

BOOK-POST

FREDUN PHARMACEUTICALS LIMITED

33rd ANNUAL REPORT
2019 - 2020



If undelivered please return to:
FREDUN PHARMACEUTICALS LIMITED
Manoj Industrial Premises, G.D. Ambekar Marg,
Wadala, Mumbai - 400 031. (INDIA)
business@fredungroup.com
www.fredungroup.com



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Fredun Pharmaceuticals Ltd. Annual Report 2019-2020

FREDUN PHARMACEUTICALS LTD

CIN: L24239MH1987PLC043662

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CORPORATE INFORMATION

Fredun Pharmaceuticals Ltd. Annual Report 2019-2020

Corporate Information

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Dr. (Mrs.) Daulat Medhora

Mr. Fredun Medhora

Mr. Nariman Medhora

Dr. Aspi Raimalwala

Dr. Chandrakant Shah

Dr. Rohinton Kanga

Ms. Ankita Joshi

Chairperson & Jt. Managing Director

Managing Director & Chief Financial Officer

Whole Time Director

Non-Executive Independent Director

Non-Executive Independent Director

Non-Executive Independent Director

Company Secretary Cum Compliance Officer

REGISTERED & CORPORATE OFFICE

26, Manoj Industrial Premises,

G. D. Ambekar Marg, Wadala,

Mumbai – 400 031

Tel. No.: +91 22 4031 8111

Fax No.: +91 22 4031 8133

Email Id.: business@fredungroup.com

Website: www.fredungroup.com

PLANT SITE

14, 15, 16 Zorabian Industrial Complex,

Vevoor, Palghar (East) - 401 404

District – Palghar

Tel. No.: +91 7045957829 / 30

STATUTORY AUDITORS

M/s. Savla & Associates

Chartered Accountants

SECRETARIAL AUDITORS

M/s. Rajendra & Co.

Practising Company Secretaries

REGISTRAR & SHARE TRANSFER AGENTS

Purva Shareregistry (India) Pvt. Ltd.

Unit No. 9

Shiv Shakti Ind. Estate

J. R. Boricha Marg,

Opp. Kasturba Hospital Lane,

Lower Parel - East

Mumbai – 400 011

BANKERS

Saraswat Bank Ltd.

Shamrao Vitthal Co-op Bank Ltd.

Indusind Bank Ltd.



MESSAGE FROM THE MANAGING DIRECTOR

Fredun Pharmaceuticals Ltd. Annual Report 2019-2020

Message from the Managing Director

Dear Partners,

The impact of the last six months to businesses in India has been grave. Most companies are grappling to survive, some, however have succumbed to their fate. As partners in a company related to Pharma we should consider ourselves lucky. Lucky not because there is money to be made but because there is scope and potential for exponential growth in years to come.



Your company was and is steady on its path to achieve our targets as per the plan laid out for the next five years. With latest WHO cGMP certifications received for both our new units of Ointment and Pellets we are on a path to penetrate further in our existing markets.

With continuous investments in FnD and up-gradations in our infrastructure we are constantly adding new molecules to our already extensive list of products.

As the country steers through uncharted territory of economical uncertainty, if patient, the company has unlimited scope to achieve long term profitability and a founded growth.

I urge all to stay safe and be healthy!

With my warmest Regards,

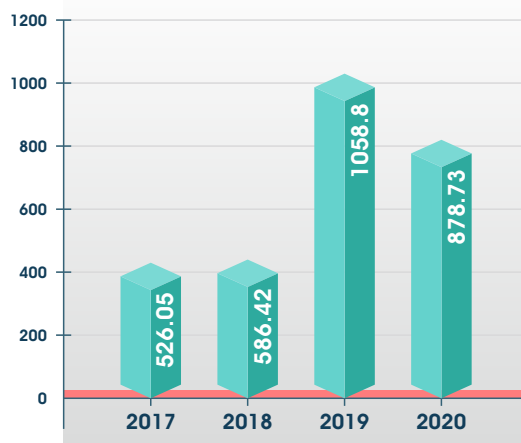
Fredun Medhora
Managing Director

KEY PERFORMANCE INDICATORS

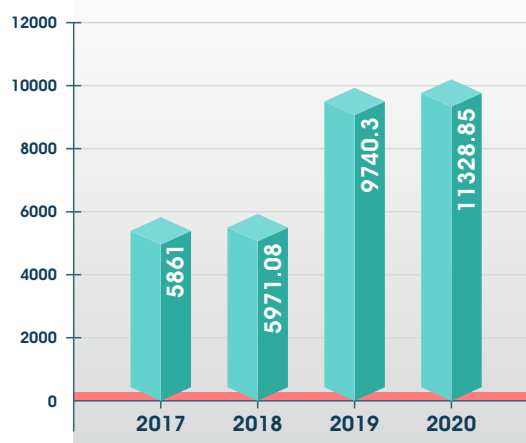
Fredun Pharmaceuticals Ltd. Annual Report 2019-2020

Key Performance Indicators Growing Stronger

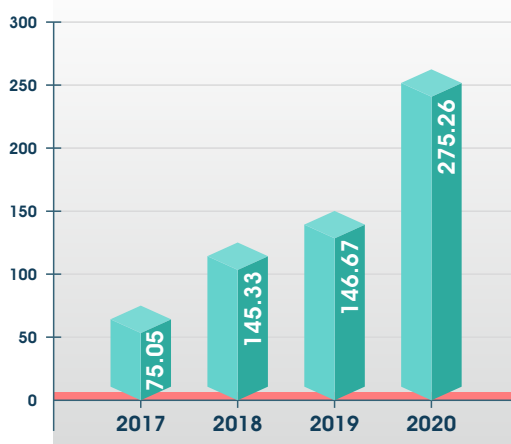
EBITDA



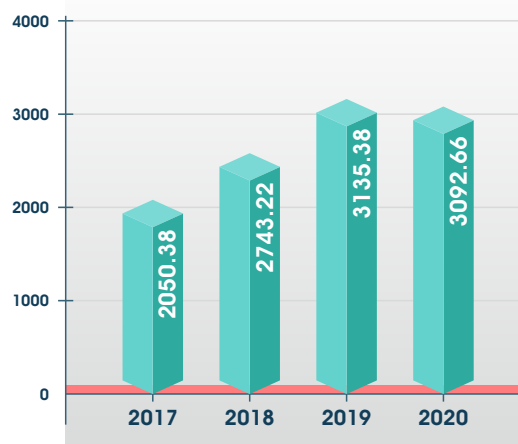
Turnover



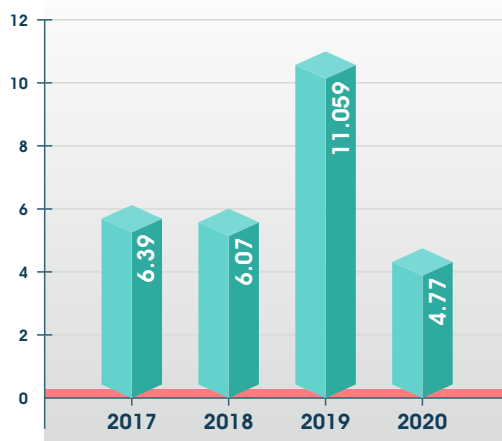
Cash & Cash Equivalents



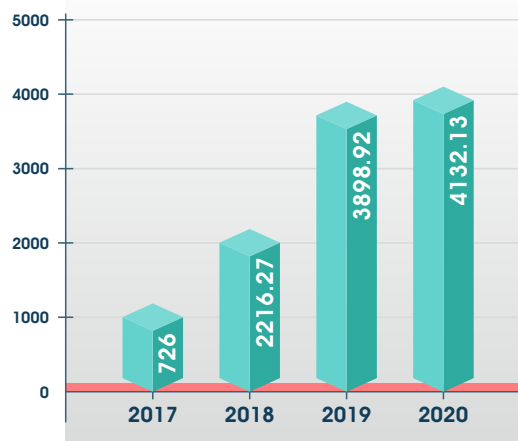
Fixed Assets



EPS



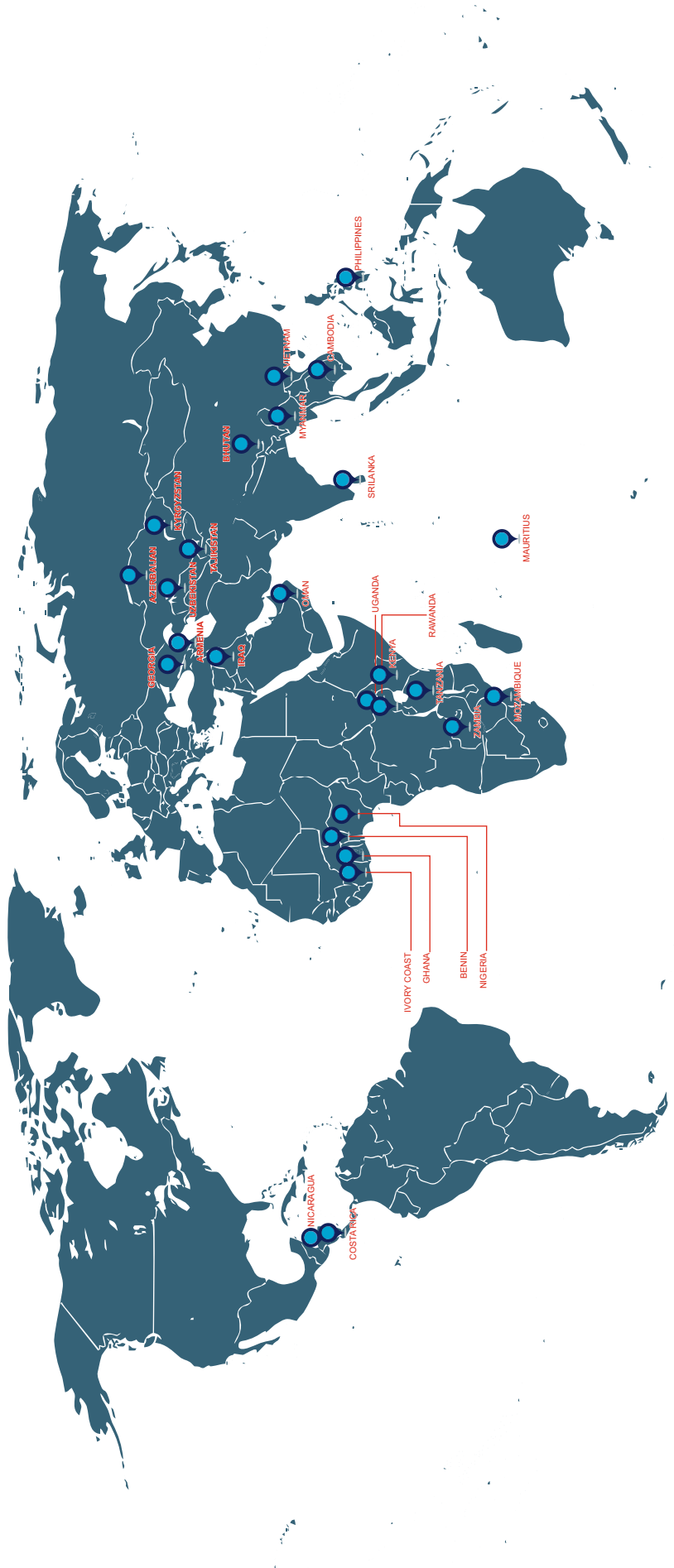
Networth



GLOBAL PRESENCE

Fredun Pharmaceuticals Ltd. Annual Report 2019-2020

GLOBAL PRESENCE



- ARMENIA • AZERBAIJAN • BENIN • BHUTAN • CAMBODIA • COSTA RICA
- GEORGIA • GHANA • IRAQ • IVORY COAST • KENYA • KYRGYZSTAN
- MAURITIUS • MOZAMBIQUE • MYANMAR • NICARAGUA • NIGERIA
- OMAN • PHILIPPINES • RAWANDA • SRILANKA • TAJIKISTAN • TANZANIA
- UGANDA • UZBEKISTAN • VIETNAM • ZAMBIA

NOTICE OF 33rd ANNUAL GENERAL MEETING

Fredun Pharmaceuticals Ltd. Annual Report 2019-2020

Notice is hereby given that the **33rd ANNUAL GENERAL MEETING (the “33rd AGM”)** of the Members of **FREDUN PHARMACEUTICALS LIMITED** will be held on **Monday, September 28, 2020 at 11:00 A.M.** through Video Conferencing(VC)/ Other Audio Visual Means (OAVM) to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended March 31, 2020 together with the reports of the Board of Directors and the Auditors thereon;
2. To Declare a Dividend of 6.6 % on the Equity Shares of the Company for the Financial Year ended March 31, 2020.
3. To appoint a Director in place of Mr. Fredun Medhora (DIN No.:01745348) who retires by rotation in terms of Section 152 of The Companies Act, 2013 and being eligible has offers himself for re-appointment.

SPECIAL BUSINESS:

4. Appointment of Dr. Aspi Raimalwala (DIN:02454860) as an Independent Director

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

“RESOLVED THAT pursuant to the provisions of Section 149,152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), (including any statutory modification(s) re-enactment thereof for the time being in force), Dr. Aspi Raimalwala (DIN:02454860), who was appointed as an Independent Director with effect from September 30, 2015 and who holds office upto September 29, 2020, and who is eligible for re-appointment and meets the criteria for independence as provided under Section 149(6) of The Companies Act, 2013 along with the Rules made thereunder and Regulation 16(1) (b) of the SEBI Listing Regulations and who has submitted a declaration to that effect, and in respect of whom the Company has received a notice a writing under Section 160(1) of the Companies Act, 2013 from a Member proposing his candidature for office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, and to hold office for a second term from September 30, 2020 to September 29, 2025.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things as may be deemed proper and expedient to give effect to this Resolution.”

5. Appointment of Dr. Chandrakant Shah (DIN:02843653) as an Independent Director

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

“RESOLVED THAT pursuant to the provisions of Section 149,152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), (including any statutory

modification(s) re-enactment thereof for the time being in force), Dr. Chandrakant Shah (DIN:02843653), who was appointed as an Independent Director with effect from September 30, 2015 and who holds office upto September 29, 2020, and who is eligible for re-appointment and meets the criteria for independence as provided under Section 149(6) of the Companies Act, 2013 along with the Rules made thereunder and Regulation 16(1) (b) of the SEBI Listing Regulations and who has submitted a declaration to that effect, and in respect of whom the Company has received a notice a writing under Section 160(1) of the Companies Act, 2013 from a Member proposing his candidature for office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, and to hold office for a second term from September 30, 2020 to September 29, 2025.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things as may be deemed proper and expedient to give effect to this Resolution."

6. Appointment of Dr. Rohinton Kanga (DIN: 07178190) as an Independent Director

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

"RESOLVED THAT pursuant to the provisions of Section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), (including any statutory modification(s) re-enactment thereof for the time being in force), Dr. Rohinton Kanga (DIN:07178190), who was appointed as an Independent Director with effect from September 30, 2015 and who holds office upto September 29, 2020, and who is eligible for re appointment and meets the criteria for independence as provided under Section 149(6) of the Companies Act, 2013 along with the Rules made thereunder and Regulation 16(1) (b) of the SEBI Listing Regulations and who has submitted a declaration to that effect, and in respect of whom the Company has received a notice a writing under Section 160(1) of the Companies Act, 2013 from a Member proposing his candidature for office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, and to hold office for a second term from September 30, 2020 to September 29, 2025.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things as may be deemed proper and expedient to give effect to this Resolution."

7. Reappointment of Mr. Fredun Medhora as the Managing Director of the Company

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

"RESOLVED THAT pursuant to recommendation of Nomination and Remuneration Committee and approval of the Board of Directors and pursuant to the provisions of Sections 196, 197, 198 and 203 and all other provisions if any, read with Schedule V of The Companies Act, 2013 ('the Act') and pursuant to the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time and other applicable provisions of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force and any subsequent amendment/ modification in the Rules/ Act and/or applicable laws in this regard, the approval of the Members of the Company is hereby accorded for the re-appointment of Mr. Fredun Medhora (DIN: 01745348) as the Managing Director of the Company with substantial powers of the Management to be exercised by him, subject to the superintendence, control and direction of the Board of the Directors of the Company for a period of 3 (three years) with effect from 15/10/2020 including the payment of remuneration, in the event of loss or inadequacy of profits in any financial year during his tenure and on the terms and conditions set out below, with the liberty to the Board of Directors of the Company to alter and vary the terms and conditions, not exceeding the limits specified under the Act or any Statutory modification or re-enactment thereof."

a. **Tenure** : From 15th October 2020 to 14th October 2023. (Three Years)

b. **Remuneration** : Rs. 2,00,000/- (Rupees Two lacks only) per month with effect from 15th October 2020 upto 14th October 2023.

a) **Perquisites** :

1. **Medical Expenses**: The Company shall pay and or reimburse all expenses incurred for himself and for his family subject to Rs. 1,00,000/- per Year subject to the taxability as per Income Tax Act, 1961.
2. **Leave Travel Concession**: The Company shall pay and or reimburse Travel Expenses incurred while on leave for himself and for his family once in a year in accordance with any rules specified by the Company but the amount should not exceed Rs. 80,000/- per year subject to the taxability as per the Income Act, 1961.

“RESOLVED FURTHER THAT the Board of Directors of the Company (which shall be deemed to hereinafter include any committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

8. Reappointment of Dr. (Mrs.) Daulat Medhora as Whole Time Director designated as Joint Managing Director

To consider and if thought fit, to pass, with or without modification, the following Resolution as a Special Resolution:

“RESOLVED THAT pursuant to recommendation of Nomination and Remuneration Committee and approval of the Board of Directors and pursuant to the provisions of Section 196, 197, 200, 203 read with Schedule V and other applicable provisions if any of The Companies Act 2013 and pursuant to the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 as amended from time to time and all other applicable Rules and guidelines for managerial remuneration issued by the Central Government from time to time, including any statutory modifications or re-enactments thereof and subject to the approval of the Central Government, if necessary and such other approvals, permissions and sanctions as may be required and subject to such conditions and modifications as may be prescribed or imposed by any of the authorities granting such approvals, permissions and sanctions consent of the Company be and is hereby accorded, the Company hereby approves the appointment of Dr. (Mrs.) Daulat Medhora (DIN: 01745277) as the Whole Time Director designated as Joint Managing Director of the Company with substantial powers of Management to be exercised by her, subject to the superintendence, control and Direction of the Board of the Directors of the Company for a period of 3 (Three) years with effect from 1st January 2021 including the payment of remuneration, on the terms and conditions set out below, with the liberty to the Board of Directors of the Company to alter and vary the terms and conditions, not exceeding the limits specified under the Act or any Statutory modification or re-enactment thereof.

a. **Tenure**: From 1st January 2021 to 31st December 2023 (Three Years)

b. **Remuneration** : Rs. 1,00,000/- per month with effect from 1st January 2021 to 31st December 2023

a) **Perquisites**:

1. **Medical Expenses** : The Company shall pay or reimburse all expenses incurred for herself and for her family subject to Rs. 60,000/- per year subject to the taxability as per Income Tax Act 1961.
2. **Leave Travel Concession** : The Company shall pay and or reimburse Travel Expenses incurred while on leave for herself and for her family once in a year in accordance with any rules specified by the Company but the amount should not exceed Rs. 60,000/- per year subject to the taxability as per the Income Tax Act 1961.

“RESOLVED FURTHER THAT the Board of Directors of the Company (which shall be deemed to hereinafter include any committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

9. Appointment of Cost Auditor

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

“RESOLVED THAT pursuant to Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 (including any amendments or re-enactments thereof), M/s Joshi Apte & Associates (Firm Registration No.00240), appointed by the Board of Directors, to conduct audit of cost records of the Company, for the year ending March 31, 2021, be finalized mutually, plus applicable taxes and out-of-pocket expenses.

RESOLVED FURTHER THAT the Board of Directors ('the Board', which term shall be deemed to mean and include any Committee constituted by the Board) be and is hereby authorised to take such steps as may be necessary to give effect to this Resolution.”

By Order of the Board

For Fredun Pharmaceuticals Limited

Sd/-

Place: Mumbai

Date: 29th July 2020

Ankita Joshi

Company Secretary Cum Compliance Officer

REGISTERED OFFICE:

26, Manoj Industrial Premises,
G.D. Ambekar Marg, Wadala,
Mumbai - 400 031

THE STATEMENT CONTAINING INFORMATION AS REQUIRED UNDER PROVISION (IV) OF PARA (B) OF SECTION II OF PART II OF SCHEDULE V OF THE COMPANIES ACT, 2013, TO THE EXTENT APPLICABLE, GIVEN HEREUNDER:

I. GENERAL INFORMATION:

- (i) Nature of Industry: The Company is primarily in the business of Pharmaceuticals and Healthcare
- (ii) Date or expected date of commencement of Commercial production: Not applicable
- (iii) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus : Not applicable

Particulars	(Rupees in Lakh)
Turnover& Other Income	11,029.86
Gross Profit before Interest, Depreciation & Tax	878.73
Net Profit after Tax	190.20

- (v) Foreign investments or collaborators, if any : Not Applicable

II. INFORMATION ABOUT THE APPOINTEES:**(I) Background details:**

Name of Director	Fredun Medhora	Dr. (Mrs.) Daulat Medhora
Designation	Managing Director	Joint Managing Director
Education	Masters in Business Administration from Cardiff University- UK. Graduate with honours of Magma Cum Laude in Business Entrepreneurship from Plattsburgh University New York	Ph. D in chemistry from University Department of Chemical Technology (UDCT)
Past Experience	Managing Director since 15th October 2014 and actively involved in the day to day business transactions and policy matters	Dr. (Mrs.) Daulat Medhora was the Joint Managing Director of the Company since 1st January 2010 and fully responsible for the growth of the Company, being one of the founder Promoter Director of the Company and a technical person

(ii) Past remuneration during the financial year ended 31st March 2020: (Accounts)

Name of Director	Fredun Medhora	Dr. (Mrs.) Daulat Medhora
Remuneration	Rs. 24,00,000/-	Rs. 12,00,000/-

(iii) Recognition or Awards:**Dr. (Mrs.) Daulat Medhora**

- Scholarship from Lady Tata Memorial Trust
- Rashtriya Ratan Award by Global Economic Council, New Delhi
- Bharat Nav Nirman Ratan Award by All India Business Development Association

(IV) Job profile and their suitability :**Mr. Fredun Medhora**

Mr. Fredun Medhora is a graduate with honours of Magma Cum Laude in Business Entrepreneurship from Plattsburgh University New York having completed 127 credits in 2.5 years. He has achieved the highest graduating grade point average for entire major. He was also awarded a standing in the Dean's List for all the semesters. He was the recipient of Direct Marketing Seminar Scholarship whilst working with the Director of Small Business Development Center (SBDC) Plattsburgh New York for helping new entrepreneurs setup their business. He has gained experience in creating organization flow charts for (SBDC) office and working with prospective clients through research and gathering background information for their interests. During his Internship he was also involved in developing the Supply Chain Management Major at the School of Business. He has been a member of the Beta Gamma Sigma Honour Society and also Phi Kappa Phi Honour Society.

The wide experience gained by him during his graduation in US has helped him in completing his Masters in Business Administration from Cardiff Business School Wales. During his studies in Cardiff he worked in the Finance Department of Student's Union of Cardiff University where he created process flow charts and job description of each individual within the office. He was assigned the topic "Prospects of Neutraceuticals Industry in India" for his thesis during his MBA course.

He was appointed as the Whole Time Director of the Company in the year 2013 and considering his vigour for growth for the Company, he was appointed as the Managing Director of the Company since 2014. He has been entrusted with the entire powers of the management of the Company.

The challenging business environment requires review of all the operations, monitoring and decision making on day to day basis which is required to be taken on fast scale and the Company has been immensely benefited by his timely decision making.

Dr. (Mrs.) Daulat Medhora

The pioneer and one the founder Promoter Director of the Company. She was associated with the Company since the incorporation of the Company and is the Chairperson of the Company for more than two decades and she is overall responsible for stabilizing the business operations of the Company.

She is overall responsible for launching new products for export markets.

Decision making in any business requires guidance and advice on ongoing basis and her knowledge and her vast experience is an asset to the company and it will be going to be immensely beneficial to the Company in the future.

(V) Remuneration Proposed: As specified in the Resolution for Mr. Fredun Medhora and Dr.(Mrs.) Daulat Medhora

(VI) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of origin):

Taking into consideration the size of the Company, the profile of Managing Director and the Whole Time Director, the responsibilities shouldered by them and the industry benchmarks, the remuneration proposed to be paid is in line with the remuneration packages paid to similar senior level counterpart(s) in other Companies.

(VII) Pecuniary relationship(s) directly or indirectly with the Company, or relationship with the managerial personnel,if any:

Besides the remuneration proposed to be paid to all, the Managing Director and the Whole Time Director, they do not have any other pecuniary relationship with the Company. Mr. Fredun Medhora is related to Mr. Nariman Medhora as the son and Dr. (Mrs.) Daulat Medhora being the wife of Mr. Nariman Medhora and the mother of Mr. Fredun Medhora.

Further, Mr. Fredun Medhora the Managing Director, Mr. Nariamn Medhora, the Whole Time Director and Dr. (Mrs.) Daulat Medhora being the Chairperson and Whole Time Director are holding equity shares in the Company.

III. OTHER INFORMATION:

(I) Reasons of loss or inadequate profits:

For the time being, the Company is earning profits in its operations. However, looking to the stiff market conditions and competitions and considering the impact of Covid 19 there may be an impact on the operations of the Company bringing down margins to some extent in future.

(ii) Steps taken or proposed to be taken for improvement and expected increase in productivity and profits in measurable terms:

The expansion of the unit has already been completed and the order book position is quite comfortable. With the large scale endemic of covid 19, the company is experiencing vast increase in the productivity leading to increase in the exports with much better profits. The company is working very hard and hopefully its impact will be reflected in the results for the year ended 31st March 2021.

(iii) Expected increase in productivity and profits in measurable terms:

Not Applicable

(iv) **Stock Option:** Not Applicable

**By Order of the Board
For Fredun Pharmaceuticals Limited**

Sd/-

Place: Mumbai

Ankita Joshi

Date: 29th July 2020

Company Secretary Cum Compliance Officer

REGISTERED OFFICE:

26, Manoj Industrial Premises,
G.D. Ambekar Marg, Wadala,
Mumbai - 400 031

NOTES:

1. In view of Covid-19 pandemic, social distancing norms and restrictions on movement of persons at several places in the country and pursuant to General Circular Nos. 14/2020, 17/2020 and 20/2020 dated April 8, 2020, April 13, 2020, and May 5, 2020 respectively (collectively referred to as '**MCA Circulars**') issued by the Ministry of Corporate Affairs (**MCA**) and (**SEBI Circular**) permitted the holding of the Annual General Meeting (**AGM**) through VC/OAVM, without the physical presence of the Members. Further SEBI vide its circular dated 12th May 2020 ("SEBI Circular") has also granted certain relaxations. In compliance with the provisions of the Companies Act, 2013 ("the Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('**Listing Regulations**'), MCA Circulars and SEBI Circular the AGM of the Company is being held through VC/OAVM which does not require physical presence of members at a common venue. The proceedings of the AGM will be deemed to be conducted at the Registered Office of the Company which shall be the deemed venue of the AGM.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. Since this AGM is being held pursuant to MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with in line with the MCA Circulars and SEBI Circular. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, Body Corporates are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting., however they are required to send a scanned copy(PDF/JPG Format) of its Board Resolution authorizing their representative to attend the AGM as stated above. The deemed venue for the 33rd Annual General Meeting shall be the Registered Office of the Company.
3. In compliance with the aforesaid MCA Circulars and SEBI Circular, the Notice of AGM is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the Notice of AGM and the Annual Report 2020 will also be available on the Company's website at www.fredungroup.com and website of the Stock Exchange www.bseindia.com and on the website of NSDL at <http://www.evoting.nsdl.com>. Members may note that pursuant to Sections 101 and 136 of the Act read with the Rules framed thereunder, the Notice calling the AGM along with the Annual Report for Financial Year 2020 were being sent by electronic mode to those Members whose E-mail addresses are registered with the DPs or the Company/Purva shareregistry, unless the Members have requested for a physical copy of the same.
4. Attendance of the Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

5. The Register of Members of the Company will remain closed from Tuesday, September 22, 2020 to Monday, September 28, 2020; both days inclusive (Book Closure Date) for the purpose of 33rd Annual General Meeting and for determining the names of the members eligible for Dividend on Equity shares if declared at the AGM.
6. The relevant Explanatory Statement pursuant to Section 102 of The Companies Act, 2013 in respect of the Item No. 4 to 9 of the Notice is annexed herewith along with the details as per Regulations 26(4) and 36(3) and as per Para 1.2.5. of the Secretarial Standard on the General Meetings
7. In compliance with the aforesaid MCA Circulars and SEBI Circular, the Notice of AGM is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories and with the Registrar and Transfer Agents of the Company. . Members may note that the Notice of AGM and the Annual Report 2020 will also be available on the Company's website at www.fredungroup.com and website of the Stock Exchange www.bseindia.com and on the website of NSDL www.evoting.nsdl.com unless the Members have requested for a physical copy of the same.
8. For registration of email id for obtaining Annual Report and e-voting and User ID/password updation of bank account mandates is annexed to this Notice use the link <http://www.purvashare.com/email>
9. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

Members will be able to attend the AGM through VC/OAVM or view the live webcast of AGM provided by NSDL at their website www.nsdl.co.in by using their remote E-voting login credentials and selecting the EVSN for Company's AGM. The link for VC/OAVM will be available in Shareholders/ members login where the EVSN of the Company will be displayed

- a. Members who do not have the User ID and Password for E-voting or have forgotten the User ID and Password may retrieve the same by following the remote E-voting instructions mentioned in the Notice. Further Members can also use the OTP based login for logging into the E-voting system of NSDL.
 - b. Facility of joining the AGM through VC/OAVM shall open 15 (fifteen) minutes before the time scheduled for the AGM and will be available for Members on first come first served basis and the Company may close the window for joining the VC/OAVM Facility 15(fifteen) minutes after the scheduled time to start the AGM.
 - c. Members may note that the VC/OAVM Facility provided by NSDL, allows participation of 1,000 Members on a first come first served basis. The large shareholders (i.e. shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholder Relationship Committee, Auditors, etc. can attend the 33rd AGM without any restriction on account of first-come-first-served principle.
 - d. Members who need assistance before or during the AGM, can contact NSDL by mail at evoting@nsdl.co.in
 - e. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at business@fredungroup.com up to September 21, 2020. Those members whose who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
10. Pursuant to the provisions of Section 124(5) and Section 124(6) of the Act, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the IEPF Rules") and amendments thereto, all shares on which Dividend has not been paid or claimed for seven consecutive years or more shall be transferred to the demat account of the IEPF authority.

11. Dividend for the year ended March 31, 2020, if declared at the AGM shall be paid to those Members whose name names appear:-

- a. As beneficial owners at the end of business hours on Monday, September 21, 2020 as per lists furnished by Central Depository Services (I) Limited (CDSL) and National Securities Depository Limited (NSDL), in respect of shares held in electronic form; and
- b. On the Register of Members of the Company as on September 21, 2020 after giving effect to valid transfers in respect of transfer requests lodged with the Company/Purva Shareregistry India Pvt Ltd, Registrar and Share Transfer Agent (RTA) on or before the end of business hours on September 20, 2020 in respect of shares held in physical form.

The Company at its 30th AGM held on September 28, 2017 and 31st AGM held on September 27, 2018; had declared dividend at the rate of 6%. The unclaimed / unpaid amount is lying in the account and we thus request the shareholders to contact the Company or Purva Shareregistry (India) Pvt. Ltd. in this matter. The details of the unclaimed / unpaid dividend is available on the website of the Company at www.fredungroup.com

12. The Members are requested to notify any change in their registered address / residential status immediately to the Registrar and Share Transfer Agents; M/S. Purva Shareregistry (India) Pvt. Ltd., (hereinafter referred to as "Purva") Unit No. 9, Shiv Shakti Indl. Estate, J.R. Boricha Marg, Off N. M. Joshi Marg, Near Lodha Excelus, Lower Parel (E), Mumbai - 400 011. In case of Dematerialised Shares, the aforesaid information should be given to the Depository Participant with whom the Member has an account.
13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Registrar and Transfer Agent / Company.
14. Members may note that the Rule 11 of the Companies (Accounts) Rules, 2014; permits circulation of Annual Report to shareholders through electronic means to such of the Members whose e-mail addresses are registered with NSDL or CDSL or the shareholders who have registered their E-mail ID with the Company and physical copies to those shareholders whose e-mail IDs have not been either registered with the Company or with the depositories.
 - a. Keeping in view the Green Initiative taken by the Government and to save the cost involved in printing and dispatch; Members are requested to register their e-mail addresses with the DPs, in case shares are held in dematerialized form and with Purva Shareregistry (India) Pvt. Ltd in case the shares are held in physical form and also intimate changes, if any, in their registered e-mail addresses to the Company / DPs, from time to time.
 - b. Please note that as a Member of the Company, you will always be entitled to receive all communications in Physical form, upon request.
15. SEBI through its circular dated December 3, 2018; has instructed that the securities of the Listed Companies can be transferred only in dematerialised form from April 1, 2019. In view of the above and to avail various benefits of dematerialisation, Members are advised to dematerialise shares held by them in physical form.
16. Members holding shares in physical form; under single name are advised to make nomination in respect of their shareholding in the Company. The Nomination Form SH-13 prescribed by the Government can be obtained from the Registrar and Share Transfer Agent. Further, Members desirous of cancelling/varying nomination, are requested to send their requests in Form No. SH-14, to Purva Shareregistry. These forms will be made available on request.

17. All documents referred to in the accompanying Notice and the Explanatory statement shall be open for inspection at the Registered Office of the Company during normal business hours (10:00 A.M. to 5:00 P.M.) on all working days except Saturdays, Sundays and Holidays, up to and including the date of the 33rd Annual General Meeting of the Company.
18. Shareholders are encouraged to join the Meeting through Laptops / I Pads for better experience.
19. Further Shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the Meeting.
20. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
21. In compliance with the provisions of Section 108 of the Companies Act, 2013 and the Rules framed there under, as amended from time to time and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by NSDL, on all the resolutions set forth in this Notice. All Shareholders holding Shares as on Monday, September 21, 2020 (end of the day) being the cut-off date [i.e record date for the purpose of Rule 20(2)(ii) of the Companies (Management and Administration) Rules, 2015] fixed for determining voting rights of Members will be entitled to participate in E-voting process. The instructions for e-voting are given herein below. Resolution(s) passed by Members through e-voting is / are deemed to have been passed as if they have been passed at the 33rd AGM.
22. The Board vide its Resolution passed on 29th July, 2020 had appointed Mr. Rajendra R. Vaze, Practicing Company Secretaries (Membership No. FCS 4247 CP NO. 1975) as the Scrutinizer for conducting the remote E-voting and Ballot form process in accordance with the law and in a fair and transparent manner.
23. The Board vide its Resolution passed on July 29, 2020 had appointed Mr. Rajendra R. Vaze, Practicing Company Secretaries (Membership No. FCS 4247 CP NO. 1975) as the Scrutinizer for conducting the remote E-voting and Ballot form process in accordance with the law and in a fair and transparent manner.
24. The Chairperson shall, after the conclusion of the discussion(s) on the resolutions on which voting is to be held at the 33rd AGM, shall allow voting with the assistance of the scrutinizer.
25. Members participating at the AGM, who have not already cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, will be eligible to exercise their right to vote during such proceedings of the AGM. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/participate in the AGM through VC/OAVM, but shall not be entitled to cast their vote again.
26. Members may contact Ms. Ankita Joshi, Company Secretary Cum Compliance Officer of the Company for any grievances connected with electronic means at the Registered office of the Company i.e. at 26, Manoj Industrial Premises G.D. Ambekar Marg, Wadala, Mumbai - 400 031.
27. The Scrutinizer shall, after the conclusion of the voting at the 33rd AGM, first count the votes cast at the meeting and then unblock the votes cast through remote e-voting. In the presence of at least two witnesses not in the employment of the Company and shall make not later than 48 hours of the conclusion of the 33rd AGM as envisaged under Regulation 44 of SEBI Listing Regulations, 2015; a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairperson of Company / Meeting in writing, who shall countersign the same and declare the results of the voting forthwith. The results declared with the Scrutinizer's report shall be placed on the website of the Company and will be forwarded to the BSE Limited.
28. The Company has engaged the services of National Securities Depository Services Limited ("NSDL) to provide e-voting facility to the Members

The instructions for members for voting electronically are as under:

The Remote E-voting period begins on Friday, September 25, 2020 (09:00 A.M. IST) and ends on Sunday, September 27, 2020 at 05:00 P.M. IST). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) i.e., Monday, September 21, 2020 may cast their vote electronically. The E-voting module shall be disabled by NSDL for voting thereafter.

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2 : Cast your vote electronically on NSDL e-Voting system.

● **Details on Step 1 is mentioned below:**

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
- A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

- Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company. For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

- Your password details are given below:

- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- How to retrieve your 'initial password'?

- If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a pdf file. Open the pdf file. The password to open the pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

- If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
- vi. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) **Click** on **"Forgot User Details/Password?"** (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
- vii. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
- viii. Now, you will have to click on "Login" button.
- ix. After you click on the "Login" button, Home page of e-Voting will open.

• **Details on Step 2 is mentioned below:**

- i. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
- ii. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
- iii. Select "EVEN" of Fredun Pharmaceuticals Limited for which you wish to cast your vote.
- iv. Now you are ready for e-Voting as the Voting page opens.
- v. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES Implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- vi. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- vii. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
- viii. Upon confirmation, the message "Vote cast successfully" will be displayed.
- ix. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- x. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

General Guidelines for shareholders

- Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to cs.rajendra@yahoo.in with a copy marked to evoting@nsdl.co.in
- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the **"Forgot User Details/Password?"** or **"Physical User Reset Password?"** option available on www.evoting.nsdl.com to reset the password.

