

NOTICE

Notice is hereby given that the 10th Annual General Meeting of the members of **ROSSARI BIOTECH LIMITED** will be held at the registered office of the company at 201, A – B, 2nd Floor, Akruti Corporate Park, L.B.S. Marg, Next to GE Gardens, Kanjurmarg (W), Mumbai – 400079, on Monday, 23rd September, 2019 at 1.00 p.m. to transact the following business:

Ordinary Businesses:

1. To consider and adopt the audited financial statement of the company for the financial year end 31st March, 2019, the reports of Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mrs. Anita Menezes who retires by rotation, and being eligible, offers himself for re-appointment.
3. To Declare a dividend on equity shares.

Special Business:

4. Approval of the appointment of Mr. Goutam Bhattacharya as Independent Director of the Company.

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

“RESOLVED THAT in accordance with the provisions of Section 149, 152, 160 and all other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Goutam Bhattacharya who was appointed as an Additional Director (Independent) pursuant to the provisions of Section 161 of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company.

Place: Mumbai
Date: 30th August, 2019

**On Behalf of the Board of Directors of
ROSSARI BIOTECH LIMITED,**


Sunil Srinivasan Chari
Whole Time Director
DIN: 00149083

ROSSARI BIOTECH LIMITED

(An ISO 9001:2015 & 14001:2015 Certified Company)

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Factory : Plot No. 10 & 11, Survey No. 90/1/10 & 90/1/11/1, Kumbharwadi, Village Naroli, Dadra & Nagar Haveli (U.T.), Silvassa - 396 235. India. T 0260 - 669 3000

E info@rossarimail.com W www.rossari.com CIN: U24100MH2009PLC194818

NOTES:

- 1) A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself, and such proxy need not be a member of the company.
- 2) Proxies in order to be effective must be lodged to the Company's registered office not less than 48 hours before the meeting.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4

Appointment of Mr. Goutam Bhattacharya as Independent Director

The Board of Directors of the Company (the Board), at its meeting held on 6th December, 2018 appointed Mr. Goutam Bhattacharya an Additional Director (Independent) of the Company pursuant to the provisions of Section 161 of the Companies Act, 2013 (the Act).

In terms of the provisions of Section 260 of the Act, Mr. Goutam Bhattacharya would hold office upto the date of the ensuing Annual General Meeting.

The Board recommends the resolution set out at Item No.5 of the Notice for your approval.

Save and expect for Mr. Goutam Bhattacharya, none of the Directors of the Company are, in any way, concerned or interested in the resolution.

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REPORT OF THE DIRECTORS

Your Directors submit herewith their 10th Annual Report together with the Audited Accounts statements for the financial year ended 31st March 2019.

1. FINANCIAL RESULTS:

<u>Particulars</u>	<u>YEAR ENDED</u> 31.03.2019 Rs.	<u>YEAR ENDED</u> 31.03.2018 Rs.
Revenue from operation	5,159,168,853	2,917,931,157
Total Expenses	4,527,034,662	2,532,962,604
Profit before Tax	622,009,804	394,341,601
Net Surplus for the year	454,612,738	289,240,657
Balance carried to Balance Sheet	454,612,738	289,240,657

2. OPERATIONAL PERFORMANCE:

There is a quantum jump in the turnover of the company, a growth of around 76.80 %. The net surplus of the company increased to Rs. 454,612,738/- from the previous year. The Company is working on future growth prospects and expansion plans in new areas of business so that the Company can gain an extra market in the industry.

3. DIVIDEND:

Considering the present financial condition & current market situation it is proposed a final Dividend of at the rate of @50 % for FY 18-19. That it every equity shares of face value of Rs.10/- will receive Rs.5 as Dividend.

4. INSURANCE:

All the assets of your Company including plant & machinery, equipment, building, vehicle etc. are adequately insured.

5. MANAGEMENT DISCUSSIONS AND ANALYSIS:

A. Business Operations & Outlook:

Your Company's performance in the financial year 2018-19 has been good considering difficult economic conditions and taxation process in the country. Despite such challenges your Company maintained its market. The demand for your Company products is steady in both domestic and international markets. This has been possible due to focused on customers, product innovation,

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greater effectiveness & efficiency everywhere & strengthening organizational leadership. During the year the Company has managed to curtail its expenses and achieve net profit after tax amount to Rs. 454,612,738/- in the current year.

There has been a significant increase in sale of products for export and to the Export Oriented Units in India. This speaks for the quality of products, which are to world standards. Your company considers Export and sales to Export Oriented Units as a key thrust area as it involves direct competition against international makers.

B. R & D Recognition:

Your Company's two R&D In-House Units located at Mumbai & Silvassa have been recognized by the Department of Scientific & Industrial Research, Ministry of Science & technology, Govt. of India.

6. PUBLIC DEPOSITS:

During the period under review the Company did not accept deposits in terms of Section 73 of the Companies Act, 2013.

7. DIRECTORS:

The Board consists of 6 Directors namely, Mr. Sunil Chari, Mr. Edward Menezes, Mrs. Jyotishna Chari, Mrs. Anita Menezes, Mr. Goutam Bhattacharya and Mrs. Meher Bruno Castelino. Mr. Goutam Bhattacharya and Mrs. Meher Bruno Castelino are the Independent Directors of the Company

Mrs. Anita Menezes, retire by rotation and eligible offers herself for appointment.

8. BOARD MEETINGS:

The Board met eleven times during the financial year 2018-19 on 02nd April 2018, 07th May, 2018, 11th May 2018, 22nd May, 2018, 04th June, 2018, 04th July, 2018, 09th July, 2018, 29th August, 2018, 07th September, 2018, 06th December, 2018 and 13th March, 2019.

Also passed three circulars dated 19th September 2018, 17th November 2018 and 25th February, 2019 during FY 2018-19.

Details for each Director of the Company and their shareholdings and Attendance at the meetings for the period ended on 31st March, 2019 are as follows:

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Name of Directors	No. of Shares Held	Category	Attendance
Mr. Sunil Chari	19,52,620	Executive Director	11/11
Mr. Edward Menezes	19,52,620	Executive Director	11/11
Mrs. Jyotishna S. Chari	95,280	Non- Executive Director	8/11
Mrs. Anita Menezes	95,280	Non- Executive Director	8/11
Mr. Goutam Bhattacharya	0	Independent Director	2/11
Ms. Meher Bruno Castelino	0	Independent Director	3/11

9. AUDITORS APPOINTMENT AND AUDITORS' REPORT:

M/s. Deloitte Haskins & Sells LLP, Chartered Accountants were appointed at the previous AGM of the Company, as Statutory Auditors for a period of 5 years starting with the financial year 2018-19 to the financial year 2022-23 to hold the office of auditor till the conclusion Of Annual General Meeting of the company for the financial year 2022-23.

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.

10. SECRETARIAL AUDIT:

The Company had appointed M/s. Roy Jacob & Co., Company Secretaries in practice as Secretarial Auditors of the Company and their Secretarial Audit report is attached herewith as Annexure A and form part of Directors Report.

11. DIRECTORS' RESPONSIBILITY STATEMENT :

Pursuant to the requirement under Section 134(3)(c) of the Companies Act, 2013, with respect to Director's Responsibility Statement, it is hereby confirmed that.

(A) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(B) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

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(C) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(D) The directors have prepared the annual accounts on a going concern basis; and

(E) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

12. RESEARCH AND DEVELOPMENT (R&D):

a) Specific areas in which R & D carried out by the Company -

Up gradation of few of the microbial strains to get better yield and better application effects. Optimization of SMF conditions for cellulose enzymes. This resulted in better product and applicability. Developed and provided various formulations for Animal Health & nutrition export market. New products and process was developed for paper industries.

