

## INDEPENDENT AUDITORS' REPORT

TO,  
THE MEMBERS OF INDIAN DRUGS &  
PHARMACEUTICALS LIMITED  
GURGAON, HARYANA

### Report on the Standalone Financial Statements

We have audited the accompanying financial statements of **INDIAN DRUGS & PHARMACEUTICALS LIMITED** ("the Company"), which comprise the Balance Sheet as at 31 March 2015, 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. As a result of observation of CAG of India, the Audit Report dated 28<sup>th</sup> March, 2016 have been revised to the extent of quantifying of qualification(s), to the extent feasible in bold & italics and in the reporting requirements under clause (viii) of the Companies (Auditor's Report) Order, 2015 and Para 3(b) have been added under the heading Report on other Legal and Regulatory Requirements. Further, we confirm that there is no change in the true and fair view of the financial statements as expressed in our earlier report and also none of the figures have undergone any change in the financial statements of the Company as at 31st March, 2015.

### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("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 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 standalone financial statements based on our audit of Corporate Office , Gurgaon and Audit reports received from other Branch Auditors. The allocation of work of the Company was done by Comptroller and Auditor General of India as under :-

S.NO	UNIT	AUDITOR
1	CORPORATE OFFICE,GURGAON	MEGA & ASSOCIATES
2	REGIONAL OFFICE DELHI	SUNIL VIJAY & ASSOCIATES
3	REGIONAL OFFICE,LUCKNOW	KRISHNA SHARMA & CO
4	REGIONAL SALES OFFICE,MUMBAI	THAKUR NAIK & DEO
5	KOLKATA, PATNA,CUTTACK & GUWAHATI REGIONS (CONSOLIDATED)	SUMANTA & CO
6	ZONAL OFFICE HYDERABAD	AGARWAL & LADDA
7	GURGAON PLANT	R S MODI & CO
8	HYDERABAD UNIT	NARASIMHA RAO & SRINIVAS
9	RISHIKESH PLANT	LAXMI TRIPTI & ASSOCIATES

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 have conducted our audit of Corporate Office Gurgaon and the said Auditors have conducted audit of the Regional Offices ,Regional Sales Offices ,Zonal Office and Plants 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 the 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 audit opinion on the standalone financial statements.

### BASIS OF QUALIFIED OPINION

#### REGIONAL OFFICE LUCKNOW

(1) Rs 2,09,51,511.00 was the amount of Sundry debtors outstanding for period exceeding six months out of which provision of Rs 11,35,492.36 had been made in the earlier years as doubtful. No provision has been made in the current or previous year. In our opinion, the provision for the amount outstanding for more than three years of Rs 72,87,563.92 be also made as these are unrealized and unconfirmed by parties. Even no steps have been taken in current year either to confirm the balances from parties or for recovery of amount from parties outstanding for over three years.

Had the amount been provided, the losses would have been higher by this amount.

(2) A- Rs4,99,551.84 is amount of claim recoverable and considered as doubtful. No details of parties from whom the amount is recoverable was available. Only year wise break –up was available comprising from the year 1971-72 to the year 2006-07. In our opinion, the amount is doubtful of recovery.

B- Rs 4,320/-is outstanding and recoverable from staff, the employees have left the organisation and final dues have also been settled. The amount is doubtful of recovery.

C- Rs1,04,114.16 has been due as advances to parties/suppliers given many years back. No confirmation of parties is available and parties are also said to be untraceable which is also doubtful of recovery.

D- Branch has shown sales tax recoverable of Rs6,21,828.45 as Long Term Loans & Advances under Non–Current assets include sales tax recoverable of Rs6,21,828.45 for the period till F Y 2010-11 and prior to 1989-90. No details of Sales Tax assessment and status of cases were available for the period upto FY 2007-08 nor records were available, the amount seems to be doubtful of recovery

Rs 9,45,701.52 has been provided Against the above amounts in the earlier years. We are of the opinion that the provision for balance amount be also made. Had this amount been provided, the losses would have been higher by Rs 2,89,412.93.



(3) Rs54,26,301/- is the amount received from many debtors during the year directly credited in the bank account of the branch, the identity of individual debtors as on 31st March 2015 is yet to be ascertained. As per accounting policy as told to us, the commission to agents is payable on receipt of amount from debtors. No commission has been provided on this amount. The amount of commission payable thus is unascertained and to that extent short considered in expenses. Had this been provided, the losses would have been higher by this amount.

**The total impact of above Para (1) and (2) has resulted in, understatement of Loss for the year by Rs.75,76,976.85, understatement of Reserves & Surplus by (Rs.75,76,976.85) (Previous Year - Not Available), understatement of Long Term provisions by Rs.75,76,976.85 (Previous Year - Not Available) and overstatement of Trade Receivables by Rs 72,87,563.92(Previous Year - Not Available) and Long Term Loan & Advances by Rs 2,89,412.93(Previous Year - Not Available).**

### GURGAON PLANT

- (a) The Stock of stores and spares, stationery and gases and fuel has been valued at cost price. The management has not determined the non-moving/obsolete stocks. Since almost all the stores and spares items out of Total stores amounting to Rs59.91 Lacs are quite old and not moving, and thus may impact on profitability to the extent of its cost less realizable amount if any.
- (b) Stock of work in progress & Finished Goods has been valued at cost or market value whichever is lower. Cost of Goods is taken on the basis of Internal Cost Sheet instead of actual cost incurred during the year, which is contrary to the Accounting Standards-2 (revised) on valuation of inventories issued by the Chartered Accountants of India. Impact on profitability if any could not be ascertained as no comparable data exists.
- (c) No Provision has been made for advance insurance of Rs. 50,000, election duty Travelling Advance of Rs. 15,170 Medical Advance to CISF of Rs.8, 700 are pending since long time, thereby decreasing losses by Rs. 73870.
- (d) The Fixed Assets have not been reconciled with the assets register. Impact on Profitability if any could not be ascertained.
- (e) Details are not available for material received on loan of Rs.14,150.97 (credit balance).
- (f) The balances of sundry debtors, suppliers and all other personal accounts whether in debit or in credit are subject to confirmation, reconciliation and adjustment, if any, in the books of accounts. Impact on loss, if any could not be ascertained



- (g) There is a provision of Salary Payable of Rs 2,47,73,654.00 to CISF and for unpaid wages of Rs. 1,33,298.35, which has not been paid for many years
- (h) A provision of Rs.5322723 (P/Y Rs 5322723/-) has been made in earlier years for write off of debtors. The same is pending for approval.
- (i) Share of C.O Expenses Rs 202.22 lacs and Marketing Div. expenses Rs. 292.69 Lacs has been charged on the basis of transfer memo received from Head office. We are unable to comment on the correctness of expenses claimed by the plant as no supporting vouchers produced to us.
- (j) No Provision has been made for amount of Rs. 43,028.93 recoverable from IDPL- ECPF which is pending since 1992-93 and thereby decreasing losses by Rs. 43,028.93.
- (k) The Plant has valued the Raw material & Packing Material inclusive of excise duty (amount not ascertainable) which is contrary to the Accounting Standard 2 issued by The Institute of Chartered Accountants of India. Also the Plant is not including value of excise duty payable on finished goods in the valuation of opening and closing inventory of finished goods, which is contrary to the Guidance note on accounting treatment of excise duty issued by The Institute of Chartered Accountants of India. The Impact on Profitability if any could not be ascertained.
- (l) No Provision has been made for doubtful amount of Rs.5210106 (P.Y 4966816) shown as recoverable from ex- employees for rent and other expenses which is pending and thereby understating losses by Rs. 5210106.
- (m) We are not in a position to comment upon the correctness of provision for recovery of rent, electricity charges, water charges & maintenance charges from the employees having accommodation in the township of the plant, as we were not provided any basis for such recovery.
- (n) The Plant has accounted for the freight at the flat rate of 1% (P.Y 1%) of purchased price in the cost of Fixed Assets, Raw Material, Packing Material, Stores & Spares, Gases & fuel, Lab chemical, Printing & stationery & miscellaneous Stores instead of actual freight paid, which is contrary to Accounting Standard 2 on valuation of inventory and Accounting Standard 10 on Accounting For Fixed Assets issued by The Institute of Chartered Accountants of India. The Impact on Profitability if any could not be ascertained.
- (o) The Plant has made the provision of Gratuity of Rs.269263 and Leave Encashment of Rs.430270 on actual basis instead of Actuarial Valuation, which is contrary to the Accounting Standard 15 (Revised 2005) on Employee benefit. The impact of Profitability if any could not be ascertained.



(p) The Stock of Packing & filling Material of Rs. 82.59 Lacs includes the obsolete / non moving item of Rs 15.18 Lacs. The Impact on Profitability shall be Rs.15.18 Lacs.

(q) No provision has been made for amount of Rs. 88,667 shown in Capital Expenditure in Progress which is pending for adjustments since long time thereby understating losses by Rs. 88,667.

(r) No provision has been made for amount of Rs. 2,83,764 shown in advance to Contractors accounts which is pending since long time and thereby decreasing losses by Rs. 2,83,764.

**The total impact of above Para (c) , (j), (l), (p),(q)and (r) has resulted in, understatement of Loss for the year by Rs.72,17,435.93, understatement of Reserves & Surplus by (Rs. 72,17,435.93) (Previous Year - Not Available), understatement of Long Term provisions by Rs. 72,17,435.93 (Previous Year - Not Available) and overstatement of other Current Assets by Rs.55,36,898.93(Previous Year - Not Available), Inventories by Rs 15,18,000 (Previous Year - Not Available), Short Term Loan & Advances by Rs 73,870(Previous Year - Not Available) and Capital Work-in Progress by Rs 88,667(Previous Year - Not Available).**

#### **KOLKATA, PATNA ,CUTTACK & GUWAHATI REGIONS (CONSOLIDATED)**

- 1) Following balances have not been confirmed by Head Office and as such the effect of the same on any revenue or capital item cannot be ascertained:
  - a) Marketing Division Adjustment A/c : Rs. 3, 97, 15,011.51 Cr.
  - b) Marketing Division Collection A/c : Rs. 5,53,00,000.00 Dr.
  - c) Marketing Division Imprest A/c : Rs. 71, 47,963.00 Cr.
- 2) Aggregate of Claims recoverable, Advance Recoverable, Advance to other than Employees and Advance to Railways/Transport amounting to Rs 40,88,175.82 are doubtful advances and not recoverable. Therefore, provision has to be made for the entire amount. The Company has made the provision of Rs 40, 58,470.47 as on 31st March, 2015. Had the provision been made for the entire amount of Rs. 40, 88,175.82, the loss would have increased by Rs.29,705.35 and current asset decreased by Rs. 29,705.35.
- 3) Provision for Gratuity and Leave Encashment has not been made as these are dealt with at Head Office.