- In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1 800-222-990 or send a request at evoting@nsdl.co.in

Other Instructions:

1. The e-voting period commences on Friday, September 25, 2020 at (09:00 A.M. IST) and ends on Sunday, September 27, 2020 at (05:00 P.M. IST). During this period, Members of the Company, holding Shares either in physical form or in dematerialized form, as on September 21, 2020 may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Shareholder, the Shareholder shall not be allowed to change it subsequently.
2. The voting rights of Members shall be in proportion to their Shares of the paid-up Equity Share Capital of the Company as on the cut-off date September 21, 2020.
3. Mr. Rajendra R. Vaze, Practicing Company Secretaries has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
4. The Scrutinizer shall, within a period not exceeding two working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a consolidated Scrutinizer's Report of the votes cast in favour or against, if any, forthwith the Report to the Chairperson of the Company.
5. The result declared along with the Scrutinizer's Report shall be placed on the Company's website www.fredungroup.com The Company shall simultaneously forward the results to BSE Limited, where the shares of the Company are listed. The resolution shall be deemed to be passed on the date of the 33rd AGM subject to receipt of sufficient votes.
6. In case of any queries, you may refer the frequently asked Questions (FAQs) for and e-voting user manual for Shareholders available at the "downloads" Section of <https://www.evoting.nsdl.com> or contact NSDL at the toll free no.: 1 800-222-990.

Explanatory Statement pursuant to Section 102 of The Companies Act, 2013

SPECIAL BUSINESS:

Item No. 4, 5 and 6

Dr. Aspi Raimalwala, Dr. Chandrakant Shah and Dr. Rohinton Kanga fulfil the conditions for their appointment as Non-executive and Independent Directors of the Company as prescribed under the Act and Rules made thereunder as well as Regulation 16 of the SEBI LODR. The tenure of Dr. Aspi Raimalwala, Dr. Chandrakant Shah and Dr. Rohinton Kanga as the Non executive and Independent Directors comes to an end on 29th September, 2020. Dr. Aspi Raimalwala, Dr. Chandrakant Shah and Dr. Rohinton Kanga are independent of the Management. Further, in view of the Board, Dr. Aspi Raimalwala, Dr. Chandrakant Shah and Dr. Rohinton Kanga's knowledge and experience will be of immense benefit and value to the Company, hence it is proposed to appoint Dr. Aspi Raimalwala, Dr. Chandrakant Shah and Dr. Rohinton Kanga as Non-executive and Independent Directors of the Company for the second term for a period of five (5) consecutive years effective from September 30, 2020 and they would not be liable to retire by rotation.

The Resolution at Item No. 4 to 6 is recommended by the Board of Directors for approval by the Members.

Dr. Aspi Raimalwala, Dr. Chandrakant Shah and Dr. Rohinton Kanga is concerned or interested in the Resolution mentioned at Item No. 4 to 6 respectively of the Notice relating to their appointment. None of the other Directors, Key Managerial Personnel or their respective relatives are concerned or interested in the Item No. 4 to 6 of the Notice.

Dr. Aspi Raimalwala:

Presently qualified as Consultant Obstetrician & Gynecologist Specialist in Infertility, Microsurgery, Endoscopy and Family Planning and affiliated to B. D. Petit Parsi General Hospital, B. Desai Rd., Mumbai and Masina Hospital, Byculla, Mumbai and Lion Tarachand Bapa Hosp. & Research Centre; Sion, & Family Planning Association of India; Mumbai. Visiting Obst. / Gynecologist at Breach Candy Hospital, B. Desai Road, Mumbai and Lectured extensively in Mumbai and all over India in Family Planning and Contraception & in Charge, Laparoscopic Sterilization Training Program, F.P.A.I. Mumbai.

He is also a member of high-level Quality Assurance Committee (DQAC) of Municipal Corporation of greater Mumbai looking into Maternal Mortality and also Member of MTP committee of MCGM.

Dr. Chandrakant Shah:

He had done his post-graduation in Anesthesia from G.S. Medical College & K.E.M Hospital (from year 1959 to year 1965). Apart from this he had Residency in Anesthesia in KEM hospital (from year 1965 to year 1967). He started his practice in the year 1967. He has been honorary Anesthetist from year 1969 to 2011 in Holy Spirit Hospital, Andheri, Mumbai. During his tenure with Holy Spirit Hospital, he had issued various study papers and had given various lectures.

Dr. Rohinton Kanga:

After completing his graduation from Seth G.S. Medical College & KEM Hospital in 1992; he is into his Private Practice for past 27 years at Vikhroli, Thane, Dadar & Wadala. He was Medical In charge at Mahavir Medical Care Centre, Thane for 3 years and was also a Visiting Faculty at Ocean Education & Research Centre for 3 years and N. J. Wadia Charitable Clinic for 1 year.

Item No. 7

The Board of Directors of the Company have decided to re-appoint Mr. Fredun Medhora as the Managing Director of the Company at the Board Meeting of the Company held on 29th July 2020 on the terms and conditions as mentioned and the same has already been approved by the Nomination and Remuneration Committee.

The Board has already decided to fix the remuneration payable to Mr. Fredun Medhora at Rs. 2,00,000/- per month from 15th October 2020 for his tenure of appointment i.e.. upto 14th October 2023. The total remuneration payable to Mr. Fredun Medhora will be as per the provisions of Schedule V of the Companies Act, 2013 and the same has already been approved by the Nomination and Remuneration Committee.

He was originally appointed as the Managing Director of the Company for the period from 15th October 2014 to 14th October 2017 and the shareholders have already approved his appointment at an Extra Ordinary General Meeting of the Company held on 10th July 2015. Subsequently he was reappointed as the Managing Director of the Company from 15th October 2017 to 14th October 2020 by the shareholders of the company at the 30th Annual General Meeting of the Company held on 28th September 2017.

Considering his vigour for growth, it has become advisable to re-appoint him for the further period of three years i.e from 15th October 2020 to 14th October 2023.

His appointment is required to be approved by a Special Resolution by the Shareholders of the Company as per Schedule V. In view of this the Board of Directors of the Company have placed the matter before the shareholders for approving the appointment of Mr. Fredun Medhora as the Managing Director by a Special Resolution.

The term and conditions of the appointment of the Managing Director may be altered and varied from time to time by the Board as the Board of Directors may consider necessary and deem fit, so as not to exceed the limits prescribed in Sections 196, 197, 203 with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013.

Notwithstanding, where in any financial year during the currency of tenure of the Managing Director, the Company has no profits or if the profits are inadequate, it may continue to pay his remuneration by way of salary and perquisites as above, as minimum remuneration.

The Managing Director shall be entitled to leave in accordance with rules of the Company. Leave accumulated but not availed of at the time of leaving the services of the Company on any ground shall be allowed to be encashed. This will not be considered as a perquisite. The appointment of Mr. Fredun Medhora as the Managing Director may be terminable by either party by giving two months notice in writing.

Disputes between the Company and the Managing Director or with the heirs or with the legal representatives may be settled by Arbitration under the INDIAN ARBITRATION ACT, 1940.

Apart from the aforesaid remuneration, the Managing Director shall also be entitled to reimbursement of entertainment and conveyance expenses, expenses actually incurred by him in the course of and for the purpose of the Company's business. The Managing Director shall not be paid any sitting fees for attending the meetings of Board of Directors or Committee thereof.

The Managing Director shall not become interested or otherwise concerned directly or indirectly through his wife or through his minor children in any selling agency of the Company except with the consent of the Company as per the provisions of the law in forces as applicable to the Company.

The Board of Directors of the Company have now decided to re-appoint Mr. Fredun Medhora as the Managing Director of the Company for the period of 3 years w.e.f 15th October 2020 upto 14th October 2023 subject to the supervision, direction of the Board of Directors of the Company on the remuneration and hence, it has become necessary that his appointment and terms and conditions of his appointment including remuneration payable to him should be approved by the shareholders of the Company and hence the Board have decided to place the resolution for the approval of the shareholders.

The draft agreement to be entered between the company and Mr Fredun Medhora and the remuneration to be payable on his appointment is placed for the approval of the Members.

The total remuneration payable to Mr. Fredun Medhora shall be subject to the provisions of Schedule V of the Companies Act, 2013.

The copy of the draft agreement to be entered between the company and Mr Fredun Medhora would be available for inspection by the members by writing an e mail to the company at nkita.joshi@fredungroup.com.

Mr. Fredun Medhora is interested in the resolution pertaining to his appointment and Mr. Nariman Medhora and Dr. (Mrs) D.N. Medhora are also interested in the resolution relating to the appointment of Mr Fredun Medhora as he is related to them. No other Director is interested in the resolution.

The resolution is set out in item no 7 of the accompanying notice and accordingly the Board recommends the same for the approval of the members.

Item No. 8

The Board of Directors of the Company have now decided to re-appoint Dr. (Mrs.) Daulat Medhora as the Whole Time Director designated as Joint Managing Director of the Company at the meeting of the Board of Directors of the Company held on ` 29th July 2020 on the terms and conditions as mentioned.

The Board has already decided to fix the remuneration payable to Dr. (Mrs.) Daulat Medhora at Rs. 1,00,000/- per month from 1st January 2021 for her tenure of appointment i.e., upto 31st December 2023. The total remuneration payable to Dr. (Mrs.) Daulat Medhora will be as per the provisions of Schedule V of The Companies Act, 2013 and the same has already been approved by the Nomination and Remuneration Committee.

Her appointment is required to be approved by Special Resolution by the Shareholders of the Company as per Schedule V.

Dr. (Mrs.) Daulat Medhora is qualified as M.SC. Ph. D and is well recognized in the Pharma field for last three decades. She is one of the founders of the Company and is associated with the Company since 1987. Her great knowledge and vast experience in the industry, will immensely benefit the Company. She has been instrumental in developing formulations and she is also looking after the technical aspects of the Company.

She has already crossed the age of seventy five but considering her vast experience , business acumen and knowledge in the Industry it is very much justified to appoint her as the Whole Time Director designated as the Joint Managing Director of the Company. Considering this the board of Directors of the Company have placed the matter before the shareholders for approving the appointment of Dr. Mrs. D.N. Medhora as the Whole Time Director designated as the Joint Managing Director by Special Resolution.

The term and conditions of the appointment of the Whole Time Director designated as Joint Managing Director may be altered and varied from time to time by the Board as the Board of Directors may consider necessary and deem fit, so as not to exceed the limits prescribed in Sections 196, 197, 203 with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013.

Notwithstanding, where in any financial year during the currency of tenure of the Joint Managing Director, the Company has no profits or if the profits are inadequate, it may continue to pay his remuneration by way of salary and perquisites as above, as minimum remuneration.

The Whole Time Director designated as Joint Managing Director shall be entitled to leave in accordance with rules of the Company. Leave accumulated but not availed of at the time of leaving the services of the Company on any ground shall be allowed to be encashed. This will not be considered as a perquisite. The appointment of Dr. (Mrs.) Daulat Medhora as the Whole Time Director designated as Joint Managing Director may be terminable by either party by giving two months notice in writing.

Disputes between the Company and the Whole Time Director designated as the Joint Managing Director or with the heirs or with the legal representatives may be settled by Arbitration under the INDIAN ARBITRATION ACT, 1940.

Apart from the aforesaid remuneration, the Joint Managing Director shall also be entitled to reimbursement of entertainment and conveyance expenses, expenses actually incurred by him in the course of and for the purpose of the Company's business. The Whole Time Director designated as Joint Managing Director shall not be paid any sitting fees for attending the meetings of Board of Directors or Committee thereof.

The Joint Managing Director shall not become interested or otherwise concerned directly or indirectly through her husband or through her children in any selling agency of the Company except with the consent of the Company as per the provisions of the law in forces as applicable to the Company.

The Board of Directors of the Company have now decided to re-appoint Dr. (Mrs.) Daulat Medhora as the Whole Time Director designated as Joint Managing Director of the Company for the period of 3 years w.e.f 1st January 2021 upto 31st December 2023 subject to the supervision, direction of the Board of Directors of the Company on the remuneration and hence, it has become necessary that her appointment and terms and conditions of her appointment including remuneration payable to her should be approved by the shareholders of the Company and hence the Board have decided to place the resolution for the approval of the shareholders. The total remuneration payable Dr. (Mrs.) Daulat Medhora shall be subject to the provisions of Schedule V of the Companies Act, 2013.

The copy of the draft agreement to be entered between the company and Dr. Mrs. D. N. Medhora would be available for inspection by the members by writing an e mail to the company at ankita.joshi@fredungroup.com.

Dr. (Mrs.) Daulat Medhora is interested in the resolution pertaining to her appointment and Mr. Nariman Medhora and Mr. Fredun Medhora are also interested in the resolution related to the appointment of Dr. (Mrs.) Daulat Medhora as she is related to them. No other Director is interested in the Resolution.

The total remuneration payable to Dr. Mrs. D.N. Medhora shall be subject to the provisions of Schedule V of the Companies Act, 2013.

The Resolution is set out in Item No. 8 of the accompanying notice and accordingly the Board recommends the same for the approval of the Shareholders.

Item No. 9

Pursuant to Section 148 of The Companies Act, 2013, read with Rule 14 of the Companies (Audit and Auditors Rules), 2014, the Board of Directors on the recommendation of the Audit Committee, has approved the appointment of M/s Joshi Apte & Associates (Firm Registration No. 00240) for conducting cost audit of the cost records of the Company for the year ending March 31, 2021 subject to the approval of the shareholders of the Company, considering this the Resolution is set out in Item No. 9 of the accompanying notice and accordingly the Board recommends the same for the approval of the Shareholders. None of the Directors and Key Managerial Personnel are interested in the said Resolution.

**By Order of the Board
For Fredun Pharmaceuticals Limited**

Sd/-

Ankita Joshi

Company Secretary Cum Compliance Officer

Place: Mumbai

Date: 29th July 2020

REGISTERED OFFICE:

26, Manoj Industrial Premises,
G.D. Ambekar Marg, Wadala,
Mumbai - 400 031



Annexure A

(Pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards – 2 on General Meetings

Details of Directors seeking Appointment / Reappointment at the 33rdAGM of the Company to be held on September 28, 2020

	Dr. Aspi Raimalwala
Date of Birth	15/11/1948
Date of Appointment	30/09/2015
Qualification / expertise in specific functional areas	Dr. Aspi Raimalwala is qualified as Consultant Obstetrician & Gynecologist Specialist in Infertility, Microsurgery, Endoscopy and Family Planning and affiliated to B. D. Petit Parsi General Hospital, B. Desai Rd., Mumbai and Masina Hospital, Byculla, Mumbai and Lion Tarachand Bapa Hosp. & Research Centre; Sion, & Family Planning Association of India; Mumbai. Visiting Obst. / Gynecologist at Breach Candy Hospital, B. Desai Road, Mumbai and Lectured extensively in Mumbai and all over India in Family Planning and Contraception & in Charge, Laparoscopic Sterilization Training Program, F.P.A.I. Mumbai. He is also a member of high-level Quality Assurance Committee (DQAC) of Municipal Corporation of greater Mumbai looking into Maternal Mortality and also Member of MTP committee of MCGM. Presently qualified as Consultant Obstetrician & Gynecologist Specialist in Infertility, Microsurgery, Endoscopy and Family Planning and affiliated to B. D. Petit Parsi General Hospital, B. Desai Rd., Mumbai and Masina Hospital, Byculla, Mumbai and Lion Tarachand Bapa Hosp. & Research Centre; Sion, & Family Planning Association of India; Mumbai. Visiting Obst. / Gynecologist at Breach Candy Hospital, B. Desai Road, Mumbai and Lectured extensively in Mumbai and all over India in Family Planning and Contraception & in Charge, Laparoscopic Sterilization Training Program, F.P.A.I. Mumbai. He is also a member of high-level Quality Assurance Committee (DQAC) of Municipal Corporation of greater Mumbai looking into Maternal Mortality and also Member of MTP committee of MCGM.
Directorship held in other Companies	NILL
Membership of committees across Companies	NILL
Shares held as on 31/03//2020	8,061 Equity shares

	Dr. Chandrakant Shah
Date of Birth	06/12/1938
Date of Appointment	30/09/2015
Qualification / expertise in specific functional areas	Dr. Chandrakant Shah has done his Post-graduation in Anesthesia in G.S. Medical College & K.E.M Hospital (from year 1959 to year 1965). Apart from this he has Residency in Anesthesia in KEM hospital (from year 1965 to year 1967). He started his practice in the year 1967. He has been honorary Anesthetist from year 1969 to 2011 in Holy Spirit Hospital, Andheri, Mumbai. During his tenure with Holy Spirit Hospital, he has issued various study papers and had given various lectures. Dr. Chandrakant Shah is associated with medical profession and medicines since year 1967. He has vast experience in the medical profession.
Directorship held in other Companies	NILL
Membership of committees across Companies	NILL
Shares held as on 31/03//2020	

	Dr. Rohinton Kanga
Date of Birth	16/09/1969
Date of Appointment	30/09/2015
Qualification / expertise in specific functional areas	Dr. Rohinton Kanga completed his graduation from Seth G.S Medical College & KEM Hospital in 1992. He is into his private practice for the past 27 years at Vikhroli, Thane, Dadar & Wadala. He was Medical in charge at Mahavir Medical Care Centre, Thane for 3 years and was also a Visiting Faculty at Ocean Education & Research Centre for 3 years and N. J. Wadia Charitable Clinic for 1 year.
Directorship held in other Companies	NILL
Membership of committees across Companies	NILL
Shares held as on 31/03//2020	500 Equity shares

	Mr. Fredun Medhora
Date of Birth	09/10/1986
Date of Appointment	28/09/2017
Qualification / expertise in specific functional areas	Mr. Fredun Medhora is a graduate with honours of Magma Cum Laude in Business Entrepreneurship from Plattsburgh University New York. He was also awarded a standing in the Deans list in all the semesters. He was the recipient of Direct Marketing Seminar Scholarship whilst working with the Director of Small Business Development Center(SBDC) Plattsburgh New York for helping new entrepreneurs set up in their business. He is a member of Beta Gamma Sigma Society and also Phi Kappa Phi Honour Society. The wide experience gained by him during his graduation in US has helped him in completing his Masters in Business Administration from Cardiff Business School Wales.
Brief Profile	Mr. Fredun Medhora is Managing Director & CFO of Fredun Pharmaceuticals Limited. He was appointed as the Whole Time Director of the Company in the year 2013 and considering his vigour for growth for the Company, he was appointed as the Managing Director of the Company since 2014. He has been entrusted with the substantial powers of the Management of the Company and under his leadership the Company has grown substantially to its current status. The challenging business environment requires review of all the operations, monitoring and decision making on day to day basis which is required to be taken on fast scale and the Company has been immensely benefited by his timely decision making.
Directorship held in other Companies	Fredun Healthcare Private Limited Trois Biotech Private Limited
Membership of committees across Companies	NILL
Shares held as on 31/03//2020	1,60,100 Equity shares
Relationship Between the Directors	Mr. Fredun Medhora is son of Dr. (Mrs.) Daulat Medhora and Mr. Nariman Medhora

	Dr. (Mrs.) Daulat Medhora
Date of Birth	16/03/1945
Date of Appointment	28/09/2017
Qualification / expertise in specific functional areas	Masters in Chemistry Ph. D in Chemistry
Brief Profile	<p>Dr. (Mrs.) Daulat Medhora is a Promoter Director of the Company and holds a Ph. D in Chemistry from UDCT. She was awarded Lady Tata Scholarship for her R& D work. She started her career as an R&D Manager in a leading Company and was approved as an expert staff in Fine Chemicals by FDA where she developed manufacturing processes of a number of drugs and drug intermediaries.</p> <p>In 1994, she along with her husband Mr. N.B. Medhora set up an Export Oriented Pharmaceutical Unit employing about 150 persons in the backward areas of Palghar in the name of Fredun Pharmaceuticals Ltd.</p> <p>She is a Lifetime member of Indian Pharmaceuticals Association from the year 2001 was awarded with Rashtriya Ratan Award by Global Economic Council, New Delhi. In November 2008 she was also awarded Bharat Nav Nirman Ratan Award by All India Business Development Association, New Delhi.</p>
Directorship held in other Companies	NILL
Membership of committees across Companies	NILL
Shares held as on 31/03//2020	13,40,710 Equity Shares
Relationship Between the Directors	Dr. (Mrs.) Daulat Medhora is wife of Mr. Nariman Medhora and Mother of Mr. Fredun Medhora

Instructions on Tax Deductible At Source on Dividend

In accordance with the provisions of the Income Tax, Act, 1961, (Act) as amended by the Finance Act, 2020 effective from April 1, 2020, dividend declared and paid by a Company shall be taxable in the hands of the shareholders. The Company is required to deduct tax at source (TDS) at the rates applicable to each category of shareholders. The rates of TDS for various categories of shareholders and the required documents are provided below:-

Resident Shareholders:-

- No tax shall be deducted for resident individual shareholders, if the aggregate amount of dividend to be paid for FY 2020-21 does not exceed. ₹5,000/-
- Where Permanent Account Number (PAN) available with the Company and valid,
 - Tax shall be deducted at source in accordance with Section 194 of the Act @7.5% , if the amount of dividend payable exceeds ₹5,000/-
 - No tax at source shall be deducted on the dividend payable in cases where the shareholder provides duly completed and signed Form 15G (applicable to any person other than a Company or a Firm) or Form 15H (applicable to an individual above the age of 60 years), provided that all the eligibility conditions are met . Form 15G and 15H are appended herein below (**Annexure I and II**).
- Where PAN is either not available or is invalid, tax shall be deducted at source @ 20%.

Non - Resident Shareholders

- Tax is required to be deducted in accordance with the provisions of Section 195 of the Act at applicable rates in force. Accordingly, tax @20% (plus applicable surcharge and health and education cess) shall be deducted on the amount of dividend payable.

2. However, pursuant to Section 90 (2) of the Act, non-resident shareholders may have an option to be governed by the provisions of Double Tax Avoidance Agreement (DTAA) between India and the country of tax residence of the shareholder, if such DTAA provisions are more beneficial to them.

To avail of DTAA benefits, the non-resident shareholder shall furnish the following :

- a Self attested copy of PAN allotted by the Indian income tax authorities ;
- b Self-attested Tax Residency Certificate (TRC) issued by the tax/competent authority of the country of residency , evidencing and certifying tax residency , evidencing and certifying tax residency status in that country FY2020-21. In case , the TRC is in a language other than English, a duly notarized and apostilled copy thereof, translated in English language would have to be provided;
- c Duly completed and signed Form 10F (**Annexure III**); and
- d Self-declaration (**Annexure IV**) by the Non-resident shareholder as to;
 - 1 Eligibility to claim the beneficial DTAA rate, including having regard to the Principal purpose Test (if any), included in the applicable tax treaty with India for the purposes of tax withholding on dividend declared by the Company ;
 - 2 Shareholder being the beneficial owner of the dividend income to be received on the equity shares ;
 - 3 No Permanent Establishment /fixed base in India in accordance with the applicable DTAA ;and
 - 4 Continue to remain a tax resident of the country of your residency during FY 2020-21

The Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction/withholding on dividend amounts. Application of beneficial DTAA rate shall depend upon the completeness of the documents submitted by the Non-Resident shareholder and in accordance with the provisions of the Act.

Notwithstanding Paragraph 2 above, as per the provisions of Section 196D of the Act , tax shall be deducted at source @20% (plus applicable surcharge and health and education cess) on dividend payable to Foreign Institutional Investors (FIIs) and Foreign Portfolio Investors (FPIs). Such TDS rate shall not be reduced on account of the application of the beneficial DTAA rate or lower tax deduction order , if any.

Dividend will be paid after deduction of tax at source as determined on the basis of the aforementioned documents provided by shareholders as applicable to them and being found to be satisfactory.

Dividend will be paid after deduction of tax at source as determined on the basis of the aforementioned documents provided by shareholders provided as applicable to them and being found to be satisfactory.

For all Shareholders:

Shareholders holding shares under multiple accounts under different status /category and single PAN , are requested to note that higher of the tax rate as applicable to the status in which shares held under a PAN will be considered on their entire holding in different accounts.

In view of the prevailing COVID 19 situation, only scanned copies of the aforementioned documents will be accepted by the Company as per the procedure laid down. Duly completed and signed documents are required to be submitted to Purva Sharegistry (I) Pvt Ltd by uploading the documents on <https://www.purvashare.com/submission> of /Form 15G/15H/ 10F in order to enable the Company to determine and deduct appropriate TDS/ withholding tax.

On clicking the above link, the user will be prompted to select/share the following information to register their request:-

- 1 Select the Company (Dropdown)
- 2 Folio No/DP

- 3 PAN
- 4 Financial year (Dropdown)
- 5 Form Selection
- 6 Document attachment- 1 (PAN)
- 7 Document attachment- 2 Forms
- 8 Document attachment – 3 (Any supporting document)

Shareholders are requested to note that in case tax on dividend is deducted at a higher rate on account of non-receipt or insufficiency of requisite documents, they can claim refund at the time of filing income tax return. The Company will mail a soft copy of the TDS certificate to shareholders on their registered email IDs post completion of activities. Shareholders may view the credit of TDS in Form 26AS, which can be downloaded from their e-filing account at <https://>

[Incometaxindiaefiling.gov.in](https://incometaxindiaefiling.gov.in). Shareholders are requested to update their PAN and email address with their DPs (for shares held in demat mode) and with LIIPL (for shares held in physical mode), if not already done.

Pursuant to General Circular No. 20/2020 dated May5, 2020, issued by the MCA, dividend will be paid electronically in the bank accounts of Shareholders. The Company will keep on hold demand drafts of shareholders who have not registered their bank details and will dispatch the same once the lock down is lifted and postal services are normalised. Shareholders holding shares in demat form are advised to keep the bank details updated with their DPs.



ANNEXURE- I**INCOME TAX RULES, 1962****FORM NO.15G**

Name of the Company	Fredun Pharmaceuticals Limited
DP ID-Client ID/Folio No	

[See section 197A (1), 197A (1A) and rule 29C]

Declaration under section 197A (1) and section 197A (1A) to be made by an individual or a person (not being a company or firm) claiming certain incomes without deduction of tax

PART I

Name of Assessee (Declarant)		PAN of the Assessee		
Status		Previous Year (P. Y) for which declaration is being made		Residential Status
Flat/Door/Block No		Name of Premises	Road/Street/Lane	Area/Locality
Town/City/District		State	PIN	Email
Telephone No (STD Code) and Mobile No		Whether assessed to tax under the Income tax Act 1961	Yes	No
		If yes, latest assessment year for which it is assessed		
Estimated income for which this declaration is being made		Estimated total income of P Y in which income mentioned in column 16 to be included		
Details of Form No 15G other than this Form filed during the previous year if any				
Total No of Form No 15G Filed		Aggregate amount of income for which Form No 15G filed		
Details of income for which the declaration is filed				
SI No	Identification number of relevant investment/accounts etc	Nature of income	Section under which tax is deductible	Amount of income

Signature of Declarant

Declaration/ Verification

*I/We _____ do hereby declare that to the best of my/our knowledge and belief what is stated above is correct, complete and is truly stated.

*I/We declare that the incomes referred to in this Form are not includible in the total income of any other person under sections 60 to 64 of the Income-tax Act, 1961.

*I/We further declare that the tax *on my/our estimated total income including *income/incomes referred to in column 16 * and aggregate amount of *income/incomes referred to in column 18 computed in accordance with the provisions of the Income-tax Act, 1961, for the previous year ending on. 31st March 2021 relevant to the assessment year 2021-2022 will be nil.

*I/We also declare that * my/our *income/incomes referred to in column 16 and the aggregate amount of income/incomes referred to in column 18 for the previous year ending on 31st March, 2021 relevant to the assessment year 2021-2022 .will not exceed the maximum amount which is not charge-able to income-tax.

Place:

Date:

Signature of the Declarant

1. Substituted by IT (Fourteenth Amendment) Rules 2015, w.e.f. 1-10-2015. Earlier Form No.15G was inserted by the IT (Fifth Amendment) Rules, 1982, w.e.f. 21-6-1982 and later on amended by the IT (Fifth Amendment) Rules, 1989, w.e.f. 1-4-1988, IT (Fourteenth Amendment) Rules, 1990, w.e.f. 20-11-1990 and IT (Twelfth Amendment) Rules, 2002, w.e.f. 21-6-2002 and substituted by the IT (Eighth Amendment) Rules, 2003, w.e.f. 9-6-2003 and IT (Second Amendment) Rules, 2013, w.e.f. 19-2-2013.

Part II

[To be filled by the person responsible for paying the income referred to in column 16 of Part I]

Name of the person responsible for paying	Unique Identification No	
PAN of the person responsible for paying	Complete Address	TAN of the person responsible for paying
Email	Telephone No STD Code	Mobile No
Date on which declaration is received (DD/MM/YY)	Amount of income paid	Date on which income has been paid/credited (DD/MM/YY)

Place:

Date:

Signature of the person responsible for paying the income referred to in column 16 of Part I

*Delete whichever is not applicable.

1. As per provisions of section 206 AA (2), the declaration under section 197 A (1) or 197 A (1A) shall be invalid if the declarant fails to furnish his valid Permanent Account Number (PAN).
2. Declaration can be furnished by an individual under section 197 A (1) and a person (other than a company or a firm) under section 197 A (1A).

3. The financial year to which the income pertains.
4. Please mention the residential status as per the provisions of section 6 of the Income-tax Act, 1961.
5. Please mention "Yes" if assessed to tax under the provisions of Income-tax Act, 1961 for any of the assessment year out of six assessment years preceding the year in which the declaration is filed.
6. Please mention the amount of estimated total income of the previous year for which the declaration I is filed including the amount of income for which this declaration is made.
7. In case any declaration(s) in Form No.15G is filed before filing this declaration during the previous year, mention the total number of such Form No.15G filed along with the aggregate amount of income for which said declaration(s) have been filed.
8. Mention the distinctive number of shares, account number of term deposit, recurring deposit, National Savings Schemes, life insurance policy number, employee code, etc.
9. Indicate the capacity in which the declaration is furnished on behalf of a HUF, AOP, etc.
10. Before signing the declaration/verification, the declarant should satisfy himself that the information furnished in this form is true, correct and complete in all respects. Any person making a false statement in the declaration shall be liable to prosecution under section 277 of the Income-tax Act, 1961 and on conviction be punishable-
 - (i) In a case where tax sought to be evaded exceeds twenty-five lakh rupees, with rigorous imprisonment which shall not be less than six months but which may extend to seven years and with fine;
 - (ii) In any other case, with rigorous imprisonment which shall not be less than three months but which may extend to two years and with fine.
11. The person responsible for paying the income referred to in column 16 of Part I shall allot a unique identification number to all the Form No.15G received by him during a quarter of the financial year and report this reference number along with the particulars prescribed in Rule 31 A (4) (vii) of the Income-tax Rules, 1962 in the TDS statement furnished for the same quarter. In case the person has also received Form No.15H during the same quarter, please allot separate series of serial number for Form No.15G and Form No.15H.
12. The person responsible for paying the income referred to in column 16 of Part I shall not accept the declaration where the amount of income of the nature referred to in sub-section (1) or sub-section (1A) of Section 197A or the aggregate of the amounts of such income credited or paid or likely to be credited or paid during the previous year in which such income is to be included exceeds the maximum amount which is not chargeable to tax. for deciding the eligibility, he is required to verify income or the aggregate amount of incomes, as the case may be, reported by the declarant in columns 16 and 18.

ANNEXURE III

Name of the Company	Fredun Pharmaceuticals Limited
DP ID-Client ID/Folio No	

FORM NO. 10F**[See sub-rule (1) of rule 21AB]****Information to be provided under sub-section (5) of section 90 or****sub-section (5) of section 90A of the Income-tax Act, 1961****[See sub-rule (1) of rule 21AB]****Information to be provided under sub-section (5) of section 90 or****sub-section (5) of section 90A of the Income-tax Act, 1961**

I _____ *son/daughter of Shri. in the capacity of (designation) do provide the following information, relevant to the previous year _____ *in my case/in the case of _____ (Name of the Party) for the purposes of sub-section (5) of * section 90/section 90A: -

Sl No	Nature of Information		Details
(i)	Status (individual, company, firm etc) of the assessee	:	
(ii)	Permanent Account Number or Aadhaar Number of the Assessee if allotted	:	
(iii)	Nationality (in the case of an individual) or Country or territory specified of incorporation or registration (in the case of others)	:	
(iv)	Assessee's taxi identification number in the country or specified territory of residence and if there is no such number, then a unique number on the basis of which the person is identified by the Government of the country or the specified territory of which the assessee claims to be resident	:	
(v)	Period for which the residential status as mentioned in the certificate referred to in sub-section (4) of Section 90 or sub-section (4) of section 90A is applicable	:	
(vi)	Address of the assessee in the country or territory outside India during the period for which the certificate, mentioned in (v) above is applicable	:	

2. I have obtained a certificate referred to in sub-section (4) of section 90 or sub-section (4) of section 90A from the Government of _____ (name of country or specified territory outside India)

Signature: _____

Name: _____

Address: _____

Permanent Account Number or Aadhaar Number: _____

Verification

_____ I do hereby declare that to the best of my knowledge and belief what is stated above is correct, complete and is truly stated.

Verified today _____ the day of _____

Signature of the person providing the information

Place:

Notes:

1. *Delete whichever is not applicable.
2. #Write N.A. if the relevant information forms part of the certificate referred to in sub-section (4) of section 90 or sub-section (4) of section 90A.

ANNEXURE IV

<To be printed on letter head>

<<Date>>

Fredun Pharmaceuticals Limited
26, Manoj Industrial Estate
G. D. Ambekar Marg,
Wadala (W)
Mumbai- 400031.
India.

Dear Sir/Madam,

Re.: Self declaration for Indian Financial Year (FY) 2020-21 with respect to availment of Tax treaty benefits in relation to receipt of dividend income from Fredun Pharmaceuticals Limited

This is to certify that: -

1. I/We, <<Full name of the shareholder>>, having permanent account number (PAN) under the Indian Income Tax Act, 1961 (Act) - <<mention PAN>>, am/are tax resident of <<country name>> and eligible to claim benefits of the India - <<country name>> Double Tax Avoidance Agreement (DTAA), read with the provisions laid down in the Multilateral Instrument (MLI), wherever applicable;
2. The claim of benefits of DTAA by <<Full name of the shareholder>> is not impaired in any way;
3. As per the requirement of the relevant provisions of the above referred DTAA, I/we am/are the beneficial owner(s) of the aforesaid shares as well as the dividend arising from such shareholding;

4. I/We further declare that I/We have the right to use and enjoy the dividend received/ receivable from the above shares and such right is not constrained by any contractual and/ or legal obligation to pass on such dividend to another person;
5. I/We do not have any Permanent Establishment (PE) or fixed base in India in FY 2020-21 as construed under relevant Articles of the applicable tax treaty nor do we have any PE or business connection in India as construed under the relevant provisions of the Act. I/We further confirm that I/We do not have any business connection in India as per provisions of the Act. In the event of I/We having a PE in India or Dividend income is attributable/effectively connected to such PE, I/We acknowledge our obligation to inform you forthwith with necessary details;
6. I/We hereby declare that the investments made by me/us in the shares of Lupin Limited are not arranged in a manner which results in obtaining a tax benefit, whether directly or indirectly, as one of its principal purposes.

The tax benefit, if any, derived from such investments would be in accordance with the object and purpose of the relevant provisions of the DTAA between India and < <country name> >; and

7. Further, our claim for relief under the DTAA is not restricted by application of Limitation of Benefit clause, if any, thereunder.

This declaration is valid for the period 1 April 2020 to 31 March 2021 .

I/We confirm that the above is true to the best of our knowledge and I/We shall be solely responsible for any adverse income-tax consideration that may arise in India on the dividend income to be received from the Company.

Thanking you,

Yours Sincerely,

For <Name of the Shareholder>

Name: <insert authorised person name>

<Insert designation>

DIRECTORS REPORT

Fredun Pharmaceuticals Ltd. Annual Report 2019-2020

Dear Members,

On behalf of the Board of Directors of the Company, it gives me immense pleasure to present the Directors Report, along with Financial Statement for the year ended March 31, 2020.

1. Financial Results:

(Rs. In Lakhs)

Particulars	For the financial year ended 31.03.2020	For the financial year ended 31.03.2019
Income from Business Operations	11,029.86	9,540.72
Other Income	298.99	199.31
Total Income	11,328.85	9,740.03
Profit / Loss before Interest, Depreciation and Taxes	878.73	1,058.80
Finance Cost	441.39	309.62
Depreciation / Amortization	187.87	133.00
Profit / Loss Before tax	249.47	616.18
Exceptional Income / Expenses	00	00
Prior Period adjustments	00	00
Profit / Loss before Tax	249.47	616.18
Income Tax	59.27	170.18
Profit / Loss after Tax	190.20	446.00

2. Financial Performance:

Your Company earned a total income of Rs. 11,328.85 lakhs as compared to the total income of Rs. 9740.03 lakhs for the previous year. There was 16.31% hike in the total income of the Company.

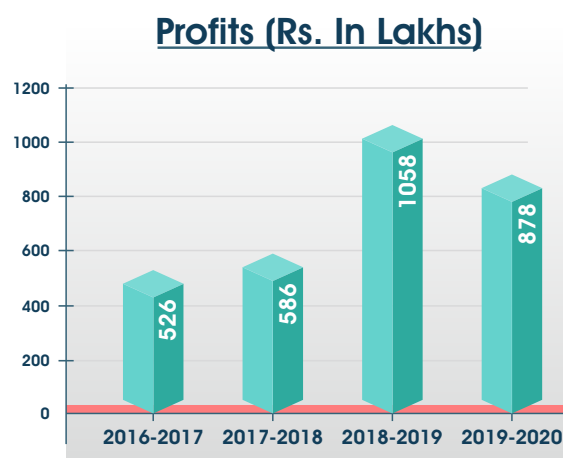
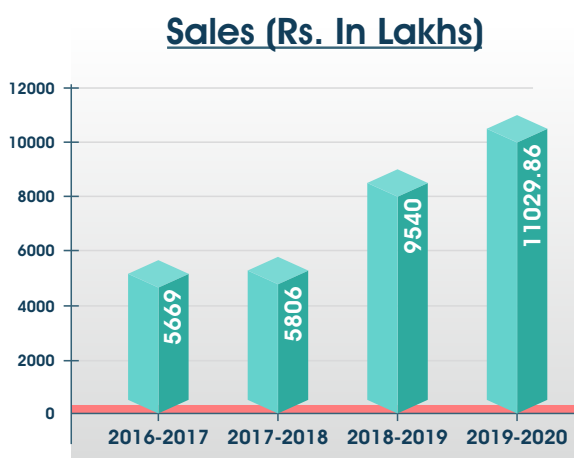
The Company's Turnover is Rs. 11029.86 lakhs as compared to the turnover of Rs. 9540.72 for the previous year. There was 15.61% hike in the turnover of the Company.

Your Company's net profit for the Financial Year 2019-20 is Rs. 190.20 lakhs as compared to the net profit of Rs 446 lakhs for the previous year i.e. 2018-19. Your Company has taken up several projects constituting R&D of new products and improving the efficiencies of existing production flaws by taking trials to improve the efficacies of current formulations. Your Company will continue to spend on the same for next 12 quarters in line with its goal of achieving a highly efficient and effective manufacturing unit. To bolster the Company's future and avoid being myopic, your Company may incur even further expenditure in next 3 years.