New mutants of our existing collection of microbial cultures were screened for new enzymes and improved efficiency.

b) Benefits derived as a result of the above R & D -

New products were developed and introduced in the market which resulted in increase in the sales. Improved version of enzymes gave better effect and good applicability in small does. The improvement in the quality gave sustained leadership in the market.

c) Expenditure on R & D –

<u>Particular</u>	<u>31st March, 2019</u> (Rs.)	<u>31st March 2018</u> (Rs.)
Revenue Expenditure	3,86,19,191	3,13,91,896
Capital Expenditure	2,92,91,379	5,37,47,975
TOTAL	6,79,10,570	8,51,39,871

** This is a cumulative figure of Capital Expenditure incurred till year end.

Total R & D expenditure for the year as a percentage of total turnover = 1.35 %

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(II) TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:

1. Efforts, in brief, towards Technology Absorption, adaptation and Innovation:

Efforts made towards Technology Absorption, adaption and innovation

Development of techniques for enzymes cellulases and pectinase with better applicability and yield. New technologies were adapted for the development of niche products for animal health care and we have applied for a Trademark related to our animal health care products. Technical personnel got trained for the latest trends in the biotechnological field to gear up for further research. One patent writing is underway.

13. FOREIGN EXCHANGE EARNING AND OUTGO:

Total foreign exchange earned:	Rs.
FOB Value of Exports Sale	709,046,644
Total inflow	709,046,644
Total foreign exchange outgo:	
CIF Value of imported components	867,268,202
Travelling Expenses, Membership / Subscription & Others	32,315,119
Total outflow	899,583,321

ISO Certification:

Company's Silvassa Plant is certified for ISO 9001: 2015 and 14001: 2015 standards.

14. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:

Company has not given loan or provided any guarantees and does not make any investment during the year under consideration.

15. RELATED PARTY TRANSACTION UNDER SUB-SECTION (1) OF SECTION 188:

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. There are no materially significant related party transactions made by the company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large.

The Related Party Transactions have been attached as Annexure B to the Director's report.

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

There are no material changes and commitments noticed by the Board between the end of the financial year of the company, i.e., 31.03.2019 and the date of the report.

17. PARTICULARS OF EMPLOYEES:

Details of Employees covered by the provisions of rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

No employee is drawing salary in excess of the limits specified under the above said Rule.

18. ACKNOWLEDGEMENTS:

Your Directors would like to express their sincere appreciation of the co-operation and assistance received from shareholders, bankers, regulatory bodies and other business constituents during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the commitment displayed by all executives, officers and staff, resulting in the successful performance during the year.

On Behalf of the Board of Directors
For ROSSARI BIOTECH LIMITED

Place: Mumbai

Dated: 30th August, 2019

Edward Menezes
Managing Director
DIN: 00149205

Sunil Chari
Whole Time Director
DIN: 00149083

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INDEPENDENT AUDITOR'S REPORT

To The Members of Rossari Biotech Limited Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Rossari Biotech Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, and 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.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2006, as amended ("Accounting Standards") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and its profit and its cash flows for the year ended on that date.

Basis for Opinion

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

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

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report and its related annexures, but does not include the Financial Statements and our auditor's report thereon.
- Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone 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 Standards and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related



disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit, we report, to the extent applicable that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our

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information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins and Sells LLP**

Chartered Accountants

Firm's Registration No. 117366/W-100018

Kedar Raje

Partner

Membership No. 102637

UDIN: 19102637AAAA BQ6363

Place: Mumbai

Date: August 30, 2019

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ANNEXURE “A” TO THE INDEPENDENT AUDITORS’ REPORT

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date to the members of ROSSARI BIOTECH LIMITED on the financial statements for the year ended March 31, 2019)

Report on the Internal Financial Controls Over Financial Reporting 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 **ROSSARI BIOTECH LIMITED** (“the Company”) as of 31st March, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note required 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 auditors’ judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

A Company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for

external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, 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, 2019, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No. 117365W)



Kedar Raje
(Partner)

(Membership No.: 102637)

UDIN: 19102637AAAA BQ 6363

Place: Mumbai

Date: August 30, 2019.



ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of ROSSARI BIOTECH LIMITED on the financial statements for the year ended March 31, 2019)

- (i) (a) The Company has maintained proper records showing particulars, including quantitative details and situation of property, plant and equipment.
- (b) Some of the property, plant and equipment were physically verified during the year by the Management in accordance with a programme of verification, which in our opinion provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and buildings that have been taken on lease and disclosed as fixed asset in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.
- (ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year and also the Company does not have any unclaimed deposit.
- (vi) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
 - (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Goods and Service Tax, Value Added Tax, cess and other material statutory dues applicable to it to the appropriate authorities.
 - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Goods and Service Tax, Customs Duty, cess and other material

**Deloitte
Haskins & Sells LLP**

statutory dues in arrears as at March 31, 2019 for a period of more than six months from the date they became payable.

- (c) There are no dues of Income-tax, Sales Tax, Service Tax, Customs Duty, Goods and Service Tax as on March 31, 2019 on account of disputes.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and government and dues to debenture holders.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the CARO 2016 Order is not applicable.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No.117366W/ W - 100018)



Kedar Raje
Partner

(Membership No. 102637)

UDIN : 19102637 AAAA BQ 6363

Place: Mumbai
Date: August 30, 2019



ROSSARI BIOTECH LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2019

Particulars	Note No.	Amount in Rs. as at 31.03.2019	Amount in Rs. as at 31.03.2018
EQUITY AND LIABILITIES			
Shareholder's Funds			
Share Capital	3	44,000,000	44,000,000
Reserves and Surplus	4	1,200,803,416	851,128,280
		1,244,803,416	895,128,280
Non-Current Liabilities			
Long-term borrowings	5	6,727,957	12,871,932
Other long-term liabilities	6	30,162,402	30,297,971
Long Term Provisions	7	12,783,011	-
		49,673,370	43,169,903
Current Liabilities			
Short-term borrowings	8	51,263,105	196,260,073
Trade payables			
(A) total outstanding dues of micro enterprises and small enterprises;		46,169,253	30,041,018
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	9	1,002,293,922	350,522,167
Other Current Liabilities	10	84,167,189	55,337,070
Short-term provisions	11	25,240,935	28,805,759
		1,209,134,404	660,966,087
Total		2,503,611,190	1,599,264,270
ASSETS			
Non-current assets			
Property, Plant and Equipment			
i. Tangible Assets	12	756,240,583	436,955,596
ii. Intangible Assets		59,706,788	402,920
iii. Capital Work In Progress		28,267,435	99,880,178
		844,214,806	537,238,694
Non - current Investments	13	1,975,000	31,975,000
Deferred tax assets (Net)	14	18,963,397	7,919,752
Long-term Loans and Advances	15	37,151,155	19,397,274
		58,089,552	59,292,026
Current assets			
Inventories	16	548,985,953	351,043,609
Trade receivables	17	859,633,036	597,893,676
Cash and cash equivalents	18	56,943,484	6,642,015
Short-term loans and advances	19	135,744,359	47,154,250
		1,601,306,832	1,002,733,550
Total		2,503,611,190	1,599,264,270
The accompanying notes 1 to 44 are an integral part of the financial statements.			

