Losses Of Finished Goods/Shortages/Spoilage:

	Qty. (kg./Ltr.)		Value (Rs.)	
	2020-2021	2019-2020	2020-2021	2019-2020
Loss during packing process	22,106.382	16,070.758	55,06,026.69	54,48,245.62
Shortage/Excess during verification	130.08	116.630	57,131.58	40,912.98
Spoiled	14,829.667	30.528	37,32,015.49	7,276.71
TOTAL:	37,066.129	16,217.916	92,95,173.76	54,96,435.31

Note: - The inventory of finished goods has been taken after adjusting above Losses/shortages/spoilage.

XI Statement of Sales, Opening Stock and Closing Stock for the Year ended 31-03-2021

Sl.No.	Product/units	Units	Sales during the year		Opening Stock of Finished Goods		Closing Stock of Finished Goods	
			Quantity	Amount	Quantity	Amount	Quantity	Amount
1	Tablets/Pills	Kg.	348789.295	410875259.14	10537.571	18540763.73	11579.821	21663804.922
			132530.903	258320472.62	9620.186	14825723.22	10537.571	18540763.730
2	Capsules	Kg.	25937.604	125255449.18	144.140	306614.47	1240.100	3489372.431
			4503.750	19775963.54	274.800	449956.06	144.140	306614.470
3	Chooma	Kg.	755051.719	451830686.25	38897.274	22072778.20	16749.985	7877013.316
			367229.950	238147266.90	12643.857	6945185.47	38897.274	22072778.200
4	Syrups	LTRS	145865.100	38954686.25	7150.400	1249392.52	11893.250	2360907.045
			147492.400	38770409.25	13396.850	2182305.31	7150.400	1249392.520
5	Arka	LTRS	63075.905	34441001.19	4536.500	373606.50	2511.225	198565.106
			56900.795	6138872.14	3342.680	363902.95	4536.500	373606.500
6	Asava	LTRS	765711.400	162421411.84	38250.450	6061660.66	15789.200	2918624.696
			489750.600	113462019.72	23650.450	3639530.00	38250.450	6061660.660
7	Taila	LTRS	197457.569	187360279.31	10412.171	10823756.84	10891.377	9769694.356
			125256.665	128178111.96	10894.332	8321832.87	10412.171	10823756.840
8	Marham	Kg.	10446.070	10325004.60	664.530	592206.30	528.310	488046.692
			7630.650	6802738.39	1622.930	1288664.23	664.530	592206.300
9	Avaleha	Kg.	471380.190	194056949.17	20972.278	10004400.38	33506.468	11112784.163
			285987.520	148028848.75	16599.418	6890254.78	20972.278	10004400.380
10	Bhasma	Kg.	18431.705	24668892.49	1427.193	1720035.06	1590.684	1299546.210
			8029.605	12781517.74	2323.834	1895103.76	1427.193	1720035.060
	Total :		2802146.557	1640189619.41	132992.507	71745214.66	106280.420	61178358.94
			1625312.838	970406221.01	94369.337	46782458.65	132992.507	71745214.66
	(Figures in Bold are in respect of previous year)							

29.26 LATE DELIVERY CHARGES:

Late delivery charges of Rs. 4,83,61,454.10 has been charged off to Profit and loss account during the year being part of business and trade expenditure. Customer wise detail is as below:

S.No.	Customer Name	Amount
1	Director Ayurvedic Deptt., Ajmer (Rajasthan)	79,38,728.00
2	Punjab Health System Corp, Punjab	4,71,476.04
3	Director Ayurvedic Officer, H.P.	20,61,686.00
4	Director Health Service MS, Mumbai (Maharashtra)	48,38,515.00
5	Director ISM&H Tibbia College, New Delhi	37,184.00
6	J&K Medical Supply Corp, J&K	18,340.00
7	Dept. of AYUSH, Karnataka	49,033.00
8	Director Ayurvedic Deptt., Ajmer (Rajasthan)	2,54,99,320.00
9	Director General AYUSH-Punchkula, Haryana	65,02,684.96
10	MD-HMCL, Haryana	9,44,487.10
	Total:	4,83,61,454.10

29.27 DISCOUNT & COMMISSION:

As per agreement with Liaisoner, Company recognizes the 'Rebate, Discount & Commission' expenses in P&L A/c only on occurring of actual sales and receipt of amount from debtors. During the year, Company has booked Rebate, Discount & Commission of Rs. 18, 64, 77,993.82 (Previous Year Rs. 15, 32, 03,279.36). Further, Kiting Packing and Forwarding expenses are booked on occurring of actual sales during the year. Company has booked KIT Packing and C&F Charges of Rs. 6,44,80,279.71 (Previous Year Rs. 3,64,31,490.05) and Freight Outward charges of Rs. 4,90,27,125.33 (Previous Year Rs. 2,86,85,216.72) during the year.

