



# SANDU PHARMACEUTICALS LTD

Regd. Office: Plot Nos. 25, 26, 29 & 30, Pilerne Industrial Estate, Marra, Saligao, Bardez, Goa 403511.  
Tel: +91 832 2407474 / 6715000, E-mail: sandupharma@sandu.in

**Ref: SPL/CORP-SEC/2020-21/BSE/ 1203**

**Dated: 31.07.2020**

To,  
Bombay Stock Exchange Ltd,  
Phirojshah Jeejobhoy Towers,  
25<sup>th</sup> Floor, Dalal Street,  
Mumbai 400 001

Manager-Department of Corporate affairs

Sir,

**Sub: Outcome of the Board Meeting for the FY 2020-21 held on Friday, 31<sup>st</sup> July 2020 with Scrip Code 524703.**

A Meeting of the Board of Directors of the Company duly convened on **Friday, 31<sup>st</sup> July 2020 at 3:00 p.m. and Concluded at 5.00 p.m.** at the Corporate Office of the Company at Sandu Nagar, D K Sandu Marg, Chembur, Mumbai inter alia, discussed the following business:-

1. It has approved Audited Financial Results for the Quarter ended 31<sup>st</sup> March 2020 along with Independent Audit Report.
2. It has taken on record Declaration submitted pursuant to Regulation 33(3)(d) of SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015.

You are requested to kindly take the same on record.

Thanking You

Yours Faithfully

For Sandu Pharmaceuticals Limited



Umesh B Sandu  
Managing Director DIN:01132141



AN ISO 9001:2008 CERTIFIED ORGANISATION

Corporate Office: P. B. No. 17201, Sandu Nagar, D. K. Sandu Marg, Chembur, Mumbai – 400 071.  
Tel.: +91 22 2528 4402 / 3306, Fax: +91 22 2528 2403, E-mail: info@sandu.in, Web: www.sandu.in

CIN:L24233GA1985PLC001587



## SANDU PHARMACEUTICALS LIMITED

Balance Sheet as at 31st, March, 2020

PARTICULARS	Note No.	As at 31st March, 2020	As at 31st March, 2019
		Amount (₹)	Amount (₹)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, Plant and Equipment	3	1,650.17	1,691.60
Other Intangible Assets	4	10.15	12.71
<b>Financial Assets</b>			
Investments	5	82.36	112.70
Loans		131.87	510.38
Other Non Current Assets		24.61	28.20
		<b>1,899.16</b>	<b>2,355.59</b>
<b>Current assets</b>			
Inventories	6	1,436.17	1,325.55
<b>Financial Assets</b>			
Investments		-	-
Trade receivables	7	468.11	479.55
Cash and cash equivalents	8 (a)	121.66	74.09
Bank balances other than (iii) above	8 (b)	32.50	4.86
Other current assets	9	183.58	123.90
Loans	10		
		<b>2,242.02</b>	<b>2,007.95</b>
		<b>4,141.18</b>	<b>4,363.54</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share capital	11	708.10	708.10
Other Equity	12	2,215.56	2,170.79
		<b>2,923.66</b>	<b>2,878.89</b>
<b>Non-current liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	13		17.65
Trade payables		-	-
Provisions		-	-
Deferred tax liabilities (Net)	14	84.51	81.17
		<b>84.51</b>	<b>98.82</b>
<b>Current liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	15	124.50	592.54
Trade payables	16		
Dues to Micro & small Enterprises	16 (a)	3.17	7.50
Other Than small & micro enterprises	16 (b)	572.70	415.86
Other financial liabilities		-	-
Other current liabilities	17	114.62	111.90
Provisions	18	318.02	258.03
		<b>1,133.01</b>	<b>1,385.83</b>
		<b>4,141.18</b>	<b>4,363.54</b>

Place: Mumbai  
Dated : 31/07/2020



For Sandu Pharmaceuticals Ltd

Umesh Sandu  
Managing Director  
DIN :- 01132141

**Regd. & Factory Office:** Plot Nos. 25, 26, 29 & 30, Pilerne Industrial Estate, Marra, Saligao, Bardez, Goa 403511.

**NOTE 8 PRO** Tel: +91 832 2407474 / 6715000, E-mail: sandupharma@sandu.in

**CIN: L24233GA1985PLC001587**



**SANDU PHARMACEUTICALS LIMITED**  
**Statement of Profit and Loss for the Period ended 31st March, 2020**

(Rs in lakhs)