- 4) Trade Receivables includes Rs. 21.16 lac which is under CBI investigation.
- 5) The balances of Trade Payables, Trade Receivables and Advances have remain unconfirmed.
- 6) (a) The balance of Trade Receivables of RO Patna as at 31.03.15 was Rs. 1,86,81,053.18. Out of the total trade receivables, Rs. 54,93,302.21 is unreconciled i.e. to whom the sales were made are not traceable. Therefore, provision has to be made for the entire amount.
- (b) The balance of Advance from Customers of RO Patna as at 31.03.15 was Rs. 3,14,260.60. The parties from whom the amounts have been received as advance are not traceable.
- 7) a. Since 31<sup>st</sup> March, 2012 the C & F Agent, Ranchi is not providing the closing stock statement and value and no transaction is being made since that date. Whereas, the Company is considering the value of closing stock as per the Books which is amounting to Rs. 1,04,36,531.75. In absence of Statement of Stock we are unable to ascertain the value of stock and its effect of the same on any revenue or capital item.
- b. C & F Agent, Patna has provided the stock statement as on 31.03.2015 on current year transactions showing the value of closing stock of Rs. 1,28,731.26 whereas, the Company has considered the closing stock value of Rs. 33,69,576.12 in books. It was observed that C & F Agent, Patna has not provided the stock details amounting to Rs. 32,40,844.86 which was the value of stock as at 31.03.2014.

The total impact of above Para (2) and (6a) has resulted in, understatement of Loss for the year by Rs.55,23,007.56, understatement of Reserves & Surplus by (Rs. 55,23,007.56) (Previous Year - Not Available), understatement of Long Term provisions by Rs. 55,23,007.56 (Previous Year - Not Available) and overstatement of Other Current Assets by Rs.29,705.35 (Previous Year - Not Available) and Trade Receivables by Rs 54,93,302.21(Previous Year - Not Available).

#### REGIONAL SALES OFFICE MUMBAI

1. No provision has been made for sundry debtors and deposits account. Such account balances are outstanding for more than 10 years and without any recovery and/or any initiative to recover the same by the company. Thus provisioning is warranted, non provisioning is resulting into understatement of losses by Rs. 18,90,398/-
- Details of respective balances are detailed below:
- a) Sundry Debtors amounting Rs. 9,29,392/-
- b) Sundry Deposits amounting Rs. 9,61,006/-
2. The bank reconciliation statement as on 31/03/2014 has old difference of Rs. 54,438/-



3. Account balances in the ledger Marketing Division Collection A/c, Branches namely Gurgaon, Hyderabad, New Delhi, Jaipur, Kochi, Panckula, Rishikesh accounts are subject to confirmations and reconciliation adjustments for inter office transactions.

There is an old difference in Marketing Division Adjustment A/c related to (financial year 2011-12) of Rs. 1,12,690.20/-

4. The Regional Sales Office's inventories are carried in the Balance Sheet at Rs. 64,76,016.63/- , out of which stock amounting to Rs. 13,10,786.00 has been expired and has not market value. This expired stock will be written off after getting approval from the Head Office and to that extent the loss is understated in profit and loss account. Management has not stated the inventories at the lower of cost and Net Realizable Value but has stated them at PPP Price less 20% which constitutes departure from the AS-2 (Revised) "Valuation of Inventories" issued by the Institute of Chartered Accountants of India, the result of which is not quantifiable.

**The total impact of above Para (1a),(1b) and (4) has resulted in, understatement of Loss for the year by Rs.32,01,184, understatement of Reserves & Surplus by (Rs. 32,01,184) (Previous Year - Not Available), understatement of Long Term provisions by Rs. 32,01,184 (Previous Year - Not Available) and overstatement of Short Term Loan & Advances by Rs.9,61,006 (Previous Year - Not Available), Inventories by Rs 13,10,786 and Trade Receivables by Rs 9,29,392 (Previous Year - Not Available).**

#### RISHIKESH PLANT

- I) Closing stock is valued at Cost or NRV whichever is lower; cost of closing stock of raw materials is calculated using computerized Price store ledger. It was noticed that costs of goods purchased consist of purchase price paid to suppliers and duties and taxes (whether subsequently recoverable or not), hence cost of closing stock of raw materials is inclusive of duties and taxes which are subsequently to be recovered in contravention of AS – 2 on "Valuation of Inventories" issued by the Institute of Chartered Accountants of India, As software cannot segregate the duties taxes from total cost, impact on profitability could not be ascertained. Closing stock of finished & semi finished goods are valued at weighted average price as computed by the software used by the company while scrap is valued at cost which is not consistent with AS – 2 and should be valued at cost or Net Realizable Value.
- II) Depreciation as per Schedule II of the Companies Act, 2013 has not been taken into consideration.





III) In the following cases accounts are prepared on cash basis of accounting:

- a) As per Company Policy 50% of terminal gratuity and leave encashment benefit of retiring employee is withheld a security against non vacation of residence accommodation at Rishikesh Township.
- b) Company is not charging any interest on non-payment or delayed receipt of rent for accommodation.

IV) Grant received amounting Rs. 2.06 Crores out of which DBT assets have been booked worth Rs. 56.64 Lakhs and net amount of RS. 1.49 Crores has been shown as other current liability but same could not be verifies as no documents were available with the company for the same.

V) We were not provided with the balance confirmation of debtors and creditors so we are unable to express opinion on same.

VI) As explained to us, Liabilities and assets are classified on the basis of Commitment made by the company, hence in the absence of any commitment, all liabilities and payables have been classifies as Current Liabilities and all Loan & advances have also been classifies as Short Term Loan & advances.

VII) Unit is carrying very old sundry debtors, advances and creditors for which provisions is made in eth books of account but neither these were written off nor is any evidence of their collection/payment available with the unit . As a result, Gross value n the balance sheet are overburdened/overstated.

#### CORPORATE OFFICE

- 1) The books of accounts at Corporate Office have been maintained on mercantile basis except in case of VRS expense and C & F agent and Service agent Commission which is accounted for on cash basis and any other obligations arising on account of subsequent entitlements is also accounted for as expenditure in the year in which the claim is settled.
- 2) The inter unit Debit balance reflected under " Other Current Assets" (Inter unit) in Financial statements at Corporate Office Rs.54,64,93,92,249 (Pr. Yr 54,47,45,23,209 ) have not been properly reconciled / adjusted/ Squared up at Corporate office and are subject to reconciliation and adjustment with balances appearing in Audited Financial Statements of Regional Offices, Regional Sales Offices, Zonal Offices, Various , Sub Regional Offices and Plants. The inter unit adjustment account has been squared up by "Suspense Account" during 2014-15 Rs. NIL ( Pr. Yr. Rs. 3,05,49,782 ) for which no explanation has been provided to us. The impact on Loss and Assets & Liabilities due to non-reconciliation of inter-unit balances is unascertainable.



- 3) The Financial Statements of Corporate Office comprising of Balance Sheet as at 31.03.2015 & the Statement of Profit and Loss account for the year then ended along with Notes and other information have not been prepared as per the "Act" as under:
- No disclosures under "Long Term Borrowings" have been given regarding, Current maturity, continuing default in Principal and Interest ,repayment terms, number & amount of installments due, applicable rate of interest and other significant and relevant terms for Un-Secured Loans.
  - Under Short Term Borrowings from banks the Nature of Security & other terms and conditions etc has not been disclosed in each case.
  - Interest accrued and due on borrowings" has not been classified under "Other Current liabilities".
  - Other Income includes recovery of Rent, Electricity and other amounts recoverable are not accounted for on accrual basis but are accounted for on cash basis. The Account of Rent from IBS is subject to Reconciliation and confirmation.
- 4) Unsecured Loan from Others (PSU's) Rs.43,00,00,000 (Pr. Yr. Rs.43,00,00,000) and interest accrued and due thereon Rs.2,51,66,54,027(Pr. Yr. Rs.2,51,66,54,027) have been disclosed Under Long term Borrowings. The terms of repayment, rate of Interest and other disclosures as per" Schedule III" to the Companies Act, 2013 have not been made. Also Interest has not been provided for the current year. This has resulted in short provision of liability towards interest and consequential understatement of Loss for current year by the same amount which is unascertained.
- 5) The amount disclosed under "Other Long Term Liabilities Rs.90,03,91,673 (Pr. Yr. Rs 86,58,24,421) are un-reconciled and unconfirmed. The impact on Loss and Assets & Liabilities due to non- reconciliation and non-confirmation of advance amount received from Customers is unascertainable.
- (a) Included in above "Other Long Term Liabilities" is amount of advance for customer Rs.14,17,52,529 (Pr. Yr. Rs14,17,52,529) which is in the nature of a short term Liability. Further under the head " Advance from Customers (M)" which relates to liability of NAMPM an amount of Rs. 3,19,00,000 (Pr. Yr. Rs. 3,19,00,000) has been claimed by NAMP as interest in the books of accounts. Due to this loss is understated by Rs. 3,19,00,000 and also liabilities understated by the same amount.
- (b) Included in above "Other Long Term Liabilities" is amount of Government Guarantee Fee Rs. 70,07,48,658 (Pr. Yr. Rs 66,63,88,658). The provision for Government Guarantee



fee amounting to Rs. 3,43,60,000 has been made in accounts for the current year. As per Clause 6 of Guarantee Agreement dated 31st Oct. 1994 it has been declared and agreed by the Guarantor (Government of India) that it has not received and shall not resolve any security or commission from the company for giving this guarantee so long as any monies remain due and owing by the company to participating Banks or any liability incurred by participating banks on behalf of the company remains outstanding without prior written consent of participating banks. In view of this provision, loss for the current year is overstated by Rs. 3,43,60,000 and liabilities on account of guarantee fee payable Rs. 70,07,48,658 (Pr. Yr. Rs 66,63,88,658) are also over state to that extent.

(c) Included in above "Other Long Term Liabilities" is an amount of Rs.80,11,83,510 (Pr. Yr. Rs80,11,83,510) includes an amount of Rs. 71,55,49,617 (Pr. Yr. Rs 71,55,49,617) has been deducted on account of VRS Expenditure. Also an amount of Rs. 3,38,50,659(Pr. Yr. Rs. 3,38,50,659) has been deducted on account of "Amount transferred to Sub. Companies". The amount of VRS Expenditure and amount transferred to subsidiary Companies are subject to confirmation, reconciliation and adjustment, if any, in the books of accounts. Consequential impact on loss and liabilities of the company due to adjustment is unascertained.