The up gradation of the manufacturing unit being almost complete, many new drug approvals are in the pipeline. Your Company has managed to reduce the conversion cost of raw materials as low as possible to compete with low cost generics.

Last year, your Company had set up two new departments ointments/gels/creams and pellets. Your Company is happy to state that FDA approvals of both the above mentioned Departments are obtained and registrations of a few formulations in other countries have been successful. The exports of these formulations will be at a much faster pace in the near future.

Your Company's focus will now be on marketing strategies and brand building, more than before. Our brands like Mamalait and Fredcal are very well accepted in Nigeria and our formulations in Myanmar are considered as one of the topmost brands. In Sri Lanka, our brands like Nefin, Srimet and Brisotol are considered as leading brands. Your Company will strive to make our brands a leading brand in many more countries.



3. State of Affairs of the Company:

Every pharma Company is at a different stage to fully leverage its power and capabilities. Now, it is a must for the pharma industry to optimize the efficiency and efficacy of its manufacturing and supply chain management, having stricter quality control measures with improvement in data integrity. Preventive maintenance to decrease the risk of machinery breakdown assures precision production with real-time plant-floor compliance.

Your Company continues to implement new systems with current GMP norms. Investment in new automated machinery has improved the quality and productivity. Currently, a lot of emphasis is given on Industrial Internet of Things (IIOT) to enhance visibility, quality and productivity across the pharma value chain, leading to continued success. It will help communication with people leading to better efficiency and efficacy of its complex and critical operations. Your Company is making serious attempts to implement this emerging technology as a fundamental aspect of the growth strategy as IIOT will enable to predict potential failures as well as provide end-to-end monitoring and visibility across the value chain and take appropriate actions at the right time to prevent any undesired outcomes.

As these technologies are very cost-intensive, your Company is trying to implement it in a phased manner by selecting the right sets of data to process it. We will also need smarter and intelligent people to implement this technology and adopt new standard operating procedures. This will be a major imperative but your Company has decided to traverse this journey as substantial investments towards the expansion of the manufacturing unit is already made for the last 3-4 years and commercializing of the new formulations have been initiated in a few countries.

4. Dividend:

The Board of Directors have recommended a Dividend of 6.60% on the paid-up Ordinary Equity Shares of the Company payable to those shareholders of the Company whose names appear in the Register of Members as on the Record date.

5. Share Capital:

The paid-up Share Capital of the Company as on March 31, 2020 was Rs. 3,98,96,340 consisting of 39,89,634 Equity Shares of Rs. 10 each. The Equity Shares of the Company are listed on the BSE Limited since March 21, 2016.

6. Transfer to Reserves:

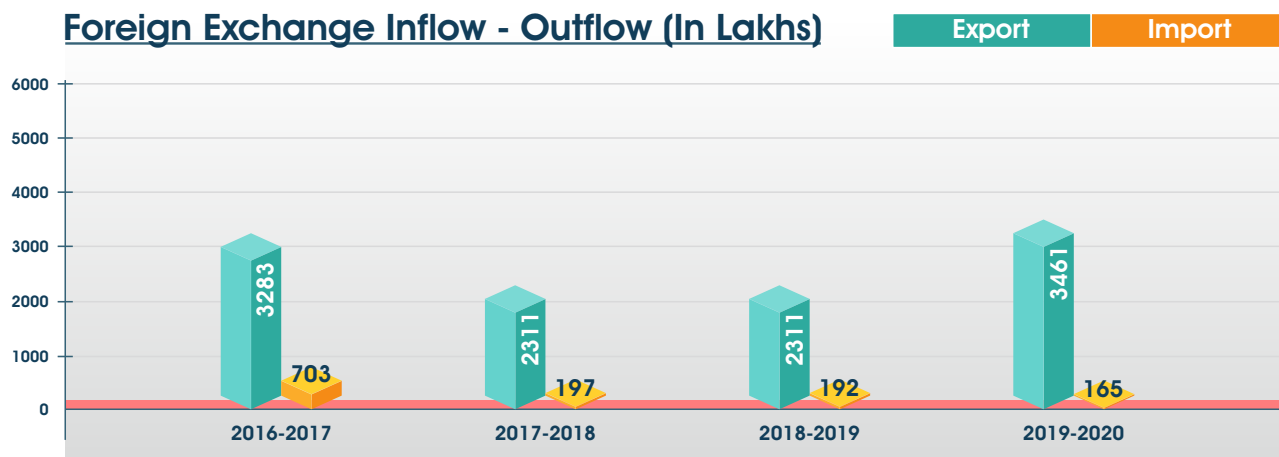
The Company proposes to transfer an amount of Rs. 3,733.16 Lakhs to reserves for its future growth and diversification.

7. Foreign Exchange Earnings and Outgo:

Foreign Exchange Earnings: Export of Goods - Rs. 3461.25 Lakhs

Foreign Exchange Outgo: Import of Goods - Rs. 165.38 Lakhs

As per RBI Guidelines, the Company manages Foreign Exchange Risk to protect value of exposures. The Board time to time reviews the Foreign Exchange Exposure.



8. Board Meetings and Committee Meetings:

- Six (6) Board meetings were held during the Financial Year 2019-2020. The details of the Board meetings and the attendance of the Directors are provided in the Corporate Governance Report which is annexed herewith.
- Five (5) Audit Committee Meetings were held during the Financial Year 2019-20 The details of the Audit Committee Meetings and the attendance of the Directors are provided in the Corporate Governance Report which is annexed herewith.
- Two (2) Nomination & Remuneration Committee Meeting were held during the Financial Year 2019-20 The details of the Nomination & Remuneration Committee Meeting and the attendance of the Directors are provided in the Corporate Governance Report which is annexed herewith.
- Two (2) Independent Directors Committee Meetings were held during the Financial Year 2019-20. The details of the Committee Meetings and the attendance of the Directors are provided in the Corporate Governance Report which is annexed herewith.
- Two (2) Stakeholders Relationship Committee Meetings were held during the Financial Year 2019-20. The details of the Committee Meetings and the attendance of the Directors are provided in the Corporate Governance Report which is annexed herewith.

9. Directors and Key Managerial Personnel:

During the year, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than the sitting fees.

10. Director Retiring by Rotation:

In accordance with the provisions of the Companies Act, 2013 and in terms of the Memorandum and Articles of Association of the Company; Mr. Fredun Medhora (DIN: 01745348) is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment. His re-appointment is being placed for your approval at the ensuing 33rd Annual General Meeting. The Members of the Company may refer to the accompanying Notice of the 33rd Annual General Meeting of the Company for the brief Resume of Mr. Fredun Medhora.

Further Mr. Fredun Medhora will be re-appointed as the Managing Director of the company for the further period of three years w.e.f. July 29, 2020 subject to the approval of the shareholders of the company at the ensuing Annual General Meeting.

Independent Directors will be reappointed for the further Tenure of Five years as per The Companies Act, 2013.

11. Declaration by Independent Directors:

The Company had received declaration from all the Independent Directors under Section 149(7) of the Companies Act, 2013 in the first Board Meeting of the Financial Year 2019-20 held on April 09, 2019; stating that they meet the criteria of Independence as laid down under Section 149(6) of The Companies Act, 2013.

12. Annual Evaluation of Board Performance and Performance of its Committees and of Individual Directors:

The Board of Directors has carried out an annual evaluation of its performance, Board Committees and individual Directors, pursuant to the provisions of the Act and Listing Regulations.

The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of criteria such as the Board Composition and structure effectiveness of Board process, participation in the long-term strategic planning, information, functioning etc.

The performance of the Committees was evaluated by the Board after seeking inputs from the Committee members on the basis of the criteria such as the Composition of Committees, effectiveness of Committee meetings, etc.

The contribution and impact of individual members is evaluated on a number of parameters such as level of engagement, independence of judgment, preparedness on the issues to be discussed, conflicts resolution and contributions to enhance the Board's overall effectiveness. In addition, the Chairperson was also evaluated on the key aspects of her role by other Board members.

Two meetings of Independent Directors were held to discuss the following aspects:

- i. Review the performance of Non- Independent Directors and the Board as a whole;
- ii. Review the performance of the Chairperson of the Company, taking into account the views of Executive and Non-Executive Directors;
- iii. Assess the quality, quantity and timeliness of flow of information between the Company's Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

Outcome of evaluation process

Based on inputs received from the members, it emerged that the Board had a good mix of competency, experience, qualifications and diversity. Overall, the Board was functioning very well in a cohesive and interactive manner.

13. Directors' Responsibility Statement:

Pursuant to Section 134(3)(c) of the Companies Act, 2013; your Directors hereby confirm that:

- i. In the preparation of the Annual Accounts, the applicable accounting standards have been followed and there are no material departures;
- ii. Appropriate accounting policies have been selected and applied consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the Profit of the Company for that period;
- iii. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the Assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. The Annual Accounts has been prepared on a Going Concern basis;
- v. The Internal Financial Controls has been laid down, to be followed by the Company and such internal financial controls are adequate and were operating effectively; and
- vi. In order to ensure compliance with the provisions of all applicable laws, proper systems has been devised and that such systems were adequate and operating effectively.

14. Particulars of Employees:

None of the employees of the Company fall under the limits laid down in Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

15. Extract of Annual Return:

Pursuant to the provisions of Section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014; which is attached as **Form MGT-9 as Annexure A**

16. Training and Human Resource Management:

Your Company believes in building careers of their employees by motivating and empowering them to think in a positive and transparent manner and encourage mutual trust and work with a team spirit.

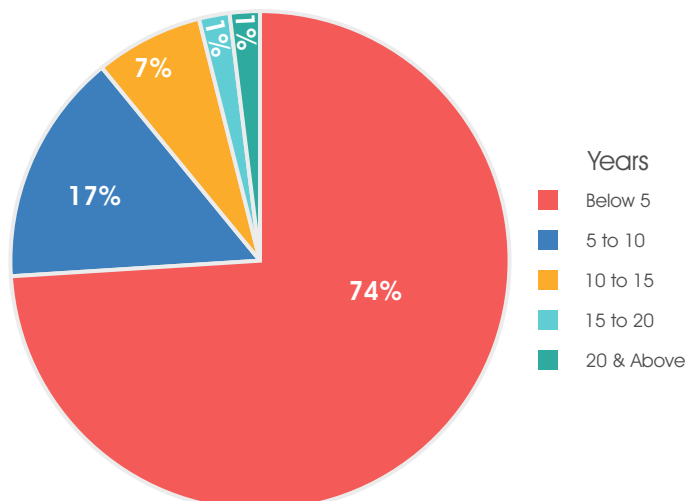
Sustainable and profitable growth can only be achieved by an organization that focuses on performance culture where employees are engaged and empowered to do their best. Your company continuously reinforces accountability and ownership to encourage people to be equal partners in every step of our transformation journey.

Your Company applies human rights philosophy to all our stakeholders and we have mandatory systems in place to ensure its compliance at all levels. Our Code of Conduct documents and Human Resource policies have inbuilt provisions for human rights. Regular trainings are conducted to familiarise the employees with the same.

The impact of the employees' ethical decisions are as significant as the impact of employer's business decisions. Employees must be trained to recognize business ethics issues and the problems associated with WHO cGMP to have a healthy working environment and avoid organizational harm in any way. It helps employee retention, more production and customer satisfaction.

Ethical decision-making by organizational leaders is well rewarded by your Company as the leaders hold positions of power that come with special trust and confidence, morality of leadership they have between people working at all levels. Free flow of ideas and practice of humility is encouraged to build trust and human relationships in the workplace.

Current Employees Tenure with the Company In years



17. Subsidiary Company, Associate Company and Joint Venture Company:

Your Company does not have any Subsidiaries or Associates or Joint Venture Companies.

18. Deposits:

Your Company has not accepted any deposits from public.

19. Particulars of Loans, Guarantees and Investments:

During the year your Company has not given any new loans. But Your company has made investments in Mutual funds. During the year, your company has not provided any Guarantee except those which are already mentioned in the Audited Accounts of the Company

20. Statutory Auditors:

The Statutory Auditors of the Company M/s. Savla & Associates, Chartered Accountants (ICAI Registration No: 109361W) were appointed at the 31st Annual General Meeting of the Company held on September 27, 2018 for a period of 5 years i.e. upto the conclusion of the 36th Annual General Meeting that will be held in the year 2023.

The Company had received a confirmation from M/s. Savla & Associates to the effect that their appointment is in compliance with the eligibility criteria in terms of Section 141 (3) of the Companies Act, 2013.

The requirement of ratification of the Auditors' Appointment each year during the continuation of their tenure is waived off by the Ministry of Corporate Affairs and thus there is no requirement each year to pass a resolution for Ratification of the Auditors' Appointment.

There are no qualifications, reservations or adverse remarks or disclaimers made by M/s. Savla & Associates, in their Report dated, 29th July 2020; on the Financial Statements of the Company for Financial Year 2019-20.

21. Particulars of Contracts or Arrangements with Related Parties:

There were no materially significant Related Party transactions made by the company during the year that would fall under the scope of section 188 of the Company Act, 2013. Disclosure in Form AOC-2 in terms of Section 134(3)(h) of the Company Act, 2013 is annexed as '**Annexure B**.'

The policy on materiality of information / documents and dealing with it has been approved by the Board and the same is also available on the website of the company at www.fredungroup.com

22. Secretarial Audit Report:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014; the Board of Directors had appointed M/s. Rajendra and Co., Practising Company Secretaries, to undertake the Secretarial Audit of the Company for the F.Y. ended March 31, 2020. The Secretarial Audit Report is annexed as '**Annexure C**'.

23. Cost Audit Report:

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014; your Company with reference to its Pharma business is required to maintain the cost records as specified under Section 148 of the Companies Act, 2013 and the said cost records are also required to be audited by the Practising Cost Accountants. Your Company is maintaining all the cost records referred above.

The Board, on the recommendation of the Audit Committee, had appointed M/s. Joshi Apte & Associates, Practising Cost Accountants, as the Cost Auditors for conducting the audit of cost records of the Company for the Financial Year 2020-21.

Further, the Cost Auditors are in the process of completing the Cost Audit for the Financial Year 2019-20 and it will be completed before the due date.

24. Details of Significant Material Orders:

No significant and material orders were passed by the Regulatory Authorities or the Courts or Tribunals that may have an impact on the Going Concern status and Company's Operations in the future.

25. Internal financial control system and their adequacy:

Company has established Internal Financial Control over financial reporting in current Financial Year 2019-20.

26. Corporate Social Responsibility:

As per Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility) Rules, 2014 and Schedule VII to the Act; the provisions of the Corporate Social Responsibility shall be applicable to every Company which has during the immediately preceding Financial Year –

- Net worth of Rs. 500 Crore or more, or
- Turnover of Rs. 1000 Crore or more, or
- Net Profit of Rs. 5 crore or more.

During the year under review i.e., for the Financial Year 2019-20; your Company had earned Profit before tax of Rs. 2.49crores and thus the provisions of the Corporate Social Responsibility as enumerated under Section 135 of the Companies Act, 2013 and rules made thereunder are not applicable to the Company for the Financial Year 2019 & 2020.

The Company is in the process of constitution of the Committee for the said matter which shall look out into this matter, take adequate steps and guide the Board to undertake necessary activities under the Corporate Social Responsibility regime. Further, the Policy on the Corporate Social Responsibility, the corpus to be spend, the social activity to be undertaken shall be discussed and finalized by the Board of Directors of the Company in consultation of the Corporate Social Responsibility Committee and our stakeholders will be kept informed of every material update on the said matter.

The company has provided for CSR Related Activity in the Statement of Profit and Loss account to the tune of Rs. 7,36,106/- for the year ended 31st March 2020.

27. Vigil Mechanism / Whistle Blower Policy:

The Company has adopted a Whistle Blower Policy, to provide a formal mechanism to the Directors, employees and its stakeholders to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy. The policy provides for adequate safeguards against victimization of employees and provides for direct access to the Chairman of the Audit Committee. The same is also available on the website of the Company at www.fredungroup.com

28. Conservation of Energy, Technology Absorption

Since last 3 to 4 years your Company has heavily invested into the latest machineries for both the manufacturing and packing departments; it is imperative to take care of the internal systems and work culture. Special emphasis is given on improving the manufacturing processes which help in reducing the manufacturing time, manpower and electricity consumption. New door closures are fixed to avoid air loss and cross contamination. It also helps in maintenance of AHUs and ACS which in turn helps in unnecessary consumption of electricity. Additional conveyor belts are installed to transfer the finished goods from manufacturing departments to BSR and also from BSR to the container loading bay. This has helped in reducing time, money and energy to a great extent. Your Company has replaced the lighting system of the entire unit with the latest LED lights which will help reduce electricity consumption. The newly installed automatic equipments and instruments will give higher output with less manpower and increase the productivity of the Company.

For the treatment of waste water, your Company has installed an ETP plant which controls water pollution. The treated water is used for gardening and a green environment is well maintained and no waste water is allowed to run outside the manufacturing unit. The waste sludge is regularly monitored by MPCB Department.

With a full-fledged R&D Department, Your Company has developed and launched many new molecules like antihypertensive, antidiabetic, ARVs and even narcotics. These molecules are either under patent or still not universally manufactured on a large scale. Continuous efforts are made to improve the quality of the products in respect of better bioavailability and stability.

Two new walk-in stability chambers are also installed for monitoring the stability of the products. Continuous R&D is going on for established products also to reduce the cost of manufacturing and improve the quality and stability of the products. Your Company has also installed fully automatic purified water generation and distribution system to cater to newly started ointments, creams and gels manufacturing Department along with manufacturing of pellets of various APIs Department complying as per cGMP norms.

29. Compliance with provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company is committed to uphold and maintain the dignity of Women Employees. An Internal Complaints Committee has been formed for each location of the Company under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company has a broad and comprehensive policy in place to deal with any such situation. The Policy is available on the website of the Company at www.fredungroup.com

No case of Sexual harassment was reported to the Internal Complaints Committee during the year under review

30. Receipt of Award:

During the year under review, the Company received numerous awards and accolades conferred by reputable organisations and distinguished bodies for achievements in diverse fields such as **Entrepreneur of the Year, elite customer, Emerging Company of the Year.**

Your Company received the prestigious and well-recognized award in the Pharma Sector “ **Best Healthcare Brands of 2019**” at Economic Times Healthcare Brands, 2019 on 26th June, 2019 from Mr. Sidharth Nath Singh, who is an Indian politician and the Health Minister in the Government of Uttar Pradesh. He is one of the official spokespersons of the Bhartiya Janata Party and the grandson of former Prime Minister of India Lal Bahadur Shastri and Mrs. Nafisa Ali who is an Indian Bengali actress and a Politician from Indian National Congress and a social activist.

Mr. Fredun Medhora, Managing Director and CFO of the Company received the prestigious and well-recognized award in the Pharma Sector “**Indian Affairs Pharma Entrepreneur of the Year 2019**” at the 10th Annual India Leadership Conclave and Indian Affairs Business Leadership Awards presented on 23rd August, 2019 by Mr. Satya Brahma, Chairman and Editor in Chief, Network 7 Media Group and Dr. Mukesh Batra, CMD of Dr. Batra’s Positive Health Clinic Pvt. Ltd.

Prestigious award from Saraswat Cooperative Bank Ltd- “**Elite Customer Award**” for the year 2018-19 was presented to Mr. Fredun Medhora, Managing Director and CFO of the Company at the Bank’s Annual Staff day held on 19th September, 2019 recognising the efforts of Mr. Fredun Medhora for taking the Company to glorious heights ; presented by Mr. Gautam Eknath Thakur, Chairman of the Bank and Mr. Shashikant Keshav Sakhalakar, Vice-Chairman of the Saraswat Cooperative Bank Ltd.

Your Company received a Prestigious and a well-recognized award in the Pharma Sector “**Emerging Company of the Year 2019**” from Zee Business Presents- National Healthcare Leadership Congress & Awards on 28th September, 2019.

31. Particulars of Directors / Key Managerial Personnel / Employees:

Details pertaining to remuneration as required under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014; the details of remuneration of Directors, Key Managerial Personnel and the employees and the percentile change in the remuneration; as required under the Rules are furnished hereunder:

The Company’s policy on Directors’ appointment and remuneration and other matters provided in Section 178(3) of the Act has been disclosed in the Corporate Governance Report, which forms part of this report.

- (i) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2019-20:

The Independent – Non-Executive Directors of the Company are only getting sitting fees.

Name	Designation	Total Remuneration (in Rs.)	Ratio of Remuneration of Director to the Median Remuneration of Employees
Dr. (Mrs.) Daulat Medhora	Chairperson & Jt. Managing Director	12,00,000	5.52:1
Mr. Fredun Medhora	Managing Director	24,00,000	11.04:1
Mr. Nariman Medhora	Executive Director	13,20,000	6.07:1

- (ii) The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary in the Financial Year 2019-20

Name	Designation	Total Remuneration (in Rs.)	% increase / (decrease) in remuneration in the Financial Year
Dr. (Mrs.) Daulat Medhora	Chairperson & Jt. Managing Director	12,00,000	NIL
Mr. Fredun Medhora	Managing Director	24,00,000	NIL
Mr. Nariman Medhora	Executive Director	13,20,000	NIL
Ms. Priyanka Chaturvedi	Company Secretary	3,77,715	46.42%
Ms. Ankita Joshi	Company Secretary	73,735	NIL

The Independent - Non-Executive Directors of the Company are only getting sitting fees.

Further, the Board of the Company had appointed Ms. Ankita Joshi as the Company Secretary Cum Compliance Officer of the Company w.e.f. January 21, 2020 in place of Ms. Priyanka Chaturvedi who has resigned w.e.f. January 31, 2020.

- (iii) The percentage increase in the median remuneration of employees in the Financial Year: NIL

The percentage increase in the median remuneration of employees in the Financial Year: NIL

Explanation: For calculation of median remuneration, the employee count taken for the Financial Year 2019-20 and 2018-19, comprise employees (including permanent workmen) who have served for the whole of the respective Financial Years.

- (iv) The number of Permanent Employees on the rolls of the Company:

There were 246 permanent employees as on March 31, 2020.

- (v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof if there are any exceptional circumstances for increase in the managerial remuneration:

Average Percentile Increase for other than Managerial Personnel: (NIL)

Average Percentile Increase for Managerial Personnel: NIL

The average increase in the salaries of employees excluding Managerial Personnel during Financial Year 2019-20 was NIL.

- (vi) Affirmation that the remuneration is as per the remuneration policy of the Company:

It is affirmed that the remuneration paid during the period under review is as per the remuneration policy of the Company.

32. COVID-19 Pandemic

The worldwide outbreak of the novel coronavirus (COVID-19) has adversely affected the global economy. Various measures taken to contain the spread of the virus, including the travel restrictions, nationwide lockdowns closure of non-essential service have resulted in economic slowdown. Your Company, as many other companies globally is facing unprecedented challenges in these testing times.

33. Acknowledgement

The Board of Directors appreciate the contribution made by the employees of the Company and acknowledge their hard work and dedication to ensure that the Company consistently performs well and remains a leading player in the Pharma Industry. The Directors gratefully acknowledge the support and confidence reposed by the shareholders of your Company. Further, the Board placed on record their sincere thanks to its Bankers, business associates, consultants, and various Government Authorities for their consistent support extended to your Company during the year under review.

**By Order of the Board
For Fredun Pharmaceuticals Limited
Sd/-
Dr. (Mrs.) Daulat Medhora**

**Place: Mumbai
Date: 29th July 2020**

**DIN: 01745277
(Chairperson & Jt. Managing Director)**

ANNEXURE TO DIRECTORS REPORT

Fredun Pharmaceuticals Ltd. Annual Report 2019-2020

Annexure - A

Form MGT 9

EXTRACT OF ANNUAL RETURN

For the Financial Year ended March 31, 2020

{Pursuant to Section 92 (3) of Act and Rule 12 (1) of the Company
(Management & Administration) Rules, 2014}

I. REGISTRATION & OTHER DETAILS:

1.	CIN	L24239MH1987PLC043662
2.	Registration Date	06/08/1987
3.	Name of the Company	FREDUN PHARMACEUTICALS LIMITED
4.	Category/Sub-Category	Company limited by Shares / Indian Non-Government Company
5.	Address of the Registered Office and Contact Details	26, Manoj Industrial Premises, G. D. Ambekar Marg, Wadala Mumbai - 400 031
6.	Whether Listed Company	Yes
7.	Name, Address & Contact details of Registrar & Transfer Agent, if Any.	Purva Sharegistry (India) Pvt. Ltd Unit no.9, Shivshakti Ind. Estt. J. R. Boricha Marg, Opp. Kasturba Hospital Lane, Lower Parel (E) Mumbai – 400 011 Tel. No.: 022 23018261 / 6761 Email: support@purvashare.com ; busicomp@vsnl.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY: (All the Business activities contributing 10% or more of the total turnover of the Company shall be stated)

Sr. No.	Name & Description of main products / services	NIC code of the Product/service	% to the total turnover of the Company
1.	Manufacture of Allopathic Pharmaceuticals preparations	21002	98

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name & Address of the Company	CIN / GLN	Holding/Subsidiary/ Associate	% of Shares held	Applicable Section
1.	N.A.	N.A.	N.A.	N.A.	N.A.

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

Sr. No.	Category of Shareholders	No. of Shares held at the beginning of the year i.e. April 1, 2019				No. of Shares held at the end of the year i.e. March 31, 2020				% Change
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	during the year
A. Promoters										
(1)	Indian									
a)	Individual / HUF	2076110	0	2076110	52.04	2076110	0	2076110	52.04	0
b)	Central Government	0	0	0	0	0	0	0	0	0
c)	State Government	0	0	0	0	0	0	0	0	0
d)	Bodies Corporate	0	0	0	0	0	0	0	0	0
	Banks / FI	0	0	0	0	0	0	0	0	0
	Any other	0	0	0	0	0	0	0	0	0
	Sub-total (A) (1)	2076110	0	2076110	52.04	2076110	0	2076110	52.04	0
(2)	Foreign	0	0	0	0	0	0	0	0	0
a)	NRI-Individual	0	0	0	0	0	0	0	0	0
b)	Other-Individual	0	0	0	0	0	0	0	0	0
c)	Bodies Corporate	0	0	0	0	0	0	0	0	0
d)	Banks / FI	0	0	0	0	0	0	0	0	0
e)	Any other	0	0	0	0	0	0	0	0	0
	Sub-total (A) (2)	2076110	0	0	0	0	0	0	0	0
	Total Share holding of Promoter (A)= (A)(1) + (A) (2)	2076110	0	2076110	52.04	2076110	0	2076110	52.04	0
B. Public Shareholding										
(1)	Institutions									
a)	Mutual Funds	0	0	0	0	0	0	0	0	0
b)	Banks / FI	75000	0	75000	1.88	75000	0	75000	1.88	0
c)	Central Government	0	0	0	0	0	0	0	0	0
d)	State Government	0	0	0	0	0	0	0	0	0
e)	Venture Capital Funds	0	0	0	0	0	0	0	0	0
f)	Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
g)	Insurance Companies	0	0	0	0	0	0	0	0	0

h)	Flls	67000	0	67000	1.68	49134	0	49134	1.23	(0.45)
i)	Foreign Port Portfolio Investor	0	0	0	0	0	0	0	0	0
j)	Others (Specify)	0	0	0	0	0	0	0	0	0
	Sub-total (B) (1)	142000	0	142000	3.56	124134	0	124134	3.11	(0.45)
(2)	Non- Institutions									
a)	Bodies Corporate									
	i) Indian	79210	15000	94210	2.36	102043	14100	116143	2.91	0.55
	ii) Overseas	0	0	0	0	0	0	0	0	0
b)	Individuals									
	i) Individual Shareholder holding nominal Share capital upto Rs. 1 Lakh	390084	128470	518554	13.00	558039	110070	668109	16.75	3.75
	ii) Individual Shareholders holding nominal Share capital in excess of Rs. 1 Lakh	1084090	0	1084090	27.17	895072	0	895072	22.43	(4.74)
c)	Others (Specify)									
	i) Clearing Members	1052	0	1052	0.03	597	0	597	0.01	(0.01)
	ii) Hindu Undivided Family	52199	0	52199	1.31	36150	0	36150	0.91	(0.40)
	iii) LLP	509	0	509	0.01	879	0	879	0.02	0.01
	iv) NRI	20910	0	20910	0.52	72440	0	72440	1.82	1.29
	Sub-total (B) (2): -	1628054	143470	1771524	44.4	1665220	124170	1789390	44.85	0.45
	Total Public Shareholding (B)=(B)(1) + (B)(2)	1770054	143470	1913524	47.96	1789354	124170	1913524	47.96	0
C.	Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
	Grand Total (A+B+C)	3846164	143470	3989634	100	3865464	124170	3989634	100	00

(ii) Shareholding of Promoters

Sr. No.	Category of Shareholders	No. of Shares held at the beginning of the year i.e. April 1, 2019			No. of Shares held at the end of the year i.e. March 31, 2020			% Change in Share holding during the year
		No. of Share	% of total Shares of the Company	% of Shares Pledge/encumbered to total Shares	No. of Share	% of total Shares of the Company	% of Shares Pledge/encumbered to total Shares	
1.	Dr. (Mrs.) Daulat Medhora	13,40,710	33.60	Nil	13,40,710	33.60	8.58	0.00
2.	Mr. Nariman Medhora	575300	14.42	Nil	5,75,300	14.42	Nil	0.00
3.	Mr. Fredun Medhora	1,60,100	4.01	Nil	1,60,100	4.01	Nil	0.00
	Total	20,76,110	52.03	Nil	20,76,110	52.04	8.58	0.00

(iii) Change in Promoter's Shareholding

Sr. No.	Shareholders Name	Shareholding at the Beginning of the year i.e. April 1, 2018		Cumulative Shareholding during the year i.e. March 31, 2019	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	Dr. (Mrs.) Daulat Medhora				
	At the beginning of the year	13,40,710	33.60	-	-
	As on 14-06-2019	(80,000)	(2.01)	1260710	31.60
	As on 19-07-2019	80,000	2.01	13,40,710	33.60
	At the end of the year	-	-	13,40,710	33.60
2.	Mr. Nariman Medhora				
	At the beginning of the year	5,75,300	14.42	5,75,300	14.42
	At the end of the year	-	-	5,75,300	14.42
3.	Mr. Fredun Medhora				
	At the beginning of the year	1,60,100	4.01	-	-
	At the end of the year	-	-	1,60,100	4.01
	Total	20,76,110	52.03	20,76,110	52.03

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

Sr. No.	Particulars	Shareholding at the Beginning of the year i.e. April 1, 2018		Cumulative Shareholding during the year i.e. March 31, 2019	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	NIKHIL VORA				
	At the beginning of the year	2,33,333	5.85	-	-
	At the end of the year	-	-	2,33,333	5.85
2.	BANK OF INDIA				
	At the beginning of the year	75,000	1.88	-	-
	At the end of the year	-	-	75,000	1.88
3.	INDIA MAX INVESTMENT FUND				
	At the beginning of the year	67,000	1.68	-	-
	Sold on 23-08-2019	-2752	-0.07	64248	1.61
	Bought on 30-08-2019	6229	-0.16	58019	1.45
	Sold on 13-09-2019	-8019	-0.20	50000	1.25
	Sold on 21-02-2020	-551	-0.01	49449	1.24
	Sold on 28-02-2020	-315	-0.01	49134	1.23
	At the end of the year	-	-	49,134	1.23
4.	S.S. SEEMA				
	At the beginning of the year	60,000	1.50	-	-
	Bought on 17-09-2019	112	0.00	60,112	1.50
	Bought on 20-03-2020	300	0.01	60,412	1.50
	At the end of the year	-	-	60,412	1.50
5.	RUDRA MURTHY B. V. *				
	At the beginning of the year	41500	1.04	-	-
	At the end of the year	-	-	41,500	1.04
6.	URMILADEVI TAPARIA *				
	At the beginning of the year	40,000	1.00	-	-
	Sold on 11-10-2019	-412	-0.01	39588	0.99
	Sold on 18-10-2019	-9887	-0.25	29701	0.74
	Sold on 25-10-2019	-15125	-0.38	14576	0.37
	Sold on 1-11-2019	-10505	-0.26	4071	0.10
	Sold on 8-11-2019	-4071	-0.10	0.00	0.00
	At the end of the year	-	-	0.00	0.00
7.	K.R. KARTHIKEYAN				
	At the beginning of the year	40,000	1.00	-	-
	Sold as on 17-09-2019	-1100	-0.03	38900	0.98
	Sold as on 20-09-2019	-900	-0.02	38000	0.95
	Sold as on 27-09-2019	-2000	-0.05	36000	0.09
	Sold as on 08-11-2019	-2000	-0.05	34000	0.85
	Sold as on 22-11-2019	-1100	-0.03	32900	0.82
	Sold as on 29-11-2019	-12900	-0.32	20000	0.50
	Sold as on 24-01-2019	-19101	-0.48	899	0.02
	Sold as on 31-01-2019	-899	-0.02	0.00	0.00
	At the end of the year	-	-	0	0.00

8.	A. GOTHAMCHAND				
	At the beginning of the year	40,000	1.00	-	-
	Sold as on 23-08-2019	-350	-0.01	39650	0.99
	Sold as on 27-09-2019	-1157	-0.03	38493	0.96
	At the end of the year	-	-	38,493	1.00
9.	AUTOLEC INTERNATIONAL PVT. LTD.				
	At the beginning of the year	35,000	0.88	-	-
	Sold as on 16-08-2019	-798	-0.02	34202	0.86
	Sold as on 23-08-2019	-478	-0.01	33724	0.85
	Sold as on 13-09-2019	-1724	-0.04	32000	0.80
	Sold as on 27-09-2019	-1010	-0.03	30990	0.78
	Sold as on 08-11-2019	-500	-0.01	30490	0.76
	At the end of the year	-	-	30490	0.76
10.	V. RAJKUMARI				
	At the beginning of the year	33,860	0.85		
	Sold on 12-04-2019	-348	-0.01	33512	0.84
	Bought on 02-08-2019	1	0.00	33513	0.84
	Bought on 20-09-2019	25	0.00	33538	0.84
	Sold on 25-10-2019	-25	-0.00	33513	0.84
	At the end of the year	-	-	33513	0.84
11.	A. VIMALCHAND #				
	At the beginning of the year	33,333	0.84	-	-
	Bought on 09-04-2019	145	0.00	33478	0.84
	Bought on 26-04-2019	40	0.00	33518	0.84
	Bought on 03-05-2019	2	0.00	33520	0.84
	Sold on 10-05-2019	-187	-0.00	33333	0.84
	Bought on 31-05-2019	2	0.00	33335	0.84
	Bought on 14-06-2019	27	0.00	33362	0.84
	Bought on 21-06-2019	5	0.00	33367	0.84
	Bought on 28-06-2019	17	0.00	33384	0.84
	Bought on 05-07-2019	39	0.00	33423	0.84
	Bought on 19-07-2019	12	0.00	33437	0.84
	Bought on 02-08-2019	6	0.00	33443	0.84
	At the end of the year	-	-	33,443	0.84
12.	SUDHABEN MANHARLAL DOSHI #				
	At the beginning of the year	31,985	0.80	-	-
	Sold on 12-04-2019	-500	-0.01	31485	0.79
	Sold on 28-06-2019		-0.06	59851	1.50
	Sold on 15-06-2019	-4000	-0.12	55851	1.40
	Sold on 22-06-2019	-1599	-0.05	54252	1.36
	Sold on 29-06-2019	-1361	-0.04	52891	1.33
	Sold on 30-06-2019	-418	-0.01	52473	1.32
	Sold on 06-07-2019	-988	-0.03	51485	1.29
	Sold on 24-08-2019	-400	-0.01	51085	1.28
	Sold on 31-08-2019	-500	-0.01	50585	1.27
	Sold on 07-09-2019	-399	-0.01	50186	1.26
	Sold on 14-09-2019	-1010	-0.03	49176	1.23
	Sold on 20-09-2019	-1000	-0.03	48176	1.21

	Sold on 28-09-2019	-1201	-0.04	46975	1.18
	Sold on 29-09-2019	-578	-0.02	46397	1.16
	Sold on 05-10-2019	-2246	-0.07	44151	1.11
	Sold on 12-10-2019	-889	-0.03	43262	1.08
	Sold on 19-10-2019	-2500	-0.07	40762	1.02
	Sold on 26-10-2019	-1385	-0.04	39377	0.99
	Sold on 02-11-2019	-4500	-0.13	34877	0.87
	Sold on 09-11-2019	-500	-0.01	34377	0.86
	Sold on 25-01-2020	-425	-0.01	33952	0.85
	Sold on 01-03-2020	-865	-0.03	33087	0.83
	Sold on 08-03-2020	-102	-0.00	32985	0.83
	Sold on 15-03-2020	-500	-0.01	32485	0.81
	Sold on 22-03-2020	-500	-0.01	31985	0.80
	At the end of the year	-	-	31,985	0.80

* Not in the list of Top 10 Shareholders as on April 1, 2019. The same has been reflected above since the Shareholders were one of the Top 10 Shareholders as on March 31, 2020.

Ceased to be in the list of Top 10 Shareholders as on March 31, 2020. The same has been reflected above since the Shareholders were one of the Top 10 Shareholders as on April 1, 2019.