In terms of our report attached.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants



Kedar Raje
Partner

Place : Mumbai
Date : August 30, 2019

For **Rossari Biotech Limited**



Edward Menezes
(Director)
DIN:00149205

Sunil Chari
(Director)
DIN:00149083

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ROSSARI BIOTECH LIMITED

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

Particulars	Note No	Amount in Rs. as at 31.03.2019	Amount in Rs. as at 31.03.2018
Revenue from operations	20	5,159,168,853	2,917,931,157
Other Income	21	12,380,131	9,373,048
Total Revenue		5,171,548,984	2,927,304,205
Expenses:			
Cost of materials consumed	22	3,522,457,266	1,962,699,271
Purchases of Stock-in-Trade		16,968,884	8,207,513
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	23	(156,165,120)	(6,395,993)
Employee benefits expense	24	264,700,853	195,312,478
Finance costs	25	32,681,802	9,892,814
Depreciation and amortisation expense	12	121,865,958	50,962,369
Other expenses	26	724,525,019	312,284,152
Total Expenses		4,527,034,662	2,532,962,604
Profit Before Exceptional Items and Tax		644,514,322	394,341,601
Prior Period Expense	27	22,504,518	-
Profit Before Tax		622,009,804	394,341,601
Tax expense:			
(1) Current tax		178,440,711	108,307,812
(2) Deferred tax		(11,043,645)	(3,206,868)
Profit for the year		454,612,738	289,240,657
Earnings per share:			
Basic & Diluted	28	103.32	65.74
The accompanying notes 1 to 44 are an integral part of the financial statements.			

In terms of our report attached.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants



Kedar Raje
Partner
Place : Mumbai
Date : August 30, 2019

For **Rossari Biotech Limited**



Edward Menezes
(Director)
DIN:00149205



Sunil Chari
(Director)
DIN:00149083



ROSSARI BIOTECH LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2019

PARTICULARS	31.03.2019	31.03.2018
A. <u>Cash Flow from Operating Activities</u>		
Net Profit Before Tax (PBT)	622,009,804	394,341,601
Adjustment for :		
Depreciation	121,865,958	50,962,369
Interest and finance charges	23,052,842	9,892,814
Dividend Received	(4,804,375)	-
Profit on sale of Investment	(11,244)	-
Profit on sale of Fixed Assets	(5,167)	-
Interest Income	(4,668,744)	(4,038,074)
Operating Profit before Working Capital Changes	757,439,074	451,158,710
<u>Adjustment for Working Capital Changes</u>		
Increase in Inventory	(197,942,344)	(115,957,349)
Increase in Trade Receivables	(261,739,360)	(120,420,765)
(Increase)/Decrease in Other Assets	(61,312,541)	12,239,201
Increase in Trade Payables	667,899,990	98,234,452
Increase/(Decrease) in Other Liabilities	32,945,164	(2,105,986)
	179,850,909	(128,010,447)
Cash Generated from Operation	937,289,983	323,148,263
Income Taxes paid (Net of refunds)	208,204,875	105,100,944
Net Cash from Operating Activities	729,085,108	218,047,319
B. <u>Cash Flow from Investing Activities</u>		
Interest Received	3,518,583	4,038,074
Purchase of Fixed Assets	(439,467,710)	(140,835,486)
Sale of Fixed Asset	5,167	460,000
Purchase of Investment	-	-
Sale of Investments	30,011,244	(30,000,000)
Dividend Received	4,804,375	-
Net Cashflows from deposits with banks	(14,145,926)	4,216,053
Net Cash used in Investing Activities	(415,274,267)	(162,121,359)
C. <u>Cash Flow from Financing Activities</u>		
Dividend Paid (including income tax on dividend)	(104,937,602)	(2,647,868)
Proceeds from Term Loans	3,234,000	19,515,781
Repayments of Term Loans	(11,804,619)	(30,906,681)
Net Decrease in working capital facilities from banks	(148,820,570)	(25,432,666)
Receipt of loan from related parties	364,743,956	-
Repayment of loan from related parties	(360,920,353)	(13,457,631)
Interest Paid	(19,150,110)	(9,892,814)
Net Cash used in Financing Activities	(277,655,298)	(62,821,880)
D. <u>Net Increase/(Decrease) in Cash and Cash equivalents(A+B+C)</u>	36,155,543	(6,895,920)
Opening Cash and Cash Equivalents	2,865,203	9,761,123
Closing Cash and Cash Equivalents	39,020,746	2,865,203
Closing Cash and Cash Equivalents	39,020,746	2,865,203
Other Bank Balances	17,922,738	3,776,812
Cash and Bank Balances	56,943,484	6,642,015

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ROSSARI BIOTECH LIMITED

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2019

1) The Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard 3 "Cash Flow Statements".

In terms of our report attached.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants



Kedar Raje

Partner

Place : Mumbai

Date : August 30, 2019

For **Rossari Biotech Limited**



Edward Menezes Sunil Chari

(Director)

(Director)

DIN:00149205

DIN:00149083

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ROSSARI BIOTECH LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 ST MARCH 2019

1. CORPORATE INFORMATION

The company "ROSSARI BIOTECH LIMITED" is incorporated in the year 2009 and having registered office at 201-A & B, Ackruti Corporate Park, L.B.S.Marg, Next to GE Garden, Kanjurmarg (West), Mumbai-400 078

2. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Accounting:

The financial statements of the Company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP) and comply with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013.

b) Revenue Recognition:

Sale of products including export benefits thereon are recognized when the products are shipped. Revenue, including any amounts invoiced for shipping and handling costs, represents the value of goods supplied to customers, net of returns, quantity / quality rebates and discounts except cash discount and goods and service tax. Revenue from Export Benefit and Duty Drawback is accounted on accrual basis. Dividend from investments are recognized in the Statement of Profit and Loss when the right to receive payment is established.

c) Property, Plant and Equipment, Capital Work in Progress & Depreciation and Amortization:

Property, plant and equipment are carried at cost less depreciation. Cost includes financing cost relating to borrowed funds attributable to the construction or acquisition of qualifying property, plant and equipment upto the date the assets are ready for use. When an asset is scrapped or otherwise disposed off, the cost and related depreciation are removed from the books of account and resultant profit (including capital profit) or loss, if any, is reflected in the Statement of Profit and Loss.

Depreciation is calculated on Written Down Value method over the estimated useful life of all assets, these lives are in accordance with Schedule II to the Companies Act, 2013. In case of additions to fixed assets there has been change in policy, previously when asset was put to use for period More than 180 Days, depreciation for full year has been provided and if additions to fixed assets put to use for period Less than 180 Days, depreciation at half of the amount of depreciation for full year has been provided from FY 2018-19 depreciation is calculated from the month in which asset is available for use. The impact of change in depreciation has resulted in higher change of depreciation by 8,61,490/-.

d) Intangible Assets:

Intangible assets are carried at cost and amortized on a Straight Line Basis so as to reflect the pattern in which the asset's economic benefits are consumed.

- i) **Patent and Copyright** : The expenditure incurred is amortized over the estimated period of benefit, not exceeding six years commencing with the year of purchase of the technology.
- ii) **Software Expenditure** : The expenditure incurred is amortized over three financial years equally commencing from the year in which the expenditure is incurred.

ROSSARI BIOTECH LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 ST MARCH 2019

e) Research and Development:

Revenue expenditure incurred on Research and Development has been charged to the Profit and Loss Account in the year it has been incurred. Capital expenditure has been included in the Cost of Acquisition of the appropriate Fixed Assets and Depreciation thereon has been charged at regular rates prescribed.

f) Impairment

The carrying value of assets/cash generating units at each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets.

g) Inventories:

Inventories comprise all costs of purchase, conversion and other costs incurred in bringing the inventories to their present location and condition. Raw materials are value at the lower of cost or net realisable value. Cost is determined on the basis of the First in First Out (FIFO) method. Finished goods produced and purchased for sale and work-in-progress are carried at cost or net realisable value whichever is lower. Stores, spares and tools other than obsolete and slow moving items are carried at cost. Obsolete and slow moving items are valued at cost or estimated net realisable value, whichever is lower.

h) Employees Retirement Benefits

i. Defined Contribution Plan:

Contribution payable to recognised provident fund which are substantially defined contribution plan, is recognised as expense in the Statement of Profit and Loss, as they are incurred.

ii. Defined Benefit Plan:

Company's contributions paid/payable during the year to Provident Fund, ESIC and Labour Welfare Fund are recognised in the Statement of Profit and Loss. Company's liability towards gratuity is determined by independent actuaries, using the projected unit credit method. Past services are recognised on a straight line basis over the average period until the benefits become vested. Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss as income or expense. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to the market yields at the Balance Sheet date on Government Bonds where the currency and terms of the Government Bonds are consistent with the currency and estimated terms of the defined benefit obligation.