6) Long Term Provisions" of Rs.75,91,686 (Pr. Yr. 1,31,41,943) includes Provision made in current year for Gratuity ( Rs.1,66,071)( Pr. Yr. 2,95,711) and leave encashment of Rs NIL(Pr. Yr. Rs. 2,92,448). These provisions have been made on the basis of calculation made by the Company. Accordingly Provisions made for employees benefits are not in accordance with Accounting Standard-15 on "Employee Benefits" issued by the Institute of Chartered Accountants of India. Also no provision of interest payable on Gratuity, Leave encashment and for any amounts payable to employees who have opted for V.R.S old scheme has been made. The impact on .loss/ liabilities is unascertainable.

7) Short Term borrowings "Cash Credit accounts" with Banks "of Rs. 94,02,20,440(Pr. Yr. Rs. 87,34,42,368) and " Interest accrued and due" Rs. 15,38,56,.23,842 ( Pr. Yr. 15,38,56,23,842).These balance are being carried over from year to year without any transactions. The short term Borrowings are unreconciled and unconfirmed by Banks. Interest for the current year has not been provided on these CC accounts. This has resulted in short provision of liability towards interest & understatement of Loss for current year by the same amount which is unascertained. Further State Bank of India has filed an application before DRT Delhi for recovery of their dues of Rs. 7,60,29,82,492.20 interest calculated upto



30.06.1992 of Rs. 29,72,45,452.66 as accrued interest from 1.07.1992 to 08.12.2013 of Rs.7,30,57,37,039.54, interest accrued & due thereon of Rs. 15,38,56,23,842, (Pr. Yr. Rs. 15,38,56,23,842). The shares of APGPCL were pledged with State Bank of India against CC LIMIT OF 9.00 Crores. Though the CC limit was squared up and the account shows Debit balance in books of IDPL but these shares have not been released by SBI.

- 8) Trade payables of Rs. 7,49,69,118 ( Pr. Yr Rs 7,30,25,072) include balances transferred from Various R.O's to Corporate office. These amounts are pending for payment and outstanding for many years. The amount Payable is subject to confirmation, reconciliation and adjustment, if any, in the books of accounts, Consequential impact on loss and liabilities of the company due to adjustment is unascertained.
- 9) "Other Liabilities" amount of Rs.6,24,31,852 (Pr. Yr. Rs 7,69,30,246 ) includes various amounts which are pending for payment and outstanding for more than three years. The amount payable is subject to confirmation, reconciliation and adjustment, if any, in the books of accounts. Consequential impact on loss and liabilities of the company due to adjustment is unascertained.
- Included in above " Other Current liabilities" are amounts payable on account of Sundry deposits received from Contractors and Others. The detail of contractors is not available and amounts are subject to confirmation, reconciliation and adjustment. Consequential impact on loss and liabilities of the company due to adjustment is unascertainable.
  - Included in above " Other Current liabilities" are amounts payable on account of "OSL" being outstanding liabilities carried forward from year to year without any payment/adjustment. The detail of liabilities/parties is not available and amounts are subject to confirmation, reconciliation and adjustment. Consequential impact on loss and liabilities of the company due to adjustment is unascertainable.
  - Included in above "Other Current liabilities" are amount payable to ECPF Trust Rs. 4,53,08,352 ( Pr. Yr. Rs. 4,53,21,434) being carried forward without any payment of adjustment. As informed the amount has been paid in the past years directly through bank transfer but the details are not available.



- Included in above "Other Current liabilities" is an amount of Rs. Debit Rs. 87,29,061 (Pr. Yr. Rs5,09,151) being amount received from Ministry of Family & Welfare against sales made by Plants (bills raised in Corporate office). The amount is in the nature of advance against sales and should have been disclosed accordingly under Advance from Customers. Further the account of ministry is subject to reconciliation, confirmation and adjustment, if any, in the books of accounts. Consequential impact on loss and assets of the company due to adjustment is unascertained.
  - Included in above "other current liabilities" are amounts payable on account of TDS, Service Tax payable, Service Tax IBS which are outstanding. Further disputed statutory liabilities are unascertained.
- 10)** The Corporate office has neither maintained proper records of fixed assets nor carried any physical verification of fixed assets. No reconciliation has been between fixed assets register and the financial accounts; Impact on loss and assets due to non reconciliation is not ascertainable.
- 11)** Non-current Investments of Rs. 29,78,55,000 (Pr. Yr. Rs. 29,78,55,000) include investments made in Unquoted Equity Shares and share application money in its loss making subsidiary companies. No provision has been made for loss suffered on these investments. The impact thereof on the value of investments is unascertainable, further
- Investment made in 6,74,000 Unquoted Equity Shares of its subsidiary Company "Orissa Drugs & Chemical Limited" and 40,00,00,000 Unquoted Equity Shares Of "IDPL(TN) LTD" and 3 Shares of "BODCL Ltd" total investment of Rs.4, 67,40,030 (Pr. Yr. Rs.4, 67,40,060). are being carried at Cost, no provision for diminution in value of these investments in loss making subsidiaries has been made. Decline in Non Current Investments , other than temporary diminution in the value of long term investments has not been disclosed as required by Accounting Standard" Accounting for Investments"( AS-13) issued by the ICAI. The loss in our opinion is of a permanent nature.
  - Included in "Non-Current Investment" is share application money of Rs. 25,11,14,970 (Previous Year Rs. 25,11,14,970) against subscription of Equity shares in joint sector /wholly owned subsidiary companies for which allotment has not been made to IDPL. In absence of financial statements of the companies to whom share application money has been given, we are unable to comment on recoverability of the money. The Corporate Office has not provided for any loss on this account.



**12)** Long Term Loans and advances of Rs. 1,27,92,79,338 (Pr. Yr. Rs. 1,21,48,67,128) against with provision of Rs. 8,79,918 (Pr. Yr. Rs. 8,79,918) Nett Rs. 1,27,83,99,420 (Pr. Yr. Rs. 1,21,39,87,211) are interest free unsecured loans to Subsidiary Companies and deposit with Customers, port trust and other advances outstanding for years without any recovery. These advances are subject to confirmation, reconciliation and adjustment, in the books of accounts. Consequential impact on loss and liabilities of the company due to adjustment is unascertained

- Under "Long term Loans & Advances", interest free unsecured loans of Rs. 58,08,30,809 (Pr. Yr. Rs. 58,08,30,809) have been given to Subsidiary Companies in consideration of assets transferred to these Subsidiary Companies. These loans are also subject to reconciliation, confirmation and adjustment, if any, in the books of accounts. Consequential impact on loss and assets of the company due to adjustment is unascertained.
- Under "Long term Loans & Advances", Advances made to Subsidiary companies Rs. 69,73,04,453 (Previous Year Rs. 63,28,92,244) are also subject to reconciliation, confirmation and adjustment, if any, in the books of accounts. Consequential impact on loss and assets of the company due to adjustment is unascertained.
- Under "Long term Loans & Advances", Deposits with Customers, Port Trust and others govt. Of Rs. 2,64,158 (Pr. Yr. Rs. 2,64,158) are being carried forward without any recovery/adjustment. These advances are also subject to reconciliation, confirmation and adjustment, if any, in the books of accounts. Consequential impact on loss and assets of the company due to adjustment is unascertained.

**13)** Balances under "Trade Receivable" outstanding for period exceeding six months Rs. 6,78,92,128 (Pr. Yr. 7,03,46,660) includes long trade receivables at various regional offices, now transferred to Corporate office. Against the said trade receivables a provision of Rs. 20,69,982 (Pr. Yr. Rs. 20,69,982) has been made in books of account. These trade receivables are long outstanding, without any confirmation and are subject to reconciliation and adjustment, if any, in the books of accounts. Consequential impact on loss and assets of the company due to adjustment is unascertained.



14) Short Term Loans and advances of Rs.7,05,64,649 (Pr.Yr. 6,52,73,647) against which provision for doubtful fringe benefit tax Rs. 15,68,107 and for doubtful advances Rs. 1,52,11,819 (Pr.Yr. 1,52,11,819) includes various loans and advances of Long term nature, hence disclosure has not been made as required under the Act..Also most of the said advances are long and overdue/disputed amounts outstanding for more than three years. In our opinion provision against the Unsecured advances in books of account against doubtful advance is not adequate. These advances are subject to confirmation, reconciliation and adjustment, in the books of accounts. Consequential impact on loss and liabilities of the company due to adjustment is unascertained.

15) The details regarding disputed statutory dues in respect of Income tax, sales tax, Custom duty, ESI, EPF etc have not been provided and therefore, we are unable to comment as to the adequacy of provision held on these accounts and impact on liabilities and loss are unascertained.

The total impact of above Para (5b) has resulted in, overstatement of Loss for the year by Rs.3,43,60,000, overstatement of Reserves & Surplus by (Rs. 3,43,60,000) (Previous Year - Not Available), overstatement of Other Long Term Liabilities by Rs. 3,43,60,000 (Previous Year - Not Available).

We have quantified the impact of a qualification on profitability/loss with the qualification itself and overall impact with respective Regional Offices ,Regional Sales Offices ,Zonal Office ,Plants and Corporate Office wherever possible. The quantification of impact on profitability in various qualifications could not be quantified, however overall impact on profitability/ loss and Assets /Liabilities have resulted in , overstatement of Loss for the year by Rs.1,08,41,395.66, overstatement of Reserves & Surplus by (Rs. 1,08,41,395.66) (Previous Year - Not Available) ,understatement of Long Term provisions by Rs 2,35,18,604.34(Previous Year - Not Available) and overstatement of Long term loans and advances by Rs 2,89,412.93 (Previous Year - Not Available),Trade Receivables by Rs 1,37,10,258.13 (Previous Year - Not Available),Other current assets by Rs 55,66,604.28 (Previous Year - Not Available),Inventories by Rs 28,28,786 (Previous Year - Not Available),Short term Loan & Advances by Rs 10,34,876 (Previous Year - Not Available)and Capital work in progress by Rs 88,667.00 (Previous Year - Not Available),further overstatement of Other Long Term Liabilities by Rs. 3,43,60,000 (Previous Year - Not Available).



## 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 paragraphs above, the aforesaid standalone 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, 2015, and its loss and its cash flows for the year ended on that date.