(v) Shareholding of Directors and Key Managerial Personnel

Sr. No.	Shareholders Name	Shareholding at the Beginning of the year		Cumulative Shareholding at the end of the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	Dr. (Mrs.) Daulat Medhora				
	At the beginning of the year	13,40,710	33.60	-	-
	Sold shares as on 14-06-2019	-80,000	2.01	12,60,710	31.60
	Bought shares as on 19-07-2019	80,000	2.01	13,40,710	33.60
	At the end of the year	-	-	13,40,710	33.60
2.	Mr. Nariman Medhora				
	At the beginning of the year	5,75,300	14.42	-	-
	At the end of the year	-	-	5,75,300	14.42
3.	Mr. Fredun Medhora				
	At the beginning of the year	1,60,100	4.01	-	-
	At the end of the year	-	-	1,60,100	4.01
4.	Dr. Aspi Raimalwala				
	At the beginning of the year	8000	0.20	-	-
	Bought shares as on 13-03-2020	61	0.00	8061	0.20
	At the end of the year	-	-	8,061	0.20

5.	Dr. C. K. Shah				
	At the beginning of the year	Nil	Nil	Nil	Nil
	At the end of the year	Nil	Nil	Nil	Nil
6.	Dr. Rohinton Kanga				
	At the beginning of the year	500	0.01	-	-
	At the end of the year	-	-	500	0.01
7.	Ms. Ankita Joshi				
	At the beginning of the year	Nil	Nil	Nil	Nil
	At the end of the year	Nil	Nil	Nil	Nil

V. INDEBTEDNESS:

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

Particulars	Secured Loans Excluding deposits	Unsecured Loans	Deposits	Total indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	160,003,533.38	28,925,362.77	5,637,926.46	194,566,822.61
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i+ii+iii)	160,003,533.38	28,925,362.77	5,637,926.46	194,566,822.61
Charge in Indebtedness during the financial year				
Additions	220,567,157.92	16,177,247.25	-	236,744,405.17
Reduction	21,625,396.05	5,599,836.03	5,637,926.46	32,863,158.54
Indebtedness at the end of the financial year				
i) Principal Amount	358,945,295.25	39,502,773.99	-	398,448,069.24
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i+ii+iii)	358,945,295.25	39,502,773.99	-	398,448,069.24

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**A. Remuneration to Managing Director, Whole-time Directors and/or Manager**

Sr. No.	Particulars of Remuneration	Daulat Medhora	Fredun Medhora	Nariman Medhora
1.	Gross salary			
	a. Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	12,00,000	24,00,000	13,20,000
	b. Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil
	c. Profits in lieu of salary u/s 17(3) Income tax Act, 1961	Nil	Nil	Nil
2.	Stock Option	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil
4.	Commission	Nil	Nil	Nil

	- as % of profit	Nil	Nil	Nil
5.	Others, please specify	Nil	Nil	Nil
Total		49,20,000		
Ceiling as per the Act – 10% of Net Profits				

B. Remuneration to other Directors

Particulars of Remuneration	Name of Directors		
	Aspi Raimalwala	Chandrakant Shah	Rohinton Kanga
Non-executive Independent Directors			
Fees for attending Board / Committee meetings till 25.12.2019	3,000 per meeting	3,000 per meeting	3,000 per meeting
Fees for attending Board/Committee meetings from 26.12.2019 to 31.03.2020	5,667 per meeting	5,667 per meeting	5,667 per meeting
Others, if any	Nil	Nil	Nil

C. Remuneration to Key Managerial Personnel Other than MD / Manager / WTD

Sr. No.	Particulars of Remuneration	Priyanka Chaturvedi (Company Secretary) *
a1.	Gross salary (till 31.01.2020) a. Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	3,77,715
	b. Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil
	c. Profits in lieu of salary u/s 17(3) Income tax Act, 1961	Nil
2.	Stock Option	Nil
3.	Sweat Equity	Nil
4.	Commission	Nil
	- as % of profit	Nil
5.	Others, please specify	Nil
	Total	

Sr. No.	Particulars of Remuneration	Ankita Joshi (Company Secretary) *
a1.	Gross salary (from 21.01.2020 to 31.03.2020) a. Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	73,735
	b. Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil
	c. Profits in lieu of salary u/s 17(3) Income tax Act, 1961	Nil
2.	Stock Option	Nil
3.	Sweat Equity	Nil
4.	Commission	Nil
	- as % of profit	Nil
5.	Others, please specify	Nil
	Total	

*Ms. Priyanka Arun Chaturvedi resigned as Company Secretary & Compliance Officer w.e.f January 31, 2020.

*Your Company had appointed Ms. Ankita Joshi as the Company Secretary & Compliance Officer of the Company w.e.f. January 21, 2020.

D. Penalties / Punishment / Compounding of Offences

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD/ NCLT/ COURT]	Appeal made, if any (give details)
A. COMPANY					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
B. DIRECTORS					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
C. OTHER OFFICERS IN DEFAULT					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

During the year under review, the Company had paid penalty of Rs. 76,700/- (inclusive of GST) due to non compliance of Regulation 33 of the SEBI Listing Regulations, 2015 to Bombay Stock Exchange (BSE). The Board Meeting of the Company for the approval of the Audited Financial Results for the year ended March 31, 2019 was held on June 10, 2019; i.e., delay of 11 days.

All the necessary submissions in respect to the said matter were made to the BSE Ltd. on timely basis and are available at www.bseindia.com for public review.

By Order of the Board
For Fredun Pharmaceuticals Limited
Sd/-
Dr. (Mrs) Daulat Medhora

Place: Mumbai
Date: 29th July 2020

DIN: 01745277
(Chairperson & Jt. Managing Director)

ANNEXURE TO DIRECTORS REPORT

Fredun Pharmaceuticals Ltd. Annual Report 2019-2020

Annexure - B

FORM AOC – 2

[Pursuant to clause (h) of sub-Section (3) of Section 134 of the Act and Rule 8 (2) of the Companies (Accounts) Rules, 2014]

This Form pertains to the disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in sub-Section (1) of Section 188 of the Companies Act, 2013 including certain Arm's Length Transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis:

No such transactions were entered during the financial year 2019-20.

2. Details of material contracts or arrangement or transactions at arm's length basis:

The contracts or arrangements or transactions entered with the related parties during the financial year 2019-20 under review, were not material and the same were disclosed in the notes to accounts forming part of the Financial Statements for the year ended March 31, 2020.

Place: Mumbai

Date: 29th July 2020

By Order of the Board
For Fredun Pharmaceuticals Limited
Sd/-
Fredun Medhora

(Managing Director)
DIN: 01745348

ANNEXURE TO DIRECTORS REPORT

Fredun Pharmaceuticals Ltd. Annual Report 2019-2020

Annexure - C

Form MR-3

SECRETARIAL AUDIT REPORT

For the Financial Year ended March 31, 2020

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To

The Members,

FREDUN PHARMACEUTICALS LIMITED

I/We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Fredun Pharmaceuticals Limited** bearing **CIN: L24239MH1987PLC043662** (hereinafter called 'the Company').

Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2020 ('Audit Period') generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on 31st March 2020 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made there under;
- (ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not applicable)
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and amendments from time to time.
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 - Not applicable to the Company during the audit period;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - Not applicable to the Company during the audit period;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - Not applicable to the Company during the audit period; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - Not applicable to the Company during the audit period.
- (i) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.

(vi) Other laws applicable specifically to the Company namely:

1. Bombay Shops and Establishments Act.
2. The Factories Act, 1948 and rules and regulations there under.
3. Income Tax Act, 1961 relating to Tax Deducted at source.
4. The Employees Provident Fund Act.
5. The Payment of Wages Act, 1936.
6. The Minimum Wages Act, 1948.
7. The Payment of Bonus Act, 1965.
8. Land Revenue Laws of the Respective state.

We have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii. The Listing Agreements entered into by the Company with BSE Limited

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

We further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

- Adequate notice was given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- Decisions at the Board Meetings were taken unanimously.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations, guidelines, etc.

We further report that during the audit period the Company has not passed any Special Resolutions / event which are having bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, etc.

For Rajendra And Co.

Company Secretaries

CS. Rajendra R. Vaze

FCS No.: 4247 CP No 1975

UDIN Nor F004247B000610072

Place : Mumbai

Date : 24th August 2020

Note: This report is to be read with my Annexure 'C1' of even date which is annexed and forms an integral part of this report.

Annexure C1

To,

The Members,

FREDUN PHARMACEUTICALS LIMITED

Our report of even date is to be read along with this letter.

- **Management Responsibility:**

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

- **Auditors Responsibility:**

1. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
2. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
3. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc

- **Disclaimer:**

1. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
2. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Rajendra And Co.

Company Secretaries

CS. Rajendra R. Vaze

FCS No.: 4247 CP No 1975

UDIN No F004247B000610072

Place : Mumbai

Date : 24th August 2020

IMPACT OF COVID-19

Fredun Pharmaceuticals Ltd. Annual Report 2019-2020

Annexure D

- The effects of Covid-19 were immediately seen for us in the last quarter of 19-20
- As the country is dependent on China for its API supply and China did not open up after mid Jan 2020, the API prices started to rise in India.
- This caused the company to hold procurement for many products which were rendered commercially nonviable at that moment due the high API rates
- Later on due to the export ban imposed on molecules which are generally used as container fillers, a list of other exports which were ready goods were also dropped.
- This lowered the sales of the third quarter by almost 39-43% percent
- Our last quarter profitability was also hampered due to high cost of Raw Materials and the manufacturing unit being in complete shut down for 9 days in March 2020

Effect in the financial year 20-21

- The company was able to start limited operations around the 30th of March 2020 after a total shut down from the 22nd of March.
- The company was able to run with bare essentials in the month of April with its peak output at around 10% of the installed capacity.
- All Salaries were paid on time
- Change in dollar rate has no adverse effects on the company
- All Employees were timely covered under appropriate law.
- This was achieved even after most villages were still under partial or complete lockdown till 21 st April.
- The strength of the workers increased to around 20% by the last week of April.
- The purchases were bare minimum as well during this quarter as all API prices remained unsuitable for procurement for orders at Hand
- The worker strength had increased to around 25% by second week of May.
- The cost of Labour was 22% higher due to the extensive transportation costs and also additional benefits given to those reporting for duty during lockdown.
- The company also took care of all its employees and not a single employee was let go.
- The company did not face any liquidity issues during the first three months of the lock-down as it had sufficient cashflows to maintain operations and contingency expenses. However, the company does foresee a strain in liquidity over the second quarter and first 45 days of the third quarter as revenue was drastically reduced in the first quarter. The company however has made appropriate arrangements and stringently planned it's outflows to wade through this period.
- The revenues of the company has reduced by over 70% from our estimates of the first quarter due to inability to export ready goods and manufacture new goods due to labour and cost of API

- The company still is sure of the next three quarters and will achieve a higher growth compared to the last year even with a weak first quarter and a fairly stable second quarter
- The attendance is still at 50% at the plant however as of last week of July the plant is now operational at 60% capacity.
- We aim to reach 80% capacity by August end and optimum utilisation by September provided no further arbitrary lockdown of villages and towns around the location of the plant.
- As our partner companies across the world had also gone in a lockdown their requirements will come in staggered lots to avoid over stocking at their ends
- The availability of API for our formulations was not an issue as of July 2020 however the pricing still remained higher than usual.
- The export ban was lifted on a few products in June therefore our dispatches which were held up will now be dispatched in staggered lots as requirements from buying countries have changed in terms of priorities.
- The company is also focused right now on businesses which improve cash flow cycles and will avoid transactions which entail reduction in existing liquidity
- The company has continued to pay all its debts on time and appropriately.
- The company does not foresee any delay in its target of achieving 143 new registrations of products in this calendar year.
- The company foresees a hit on its profitability for the next two quarters due to the cost of the production going up and the cost of the materials still at the higher end of the spectrum. However post December it will see its profitability increase in comparison to the first two quarters.
- The company foresees no immediate expenses on capital expenditure of more than Rs. 3 crores, but it does intend to continue procurement of machinery as per plan
- There is no cancellation of any order from any buyer across all continents. However, the company will decide on the execution of orders based on relevant market conditions in the country of procurement.
- Facility augmentation started in January this year to further increase our coating capacity to 13 million tablets a day is on track and shall be completed by September 2020
- The launch of latest molecules of anti-diabetic range, cardiac range and renal disorders is on track and shall not be postponed. We are hoping for registrations by end of this calendar year.
- The company also received its WHO cGMP certification for its new plants of pellets and ointments in the first quarter of this financial year. This will now allow fast track registrations in various countries for the same.
- We are further going to strengthen our RnD Team and continue our expenditure on formulation development
- We are planning further registrations of over 433 products in the next 27 months. We are planning to add six new countries for first time registrations and we are sure of first supply by November 2021.
- Our in-roads into the anti-diabetic market will get stronger with the new molecules being registered in our existing markets as well.

Outset

- Covid-19 has changed the way we do business not in terms of execution but in terms of planning.
- Businesses have to be more cautious in terms of understanding cash flows and we at FPL are aware of this reality.

ANNEXURE TO DIRECTORS REPORT

Fredun Pharmaceuticals Ltd. Annual Report 2019-2020

Annexure - E

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS **[pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI** **(Listing Obligations and Disclosure Requirements) Regulations, 2015]**

To

The Members,

FREDUN PHARMACEUTICALS LIMITED

We have examined the relevant registers, records forms, returns and disclosures received from the Directors of FREDUN PHARMACEUTICALS LIMITED having CIN : L24239MH1987PLC043662 and having registered office at 26, Manoj Industrial Premises, G.D. Ambekar Marg, Wadala, Mumbai-400 031 (hereinafter referred to as 'the Company'), produced before us by the company for the purpose of issuing this Certificate in accordance with Regulation 34(3) read with Schedule V Para-C sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ended March 31, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sir No	Name of the Directors	DIN	Date of appointment in Company.
1.	DR. MRS DAULAT NARIMAN MEDHORA	01745277	08/06/1987
2.	MR. FREDUN NARIMAN MEDHORA	01745348	15/09/2006
3.	MR. NARIMAN B. MEDHORA	02060357	30/09/2015
4.	DR ASPI RAIMALWALAI	02454860	30/09/2015
5.	DR. CHANDRAKANT K SHAH	02843653	30/09/2015
6.	DR ROHINTON KANGA	07178190	30/09/2015

Ensuring the eligibility for the appointment/ continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Rajendra And Co.

Company Secretaries

CS. Rajendra R. Vaze

FCS No.: 4247 CP No 1975

Place : Mumbai

UDIN No F004247B000581560

Date : 14th August 2020

MANAGEMENT DISCUSSION & ANALYSIS

Fredun Pharmaceuticals Ltd. Annual Report 2019-2020

Industry Structure & Developments

At present, the global pharmaceutical industry is at crossroads. The type of drugs being developed by the industry and the role played by technology are being juxtaposed against the value that healthcare delivers to patients. On one hand, the industry is developing new generation specialty drugs in gene therapy, monoclonal anti-bodies and immunotherapy categories, which have improved medical outcomes for patients; but on the other hand, the industry is facing increasing resistance from governments over escalating drug prices, which impacts healthcare budgets. The need of the hour is for innovation and affordability to co-exist for the long-term benefit of all stakeholders.

In the pursuit of economic benefits, business operations cannot be separated from social, political and global impacts. They have to be dealt with ethical considerations also. It is necessary to invest strategically in sound ethics with trust and confidence. The employees need to learn the business ethics to avoid personal and organizational harm. They must be made aware to maintain a respectful workplace and improve performance. Ethical decision making is rewarded by your Company so that ethics and leadership go hand-in-hand. The culture of self-regulation has a cumulative effect on Corporate business and governance.

Threats

These are challenging times for the Indian Pharmaceutical Industry. The novel coronavirus pandemic in China with its epicenter in Wuhan threatens to starve India's pharmaceutical industry of key inputs as India is hugely dependent on Active Pharmaceutical Ingredients (API) from China. About 69 % of its total pharma drug intermediates are imported. Our pharmaceutical sector outlook could be in negative due to this dependence. Even if certain intermediates are sourced from other countries, it would be at higher prices and will impact the profitability and in turn the formulation manufactures would not be competitive. Initially it was expected that India could benefit by stepping into China's shoes as API supplier to the world but it is clear that this is not happening as expected. Thus 2019 n COVID fallout would impact India in near future as India does not have the scale or size to take the advantage of this disruption in Chinese supplies. In fact, it's time to execute well-framed policies and investments in this area which are capital intensive with delayed economic returns. The companies specially the MSMEs need protection against unfair domestic and international competition. The key issue is the question of National Security of the Indian population. India is the capital of diabetes and most of the population is suffering from it. Hundred percent of metformin intermediates are imported from China. Similarly major antibiotics, vitamins, hormones and steroids are also sourced from China alone. We have to start reducing dependability on China; till then these products should be subsidized by the Government and allow the API manufactures in India to increase their existing capacity if the pollution load is not going to increase. An ordinary product like paracetamol cannot be produced in India without its intermediates which are 100 % sourced from China. The Government should also consider reducing electricity tariff and export credit should be at labor rate of interest and anti-dumping duty should be imposed as the hidden subsidies violating WTO norms still exist.

As a formulator, we cannot increase our MRP due to DPCO restrictions and Government supplies are bound by rate contracts. This is an unprecedented situation. Many plants have shut down, unemployment is at its high. So the motive of the Government and Industry should be to consider Nation and National security as of prime importance.

To sum up, the Pharmaceutical Industry should prepare itself for potentially far reaching supply disruptions. The delay in production could end up affecting deliveries in the second quarter of 2020. Your Company is monitoring the current situation as the turnover of the Company in the Financial Year 2020-21 is expected to be affected. Fortunately, your Company has already increased its production capacity in the last 3 years so increase in production with an alternate supply of APIs will help mitigate the loss in the revenue.

Opportunities

Your Company is efficiently planning and implementing all the necessary steps to overcome this crisis of import dependence from China with additional production of ointments/gels/creams and pellets of different APIs, as registration of new formulations are already initiated. These products are formulated with ingredients which are not totally dependent on Chinese APIs. Your Company is thus quite positive on its current expectations of marketing the above mentioned new formulations in the export market along with its prime exports of anti-retrovirals (ARVs) that also seem to work in treating 2019- novel coronavirus e.g. A combination of Lopinavir and Ritonavir along with flu medication Oseltamivir. Indian generic companies who are among the largest manufacturers of ARVs can gear up their supply of these formulations to the Government if need arises. Your Company is also ready to supply to the Government in case it is approached with any specific requirements. ARVs are not usually sold in private markets and your Company is prepared to participate in global tenders directly or through any global participants.

Our Government is now focusing on acquiring Pharmaceutical Inspection Cooperation Scheme (PICS) membership and proposing drastic revision of Scheme M based on WHO and ICH Guidelines. According to the Drug Controller General of India, WHO cGMP guidelines need to be adopted as a part of the global harmonization process. This will enhance the capacities of the domestic industry and help them to participate in public healthcare tenders and also help seek financial and other incentives from the Government.

Your Company is happy to inform that we have been inspected as per PICS for registration of our products in Philippines and our manufacturing unit is cleared by them for capsules and dry syrups departments and the clearance for the tablets department is expected in near future. Hence, we are quite well prepared for the future inspections. Still there are a lot of challenges the Company has to face due to current transformations the industry is undergoing with a number of disruptions on economic, social and political fronts.

Business Outlook

Dr. R. B. Smarta, Chairman and MD, Interlink Marketing Consultancy gives an insight on how innovation will drive healthcare and pharma in 2020 and beyond:

The seven Emerging insights according to him are shown below:

1. Market opportunities

Various factors such as demographics, psychographic and economic factors present themselves as opportunities for the current pharma market. With an increasing literacy rate and quality of education, the consumers of today are more aware and take efforts into ensuring their well being. The recent trends suggest an increasing consciousness of health and the move towards preventive therapy. This reflects in the massive growth of nutraceutical segments of nearly 15 per cent even while the pharma segment is struggling to achieve double-digit growth. This shift in the attitude of consumers is an opportunity for various stakeholders to engage patients and base their strategies keeping them at the centre. With the increase in the occurrence of lifestyle diseases and the demographic profile shifting towards an older population, there is a great opportunity to be tapped. The impetus on the demand side of the spectrum is aided by rising affordability of treatments with an increase in the per capita income, thus the purchasing power of Indians by nearly 10 per cent.

2. Increasing distribution of medicines

Technological disruptions have marked their presence in the pharma retail industry. The emergence of e-pharmacies has been rapid and they already account for nearly two per cent of the retail market share.

According to a report by Frost and Sullivan, the current e-pharmacy market of \$512 million is set for a staggering growth rate of 63 per cent to reach \$3657 million by 2022, accounting for 10 per cent share of the total retail market. The traditional brick and mortar stores are also on the rise with a CAGR of 15 per cent from the current value of around \$25 billion. This also increases the rural penetration of the distribution of medicines.

3. Future product pipeline

The pharma industry has been relatively active in R&D and new product development from digital transformation point of view. In fact, in the last three years, R&D investment in our industry has grown to 8-13 per cent and nine new major products have been launched last year. In fact, having pricing at a generic level, value creation has been more so from exports and those who have taken advantage of exports to create better value for themselves could invest in a different way towards new product development as well as towards patents. Last three years perspective is witnessing this impressive way of

looking at the industry by creating a pipeline of products as a patent cliff worth \$250 billion lies ahead of us in the upcoming years.

4. Improving quality

The fourth industrial revolution is disrupting the face of all industries, including pharma. Although slow on the uptake, major companies are now investing in technologies such as Artificial intelligence, machine learning and robotics in India. Various facets of the industry including drug discovery, manufacturing and R&D are being transformed by this cutting-edge technology to ensure quality while increasing output and reducing timelines for drug discovery and approvals.

The growth rate of technologies such as robotics in India is 12 per cent, nearly double the global average of 6.73 per cent. This growth also reflects an increase in the manufacturing quality of the Indian pharma industry, making the claims of the book *A Bottle of Lies* by Katherine Eban, a factsheet of the distant past.

5. Regulatory facilitation

Another factor for increasing affordability of drugs in the Indian market is through regulatory interventions of price-capping. The recent capping on the profit margin for 42 unscheduled cancer drugs at 30 per cent may cause a dent in the revenue of the companies. It is important to develop strategies keeping the regulatory framework into consideration.

6. Ethics call

In the rat race of achieving targets and budgets, those having a philosophy of getting results irrespective of process or method or protocol, fall prey to unethical practices to achieve the goals. It needs a structural solution with associations addressing the issue and starting a dialogue between companies. There is a need for developing a mechanism with the help of member companies, association teams and arbitrators inclusive of appointed legal experts.

Surely each engaging insight would give a variety of thoughts which need to be strategically fit with individual strength of the pharma company as a company can innovate on something which could be capitalised through commercial benefits and growth.



7. The real measure of growth

Considering the data on the growth of the last three years of the pharma industry, the industry seems to be poised to grow in a decent way in FY 2021 due to many reasons.

As a result, three real measures of growth have emerged for FY2021. Growth can be leveraged by taking up a specific focus on any one of the three or all.

i. Speciality therapy areas

With technological advancements increasing our competency to manage critical care, the speciality sector accounts for nearly 15 per cent of the total market. The recent trends suggest a double-digit growth rate of 12-15 per cent for most speciality segments. The growth in the otherwise turbulent pharma industry is predicted to be fuelled by this segment.

ii. Vitamins and minerals

As it has been observed that a majority of the physicians are prescribing nutritional supplements inclusive of vitamins and minerals for curative and corrective measures. In fact, a majority of prescriptions are flowing from lifestyle and also non-communicable diseases.

As these patients are increasing, the bulk has been clearly seen growing even in FY19-20

Currently valued at around \$0.7 billion, this segment is set to grow at 15 per cent with contributions from prescription and OTC markets.

iii. Biosimilars

Always as an industry, we have been able to successfully tap the opportunity of patent expiries resulting in new revenue areas quickly. The same situation is arising in the horizon for biosimilars. With the \$62 billion patent cliff advantage and strong backing of R&D activities, the Indian biosimilar market is poised for the rapid growth of 22 per cent from the current \$4 billion to \$12 billion by 2025 according to the Biotechnology Industry Research Assistance Council (BIRAC) report.

These insights are synthesized from the immediate past and future possibilities and can be utilized for a variety of innovations. Depending on the strengths of a Company it can be further customized to provide leveraging growth factors for 2020-21 as well as for the future. With our experience, we will try to find out possible action areas or leveraging factors for growth in these challenging times. MNCs or MSMEs may have to really look at their strengths and use at least one of the business models. For MSMEs the traditional engagement models shown above with doctors, healthcare providers, hospitals and government and also innovation in reskilling of teams would prove most useful. Ayurvedic and plant based products are now well accepted if they are well validated and tested. Your Company is also venturing into such products for exports as well as local market. Our herbal based galactagogue is very well accepted in Nigeria in addition to the domestic market.

We are sure that your Company will be able to face any challenges in future. Your Company is working hard to earn the trust of their customers which in turn can inspire the employees and give value to the shareholders.

Financial Performance

Key Financials Measures (Standalone):

Sr No	Particulars	FY 2019-20	FY 2018-19
Financial Stability Ratios:			
1	Total Debt / Equity (x)	0.84: 1	0.49: 1
2	Current Ratio (x)	1.30	1.36
3	Quick Ratio (x)	0.65	0.59
4	Interest Coverage Ratio (x)	1.57	2.99
Performance Ratios:			
1	Return on Assets (%)	1.43	4.25
2	RoCE (%)	12.47	17.98
3	Asset Turnover (%)	82.83	90.94
4	Working Capital /Sales (x)	4.73	4.99
5	Return on Equity (%)	4.60	11.44
Profitability Ratios:			
1	EBITDA (%)	7.97	11.10
2	PBT (%)	2.26	6.46
3	PAT (%)	1.72	4.67
4	Operating Profit (%)	6.26	9.70
Efficiency Ratio:			
1	Receivables in Days	84	61
2	Inventory in Days	193	170
3	Payable in Days	165	208
4	Working Capital Cycle in Days	77	73
5	Debtor's Turnover Ratio (x)	4.36	5.95
6	Inventory Turnover Ratio (x)	1.89	2.15

Growth Ratio (Y-o-Y):			
1	Net Revenue Growth (%)	16.31	63.12
2	Net Sales Growth (%)	15.61	64.30
3	EBITDA Growth (%)	-17.01	80.55
4	PBT Growth (%)	-59.51	133.25
5	PAT Growth (%)	-57.35	154.73

CORPORATE GOVERNANCE REPORT

Fredun Pharmaceuticals Ltd. Annual Report 2019-2020

Your Company has a strong foundation that reflects values and established standards governing our ethical behaviour. Your Company continues to lay great emphasis on the principles of Corporate Governance. Our pursuit towards achieving good governance is an on-going process. The Company fully complies with the requirements under Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations).

In India, Corporate Governance Standards for Listed Companies are regulated by Regulation 17 to Regulation 27 read with Schedule V and clauses (b) to (i) of Sub-Regulation (2) of Regulation 46 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as **"SEBI Listing Regulations, 2015"**).

As per Regulation 15(2) of the Listing Regulation 2015; the compliance with the Corporate Governance provisions as specified in regulations 17, 17(A), 18, 19, 20, 21, 22, 23, 24, 24(A), 25, 26, 27 and clauses (b) to (i) of sub regulation (2) of regulation 46 and para C, D and E of Schedule V shall not apply, in respect of -

(a) the listed entity having paid up Equity Share Capital not exceeding Rupees Ten Crore and Net Worth not exceeding Rupees Twenty-Five Crore, as on the last day of the previous Financial Year.

Your Company for the Financial Year ended March 31, 2020; had the Authorized Share Capital of Rs. Ten crores out of which the Paid-up Share Capital of the Company is Rs. 3,98,96,340/- divided into 39,89,634 Equity Shares of Rs. 10/- each and a Net-worth of Rs. 4,132.13/-laks.

In lines with the above stated provision(s) the above-mentioned Regulation(s) are not applicable to the Company. But with an intention of applying good Corporate Governance practices in the affairs of the Company, we have tried to adopt every possible aspect of the Corporate Governance norms in our business activities, as mandated under the SEBI Listing Regulations, 2015.

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

"Corporate Governance is the acceptance by management of the inalienable rights of shareholders as the true owners of the corporation and of their own role as trustees on behalf of the shareholders. It is about commitment to values, about ethical business conduct and about making a distinction between personal and corporate funds in the management of a company."

Report of N.R. Narayana Murthy Committee on Corporate Governance
constituted by SEBI (2003)

Your Company believes that good Corporate Governance is essential for achieving long-term corporate goals and enhancing stakeholder value. At the core of your Company's philosophy on Corporate Governance is a strong emphasis on transparency, accountability and integrity. Your Company has set high standards of ethical behaviour. All directors and employees are bound by a Code of Conduct that sets forth the Company's policies on important issues, including its relationship with Customers, Suppliers, Contract Manufacturers, Shareholders and Government.

The Company's Governance framework is based on the following principles:

- Optimum combination of Executive & Non-Executive Directors and size of the Board;
- Timely disclosure of material information to the stakeholders;
- Availability of information to the Members of Board & Board Committees to enable them to discharge their fiduciary duties;
- Ethical business conduct.

2. THE BOARD OF DIRECTORS

Your Company is a professionally managed Company functioning under the overall supervision of the Board of Directors ('Board'). Its Board is a combination of Independent and Non Independent Directors in line with the provisions of the Companies Act, 2013 ('the Act') and the ('SEBI Listing Regulations') as amended from time to time.

The Board of Directors comprises of highly experienced and persons of repute and eminence, who ensure that the time honoured culture of maintaining sound standards of corporate governance is further nurtured. The Board sets out the overall corporate objectives and provides direction and independence to the management to achieve these objectives for value creation through sustainable profitable growth.

The Board seeks accountability of the management in creating long-term sustainable growth to ensure that the aspirations of stakeholders are fulfilled. It also sets out standards of corporate behaviour and ensures compliance with laws and regulations impacting the Company's business.

The Company has a strong and diverse Board of Directors, independent of management with sufficient expertise to oversee corporate management on behalf of the Company's shareholders. The Board reviews and approves corporate strategies that are intended to build sustainable long-term value. In making decisions, the Board considers the interests of all the stakeholders of the Company such as employees, customers, suppliers and the community in which the Company operates.

The Board comprises of six Directors of which three Directors are Executive Directors and three Directors are Non-Executive Independent Directors which commensurate with the size of the Company, complexity and nature of various underlying businesses activities.

Board of Directors strictly follows the Company's Code of Conduct. The Board periodically reviews compliance reports of all laws applicable to the Company as well as take steps to rectify instances of any non-compliances.

i. Composition of the Board:

The Chairperson of the Board is an Executive Director, and as such 50% of the Board Comprises of Independent Directors. All the Independent Directors have confirmed that they meet 'Independence' criteria as per Regulation 16 (1) (b) of the SEBI Listing Regulations read with Section 149 (6) of the Act.

None of the Independent Directors of the Company are related to each other. The appointment of Executive Directors including the tenure and terms of remuneration has already been approved by the members.

ii. Meetings of the Board:



Note: A Board Meeting was scheduled on May 30, 2019 but due to urgent and unavoidable medical emergency of Whole Time Director was cancelled and re-scheduled on June 10, 2019.

During Financial Year ("F.Y.") 2019-20, the Board met 6 times on the following dates:

Name of the director	No. of Board meeting held, and attended, during tenure						% of attendance
	1	2	3	4	5	6	
Dr. (Mrs.) Daulat Medhora	▼	▼	▼	▼	▼	▼	100
Mr. Fredun Medhora	▼	▼	▼	▼	▼	▼	100
Mr. Nariman Medhora	▼	▼	▼	▼	▼	▼	100
Dr. Aspi Raimalwala	▼	▼	▼	▼	▼	▼	100
Dr. C. K. Shah	▼	▼	▼	▼	▼	▼	100
Dr. Rohinton Kanga	▼	▼	▼	▼	▼	▼	100

▼ Attended in person ▼ Absent

Meeting on 09/04/2019, 10/06/2019, 13/08/2019, 11/11/2019, 26/12/2019, 12/02/2020

The maximum time gap between any two consecutive meetings did not exceed four months. The necessary quorum was present for all the Meetings. The notice and detailed agenda along with the relevant notes and other material information are sent in advance separately to each Director and in exceptional cases tabled at the Meeting with the approval of the Board.

iii. Scheduling and Selection of Agenda Items for Board Meetings:

All departments of the Company schedule their work plans in advance, particularly with regard to matters requiring consideration at the Board / Committee meetings. All such matters are communicated to the Chairman in advance so that the same could be included in the Agenda for the Board / Committee meetings.

iv. Attendance and Directorships held:

Information about the Directors of the Company, their attendance at the 32nd Annual General Meeting of the Company held on September 24, 2019 at 9.00 a.m. and the Number of Directorships in other Companies and Committee position in other Public Limited / Private Limited Companies as on March 31, 2020; are detailed below:

Sr. No.	Name of the Director	Date of Joining the Board	Category	Attendance at the AGM held on September 24, 2019	Directorship in other Indian Public / Private Limited Companies Chairman / Member *	No. of other Board Committees in which Chairman / Member **	Relationship with Directors
1.	Dr. (Mrs.) Daulat Medhora	June 08, 1987	Chairperson & Jt. Managing Director	Attended	NIL	NIL	Wife of Mr. Nariman Medhora & Mother of Mr. Fredun Medhora
2.	Mr. Fredun Medhora	September 15, 2006	Managing Director	Attended	NIL	NIL	Son of Mr. Nariman Medhora & Dr. (Mrs.) Daulat Medhora
3.	Mr. Nariman Medhora	September 30, 2015	Whole Time Director	Attended	NIL	NIL	Husband of Dr. (Mrs.) Daulat Medhora & Father of Mr. Fredun Medhora

4.	Dr. Aspi Raimalwala	September 30, 2015	Non-Executive Independent Director	Attended	NIL	NIL	None
5.	Dr. C.K. Shah	September 30, 2015	Non-Executive Independent Director	Attended	NIL	NIL	None
6.	Dr. Rohinton Kanga	September 30, 2015	Non-Executive Independent Director	Attended	NIL	NIL	None

*** Excludes Directorships in Indian private limited Companies, foreign Companies, Companies under Section 8 of the Companies Act, 2013**

**** Represents memberships / chairmanships of Audit Committee & Stakeholders Relationship Committee.**

1. Chairmanship / Membership of Committee includes Audit Committee and Stakeholders' Relationship Committee of Indian Public Limited Companies excluding Fredun Pharmaceuticals Limited.

2. All the Directors of the Company comply with the requirements of the Directorship as stipulated under Regulation 17A and Regulation 26(1) of Securities and Exchange Board of India (Listing Obligation Disclosure Requirement) Regulation, 2015. The Directors have made necessary disclosures regarding their Directorship / committee position to the Company.

v. Number of Shares and other Convertible Instruments held by Non- Executive Directors:

Dr. Rohinton Kanga holds 500 Equity Shares and Dr. Aspi Raimalwala holds 8,061 Equity Shares of the Company as on March 31, 2020. Apart from them no other Non-Executive Directors hold any Shares of the Company. The Company has not issued any convertible instruments during the financial year ended March 31, 2020.

3. INDEPENDENT DIRECTORS

Independent Directors play a significant role in the governance process of the Board. By virtue of their varied experience and expertise, they enrich the Board's decision making and prevent possible conflicts of interest that may emerge in such decision-making.

The appointment of Independent Directors is carried out in a structured manner in accordance with the provisions of the Act and the SEBI Listing Regulations.

During the year 2019-20, as per the requirement of Schedule IV of the Companies Act, 2013 and SEBI Listing Regulations, 2015; two separate meeting of Independent Directors was held on 10th June, 2019 and 11th November, 2019 without the presence of the Non – Independent Directors and the Members of the Management. The Meeting was conducted in an informal manner to enable the Independent Directors to discuss and review the performance of the Chairperson of the Company and for assessing the quality, quantity and timeliness of flow of information between the Company's Management and the Board.

The Independent Directors have also confirmed that they meet the criteria of independence as laid down under the Companies Act, 2013 and the SEBI Listing Regulations, as amended.

Confirmation as regards independence of Independent Directors have been duly obtained from them and taken on record.

In the opinion of the Board, all the Independent Directors fulfill the criteria relating to their independence as specified in the SEBI Listing Regulations and the Companies Act, 2013 and are independent of the Management.

4. COMMITTEES OF BOARD

The Company has 3 (Three) Board Level Committees to focus on critical functions of the Company and also for smooth and efficient business operations. viz., Audit Committee, Nomination & Remuneration Committee, Stakeholders' Relationship Committee. The Committees meet at regular intervals for deciding various matters and providing directions and authorizations to the management for its implementation. Minutes of the proceedings of each committee meeting are circulated to the members of that Committee for their comments and thereafter, confirmed and signed by the Chairperson of the respective Committee. The Board also takes note of minutes of the meetings of the Committees duly approved by their respective Chairman and the material recommendations / decisions of the Committees are placed before the Board for approval / information. The Company Secretary acts as the Secretary to these Committees.

Details on role and composition of these Committees, including number of meetings held during FY 2019-20 and the related attendance are provided below:

A. Audit Committee:

The Audit Committee of the Company is constituted in line with the provisions of Section 177 of the Companies Act, 2013; read with Regulation 18 of SEBI Listing Regulations, 2015. The Audit Committee invites such of the Executives, as it considers appropriate, representatives of the Statutory Auditors to attend the meeting.

During FY 2019-20, the Audit Committee met 5 times, on April 09, 2019; June 10, 2019; August 13, 2019; November 11, 2019; and February 12, 2020. The requisite quorum was present at all the meetings. The Chairman of the Committee was present at the last Annual General Meeting of the Company held on September 24, 2019.

Sr. No.	Name of Director	Position	Category	No. of Audit Committee Meetings attended
1.	Dr. C. K. Shah	Chairman	Non-Executive Independent Director	5 out of 5
2.	Dr. Rohinton Kanga	Member	Non-Executive Independent Director	5 out of 5
3.	Mr. Fredun Medhora	Member	Managing Director	5 out of 5

Note (*) - The Meeting of the Audit Committee was scheduled on May 30, 2019 but got cancelled due to urgent and unavoidable medical emergency of Whole Time Director, the Meeting was rescheduled to June 10, 2019.

The Audit Committee of the Company is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process and inter alia, performs the following functions:

- Overview of the Company's financial reporting process and the disclosure of its Financial Information to ensure that the financial statements reflect a true and fair position and that sufficient and credible information are disclosed;
- Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services;
- Discussion with the external auditors before the audit commences, of the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- Reviewing the financial statements and draft audit report, including the quarterly/half yearly financial information;
- Reviewing with the management the annual financial statements before submission to the Board, focusing primarily on;
- Any changes in accounting policies and practices;
- Major accounting entries based on exercise of judgment by management;
- Qualifications in Draft Audit Report;

- Significant adjustments arising out of audit;
- The going concern assumption;
- Compliance with Accounting Standards;
- Compliance with Stock Exchange and legal requirements concerning Financial Statements;
- Any Related Party Transactions as per Accounting Standard 18;
- Reviewing the Company's financial and Risk Management Policies;
- Disclosure of Contingent Liabilities;
- Reviewing with the management External and Internal auditors, and the adequacy of Internal Control Systems;
- Looking into the reasons for substantial defaults in payments to the Depositors, Debenture Holders, Shareholders (in case of non-payment of declared dividends) and creditors.