29.28 PROVISION FOR DOUBTFUL DEBTS, DOUBTFUL DEPOSITS and OUTSTANDING ADVANCES:

During the year, company has made necessary provision for Doubtful Debtors of Rs. 2,66,98,031.71 which are more than 4 Yrs old, Provision for Doubtful Deposits of Rs. 18,45,590.00 which are more than 5 yrs old and Provision for Long Outstanding advance of Rs.1,31,576/- of D.A.V.P. Lying since 2009 as on 31 March 2021.

29.29 LEASE RENT FOR LEASED UNIT AT IMPCL IMLIKHERA, HARIDWAR:

The Company has taken a manufacturing unit in Imlikhera, Haridwar in July 2018 on monthly Lease Rent of Rs. 22 lacs (GST Extra), which started its functions in January, 2019. Lease Rent for the year 2020-21 of Rs. 2.72 Crore (Rs. 22 lacs per month for Imlikhera Plant for 12 months and Rs. 8, 15,673/- of Mohan Unit for 2020-21) has been shown in Note No. 24 Other Expenses.

29.30 Previous Year's Figures/words are being regrouped/rearranged wherever necessary.

29.31 Note 3 to 29.31 forms an integral part of the Balance Sheet and has been authenticated by the Management.

For M/S Indian Medicines Pharmaceutical Corporation Ltd.

Arvind Kumar Aggarwal
(Chief Manager F &A)
Membership No. 32501

Pankaj Kumar Jha
(Company Secretary)
Membership No. A27214

Mukesh Kumar
(Managing Director)
DIN No. 08792177

Vikram Singh
(Director)
DIN No. 08559981

Place: Mohan
Date: - 16.11.2021

As per our report of even date attached
For ACHAL SRIVASTAVA & CO.
Chartered Accountants
Firm Registration No. : 013385C

(Sanjay Kumar Gupta)
Partner
Membership No.: 408105
Place: Haldwani
Date:



INDEPENDENT AUDITORS' REPORT

To,
The Members of
INDIAN MEDICINES PHARMACEUTICAL CORPORATION LTD
MOHAN, DISTT ALMORA, UTTARAKHAND

Report on the Financial Statements

We have audited the accompanying financial statements of "INDIAN MEDICINES PHARMACEUTICAL CORPORATION LTD, MOHAN, DISTT ALMORA" which comprise the Balance Sheet as at 31 March 2021, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a 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 and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 control, 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.

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 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 in place an adequate internal financial controls system over financial reporting and operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Basis for Qualified Opinion

1. The balances of Other Current Liabilities, Long Term Loans Advances, & Trade Receivables as shown in Note 8, 12, & 14 respectively are subject to confirmation of the respective parties.
2. Company is in a joint venture with Kumaon Mandal Vikas Nigam Ltd. For Medical Tourism according to Point no 6.2 page no 9 of the memorandum of understanding 'Terms of Payment: The payments in respect of the memorandum of understanding shall made as follows.
 - (a) The "Second Party" KMVN shall submit the Annual Accounts on agreed terms after meeting all revenue expenditure the income will be shared in the ratio of 70:30 between the "Second Party" KMVN and the 'First Party' IMPCL respectively and the amount will be released in next month of closing of the financial year.

Point no 3.5 page no. 8 of the memorandum of understanding

The accounts and records in respect of the Memorandum of understanding shall be maintained by the "Second Party" KMVN & Audited by auditors' appointment by First Party.

The profit or loss of this Memorandum of understanding is not considered in preparation of final accounts of the company and auditor for this Memorandum of understanding is also not appointment by the company.