## Emphasis of Matters

### REGIONAL OFFICE LUCKNOW

- 1- As stated above there are unverified balance received from parties aggregating to Rs 54,26,301/- as on 31st March 2015. Since the name of parties are not available from whom the payment have been received and the bills against which these payments have been received could not be ascertained , the classification of book debts as given in Note 18 may also change .
- 2- The financial statement does not reflect any contingent liability as on 31<sup>st</sup> March 2015. As stated in Para 2D of Basis of Qualified opinion and as per known demand raised by Sales Tax /Vat Department for the financial years from 2007-08 to FY 2010-11 aggregating to Rs 18,32, 878/-, neither the amount have been provided in accounts nor shown as contingent liability. We have been that all the demands are under appeal. In our opinion the amount should be shown as Contingent liability not considered as debt. Further we have come across few payments made against above demand to the department aggregating to Rs4, 23,629/- have not been considered in accounts. We have been told that the amount has been paid by C& F agent on behalf of branch and have not been claimed by them. Since the payments have been made on behalf and name of the branch, amount should have been considered as current liability.
- 3- Though the company is following mercantile system of accounting , the commission payable to Sale agents and C & F agent are provided on cash basis. No computation of commission payable on sales for the year has been prepared . No Head office circular for change in system of accounting or its disclosure in accounting policies was available .





4- SUNDRY CREDITORS AND LIABILITIES:

- A- It includes Rs 9,43,100.76 outstanding and shown payable to Ministry of Health & FW The amount is outstanding from past years.
- B- Rs 14,82,361.21 is outstanding to parties shown as Current Liability a per Note 12 for past many years . We have been told that parties are not claiming these amounts and pending in accounts.
- C- Rs7,13, 017.81 is the amount of deposit s received from dealers on which interest at various rates is also being provided .There is no dealing with many parties and amount is also increasing . The reason of non refunding of amount was explained as amounts not claimed by parties, Interest payable on these amount is Rs 14,65,105.80. The amount of interest payable is much higher than the amount of deposits.
- D- Rs31,65,012.68 is out standing as advance from customers This is also very old balance from various parties for which no old records were available . No interest is provided on this amount. We have been informed that he amount is not claimed by parties , hence outstanding.
- E- Rs 5,01,159.36 is claim payable .There is no details available of the parties to whom this amount are payable.
- F- Rs 29,55,012.41 is the advance received from parties. No reason has been explained for its non adjustment which we have been informed will be done at Head Office level.
- G- The liability towards salary payable is Rs67939/- where as per financial statement, the liability is shown of Rs11913.22 ie short shown by Rs56,025.78 which is not reconciled for past many years.
- H- There is variance of Rs3,93,612.82 in sundry debtors between balance as per General Ledger of Rs4,20,13,749/- and aggregate of sub-ledgers of Rs4,24,07,361/- which is yet to be reconciled .



I- The depreciation is continued to be provided on written down value as per Companies Act, 1956 instead of on the basis of life of fixed ( Tangible ) assets as required under Companies Act 2013. No estimate of life of assets has been made . Since the fixed assets base is very small of Rs 53,600.62 and considering the size of branch , the effect will not be major on the profits /losses of the branch

### RISHIKESH PLANT

1. VAT recoverable by Roorkee depot claimed by IDPL, Rishikesh in their VAT returns have not been passed at the time of assessment by VAT authorities hence such figures should be adjusted by Roorkee depot in their books as per information provided to us assessment till the year 2012-13 has been completed so necessary adjustments should be made by Roorkee depot.
2. Share in Central Office and marketing division expenses amounting of Rs 8,88,29,000 shown as expenditure is on the basis of advice from corporate office, for which we are not in position to comments upon.
3. All the records at unit are being maintained under COBOL programming. The Ledger Accounts, entries etc cannot be viewed in system. We had to rely only on print out of trail balance, Ledger and cash book for our audit. Maintenance of all financial transactions including accounting entries are feeded on COBOL programming software, it is suggested that accounting system should migrated to an accounting software.

### CORPORATE OFFICE

- 1) Attention is drawn to amount stated under "Reserves & Surplus", the Company has created revaluation reserve of Rs.62,76,54,240 in earlier years. As per the information made available and explanation given to us, the revaluation reserve of Rs. 62,76,54,240 was created in pursuance of BIFR Package and for disinvestment and transfer of the same to 100% subsidiaries IDPL (TN) Ltd; and BODC Lt; to achieve better profitability. In our opinion the Transfer of land is invalid since IDPL has a limited right on the leasehold land at Muzzaffarpur, which is not transferable as per terms of agreement and is yet to possess any lease title in respect of land. Further We are unable to ascertain tax liability at the time of



disinvestment if consideration received is in excess of cost of acquisition but less than transfer price.

- 2) In the view of decision taken by Hon'ble BIFR at its meeting held on 23.01.1996 to submit a modified package for revival and subsequently the directions given on 21.02.1997 to the Ministry of Chemicals & Fertilizers, Government of India to firm up its view in regard to the company and possibility of its revival, the action of transferring the assets and liabilities to its subsidiaries is premature.
- 3) The amount borrowed from the following has exceeded the limit approved by Board of Directors in its meeting held on 26.6.1992. The details are as follows :

	Borrowings approved by BOD on 26.06.1992	Principal amount due on 31.03.2015	Interest accrued and due Un-reconciled	Total as at 31.03.2015
Govt. of India	1,64,02,00,000	12,14,39,25,000	35,86,81,30,000	48,01,20,55,000
P.S.U etc	54,28,00,000	43,00,00,000	2,51,66,54,027	294,66,54,027
Banks	100,00,00,000	94,02,20,440	15,38,56,23,842	16,32,58,44,282

- 4) The company has not filed Income Tax Returns from Assessment year 2004-2005 to 2010-11 which may attract penalty U/S 271B and 271 F of I.T. Act, 1961, amount is unascertained and consequential impact on loss / liabilities can't be ascertained.
- 5) The amount payable to Small & Medium Enterprises is not ascertainable.
- 6) The company has utilized Rs.22,46,00,000( Pr. Yr. 22,46,00,000) from VRS funds for the purposes other than for payment against VRS. The company has approached the Govt. for permission of the fund utilization against which the Govt. of India has sought details of VRS fund utilization and the matter is still pending.
- 7) During the year Marketing expenses have been allocated to Gurgoan Plant Rs. 4,94,91,000(Pr.Yr. 2,26,19,993),Rishikesh Plant Rs.8,88,29,000 (Pr.Yr.Rs. 10,04,68,600) and Hyderabad Plant Rs.20,13,000 (Pr.Yr.Rs.24,06,758) total Rs. 14,03,33,000 (Pr.Yr. Rs.12,54,95,351) without any basis, hence we are unable to verify the accuracy of expenses allocated to these plants.



- 8) BIFR vide its order dated 04.12.2003 has confirmed its prima-facie opinion that it would be just & equitable & in public interest to wound up IDPL in terms of Section 20(1) of SICA. But Humble AAIFR vide order dated 29.12.2005 has set aside BIFR order and remanded an order back to BIFR for taking further action for rehabilitation of the company. As the case is still under BIFR, the liabilities on account of interest and damages U/S 7Q & 14B of Employees PF & Misc. Provision act, Sales Tax Act, interest on delayed payment, liabilities for non-receipt of statutory forms of sales tax, wage revisions, liabilities to Banks for Principal and interest amount, amount due to Uttrakhand Power Co. Ltd, interest on non rotating advances, amount and interest payable to CISF and other creditors are unascertained and thus the liabilities and the loss to that extent remain unascertained till final and conclusive orders are issued by BIFR.

### HYDERABAD UNIT

- a) Capital work in progress include Rs.400.39 lakhs,(previous year Rs.400.39 lakhs) of disposable capital equipments, capital stores and spares identified by the company against which a provision of Rs.321.06 lakhs exist in the books. This being a technical matter we are unable to express our opinion as regards to the adequacy of the provision.
- b) The company is providing Depreciation on the Plant & Machinery under Straight line method at rates specified by the Companies Act, 2013 even though the Plant & Machinery were not in working condition. Hence we are unable to comment on the net block of Plant & Machinery.
- c) Inventories include raw materials, stores & spares, packing & filling materials etc. of Rs.413.24 lakhs (previously Rs.413.24 lakhs) exists in the books of accounts against which a provision of Rs.397.71 lakhs (previously Rs.397.71 lakhs) exists in the books. This being a technical matter we are unable to express our opinion as regards to the adequacy of the provision.
- d) The accounts have been maintained on a going concern basis, During the year company got a proposal of production.
- e) Interest on belated payments of surcharge to APSEB for the April 1987 to March 1992 amounting to Rs.52 lakhs and additional charges over and above normal tariff for the same period amounting to Rs.1403.13 lakhs hasn't been provided in the books of accounts.



- f) We are unable to comment on the closing balances as we were not provided with confirmation letters from Creditors, Depositors.
- g) There is no valuation of inventories.

### **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-I, a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. The Comptroller and Auditor-General of India has issued directions (including Sub-Directions) indicating the areas to be examined in terms of sub-section (5) of section 143 of the Companies Act, 2013, the compliance of which is set out in Annexure II.
3. 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 the matter described in the Basis 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 appears from our examination of those books
  - c) The reports on the accounts of the branch offices of the Company audited under Section 143(8) of the Act by branch auditors have been sent to us and have been properly dealt by us in preparing this report.
  - d) 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.
  - e) Except for the effects of the matter described in the Basis for Qualified opinion paragraph above, in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - f) The matter described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.
  - g) On the basis of written representations received from the directors as on 31 March, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2015, from being appointed as a director in terms of Section 164(2) of the Act.



- h) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.
- i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements in the Notes to the financial statements ;
  - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;
  - iii. There were no amounts which required to be transferred to the Investor Education and Protection Fund by the Company.

Place : Delhi  
Date : 31<sup>st</sup> May, 2016

For **MEGA & ASSOCIATES**  
**Chartered Accountants**  
ERN-007541N



**Sandeep Manaktala**  
**PARTNER**  
**M.No. 91408**

## ANNEXURE -I

**TO,  
THE MEMBERS OF INDIAN DRUGS &  
PHARMACEUTICALS LIMITED**

We refer to our report on the financial statements of **INDIAN DRUGS & PHARMACEUTICALS LIMITED**(the Company) for the year ended March 31, 2015 issued on 28<sup>th</sup> March,2016/31<sup>st</sup> May,2016. We give hereinafter a statement on the matters specified in paragraphs 3 and 4 of CARO 2015. This may be treated as an Annexure to our aforesaid Report on standalone financial statements for the year ended March 31, 2015.

i. In respect of its **fixed assets**:

a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information, **EXCEPT**

UNIT	PARTICULARS
Hyderabad Unit and Corporate Office	The company has not maintained proper records showing full particulars including quantitative details and situation of its fixed assets.

b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification, **EXCEPT**

UNIT	PARTICULARS
Regional Sales Office-Mumbai	The management has not carried out the physical verification of fixed assets.
Rishikesh Plant	As we were explained and noticed that fixed assets was physically verified by the Management but the assets under verification cannot be reconciled with financial books and records during the financial year.
Regional Office -Lucknow	There is no information available if any physical verification has been conducted by the management during the year. Accordingly we are unable to comment upon any discrepancy between assets physically available and as stated in Books of Accounts.