Particulars	Note No.	3 Months ended	Preceding 3 Months Ended	Corresponding 3 Months ended	Year ended	Year ended
		31 st March 2020	31 St December, 2019	31st March 2019	31st March 2020	31st March 2019
		Audited	Unaudited	Audited	Audited	Audited
<b>INCOME</b>						
Revenue From Operations	19	1,101.67	1318.04	1192.04	4,836.75	4,942.46
Other Income	20	4.26	13.05	14.01	45.27	57.39
<b>Total Income</b>		<b>1,105.93</b>	<b>1,331.09</b>	<b>1,206.05</b>	<b>4,882.02</b>	<b>4,999.85</b>
<b>EXPENSES</b>						
Cost of materials consumed	21	280.70	246.11	279.24	913.85	854.88
Purchases of Stock-in-Trade	22	552.33	532.33	512.10	1,700.86	1,833.24
Changes in inventories of finished goods, Stock-in-Trade and work-in-progress	23	-308.52	-80.59	-247.34	-103.38	-156.89
Excise duty on sale of goods						
Employee benefits expense	24	184.72	171.27	118.35	685.15	652.37
Finance costs	25	10.29	7.79	19.08	43.48	101.18
Depreciation and amortization expense		13.83	13.93	15.68	55.22	63.58
Other expenses	26	364.58	418.53	491.63	1,494.71	1,549.47
<b>Total expenses</b>		<b>1,097.93</b>	<b>1,309.37</b>	<b>1,188.74</b>	<b>4,789.89</b>	<b>4,897.83</b>
<b>Profit/(loss) before exceptional items and tax</b>		<b>8.00</b>	<b>21.72</b>	<b>17.31</b>	<b>92.13</b>	<b>102.02</b>
Exceptional Items / Prior Period Adjustment	27	0	0	0	0.23	0.26
<b>PROFIT/(LOSS) BEFORE TAX</b>		<b>8.00</b>	<b>21.72</b>	<b>17.31</b>	<b>91.90</b>	<b>101.76</b>
<b>Tax expense:</b>	28					
Current tax		(9.07)	5.66	14.64	12.69	36.50
Deferred tax		0.33	0.43	0.94	7.18	(1.64)
<b>PROFIT (LOSS) FOR THE PERIOD</b>		<b>16.74</b>	<b>15.63</b>	<b>1.73</b>	<b>72.03</b>	<b>66.90</b>
<b>OTHER COMPREHENSIVE INCOME</b>						
Items that will not be reclassified to profit or loss in Subsequent Periods :						
Remeasurement gains/(losses) on post employment defined benefit plans		-0.76		1.17	(0.76)	4.67
Fair value changes of investments		-35.51	3.26	0.08	(30.34)	0.30
Income tax relating to items that will not be reclassified to profit or loss		3.89	-0.33	-0.31	3.85	(1.25)
<b>TOTAL OTHER COMPREHENSIVE INCOME FOR THE PERIOD (NET OF TAX)</b>		<b>(32.38)</b>	<b>2.93</b>	<b>0.94</b>	<b>(27.25)</b>	<b>3.72</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD (NET OF TAX)</b>		<b>(15.64)</b>	<b>18.56</b>	<b>2.67</b>	<b>44.78</b>	<b>70.62</b>
<b>EARNINGS PER EQUITY SHARE</b>	29					
Basic		0.24	0.22	0.02	1.02	0.94
Diluted		0.24	0.22	0.02	1.02	0.94

Place: Mumbai  
Dated : 31/07/2020



For Sandu Pharmaceuticals Ltd

Umesh Sandu  
Managing Director  
DIN :- 01132141

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Particulars	Year ended 31st March, 2020		Year ended 31st March, 2019	
	Amount (₹)	Amount (₹)	Amount (₹)	Amount (₹)
<b>A. Cash flow from operating activities</b>				
Net Profit / (Loss) before extraordinary items and tax		9,190,308		10,176,853
<b>Adjustments for:</b>				
Depreciation and amortisation expenses	5,521,731		6,358,106	
Finance costs	4,348,151		10,118,075	
Interest income	(171,967)		(57,465)	
Dividend income	(45,235)		(29,835)	
Re-measurement losses on employee defined benefit plans	(75,873)		467,286	
Prior period Income		9,576,807		16,856,167
<b>Operating profit / (loss) before changes in operating assets &amp; liabilities</b>		<b>18,767,115</b>		<b>27,033,020</b>
<b>Changes in operating assets</b>				
(increase) / decrease in inventories	(11,062,319)		(18,150,812)	
(increase) / decrease in Trade receivables	1,142,962		18,984,412	
(increase) / decrease in other operating assets	35,138,252		(206,904)	
<b>Changes in operating liabilities</b>				
(increase) / decrease in trade payables	15,251,186		12,115,248	
(increase) / decrease in other operating liabilities	4,198,287	44,668,369	769,600	13,511,543
<b>Cash Generated from operation</b>		<b>63,435,485</b>		<b>40,544,564</b>
Income Tax Paid		(1,413,914)		(3,130,415)
<b>Net Cash flow from Operating activities</b>		<b>62,021,571</b>		<b>37,414,149</b>
<b>B. Cash flow from investing activities</b>				
Purchases of Property, Plant and Equipment	(1,123,242)		(1,087,634)	
Interest received	171,967		57,465	
Dividend received	45,235		29,835	
Gain on Sale of Financial Instruments	-		-	
<b>Net cash flow from / (used in) investing activities (B)</b>		<b>(906,040)</b>		<b>(1,000,334)</b>
<b>C. Cash flow from financing activities</b>				
Proceeds from long-term borrowings	(2,442,803)		(648,669)	
Repayment of Short-term borrowings	(46,804,245)		(31,829,803)	
Finance cost	(4,348,151)		(10,118,075)	
<b>Net cash flow from / (used in) financing activities (C)</b>		<b>(53,595,198)</b>		<b>(42,596,548)</b>
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>		<b>7,520,332</b>		<b>(6,182,733)</b>
Cash and cash equivalents at the beginning of the year		7,895,795		14,078,534
<b>Cash and cash equivalents at the end of the year</b>		<b>15,416,128</b>		<b>7,895,795</b>