B. Nomination and Remuneration Committee ("NRC"):

The NRC of the Company is constituted in line with the provisions of Section 178 of the Companies Act, 2013; read with Regulation 19 of the SEBI Listing Regulations, 2015. The terms of reference of the NRC includes various matters in conformity with the statutory guidelines including the following:

- To formulate criteria for determining qualifications, positive attributes and independence of a Director;
- To formulate criteria for evaluation of performance of Independent Directors and the Board of Directors;
- The remuneration / compensation / commission etc. to Directors will be determined by the Committee and shall be recommended to the Board for approval;
- Recommend to the Board a policy for selection and appointment of Directors, Key Managerial Personnel and other Senior Management positions;
- Formulate and review criteria for evaluation of performance of Independent Directors;
- Succession planning for replacing Key Executives and overseeing;
- Such other matters as the Board may from time to time request the Remuneration Committee to examine and recommend / approve and / or enforced by any statutory notification, amendment or modification, as may be applicable.

During Financial Year 2019-20, the NRC met two times on April 09, 2019 and November 11, 2019. The requisite quorum was present at all the meetings. The Chairman of the NRC was present at the last Annual General Meeting of the Company held on September 24, 2019.

Sr. No.	Name of Director	Position	Category	No. of NRC Meetings attended
1.	Dr. Rohinton Kanga	Chairman	Non-Executive Independent Director	2 out of 2
2.	Dr. Aspi Raimalwala	Member	Non-Executive Independent Director	2 out of 2
3.	Dr. C. K. Shah	Member	Non-Executive Independent Director	2 out of 2

Performance Evaluation of Independent Directors

The Performance Evaluation criteria for Independent Directors are determined by the NRC. An indicative list of factors that may be evaluated include participation and contribution by a Director, commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behaviour and judgment.

C. Stakeholders Relationship Committee ("SRC"):

The SRC of the Company is constituted in line with the provisions of Section 178(2) of the Companies Act, 2013; read with Regulation 20 of the SEBI Listing Regulations, 2015.

The terms of reference of the SRC, *inter-alia*, includes the following:

- The Stakeholders Relationship Committee of the Board is empowered to oversee the redressal of Investors Complaint(s), Share transfers, Non-Receipt of Annual Report, Dividend payment, Issue of Duplicate Certificate, Transmission (with and without legal representation) of Shares and other miscellaneous complaints;
- Reviewing of Investors Complaints and take necessary steps for redressal thereof;
- To perform all functions relating to the interest of the stakeholders of the Company as may be required by the provisions of the Companies Act., 2013 and the rules made thereunder.

During Financial Year 2018-19, the SRC met twice on May 02, 2019 and May 27, 2019. The requisite quorum was present at all the meetings. The Chairman of the SRC was present at the last Annual General Meeting of the Company held on September 24, 2019.

Sr. No.	Name of Director	Position	Category	No. of SRC Meetings attended
1.	Dr. C. K. Shah	Chairman	Non-Executive Independent Director	2 out of 2
2.	Dr. Rohinton Kanga	Member	Non-Executive Independent Director	2 out of 2
3.	Dr. (Mrs.) Daulat Medhora	Member	Non-Executive Independent Director	2 out of 2

Contact details of the Compliance Officer / Company Secretary

Ms. Ankita Joshi Company Secretary Cum Compliance Officer	<u>Address:</u> 26, Manoj Industrial Premises, G.D. Ambekar Marg, Wadala, Mumbai 400 031	<u>Email:</u> ankita.joshi@fredungroup.com
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All grievances received from the shareholders of the Company are being redressed expeditiously and satisfactorily at utmost priority, by the Secretarial Department and the RTA of the Company.

Details of Shareholders' Complaints Received, Solved and Pending during FY 2019-20

Number of complaints received so far	Nil
Number of complaints solved to the satisfaction of Shareholders	Nil
Number of pending complaints	Nil

5. GENERAL BODY MEETING

The details of the Shareholder's Meeting(s) held during the preceding 3 Financial Years:

Sr. No.	Type of Meeting	Date & Time	Location	Details of Special Resolution passed
1.	32nd Annual General Meeting	Thursday, September 24, 2019 at 09:00 A.M.	Ramee Guest Line Hotel, Naigaum Cross Road, Dadar Plot No 3, Kohinoor Road, Dadar, Mumbai – 400014	To Ratify the remuneration of the Cost Auditor
2.	31st Annual General Meeting	Thursday, September 27, 2018 at 09:00 A.M.	Hotel Avon Ruby at 87, Naigaum Cross Road, Near Dadar Railway Station, Dadar East, Mumbai - 400014	To Reappoint Mr. Nariman Medhora (DIN: 02060357), as Whole-time Director of the Company To Transact with Related Parties under Section 188 of the Companies Act, 2013 To increase the Borrowing Limit u/s 180(1) (c) of the Companies Act, 2013 upto Rs. 100 Crores

3.	30 th Annual General Meeting	Tuesday, September 28, 2017 at 9:30 A.M.	Ramee Guest Line, Hotel-Dadar Plot No. 3, Kohinoor Road, Dadar Mumbai-400014.	<p>Increase the Authorised Share Capital from Rs. 6 crores to Rs. 10 crores</p> <p>Appointment of Mr. Fredun Medhora (DIN 01745348) as the Managing Director of the Company</p> <p>Appointment of Dr. (Mrs.) D. N. Medhora (DIN 01745277) as the Whole Time Director designated as Joint Managing Director of the Company</p>
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6. POSTAL BALLOT

During the year 2019-20, no Postal Ballot was conducted.

7. MANAGING DIRECTOR / WHOLE TIME DIRECTOR

Mr. Nariman Medhora was appointed as the Whole Time Director of the Company by the shareholders of the Company at the 31st Annual General Meeting of the Company held on September 27, 2018 for the period of three years i.e. upto June 4, 2021.

Mr. Fredun Medhora was appointed as the Managing Director of the Company by the shareholders of the Company at the 30th Annual General Meeting of the Company held on September 28, 2017 for the period of three years i.e. upto October 14, 2020.

Dr. (Mrs.) D.N. Medhora was appointed as the Joint Managing Director of the Company by the shareholders of the Company at the 30th Annual General Meeting of the Company held on September 28, 2017 for the period of three years i.e. upto December 31, 2020.

As per their terms of appointment the remuneration comprises of a salary and other benefits of Rs. 24,00,000/- (Rupees Twenty-Four Lacs) per annum as salary with Medical Expenses of Rs. 60,000/- per annum and Leave Travel concession of Rs. 60,000/- per annum to Mr. Fredun Medhora and Rs. 13,20,000/- (Rupees Thirteen Lakhs Twenty thousand only) per annum as salary with Medical Expenses of Rs. 80,000/- per annum and Leave Travel concession of Rs. 80,000/- per annum to Mr. Nariman Medhora and Rs. 12,00,000/- (Rupees Twelve Lacs) per annum as salary with Medical Expenses of Rs. 20,000/- per annum and Leave Travel concession of Rs. 25,000/- per annum to Dr. (Mrs) Daulat Medhora with authority to the Board or to a committee thereof to fix the remuneration within the maximum permissible limit.

Service of the Managing Director and the Whole Time Directors may be terminated by either party giving the other party two months' notice or the Company paying two months' salary in lieu thereof. There are no separate provisions for the payment of severance fees.

8. MEANS OF COMMUNICATION

The quarterly / half yearly and annual results of the Company	Published in National English newspaper as well as newspaper published in vernacular language of the region where the Registered Office of the Company is situated, namely the Business Standard and Mumbai Lakshadeep.
All the Shareholders' information	Such information is made available on the Company's website at www.fredungroup.com wherein there is a separate dedicated Section named as ' Investor Relations '
The Quarterly Results, Shareholding Pattern, Quarterly Compliances and all other Corporate communication during the year ended March 31, 2020	Filed electronically with BSE through BSE Listing Centre & also placed on the website of the Company at www.fredungroup.com

All material information including declaration of Financial Results; Press Releases, Presentations made to Institutional Analyst or Investors etc.	<p>The Company has promptly reported to the Stock Exchange(s) where Shares of the Company are listed, viz. BSE Limited ("BSE").</p> <p>Such information is also simultaneously displayed on the Company's website at www.fredungroup.com</p>
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Certain rights that a shareholder in the Company enjoys:

- To transfer the shares.
- To receive the Share Certificates upon transfer within the stipulated period prescribed in the Act.
- To receive Notice of General Meetings. Annual Report, the Balance Sheet and Profit and Loss Account and the Auditor's Report.
- To appoint proxy to attend and vote at the General Meetings.
- To attend and speak in person, at General Meetings.
- To vote at the General Meeting on show of hands wherein every shareholder has one vote. In case of vote on poll, the number of votes of a shareholder is proportionate to the number of Equity Shares held by him.
- To demand poll along with other Shareholder(s) who collectively holding shares on which an aggregate sum of not less than five lakh rupees or are not less than 1/10th of the total voting power in respect of any resolution.
- To requisite an Extraordinary General Meeting of the Company by shareholders who collectively hold not less than 1/10th of the total paid-up capital of the Company.
- To move amendments to resolutions proposed at Meetings.
- To receive Dividend and other Corporate benefits like Rights, Bonus Shares etc. as and when declared / announced.
- To inspect various Registers of the Company.
- To inspect the Minute Books of General Meetings & to receive copies thereof after complying with the procedure prescribed under the Companies Act, 2013.
- To appoint or remove Director(s) and Auditor(s) and thus participate in the management through them.
- To proceed against the Company by way of Civil or Criminal Proceedings.
- To apply for the Winding-up of the Company.
- To receive the residual proceeds upon Winding-up of the Company.

9. GENERAL SHAREHOLDER INFORMATION

a) Annual General Meeting ("AGM") for the Financial Year 2019-20:

Day and Date	Monday, September 28, 2020
Time	11: 00 A.M.
Venue	Through Video Conferencing (VC)/ Other Audio Visual Means (OAVM)
Financial Year	The financial year of the Company is April to March.
Board Meeting for consideration of accounts	29th July , 2020
Dividend Rate	6.6% on the Face value
Dividend Payment Date	September 21 , 2020 (If Dividend payment is approved at the ensuing 33rd AGM)
Book Closure Dates	September 22, 2020 to September 28, 2020

b) Stock Exchanges where the securities of the Company are listed:

Name of the Stock Exchange	Scrip Code	Listing date
BSE Limited Address: Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001.	539730	March 21, 2016

Annual Listing Fees for the FY 2019-20 has been paid to the BSE Limited on 28th July, 2020

Names of Depositories in India for dematerialisation of Equity Shares - ISIN NO. INE194R01017.

Sr. No	Particulars
1.	National Securities Depository Limited (NSDL) ISIN No. INE194R01017
2.	Central Depositories Services (India) Limited (CDSL) ISIN No. INE194R01017

c) Dividend details:

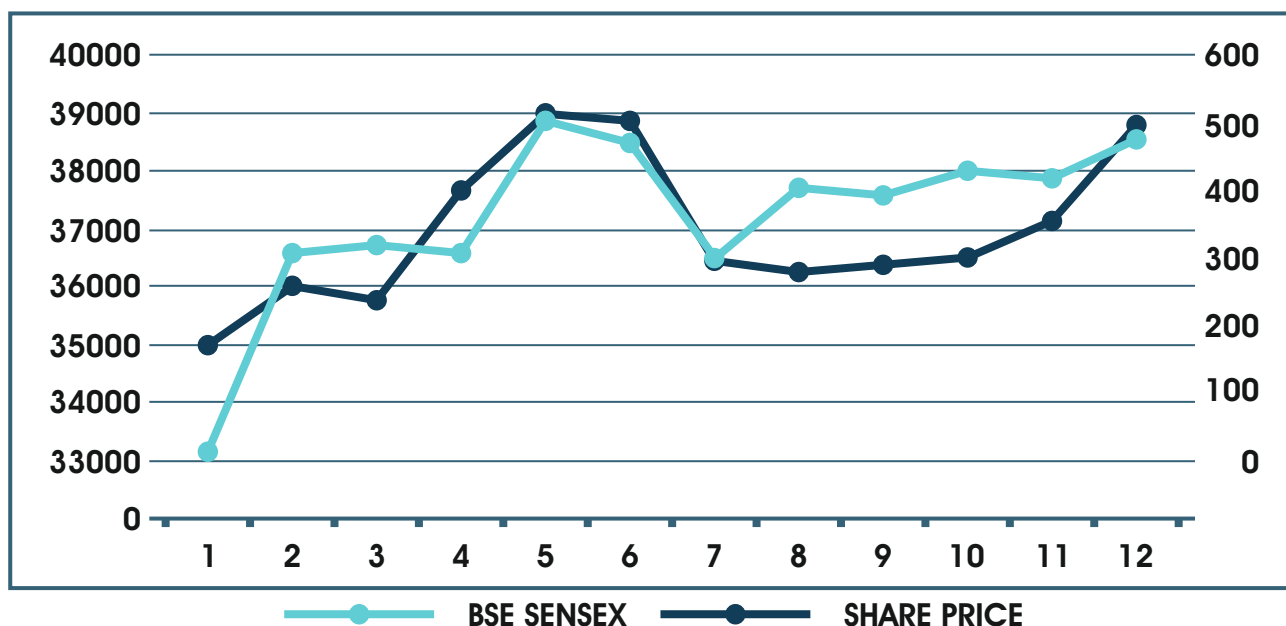
The Board has recommended Dividend at the rate of 6.6% on the Equity Shares of the Company at the Face Value of Rs. 10/- each; for the Financial Year 2019-20 and is put for shareholder's approval.

Further, your Company had declared dividend of 6.5 % for the Financial Year 2017-18 and Financial Year 2018-19 on the Face value of Rs. 10/- each on the shares of the Company in the Annual General Meeting held on September 27, 2018 and in the Annual General Meeting held on September 24, 2019 respectively.

As per the provisions of the Companies Act, 2013 and rules made thereunder your Company had paid the dividend as per the records of the shareholders available with the Company by / on or before the specified date. The amount laying in the Dividend account as unclaimed / unpaid dividend was transferred to Unpaid Dividend Account of the Company and the list of the shareholders (whose dividend is pending) with all the information thereon is made available on the website of the Company at www.fredungroup.com

d) Market price data-monthly high-low of the closing price on the BSE during the period from April 2019 to March 2020 is given below:

Month	High Price	Low Price
April 2019	148.40	400.95
May 2019	500.00	380.05
June 2019	490.00	395.05
July 2019	433.95	281.30
August 2019	300.00	183.00
September 2019	288.95	205.00
October 2019	261.40	204.00
November 2019	273.00	200.20
December 2019	238.00	196.55
January 2020	244.00	197.15
February 2020	219.00	165.00
March 2020	178.80	103.00

e) Performance in comparison of Share price of the Company with BSE Sensex is as follows:**f) Registrar to an Issue and Share Transfer Agents:**

For acknowledgement of transfer deeds and any other documents or for any Grievances / Complaints, kindly contact at the following address:

Mr. Vinayak Karande

Purva Sharegistry (India) Pvt. Ltd.,
 9, Shiv Shakti Ind. Estate, J R Boricha Marg,
 Off N. M. Joshi Marg, Near Lodha Excelus,
 Lower Parel (E), Mumbai 400 011
 Tel No.: 2301 826 1 / 2301 6761
 E-mail: busicomp@vsnl.com

g) Share Transfer System:

The Company's Shares which are in Demat form are transferable through the depository system. Shares in physical form are processed by the Registrars and Share Transfer Agents, Purva Sharegistry (India) Pvt. Ltd., and approved by the Stakeholders Relationship Committee of the Company or authorized officials of the Company. The Share transfers are processed within a period of 15 days from the date of receipt of the transfer documents by Purva Sharegistry (India) Pvt. Limited.

Further, as per the SEBI revised circular on the said matter Physical Shares cannot be transferred after March 31, 2020 except in the case of Transmission. Thus, each and every shareholder holding shares in Physical form are requested to Dematerialize their shares in order to trade in the securities.

h) Details of Shareholding as on March 31, 2020:**I. Directors Share Holding**

Shareholding of Nominal Value	No. of Shareholders	% of Total no. of Shareholders	Amount (in Rs.)	% to Total Capital
1-5000	1114	75.37	15,17,280	3.80
5001-10000	173	11.71	14,45,030	3.62
10001-20000	64	4.33	10,06,400	2.52
20001-30000	29	1.96	7,24,980	1.82
30001-40000	13	0.88	4,39,910	1.10
40001-50000	19	1.29	8,78,800	2.20
50000-100000	25	1.69	19,88,580	4.98
100001 and above	41	2.77	3,18,95,360	79.95
Total	1478	100	3,98,96,340	100

II. Shareholding Pattern as on March 31, 2020

Category of Shareholders	Number of Shares	Percentage Holding
Promoters and Promoter Group	20,76,110	52.04
Bodies Corporate	1,16,210	2.91
Limited Liability Partnership (LLP)	879	0.01
Banks and Financial Institutions	75,000	1.88
NRI	72,440	1.82
Foreign Institutional Investor	49,134	1.23
HUF	36,150	0.91
Others - Resident Individuals	15,63,181	39.18
Others - Clearing Members	597	0.01

III. Directors Share Holding

Sr. No.	Name of the Directors	Number of Shares held
1.	Dr. (Mrs.) Daulat Medhora	13,40,710
2.	Mr. Nariman Medhora	5,75,300
3.	Mr. Fredun Medhora	1,60,100
4.	Dr. Aspi Raimalwala	8,061
5.	Dr. Chandrakant K. Shah	Nil
6.	Dr. Rohinton Kanga	500
Total		20,84,610

I) Dematerialization of Shares:

As on March 31, 2020; 3865464 shares (approx. 96.40%) of the total Equity Share Capital of the Company are held in dematerialized form with National Securities Depository Limited and Central Depository Services (India) Limited.

i) Outstanding GDRS / ADRS / Warrants / Convertible Instruments as on March 31, 2020:

The Company has not issued any GDRs / ADRs / warrants or any other convertible instrument(s).

j) Plant Location:

The Company has the following manufacturing and Operating sites:

Palghar

14, 15, 16 Zorabian Industrial Complex,
Veoor, Palghar (East) - 401 404
Maharashtra State, India

k) Address for Correspondence:

Ms. Ankita Joshi
Company Secretary Cum Compliance Officer
26, Manoj Industrial Premises
G. D. Ambekar Marg, Wadala
Mumbai – 400 031
Tel. No. +91 22 4031 8111
Email id.: ankita.joshi@fredungroup.com
Website: www.fredungroup.com

l) Corporate Identity Number (CIN):

The Company is registered with the Registrar of Companies Mumbai, Maharashtra. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is **L24239MH1987PLC043662**.

m) Pledging of Shares:

During the year 2019-20, 1,15,000 shares have been pledged by the promoters of your Company.

10. STATUS OF THE COMPLIANCE IN RESPECT OF NON-MANDATORY REQUIREMENTS

- a. **Chairperson of the Board:** The Executive Chairperson does not maintain any separate office for the Company.
- b. **Remuneration Committee:** Details are given under the heading "Remuneration Committee".
- c. **Shareholder's Right:** Details are given under the heading "Means of communication".

11. AUDIT QUALIFICATIONS

During the year under review, there was no qualification in the Auditor's Report on the Company's financial statements.

12. RECONCILIATION AUDIT

Mr. Rajendra R. Vaze (FCS No. 4847 CP No. 1975) Practicing Company Secretary have carried out Reconciliation Audit to reconcile the total admitted Equity Share Capital with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the Total Issued and Listed Equity Share Capital. The Reconciliation Audit Report confirms that the Total Issued / Paid-Up Capital is in agreement with the total number of Shares in physical form and the total number of Dematerialised Shares held with NSDL and CDSL.

13. SECRETARIAL AUDIT

Mr. Rajendra R. Vaze (FCS No. 4847 CP No. 1975) Practicing Company Secretary have conducted the Secretarial Audit of the Company for the Financial Year 2019 - 2020. Their Audit Report confirms that the Company has complied with the applicable provisions of the Companies Act, 2013 and the rules made there under, Listing Agreements with the Stock Exchange, Listing Regulations, applicable SEBI Regulations and other Laws applicable to the Company. The Secretarial Audit Report forms part of the Board's Report.

14. REQUEST TO SHAREHOLDERS

Shareholders are requested to follow the general procedure / steps as detailed hereunder thus enabling the Company to serve them efficiently and avoid any risks while dealing in the securities of the Company.

- **Demat of Shares:**

Shareholders are requested to convert their physical holding to demat / electronic form through any of the DPs to avoid any possibility of loss, mutilation etc., of physical share certificates and also to ensure safe and speedy transaction in securities. Any investor who is desirous of transferring shares (which are held in physical form) after April 01, 2020 can do so only after the shares are dematerialized, except for transmission (i.e., transfer of title of shares by way of inheritance / succession) transposition (i.e., re-arrangement / interchanging of the order of name of shareholders) cases.

- **Registration of Electronic Clearing Service (ECS) mandate:**

SEBI has made it mandatory for all Companies to use the bank account details furnished by the Depositories for payment of Dividend through ECS to investors wherever ECS and bank details are available. The Company will not entertain any direct request from Members holding shares in electronic mode for deletion of / change in such bank details. Members who wish to change such bank account details are therefore requested to advise their DPs about such change, with complete details of bank account.

ECS helps in quick remittance of Dividend without possible loss / delay in postal transit. Shareholders, who have not earlier availed this facility, are requested to register their ECS details with the STA or their respective Dps.

- **Consolidation of multiple folios:**

Shareholders, who have multiple folios in identical names, are requested to apply for consolidation of such folios and send the relevant share certificates to the Company.

- **Registration of Nominations:**

Section 72 of the Act, 2013 provides facility for making nominations by shareholders in respect of their holding of shares. Such nomination greatly facilitates transmission of shares from the deceased shareholder to his / her nominee without having to go through the process of obtaining succession certificate / probate of the Will, etc.

It would therefore be in the best interest of the shareholders holding shares in physical form registered as a sole holder to make such nominations. Shareholders, who have not availed nomination facility, are requested to avail the same by submitting the nomination in Form SH-13. This form will be made available on request. Investors holding shares in demat form are advised to contact their DPs for making nominations.

- **Updation of address:**

Shareholders are requested to update their addresses registered with the Company, directly through the STA, to receive all communications promptly.

Shareholders, holding shares in electronic form, are requested to deal only with their DPs in respect of change of address and furnishing bank account number, etc.

- **SMS Alerts:**

Shareholders are requested to note that NSDL and CDSL have announced the launch of SMS alert facility for demat account holders whereby shareholders will receive alerts for debits / credits (transfers) to their demat accounts a day after the transaction. These alerts will be sent to those account holders who have provided their mobile numbers to their DPs. No charge will be levied by NSDL / CDSL on DPs providing this facility to investors. This facility will be available to investors who request for the same and provide their mobile numbers to the DPs. Further information is available on the website of NSDL and CDSL namely www.nsdl.co.in and www.cdslindia.com

- **Timely encashment of Dividends:**

Shareholders are requested to encash their Dividend Warrants promptly to avoid hassles of revalidation.

As required by SEBI, shareholders are requested to furnish details of their bank account number and name and address of the bank for incorporating the same in the warrants.

Shareholders are requested to note that the Dividends, not claimed for a period of seven years from the date they first became due for payment, shall be transferred to IEPF in terms of Section 124(6) of the Act, 2013 read with Investor Education & Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

15. OTHER DISCLOSURE

- **Materially Significant Related Party Transactions**

There are no transactions of material nature other than reported under "Related Party Disclosures" that have been entered into by the Company with the Promoters, Directors, their relatives and the Management and in any Company in which they are interested and that may have potential conflict with the interest of the Company.

All details relating to financial and commercial transactions where Directors may have a pecuniary interest are provided to the Board and the interested Directors neither participate in the discussion, nor do they vote on such matters.

The Company has formulated a policy on dealing with Related Party Transactions. The policy is available on the website of the Company at www.fredungroup.com

- **Code of Conduct for prevention of Insider Trading**

The Company has duly adopted and have revised and updated Policy on Prevention of Insider Trading as required by every Listed Company under Regulation 9(1) of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

All the Directors and Key Managerial Personnel of the Company as on March 31, 2020; along with their immediate Relatives, have disclosed their Shareholding in the Company and their acts are in compliance with the provisions of the said Code of the Company. The policy is available on the website of the Company at www.fredungroup.com

- **Policy on Leak of Unpublished Price Sensitive Information**

The Company had formulated and adopted Policies and Procedures for Inquiry in Case of Leak of or Suspected Leak of Unpublished Price Sensitive Information under Regulation 9A (5) of the Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018.

The Company endeavour to follow Good Corporate Governance Practices and thus take every step to ensure that no unfair trade practices are carried on in the Company or by any Personnel of the Company. The policy is available on the website of the Company at www.fredungroup.com

- **Vigil Mechanism**

The Company has a duly adopted Whistle Blower Policy and established a Vigil Mechanism in line with the provisions of SEBI Listing Regulations, 2015 and Companies Act, 2013; which aims to provide a mechanism to the employees and Directors of the Company to report instances of unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy.

It is affirmed that no personnel of the Company have been denied access to the Chairman of the Audit Committee during the Financial Year 2019-20. The policy is available on the website of the Company at www.fredungroup.com

- **Code of Conduct of the Company**

All the Directors and Senior Management Personnel of the Company have affirmed that they adhere to the Code of Conduct of the Company in true letter and spirit and have given Declaration that they abide by the Code for the year ended March 31, 2020. The Company has framed the policy on Code of Conduct for Director and Senior Management which is available on the website of the Company at www.fredungroup.com

- **Policy on Preservation of Documents and Records**

The Company has adopted and adhere to the Policy on Preservation of Documents and Records; pursuant to Regulation 9 read with Regulation 30(8) of SEBI Listing Regulations, 2015. The policy is available on the website of the Company at www.fredungroup.com

- **Compliance Status**

As part of Good Corporate Governance practices all the compliance requirements as per sub-para (2) to (10) of Part C of Schedule V of the SEBI Listing Regulations, 2015; have been complied with by the Company.

- **Compliance Certificate**

The Statutory Auditors/practising Company Secretary have certified that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulation and the same forms part of this report.

**By Order of the Board
For Fredun Pharmaceuticals Limited
Sd/-**

Ankita Joshi

Company Secretary Cum Compliance Officer

Place: Mumbai

Date: 29th July, 2020

CORPORATE GOVERNANCE CERTIFICATE

Fredun Pharmaceuticals Ltd. Annual Report 2019-2020

CERTIFICATE OF COMPLIANCE OF THE CORPORATE GOVERNANCE REQUIREMENTS

Under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

To the Members of Fredun Pharmaceuticals Limited,

1. We have examined the compliance of the conditions of Corporate Governance by Fredun Pharmaceuticals Limited ("**the Company**") for the year March 31, 2020 as stipulated in relevant Regulations 17 to 27 and Regulation 46 and Para C, D, and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "**SEBI Listing Regulations, 2015**").
2. The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an Audit nor an expression of an opinion on the Financial Statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, 2015 for the year ended March 31, 2020.
4. We further state that such Compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**For Rajendra And Co.
Company Secretaries**

**CS. Rajendra R. Vaze
FCS 4247; CP 1975**

**Place: Mumbai
Dated: August 14, 2020**

UDIN No F004247B000581571

MANAGING DIRECTOR/ CFO CERTIFICATE

Fredun Pharmaceuticals Ltd. Annual Report 2019-2020

MANAGING DIRECTOR/ CFO CERTIFICATE

To,

The Board of Directors

Fredun Pharmaceuticals Limited

1. We have reviewed financial statements and the cash flow statement of Fredun Pharmaceuticals Limited for the year ended 31st March, 2020 and to the best of our knowledge and belief:
 - i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. These are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
4. We have indicated to the Auditors and the Audit Committee:
 - i) That there are no significant changes in internal control over financial reporting during the year;
 - ii) That there are no significant changes in accounting policies during the year; and
 - iii) That there are no instances of significant fraud of which we have become aware.
5. We further declare that all Board Members and senior management personnel have affirmed compliance with the code of conduct and Ethics for the year covered by this report.

Sd/-

Fredun Medhora

Managing Director

Date: July 29, 2020

INDEPENDENT AUDITOR'S REPORT

Fredun Pharmaceuticals Ltd. Annual Report 2019-2020

TO the Members of **FREDUN PHARMACEUTICALS LTD.**

Report on the Ind AS Financial Statements

1. Opinion

We have audited the accompanying Financial Statements of **FREDUN PHARMACEUTICALS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including comprehensive income), Cash Flow Statement and the statement of changes in Equity for the year then ended and summary of significant accounting policies and other explanatory information, (herein referred to as "Ind AS Financial Statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date

2. Basis for Opinion

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

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Standalone Financial Statements and our auditor's report thereon. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

4. Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

5. Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

As part of an audit in accordance with SAs specified under section 143(10), we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

- v) Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication

II. Report on Other Legal and Regulatory Requirements

A. As required by Section 143(3) of the Act, based on our audit we report that:

- i. 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
- ii. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- iii. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account
- iv. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014
- v. On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- vi. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure A**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.
- vii. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

viii. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

- a. The Company has disclosed the impact of pending litigations on its financial position in its Financial Statements
- b. The company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
- c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

B. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "**Annexure B**" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For SAVLA & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REG. NO – 109361W

Place: Mumbai
Date: 29th July, 2020

DEEPAK G. SAVLA
(PARTNER)
Membership No.: 043901



Annexure A to the Auditors Report

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

We have audited the internal financial controls over financial reporting of FREDUN PHARMACEUTICALS LTD. ("the Company") as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that

receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For SAVLA & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REG. NO – 109361W**

**Place: Mumbai
Date: 29th July, 2020**

**DEEPAK G. SAVLA
(PARTNER)
Membership No.: 043901**



Annexure B to the Auditors Report

The Annexure as referred in paragraph 1 under 'Report on Legal and Regulatory Requirements' of our Independent Auditors Report to the members of the Company on the financial statements, for the year ended 31 March 2020, we report that:

(i) Fixed Assets

- (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.
- (b) During the year, the Property, Plant and Equipment of the company have been physically verified by the management as per the regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. As informed, no material discrepancies were noticed on such verification.
- (c) The title deeds of the immovable properties are partially held by the company and partially mortgage. Details of the same are attached herewith marked as 'Annexure C'

(ii) Inventories

- (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable
- (b) On the basis of our examination of the records of inventory, we are of the opinion that the company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.

(iii) Loans Granted

The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon

- (iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.
- (v) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from public within the meaning of directives issued by Reserve Bank of India and the provisions of Section 73 to 76 of the Companies Act, 2013 or any other relevant provisions of Companies Act and the Rules framed there under. Hence the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company in respect of products where the maintenance of cost records has been specified by the Central Government under sub – section (1) of Section 148 of the Act and the rules framed there under and we are of the opinion that prima facie, the prescribed accounts and records have been maintained. However, we have not made detailed examination of cost records with a view to determine whether they are accurate or complete.

(vii) Statutory Dues

- (a) According to the records of the company, the company is generally regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees' state insurance, income-tax, Goods and Service tax, duty of customs, cess and any other material statutory dues applicable to it.

- (b) According to the records of the company, there are no dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax, Goods and Service tax which has not been deposited on account of any dispute.
- (viii) Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and term loans were applied for the purposes for which those are raised.
- (x) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanation given to us, we have neither come across instance of material fraud or on the company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instances by the management.
- (xi) According to the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act
- (xii) In our opinion and according to the information and explanation given to us, the company is not a chit fund or a nidhi mutual benefit fund/society. Therefore, the provisions of clause 4 (xii) of the Companies (Auditors Reports) Order, 2013 are not applicable to the company.
- (xiii) According to the information and explanations given by the management and based on our examination of records of the company, transaction entered into by the company with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable.
- The details of related party transaction have been disclosed in the financial statement as required under Indian Accounting Standards (Ind AS) 24, Related party Disclosures specified under section 133 of the Act, read with relevant rules issued thereunder
- (xiv) Based on our audit procedures and on the information and explanations given by the management, the company has not made preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For SAVLA & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REG. NO – 109361W

Place: Mumbai
Date: 29th July, 2020

DEEPAK G. SAVLA
(PARTNER)
Membership No.: 043901

BALANCE SHEET

Fredun Pharmaceuticals Ltd. Annual Report 2019-2020

Standalone Balance Sheet for the year ended 31 March, 2020

		Notes	As at 31 March, 2020	As at 31 March, 2019
I	ASSETS			
	NON-CURRENT ASSETS			
a)	Property, Plant and Equipment	3	30,92,66,071.32	31,32,63,659.73
b)	Capital Work-in-Progress		-	-
c)	Other Intangible Assets	4	4,12,281.79	2,74,077.55
d)	Financial assets		-	-
i)	Investments	5	27,600.00	27,600.00
ii)	Loans		-	-
iii)	Other Financial Assets	6	58,41,237.53	56,37,926.46
e)	Other Non-current Assets	7	50,00,000.00	47,00,000.00
	Total non - current assets		32,05,47,190.64	32,39,03,263.74
	CURRENT ASSETS			
a)	Inventories	8	50,46,16,744.00	40,78,00,520.00
b)	Financial Assets		-	-
i)	Investments	9	4,90,000.00	30,000.00
ii)	Trade and other receivables	10	32,79,43,995.54	17,78,20,947.49
iii)	Cash and Cash Equivalents	11	2,75,26,127.55	92,88,720.05
iv)	Bank Balance other than (iii) above	12	30,64,450.42	53,78,544.77
iv)	Loans	13	15,37,503.30	12,84,876.41
v)	Other Financial Assets	14	1,68,948.35	4,01,873.34
c)	Other Current Assets	15	14,57,42,772.72	12,31,86,755.56
	Total current assets		1,01,10,90,541.88	72,51,92,237.62
	TOTAL ASSETS		1,33,16,37,732.52	1,04,90,95,501.36
II	EQUITY AND LIABILITIES			
	EQUITY			
a)	Equity share capital	16	3,98,96,346.00	3,98,96,346.00
b)	Other equity	17	37,33,16,851.80	34,99,95,743.31
	Total Equity		41,32,13,197.80	38,98,92,089.31

LIABILITIES				
Non-Current Liabilities				
a)	Financial liabilities			
	i) Borrowings	18	11,49,58,423.25	10,63,90,789.38
b)	Provisions	19	1,63,09,257.00	1,08,35,440.00
c)	Other non - current liabilities		-	-
d)	Deferred Tax Liability		94,06,562.00	79,18,416.00
Total non current - liabilities			14,06,74,242.25	12,51,44,645.38
Current Liabilities				
a)	Financial liabilities			
	i) Borrowings	20	23,40,63,992.35	8,63,18,736.95
	ii) Trade and other payable	21	44,18,84,561.36	33,70,44,204.98
	iii) Other financial liabilities	22	1,85,831.42	23,54,732.19
b)	Provisions		-	-
c)	Other current liabilities	23	7,59,28,549.34	8,69,96,634.55
d)	Current tax liabilities (net)	24	2,56,87,358.00	2,13,44,458.00
Total current liabilities			77,77,50,292.47	53,40,58,766.67
TOTAL EQUITY & LIABILITIES			1,33,16,37,732.52	1,04,90,95,501.36
	Significant accounting policies	2		
	The accompanying notes form an integral part of these Financial Statements			
	Notes (Including Significant Accounting Policies) Forming Part of the Financial Statements	1		
	The above Balance Sheet should be read in conjunction with the accompanying notes.			

As per our attached report of even date.

For Savla & Associates
Chartered Accountants
Firm Registration No - 109361W

Deepak G. Savla
Partner
Membership No - 043901
UDIN No. :20043901AAAACS1805

Place - Mumbai.
Date :- 29th July 2020.

For and on behalf of the Board of Directors of
Fredun Pharmaceuticals Limited

CIN No - L24239MH1987PLC043662
For Fredun Pharmaceuticals Limited

Dr. (Mrs) Daulat N. Medhora
Joint Managing Director
DIN : 01745277

MR. Fredun N. Medhora
Managing Director & CFO
DIN : 01745348

Place - Mumbai.
Date :- 29th July 2020.

PROFIT AND LOSS STATEMENT

Fredun Pharmaceuticals Ltd. Annual Report 2019-2020

Standalone Statement of Profit and Loss for the year ended 31 March, 2020

	Notes	As at 31 March, 2020	As at 31 March, 2019
I Revenue			
Revenue from Operations	25	1,10,29,85,701.22	95,40,72,440.31
Other Operating Revenue	26	2,47,27,889.49	1,60,84,435.75
Other income	27	51,71,307.88	38,47,030.41
Total Income		1,13,28,84,898.59	97,40,03,906.47
II Expenses			
Cost of materials consumed	28	85,18,41,702.71	65,95,82,135.35
Cost of materials consumed for R & D	29	67,22,396.00	-
Changes in inventories of raw materials, packing materials, stock in trade and work in progress	30	-5,04,27,405.00	-6,08,03,821.80
Manufacturing & Service Cost	31	5,28,88,651.99	4,18,18,381.80
Employee benefit Exp.	32	8,94,76,744.02	8,04,03,080.66
Finance Cost	33	4,41,38,636.69	3,09,62,289.15
Depreciation and amortisation expense	34	1,87,87,338.70	1,33,00,917.00
Operating and other expenses	35	9,40,10,103.53	14,63,72,643.68
Payment to Auditors		5,00,000.00	7,50,000.00
Impairment loss / (reversal)			
Total Expenses		1,10,79,38,168.64	91,23,85,625.84
III Profit before exceptional items and tax		2,49,46,729.95	6,16,18,280.63
Exceptional Items		-	-
IV Profit before tax from continuing operations		2,49,46,729.95	6,16,18,280.63
V Tax Expenses:			
Current Tax		44,39,400.00	1,71,89,000.00
Deferred Tax		-14,88,146.00	1,71,178.00
VI Profit for the year from continuing operations		1,90,19,183.95	4,46,00,458.63
VII Profit before tax from discontinued operations		-	-
VIII Tax expenses of discontinued operations		-	-
IX Profit for the year from discontinued operations		-	-

X	Net Profit for the year		1,90,19,183.95	4,46,00,458.63
XI	Other Comprehensive Income			
A	Items that will not be classified to profit and loss			
	i) Re measurement of post - employment benefit obligations		-	-
	ii) Income tax related to items that will not be reclassified to profit and loss		-	-
B	Items that will be reclassified to profit and loss		-	-
XII	Total Comprehensive Income for the year		-	-
XIII	Earning per equity share (Face value of Rs. 10/- each)	36		
	Earning per equity share of continuing operations		4.77	11.59
	Basic and diluted (in Rs.)			
	Earning per equity share of discontinued operations			
	Basic and diluted (in Rs.)		-	-
	Earning per equity share of continuing and discontinued operations		4.77	11.59
	Basic and diluted (in Rs.)			
	Significant accounting policies	2		
	The accompanying notes form an integral part of these Financial Statements			

As per our attached report of even date.

For Savla & Associates
Chartered Accountants
Firm Registration No - 043901

Deepak G. Savla
Partner
Membership No – 043901
UDIN No. :20043901AAAACS1805

Place - Mumbai.
Date :- 29th July 2020.