Hyderabad Unit	As explained to us, fixed assets have not been physically verified by the management at reasonable intervals.
Corporate Office	As explained to us, fixed assets have not been physically verified by the management at reasonable intervals. Accordingly we are unable to comment upon any discrepancy between assets physically available and as stated in Books of Accounts.

ii. In respect of its **inventories**:

a) The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable. **EXCEPT**

UNIT	PARTICULARS
Regional Office-Delhi	There are no records available regarding the physical verification of the inventories. Moreover, the records /working papers relating to inventories are not properly maintained.
Rishikesh Plant	<p>We have been informed that due to minimal production and shortage of staff, there is no system of monthly physical verification of stock. Only stock lying at production site is physically verified on 31<sup>st</sup> March every year and there is no mechanism for physical verification of inventories lying at Central stores.</p> <p>The stock lying at Central stores consists of Raw Materials, Packing Materials and other store items, a number of these are obsolete. Although no physical verification of old and unusable items lying in central store was carried out during the year, the company has made a substantial total provision of Rs. 5,06,03,950/-</p>
Hyderabad Unit	The Physical verification of inventory has not been conducted at reasonable intervals by the management. In the absence of the same the discrepancies if any noticed later on physical verification of stock as compared to book records remain unadjusted for the year under audit.

b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business. **EXCEPT**





UNIT	PARTICULARS
Regional Office- Delhi	The procedure followed by management for physical verification of inventories are not adequate .
Hyderabad Unit	The Physical verification of inventory has not been conducted at reasonable intervals by the management. In the absence of the same the discrepancies if any noticed later on physical verification of stock as compared to book records remain unadjusted for the year under audit.

c) The Company has maintained proper records of inventories. As per the information and explanation given to us, no material discrepancies were noticed on physical verification. **EXCEPT**

UNIT	PARTICULARS
Regional Office- Delhi	The RSO is maintaining proper records of inventories and need adequate steps to take for maintaining proper records .We are not able to properly verify the quantities received/issued and value of inventories.

iii. In respect of the **loans, secured or unsecured, granted** by the Company to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013:**N.A FOR DURING THE YEAR**

a) The principal amounts are repayable over varying periods upto five years, while the interest is payable annually, both at the discretion of the Company. **N.A FOR DURING THE YEAR**

b) In respect of the said loans and interest thereon, there are no overdue amounts. . **N.A FOR DURING THE YEAR**

iv. In our opinion and according to the information and explanations given to us, the Company has an **adequate internal control system** commensurate with its size and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in such internal control system.**EXCEPT**

UNIT	PARTICULARS
Regional Sales Office-Mumbai	The internal control system is inadequate to commensurate with the size of RSO



v. According to the information and explanations given to us, the Company has **not accepted any deposit** from the public. Therefore, the provisions of Clause (v) of paragraph 3 of the CARO 2015 are not applicable to the Company.

vi. We have broadly reviewed the **cost records maintained** by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government under Section 148(1)(d) of the Companies Act, 2013 and are of the opinion that, *prima facie*, the prescribed accounts and cost records have been 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. In respect of **statutory dues**:

a) According to the records of the Company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, duty of Customs, Duty of Excise, Value Added Tax, Cess and other material statutory dues have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2015 for a period of more than six months from the date of becoming payable. **EXCEPT**

UNIT	PARICULARS																
Kolkata, Patna, Cuttack & Guwahati Regions (Consolidated)	In respect of sales tax of Rs 61,85,173/- were in arrears as at 31 <sup>st</sup> March, 2015 for a period of Rs 61,85,173/- were in arrears as at 31 <sup>st</sup> March, 2015 for a period of more than six months from the date they become payable.																
Regional Office- Delhi	Undisputed amount payable in respect of VAT as at 31-03-2015 for a period of more than six months <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>PLACE</th> <th>AMOUNT</th> </tr> </thead> <tbody> <tr> <td>Panchkula</td> <td>15,251.00</td> </tr> <tr> <td>Indore</td> <td>87133.00</td> </tr> <tr> <td>Raipur</td> <td>99776.00</td> </tr> <tr> <td>Delhi</td> <td>435743.00</td> </tr> <tr> <td>Jammu</td> <td>7995.00</td> </tr> <tr> <td>Jaipur</td> <td>23567.00</td> </tr> <tr> <td>Total</td> <td>669466.00</td> </tr> </tbody> </table>	PLACE	AMOUNT	Panchkula	15,251.00	Indore	87133.00	Raipur	99776.00	Delhi	435743.00	Jammu	7995.00	Jaipur	23567.00	Total	669466.00
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Rishikesh Plant	<p>A. The unit has been regular in depositing undisputed statutory dues, including Provident Funds, Investor Education and Protection Fund, Employees State insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities Except Rs. 63,899.85/- due to CEGAT demand no. 1238/90-C dated 26.11.1990 to custom authority, Mumbai.</p> <p>B(B)There were no undisputed amounts payable in respect of Provident Funds, Investor Education and protection Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, excise Duty, Cess and other material statutory dues in arrears as at 31<sup>st</sup> March 2015 for a period of more than six months from the date they became payable, Except the following Statutory dues not claimed by relevant authorities for which provisions has been made in books at estimated basis</p> <p>U.P. Pollution Control Board – Rs. 5023966/- Uttrakhand Environment&amp; Pollution Board – 204000/-</p>				
Regional Office -Lucknow	The complete records pertaining to assessment of Trade tax /Vat were not available at Branch for any year . Hence we are unable to comment if any amount is outstanding for undisputed demand regarding VAT/ Sales Tax or other Commercial Tax.				
Hyderabad Unit	<p>As per information and explanation given to us, the following undisputed amounts are outstanding for a period of more than six months from the date they became payable:</p> <table border="1" data-bbox="459 1429 1495 1550"> <tr> <td data-bbox="459 1429 1050 1489">APGST</td> <td data-bbox="1050 1429 1495 1489">RS.24.55 lakhs</td> </tr> <tr> <td data-bbox="459 1489 1050 1550">CST</td> <td data-bbox="1050 1489 1495 1550">Rs.132.75 lakhs.</td> </tr> </table>	APGST	RS.24.55 lakhs	CST	Rs.132.75 lakhs.
APGST	RS.24.55 lakhs				
CST	Rs.132.75 lakhs.				

b) According to records of company, there are no dues of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess have not been deposited on account of any dispute.

UNIT	PARTICULARS			
Kolkata, Patna ,Cuttack & Guwahati Regions	Name of the Statute	Period to which this amount relates	Amount under dispute	Forum where dispute is pending



(Consolidated)	Central Sales Tax Act	2008-09	Rs 24,539/-	Add. Commissioner (A)																									
	West Bengal Value Added Tax Act	2008-09	Rs 42,003/-	Add. Commissioner (A)																									
Regional Office-Delhi	Year	Amount		Forum where dispute is pending																									
	1988-89 & 1991-92	Rs 361805/-		D.C Appeal																									
Regional Office -Lucknow	<p>According to information and explanations given to us no undisputed amounts payable in respect of Income tax, Service tax ,and Cess were outstanding as at 31<sup>st</sup> March, 2015 for a period of more than six months from the date they become payable excepting in the following cases under SalesTax/VAT:</p> <table border="1"> <thead> <tr> <th>F YEAR</th> <th>AMOUNT INVOLVED</th> <th colspan="3">FORUM WHERE CASE IS PENDING</th> </tr> </thead> <tbody> <tr> <td>2007-08 Commercial Tax</td> <td>Rs1,33,356/-</td> <td>Addnl</td> <td>Commissioner</td> <td>(Appeals),</td> </tr> <tr> <td>2009-10 Commercial tax, LKo</td> <td>Rs7,81,462.34</td> <td>Dy.</td> <td>Commissioner</td> <td>sec-2,</td> </tr> <tr> <td>2010-11(State )</td> <td>Rs4,72,120/-</td> <td colspan="3">Addnl Commissioner , Appeal, Lucknow</td> </tr> <tr> <td>(Central)</td> <td>Rs4,45,940/-</td> <td colspan="3">--do--</td> </tr> </tbody> </table>				F YEAR	AMOUNT INVOLVED	FORUM WHERE CASE IS PENDING			2007-08 Commercial Tax	Rs1,33,356/-	Addnl	Commissioner	(Appeals),	2009-10 Commercial tax, LKo	Rs7,81,462.34	Dy.	Commissioner	sec-2,	2010-11(State )	Rs4,72,120/-	Addnl Commissioner , Appeal, Lucknow			(Central)	Rs4,45,940/-	--do--		
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(Central)	Rs4,45,940/-	--do--																											

c) According to the records of the Company, there were no amounts which required to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under .

viii. The Company accumulated losses at the end of the financial year are more than fifty percent of its net worth and it has incurred cash losses during the current financial year and in the financial(s) immediately preceding the financial year.

ix. Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has defaulted in repayment of dues to financial institutions, banks and debenture holders due to the fact that Company is in BIFR. Further interest payable to



the Banks has not been provided in current year. As the Company is in BIFR ,the amount of interest ,Liquidated damages and current charges payable to Banks in un ascertained.

x. According to the information and explanations given to us, the Company has not given any guarantee for Loans taken by others from Banks or Financial Institutions except the Company has given guarantee of Rs 5,07,00,000 to a financial institution for a loan taken by IDPL's the then Subsidiary company. Though the subsidiary has since been transferred and ceased to be subsidiary of IDPL, the security is yet to be released. .

xi. According to the information and explanations given to us ,Company has not taken any Loan.

xii. During the course of our examination of the Books and records of the unit and according to the information and explanations given to us , we report that no fraud on or by the Company has been noticed or reported during the year , nor we have been informed of such case by the Management.