The scheme provides for payment as under:

i. On normal retirement / early retirement / withdrawal / resignation:

As per the provisions of the Payment of Gratuity Act, 1972 with vesting period of 5 years of service.

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ROSSARI BIOTECH LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 ST MARCH 2019

ii. On death in service:

As per the provisions of the Payment of Gratuity Act, 1972 without any vesting period.

i) Foreign Exchange Transactions:

Transactions in foreign currencies (other than firm commitments and highly probable forecast transactions) are recorded at the exchange rates prevailing on the date of transaction. Monetary items are translated at the year-end rates. The exchange difference between the rate prevailing on the date of transaction and on the date of settlement as also on translation of monetary items at the end of the year is recognised as income or expense, as the case may be.

j) Forward exchange contracts:

The use of foreign currency forward contract is governed by the company's strategy. Approved by board of Directors, which provides principle on uses of such forward contract consistent with the company's risk management policy. The company uses foreign currency forward contract to hedge its risk associated with foreign currency fluctuation relating to certain firm commitment and forecasted transaction for amount in excess of natural hedge available on export realization against import payment. The company doesn't use forward contract for speculative purpose.

k) Tax (Current and Deferred):

Current tax is determined as the amount of tax payable in respect of taxable income for the year. Deferred tax is recognised, subject to consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets arising on account of unabsorbed depreciation are recognised only to the extent that there is virtual certainty supported by convincing evidence that sufficient future tax income will be available against which such deferred tax assets can be realised. Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax against which the MAT paid will be adjusted.

l) Minimum Alternate Tax (MAT)

Minimum alternative tax paid in a year is charged to the statement of profit and loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e. the period for which MAT credit is allowed to carry forward. In the year in which company recognizes MAT credit to statement of profit and loss and shown as "MAT credit Entitlement." The company reviews the "MAT credit Entitlement" Asset at each reporting date and writes down the asset to extent the company does not have convincing evidence that it will pay normal tax during the specified period.

m) Financial Expenses:

Financing expenses comprise costs paid / payable on loans & borrowings and processing fees paid to bank & other bank charges.

Interest on Term Loan to the extent attributable to the Acquisition/Construction of the Fixed Assets which has not been put to use till the date of the Balance Sheet is capitalized and added to the Cost of respective Fixed Assets.

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ROSSARI BIOTECH LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 ST MARCH 2019

In case of Interest on Term Loan to the extent attributable to the Capital Work in Progress has been classified under Capital Work in Progress to be included in the Cost of respective Fixed Assets, as and when the Fixed Asset will be put to use.

The interest pertaining to the assets put to use on or before date of the Balance Sheet and working capital facilities is written off to Profit & Loss Accounts.

n) Lease :

i. Operating Lease:

The Company does not have any operating Lease.

ii. Finance Lease:

The Company has future obligations under finance lease arrangements to procure Vehicles.

ROSSARI BIOTECH LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 ST MARCH 2019

Particulars		Amount in Rs. as at 31.03.2019	Amount in Rs. as at 31.03.2018
Shareholders Funds :			
3	Share Capital		
a	Authorised Share Capital 50,00,000 Equity Share of Rs.10 each	50,000,000	50,000,000
	Total	50,000,000	50,000,000
b	Shares issued, subscribed and fully paid 44,00,000 Equity Share of Rs.10 each	44,000,000	44,000,000
	Total	44,000,000	44,000,000
c	Details of Shares held by shareholders holding more than 5% of the aggregate shares in the Company		
	Sunil Chari	19,52,620 44.38%	19,52,620 44.38%
	Edward Menezes	19,52,620 44.38%	19,52,620 44.38%
	Rossari Biotech India Pvt Ltd.	2,74,200 6.22%	2,74,200 6.22%
d	The ordinary (equity) shares of the company rank pari-passu in all respect including voting rights and entitlement to dividend		
4	Reserves & Surplus		
	Securities Premium	156,000,000	156,000,000
	Surplus in Statement of Profit and Loss		
	Opening balance	695,128,280	405,887,623
	Add: Profit for the year	454,612,738	289,240,657
		1,149,741,018	695,128,280
	Less:		
	Dividend Paid on Equity Shares (Rs 20 per share)	88,000,000	-
	Tax on Dividend	16,937,602	-
	(Final Dividend for FY 2017-18 @ Rs. 20 per share, as approved in the Annual General Meeting held on September 29, 2018)		
	Balance as at the end of year	1,044,803,416	695,128,280
	Total	1,200,803,416	851,128,280
	Details of Proposed Dividend		
	Dividend Per Share (In Rs.)	5	
	Dividend Proposed on Equity Shares	22,000,000	
	Dividend Distribution Tax	4,478,672	
	Total Dividend Proposed Including Dividend Distribution Tax	26,478,672	
5	Long-term borrowings		
	Secured Loans		
	Vehicles Loans	6,727,957	12,871,932
	Total	6,727,957	12,871,932
	Details of Securities		
	a) Vehicle loans are secured by way of hypothecation of respective vehicle. The loans carry an interest rate of 8.40% with tenure ranging from 3 to 5 years, going upto October 2022.		
	b) Current maturity in respect of vehicle loans have been included in Note No. 10		
6	Other long-term liabilities		
	Security Deposit from Distributors	30,162,402	30,297,971
		30,162,402	30,297,971
7	Long Term Provisions		
	Provision for Employee Benefits	12,783,011	-
	Total	12,783,011	-

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ROSSARI BIOTECH LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 ST MARCH 2019

	Particulars	Amount in Rs. as at 31.03.2019	Amount in Rs. as at 31.03.2018
8	Short-term borrowings		
	Secured Loans		
	Working Capital Loans From Banks	21,120,268	169,940,839
	Unsecured Loans form Related Parties		
	Director	-	4,187,902
	Relatives of directors	-	515,000
	Neutron Impex Pvt. Ltd	30,142,837	21,616,332
	Total	51,263,105	196,260,073
	Details of Securities		
	a) The Working Capital Loans and Term Loan from Bank are secured by way of hypothecation of entire stocks, book debts and other current assets as primary security and hypothecation of movable fixed assets and equitable mortgage of office premises, factory land & building as collateral security. Further they are secured by personal guarantees of Directors of the Company.		
	b) Unsecured loans from related parties are repayable on demand and carry an interest rate equivalent to the prevailing bank rate.		
9	Trade Payables		
	Payable to others		
	(A) total outstanding dues of micro enterprises and small enterprises (Refer Note No 32)	46,169,253	30,041,018
	(B) total outstanding dues of creditors other than micro enterprises and small enterprises	1,002,293,922	350,522,167
		1,048,463,176	380,563,185
10	Other Current Liabilities		
	Current maturities of long-term borrowings	5,856,244	8,282,888
	Others Payables	11,668,020	9,569,602
	Interest accrued	11,269,652	-
	Creditors for Capital Purchases	55,373,273	37,484,579
	Total	84,167,189	55,337,070
	Other payables includes government dues and taxes payable.		
11	Short-term provisions		
	Provision for employee benefits	25,240,935	14,408,549
	Provision For Income Tax	-	14,397,210
	Total	25,240,935	28,805,759