For and on behalf of the Board of Directors of
Fredun Pharmaceuticals Limited

CIN No - L24239MH1987PLC043662
For Fredun Pharmaceuticals Limited

Dr. (Mrs) Daulat N. Medhora **MR. Fredun N. Medhora**
Joint Managing Director **Managing Director & CFO**
DIN : 01745277 **DIN : 01745348**

Place - Mumbai.
Date :- 29th July 2020.

FIXED ASSETS

Fredun Pharmaceuticals Ltd. Annual Report 2019-2020

Notes to Standalone financial statements for the year ended 31 March, 2020

Note - 3

Property, plant and equipment

Description	Freehold Land	Buildings	Plant and Machinery	Computer / Hardware
Gross Block				
Balance as at 01 April, 2018	52,35,279.00	4,26,96,264.94	7,65,02,925.35	15,90,456.00
Additions	-	14,82,54,150.94	1,16,05,830.00	3,38,467.00
Disposals	-	-	-	-
Balance as at 31 March, 2019	52,35,279.00	19,09,50,415.88	8,81,08,755.35	19,28,923.00
Gross Block				
Balance as at 01 April, 2019	52,35,279.00	19,09,50,415.88	8,81,08,755.35	19,28,923.00
Additions	-	18,33,261.00	1,00,25,431.00	4,18,182.00
Disposals	-	-	-	-
Balance as at 31 March, 2020	52,35,279.00	19,27,83,676.88	9,81,34,186.35	23,47,105.00
Accumulated Depreciation				
Balance as at 01 April, 2018	-	37,41,243.66	75,92,858.97	10,21,609.04
Depreciation for the year	-	18,82,172.00	45,53,883.00	4,41,438.00
Balance as at 31 March, 2019	-	56,23,415.66	1,21,46,741.97	14,63,047.04
Accumulated Depreciation				
Balance as at 01 April, 2019	-	56,23,415.66	1,21,46,741.97	14,63,047.04
Depreciation for the year	-	67,38,773.64	50,21,191.44	2,07,553.96
Balance as at 31 March, 2020	-	1,23,62,189.30	1,71,67,933.41	16,70,601.00
Net Block value as at 31 March 2019				
	52,35,279.00	18,53,27,000.22	7,59,62,013.38	4,65,875.96
Net Block value as at 31 March 2020				
	52,35,279.00	18,04,21,487.58	8,09,66,252.94	6,76,504.00

Notes to Standalone financial statements for the year ended 31 March, 2020

Note - 3

Property, plant and equipment

Description	Furniture and fixtures	Factory Equipment	Electrical Fittings	Electrical Installation
Gross Block				
Balance as at 01 April, 2018	1,16,17,291.95	5,67,686.62	24,70,034.70	2,38,80,756.51
Additions	5,28,500.00	-	-	-
Disposals	-	-	-	-
Balance as at 31 March, 2019	1,21,45,791.95	5,67,686.62	24,70,034.70	2,38,80,756.51
Gross Block				
Balance as at 01 April, 2019	1,21,45,791.95	5,67,686.62	24,70,034.70	2,38,80,756.51
Additions	2,20,946.00	18,01,971.53	-	2,01,050.00
Disposals	-	-	-	-
Balance as at 31 March, 2020	1,23,66,737.95	23,69,658.15	24,70,034.70	2,40,81,806.51
Accumulated Depreciation				
Balance as at 01 April, 2018	21,34,922.60	2,10,754.60	4,70,677.81	52,10,194.34
Depreciation for the year	13,15,578.00	95,837.00	2,58,072.00	25,59,878.00
Balance as at 31 March, 2019	34,50,500.60	3,06,591.60	7,28,749.81	77,70,072.34
Accumulated Depreciation				
Balance as at 01 April, 2019	34,50,500.60	3,06,591.60	7,28,749.81	77,70,072.34
Depreciation for the year	13,45,762.71	3,18,284.17	2,57,690.07	25,69,734.77
Balance as at 31 March, 2020	47,96,263.31	6,24,875.77	9,86,439.88	1,03,39,807.11
Net Block value as at 31 March 2019				
	86,95,291.35	2,61,095.02	17,41,284.89	1,61,10,684.17
Net Block value as at 31 March 2020				
	75,70,474.64	17,44,782.38	14,83,594.82	1,37,41,999.40

Notes to Standalone financial statements for the year ended 31 March, 2020

Note - 3

Property, plant and equipment

Description	Lab Glassware	Motor Car	Office Premises	Office Equipment
Gross Block				
Balance as at 01 April, 2018	38,76,432.98	87,50,531.84	79,71,981.52	2,98,114.37
Additions	12,25,000.00	7,95,043.00	-	-
Disposals	-	-	-	-
Balance as at 31 March, 2019	51,01,432.98	95,45,574.84	79,71,981.52	2,98,114.37
Gross Block				
Balance as at 01 April, 2019	51,01,432.98	95,45,574.84	79,71,981.52	2,98,114.37
Additions	1,27,113.00	-	-	35,000.00
Disposals	-	-	-	-
Balance as at 31 March, 2020	52,28,545.98	95,45,574.84	79,71,981.52	3,33,114.37
Accumulated Depreciation				
Balance as at 01 April, 2018	6,14,656.22	15,91,271.60	7,24,241.94	88,764.58
Depreciation for the year	4,67,532.00	10,31,675.00	4,05,079.00	59,122.00
Balance as at 31 March, 2019	10,82,188.22	26,22,946.60	11,29,320.94	1,47,886.58
Accumulated Depreciation				
Balance as at 01 April, 2019	10,82,188.22	26,22,946.60	11,29,320.94	1,47,886.58
Depreciation for the year	5,09,335.06	10,58,575.59	4,05,078.78	61,345.13
Balance as at 31 March, 2020	15,91,523.28	36,81,522.19	15,34,399.72	2,09,231.71
Net Block value as at 31 March 2019				
	40,19,244.76	69,22,628.24	68,42,660.58	1,50,227.79
Net Block value as at 31 March 2020				
	36,37,022.70	58,64,052.65	64,37,581.80	1,23,882.66

Notes to Standalone financial statements for the year ended 31 March, 2020

Note - 3

Property, plant and equipment

Description	Electronic Devices	Total
Gross Block		
Balance as at 01 April, 2018	5,64,910.00	18,60,22,665.78
Additions	10,66,850.00	16,38,13,840.94
Disposals	-	-
Balance as at 31 March, 2019	16,31,760.00	34,98,36,506.72
Gross Block		
Balance as at 01 April, 2019	16,31,760.00	34,98,36,506.72
Additions	-	1,46,62,954.53
Disposals	-	-
Balance as at 31 March, 2020	16,31,760.00	36,44,99,461.25
Accumulated Depreciation		
Balance as at 01 April, 2018	49,843.63	2,34,51,038.99
Depreciation for the year	51,542.00	1,31,21,808.00
Balance as at 31 March, 2019	1,01,385.63	3,65,72,846.99
Accumulated Depreciation		
Balance as at 01 April, 2019	1,01,385.63	3,65,72,846.99
Depreciation for the year	1,67,217.62	1,86,60,542.94
Balance as at 31 March, 2020	2,68,603.25	5,52,33,389.93
Net Block value as at 31 March 2019	15,30,374.37	31,32,63,659.73
Net Block value as at 31 March 2020	13,63,156.75	30,92,66,071.32

Notes to Standalone financial statements for the year ended 31 March, 2020

Note - 4

Other Intangible Assets

Description	Computer Software	Total
Gross Block		
Balance as at 01 April, 2018	10,09,191.39	10,09,191.39
Additions	2,93,875.00	2,93,875.00
Disposals	-	-
Balance as at 31 March, 2019	13,03,066.39	13,03,066.39
Gross Block		
Balance as at 01 April, 2019	13,03,066.39	13,03,066.39
Additions	2,65,000.00	2,65,000.00
Disposals	-	-
Balance as at 31 March, 2020	15,68,066.39	15,68,066.39
Accumulated Depreciation		
Balance as at 01 April, 2018	10,28,988.84	10,28,988.84
Depreciation for the year	-	-
Balance as at 31 March, 2019	10,28,988.84	10,28,988.84
Accumulated Depreciation		
Balance as at 01 April, 2019	10,28,988.84	10,28,988.84
Depreciation for the year	1,26,795.76	1,26,795.76
Balance as at 31 March, 2020	11,55,784.60	11,55,784.60
Net Block value as at 31 March 2019	2,74,077.55	2,74,077.55
Net Block value as at 31 March 2020	4,12,281.79	4,12,281.79

CASH FLOW STATEMENT

Fredun Pharmaceuticals Ltd. Annual Report 2019-2020

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2020.

	F.Y. 2019-2020	F.Y. 2018-2019
A) CASH FLOW FROM OPERATING ACTIVITIES:		
NET PROFIT BEFORE TAXATION	2,34,58,583.95	6,17,89,458.63
ADJUSTMENTS FOR :		
DEPRECIATION	1,87,87,338.70	1,33,00,917.00
INTEREST PAID	4,41,38,636.69	3,09,62,289.15
INTEREST RECEIVED	(6,77,023.50)	(4,94,547.33)
CREDITORS WRITTEN BACK	10,13,636.51	(55,63,845.83)
	6,32,62,588.40	3,82,04,812.99
	8,67,21,172.35	9,99,94,271.62
ADJUSTMENT TO OPERATING PROFIT		
PRIOR PERIOD ADJUSTMENTS		-
DEFERRED TAX LIABILITY	14,88,146.00	(1,71,178.00)
ADJUSTMENT FOR PROPOSED DIVIDEND TAX	-	-
ADJUSTMENT FOR TAX PROVISION	(44,39,400.00)	(1,71,89,000.00)
	8,37,69,918.35	8,26,34,093.62
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		
EFFECTS OF CHANGES IN WORKING CAPITAL ITEMS		
INCREASE / DECREASE IN :-		
INVENTORY	(9,68,16,224.00)	(22,35,46,690.14)
INVESTMENTS	(4,60,000.00)	(30,000.00)
TRADE RECEIVABLES	(15,01,23,048.05)	(2,52,28,509.27)
LOANS & ADVANCES	(2,52,626.89)	(4,28,063.80)
OTHER CURRENT ASSETS	(2,25,56,017.16)	(3,83,20,555.32)
OTHER FINANCIAL ASSETS	2,32,924.99	7,72,97,775.39
OTHER FINANCIAL ASSETS	(2,03,311.07)	(21,15,134.46)
TRADE PAYABLES	10,48,40,356.38	(5,21,64,776.65)
OTHER CURRENT LIABILITIES	(1,10,68,085.21)	7,36,71,547.42
OTHER NON CURRENT LIABILITIES		
OTHER NON CURRENT INVESTMENTS	-	(25,000.00)
SHORT TERM PROVISION	-	(1,60,19,717.56)
PROVISION FOR TAX	43,42,900.00	84,79,420.00
RESERVES & SURPLUS	(2,33,21,108.49)	(33,47,937.87)
SHARE PREMIUM (RESERVES & SURPLUS)	-	(8,04,10,142.26)
	(11,16,14,321.15)	22,23,951.36

INCREASE / DECREASE IN :-

LONG TERM LOANS & ADVANCES		-
LONG TERM PROVISIONS	54,73,817.00	1,08,35,440.00
	54,73,817.00	1,08,35,440.00
NET CASH FLOW FROM OPERATING ACTIVITIES	(10,61,40,504.15)	1,30,59,391.36
EFFECTS OF CHANGES IN NON CURRENT ITEMS		
OTHER NON CURRENT ASSETS	(3,00,000.00)	(47,00,000.00)
NET ADJUSTED CASH FLOW FROM OPERATING ACTIVITIES	(10,64,40,504.15)	83,59,391.36
B) CASH FLOW FROM INVESTING ACTIVITIES		
PURCHASE OF FIXED ASSETS	(1,49,27,954.53)	(16,40,14,641.16)
CAPITAL WORK IN PROGRESS	-	11,14,97,653.19
	(1,49,27,954.53)	(5,25,16,987.97)
	(12,13,68,458.68)	(4,41,57,596.61)
C) CASH FLOW FROM FINANCING ACTIVITIES		
INCREASE / DECREASE IN ISSUE OF SHARE CAPITAL	-	56,45,000.00
INCREASE / DECREASE IN LONG TERM BORROWINGS	85,67,633.87	7,38,77,365.05
INCREASE / DECREASE IN SHORT TERM BORROWINGS	17,31,99,387.66	(1,03,26,488.51)
INTEREST RECEIVED	6,77,023.50	4,94,547.33
INTEREST PAID	(4,41,38,636.69)	(3,09,62,289.15)
CREDITORS WRITTEN BACK	(10,13,636.51)	55,63,845.83
	13,72,91,771.83	4,42,91,980.55
NET INCREASE / DECREASE IN CASH	1,59,23,313.15	1,34,383.94
OPENING CASH & BANK BALANCE	1,46,67,264.82	1,45,32,880.88
CLOSING CASH & BANK BALANCE	3,05,90,577.97	1,46,67,264.82

For Savla & Associates
Chartered Accountants
Firm Registration No - 109361W

Deepak G. Savla
Partner
Membership No - 043901
UDIN No. :20043901AAAACS1805

Place - Mumbai
Date :- 29th July 2020.

For and on behalf of the Board of Directors of Fredun Pharmaceuticals Limited

CIN No - L24239MH1987PLC043662

For Fredun Pharmaceuticals Limited

Dr. (Mrs) Daulat N. Medhora

Joint Managing Director
DIN : 01745277

Mr. Fredun N. Medhora

Managing Director & CFO
DIN : 01745348

Note:-

- The above Cash Flow Statement has been prepared under the indirect method set out in the Indian Accounting Standard (Ind AS) - 7 on "Statement of Cash Flow".
- Direct taxes paid are treated as arising from operating activities and not bifurcated between investing and financing activities.
- Figures in Bracket sign indicate cash outflow.
- Previous year figures have been regrouped & recast, wherever necessary, to conform to the current year's classification.

NOTES TO FINANCIAL STATEMENTS

Fredun Pharmaceuticals Ltd. Annual Report 2019-2020

Notes to Standalone financial statements for the year ended 31 March, 2020

Particulars	As at 31 March, 2020	As at 31 March, 2019
Note - 5		
Investments: Non-Current		
Investments at Fair Value Through Other Comprehensive Income		
Unquoted		
SVC Bank Ltd. (260 Equity shares of Face value Rs. 10/- Each)	2,600.00	2,600.00
Saraswat Bank Ltd. (2500 Equity shares of Face value Rs. 10/- Each)	25,000.00	25,000.00
Total	27,600.00	27,600.00
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	27,600.00	27,600.00
Aggregate amount of impairment in the value of investments	-	-
Note - 6		
Other financial assets		
Unsecured, considered good unless otherwise stated		
Security Deposits		
Considered good	58,41,237.53	56,37,926.46
Considered doubtful	-	-
Less:- Allowance for doubtful deposits	-	-
Total	58,41,237.53	56,37,926.46
Note - 7	-	-
Other Non Current assets		
Capital Advances	50,00,000.00	47,00,000.00
Total	50,00,000.00	47,00,000.00
Note - 8		
Inventories		
(Valued at lower of cost and net realisable value)		
Raw Materials	24,13,67,894.00	21,33,84,662.00
Packing Materials	9,16,52,349.00	7,32,46,762.00
Work in Progress	9,27,51,125.00	6,36,56,778.00
Finished Product	7,88,45,376.00	5,75,12,318.00
Total	50,46,16,744.00	40,78,00,520.00

Notes to Standalone financial statements for the year ended 31 March, 2020

Note - 9		
Investments		
(Investments carried at fair value through profit and loss)		
Investment in Mutual Funds (Unquoted)		
2185.487 units (31 March, 2019: 213.356 Units) of Invesco-India Fund Multicap	1,00,000.00	10,000.00
177.668 units (31 March, 2019: Nil Units) of Franklin India Equity Fund	1,00,000.00	-
2606.514 units (31 March, 2019: Nil Units) of Kotak Emerging Equity	1,00,000.00	-
2074.123 units (31 March, 2019: 250.035 Units) of Nippon-India (Formerly Known as Reliance-Small Cap Fund)	80,000.00	10,000.00
1502.004 units (31 March, 2019: 118.442 Units) of Sundaram-Small Cap Fund	1,10,000.00	10,000.00
Total	4,90,000.00	30,000.00
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	4,90,000.00	30,000.00
Aggregate amount of impairment in the value of investments	-	-
Note - 10		
Trade Receivables		
Unsecured, considered good		
Trade Receivable Less Than Six Months	27,30,03,795.49	12,52,80,407.20
Trade Receivable More Than Six Months	5,49,40,200.05	5,25,40,540.29
Unsecured, considered doubtful		
Less:- Allowance for doubtful debts	-	-
Total	32,79,43,995.54	17,78,20,947.49
10.1 Balances of Trade Receivables are subject to confirmation and reconciliation and generally non interest bearing. The Trade Receivables has been pledged against the Term Loan taken from the Bank.		

Note - 11		
Cash and Cash Equivalents		
Cash	1,77,06,650.45	80,92,728.05
Balance with Banks		
In Current Accounts	98,19,477.10	11,95,992.00
Total	2,75,26,127.55	92,88,720.05

Notes to Standalone financial statements for the year ended 31 March, 2020

11.1 Cash at banks earns interest at floating rates based on time deposit rates. Short-term deposits are made for varying periods of between three months and twelve months, depending on the immediate cash requirements of the Company, and earn interest at the respective shortterm deposit rates. The deposits maintained by the company with banks comprises time deposits, which can be withdrawn by the company at any point without prior notice or penalty on the principal.		
11.2 There are no repatriation restrictions with regards to cash and cash equivalents		
Note - 12 - Bank balance other than cash and cash equivalents		
Earmarked Balances	1,38,935.42	4,01,514.42
Bank Deposits (With Original Maturity more than three months)	29,25,515.00	49,77,030.35
Total	30,64,450.42	53,78,544.77
Note - 13		
Loans (Short Term)		
Loans to Employees	15,37,503.30	9,12,119.30
Others	-	3,72,757.11
Total	15,37,503.30	12,84,876.41
Note - 14		
Other Financial Assets		
Other receivables		
Advance to Creditors	-	-
From others	1,68,948.35	4,01,873.34
Total	1,68,948.35	4,01,873.34
Note - 15		
Other Current Assets		
Receivable from the Party	-	15,413.00
Duty Draw Back Receivable	47,65,391.18	40,73,473.18
Central Excise P.L.A.	1,21,241.00	1,21,241.00
Central Excise Refund Receivable		
Others	27,17,398.00	5,87,881.08
Balance with Government Authorities:		
GST Receivable	12,24,61,669.79	10,19,41,024.55
VAT Receivable	83,48,226.72	1,03,57,291.72
TDS Receivable	73,28,846.03	60,90,431.03
Total	14,57,42,772.72	12,31,86,755.56

Notes to Standalone financial statements for the year ended 31 March, 2020

Particulars	As at 31 March, 2020	As at 31 March, 2019		
Note - 16				
Equity share capital				
1,00,00,000 (31 March, 2019 1,00,00,000) equity shares of Rs. 10 each	10,00,00,000.00	10,00,00,000.00		
Issued subscribed and fully paid-up share capital				
39,89,634 (31 March, 2019 - 39,89,634) equity shares of Rs. 10 each	3,98,96,346.00	3,98,96,346.00		
(a) Reconciliation of Equity shares outstanding at the beginning and at the end of the reporting period				
Particulars	As at 31 March, 2020	As at 31 March, 2019		
	Number	Amount	Number	Amount
Number of equity shares at the beginning of the year	39,89,634.00	3,98,96,346.00	34,25,135.00	3,42,51,346.00
Add - Further Issue	-	-	5,64,500.00	56,45,000.00
Number of equity shares at the end of the year	39,89,634.00	3,98,96,346.00	39,89,635.00	3,98,96,346.00
(b) Terms / rights attached to equity shares				
The company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the company's residual assets. The equity shares are entitled to received dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid - up equity capital of the company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid. Failure to pay any amount called up on shares may lead to forfeiture of the shares. On winding up of the company, the holders of equity shares will be entitled to received the residual assets of the company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.				
(c) Particulars of shareholders holding more than 5% of shares				
Particulars	As at 31 March, 2020		As at 31 March, 2019	
	Number	Percentage	Number	Percentage
Dr. (Mrs) Daulat N. Medhora	13,40,710.00	33.60%	13,40,710.00	33.60%
Mr. Nariman B. Medhora	5,75,300.00	14.42%	5,75,300.00	14.42%
Mr. Nikhil Vora	2,33,333.00	5.85%	2,33,333.00	5.85%
Particulars	As at 31 March, 2020	As at 31 March, 2019		
Note - 17				
Other Equity				
Reserves and Surplus				
Securities premium account				
Opening Balance	27,15,50,354.00	15,01,82,854.00		
Additions	-	12,13,67,500.00		
Closing Balance	27,15,50,354.00	27,15,50,354.00		
Retained earnings	10,17,66,497.80	7,84,45,389.31		
Total	37,33,16,851.80	34,99,95,743.31		

Notes to Standalone financial statements for the year ended 31 March, 2020

Note -18		
Borrowings: Non-current		
Term loan		
a) from banks	11,49,58,423.25	10,63,90,789.38
b) from other parties	-	-
Total	11,49,58,423.25	10,63,90,789.38
18.1 Term loans are secured against plant and machinery, stock and car.		
18.2 Average interest rate on loans is 18% p.a.		
Note - 19		
Long term provisions		
Long Term Loan		
Provisions for employee benefits:-		
Provisions for Gratuity	99,21,834.00	76,87,948.00
Provisions for Compensated Absences	63,87,423.00	31,47,492.00
Total	1,63,09,257.00	1,08,35,440.00
Note - 20		
Borrowings: Current		
Loans repayable on demand		
a) from banks	19,62,88,933.92	6,95,87,578.85
b) from other parties	1,88,81,789.37	1,28,45,623.19
c) from related parties	1,88,93,269.06	38,85,534.91
Total	23,40,63,992.35	8,63,18,736.95
20.1 Loan from related Party has been paid at par to the Market Lending Rate and which shall be repayable on demand. Details are given in note - Related party disclosures		
Note - 21		
Trade Payables		
Acceptances		
Total outstanding dues of micro and small enterprise (Refer Note - 41)	-	-
Total outstanding dues of creditors other than micro and small enterprise	44,18,84,561.36	33,70,44,204.98
Total	44,18,84,561.36	33,70,44,204.98
21.1 The Trade payable has been pledged against the Cash Credit from Bank.		
Note -22		
Other Financial liabilities: Current		
Current maturities of long-term debt	-	-
Unpaid dividends	1,85,831.42	23,54,732.19
Total	1,85,831.42	23,54,732.19

Notes to Standalone financial statements for the year ended 31 March, 2020

Note - 23		
Other current liabilities		
Advance from customers	10,00,000.00	-
Other Payable	-	11,43,860.00
Payable towards statutory dues		
ESIC	80,335.00	1,66,612.00
GST RCM Payable	-	18,512.00
Provident Fund	6,43,498.00	5,44,006.00
Tax Deducted at Source	37,66,844.00	45,98,501.00
Employees Professional Tax	1,10,265.00	38,890.00
Provisions for employee benefits:-		
Provisions for Compensated Absences		
Provisions for other employee benefits	1,12,33,123.18	85,16,459.00
Director's Remuneration Payable	7,61,957.00	2,72,560.00
Director's Rent Payable	8,27,391.00	2,82,580.00
Other provisions	82,58,143.87	54,34,516.87
Loans repayable on demand	4,92,46,992.29	6,59,80,137.68
Total	7,59,28,549.34	8,69,96,634.55
Note - 24		
Current tax liabilities		
Provision for tax	2,56,87,358.00	2,13,44,458.00
Total	2,56,87,358.00	2,13,44,458.00



Notes to Standalone financial statements for the year ended 31 March, 2020

Particulars	As at 31 March, 2020	As at 31 March, 2019
Note - 25		
Revenue from operations		
Sale of finished goods	1,10,29,85,701.22	95,40,72,440.31
Other operating revenue	0.00	0.00
Total	1,10,29,85,701.22	95,40,72,440.31
Note - 26		
Other operating revenue:-		
Duty drawback on exports	60,01,095.00	71,28,388.00
MEIS License sale	1,88,71,916.00	19,65,697.00
Rent Received	7,70,000.00	11,55,000.00
Sundry Creditor's Written off	-10,13,636.51	55,63,845.83
Sundry Income	98,515.00	2,71,504.92
Total	2,47,27,889.49	1,60,84,435.75
Note - 27		
Other Income		
Interest on:-		
Interest Income	677023.5	4,94,547.33
Discount Received	13,33,646.29	-25,690.60
Dividend Income	300.00	0.00
Misc. Other Income	1,55,544.00	0.00
Net gain / loss on account of foreign exchange fluctuations	23,06,894.09	-19,63,048.11
Provision for Doubtful Debts Recovered	6,97,900.00	29,19,304.85
Miscellaneous income	0.00	24,21,916.94
Total	51,71,307.88	38,47,030.41
Note - 28		
Cost of material consumed		
Material Consumed	85,18,41,702.71	65,95,82,135.35
Total	85,18,41,702.71	65,95,82,135.35
Note - 29		
Material Consumed for R & D		
Material Consumed	67,22,396.00	0.00
Total	67,22,396.00	0.00

Notes to Standalone financial statements for the year ended 31 March, 2020

Note - 30		
Changes in inventories of finished goods, stock-in-trade and work in progress		
Opening stock		
Finished goods / stock in trade	5,75,12,318.00	81,05,209.20
Work in progress	6,36,56,778.00	5,12,47,758.00
MEIS License	0.00	10,12,307.00
Closing stock		
Finished goods / stock in trade	7,88,45,376.00	5,75,12,318.00
Work in progress	9,27,51,125.00	6,36,56,778.00
Total	-5,04,27,405.00	-6,08,03,821.80
Note - 31		
Manufacturing & Service Cost		
Clearing & Forwarding Exp Inward	2,24,866.00	50,402.00
Electricity Expenses Factory	2,98,94,071.00	2,65,24,170.00
Factory Expenses	17,72,587.00	7,22,180.00
Fire Safety Expenses	5,000.00	0.00
Freight Inward	4,40,769.40	5,29,395.45
Lab Chemical Expenses	8,08,649.47	9,69,627.25
Labour Charges Expenses	25,71,730.00	46,37,911.40
Light Diesel Oil Purchase	4,97,350.60	2,40,000.00
Laboratory Items	1,16,600.00	0.00
Other R & D Exp.	7,55,977.32	0.00
Machinery Spares & Tools Exp.	67,42,213.87	29,65,177.64
Rent Plant & Machinery	0.00	8,68,000.00
Repairs & Maintenance Expenses	78,91,033.00	33,54,474.93
Testing & Analytical Expenses	6,11,529.33	5,61,486.13
Transport Expenses Inward	0.00	64,860.00
Loading & Unloading Expenses	5,56,275.00	3,30,697.00
Total	5,28,88,651.99	4,18,18,381.80
Note - 32		
Employee benefit expenses		
Gratuity	25,37,785.00	34,73,300.50
Labour Welfare Fund Employers Contribution	17,691.44	15,492.00
Bonus Expense	41,36,383.00	32,87,798.00
Medical Expenses	3,11,519.00	7,79,905.46
P F Administration Charges	1,60,363.00	1,18,029.00
ESIC	11,56,913.00	11,54,881.00
P F Employers Contribution	40,03,221.00	28,90,006.00
Salary Wages and Bonus	7,50,25,314.00	6,44,34,066.00
Staff Welfare	21,27,554.58	42,49,602.70
Total	8,94,76,744.02	8,04,03,080.66

Notes to Standalone financial statements for the year ended 31 March, 2020

Note - 33		
Bank Charges	19,42,145.46	60,83,453.14
Bank Interest	3,18,83,497.09	1,60,21,117.99
Interest Expense	89,40,367.16	38,40,302.18
Other Finance Charges	13,72,626.98	50,17,415.84
Total	4,41,38,636.69	3,09,62,289.15
Note - 34		
Depreciation and amortisation expense		
Depreciation and amortisation expense	1,87,87,338.70	1,33,00,917.00
Total	1,87,87,338.70	1,33,00,917.00
Note - 35		
Operating and other expenses		
Air Freight	50,65,573.00	82,37,946.00
Books & Periodicals	0.00	24,488.00
Baddebts Written Off	0.00	18,35,477.39
Business Promotion expenses	37,000.00	23,80,826.00
Computer Software Expenses	1,60,727.00	2,70,162.96
Computer Expenses	7,61,371.26	10,48,934.23
Conveyance Expenses	3,10,535.05	2,42,184.08
Courier Charges	5,56,610.68	5,30,873.59
Catering Charges	0.00	21,60,000.00
Clearing & Forwarding Exp Outward	23,94,570.97	35,55,246.30
Commission expenses	72,40,540.00	1,12,08,816.00
Consumable Purchase Exp.	93,37,400.19	79,44,811.99
Credit Card Charges	6,04,175.11	39,295.48
Directors Sitting Fees	70,002.00	61,800.00
Donation Expenses	60,801.00	69,302.00
ECGC Expenses	5,11,509.00	11,73,351.68
Electricity Expenses	6,25,227.97	7,34,740.10
Electrical Fitting Exp.	3,46,824.00	8,17,347.45
Electrical Tools & Spares	4,43,835.59	26,11,205.44
Electronic Devices Exp.	2,82,507.00	80,200.00
Earlier Year Exp. Written Off	0.00	17,51,259.39
Furniture Exp.	4,74,868.94	13,89,126.50
GST Late Filing Fees	12,300.00	48,200.00
Hire Charges	4,34,628.00	4,14,386.00
Interest on TDS	6,07,023.00	2,46,919.00
Interest on Late Payment of ESIC Employer's Contribution	0.00	7,192.00
Late Fees for Late filing of Employees Professional Tax	12,200.00	0.00
Late filing Fees on Service Tax	15,400.00	0.00

Notes to Standalone financial statements for the year ended 31 March, 2020

Internet Rental Charges	0.00	38,500.00
Listing Fees	3,87,602.00	5,77,600.00
License Renewal Fees	4,01,683.90	7,05,231.95
Legalization Charges	2,09,470.00	0.00
Membership & Subscription	30,644.58	59,322.00
Miscellaneous Expenses	3,48,449.17	1,82,231.56
Management Fees	22,000.00	1,000.00
Market Research Exp.	40,000.00	0.00
Motor Car Expenses	1,66,250.70	4,47,369.72
Newspaper & Magazines	0.00	25,328.00
Nagar Parishad Palghar	2,53,804.00	13,05,781.00
Printing & Stationery Expenses	15,48,852.40	21,22,138.50
Product Development Charges	57,31,703.15	55,38,485.64
Professional Fees	1,17,78,721.22	1,53,74,689.60
Provision for Doubtful Debts	0.00	1,98,53,648.26
ROC Expenses	8,400.00	45,000.00
Rates , Taxes And Fees	6,37,869.10	17,41,136.91
Rent Expenses	1,38,91,040.00	1,35,49,780.00
Security Charges Expenses	22,04,302.00	21,89,665.00
Stampduty on Mortgage of Assets	1,70,000.00	14,05,300.00
Telephone expenses	12,08,452.78	9,15,098.43
Travelling Expenses	75,53,970.54	52,36,585.70
Office Expenses	26,86,642.24	36,46,764.05
Advertisement Expenses	3,50,236.72	1,70,809.00
Product Seminar Charges	15,04,572.26	65,94,134.23
Repair and Maintenance	0.00	5,950.00
Insurance Charges	5,30,961.78	28,51,972.50
Sales Promotion expenses	26,73,253.79	23,91,421.85
Sample expenses	0.00	200.00
Freight Outward expenses	40,24,756.12	32,58,751.63
Sea Freight	25,98,414.40	48,51,635.32
Penalties	0.00	13,62,353.00
Product Registration	6,56,595.84	6,34,436.49
Other Charges	0.00	7,235.00
Round off	-22.72	0.00
Issuer Annual Bill -CDSL	9,000.00	0.00
Transport Expense	11,999.80	0.00
Incidental Charges	12,33,042.00	0.00
Machinery Spare and Tools	35,700.00	0.00
CSR Activity Expense	7,36,106.00	0.00
Fuel Surcharge	0.00	3,98,996.76
Total	9,40,10,103.53	14,63,72,643.68

Notes to Standalone financial statements for the year ended 31 March, 2020

Notes:-		
i) Payment to Auditors		
Audit fees	3,00,000.00	2,50,000.00
Taxation matters	1,00,000.00	1,50,000.00
Other matters	50,000.00	1,50,000.00
Certification Charges	50,000.00	2,00,000.00
Total	5,00,000.00	7,50,000.00
Note - 36		
Earnings per equity share		
Calculation of weighted average number of equity shares		
Number of equity shares outstanding at the beginning of year	39,89,634.00	34,25,135.00
Number of equity shares outstanding at the end of the year	39,89,634.00	39,89,634.00
Weighted average number of equity shares outstanding during the year	39,89,634.00	38,48,510.00
Earnings per equity share of continuing operations (of Rs. 10/- each)		
Profit after tax of continuing operations	1,90,19,183.95	4,46,00,458.63
Basic and diluted (in Rs.)	4.77	11.59



Note (a): Equity Share Capital (Refer note - 16)

Particulars	Amount			
As at 01 April, 2018	3,42,51,346.00			
Changes in equity share capital during the year	56,45,000.00			
As at 31 March, 2019	3,98,96,346.00			
As at 01 April, 2019	3,98,96,346.00			
Changes in equity share capital during the year	-			
As at 31 March, 2020	3,98,96,346.00			

Note (b): Other equity (Refer note - 17)

Particulars	Capital Reserve	Securities Premium	Retained Earnings	Total
Balance as at 01 April, 2018	-	15,01,82,854.00	3,69,71,368.55	18,71,54,222.55
Profit for the year	-	-	4,46,00,458.63	4,46,00,458.63
Premium for the year	-	12,13,67,500.00	-	12,13,67,500.00
Forfeited shares Amount	-	-	-	-
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	-	-
Dividend on Equity Shares incl Dividend distribution tax	-	-	-31,26,437.87	-31,26,437.87
Forfeited shares amount treated as income for the year				
Balance as at 31 March, 2019	-	27,15,50,354.00	7,84,45,389.31	34,99,95,743.31
Profit for the year	-	-	1,90,19,183.95	1,90,19,183.95
Other comprehensive income for the year	-	-	-	-
Add Back the Excess Provision	-	-	43,01,924.54	43,01,924.54
Total comprehensive income for the year	-	-	-	-
Dividend on Equity Shares incl Dividend distribution tax	-	-	-	-
Forfeited shares amount treated as income for the year				-
Balance as at 31 March, 2020	-	27,15,50,354.00	10,17,66,497.80	37,33,16,851.80
Nature and purpose of reserves :-				

Securities Premium

Securities Premium reserve is used to record the premium on issue of shares which is utilised in accordance with the provisions of The Companies Act, 2013

The above statement of changes in equity should be read in conjunction with the accompanying notes.

As per our attached report of even date.

For Savla & Associates
Chartered Accountants
Firm Registration Number - 109361W

Deepak Savla
Partner
Membership No 043901
UDIN No. :20043901AAAACS1805

Mumbai

For and on behalf of the Board of Directors of Fredun Pharmaceuticals Limited
CIN No - L24239MH1987PLC043662
For Fredun Pharmaceuticals Limited

Dr. (Mrs) Daulat N. Medhora
Joint Managing Director
DIN : 01745277

MR. Fredun N. Medhora
Managing Director & CFO
DIN :01745348

Date :- 29th July 2020.

Notes to Standalone Balance Sheet for the year ended 31 March, 2020

Note - 37								
A. Accounting classification and fair values								
The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities if the carrying amount is a reasonable approximation of fair value								
31 Mar 20	Carrying Value				Fair Value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets								
Security deposits	-	-	58,41,237.53	-	-	-	-	-
Investments	4,90,000.00	-		-	4,90,000.00	-	-	4,90,000.00
Trade and other Receivable	-	-	32,79,43,995.54	-	-	-	-	-
Cash and cash equivalents	-	-	3,05,90,577.97	-	-	-	-	-
Other bank balance	-	-		-	-	-	-	-
Loans	-	-	15,37,503.30	-	-	-	-	-
Other financial assets	-	-	1,68,948.35	-	-	-	-	-
Financial Liabilities	-	-	-	-	-	-	-	-
Long terms loans	-	-	11,49,58,423.25	-	-	-	-	-
Short terms loans	-	-	23,40,63,992.35	-	-	-	-	-
Trade and other payables	-	-	44,18,84,561.36	-	-	-	-	-
31 Mar 20	Carrying Value				Fair Value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets								
Security deposits	-	-	56,37,926.46	-	-	-	-	-
Trade and other Receivable	-	-	17,78,20,947.49	-	-	-	-	-
Cash and cash equivalents	-	-	1,46,67,264.82	-	-	-	-	-
Financial Liabilities	-	-	-	-	-	-	-	-
Long terms loans	-	-	10,63,90,789.38	-	-	-	-	-
Short terms loans	-	-	8,63,18,736.95	-	-	-	-	-
Trade and other payables	-	-	33,70,44,204.98	-	-	-	-	-

Notes to Standalone Balance Sheet for the year ended 31 March, 2020

Note - 38

Financial instruments - Risk management

The Company's activities expose it to a variety of financial risk, including market risk, credit risk and liquidity risk. The company's primary risk management focus is to minimize potential adverse effect of market risk on its financial performance. The Company's risk management assessment, policies and process are established to identify and analyze the risk faced by the company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and process are reviewed regularly to reflect changes in market conditions and the company's activities. The Board of Directors and the Audit Committee is responsible for overseeing the company's risk assessment and management policies and processes

Financial risk management

The company has exposure to the following risks arising from financial instruments

1. Credit risk
2. Liquidity risk and
3. Market risk

I. Credit risk

Credit risk is the risk of financial loss to the company if a customer or counter party to a financial instrument fails to meet its contractual obligations, and arises principally from the company's receivables from customers. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the company grants credit terms in normal course of business. The company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments

Trade and other receivable

The company's exposure to credit risk is influenced mainly by the individual characteristic of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the company grants credit terms in the normal course of business.