For MEGA & ASSOCIATES  
Chartered Accountants  
FRN-007541N

Place : Delhi

Date :28<sup>th</sup> March,2016/ 31<sup>st</sup> May,2016



Sandeep Manaktala  
PARTNER

**DIRECTIONS UNDER SECTION 143(5) OF COMPANIES ACT  
2013 FOR THE YEAR 2014-15**

Sl.No.	Directions	Auditor's Comment
1	If the Company has been selected for disinvestment, a complete status report in terms of valuation of Assets (including intangible assets and land) and Liabilities (including Committed & General Reserves) may be examined including the mode and present stage of disinvestment process.	NOT APPLICABLE
2	Please report whether there are any cases of waiver/ write off of debts/loans/interest etc., if yes, the reasons there for and the amount involved.	NOT APPLICABLE
3	Whether proper records are maintained for inventories lying with third parties & assets received as gift from Govt. or other authorities.	NOT APPLICABLE
4	A report on age-wise analysis of pending legal/ arbitration cases including the reasons of pendency and existence/ effectiveness of a monitoring mechanism for expenditure on all legal cases (foreign and local) may be given.	ANNEXURE - a



For MEGA & ASSOCIATES  
Chartered Accountants  
FRN-007541N

Place : Delhi

Date : 28<sup>th</sup> March, 2016 / 31<sup>st</sup> May, 2016



**Sandeep Manaktala**  
**PARTNER**  
**M.No. 91408**

**SUB DIRECTIONS U/S 143(5) OF THE COMPANIES ACT, 2013  
FOR THE YEAR 2014-15**

S.NO	SUB-DIRECTIONS	REPLIES
1	<p><u>LAND:-</u> Whether the Company has clear title/lease deeds for freehold and leasehold land respectively ?</p> <p>If not ,please state the area of freehold and leasehold for which title /lease deeds are not available”</p>	<p>i) <b>Gurgaon Land</b> – Conveyance deed in the name of IDPL during the year 1992.</p> <p>ii) <b>Hyderabad Land</b> - Conveyance deed in the name of IDPL during the year 1994.</p> <p>iii) <b>Rishikesh Land</b> – Forest Land on lease for 99 years expiring in 2021.</p> <p>Not applicable.</p>
2	<p><u>CONFIRMATION OF BALANCES</u></p> <p>i. Whether amount of (a) Bank Balances (b) Trade receivables (c) Trade payables (d) Loans and advances for which third party confirmation was not made available has been reported?</p> <p>ii. Where such balances have been confirmed by respective parties, whether it varies widely from the amounts reflected under respective heads in the financial statements, and if so, differences should be disclosed.</p>	<p>Yes, however as appraised by Company the same shall be done from 2015-16.</p> <p>Yes, however as appraised by Company the same shall be done from 2015-16.</p>
3.	<p><u>RECONCILIATION OF DEPOSITS</u></p> <p>Whether the deposits/advances made by the Company to the Customs ,Excise ,Income Tax, Sales Tax</p>	<p>No, however as appraised by Company the same shall be done from 2015-16.</p>





	(VAT) ,Service Tax and other authorities have been verified and reconciled with respective authorities ?	
4.	<b>EMPLOYEE BENEFITS</b> Independent verification may be made of information /inputs furnished to Actuary, viz number of employees ,average salary ,retirement age and assumption made by the actuary regarding discount rate ,future cost increase ,mortality rate etc for arriving at the provision for liability of retirement benefits viz. Gratuity, leave encashment, post retirement benefits etc	As apprised this is being done by Rishikesh Plant. In rest of the places it is negligible.

For MEGA & ASSOCIATES  
Chartered Accountants

ERN-007541N



Sandeep Manaktala  
PARTNER  
M.No. 91408

Place : Delhi

Date : 28<sup>th</sup> March,2016/31<sup>st</sup> May,2016

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LIST OF PENDING CASES OF IDPL  
 Name of Unit / Deptt. :- INDIAN DURGS & PHARMACEUTICALS LTD.,  
 STATUS OF LEGAL CASES PENDING AS ON 01.03.2016

Sl. No.	Name of Court/ Appellate Authority/Tribunal/ Quasi-Judicial Authority/ Arbitrator/ Ministry (COD) etc.	Name of the parties		Nature of Case/Suit Filed (please quote sections/ Act also)	Suit/ Case Number.	Please assign below code A) for Service, B) for Civil, C) for Criminal, D) for Arbitration, E) for Land.	Amount involved (in Rs)	
		Applicant/ Appellant/ Claimant/ Plaintiff etc.	Respondent/ Defendant/ Non-Applciant/ Opposite party				Claim of our Company	Claimed against our company.
	High Court of Punjab & Haryana	J.K.Sethi	Indian Drugs & Pharmaceuticals Ltd	<p>Sh. J.K.Sethi was a personnel executive he was dismissed from serious act of misconduct after holding a fair and proper departmental enquiry as per the rules of Company, Sh.Sethi preferred an appeal before the appellate authority Appellate authority modified its order of Disciplinary authority.</p> <p>He should be reinstated with immediate effect and the intervening period between date of termination and date of joining will be treated as break in service, He is reduced to the lower post of executive assistant. Challenged the same before the Delhi High Court but it was dismissed. Sethi filed another W/P in Punjab high court to fix the seniority in the lower in terms of the FR 29(3)</p> <p>High court passed an order that since the period of reduction was unspecified and pay was, protected the petitioner would be entitled to be placed as senior most executive assistant and also to be considered for promotion. Against this we filed SLP which was decided against IDPL.</p> <p>In compliance of the order dated 27.4.2005 of the Hon'ble Court, the pay of the petitioner was fixed at the level of Sr. Executive and accordingly the petitioner was paid an amount of Rs. 2,10,153/- Vide cheque No 144113 Dated 27.02.2013 through letter F.No:- IDPL/11008(14)/7/2012 Dated 28.02.2013 which was duly accepted by Mr. J.K. Sethi.</p> <p>On further request, the Pay of the petitioner was fixed equal to the post of Deputy Personnel Manager in the pay scale of Rs. 3000-100-3500-125-5000(CDA) w.e.f. 12-07-1999 at par with Shri P.K. Kapoor. In view of this, an amount of Rs.2,04,448/- vide cheque NO. 558521 dated 18.12.2013 along with the letter dated 20.12.2013 which was duly accepted by him.</p> <p>Again Shri JK Sethi filed Contempt case in the Hon'ble High Court of Punjab &amp; Haryana which is pending and the next date of hearing is 4.3.2016.</p>	COCP No.1361 of 2015	Service Matter (reinstatement)	Nil	Service issue. Amount depends upon the court order.

*Handwritten signatures and dates:*  
 7/3/2016 (P.K. Verma) Sr. Executive (Legal)  
 07/March/2016 Dy. Manager (Legal)



2	Allahabad High Court	Indian Drugs & Pharmaceuticals Ltd	State of U.P. & Ors	M/s Gupta pharmaceuticals Meerut was appointed by RSO Ghaziabad to generate institutional sales in Meerut dist. As a security of stocks of the company Rs. 1 lac was asked to deposit. Due to paucity of fund production as well as marketing activities had to be ceased by Company and most of the stockist were terminated in 1995-96 by the company aggrieved by the termination order M/s Gupta pharmaceuticals was also one of them who filed the Criminal case in Meerut in the year 2000. The Court passed summoning order on 5.6.2000 for the appearance of CMD against this we filed appeal in Dist Court. Dist Court granted exemption from appearance subsequently the cases was dismissed by Dist. Court. Against this We filed CrI. Misc. Application in High Court Allahabad in the year 2008. Lastly listed on 26.4.2013.	CrI. Apl. 28217/08	Criminal	Nil	1 lacs
3	Delhi High Court	Maj. Sareen	Indian Drugs & Pharmaceuticals Ltd	Petitioner was a Ex CMD of IDPL in the year 1997. He had filed the WP Before the HC Delhi for release of terminal dues such as gratuity leave encashment and other allowance totally. Rs. 1,41,587/- without adjustment of the DA earned by him on his army pension during his tenure with IDPL. Our stand is that he is not entitled for army pension. Matter will be listed for regular hearing. Lastly listed on 22.7.2008. No further order of listing till today.	WP (C) 503/06 [Regular]	Service Matter (Retrial Dues)	Nil	Rs 1,41,587/-
4	High Court of Punjab & Haryana	Deepak Thukral	Indian Drugs & Pharmaceuticals Ltd	He was appointed in IDPL on 28.05.73 to 28.05.1975 after giving break of one day on 29.05.1975 he was re-appointed. He was appointed on regular basis from 5.07.75. He sought payment of ex gratia and gratuity for the period from 23.05.73 to 4.7.75 ie. Service rendered by him on adhoc basis. He relieved under VRS. Our contention that since there was break in adhoc service on 29.5.75 adhoc service from 28.05.73 to 04.07.75 will not be counted for payment of VRS. Thukral approached Punjab High Court. This case is still pending Claiming VRS benefits and other relevant benefits. Next date of hearing 08.09.2016.	CWP 8924/09	Service Matter (Retrial Dues)	---	---
5	Arbitrator / Arbitral Tribunal	Indian Drugs & Pharmaceuticals Ltd	Minal Pharmaceuticals case	IDPL has placed supply order for purchase of, a) 9 Kg. ethinyl estradiol and b) 50 kg levonogestrol. As per the agreement party failed to supply the material in spite of granting them time. Hence the company referred the matter before the arbitrator for claiming the cost of the same from Minal. Awaited for award.	---	Arbitration	Rs. .10 lac	---
6	In the Court of CJ (Sr.D)/CJM Nuh, Mewat	State of Haryana	Indian Drugs & Pharmaceuticals Ltd	NSQ complaint of Sulphamethoxazol tablets manufactured by Jocund, SIDCUL, Ranipur, Hardwar. The next date of hearing 09.03.2016.	CrI. No.87/11	Criminal	Nil	Nil