ROSSARI BIOTECH LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 ST MARCH 2019

Description	Gross Block			Depreciation / Amortisation			Net Block			
	As at 01.04.2018	Additions	Deletions	As at 31.03.2019	As at 01.04.2018	For the Year	Deductions/ Adjustments	Up to 31.03.2019	As at 31.03.2019	As at 31.03.2018
Tangible Assets										
Freehold Land	101,230,185	-	-	101,230,185	-	-	-	-	101,230,185	101,230,185
Leasehold Land	-	75,911,462	-	75,911,462	-	-	-	-	75,911,462	-
Building Head Office	129,448,904	-	-	129,448,904	60,164,582	3,374,146	-	63,538,728	65,910,176	69,284,322
Building Factory	146,528,692	105,124,216	-	251,652,908	74,633,162	7,740,039	-	82,373,201	169,279,707	71,895,530
Computer System	36,254,381	3,724,565	20,499	39,958,447	35,230,849	2,080,086	20,499	37,290,436	2,668,011	1,023,532
Furniture & Fixtures	24,122,985	18,435,035	-	42,558,020	18,165,401	5,028,115	-	23,193,516	19,364,504	5,957,584
Motor Car	47,842,157	7,660,943	-	55,503,100	31,642,264	5,899,019	-	37,541,283	17,961,817	16,199,893
Office Equipment	10,207,392	7,813,329	-	18,020,721	9,395,837	2,079,062	-	11,474,899	6,545,822	811,555
Plant & Equipments	340,694,862	210,285,263	-	550,980,125	170,141,867	83,469,359	-	253,611,226	297,368,899	170,552,995
Total - A	836,329,558	428,954,813	20,499	1,265,263,872	399,373,962	109,669,826	20,499	509,023,289	756,240,583	436,955,596
Intangible Assets										
Copyright & Patent	-	71,500,000	-	71,500,000	-	11,916,663	-	11,916,663	59,583,337	-
Computers Software	5,463,234	-	-	5,463,234	5,060,314	279,469	-	5,339,783	123,451	402,920
Total - B	5,463,234	71,500,000	-	76,963,234	5,060,314	12,196,132	-	17,256,446	59,706,788	402,920
TOTAL (A+B)	841,792,792	500,454,813	20,499	1,342,227,106	404,434,276	121,865,958	20,499	526,279,735	815,947,371	437,358,516

For details of fixed assets offered as securities against loans and borrowings, refer note no. 5 and note no. 8

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ROSSARI BIOTECH LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 ST MARCH 2019

Description	Gross Block			Depreciation / Amortisation			Net Block			
	As at 01.04.2017	Additions	Deletion	As at 31.03.2018	As at 01.04.2017	For the Year	Deductions/ Adjustments	Up to 31.03.2018	As at 31.03.2018	As at 31.03.2017
Tangible Assets										
Freehold Land	101,230,185	-	-	101,230,185	-	-	-	-	101,230,185	101,230,185
Building Head Office	129,026,154	422,750	-	129,448,904	56,597,622	3,566,960	-	60,164,582	69,284,322	72,428,532
Building Factory	131,889,931	14,638,761	-	146,528,692	67,464,737	7,168,425	-	74,633,162	71,895,530	64,425,194
Computer System	35,027,792	1,226,589	-	36,254,381	34,247,239	983,610	-	35,230,849	1,023,532	780,553
Furniture & Fixtures	19,624,808	4,498,177	-	24,122,985	16,591,875	1,573,526	-	18,165,401	5,957,584	3,032,933
Motor Car	45,109,561	3,855,500	1,122,904	47,842,157	24,770,915	7,529,161	657,812	31,642,264	16,199,893	20,338,646
Office Equipment	9,795,223	576,335	164,166	10,207,392	9,114,913	445,090	164,166	9,395,837	811,555	680,310
Plant & Equipments	246,960,315	94,557,646	823,099	340,694,862	141,359,065	29,347,705	564,903	170,141,867	170,552,995	105,601,250
Total - A	718,663,969	119,775,758	2,110,169	836,329,558	350,146,366	50,614,477	1,386,881	399,373,962	436,955,596	368,517,603
Intangible Assets										
Computers Software	5,063,234	400,000	-	5,463,234	4,712,422	347,892	-	5,060,314	402,920	350,812
Total - B	5,063,234	400,000	-	5,463,234	4,712,422	347,892	-	5,060,314	402,920	350,812
TOTAL (A+B)	723,727,203	120,175,758	2,110,169	841,792,792	354,858,788	50,962,369	1,386,881	404,434,276	437,358,516	368,868,415

For details of fixed assets offered as securities against loans and borrowings, refer note no. 5 and note no. 8

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ROSSARI BIOTECH LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 ST MARCH 2019

	Particulars	Amount in Rs. as at 31.03.2019	Amount in Rs. as at 31.03.2018
13	<u>Non - Current Investments (At Cost, unless otherwise specified)</u>		
	Investment in Equity Instruments - Trade, Unquoted, fully paid up		
	Investment in Subsidiary Company		
	Neutron Impex Private Limited - Equity Shares		
	1000 Equity Shares of Face Value Rs. 100/- each	1,975,000	1,975,000
	Investment in Mutual Fund - Non Trade		
	HDFC Balance Fund - Growth - Regular Plan (Fair Value : Rs. 29,587,124)	-	30,000,000
	Total	1,975,000	31,975,000
14	<u>Deferred tax assets (Net)</u>		
	Fiscal allowances on Property, Plant and Equipment	15,163,013	7,919,752
	On Provisions of employee benefits	3,800,384	-
	Total	18,963,397	7,919,752
15	<u>Long - Term Loans and Advances</u>		
	Unsecured, considered good		
	Security & Business Deposits	11,241,647	11,312,609
	Advance to Employee	5,464,481	3,006,596
	Advance Taxes (Net of provision for Income Tax)	15,411,385	44,427
	Others	5,033,642	5,033,642
	Total	37,151,155	19,397,274
	Others include VAT receivable from government authorities		
16	<u>Inventories</u>		
	Raw Materials [includes in-transit of Rs. 32,977,932/- (2018 :Rs Nil)]	318,329,385	276,552,160
	Work-in-progress	11,365,998	6,397,157
	Finished goods	213,460,175	58,840,126
	Stock-in-trade	5,830,395	9,254,166
	Total	548,985,953	351,043,609
17	<u>Trade Receivables</u>		
	Unsecured, considered good;		
	Outstanding for a period exceeding 6 months from the due date		
	From Others	6,839,243	6,593,219
	Others:		
	From Others	852,793,793	591,300,457
	Total	859,633,036	597,893,676
18	<u>Cash and cash equivalents</u>		
	(a) Balances with banks		
	In Current Accounts	20,196,078	505,201
	In EEFC Accounts	17,783,918	1,416,519
		37,979,996	1,921,720
	Cash on hand	1,040,750	943,483
	Total (a)	39,020,746	2,865,203
	(b) Other bank balances		
	Margin money deposits	16,824,738	1,786,812
	Fixed Deposit with original maturity greater than 3 months	1,098,000	1,990,000
	Total (b)	17,922,738	3,776,812
	Total	56,943,484	6,642,015
19	<u>Short-term loans and advances</u>		
	Unsecured, considered good		
	Recoverable from Government Authorities	67,015,337	19,523,453
	Prepaid expenses	2,253,684	3,059,417
	Accrued Interest	1,283,397	106,238
	Capital Advance	36,084,353	7,570,022
	Other Loans and Advances	29,107,588	16,895,120
	Total	135,744,359	47,154,250
	Other loans and advances include employee advances, advance from customers, etc.		