Summary of the Company's exposure to credit risk by age of the outstanding from various customers is as follows (before allowance for the doubtful debts):-

Notes to Standalone Balance Sheet for the year ended 31 March, 2020

Particulars	As at 31 March, 2020	As at 31 March, 2019
Neither past due nor impaired		
Past due but not impaired		
Past due 1 - 90 days	16,37,81,199.97	5,82,35,151.57
Past due 91 - 180 days	10,92,22,595.52	6,70,45,255.63
Past due 181 - 270 days	3,66,03,913.12	4,58,154.40
Past due 271 - 360 days	45,82,520.40	2,90,24,342.58
Past due more than 360 days	1,37,53,766.62	2,30,58,043.31
	32,79,43,995.63	17,78,20,947.49

Expected credit loss assessment

Exposure to customers outstanding at the end of each reporting period are reviewed by the company to determine and expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macro economic indicators affecting customers of the company have not undergone any substantial change, the company expects the historical trend of minimal credit losses to continue. Further, management believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full, based on historical payment behaviour and extension analysis of customer credit risk. The impairment loss at 31 March, 2020 related to several customers that have defaulted on their payments to the company and are not expected to be able to pay their outstanding balances, mainly due to economic circumstances.

Cash and cash equivalents

The company held cash and cash equivalents and other bank balances with credit worthy banks and financial institutions of Rs. 3,05,90,577.97/- (31 March, 2019 Rs. 1,46,67,264.82/-). The credit worthiness of such banks and financial institutions is evaluated by the management on an ongoing basis and is considered to be good.

ii. Liquidity risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they become due. The company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the company's reputation

AS on 31 March, 2020 the company has working capital of Rs. 23,33,40,249.41/- (As on 31 March, 2019 Rs. 19,11,33,470.95/-) including cash and cash equivalents and other bank balances of Rs. 3,05,90,577.97/- (Rs. 31 March, 2019 Rs. 1,46,67,264.82/-). Working capital is calculated as current assets less current liabilities.

Notes to Standalone Balance Sheet for the year ended 31 March, 2020

iii. Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates, foreign currency exchanges rates) or in the prices of market risk - sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk - sensitive financial instruments, all foreign currency receivables and payables and all short term and long - term debt. The Company is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of its investments. Thus, the Company's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currencies

A. Currency risk

The fluctuations in foreign currency exchange rates may have potential impact on the profit and loss account, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the entity

Considering the countries and economic environment in which the company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in USD against the respective functional currency of the company.

As of March 31, 2020, the Company's exposure to foreign currency risk, expressed in INR, is given in the table below. The amounts represent only the financial assets and liabilities that are denominated in currencies other than the functional currency of the Company.

Financial instruments	Exposure to USD expressed in Rs.	
	As at 31 March, 2020	As at 31 March, 2019
Trade receivable	3,50,86,346.12	11,19,79,779.13
Trade payable	1,48,27,214.00	1,71,16,360.00
Net exposure to foreign currency risk	2,02,59,132.12	9,48,63,419.13

B. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Notes to Standalone Balance Sheet for the year ended 31 March, 2020

Note - 39

Related party relationships, transaction and balances

The table provides the information about the Group's structure including Key Management Personnel and Business Organisation controlled by Key Management Personnel or their relatives. The following table provides the total amount of transaction that have been entered into with related parties for the relevant financial year

A. Related parties and nature of relationship where control exist (upto 31 March, 2020)

Key Management Personnel :

- i) Mr. Nariman B. Medhora
- ii) Dr. (Mrs) Daulat N. Medhora
- iii) Mr. Fredun N. Medhora

B. Business Organisation controlled by Key Management Personnel or their relatives :

- i) Fredna Enterprise
- ii) Fredun Healthcare Pvt. Ltd.
- ii) Fredun Healthcare Pvt. Ltd.

Details of transactions entered into with the related parties for the relevant financial year

Transaction	Key Managerial Personnel	Fredna Enterprise	Fredun Healthcare Pvt. Ltd
Director Remuneration for the year	49,20,000.00	-	-
Purchase Made from Fredun Healthcare Pvt Ltd.	-	-	16,90,84,453.00
Rent paid to Mr Nariman B. Medhora for utilizing a godown office proprietary firm	-	1,15,20,000.00	-
Purchase Made from Fredna Enterprises	-	19,65,000.00	-

Note - 40

Segment reporting

Chief Operating Decision maker (CODM) reviews the company as Single Pharmaceutical formulation Segment. Information with respect to Geographical areas are as below:

Particulars	31 Mar 20		31 Mar 19	
	Domestic	Export	Domestic	Export
Revenue from operations	75,68,59,884.04	34,61,25,817.18	54,65,83,846.83	40,74,88,593.48
Total	75,68,59,884.04	34,61,25,817.18	54,65,83,846.83	40,74,88,593.48

Particulars	31 Mar 20		31 Mar 19	
	Domestic	Imports	Domestic	Imports
Purchase	88,84,14,616.71	1,65,38,301.00	80,31,03,105.69	1,92,06,298.00
Total	88,84,14,616.71	1,65,38,301.00	80,31,03,105.69	1,92,06,298.00

* Revenue information above is based on the locations of the customers

Notes to Standalone Balance Sheet for the year ended 31 March, 2020

Note - 41

Events after the Reporting Period:

1. There are no significant subsequent events that would require adjustments or disclosures in the financial statements as on the balance sheet date except Point No 2 below.
2. The proposed dividend of Rs. 0.66 per Share is recommended by the Board which is subject to the approval of shareholders in the ensuing Annual General Meeting.

Note - 42

Figures For the previous year have been re-grouped/re-arranged wherever necessary to conform current year's classification.

Note - 43

Dues to micro and small enterprise

Under the Micro Small and Medium Enterprise Act, 2006 (MSMED) which came into force from October 2, 2006 certain disclosures are required to be made relating to with Micro Small and Medium enterprises. On the basis of the information and records available with the Management, the company is in process to comply the list of its sundry creditors who satisfy this criterion of said act.

44. Contingent Liabilities

The company does not have any contingent liability as at 31st March, 2020

45. Capital Commitments

The company does not have any capital commitments as at 31st March, 2020

46. Non-cancellable Operating Leases

The Company has taken various residential/office premises/factory godowns under operating lease or leave and license agreement with no restrictions and are renewable/ cancellable at the option of either of the parties. There are no sub-leases. The lease payments recognised under "Rent Expenses" are:

Rental expense relating to Operating Leases

Transaction	Year ended 31 March, 2020	Year ended 31 March, 2019
RENT EXPENSE	1,38,91,040.00	1,35,49,780.00
Total rental expense relating to Operating Leases	1,38,91,040.00	1,35,49,780.00

Notes to Standalone Balance Sheet for the year ended 31 March, 2020

47. Earnings Per Share (EPS)

Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
A. Basic Earnings Per Share		
i. Net Profit attributable to Equity Shareholders	1,90,19,183.95	4,46,00,458.63
ii. Weighted average number of Equity Shares Outstanding (Nos.)	39,89,634.00	38,48,510.00
Basic and Diluted EPS (Rs) (i)/(ii)	4.77	11.59

48. Capital Management

The company's objective while managing capital are:

1. Safeguard its ability to continue as a going concern
2. Maintain an optimal mix of debt and capital to reduce overall cost of capital
3. Provide adequate returns to shareholders

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets

Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
Gross Debt	39,82,69,407.89	25,86,89,664.001
Less: Cash and cash equivalents	2,75,26,127.55	92,88,720.05
Net debt	37,07,43,280.34	24,94,00,943.956
Total Equity	41,32,13,197.80	38,98,92,089.31
Net debt to equity ratio	0.90	0.64

Note No. 49

Employee Benefit Obligations

Particulars	Year ended 31 March, 2020		Year ended 31 March, 2019	
	Current	Non Current	Current	Non Current
Gratuity (unfunded)	2,06,789.00	81,09,208.00	1,61,311.00	56,16,901.00
Total	2,06,789.00	81,09,208.00	1,61,311.00	56,16,901.00

(i) Leave Obligations

The leave obligations cover the Company's liability for sick and earned leave. The amount of the provision of Rs. 34,62,763/- (March 31, 2019 Rs. 31,47,492) is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

Notes to Standalone Balance Sheet for the year ended 31 March, 2020

(ii) Post-Employment Obligations

Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately multiplied for the number of years of service as per the Scheme .

(iii) Defined Contributions Plans

The Company also has certain defined contribution plans . Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. Amount recognized as an expense during the period towards defined contribution plan is Rs.40,03,221/- (March 31, 2019 Rs. 28,90,006/-).

Details of Gratuity

The amounts recognised in the balance sheet and the movements in the net defined Benefits obligation over the year are as follows:

Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
	Present Value of Obligation	Present Value of Obligation
As at 1st April		
Interest Expense/(Income)		
Current Service Cost	25,37,785.00	34,73,300.50
Total Amount recognized in Profit and Loss	25,37,785.00	34,73,300.50
Total amount recognised in Other Comprehensive Income	-	-
Total	25,37,785.00	34,73,300.50

The significant actuarial assumptions were as follows:

Total	Year ended 31 March, 2020	Year ended 31 March, 2019
Discount rate	6.82%	7.79%
Attrition rate	2.00%	2.00%
Salary escalation rate	5.00%	5.00%

Additional Details

Methodology Adopted for Assured Life Mortality (ALM)	Projected Unit Credit Method
Details of Funding	Unfunded

Risk exposure and Asset Liability Matching

Provision of a defined benefit scheme poses certain risks, some of which are detailed hereunder, as companies take on uncertain long term obligations to make future benefit payments.

1. Liability Risks

a. Asset-liability Mismatch Risk -

Risk which arises if there is a mismatch in the duration of the assets relative to the liabilities. By matching duration with the defined benefit liabilities, the Company is successfully able to neutralize valuation swings caused by interest rate movements. Hence companies are encouraged to adopt asset-liability management.

b. Discount Rate Risk -

Variations in the discount rate used to compute the present value of the liabilities may seem small, but in practice can have a significant impact on the defined benefit liabilities.

c. Future Salary Escalation and Inflation Risk -

Since price inflation and salary growth are linked economically, they are combined for disclosure purposes. Rising salaries will often result in higher future defined benefit payments resulting in a higher present value of liabilities especially unexpected salary increases provided at management's discretion may lead to uncertainties in estimating this increasing risk.

2. Unfunded Plan Risk

This represents unmanaged risk and a growing liability. There is an inherent risk here that the Company may default on paying the benefits in adverse circumstances, Funding the plan removes volatility in company's financials and also benefit risk through return on the funds made available for the plan.



Note No. 50

Taxation		
a) Income Tax Expense		
Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
Current Tax		
Current tax for the year	44,39,400.00	1,71,89,000.00
Adjustment to current tax of prior periods	-	-
Utilisation of MAT credit	-	-
Total Current Tax Expenses	44,39,400.00	1,71,89,000.00
Deferred Tax		
Decrease /(Increase) in Deferred Tax Assets		1,71,178.00
Increase / (Decrease) in Deferred Tax Liabilities	14,88,146.00	-
Total Deferred Tax Expenses/(Benefits)	14,88,146.00	1,71,178.00
Income Tax Expense	59,27,546.00	1,73,60,178.00
Income Tax Expense Charged/(Credited) to :		
Profit and Loss account		
Current Tax Expenses	44,39,400.00	1,71,89,000.00
Deferred Tax Expenses	14,88,146.00	-1,71,178.00
	59,27,546.00	1,70,17,822.00
Other Comprehensive Income		
Items that will not be reclassified to Profit and Loss		
Current Tax Expenses		
Loss on Remeasurement of Defined Benefit Plan	-	-
Total	59,27,546.00	1,70,17,822.00
b) Reconciliation of tax expense and accounting profit multiplied by tax rate applicable in India :		
Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
Profit from Operations Before Income Tax Expense	2,49,46,729.95	6,16,18,280.63
Corporate Tax Rate as per Income Tax Act, 1961	27.82%	27.82%
Tax on Accounting profit	44,39,400.00	1,71,89,000.00

Tax on Income Exempt From Tax:		
Dividend Income	-	-
Tax on Expenses not Tax Deductible:		
Contribution to unapproved gratuity fund	7,06,011.79	8,81,727.64
Donation	16,914.84	19,279.82
Other Items	1,95,690.33	6,65,889.78
Income subject to different tax rates	-	-
Excess of Accounting Profit over Taxable Profits for Capital Gains		
Effect of different tax rate on Deferred Tax	-	-
Effect of previously unrecognised Unabsorbed Depreciation and losses used to reduce Tax Expense	-	-
Entitlement of Unrecognised MAT Credit arising in the Current year	-	-
Tax effect of profit of current year on which no deferred tax is recognised	-	-
Excess Provision	-	-
Income tax expense	53,58,016.96	1,87,55,897.24
Effective tax rate	21.48%	30.44%
c) Deferred Tax Asset (Net)		
The balance comprises temporary differences attributable to :		
Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
Deferred Tax Asset:		
Tax losses	-	-
Defined Benefits obligations	-	-
Gratuity	-	-
Leave Encashment	-	-
MAT credit entitlement	-	-
Other Items		
Allowance of Expected Credit Loss on Trade Receivables	-	-
Allowance of doubtful debts - security deposits	-	-
Others	7,060.00	35,567.00
Total Deferred Tax Assets	7,060.00	35,567.00
Deferred Tax Liabilities:		
Property Plant and Equipment and Intangible Assets	14,95,206.00	1,35,611.00
Financial Assets at Fair Value Through Profit and Loss		
Others		
Total Deferred Tax Liabilities	14,95,206.00	1,35,611.00

Movement in Deferred Tax Assets						
Particulars	Tax losses	Defined Benefits Obligations	MAT Credit Entitlement	Other Items	Total Deferred Tax Assets	
As at April 1, 2019	-	-	-			-
(Charged)/credited :						
to Profit and loss	-	-	-	7,060.00		7,060.00
to other comprehensive income	-	-	-	-		-
As at March 31, 2020	-	-	-	7,060.00		7,060.00
Movement in Deferred Tax Liabilities						
Particulars	Property, Plant and Equipment and Intangible Assets	Financial assets at Fair Value through Profit and Loss	Total Deferred Tax Liabilities			
As at April 1, 2019						
(Charged)/credited :						
to Profit and loss	14,88,146.00			-		14,88,146.00
to other comprehensive income	-	-		-		-
As at March 31, 2020	-	-		-		14,88,146.00

1. Background of the Company

Fredun Pharmaceuticals Limited ('the company') is a public company domiciled and headquartered in India. It is incorporated under Companies Act, 1956 and its shares are listed on Bombay Stock Exchange (BSE).

FREDUN as a group is dedicated to improving lives of people. Company's aim is not only profitability but is effective efficiency. With years of experience in manufacturing various pharmaceutical formulations Fredun Pharmaceuticals Ltd has built a good reputation as a reliable and ethical Company having buyers which not only include leading Pharma Companies of India but also across Africa, South East Asia and CIS countries and Latin America.

The Company in its Endeavour to move ahead has now ventured into manufacturing of dietary /herbal supplements, nutraceuticals, and other healthcare products along with Animal Healthcare products also through its group Companies **FREDUN HEALTHCARE PVT. LTD. & FREDNA ENTERPRISES**. With products ranging from allopathic formulations to on field diagnostic kits, Company's main aim is to be a holistic healthcare provider.

2. Basis of preparation

a) Statement of compliance with Ind AS

The financial statements of the Company comply in all material aspects with Indian Accounting Standards {Ind AS} notified under Section 133 of the Companies Act, 2013 (the Act) read with relevant rules issued there under and other provisions of the Act.

All assets and liabilities are classified as current or non-current as per the company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities. b.° Historical cost convention

b) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities measured at Fair value.

c) Use of estimates and judgements

The preparation of the financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The areas involving critical estimates and judgements are:

- i) Estimation of useful life of property, plant and equipment
- ii) Provision for inventories
- iii) Impairment of trade receivables

3. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

a) Property, plant and equipment

Property, plant and equipment are stated at cost of acquisition, including any attributable cost for bringing the asset to its working condition for its intended use, less accumulated depreciation/amortization and impairment loss.

Losses arising from retirement and gains or losses arising from disposal of property, plant and equipment's are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss.

Property, plant and equipment not ready for the intended use on the date of Balance Sheet are disclosed as "Capital work-in-progress".

Depreciation is provided on straight line method over the estimated useful life as determined by management which is in line with that prescribed under Schedule II of the Act. Depreciation is provided on a pro-rata basis i.e. from the month on which asset is ready for use. The useful lives are reviewed by the management at each financial year-end and revised, if appropriate. In case of a revision, the unamortized depreciable amount is charged over the revised remaining useful life.

Property, plant and equipment and Furniture and fixtures, costing individually up to < 5,000 or less, are depreciated fully in the year of purchase. If the aggregate of such items constitutes more than 10 percent of the total actual cost, the depreciation rates applicable to such items are applied.

Depreciation/amortization for the year is recognized in the Statement of Profit and Loss.

A fixed asset is eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal. Depreciation on fixed assets added/ disposed off/ discarded during the year is provided on pro-rata basis with reference to month of addition/ disposal/ discarding.

Losses arising from retirement or gains or losses arising from disposal of fixed assets which are carried at cost are recognised in the Statement of Profit and Loss.

Subsequent expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

b) Impairment

Property, plant and equipment and intangible assets are reviewed at each reporting date to determine if there is any indication of Impairment. For assets in respect of which any such indication exists and for intangible assets mandatorily tested annually or at period end for impairment, the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets (cash generating unit or "CGU") that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of an asset or CGU is the greater of its value in use and its net selling price. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

Impairment losses are recognised in the Statement of Profit and Loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists or has decreased, the assets or CGU's recoverable amount is estimated. For assets other than goodwill, the impairment loss is reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Such a reversal is recognised in the Statement of Profit and

Loss; however, in the case of revalued assets, the reversal is credited directly revaluation Surplus except to the extent that an on loss on the same revalued asset was previously recognised as an expense in the Statement Profit and Loss. Impairment loss recognised for goodwill is not reversed in a subsequent period unless the impairment loss was caused by a specific external event of an exceptional nature that is not expected recur and subsequent external events have occurred that reverse the effect of that event

c) Non-current assets held for sale

Non - current assets and liabilities are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continued use.

Such assets are generally measured at lower of their carrying amount and fair value less costs to sell. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognised in statement of Profit or Loss.

Once classified as held for sale, intangible assets, property, plant and equipment and investment properties are no longer amortised or depreciated.

d) Inventories

Inventories which comprise of raw materials, work-in progress, finished goods, stock-in-trade, stores and Spares, and packing materials are carried at the lower of cost and net realizable value.

Cost of inventories comprises all costs of purchase cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

In determining the cost, first in first out method is used. In the case of manufactured inventories and work in progress, fixed production overheads are allocated on the basis of normal capacity of production facilities.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs make the sale

The net realizable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials and other Supplies held for use in the production of finish products are not written down below cost except in cases where material prices have declined it is estimated that the cost of the finished products will exceed their net realizable value

The comparison of cost and net realizable value is made on an item-by-item basis.

e) Revenue Recognition

Revenue from sale of goods in the course of ordinary is recognised when property in the goods or all significant risks and rewards of their ownership are transferred to the customer and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of the goods and regarding its collection. The amount recognised as revenue is exclusive of goods and services tax (GST), and is net off returns, trade discount and quantity discounts.

Revenue from shared services is recognised as and when services are rendered and related costs are incurred, in accordance with the terms of the contractual agreement.

Interest income is recognised on time proportion basis after taking into account the amount outstanding and the interest rate applicable.

Export Incentives

Export benefits availed as per prevalent schemes are accrued each year in which the goods are exported and when no significant uncertainty exist regarding their ultimate collection.

Commission income is recognized as and when services are rendered, in accordance with the terms of the contractual agreement.

f) Foreign Currency Transactions and Balances

1. Functional and Presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment to which the entity operates ('the Functional currency'). The financial statements are presented in Indian Rupee (Rs), which is the Company's functional and presentation currency.

2. Foreign currency transaction and balances

Transactions denominated in foreign currency are recorded at the exchange rates prevailing on the date of transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the Statement of Profit and Loss for the year.

Monetary assets and liabilities denominated in Foreign Currencies as at the balance sheet date are translated into Indian rupees at the closing exchange rates on that date, the resultant exchange differences are recognised in the Statement of Profit and Loss.

g) Taxes on Income

Income tax expense comprises current and deferred tax. It is recognised in Statement of Profit and Loss except to the extent that it relates items recognised directly in equity or in Other Comprehensive Income.

1. Current Tax

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdictions.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realize the asset and set off the liability on a net basis or simultaneously.

2. Deferred Tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes

Deferred tax assets are recognised to the extent that it is probable that Future taxable profits will be available against which they can be used.

Unrecognized deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used, Deferred tax measured at the tax rates that are expected to be applied to deferred tax assets when they are realized or deferred tax liabilities when they are settled, using tax rates enacted substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously

h) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and financial liability or equity instrument of another entity.

1. Financial Assets

The Company classifies financial assets as subsequently measured at amortised cost, Fair Value through other comprehensive income or fair value through profit and loss on the basis of its part of financial statements business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit and loss transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit and loss are expensed in statement of Profit and Loss.

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received,

The Company assesses on a forward-looking basis the expected credit loss associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk for trade receivables, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

The Company subsequently measures its investments in mutual Funds at Fair value through Statement of Profit and Loss.

2. Financial Liabilities

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and definition of a financial liability and an equity instrument

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Financial liabilities are initially recognised at" fair value, reduced by transaction costs (in case of financial liability not at fair value through profit and loss}, that are directly attributable to the issue of financial liability. After initial recognition, financial liabilities are measured at amortised cost using effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash outflow (including all fees paid, transaction cost, and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. At the time of initial recognition, there is no financial liability irrevocably designated as measured at fair value through profit and loss.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or

modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Trade and other payables represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid; they are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

l) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

j) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk.

A number of the Company's accounting policies and disclosures require the measurement of Fair values, for both financial and non-financial assets and liabilities. When one is available, the Company measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. If there is no quoted price in an active market, then the Company uses valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price - ie. the fair value of the consideration given or received.

k) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The CODM assesses the financial performance and position of the company, and makes strategic decisions.

l) Provisions and Contingent Liabilities

The Company recognises a provision when there is a present obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and in respect of which reliable estimate can be made.

Provisions for breakage and expiry

Cost of return on account of breakage and expiries are estimated on the basis of past experience. Provision is made in respect of cost for breakage and expiries in the year of sale of goods.

Contingencies

A disclosure for contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote, no provision or disclosure is made.

m) Research and development

Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognised in the Statement of Profit and Loss as and when incurred.

The development activities undertaken by the company are subject to technical, regulatory and other uncertainties, such that, in the opinion of management, the criteria for capitalization are not met prior to obtaining in marketing approval by the regulatory authorities in markets. Internal development costs that do not meet these criteria are therefore expensed as and when incurred.

n) Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of equity shares outstanding during the financial year. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding without a corresponding change in resources

For the purpose of calculating diluted earnings per share, diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

o) Cash and Cash Equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short term (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.



Auditors report on Quarterly and Annual Financial Results Pursuant to the Regulations 33 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

The Board of Directors

Fredun Pharmaceuticals Ltd., 26, Manoj Industrial Estate, Wadala, Mumbai -31

1. We have audited the accompanying financial results of Fredun Pharmaceuticals Ltd., ("the Company") for the quarter and year ended March 31, 2020, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015. These quarterly financial results as well as the year to date financial results have been prepared on the basis of the financial statements, which are the responsibility of the company's management. Our responsibility is to express an opinion on these financial results based on our audit of such financial statements, which have been prepared in accordance with Indian Accounting Standard notified under section 133 of the Companies Act, 2013 read Rule 7 of the Companies (Accounts) Rules, 2014 and other Accounting principles generally accepted in India.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
3. In our opinion and to the best of our information and according to the explanations given to us these quarterly financial results as well as the year to date results:
 - i. are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
 - ii. give a true and fair view of the net profit and other financial information for the quarter as well as year ended March 31, 2020

For SAVLA & ASSOCIATES

CHARTERED ACCOUNTANTS

Firm Reg. No – 109361W

Deepak G. Savla

(PARTNER)

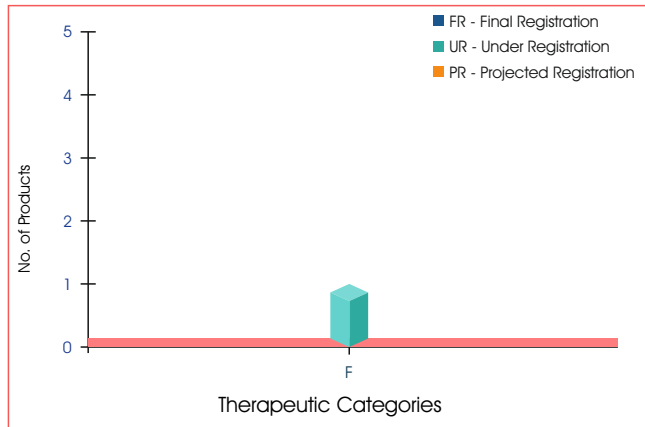
Place: Mumbai

Date: 29th July, 2020

Membership No.: 043901

PRODUCT REGISTRATIONS

Fredun Pharmaceuticals Ltd. Annual Report 2019-2020

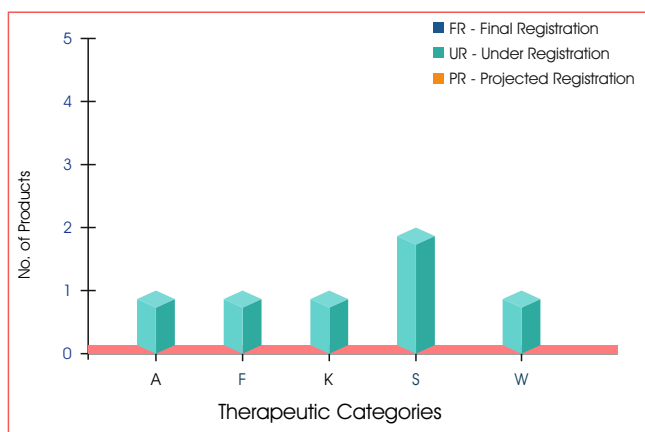


ARMENIA

Category

F - ANTACID / ANTIULCER / ANTIEMETIC

	FR	UR	PR
	-	1	-
TOTAL	-	1	-

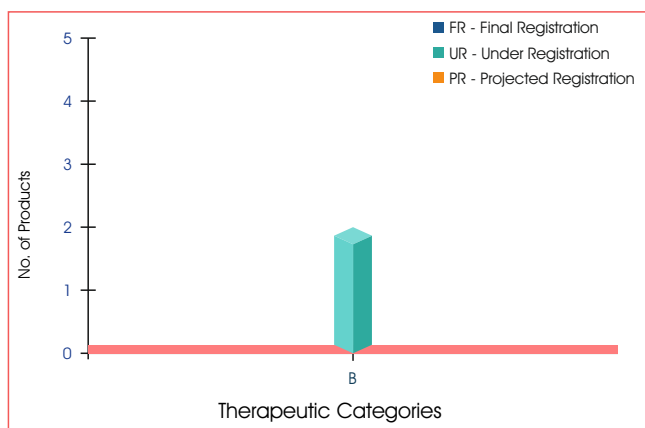


AZERBAIJAN

Category

A - ANTI-BACTERIAL
F - ANTACID / ANTIULCER / ANTIEMETIC
K - ANTIHYPERTENSIVE
S - IMPOTENCE DRUGS
W - ALPHA-BLOCKER

	FR	UR	PR
	-	1	-
	-	1	-
	-	1	-
	-	2	-
	-	1	-
TOTAL	-	6	-



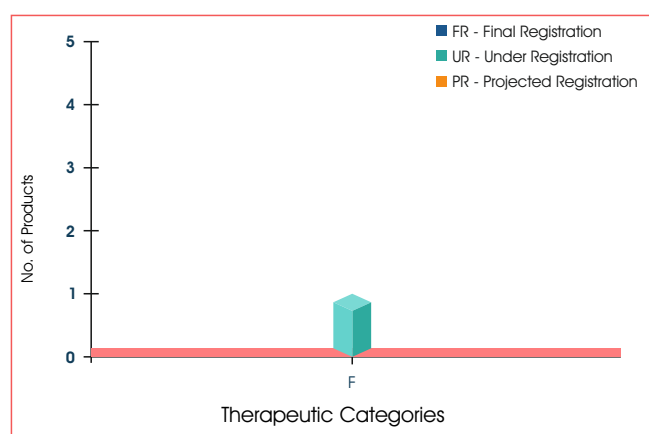
BENIN

Category

B - ANTI-MALARIAL

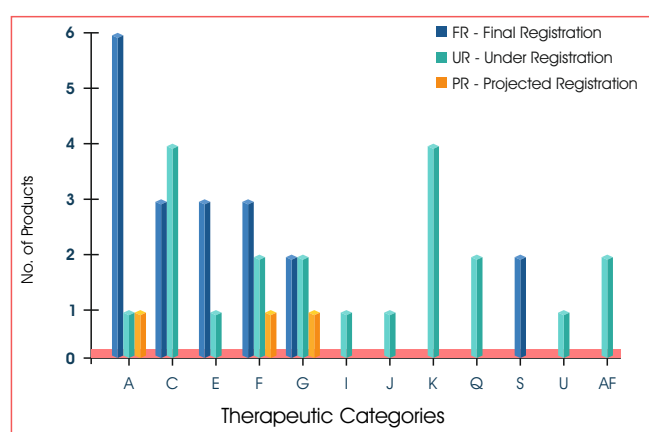
	FR	UR	PR
	-	2	-
TOTAL	-	2	-



**BHUTAN****Category**

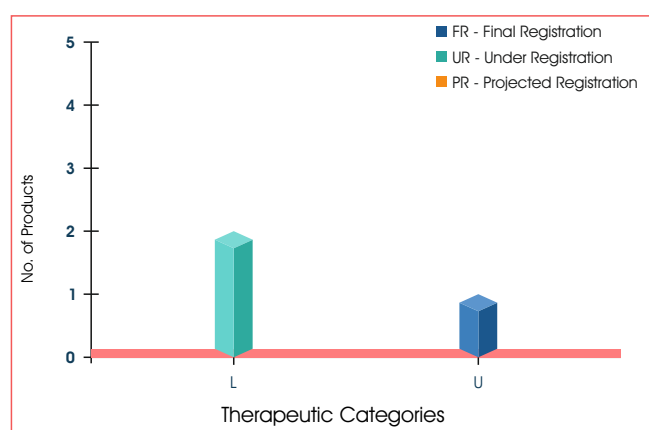
F - ANTACID / ANTIULCER / ANTIEMETIC

	FR	UR	PR
F	-	1	-
TOTAL	-	1	-

**CAMBODIA****Category**

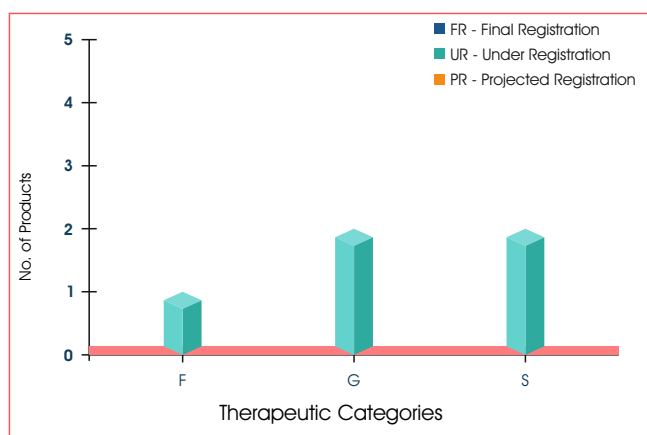
A - ANTI-BACTERIAL
 C - ANTI-DIABETIC
 E - ANTIHISTAMINES / ANTIALLERGIC
 F - ANTACID / ANTIULCER / ANTIEMETIC
 G - ANALGESICS / NSAID
 I - ANTICOAGULANTS
 J - ANTI INFLAMMATORY
 K - ANTIHYPERTENSIVE
 Q - CARDIOVASCULAR
 S - IMPOTENCE DRUGS
 U - APPETITE STIMULANT WITH MULTIVITAMINS/
 MULTIVITAMINS AND MULTIMINERALS
 AF - CALCIUM TABLETS

	FR	UR	PR
A	6	1	1
C	3	4	-
E	3	1	-
F	3	2	1
G	2	2	1
I	-	1	-
J	-	1	-
K	-	4	-
Q	-	2	-
S	2	-	-
U	-	1	-
AF	-	2	-
TOTAL	19	21	3

**COSTARICA****Category**

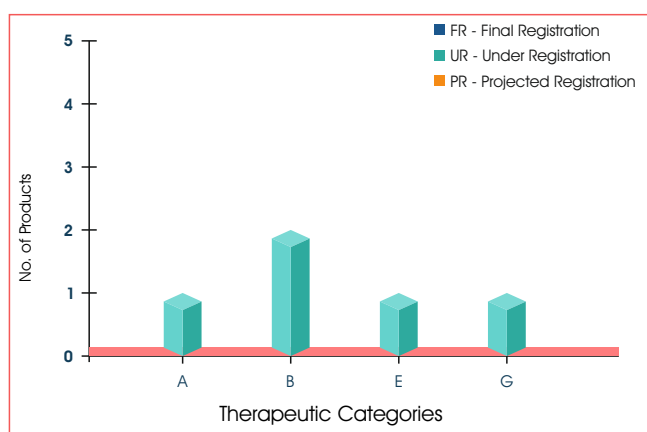
L - ANTIVIRAL
 U - APPETITE STIMULANT WITH MULTIVITAMINS/
 MULTIVITAMINS AND MULTIMINERALS

	FR	UR	PR
L	-	2	-
U	1	-	-
TOTAL	1	2	-

**GEORGIA****Category**

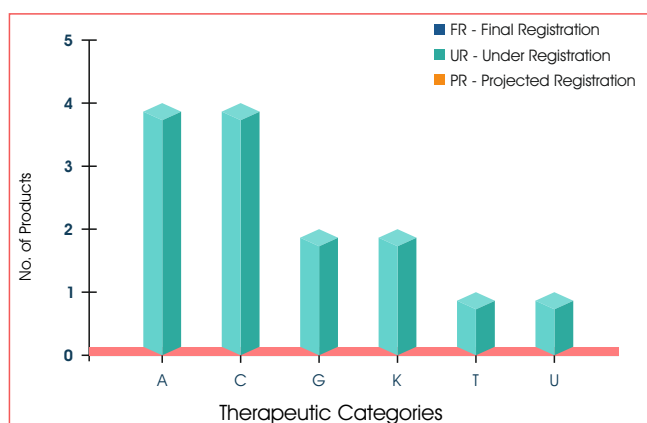
F - ANTACID / ANTIULCER / ANTIEMETIC
 G - ANALGESICS / NSAID
 S - IMPOTENCE DRUGS

	FR	UR	PR
F	-	1	-
G	-	2	-
S	-	2	-
TOTAL	-	5	-

**GHANA****Category**

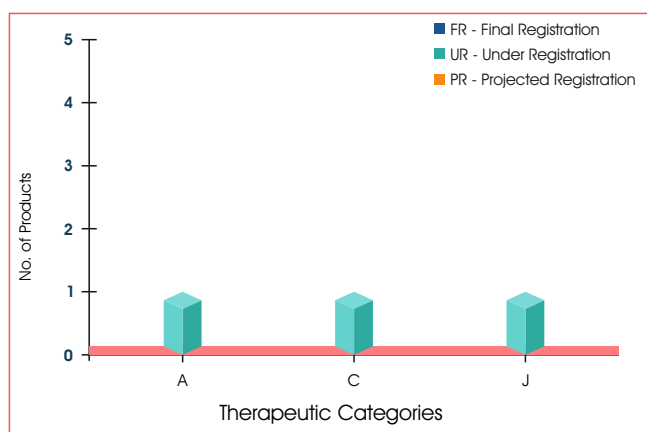
A - ANTI-BACTERIAL
 B - ANTI-MALARIAL
 E - ANTIHISTAMINES / ANTIALLERGIC
 G - ANALGESICS / NSAID

	FR	UR	PR
A	-	1	-
B	-	2	-
E	-	1	-
G	-	1	-
TOTAL	-	5	-

**IRAQ****Category**

A - ANTI-BACTERIAL
 C - ANTI-DIABETIC
 G - ANALGESICS / NSAID
 K - ANTIHYPERTENSIVE
 T - ANTI OBESITY
 U - APPETITE STIMULANT WITH MULTIVITAMINS/
 MULTIVITAMINS AND MULTIMINERALS

	FR	UR	PR
A	-	4	-
C	-	4	-
G	-	2	-
K	-	2	-
T	-	1	-
U	-	1	-
TOTAL	-	14	-

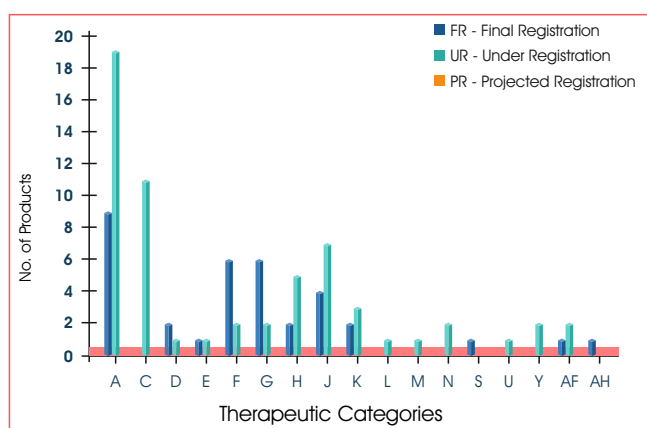


IVORY COAST

Category

A - ANTI-BACTERIAL
C - ANTI-DIABETIC
J - ANTI INFLAMMATORY

	FR	UR	PR
A - ANTI-BACTERIAL	-	1	-
C - ANTI-DIABETIC	-	1	-
J - ANTI INFLAMMATORY	-	1	-
TOTAL	-	3	-

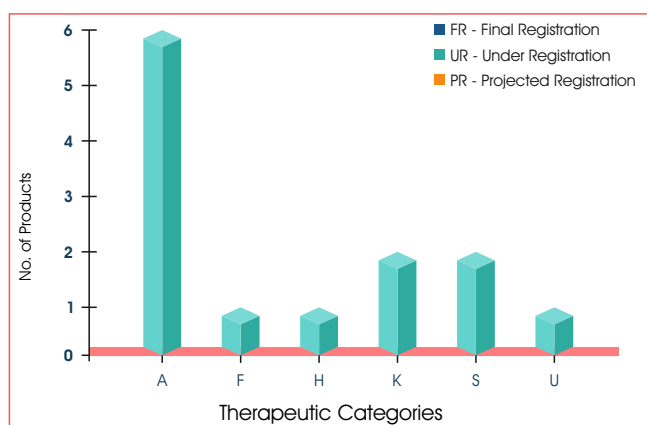


KENYA

Category

A - ANTI-BACTERIAL
C - ANTI-DIABETIC
D - ANTHELMINTIC
E - ANTIHISTAMINES / ANTIALLERGIC
F - ANTACID / ANTIULCER / ANTIEMETIC
G - ANALGESICS / NSAID
H - ANTIFUNGAL
J - ANTI INFLAMMATORY
K - ANTIHYPERTENSIVE
L - ANTIVIRAL
M - ANTI-RETROVIRAL / ANTI HIV
N - ANTICONVULSANTS/ANTI-EPILEPTIC
S - IMPOTENCE DRUGS
U - APPETITE STIMULANT WITH MULTIVITAMINS/
MULTIVITAMINS AND MULTIMINERALS
Y - NEPHROLOGY
AF- CALCIUM TABLETS
AH- DIETARY SUPPLEMENT