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7	CJM. Ranchi	Indian Drugs & Pharmaceuticals Ltd	Jyoti Bansai & Smt Parwati Bansai	Fraud case regarding non payment of money to IDPL by the C& F Agents. Case is pending for further proceedings	No 906/13 under section 406, 420, 468, 469 & 471 of IPC	Original	Rs 10,4,00,000/-	Nil
8	Debts Recovery Tribunal -II, New Delhi.	State Bank of India	Indian Drugs & Pharmaceuticals Ltd	SBI has filed the case against IDPL for the recovery of debt under Section 19(4) of Recovery of debts due to Banks & Financial Institutions Act, 1993. The next date of hearing 30.03.2016.	OA No 365 of 2013	Payment	Nil	Rs.760,29,82,492/-
9	Debts Recovery Tribunal -II, New Delhi.	Indian Bank	Indian Drugs & Pharmaceuticals Ltd	Indian Bank filed the case against IDPL for the recovery of debt under Section 19(4) of Recovery of debts due to Banks & Financial Institutions Act, 1993. The next date of hearing 18.03.2016.	OA No 318 of 2014	Payment	Nil	Rs.203,53,63,714 80 as per Legal Notice
10	in the Court of SC J Patiala House, New Delhi.	Om Prakash Poddar	Indian Drugs & Pharmaceuticals Ltd	Regarding cancellation of termination orders dated 08.12.2014 and reinstatement of the Petitioner. The next date of hearing 08.04.2016	Case No.201/15	Service Matter (reinstatement)	Nil	Nil
11	Uttarakhand State Micro & Small Enterprises Facilitation Council, Dehradun.	Maxmed Life Sciences Pvt. Ltd	Indian Drugs & Pharmaceuticals Ltd	M/s Maxmed Life Sciences Pvt.Ltd. has filed the Claim Petition before the IFC, Dehradun on 11.11.2013 against IDPL, for the recovery of Rs.77,56,424/- (Seventy Seven Lacs fifty Six Thousand Four Hundred and Twenty Four only) against bills for the medicines manufactured by them in 2009-2010 on Loan License basis. In the meeting / hearing dated 24.8.2015, The Uttarakhand State Micro & Small Enterprises Facilitation Council, Dehradun vide award dated 24.8.2015 published on 16.12.2015 passed the award by which IDPL was directed to pay the total amount of Rs. 1,16,00,262/- within 30 days. IDPL is likely to file a misc application before BIFR for stay of the award dated 24.8.2015.	Claim Petition No.55/12-13	Payment	Nil	Principal Rs.36,68,054/- + Interest
12	Uttarakhand State Micro & Small Enterprises Facilitation Council, Dehradun.	Maxchem Pharmaceuticals Pvt. Ltd.	Indian Drugs & Pharmaceuticals Ltd	M/s Maxchem Pharmaceuticals Pvt. Ltd. has filed the Claim Petition before the IFC, Dehradun on 23.6.2015 against IDPL, for the recovery of Rs.79,56,747/- (Seventy Nine Lacs fifty Six Thousand Seven Hundred and Forety Seven only) against bills for the medicines manufactured by them in 2009-2010 on Loan License basis. No dates.	Claim Petition No.120/15	Payment	Nil	Principal Rs.19,45,814/- + Interest Rs60,10,933/-

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13	Board for Industrial and Financial Reconstruction, Bench Office-III	Indian Drugs & Pharmaceuticals Ltd	-----	A scheme for the rehabilitation of M/s Indian Drugs & Pharmaceuticals Ltd (IDPL) was taken on record by the Board on 10-02-1994 and the Company was allowed time to make its net worth Positive U/Sec 17 (2) of the Sick Industrial Companies (Special Provisions) Act, 1985. Lastly listed on 09.06.2015 next date of hearing: 28.10.2015. No further order of listing.	Case No. 503 of 1992	Revival	-----	-----
14	Board for Industrial and Financial Reconstruction, Bench Office-III	Indian Drugs & Pharmaceuticals Ltd	-----	IDPL filed an Misc. Application for setting aside the order no. 146 dated 23.7.2012 of Govt of Tamil Nadu for resuming company's 62.06 acres of land situated at Chennai. Misc. Application No.299/ 2012 filed by the company with regard to resumption of property Govt of Tamil Nadu is clubbed with main case. In the hearing held on 27.11.2013, MA No.299/ 2012 filed by the company are clubbed with main case. Pending.	Misc Application No. 299 of 2012	Status quo	-----	-----
15	Board for Industrial and Financial Reconstruction, Bench Office-III	Oil India Limited	Indian Drugs & Pharmaceuticals Ltd	For recovery of outstanding amount of Rs. 15 crores	Misc. Application No. / 2015	Received copy only.	-----	-----
16	National Consumer Disputes Redressal Commission, New Delhi	Goregon Pearl Co- Op Housing Society Ltd	M/s Sai Siddhi Developers & 3 Ors	IDPL is having 3 flats at Goregaon pearl Society Mumbai which is under redevelopment with M/s Sai Siddhi Developers. Under Agreement IDPL was receiving the compensation and the builder has stopped the compensation from November, 2014 against which the Goregaon Pearl Society filed the complaint on April, 2015. The case is pending. Next date of hearing is 03.03.2016.	Consumer Case No. 337/2015	-----	-----	-----
17	High Court of Punjab & Haryana	Indian Drugs & Pharmaceuticals Ltd	Presiding Officer Labour Court - reg. Madan Lal	Madan Lal Vs IDPL - Labour Tribunal award for reinstatement with 50% back wages filed for execution by Labour Commissioner, Chandigarh. Appeal made in Punjab & Haryana High Court, Chandigarh. Hon'ble High Court ordered for compliance of 17-B payment per month. In compliance with the orders of Hon'ble High Court Rs. 1,133.90 (Last drawn salary) is being paid by IDPL Gurgaon Plant w.e.f 01-03-2004 to Sri. Madan Lal through Cheque.	CWP No. 3616 of 2004	Service Matter	Nil	Service issue. Amount depends upon the court order.
18	Madras High Court	Shree Product	Indian Drugs & Pharmaceuticals Ltd	IDPL Gurgaon Plant purchased rubber stoppers from Shree Products from time to time. Shree Product claims an amount of Rs. 1,61,158/- However, IDPL has admitted the amount outstanding to the extent of Rs 1,57,692.65	CA No. 1828 of 2003 in CP No. 526 / 2000	Payment	Nil	Rs. 1,61,158/- + Interest @ 13% PA from 27-06-1997 till date of payment

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19	Civil Judge (Jr. Div.), Rishikesh	State of Uttarakhand Complainant - Indian Drugs & Pharmaceuti cals Ltd	M/s Symer Steel Mumbai	IDPL filed Criminal case U/s 420/465/462/471/120B of Indian Penal Code against M/s Symer Steel, Mumbai	Criminal Case no. 782/90	Criminal	----	-----
20	Civil Judge (Sr. Div.), Rishikesh	Indian Drugs & Pharmaceuti cals Ltd	Shree Acids	IDPL filed the said case to obtain certificate for the transfer of decreas	Case no. 4 of 2008	Recovery	Rs 23,307/- with 18%	----
21	Civil Judge (Sr. Div.) Rishikesh	Indian Drugs & Pharmaceuti cals Ltd	OTA India	making the award rule of the Court	Case no. 538/07	Recovery	Rs 27,66.1 08 31 with Interest @ 6% p.a. w.e.f date of filing the suit	-----
22	Civil Judge (Jr. Div.), Rishikesh	Indian Drugs & Pharmaceuti cals Ltd	M/s J.N. Marshal & others	Execution of Decree	Exe. Case No. /2008	Recovery	Rs. 17,146. 90+ 18% Interest p.a. +	-----
23	District Judge, Dehradun	Indian Drugs & Pharmaceuti cals Ltd	Automotive Products Co	Challenging the award of the Facilitation Council, IDPL , Rishikesh filed an appeal against the Award passed by Industry Facilitation Council, Kanpur.	Case no. 214/2005,	Payment	----	Rs. 11,55,751.50+ Taxes as Principal Amount + Compound Interest with monthly rests.
24	District Judge, Dehradun	Indian Drugs & Pharmaceuti cals Ltd	Indian Rubber Products,	Challenging the award of the Facilitation Council, IDPL , Rishikesh filed an appeal against the Award passed by Industry Facilitation Council, Dehradun.	Case no. 224/2005	Payment	----	Rs. 6,70,977.76 + 6% Interest

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5	Labour Court, Dehradun	Sh. R.K. Srivastava	Indian Drugs & Pharmaceuticals Ltd	Payment of subsistence allowance at the enhanced rate i.e. 75% instead of 50% of wages	Case no 2/2005	Service Matter	-----	Rs 20,604.00
6	High Court, Nainital	Smt. Saroj Bala Gaur	Indian Drugs & Pharmaceuticals Ltd	Wrongful termination of an employee	WP No 28620/2000	Service Matter	-----	-----
7	High Court, Nainital	Indian Drugs & Pharmaceuticals Ltd	Anil Starch Products Ltd	Inability of M/s Anil Starch to supply Maize Starch to IDPL. Dehradun Court decided the case against IDPL. Hence, IDPL filed an Appeal against the Judgement of Dehradun Court.	Civil Appeal No. FA 24/2004	Recovery	14, 46,000.00+ 18 %	---
8	High Court, Nainital	General Manager IDPL	Chandra Pal	Challenging the orders dated 22/10/2008, passed by the Presiding Officer, Labour Court, Dehradun	WP No /2009(M/S )	Service Matter	-----	Rs 35000.00 Approx.
9	High Court at Nainital	Indian Drugs & Pharmaceuticals Ltd	M/s Netco Cables	Recovery of money against the supply of defective cables by M/s Netco Cables	-----	Recovery	Rs. 117708 4.00	-----
0	High Court at Nainital	Shri Ramesh Chand Sharma & anothers	State and others	Claiming Pensionary benefits	W.O. No. 1227(S/S) of 2012	Service Matter	-----	-----
1	High Court at Nainital	(S/S) Ashok Kumar Shukla	Union Of India & others	Regarding promotion etc	W.P. No. 80/2013	Service Matter	-----	-----
2	High Court at Nainital	Indian Drugs & Pharmaceuticals Ltd	Automotive Products	Challenging the award of the Facilitation Council, IDPL, Rishikesh filed an appeal against the Award passed by Industry Facilitation Council, Kanpur.	W.P. No. 38 (M/S) of 2014	Payment	-----	Rs. 11,55,751.50+ Taxes as Principal Amount + Compound Interest with monthly rests.