Place :- Mumbai  
Date :- 31/07/20



For Sandu Pharmaceuticals Ltd

Umesh Sandu  
Managing Director  
DIN :- 01132141



**SANDU PHARMACEUTICALS LIMITED**  
**Statement of changes in equity for the Period ended 31st Mar, 2020**

**A. SHARE CAPITAL**

	As at 31st Mar 2020	As at 31 Mar 2019
	Amount (')	Amount (')
Equity Shares of ` 10 each issued, subscribed and fully paid	708.10	708.10
<b>Total</b>	<b>708.10</b>	<b>708.10</b>

**B. OTHER EQUITY**

	Reserves and Surplus			Other Comprehensive Income			Total (')
	Capital Reserve (')	General Reserve (')	Retained Earnings (')	Equity Instruments through Other Comprehensive Income (')	Revaluation Surplus (')	Other Comprehensive Income -Employee Benefits (')	
<b>Balance at 31st March, 2018</b>	-	950.28	241.39	30.79	939.39	8.93	2,170.78
Profit for the Year	-		72.03		-		72.03
Other Comprehensive Income (Net of tax)	-		-	(26.67)	-	(0.57)	(27.24)
Transfer to general reserve	-			-		-	-
Transfer to retained earnings	-	-	13.80	-	(13.80)	-	-
<b>Balance at 31st Mar 2019</b>	-	950.28	327.22	4.12	925.59	8.36	2,215.57

Place: Mumbai  
Dated : 31/07/2020

For Sandu Pharmaceuticals Ltd



**Umesh Sandu**  
Managing Director  
DIN :- 01132141

1. The above results published in accordance with regulation 33 of the SEBI ( Listing Obligation & Disclosures Requirements ), 2015 have been reviewed by the Audit committee and approved by the Board of Directors at their meeting held on 31st July ,2020 The Financials results are in accordance with the Indian Accounting Standards (IND AS) as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies ( Indian Accounting Standards ) Rule, 2015 and Companies ( Indian Accounting Standards) Amendment Rules, 2017.
2. The Management evaluates the performance of the company based on revenue and operating income in one segment i.e. “Ayurvedic Property Medicines”. Accordingly, as per IND AS- 108. The company has only one business segment and hence segment information has not been separately disclosed.
3. On 1<sup>st</sup> April, 2018 the Company has adopted Indian Accounting Standard - 115 using the cumulative effect method. Accordingly the comparative information is not restated in the audited results for the quarter ended on 31st March, 2019. The adoption of the standard did not have any material impact to the financial results of the Company.
4. The Figures for the quarter ended 31 st March, 2020 and 31 st March, 2019 are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the respective financial year.

5. The Spread of COVID 19 has affected the business from 3<sup>rd</sup> week of March 2020 , which culminated into scaling down of the Company's operations post nation wide lockdown. The company has taken various measures in consonance with the Central & State government advisories to contain the pandemic including closing of manufacturing facilities and adopting work from policy for employees at various locations.

The Company has carried out assessment of the impact of the pandemic on the business operations , financials assets , & overall liquidity positions. The Company does not see any incremental risk on the recoverability of the assets & meeting its financial obligations in foreseeable future.

The company has resumed manufacturing operations after strict compliances of the guidelines given by the government authorities, supply chain & sales have resumed but still major staff continues to work from home or are unable to report on duty.

The company will continuously monitor the situation & any Material impact arising due to this pandemic on the financial & Operational performance and will take necessary measures to Address the situation.