This is only partially disclosed in Related Party Disclosure according to AS-18 Note no 29.18

3. In case of AS- 28, Loss due to impairment of assets has not been worked out.
4. Internal control needs to be strengthened specially in area of effective procurement & production process management , man and machine hour utilization , timely realization from debtor's, follow up for penalties levied in supplies, normal losses ratio for production process, storage and transit of inventories should be decided to control the pilferage an abnormal loss refer clause (ii) of Annexure referred to in paragraph 1 under the heading of "Report on other Legal and Regulatory Requirements".
5. In the books, Rs 21,30,572/- is shown as Advance Tax & TDS (IT Refundable) for AY 2012-13(FY 2011-12). But as per Income Tax Order, No refund is due instead a demand of Rs 3,280/- is outstanding, which was paid by the company in FY 2018-19. So accumulated IT refundable for AY 2012-13 (FY 2011-12) is increased to Rs.21,33,852/- in the Books of the company. Further penalty notice of Rs. 16,73,344/- has been received on 26.03.2019, which was not accounted for in the Books of the Company and an appeal is filed against this penalty order with CIT(A) on 23.04.2019 for this a 20% deposit of Rs. 3,34,700/- is deposited resulting accumulated IT refundable Rs. 24,68,552/- under other current assets head of the company. However balance 80% demand of Rs. 13,38,644/- has been shown in Notes to accounts under contingent head of liability. (Note No.27).
6. In the AY 2015-16 (FY 2014-15) income tax demand of Rs. 31,54,080/- raised by the department against which Rs. 2,49,920/- was deducted by the department out of Refund of (FY 2012-13) and sent notice of net demand of Rs. 29,04,160/- on 09.01.2019. Company has filed an appeal against this order with CIT(A) and 20% of demand of Rs. 5,80,850/- was deposited on 15.01.2019, resulting accumulated IT refundable for AY 2015-16 Rs. 8,30,770/- is appearing under Other current assets head of the company. However the balance 80% demand of Rs. 23,23,311/- has been shown in Notes to accounts under contingent head of liability. (Note No.27).
7. In the books, Rs 29,88,503/- is shown as Advance Tax & TDS (I.T. Refundable) for AY 2016-17. Earlier, Company has filed the return with claiming Refund of Rs. 1,12,60,922.00, this has been revised with claiming of enhanced refund of Rs. 1,18,12,350/- against which refund of Rs. 88,23,847/- has been received by the company. Further company has been received assessment order dated 18.12.2018 with tax demand of Rs.55,332/- and penalty order of Rs. 10,000/- on dated 10.10.2018 those have not been accounted for in the Books of the company. Company has filed an appeal against these orders with CIT(A) and 20% of demand of Rs. 13,100/- was deposited on 08.01.2019, resulting accumulated IT refundable for AY 2016-17 Rs. 30,01,603/- is appearing under Other current assets head of the company. However the balance 80% demand of Rs. 52,232/- has been shown in Notes to accounts under contingent head of liability. (Note No.27).



8. In AY 2017-18 income tax department raised demand of Rs. 5,42,819/- and demand notice served as on 27.11.2019, Company has filed appeal against this order and 20% of demand Rs. 1,08,570/- has been deposited. No provision is made for the total demand of Rs. 5,42,819/- for AY 2017-18 in books of accounts of the Company. The IT refundable for AY 2017-18 Rs. 1,08,570/- is appearing under Other current assets head of the company. However the balance 80% demand of Rs. 4,34,249/- has been shown in Notes to accounts under contingent head of liability. (Note No.27).
9. In AY 2019-20(FY 2018-19) assessment intimation u/s 143(1) of the Income tax Act, 1961 has been received by the company with demand of Rs. 3,32,376/- on dated 30.04.2020. The rectification request has been submitted by the company. No provision is made in this respect in the books of accounts of the Company. However same is shown under Contingent Liability (Note No.27).
10. TDS liability towards Short Payment, Interest on delay payment and late fee etc. Rs. 5,46,280/- is appearing in TDS-TRACES portal which are shown in books as Other Payable instead of Statutory Dues.
11. GST demand order on impounding of vehicle for Rs. 1,34,300/- is shown other advance head and no provision for the same has been made in the Books of Accounts of the Company. However the amount has been shown in Notes to accounts under contingent head of liability. (Note No.27).
12. Regional PF Commissioner, Haldwani (Uttarakhand) has recovered Rs. 1,12,57,094/- thought their recovery notice U/S 8F of the EPF & Miscellaneous Provision Act, 1952 served on State Bank of India, Mohan, towards EPF liability in respect of Contractual labour engaged by the company for the period 2008-2014, and no provision for the same has been made in the Books of Accounts of the Company. However the amount has been shown in Notes to accounts under contingent head of liability. (Note No.27).
13. Gross Block of Fixed Assets as well as Opening Balance of Accumulated Depreciation is overvalued due to past accounting policy of grant in aid.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31st March 2021, its profit and its cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to



-
- (1) Note No 2.3 of financial statement “Significant Accounting Policies” to the financial statements which describes that cost of work in process inventory is valued at estimated cost as per regular practice.
 - (2) Note No 29.25 of financial statement “Shortage/Wastage and Spoilage” to the financial statements shows losses are not bifurcated into normal and abnormal losses which can be useful for management purposes.
 - (3) Our opinion is not qualified in respect of these matters.