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ROSSARI BIOTECH LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 ST MARCH 2019

	Particulars	Amount in Rs. For the year ended 31.03.2019	Amount in Rs. For the year ended 31.03.2018
20	Revenue from operations		
	Sale of products	4,394,318,472	2,567,614,128
	Sale of trading goods	18,488,733	569,995
	Export Sales	718,520,243	411,774,316
	Other operating revenues	27,841,405	6,868,142
		5,159,168,853	2,986,826,581
	Less : Excise duty	-	68,895,424
	TOTAL	5,159,168,853	2,917,931,157
21	Other Income		
	Net Gain on foreign currency transactions & other income	1,334,479	4,727,335
	Profit on Sale of Property, Plant and Equipment	5,167	-
	Profit on Sale of Mutual Funds	11,244	-
	Interest Income on:		
	Fixed Deposits with banks	1,226,066	4,038,074
	Other Income	4,414,545	-
	Insurance Claim Received	-	596,639
	Dividend Received from Subsidiary	4,804,375	-
	Others	584,255	11,000
	TOTAL	12,380,131	9,373,048
22	Cost of materials consumed		
	Opening Stock of Raw Materials	276,552,160	166,990,804
	Add : Purchases (Net)	3,564,234,491	2,072,260,627
		3,840,786,651	2,239,251,431
	Less : Closing Stock of Raw Materials	318,329,385	276,552,160
	TOTAL	3,522,457,266	1,962,699,271
23	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade		
	Opening Stock:		
	Work-in-progress	6,397,156	15,700,655
	Stock-in-Trade	9,254,166	918,022
	Finished Goods	58,840,126	51,476,778
		74,491,448	68,095,455
	Less : Closing Stock:		
	Work-in-progress	11,365,998	6,397,156
	Stock-in-Trade	5,830,395	9,254,166
	Finished Goods	213,460,175	58,840,126
	TOTAL	230,656,568	74,491,448
	Increase in Stock	(156,165,120)	(6,395,993)
24	Employee Benefits Expense		
	Salaries & Wages	242,878,190	183,007,821
	Contribution to provident and other funds	14,079,008	5,394,391
	Staff welfare expenses	7,743,655	6,910,266
	TOTAL	264,700,853	195,312,478
25	Finance Costs		
	Interest expense	30,384,499	8,618,178
	Other borrowing expenses	2,297,303	1,274,636
	TOTAL	32,681,802	9,892,814

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ROSSARI BIOTECH LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 ST MARCH 2019

	Particulars	Amount in Rs. For the year ended 31.03.2019	Amount in Rs. For the year ended 31.03.2018
26	<u>Other Expenses</u>		
	Selling & Distribution exp	38,037,640	7,108,601
	Bank Charges	7,050,203	3,658,182
	Customs Duty Paid (Expense)	9,398,842	-
	Commission on Sales	142,859,145	45,900,415
	Computer Expenses	2,597,660	1,124,040
	Consumable, Stores & Spares	22,633,950	16,646,303
	Conveyance & Petrol	12,732,019	8,638,126
	Corporate Social Responsibility Expenditure	4,285,881	3,308,547
	Electricity Charges	12,575,634	8,455,601
	Factory Expenses	60,471,345	24,622,818
	Repairs & Maintenance- Electricals	2,581,291	1,938,535
	Repairs & Maintenance- Plant & Machinery & Electronics	5,687,012	4,871,898
	Repairs & Maintenance- Building	22,961,396	2,001,035
	Repairs & Maintenance - Vehicle & Others	2,625,225	1,905,168
	Repairs and Maintenance - Instrumentation	-	171,925
	Transport, Loading & Unloading	21,433,273	15,763,120
	Donation	344,868	201,482
	Exhibition, Conference & Seminars	28,516,399	21,050,189
	C & F & Other Export / Import Related Expenses	34,888,170	22,909,862
	Insurance Charges	4,468,248	4,181,867
	Communication Exp	5,084,186	3,387,830
	Loss on sale of Assets	-	263,292
	Office Expenses	14,398,146	12,632,179
	Printing & Stationery	4,747,306	2,276,165
	Professional Fees	27,940,732	27,523,233
	Rent For Office/Residence/Warehouses	24,922,830	14,847,239
	Rates & Taxes	7,782,664	1,872,919
	Travelling Expenses	38,592,548	20,095,314
	Transport Outward	139,853,267	25,156,572
	Miscellaneous expenses	14,122,055	4,702,811
	Other	8,333,084	4,534,884
	<u>Payments to the Auditors as</u>		
	Statutory & Tax Audit Fees	2,500,000	465,000
	For Certification Matters	100,000	69,000
	TOTAL	724,525,019	312,284,152
27	<u>Prior Period Expense</u>		
	A) Gratuity Provision	13,782,485	-
	B) Leave Encashment	8,722,033	-
	During the year the company has obtained actuarial valuation of gratuity liability in respect of current year as well as previous year. Similarly, during the year the company has carried out valuation of leave obligation in respect of current year as well as previous year on an arithematical basis. The impact of liabilities pertaining to previous year has been accounted as prior period expense.		
	Total	22,504,518	-

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ROSSARI BIOTECH LIMITED**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 ST MARCH 2019**

	Particulars	Amount in Rs. For the year ended 31.03.2019	Amount in Rs. For the year ended 31.03.2018
28	Earnings Per Share		
	Profit as per Statement of Profit and Loss available for equity shareholders	454,612,738	289,240,657
	Weighted average number of equity shares used in computing basic earnings per share	4,400,000	4,400,000
	Basic earnings per share (Rs.) of face value of Rs. 10/- each	103.32	65.74

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ROSSARI BIOTECH LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 ST MARCH 2019

29. Segment Reporting:-

The company deals in Speciality chemicals and considering the nature of products and the predominant risk and returns of the product are similar, the company has only one operating segment. Hence revenue from external customers shown under geographical information is representative of revenue base on products.

Sr.No.	Particulars	31 st March, 2019	31 st March 2018
		Rs.	Rs.
1	Segment Revenue (Gross Sales)		
a.	India	4,48,16,00,488	2,50,61,56,840
b.	Outside India	67,75,68,365	41,17,74,317
	Total	5,15,91,68,853	2,91,79,31,157
2	Segment Assets (Bank)		
a.	India	5,66,94,948	63,34,145
b.	Outside India	2,48,536	3,07,870
	Total	5,69,43,484	66,42,015

ROSSARI BIOTECH LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 ST MARCH 2019

30. Related Party Disclosures

Information on related party as required by the Accounting Standard -18 "Related Party Disclosures" issued by the Institute of the Chartered Accountants of India is as given below:

a: List of Related Parties

i. Key Managerial Persons

1. Mr. Sunil Chari
2. Mr. Edward Menezes
3. Mrs. Jyotishna Chari
4. Mrs. Anita Menezes

ii. Relatives of Directors

1. Mr. Yash Chari
2. Mr. Mikhail Menezes
3. Mrs. Usha Chari

iii. Subsidiary Company

1. Neutron Impex Pvt. Ltd.

iv. Enterprises on which key managerial persons or their relatives are able to exercise significant influence

1. Rossari Biotech India Pvt. Ltd
2. Glad Properties India Pvt. Ltd

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ROSSARI BIOTECH LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 ST MARCH 2019

b. Transaction with the related parties in ordinary course of business is given below:

Particulars	For the year ended 31 st March 2019				(Amount Rs.)
	Key Management Personnel	Relatives of Directors	Subsidiary Company	Enterprises on which key managerial persons or their relatives are able to exercise significant influence	
Nature of Transaction					
Remuneration Paid to Mr.Sunil Chari	53,72,702	-	-	-	-
Remuneration Paid to Mr.Edward Menezes	53,72,702	-	-	-	-
Rent Paid to Mr.Sunil Chari	24,75,000	-	-	-	-
Rent Paid to Mrs. Jyotishna Chari	18,60,000	-	-	-	-
Rent Paid to Mr.Edward Menezes	43,35,000	-	-	-	-
Rent Paid to Glad Properties India Pvt. Ltd	-	-	-	-	8,40,000
Purchase of Material from Neutron Impex Private Limited	-	-	3,00,000	-	-
Vehicle Hire Charges paid to Mr.Sunil Chari	1,44,000	-	-	-	-
Vehicle Hire Charges paid to Mr.Edward Menezes	1,44,000	-	-	-	-
Salary Paid to Mr.Mikhail Menezes	-	35,47,016	-	-	-
Salary Paid to Mr. Yash Chari	-	8,62,833	-	-	-
Dividend received From Neutron Impex Private Limited	-	-	48,00,000	-	-
Dividend paid to Jyotishna Chari	19,05,600	-	-	-	-
Dividend paid to Mr Mikhail Menezes	-	3,00,000	-	-	-
Dividend paid to Yash Chari	-	3,00,000	-	-	-
Dividend paid to Rossari Biotech India Private Limited	-	-	-	-	54,84,000
Dividend paid to Mr Sunil Chari	3,90,52,400	-	-	-	-
Dividend paid to Mr Edward Menezes	3,90,52,400	-	-	-	-
Dividend paid Anita Menezes	19,05,600	-	-	-	-
Sitting Fees paid to Anita Menezes	60,000	-	-	-	-
Sitting Fees paid to Jyotishna Chari	60,000	-	-	-	-
Interest payable to Neutron Impex Private Limited	-	-	39,02,732	-	-
Interest receivable from Rossari Biotech India Private Limited	-	-	-	-	(5,68,978)

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ROSSARI BIOTECH LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 ST MARCH 2019

Particulars	For the year ended 31 st March, 2018					(Amount Rs.)
	Nature of Transaction	Key Management Personnel	Relatives of Directors	Subsidiary Company	Enterprises on which key managerial persons or their relatives are able to exercise significant influence	
Remuneration Paid to Mr.Sunil Chari	90,73,453	-	-	-	-	
Remuneration Paid to Mr.Edward Menezes	90,73,453	-	-	-	-	
Rent Paid to Mr.Sunil Chari	29,40,000	-	-	-	-	
Rent Paid to Mrs. Jyotishna Chari	13,95,000	-	-	-	-	
Rent Paid to Mr.Edward Menezes	43,35,000	-	-	-	-	
Rent Paid to Glad Properties India Pvt. Ltd	-	-	-	-	8,40,000	
Sale of Material to Neutron Impex Private Limited	-	-	-	-	6,75,521	
Sale of Material to Rossari Mnuchar India Private Limited	-	-	-	33,34,750	-	
Vehicle Hire Charges paid to Mr.Sunil Chari	1,44,000	-	-	-	-	
Vehicle Hire Charges paid to Mr.Edward Menezes	1,44,000	-	-	-	-	
Salary Paid to Mr.Mikhail Menezes	-	28,28,629	-	-	-	
Salary Paid to Mr. Yash Chari	-	7,75,112	-	-	-	
Dividend paid to Jyotishna Chari	47,640	-	-	-	-	
Dividend paid to Mr Mikhail Menezes	-	7,500	-	-	-	
Dividend paid to Usha Chari	-	7,500	-	-	-	
Dividend paid to Rossari Biotech India Private Limited	-	-	-	-	1,37,100	
Dividend paid to Mr Sunil Chari	9,76,310	-	-	-	-	
Dividend paid to Mr Edward Menezes	9,76,310	-	-	-	-	
Dividend paid Anita Menezes	47,640	-	-	-	-	

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ROSSARI BIOTECH LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 ST MARCH 2019

c. Outstanding Balance as on 31st March 2019 of the related parties is given below:

Particulars	As at 31 st March 2019					(Amount in Rs.)
	Key Management Personnel	Relatives of Directors	Subsidiary Company	Enterprises on which key managerial persons or their relatives are able to exercise significant influence		
Outstanding Balances						
Neutron Impex Pvt Ltd	-	-	3,01,42,837			-
Unsecured Loans from Rossari Specialities Chemicals Pvt Ltd	-	-				(16,030)

Particulars	As at 31 st March 2018					(Amount in Rs.)
	Key Management Personnel	Relatives of Directors	Subsidiary Company	Enterprises on which key managerial persons or their relatives are able to exercise significant influence		
Outstanding Balances						
Unsecured Loans from Mr.Sunil Chari	16,58,972	-				-
Unsecured Loans from Mrs.Jyotishna Chari	18,52,617	-				-
Unsecured Loans from Mrs.Anita Menezes	6,76,313	-				-
Unsecured Loans from Mrs.Usha Chari	-	7,500				-
Unsecured Loans from Mrs. Mikhail Menezes	-	5,07,500				-
Neutron Impex Pvt Ltd	-	2,16,16,332				-
Rossari Manuchar (I) Pvt Ltd	-	-				2,61,722

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ROSSARI BIOTECH LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 ST MARCH 2019

31. Expenditure on Research and Development incurred during the year:

Particular	31st March, 2019	31st March 2018
	Rs.	Rs.
Revenue Expenditure	3,86,19,191	3,13,91,896
Capital Expenditure	2,92,91,379	5,37,47,975
Total	6,79,10,570	8,51,39,871

32. Micro, Small, Medium Enterprises disclosure

Micro, Small and Medium enterprises have been identified by the Company on the basis of the information available. Total outstanding dues of Micro and Small enterprises, which are outstanding for more than the stipulated period are given below

	Particulars	31st March, 2019	31st March 2018
		Rs.	Rs.
1	Principle amount remaining unpaid beyond due date, to suppliers as at the end of accounting year	461.69	201.48
2	Interest due thereon remaining unpaid to suppliers as at the end of accounting year	12.11	2.59
3	Amount of interest paid in terms of Section 16, along with the amount of payment made to the supplier beyond the appointed day during the year	2185.19	340.33
4	Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	65.45	15.60
5	Amount of interest accrued and remaining unpaid at the end of accounting year.	12.11	18.19
6	The amount of further interest due and payable even in the succeeding year until such date when the interest due as above are actually paid to the suppliers for the purpose of disallowance as a deductible expenditure under Section 23.	77.56	33.79

ROSSARI BIOTECH LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 ST MARCH 2019

33. Additional information pursuant to Schedule III of the Companies Act, 2013

A. Particulars in respect of class of goods manufactured:

Class of products	Installed Capacity p.a. Qty. MT	Actual Production Qty (Kgs.,Nos.& Ltrs)
Specialty Bio-chemicals, Green/Eco Friendly Chemicals & Enzymes for various application	NA	F.Y.2018-19 : 7,39,79,437 F.Y.2017-18 : 4,45,12,538

Note: Installed capacity has not been disclosed as these are variables and subject to changes in product mix.

B. Particulars in respect of Opening and Closing stock and Sales of Finished Product manufactured & traded:

Class of products	Opening Stock Value Rs.	Closing Stock Value Rs.	Sales Value Rs.
Specialty Bio-chemicals, Green / Eco Friendly Chemicals & Enzymes for various application	5,88,40,126 (5,14,76,778)	21,34,60,175 (5,88,40,126)	5,14,06,80,120 (2,91,04,93,020)
Chemicals & Others Goods Traded	92,54,166 (9,18,022)	58,30,395 (92,54,166)	1,84,88,733 (5,69,995)
Total	6,80,94,292 (5,23,94,800)	21,92,90,570 (6,80,94,292)	5,15,91,68,853 (2,91,79,31,157)

Figures mentioned in brackets are pertaining to previous year.