6. Figures for the previous periods have been reclassified/regrouped, whenever necessary

Date: - 31/07/2020

For Sandu Pharmaceuticals Ltd



  
**Umesh Sandu**  
Managing Director  
DIN: 01132141

Ref: SPL/Corp.sec/2020-21/

Dated: 31/07/2020

To  
BSE Ltd  
Phiroze Jeejeebhoy Tower  
Dalal Street, Mumbai 400 001

Scrip Code: 524703

Sub: Declaration regarding Audit Report on Standalone Financial Results for the Quarter and Year ended 31<sup>st</sup> March 2020 with unmodified opinion of the Independent Auditors.

Dear Sir,

We hereby confirm and declare that the Statutory Auditors of the Company i.e M/s Dileep and Prithvi, Chartered Accountants, Mumbai (Firm No:122290W), have issued the Audit Report on Standalone Financial Results of the Company for the Quarter and Year ended 31<sup>st</sup> March 2020 with Unmodified opinion.

We submit this declaration as required under the provisions of the Regulation 33(3) (d) of SEBI (Listing Obligations and Disclosure Requirements) 2015 as amended and circular CIR/CFD/CMD/56/2016 May, 2016 issued by SEBI.

You are requested to take the above letter on record.

Yours Faithfully

For Sandu Pharmaceuticals Limited



Umesh B Sandu  
Managing Director  
DIN: 01132141







## **Independent Auditor's Report**

To,  
**The Member of,**  
**SANDU PHARMACEUTICALS LIMITED**

### **Report on the Audit of the Standalone Financial Results**

#### **Opinion**

We have audited the accompanying statements of standalone Financial Results of **SANDU PHARMACEUTICALS LIMITED** ("the Company"), for the quarter and year ended on March 31, 2020 ('the statement') being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, as amended ('the Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us, these financial results:

- a. Are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
- b. Gives a true and fair view in conformity with the Indian Accounting Standard 34 "Interim Financial Reporting" (Ind AS 34) prescribed under Section 133 of the Companies Act 2013 (the "Act") read with relevant rules issued thereunder and other accounting principles generally accepted in India of the net profit and total comprehensive income and other financial information of the Company for the quarter and year ended on March 31, 2020.

#### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the standalone financial results 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 together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.





### **Management Responsibilities for the Standalone Financial Results**

These quarterly financial results as well as the year to date standalone financial results have been prepared on the basis of the interim financial statements. The Company's Board of Directors are responsible for the preparation of these financial results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone financial results, the Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

### **Auditor's Responsibilities for the Standalone Financial Results**

Our objectives are to obtain reasonable assurance about whether the standalone financial results 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 financial results.

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

- a. Identify and assess the risks of material misstatement of the Standalone financial results, 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.





- b. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company have adequate financial control reference to Financial Statement in place and the operating effectiveness of such control.
- c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- d. Conclude on the appropriateness of the Board of Directors' 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 financial results 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.
- e. Evaluate the overall presentation, structure and content of the Standalone financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

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.

### **Emphasis of Matter**

- a. We further draw attention to Note 5 to the standalone financial results which explains COVID-19 that has caused significant disruptions in the business operations of companies across India and has caused significant accounting and auditing challenges. One such challenge being inability for the Company to conduct a physical verification of inventories and fixed assets for the year ended on March 31, 2020 due to Government having imposed restrictions during the lockdown on account of health, travel and safety concerns. Inventories, being material to the financial statements/results of the Company, the Standard on Auditing (SA) 501, Audit Evidence - Specific Considerations for Selected items, cast a duty on us to obtain sufficient appropriate audit evidence regarding the existence and condition of inventories. Our opinion is not qualified in respect of this matter.
- b. We draw your attention to Note 4 of the Statement regarding the figures for the quarter ended March 31, 2020, which are the balancing figures between audited figures in respect of the full financial year and the published year-to-date figures up to December 31, 2019 being the date of the end of the third quarter of the current financial year. Our opinion is not qualified in respect of this matter.

#### **HEAD OFFICE :**

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Cell : +91 77679 88047 • E-mail : nikhil@dileepprithvi.com





*Dileep & Prithvi*

CHARTERED ACCOUNTANTS

**Other Matter**

The Statement dealt with by this report has been prepared for the express purpose of filing with BSE Limited. This Statement is based on and should be read with the financial results of the company for the quarter and year ended March 31, 2020 on which we issued an unmodified audit opinion vide our report dated July 31, 2020.

**For Dileep & Prithvi**

Chartered Accountants

Firm Registration Number: 122290W

**Himmat Mali**

(Partner)

Membership Number: 183378

UDIN: 20183378AAAAAV6381

Place: Mumbai

Date: July 31, 2020