Other of Matter

- (1) Company is maintaining accounts manually as well as accounts on computer software (Tally ERP 9) printout of books maintained on computer software is not taken, we conducted our audit around computer on the basis of print out of trial balance taken from computer.
- (2) There are six legal cases pending for & against the company, No provision for contingent liability is made for the legal cases pending for & against the company. As per management representation no material liability of contingent will arise on account of these legal cases.
- (3) Balance of GST Tax Credit is subject to reconciliation from GST Return.
- (4) Cost Audit process is delayed. Cost audit for FY 2019-20 is under process.
- (5) Our opinion is not qualified in respect of these matters. .

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor’s Report) Order, 2015(“the Order”) issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure ‘A’ a statement on the matters Specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) Except for the effects of matter described in the bases for qualified opinion paragraph above, in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.



- c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) Except for the effects of matter described in the bases for qualified opinion paragraph above, in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) In view of Notification No. GSR 463 (E), the provision of Section 164(2) of the Companies Act regarding disqualification of directors are not applicable to the company as the company is a Government Company.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:
- The Company does not have any pending litigation which would impact its financial position.
 - The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - There were no amounts which required to be transferred by the Company to the Investor Education and Protection Fund.
3. As required by the Directions issued by the Office of the Principal Director of Commercial Audit & Ex- Officio Member, Audit Report –IV, New Delhi under section 143 (5) of the Companies Act, we give in the Annexure a statement on the directions specified in Order, to the extent applicable.

FOR ACHAL SRIVASTAVA & CO.
Chartered Accountants
Firm Registration No. : 013385C

(Sanjay Kumar Gupta)
Partner
Membership No.: 408105
Place: Haldwani
Date: 17.11.2021



Annexure ‘ A ’ to the Independent Auditors’ Report

[Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ of our Report of even date to the members of Indian Medicines Pharmaceutical Corporation Ltd, Mohan Distt Almora on the accounts of the company for the year ended 31st March, 2021]

Based on audit procedure performed for the purpose of reporting a true and fair view on the financial statements of the company and taking in to consideration the information and explanations given to us and the books of account and other records examined by us during normal course of our audit, we report that:

- (i) (a) The company is properly maintaining Fixed Assets Register and records showing quantitative details except situation of fixed assets.
- (b) Physical verification of the fixed assets by the management is pending.
- (c) As per information and records provided to us company is situated on lease hold land for 90 year lease is executed between company and SIDCUL(UK).
- (ii) (a) As explained to us, physical verification of inventory has been conducted annually by the management. CA Certificate has been obtained in case of inventory lying with agents.
- (b) In our opinion and according to the information and explanation given to us , the procedures of physical verification of inventory followed by the Management is reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) Company is maintaining proper records of inventory and discrepancy noticed on verification between physical stock and book record has been treated as consumption as per continuous accounting policy of the Company and the same has been shown as shortage, spoiled and expired goods by way of Notes to the Accounts. No policy for identification of normal & abnormal loss exists at present.
- (iii) As stated by the management, the company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act. If so,
 - (a) Particulars of this clause are not applicable to the company.
 - (b) Particulars of this clause are not applicable to the company.
 - (c) Particulars of this clause are not applicable to the company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act 2013 in respect of loans, investments, guarantees and security.