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ROSSARI BIOTECH LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 ST MARCH 2019

34. Analysis of Raw Material consumed:

	Item Description	31st March 2019 Value Rs.	31st March 2018 Value Rs.
1	Agro Origin Raw Materials, Acetic acid, Citric acid, Polymers, Base oil, Ethoxylates, Surfactants, Enzymes etc.	3,52,24,57,266	1,96,26,99,271
	Total	3,52,24,57,266	1,96,26,99,271

35. The value of consumption of directly imported and indigenously obtained Raw Materials and percentage to that of the total consumption:

Particulars	31st March 2019		31st March 2018	
	Value (Rs.)	%	Value (Rs.)	%
Imported Raw Materials	86,72,68,202	25%	39,34,35,364	20%
Indigenous Raw Materials	2,65,51,89,064	75%	1,56,92,63,907	80%
Total	3,52,24,57,266	100%	1,96,26,99,271	100%

36. Value of Imports on C.I.F. Basis:

Particulars	31st March 2019 Rs.	31st March 2018 Rs.
Raw Materials	86,72,68,202	39,34,35,364

37. Expenditure in Foreign Currency on account of:

Particulars	31st March 2019 Rs.	31st March 2018 Rs.
Travelling	1,46,07,742	53,71,884
Others	1,77,07,377	65,78,234
Total	3,23,15,119	1,19,50,118

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ROSSARI BIOTECH LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 ST MARCH 2019

38. Earning in Foreign Currency (F.O.B. Value):

Particulars	31 st March 2019 Rs.	31 st March 2018 Rs.
Sales	70,90,46,644	39,56,55,000

39. R&D Recognition:

Company's two R&D In-House Units located at Mumbai & Silvassa have been recognized by the Department of Scientific & Industrial Research, Ministry of Science & technology, Govt. of India w.e.f. 06.10.2009.

40. Corporate Social Responsibility:

We firmly believe that we are a part of society and irrespective of statutory requirement, we are duty bound to contribute to the welfare of the society, accordingly, in our own way we have tried to discharge our corporate social responsibility for social cause.

A. Gross amount required to be spent by the Company during the year is Rs. 42,06,099 (33,08,547 for - 31st March 2018)

B. Amount spent during the year on:

Sr No	Particulars	In cash (Rs.)	Other Than Cash (Rs.)	Total (Rs.)
I	Construction/ Acquisition of any asset	-	3,08,902	3,08,902
II	On purpose other than I above	-	39,76,979	39,76,979
	Total		42,85,881	42,85,881

ROSSARI BIOTECH LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 ST MARCH 2019

41. Gratuity valuation is as under:-

The following table's summaries the net benefit expense recognized in the Statement of Profit & Loss, the details of the defined benefit obligation and the funded status of the Company's gratuity plan

A	Expense recognized in the statement of profit and loss	31-03-2019	31-03-2018
		Rs.	Rs.
	Current Service Cost	30,59,936	21,15,517
	Interest on obligation	13,87,866	3,37,433
	Expected return on plan assets	(4,52,479)	(50,354)
	Net actuarial loss/(gain)	32,12,685	2,64,419
	Total included in 'Employee Benefit/ Expense	72,08,008	26,67,015
	Prior year charge		1,32,41,925
	Total Charge to P&L	72,08,008	1,59,08,940
B	Net Asset Recognized in BS		
	Present Value of Defined Benefit Obligation at end of the year	2,68,54,382	1,98,56,551
	Fair Value of plan assets at the end of the year	1,01,68,718	60,74,066
	Funded status [Surplus/(Deficit)]	(1,66,85,664)	(1,37,82,485)
	Net Asset/(Liability) at the end of the year.	(1,66,85,664)	(1,37,82,485)
	Current Liability	(39,02,653)	(26,21,333)
	Non-Current Liability	(1,27,83,011)	(1,11,61,152)
C	Change in obligation during the year		
	Present Value of Defined Benefit Obligation at the beginning of the year	1,98,56,551	44,99,109
	Current Service Cost	30,59,936	21,15,517
	Interest Cost	13,87,866	3,37,433
	Actuarial (Gains)/Losses on Obligations	31,39,518	4,46,249

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ROSSARI BIOTECH LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 ST MARCH 2019

	Benefit payments	(5,89,489)	(7,83,682)
	Prior year charge	-	1,32,41,925
	Present Value of Defined Benefit Obligation at the end of the year	2,68,54,382	1,98,56,551
D	Change in Fair Value of Assets during the year ended.		
	Fair Value of plan assets at the beginning of the year	60,74,066	44,99,109
	Return on plan assets	4,52,479	50,354
	Contributions by employer	43,04,829	21,26,455
	Actual benefits paid	(5,89,489)	(7,83,682)
	Actuarial Gain/(Loss) on Plan Assets	(73,167)	1,81,830
	Fair Value of plan assets at the end of the year.	1,01,68,718	60,74,066

The actual return on the assets is Rs. 3,79,313

The gratuity fund is entirely invested in a group gratuity policy with the Life Insurance Corporation of India. The information on the allocation of the fund into major asset classes and the expected return on each major class is not readily available. The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

The principal assumptions used in determining the gratuity obligations are as follows

Particulars	2019	2018
Discount rate	7.20%	7.50%
Expected rate of return on plan assets	7.20%	7.50%
Expected rate of salary increase	10.00%	10.00%
Attrition rate	30.00% p.a at younger ages reducing to 5.00% p.a at older ages	30.00% p.a at younger ages reducing to 5.00% p.a at older ages

The estimates of future salary increases, considered in actuarial valuation take account of inflation, seniority, promotion and other relevant factors.

ROSSARI BIOTECH LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 ST MARCH 2019

42. The Company has future obligations under finance lease arrangements to procure Vehicle which are as under:

Particulars	31 st March 2019 (Rs.)			31 st March 2018 (Rs.)		
	Present Value of Minimum Lease Payment	Future Interest Cost	Minimum Lease Payments	Present Value of Minimum Lease Payment	Future Interest Cost	Minimum Lease Payments
Not later than one year	58,92,481	8,69,886	67,62,367	58,05,915	13,70,149	71,76,064
Later than one year but not later than five years	66,91,720	3,65,823	70,57,543	1,28,71,933	12,35,709	1,41,07,642
Later than five years	-	-	-	-	-	-
Total	1,25,84,201	12,35,709	1,38,19,910	1,86,77,848	26,05,858	2,12,83,706

43. The carrying amount of company's foreign currency denominated monetary assets and liabilities at the end of reporting period are as under:-

Foreign Currency	As at 31st march 2019		As at 31st march 2018	
	Assets	Liabilities	Assets	Liabilities
USD	16,28,42,751	13,67,75,632	8,03,34,676	2,07,14,643
EURO		70,74,073		58,40,448

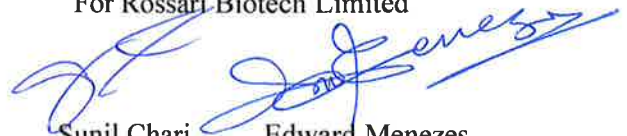
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ROSSARI BIOTECH LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 ST MARCH 2019

44. Previous year figures have been re-grouped / re-classified wherever necessary.

For Rossari Biotech Limited



Sunil Chari

Edward Menezes

(Director)

(Director)

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