	FR	UR	PR
A - ANTI-BACTERIAL	9	19	-
C - ANTI-DIABETIC	-	11	-
D - ANTHELMINTIC	2	1	-
E - ANTIHISTAMINES / ANTIALLERGIC	1	1	-
F - ANTACID / ANTIULCER / ANTIEMETIC	6	2	-
G - ANALGESICS / NSAID	6	2	-
H - ANTIFUNGAL	2	5	-
J - ANTI INFLAMMATORY	4	7	-
K - ANTIHYPERTENSIVE	2	3	-
L - ANTIVIRAL	-	1	-
M - ANTI-RETROVIRAL / ANTI HIV	-	1	-
N - ANTICONVULSANTS/ANTI-EPILEPTIC	-	2	-
S - IMPOTENCE DRUGS	1	-	-
U - APPETITE STIMULANT WITH MULTIVITAMINS/ MULTIVITAMINS AND MULTIMINERALS	-	1	-
Y - NEPHROLOGY	-	2	-
AF- CALCIUM TABLETS	1	2	-
AH- DIETARY SUPPLEMENT	1	-	-
TOTAL	35	60	-

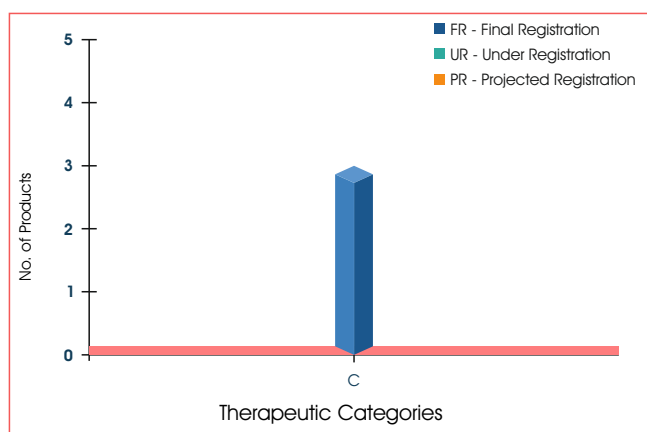


KYRGYZSTAN

Category

A - ANTI-BACTERIAL
F - ANTACID / ANTIULCER / ANTIEMETIC
H - ANTIFUNGAL
K - ANTIHYPERTENSIVE
S - IMPOTENCE DRUGS
U - APPETITE STIMULANT WITH MULTIVITAMINS/
MULTIVITAMINS AND MULTIMINERALS

	FR	UR	PR
A - ANTI-BACTERIAL	-	6	-
F - ANTACID / ANTIULCER / ANTIEMETIC	-	1	-
H - ANTIFUNGAL	-	1	-
K - ANTIHYPERTENSIVE	-	2	-
S - IMPOTENCE DRUGS	-	2	-
U - APPETITE STIMULANT WITH MULTIVITAMINS/ MULTIVITAMINS AND MULTIMINERALS	-	1	-
TOTAL	-	13	-

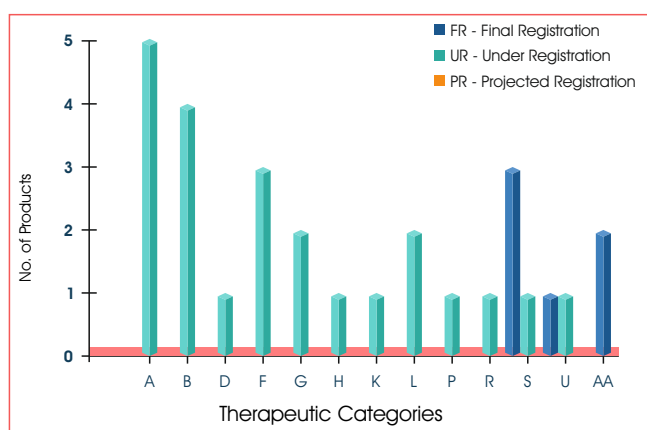


MAURITIUS

Category

C - ANTI-DIABETIC

	FR	UR	PR
C - ANTI-DIABETIC	3	-	-
TOTAL	3	-	-

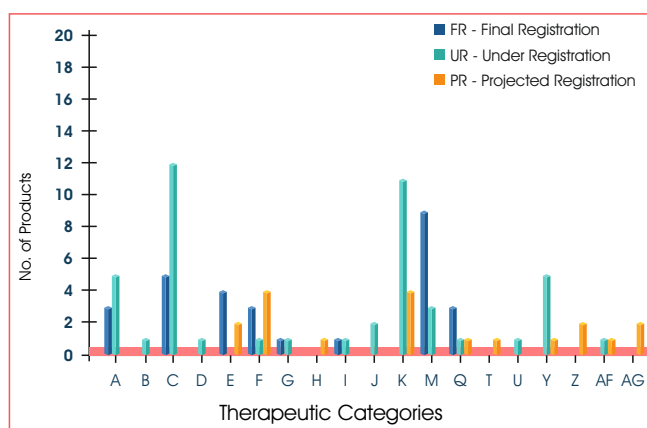


MOZAMBIQUE

Category

A - ANTI-BACTERIAL
 B - ANTI-MALARIAL
 D - ANTHELMINTIC
 F - ANTACID / ANTIULCER / ANTIEMETIC
 G - ANALGESICS / NSAID
 H - ANTIFUNGAL
 K - ANTIHYPERTENSIVE
 L - ANTIVIRAL
 P - DIURETIC
 R - LAXATIVE
 S - IMPOTENCE DRUGS
 U - APPETITE STIMULANT WITH MULTIVITAMINS/
 MULTIVITAMINS AND MULTIMINERALS
 AA- BRONCHODILATORS & ANTI -ASTHMA DRUGS

	FR	UR	PR
A - ANTI-BACTERIAL	-	5	-
B - ANTI-MALARIAL	-	4	-
D - ANTHELMINTIC	-	1	-
F - ANTACID / ANTIULCER / ANTIEMETIC	-	3	-
G - ANALGESICS / NSAID	-	2	-
H - ANTIFUNGAL	-	1	-
K - ANTIHYPERTENSIVE	-	1	-
L - ANTIVIRAL	-	2	-
P - DIURETIC	-	1	-
R - LAXATIVE	-	1	-
S - IMPOTENCE DRUGS	3	1	-
U - APPETITE STIMULANT WITH MULTIVITAMINS/ MULTIVITAMINS AND MULTIMINERALS	1	1	-
AA- BRONCHODILATORS & ANTI -ASTHMA DRUGS	-	2	-
TOTAL	4	25	-

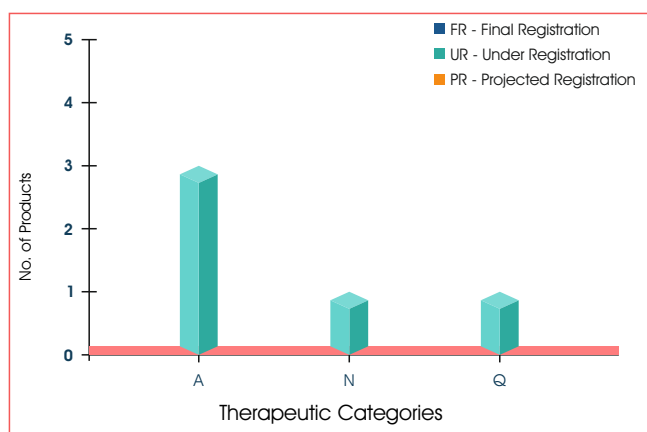


MYANMAR

Category

A - ANTI-BACTERIAL
 B - ANTI-MALARIAL
 C - ANTI-DIABETIC
 D - ANTHELMINTIC
 E - ANTIHISTAMINES / ANTIALLERGIC
 F - ANTACID / ANTIULCER / ANTIEMETIC
 G - ANALGESICS / NSAID
 H - ANTIFUNGAL
 I - ANTICOAGULANTS
 J - ANTI INFLAMMATORY
 K - ANTIHYPERTENSIVE
 M - ANTI-RETROVIRAL / ANTI HIV
 Q - CARDIOVASCULAR
 T - ANTI OBESITY
 U - APPETITE STIMULANT WITH MULTIVITAMINS/
 MULTIVITAMINS AND MULTIMINERALS
 Y - NEPHROLOGY
 Z - ANGIOTENSIN-CONVERTING ENZYME
 (ACE) INHIBITORS
 AF - CALCIUM TABLETS
 AG - FARNESOID X-RECEPTOR AGONIST

	FR	UR	PR
A - ANTI-BACTERIAL	3	5	-
B - ANTI-MALARIAL	-	1	-
C - ANTI-DIABETIC	5	12	-
D - ANTHELMINTIC	-	1	-
E - ANTIHISTAMINES / ANTIALLERGIC	4	-	2
F - ANTACID / ANTIULCER / ANTIEMETIC	3	1	4
G - ANALGESICS / NSAID	1	1	-
H - ANTIFUNGAL	-	-	1
I - ANTICOAGULANTS	1	1	-
J - ANTI INFLAMMATORY	-	2	-
K - ANTIHYPERTENSIVE	-	11	4
M - ANTI-RETROVIRAL / ANTI HIV	9	3	-
Q - CARDIOVASCULAR	3	1	1
T - ANTI OBESITY	-	-	1
U - APPETITE STIMULANT WITH MULTIVITAMINS/ MULTIVITAMINS AND MULTIMINERALS	-	1	-
Y - NEPHROLOGY	-	5	1
Z - ANGIOTENSIN-CONVERTING ENZYME (ACE) INHIBITORS	-	-	2
AF - CALCIUM TABLETS	-	1	1
AG - FARNESOID X-RECEPTOR AGONIST	-	-	2
TOTAL	29	46	19

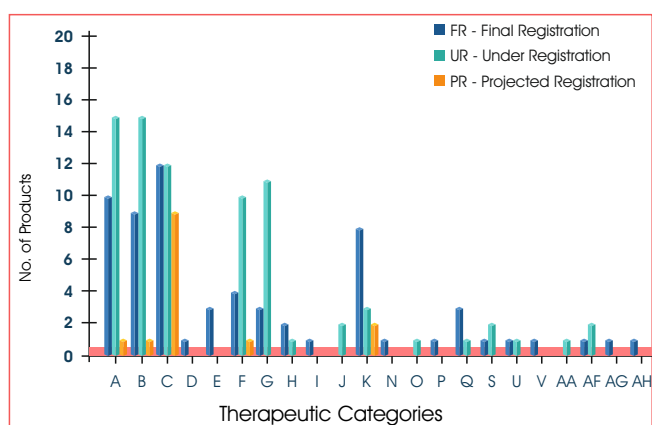


NICARAGUA

Category

A - ANTI-BACTERIAL
N - ANTICONVULSANTS/ANTI-EPILEPTIC
Q - CARDIOVASCULAR

	FR	UR	PR
A - ANTI-BACTERIAL	-	3	-
N - ANTICONVULSANTS/ANTI-EPILEPTIC	-	1	-
Q - CARDIOVASCULAR	-	1	-
TOTAL	-	5	-

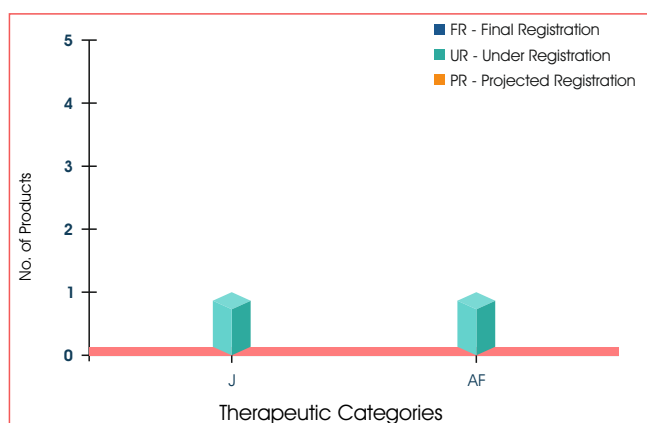


NIGERIA

Category

A - ANTI-BACTERIAL
B - ANTI-MALARIAL
C - ANTI-DIABETIC
D - ANTHELMINTIC
E - ANTIHISTAMINES / ANTIALLERGIC
F - ANTACID / ANTIULCER / ANTIEMETIC
G - ANALGESICS / NSAID
H - ANTIFUNGAL
I - ANTICOAGULANTS
J - ANTI INFLAMMATORY
K - ANTIHYPERTENSIVE
N - ANTICONVULSANTS/ANTI-EPILEPTIC
O - ANTIDIARRHOEAL
P - DIURETIC
Q - CARDIOVASCULAR
S - IMPOTENCE DRUGS
U - APPETITE STIMULANT WITH MULTIVITAMINS/
MULTIVITAMINS AND MULTIMINERALS
V - BONE MODULATING DRUGS
AA - BRONCHODILATORS & ANTI -ASTHMA DRUGS
AF - CALCIUM TABLETS
AG - FARNESOID X-RECEPTOR AGONIST
AH - DIETARY SUPPLEMENT

	FR	UR	PR
A - ANTI-BACTERIAL	10	15	1
B - ANTI-MALARIAL	9	15	1
C - ANTI-DIABETIC	12	12	9
D - ANTHELMINTIC	1	-	-
E - ANTIHISTAMINES / ANTIALLERGIC	3	-	-
F - ANTACID / ANTIULCER / ANTIEMETIC	4	10	1
G - ANALGESICS / NSAID	3	11	-
H - ANTIFUNGAL	2	1	-
I - ANTICOAGULANTS	1	-	-
J - ANTI INFLAMMATORY	-	2	-
K - ANTIHYPERTENSIVE	8	3	2
N - ANTICONVULSANTS/ANTI-EPILEPTIC	1	-	-
O - ANTIDIARRHOEAL	-	1	-
P - DIURETIC	1	-	-
Q - CARDIOVASCULAR	3	1	-
S - IMPOTENCE DRUGS	1	2	-
U - APPETITE STIMULANT WITH MULTIVITAMINS/ MULTIVITAMINS AND MULTIMINERALS	1	1	-
V - BONE MODULATING DRUGS	1	-	-
AA - BRONCHODILATORS & ANTI -ASTHMA DRUGS	-	1	-
AF - CALCIUM TABLETS	1	2	-
AG - FARNESOID X-RECEPTOR AGONIST	1	-	-
AH - DIETARY SUPPLEMENT	1	-	-
TOTAL	62	77	14

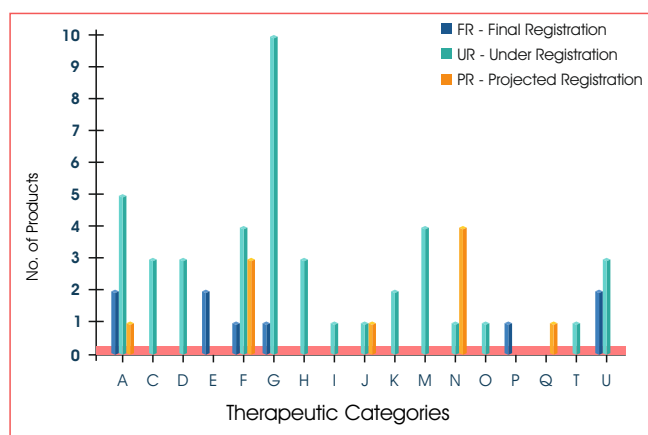


OMAN

Category

J - ANTI INFLAMMATORY
AF - CALCIUM TABLETS

	FR	UR	PR
J - ANTI INFLAMMATORY	-	1	-
AF - CALCIUM TABLETS	-	1	-
TOTAL	-	2	-

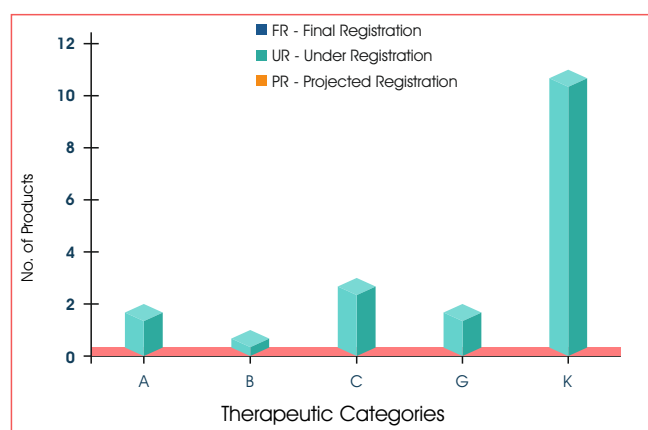


PHILIPPINES

Category

	FR	UR	PR
A - ANTI-BACTERIAL	2	5	1
C - ANTI-DIABETIC	-	3	-
D - ANTHELMINTIC	-	3	-
E - ANTIHISTAMINES / ANTIALLERGIC	2	-	-
F - ANTACID / ANTIULCER / ANTIEMETIC	1	4	3
G - ANALGESICS / NSAID	1	10	-
H - ANTIFUNGAL	-	3	-
I - ANTICOAGULANTS	-	1	-
J - ANTI INFLAMMATORY	-	1	1
K - ANTIHYPERTENSIVE	-	2	-
M - ANTI-RETROVIRAL / ANTI HIV	-	4	-
N - ANTICONVULSANTS/ANTI-EPILEPTIC	-	1	4
O - ANTIDIARRHOEAL	-	1	-
P - DIURETIC	1	-	-
Q - CARDIOVASCULAR	-	-	1
T - ANTI OBESITY	-	1	-
U - APPETITE STIMULANT WITH MULTIVITAMINS/ MULTIVITAMINS AND MULTIMINERALS	2	3	-

TOTAL 9 42 10

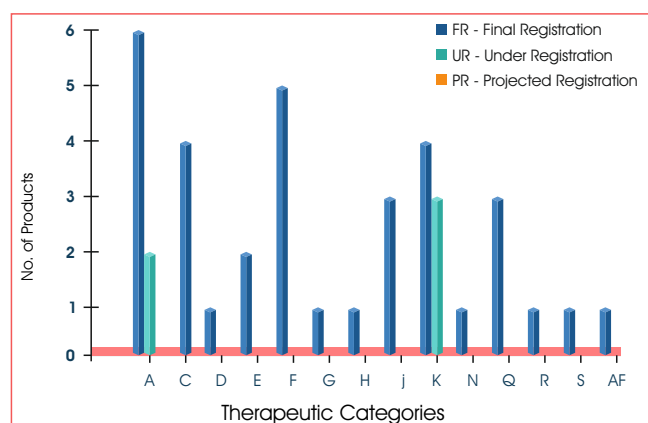


RAWANDA

Category

	FR	UR	PR
A - ANTI-BACTERIAL	-	2	-
B - ANTI-MALARIAL	-	1	-
C - ANTI-DIABETIC	-	3	-
G - ANALGESICS / NSAID	-	2	-
K - ANTIHYPERTENSIVE	-	11	-

TOTAL - 19 -

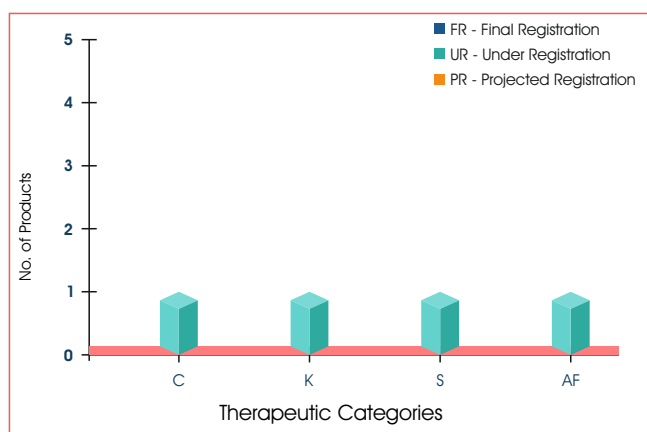


SRILANKA

Category

	FR	UR	PR
A - ANTI-BACTERIAL	6	2	-
C - ANTI-DIABETIC	4	-	-
D - ANTHELMINTIC	1	-	-
E - ANTIHISTAMINES / ANTIALLERGIC	2	-	-
F - ANTACID / ANTIULCER / ANTIEMETIC	5	-	-
G - ANALGESICS / NSAID	1	-	-
H - ANTIFUNGAL	1	-	-
J - ANTI INFLAMMATORY	3	-	-
K - ANTIHYPERTENSIVE	4	3	-
N - ANTICONVULSANTS/ANTI-EPILEPTIC	1	-	-
Q - CARDIOVASCULAR	3	-	-
R - LAXATIVE	1	-	-
S - IMPOTENCE DRUGS	1	-	-
AF - CALCIUM TABLETS	1	-	-

TOTAL 34 5 -

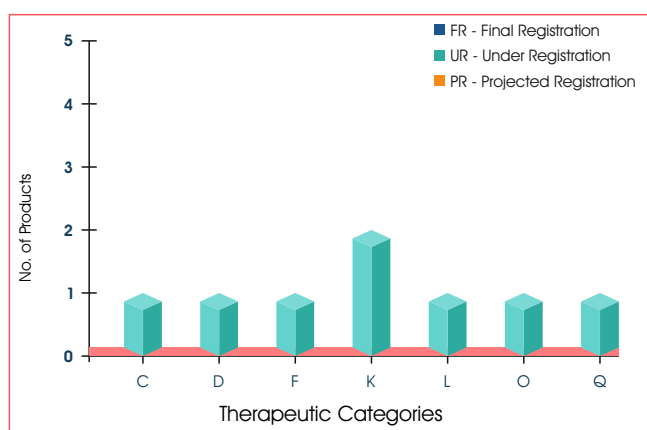


TAJIKISTAN

Category

C - ANTI-DIABETIC
K - ANTIHYPERTENSIVE
S - IMPOTENCE DRUGS
AF - CALCIUM TABLETS

	FR	UR	PR
C	-	1	-
K	-	1	-
S	-	1	-
AF	-	1	-
TOTAL	-	4	-

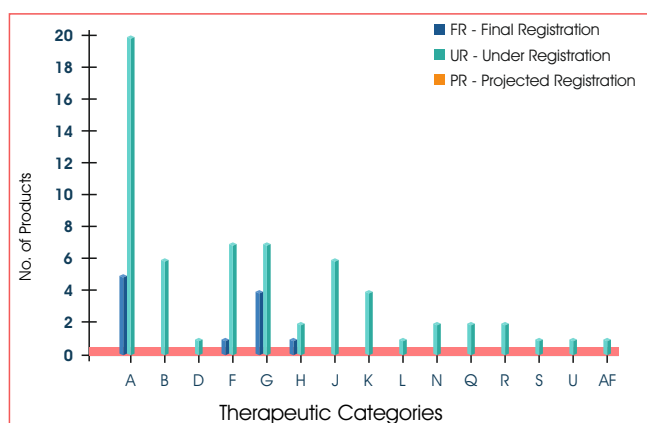


TANZANIA

Category

C - ANTI-DIABETIC
D - ANTHELMINTIC
F - ANTACID / ANTIULCER / ANTIEMETIC
K - ANTIHYPERTENSIVE
L - ANTIVIRAL
O - ANTIDIARRHOEAL
Q - CARDIOVASCULAR

	FR	UR	PR
C	1	-	-
D	1	-	-
F	1	-	-
K	2	-	-
L	1	-	-
O	1	-	-
Q	1	-	-
TOTAL	8	-	-

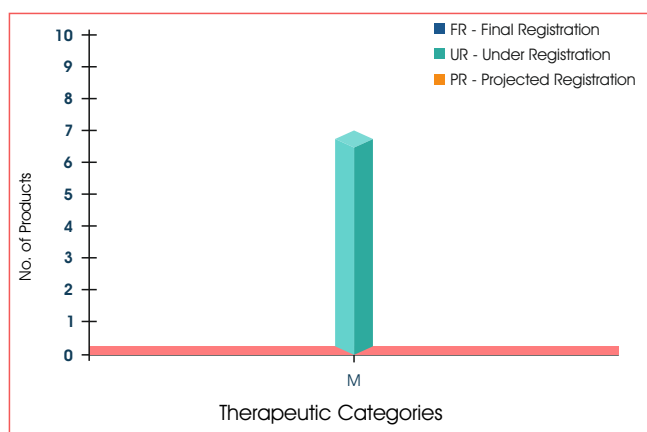


UGANDA

Category

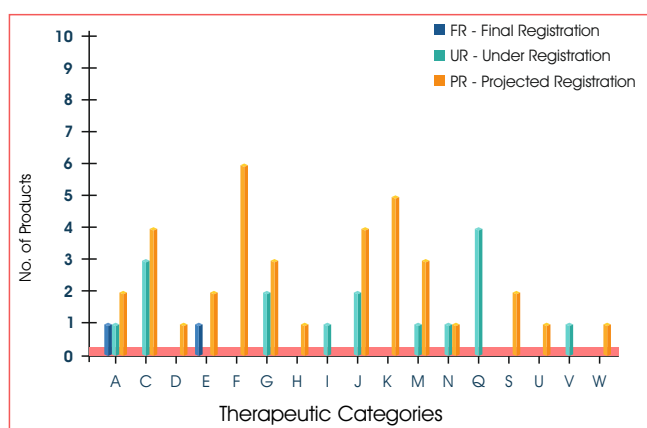
A - ANTI-BACTERIAL
B - ANTI-MALARIAL
D - ANTHELMINTIC
F - ANTACID / ANTIULCER / ANTIEMETIC
G - ANALGESICS / NSAID
H - ANTIFUNGAL
J - ANTI INFLAMMATORY
K - ANTIHYPERTENSIVE
L - ANTIVIRAL
N - ANTICONVULSANTS/ANTI-EPILEPTIC
Q - CARDIOVASCULAR
R - LAXATIVE
S - IMPOTENCE DRUGS
U - APPETITE STIMULANT WITH MULTIVITAMINS/
MULTIVITAMINS AND MULTIMINERALS
AF - CALCIUM TABLETS

	FR	UR	PR
A	5	20	-
B	-	6	-
D	-	1	-
F	1	7	-
G	4	7	-
H	1	2	-
J	-	6	-
K	-	4	-
L	-	1	-
N	-	2	-
Q	-	2	-
R	-	2	-
S	-	1	-
U	-	1	-
AF	-	1	-
TOTAL	11	63	-

**UZBEKISTAN****Category**

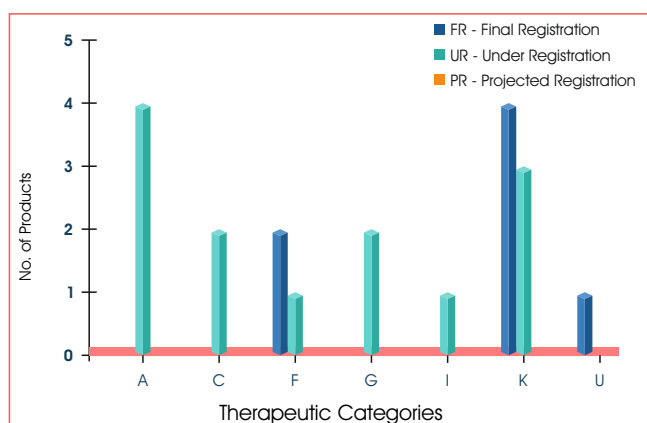
M - ANTI-RETROVIRAL / ANTI HIV

	FR	UR	PR
M - ANTI-RETROVIRAL / ANTI HIV	7	-	-
TOTAL	7	-	-

**VIETNAM****Category**

A - ANTI-BACTERIAL
 C - ANTI-DIABETIC
 D - ANTHELMINTIC
 E - ANTIHISTAMINES / ANTIALLERGIC
 F - ANTACID / ANTIULCER / ANTIEMETIC
 G - ANALGESICS / NSAID
 H - ANTIFUNGAL
 I - ANTICOAGULANTS
 J - ANTI INFLAMMATORY
 K - ANTIHYPERTENSIVE
 M - ANTI-RETROVIRAL / ANTI HIV
 N - ANTICONSULSANTS/ANTI-EPILEPTIC
 Q - CARDIOVASCULAR
 S - IMPOTENCE DRUGS
 U - APPETITE STIMULANT WITH MULTIVITAMINS/
 MULTIVITAMINS AND MULTIMINERALS
 V - BONE MODULATING DRUGS
 W - ALPHA-BLOCKER

	FR	UR	PR
A - ANTI-BACTERIAL	1	1	2
C - ANTI-DIABETIC	-	3	4
D - ANTHELMINTIC	-	-	1
E - ANTIHISTAMINES / ANTIALLERGIC	1	-	2
F - ANTACID / ANTIULCER / ANTIEMETIC	-	-	6
G - ANALGESICS / NSAID	-	2	3
H - ANTIFUNGAL	-	-	1
I - ANTICOAGULANTS	-	1	-
J - ANTI INFLAMMATORY	-	2	4
K - ANTIHYPERTENSIVE	-	-	5
M - ANTI-RETROVIRAL / ANTI HIV	-	1	3
N - ANTICONSULSANTS/ANTI-EPILEPTIC	-	1	1
Q - CARDIOVASCULAR	-	4	-
S - IMPOTENCE DRUGS	-	-	2
U - APPETITE STIMULANT WITH MULTIVITAMINS/ MULTIVITAMINS AND MULTIMINERALS	-	-	1
V - BONE MODULATING DRUGS	-	1	-
W - ALPHA-BLOCKER	-	-	1
TOTAL	2	16	36

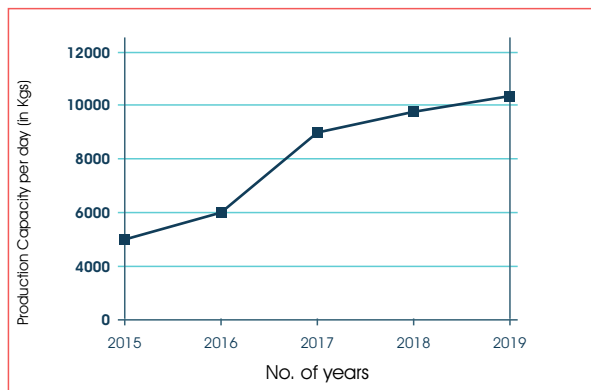
**ZAMBIA****Category**

A - ANTI-BACTERIAL
 C - ANTI-DIABETIC
 F - ANTACID / ANTIULCER / ANTIEMETIC
 G - ANALGESICS / NSAID
 I - ANTICOAGULANTS
 K - ANTIHYPERTENSIVE
 U - APPETITE STIMULANT WITH MULTIVITAMINS/
 MULTIVITAMINS AND MULTIMINERALS

	FR	UR	PR
A - ANTI-BACTERIAL	-	4	-
C - ANTI-DIABETIC	-	2	-
F - ANTACID / ANTIULCER / ANTIEMETIC	2	1	-
G - ANALGESICS / NSAID	-	2	-
I - ANTICOAGULANTS	-	1	-
K - ANTIHYPERTENSIVE	4	3	-
U - APPETITE STIMULANT WITH MULTIVITAMINS/ MULTIVITAMINS AND MULTIMINERALS	1	-	-
TOTAL	7	13	-

PRODUCTION CAPACITY

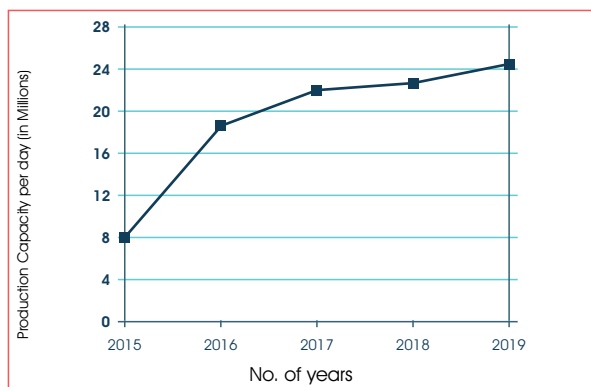
Fredun Pharmaceuticals Ltd. Annual Report 2019-2020



TABLETS (GRANULATION)

Granulation Capacity per day (in kgs)

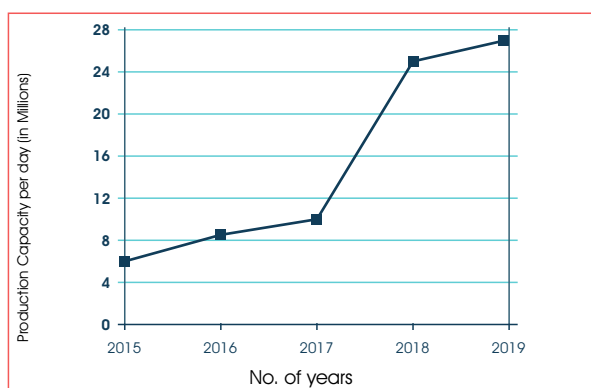
Years	Capacity (in kgs)
2015	5000
2016	6000
2017	9000
2018	9800
2019	10500



TABLETS (COMPRESSION)

Compression Capacity per day (in Millions)

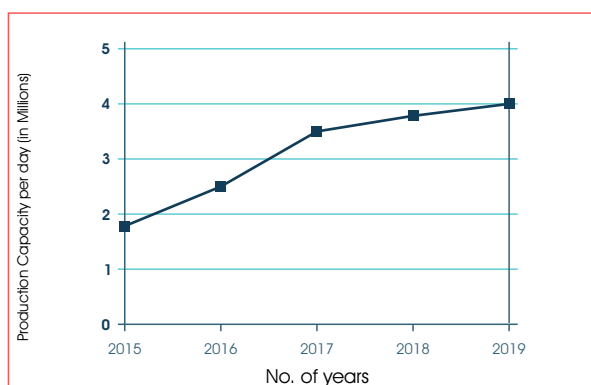
Years	Capacity (in millions)
2015	8.0
2016	19.0
2017	22.0
2018	23.0
2019	25.0



TABLETS (COATING)

Coating Capacity per day (in Millions)

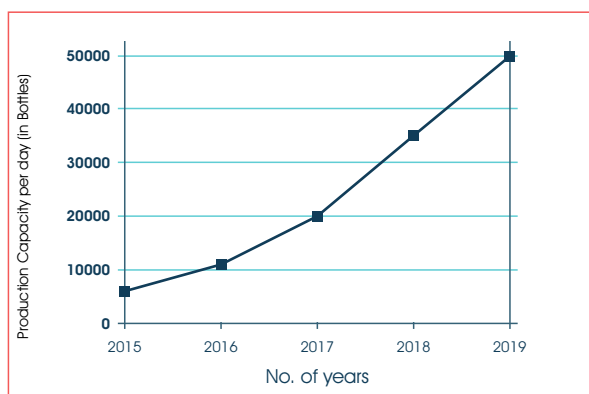
Years	Capacity (in millions)
2015	6.0
2016	8.5
2017	10.0
2018	25.0
2019	27.0



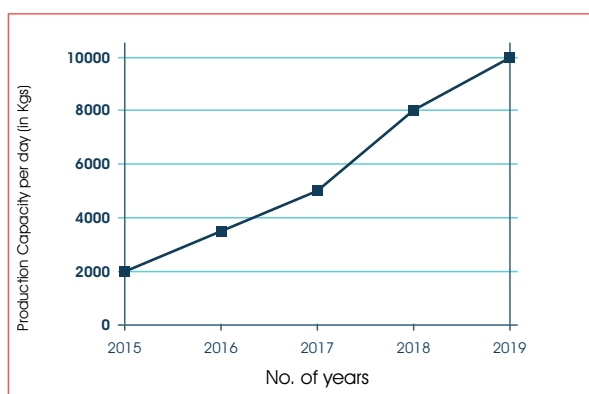
CAPSULES

Capsules Capacity per day (in Millions)

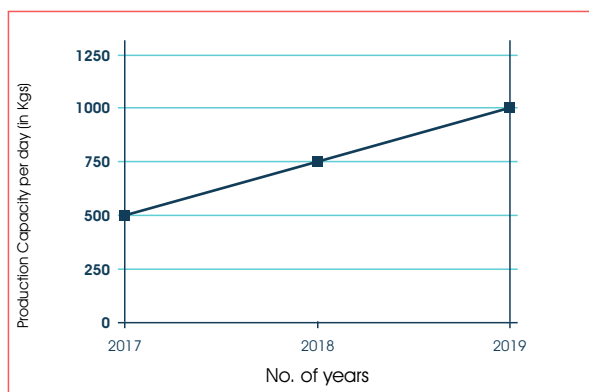
Years	Capacity (in millions)
2015	1.8
2016	2.5
2017	3.5
2018	3.8
2019	4.0

**DRY SYRUP****Dry Syrup Capacity per day (in Bottles)**

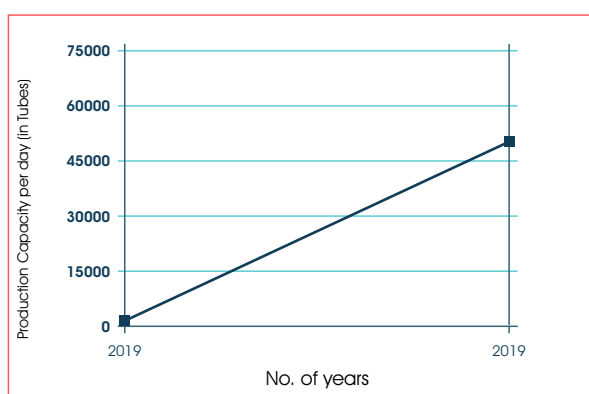
Years	Capacity (in bottles)
2015	6000
2016	11000
2017	20000
2018	35000
2019	50000

**DC GRANULES****Compression Capacity per day (in Kgs)**

Years	Capacity (in kgs)
2015	2000
2016	3500
2017	5000
2018	8000
2019	10000

**PELLETS****Pellets Capacity per day (in Kgs)**

Years	Capacity (in kgs)
2017	500
2018	750
2019	1000

**TOPICALS****Topicals Capacity per day (in Tubes)**

Years	Capacity (in tubes)
2019	55000