- (v) In our opinion and according to the information and explanation given to us, the company has not received any public deposits during the year hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- (vi) Maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the companies Act, According to the information and explanation given to us and on the basis of our broad review of records, Company is maintaining cost accounting records.
- (vii) (a) The company is regular in depositing the undisputed statutory dues including provident fund, income tax, sale tax, service tax, value added tax, cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of above were in arrear as at 31 March, 2021 for a period of more than six months from the date they became payable.
- (b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax(GST) outstanding on account of any dispute subject to following :-
- (1) As per Traces report downloaded on 30.10.2021, Liability towards TDS liability towards Short Payment, Interest on delay payment and late fee etc. Rs. 5,46,280/- is appearing in TDS-TRACES portal which are shown in books as Other Payable instead of Statutory Dues.
 - (2) In the books, Rs 21,30,572/- is shown as Advance Tax & TDS (IT Refundable) for AY 2012-13(FY 2011-12). But as per Income Tax Order, No refund is due instead a demand of Rs 3,280/- is outstanding, which was paid by the company in FY 2018-19. So accumulated IT refundable for AY 2012-13 (FY 2011-12) is increased to Rs.21,33,852/- in the Books of the company. Further penalty notice of Rs. 16,73,344/- has been received on 26.03.2019, which was not accounted for in the Books of the Company and an appeal is filed against this penalty order with CIT(A) on 23.04.2019 for this a 20% deposit of Rs. 3,34,700/- is deposited resulting accumulated IT refundable Rs. 24,68,552/- under other current assets head of the company. However balance 80% demand of Rs. 13,38,644/- has been shown in Notes to accounts under contingent head of liability.
 - (3) In the AY 2015-16 (FY 2014-15) income tax demand of Rs. 31,54,080/- raised by the department against which Rs. 2,49,920/- was deducted by the department out of Refund of (FY 2013-14) (FY 2012-13) and sent notice of net demand of Rs. 29,04,160/- on 09.01.2019. Company has filed an appeal against this order with CIT(A) and 20% of demand of Rs. 5,80,850/- was deposited on 15.01.2019, resulting accumulated IT refundable for AY 2015-16 Rs. 8,30,770/- is appearing under Other current assets head of the company. However the balance 80% demand of Rs.

23,23,311/- has been shown in Notes to accounts under contingent head of liability.

- (4) In the books, Rs 29,88,503/- is shown as Advance Tax & TDS (I.T. Refundable) for AY 2016-17. Earlier, Company has filed the return with claiming Refund of Rs. 1,12,60,922.00, this has been revised with claiming of enhanced refund of Rs. 1,18,12,350/- against which refund of Rs. 88,23,847/- has been received by the company. Further company has been received assessment order dated 18.12.2018 with tax demand of Rs.55,332/- and penalty order of Rs. 10,000/- on dated 10.10.2018 those have not been accounted for in the Books of the company. Company has filed an appeal against these orders with CIT(A) and 20% of demand of Rs. 13,100/- was deposited on 08.01.2019, resulting accumulated IT refundable for AY 2016-17 Rs. 30,01,603/- is appearing under Other current assets head of the company. However the balance 80% demand of Rs. 52,232/- has been shown in Notes to accounts under contingent head of liability.
- (5) In AY 2017-18 income tax department raised demand of Rs. 5,42,819/- and demand notice served as on 27.11.2019, Company has filed appeal against this order and 20% of demand Rs. 1,08,570/- has been deposited. No provision is made for the total demand of Rs. 5,42,819/- for AY 2017-18 in books of accounts of the Company. The IT refundable for AY 2017-18 Rs. 1,08,570/- is appearing under Other current assets head of the company. However the balance 80% demand of Rs. 4,34,249/- has been shown in Notes to accounts under contingent head of liability.
- (6) In AY 2019-20(FY 2018-19) assessment intimation u/s 143(1) of the Income tax Act, 1961 has been received by the company with demand of Rs. 3,32,376/- on dated 30.04.2020. The rectification request has been submitted by the company. No provision is made in this respect in the books of accounts of the Company. However same is shown under Contingent Liability.
- (7) GST demand order on impounding of vehicle for Rs. 1,34,300/- is shown other advance head and no provision for the same has been made in the Books of Accounts of the Company. However the amount has been shown in Notes to accounts under contingent head of liability.
- (8) Regional PF Commissioner, Haldwani (Uttarakhand) has recovered Rs. 1,12,57,094/- thought their recovery notice U/S 8F of the EPF & Miscellaneous Provision Act, 1952 served on State Bank of India, Mohan, towards EPF liability in respect of Contractual labour engaged by the company for the period 2008-2014, and no provision for the same has been made in the Books of Accounts of the Company. However the amount has been shown in Notes to accounts under contingent head of liability.