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33	High Court at Nainital	Indian Drugs & Pharmaceuticals Ltd	Indian Rubber Product	Challenging the award of the Facilitation Council, IDPL, Risnikesh filed an appeal against the Award passed by Industry Facilitation Council, Dehradun	W.P. No 39 (M.S) of 2014	Payment	-----	Rs 11,56,751.50+ Taxes as Principal Amount + Compound interest with monthly rests
34	High Court at Nainital	(S/S) Brij Bhushan Sharma	State of Uttarkhand & others	Claiming pensionary benefits with interest	W.P. No 2484/2015	Service Matter	----	----
35	Civil Judge (Sr. Div.), Vadodra	M/s Patel Tube Products	Indian Drugs & Pharmaceuticals Ltd	reg. supply of 32 Economizer Coils and 2 Heaters for the Boiler, which were not as per the specifications given by IDPL.	Case no 427/97	Payment	-----	Rs. 6,55,891.31+ Interest
36	Civil Judge, Ahmedabad Court	M/s S.M. Shah & Co	Indian Drugs & Pharmaceuticals Ltd	reg. payment of outstanding bills for the material supplied by the Company	Suit no 1546/99	Payment	-----	Rs. 1,93,464.00+ Interest Rs 85,389.00 + Notice charges Rs. 500.00 Total Rs. 2,79,353.04
37	District. Court Gurgaon.	Indian Drugs & Pharmaceuticals Ltd	Cebon India Ltd.	Reg. recovery of money pertaining to the supply of Potassium Penicillin by IDPL.	Exe. Case no 39/2004 (New No) 772/2006	Recovery	Rs. 6,63,117.00 + 18% Interest + Cost	-----

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38	Civil Judge Court Hyderabad - Ranga Reddy	Indian Drugs & Pharmaceuti- cals Ltd	M/s Lam no Paper Products Pvt. Ltd	Reg. execution of decree pertaining to the supply of specific pouches by the opp Party	Execution Case no 376/97	Recovery	Rs 84,000 Cost + Interest @ 6% from 12.12.9 5	-----
39	Tis Hazari Court, Delhi	Indian Drugs & Pharmaceuti- cals Ltd	M/s Natco Cables	Recovery of money against the supply of defective cables by M/s Natco Cables	Exe Case no 01/2004	Recovery	Rs. 11,77,0 64.00	-----
40	Central Govt Industrial Tribunal-cum-Labour Court No.2, New Delhi	Shri Rishi Pal Arya, Ex- chargeman	Indian Drugs & Pharmaceuticals Ltd	Industrial dispute regarding reinstatement of Shri Rishi Pal Arya, Ex-chargeman	I.D. 88 / 2012	Service Matter	-----	-----
41	Saket Court at Delhi	Indian Drugs & Pharmaceuti- cals Ltd	Navin Chemicals New Delhi,	Regarding supply of defective empty Gelatin capsules & other materials to IDPL	Case no. 218/75	Recovery	Rs 1,00,17 0.00	-----
42	City Civil Court Dindoshi, Goregaon, Mumbai	G.C. Pharmie Chemie Ltd., Mumbai	Indian Drugs & Pharmaceuticals Ltd	Recovery of outstanding dues, (under Order. XXXVII, Rule II of CPC 1908)	Suit no 367 of 2015	Payment	-----	Rs. 6,81,953/- + 11.86 912/- being the interest @30% p.a from the date of filing of the suit.
43	Hon. Court of Chief Judicial Magistrate at Srinagar ( J&K)	State through Drugs Inspector (Zone II Srinagar)	Indian Drugs & Pharmaceuticals Ltd	Complaint under Sec. 18(a)(i) read with sec. 27(d) of drugs & cosmetic act 1940.	-----	Criminal	Nil	Nil

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44	High Court at Nainital.	Indian Drugs & Pharmaceuticals Ltd	UPSEB and others	To decide representation of IDPL dated 06.10.94, refrain from disconnecting electricity till IDPL pay electricity charges @ 1986 tariff + 15% fixation of electricity tariff for IDPL etc	W.P No 203/08	Payment	-----	Rs 2,16,84,80,418.15 vide notice dated 19.11.2006 & further late payment surcharge to be added
45	High Court at Nainital.	Indian Drugs & Pharmaceuticals Ltd	UPSEB	For the stay on UPSEB tariff of 18.01.92 and subsequent revisions	W.P No 204 of 2008	Payment	-----	-----
46	High Court Mumbai	Indian Drugs & Pharmaceuticals Ltd	Kashyap Chemicals	Reg. recovery from M/s Kashyap Chemicals, Mumbai	Case no. 74/86	Recovery	Rs 1,75,980+ Interest wef from 31.01.98+Cost Total Rs.	-----
47	High Court Mumbai	Indian Drugs & Pharmaceuticals Ltd	Symer Steel	reg. recovery money pertaining to non supply of in Tin Boxes by M/s Symer Steel.	Case no. 603/89	Recovery	Rs. 61,454.92+ cost Rs. 5048+Interest @ 18% pa. from 27.11.89	-----

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36	ESIC Court, Hyderabad	ESI Corporation	Indian Drugs & Pharmaceuticals Ltd	ESIC Dues	ESIC 20 / 2002	Payment	-----	-----
36	A P High Court at Hyderabad	M.Sammalah & others	Indian Drugs & Pharmaceuticals Ltd	Reg. claiming interest on VRS benefits	WP 8333 / 2004	Service Matter	-----	-----
37	A P High Court at Hyderabad	K.Karena	Indian Drugs & Pharmaceuticals Ltd	Reg. interest on EL encashment	WP 11280 / 2003	Service Matter	-----	-----
38	A P High Court at Hyderabad	KNV Prasad & Others	Indian Drugs & Pharmaceuticals Ltd	Reg. reinstatement into service after VRS	WP 1727 / 2007	Service Matter	-----	-----
9	A P High Court at Hyderabad	R.Sreedhar	Indian Drugs & Pharmaceuticals Ltd	Reg. implementation / payment of two advance increments	WP 1966 / 2002	Service Matter	-----	-----
0	A P High Court at Hyderabad	P.K.Tiwari & 11 Others	Indian Drugs & Pharmaceuticals Ltd	Reg. recalculation of VRS benefits consequent on pay revision and other pending dues	WP 23120 / 2011	Service Matter	-----	-----
1	Court at Hyderabad	Jeewanram Sheoduttrai & Others	Indian Drugs & Pharmaceuticals Ltd	Reg. restoration of AS No 242/94	ASMP 2506 / 2012	Service Matter	-----	-----
2	Kolkata High Court	Swapan Saha	Indian Drugs & Pharmaceuticals Ltd	For want of mandamus to IDPL challenging service as per IDPL Recruitment and Promotion Rules, 1990.	W.P No 29321 (W) of 2015	Service Matter	-----	-----
3	FIR	Indian Drugs & Pharmaceuticals Ltd	Bansal Medicos Rishikesh	Tampering of N A Slips of patients (Plant employees) by the authorized chemist M/s Bansal Medicos, Rishikesh.	FIR No. PE02 (A /97-DAD) Dated 01-07-1997	Criminal	-----	-----



*Singh*

*Sushma Singh  
(Legal Counsel)*

*31.12.2015  
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*12. R.L. Sharma  
Personnel Manager*

*Sharma  
7.3.2016  
(P.K. Verma)  
Sr. Executive (Legal)*

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E Pritham B. Koria  
Dy. Manager. (Legal)*

48	High Court Mumbai	Indian Drugs & Pharmaceuticals Ltd	DCM Pumps	pertaining to the hike in price of Diesel Pumps by M/s DCM Pumps against the prior agreement/ Contract	Exe case no. 3/2003	Recovery	Rs. 46,889/- 18% interest w.e.f. 31.01.95 + cost Rs. 1,772.2	-----
49	High Court Mumbai	Indian Drugs & Pharmaceuticals Ltd	M/s Lasco International, Mumbai	For recovery of money pertaining to the supply of propylene glycon USP 61 Drums out of 129 Drums were found defective	Case No. 314 / 84	Recovery	Rs. 58,240/- Plus 10% interest w.e.f. 17.08.1	-----
50	Civil Court Mumbai	Indian Drugs & Pharmaceuticals Ltd	Manalaxmi Dyes	Reg. recovery of money against the supply of barium hydroxide by the party	Exe. Case No. / 2007	Recovery	Rs. 29,442/- plus interest @ 18% PA w.e.f. 07/04/1	-----
51	A P High Court at Hyderabad	Avula Papaiah & 3 others	Indian Drugs & Pharmaceuticals Ltd	(Township Land case)	WAMP 1718 of 2010	Land Case	-----	Compensation
52	A P High Court at Hyderabad	V.Narayana & 7 others	Indian Drugs & Pharmaceuticals Ltd	(Township Land case)	WAMP 1716 of 2010	Land Case	-----	Compensation
53	A P High Court at Hyderabad	E.Rukkamma & 8 others	Indian Drugs & Pharmaceuticals Ltd	(Township Land case)	WAMP 1717 of 2010	Land Case	-----	Compensation
54	A P High Court at Hyderabad	M.Sreehari & Others	Indian Drugs & Pharmaceuticals Ltd	(Bhoodhan Yagna Board)	W.P.3393 / 2012	Land Case	-----	-----
55	A P High Court at Hyderabad	Smt Mehaboobunisa Begum & Others	Indian Drugs & Pharmaceuticals Ltd	Land case in between Praga Tools & IDPL	W.P.1544 9 / 2013	Land Case	-----	-----

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36	A P High Court at Hyderabad	Syed Mehamood Hussain & Others	Indian Drugs & Pharmaceuticals Ltd	(Factory land case)	W.P. 2715 / 2014	Land Case	-----	-----
37	A P High Court at Hyderabad	A.P. Bhoodhan Yagna Board	Indian Drugs & Pharmaceuticals Ltd	(Bhoodhan Yagna Board)	W.P. 3310 / 2015	Land Case	-----	-----
8	A P High Court at Hyderabad	Indian Drugs & Pharmaceuticals Ltd	(1) Mrs Kaniz Fathima (2) AD(S&LR) (3) Tahsildar (4) Commissioner (S&LR)	Against the spot inspection (Sy.No.376 of KKP)	W.A.M.P. No 3907 of 2014 In W.A.S.R. No.20461 of 2014 Against W.P.No 1 6458 of 2014	Land Case	-----	-----
9	Lower Court at Hyderabad (District Court)	Smt Ashmathunni sa Begum	Indian Drugs & Pharmaceuticals Ltd	Land case of RR Dist	OS/469/2001	Land Case	-----	-----
10	Lower Court at Hyderabad (District Court)	B.Jyothi W/o B.Anantharao	Indian Drugs & Pharmaceuticals Ltd	Land case of RR Dist	IA 1147/2009 in OS 1192/2009	Land Case	-----	-----
11	Lower Court at Hyderabad (District Court)	G.M.Vishalbhaskar Rao	Indian Drugs & Pharmaceuticals Ltd	Land case of Township.	OS 139 / 2013	Land Case	-----	-----
12	A P High Court at Hyderabad	S.Patwari	Indian Drugs & Pharmaceuticals Ltd	For retirement benefits with interest.	WP 25512 / 1996	Service Matter	-----	-----
13	A P High Court at Hyderabad	G.Dharma Rao & Others	Indian Drugs & Pharmaceuticals Ltd	Reg. Retiral Dues, VRS	WP 13687 / 2003	Service Matter	-----	-----
14	A P High Court at Hyderabad	APSRTC	Indian Drugs & Pharmaceuticals Ltd	Reg. Recovery of money towards outstanding dues for hiring of buses for IDPL employees.	WP 34646 / 1997	Payment	-----	-----

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07/march/2016



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