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to financial

- institutions and banks. Company has not taken any loan from government and has not issued any debentures.
- (ix) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- (x) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion, as company is a government company, section 197 is not applicable to the company.
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- (xiii) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- (xiv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- (xvi) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

FOR ACHAL SRIVASTAVA & CO.
Chartered Accountants
Firm Registration No. : 013385C

(Sanjay Kumar Gupta)
Partner
Membership No.: 408105
Place: Haldwani
Date: 17.11.2021

“Annexure B” to the Independent Auditor’s Report of even date on the Standalone Financial Statements of Indian Medicines Pharmaceutical Corporation Ltd, Mohan Distt Almora

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

We have audited the internal financial controls over financial reporting of **M/S Indian Medicines Pharmaceutical Corporation Ltd, Mohan Distt Almora** as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating

effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 March 31, 2021, 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 the India”.

FOR ACHAL SRIVASTAVA & CO.

Chartered Accountants

Firm Registration No. : 013385C

(Sanjay Kumar Gupta)

Partner

Membership No.: 408105

Place: Haldwani

Date: 17.11.2021

Annexure to the Independent Auditors' Report

[Referred to in paragraph 3 under 'Report on Other Legal and Regulatory Requirements' of our Report of even date to the members of Indian Medicines Pharmaceutical Corporation Ltd, Mohan Distt Almora on the accounts of the company for the year ended 31st March, 2021]

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

SL.No	Directions	Auditor Remark
1	Whether the company has systems in place to process all the accounting transactions through IT Systems? If yes the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	In our opinion and based on the information and explanation given to us, we found that the company has maintained its books of accounts in computer environment in tally package of software and all accounting transactions are recorded therein, other than this no other system in vogue.
2	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/interest etc. made by lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated.	In our opinion and according to the information and explanation given to us, there is no such case.
3	Whether funds received/receivable for specific schemes from the central/state agencies were properly accounted for/utilized as per its term and conditions? List the case of deviation.	In our opinion and according to the information and explanation given to us, no funds received/receivable for any specific schemes by the company during the year.

FOR ACHAL SRIVASTAVA & CO.

Chartered Accountants

Firm Registration No. : 013385C

(Sanjay Kumar Gupta)

Partner

Membership No.: 408105

Place: Haldwani

Date: 17.11.2021

UDIN NO.: 21408105AAAANO8404



कार्यालय प्रधान निदेशक लेखा परीक्षा (स्वास्थ्य, कल्याण एवं ग्रामीण विकास)
OFFICE OF THE DIRECTOR GENERAL OF AUDIT (Health, Welfare and Rural Development)
इन्द्रप्रस्थ इस्टेट, नई दिल्ली - 110 002
Indraprastha Estate, New Delhi - 110 002

No.AMG-I/HW&RD/PSU/IMPCL/2021-22/829

Dated : 28.01.2022

To

**The Managing Director,
Indian Medicines Pharmaceutical Corporation Limited
B-261, Okhla Phase-I
New Delhi-110020**

Sub.: Comments of the Comptroller & Auditor General of India under section 143 (6)(b) of the Companies Act, 2013 on the accounts of Indian Medicines Pharmaceutical Corporation Limited for the year ended 31st March 2021.

Sir,

I have been directed to enclose herewith a NIL Comments Certificate of the Comptroller & Auditor of India under Section 143(6)(b) of the Companies Act, 2013 on the financial statements of Indian Medicines Pharmaceutical Corporation Limited for the year ended 31 March 2021.

The receipt of the letter may kindly be acknowledged.

Encl : As above

Yours faithfully,

**(Praveen Kumar Saxena)
Director (AMG-I)**

Ph. : 91-1123702254
Fax : 91-1123702271

DGACR, Building, I.P. Estate, New Delhi- 110002
Email : pdahwrdr@cag.gov.in

**COMMENT OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA
UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE
FINANCIAL STATEMENTS OF INDIAN MEDICINES PHARMACEUTICAL
CORPORATION LIMITED FOR THE YEAR ENDED 31 MARCH 2021.**

The preparation of financial statements of **INDIAN MEDICINES PHARMACEUTICAL CORPORATION LIMITED** for the year ended 31st March 2021 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated **17th November 2021.**

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of **INDIAN MEDICINES PHARMACEUTICAL CORPORATION LIMITED** for the year ended 31 March 2021 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditor's report under section 143(6)(b).

**For and on the behalf of the
Comptroller & Auditor General of India**

**Place: New Delhi
Date: 28.01.2022**

**(Ashok Sinha)
Director General of Audit
(Health, Welfare & Rural Development)
New Delhi**