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Part II

Statutory Notifications (S.R.O.)

SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

NOTIFICATION

Islamabad, the April 23, 2013

S.R.O. 343 /2013.— The following draft of Pharmaceuticals Industry (Cost Accounting Records) Order, 2013 which is proposed to be made in exercise of powers conferred by clause (e) of sub-section (1) of section 230 and clause (o) of sub section (4) of section 20 of the Securities and Exchange Commission of Pakistan Act, 1997 (XLII of 1997) is hereby published for the information of all persons likely to be affected thereby and notice is hereby given that the draft will be taken into consideration after thirty days of its publication in the Official Gazette.

Any objection or suggestion which may be received from any person in respect of the said draft before the expiry of the said date shall be considered by the Securities and Exchange Commission of Pakistan.

PHARMACEUTICALS INDUSTRY (COST ACCOUNTING RECORDS) ORDER, 2013

1. **Short title, application and commencement.** - (1) This Order shall be called the Pharmaceutical Industry (Cost Accounting Records) Order, 2013.

(2) This Order shall apply to every company, including a foreign company as defined under section 450 of the Companies Ordinance, 1984, which is engaged in the production, processing and manufacturing of pharmaceuticals products.

(3) It shall come into force with effect from July 1st 2013.

2. **Maintenance of records.**- (1) Every company to which this Order applies shall, in respect of each financial year commencing on or after the commencement of this Order, keep cost accounting records, containing, inter-alia, the particulars specified in Schedule I, II and III to this Order.

(2) The cost accounting records referred to in sub-paragraph (1) shall be kept in such a way as to make it possible to calculate from the particulars entered therein the cost of production and cost of sales of each of the formulation products referred to in sub- para (2) of para 1, during a financial year.

(3) Where a company is manufacturing any other product in addition to those referred to in sub- para (2) of para 1, the particulars relating to the utilization of materials, labour and other items of cost in so far as they are applicable to such other product shall not be included in the cost of product referred to in that para.

(4) It shall be the duty of every person referred to in sub-section (7) of section 230 of the Companies Ordinance, 1984 (XL VII of 1984), to comply with the provisions of sub-paragraph (1) to (3) in the same manner as they are liable to maintain financial accounts required under section 230 of the said Ordinance.

3. Penalty If a company contravenes the provisions of paragraph 3 the company and every officer thereof who is in default, including the persons referred to in sub-paragraphs (4) of paragraph 2 shall be punishable under sub-section (7) of section 230 of the companies Ordinance, 1984 (XL VII of 1984)

SCHEDULE 1
(See paragraph 2)

1. MATERIALS

(1) Direct Materials.-

- (a) Adequate records shall be maintained showing receipts, issues and balances, both in quantities and values of each item of direct materials such as basic for manufacture, semi-basic manufacture, excipients, and pharmaceutical aids etc, required for manufacture of different types of formulations batch-wise. The basis on which the value of receipts, and issues have been calculated shall be clearly indicated in the cost records maintained or if so desired by the company in a separate manual of procedures, if any, maintained by the company or in footnotes or separate explanatory notes to the cost statements for the relevant period. Such basis shall be applied consistently throughout the relevant period. The values shall include all direct charges upto works such as excise duty, sales tax, transport, freight, handling and transit insurance premium incurred for local materials. In case of imported materials, custom duty, sales tax, port charges, inland freight charges, sea freight and insurance charges, and any other levies and charges, and any other levies and charges payable at the time of import shall be shown separately and included to work out the landed cost. Separate record shall be maintained for imports of basic drugs from the parent company or third party suppliers in foreign country alongwith transfer prices.
- (b) In case basic manufactures and semi-basic manufactures used as direct materials in the manufacture of formulations, which are being produced or processed by the company itself proper cost records shall be maintained so as to arrive at the cost of each such item.
- (c) Consumption reflected in cost records should correspond to the date recorded in the manufacturing records under the same nomenclature as maintained under the Drugs Rules, 1976.
- (d) All issues of production and packing materials shall be reconciled with figures shown in Annexes of Schedule III, or in any other form as thereto as possible. Any losses/surpluses arising as a result of physical verification of inventories and adjustments thereof shall be clearly indicated in the cost records.
- (e) Record of purchase/supply contracts entered into with local and foreign suppliers including principals shall be maintained showing the rates at which various quantities of materials are to be acquired. The records shall indicate principal features of each contract particularly conditions relating to quantity, quality, price, and period of delivery, discount for transit loss and terms of payment including cash discounts. In case of basic drugs and chemicals, the

chemical specifications, strength and technical contents should also be clearly indicated.

- (f) Where some of the direct materials apart from basic manufactures and semi-basic manufactures are being produced or processed by the Company, separate records showing the cost of producing/processing such direct materials shall be maintained in such detail as may enable the company to provide particulars required in the annexes of Schedule III.
- (g) Any abnormal wastage of material whether in transit, storage or for any other reason shall be recorded separately indicating the stage at which such losses occurred and reasons thereof. The method of dealing with such losses in the calculation of costs shall also be indicated in the cost records. Normal wastage will be absorbed by the remaining material in itself. Realizable value of any waste material recovered or sale proceeds of any process material shall be credited to the cost of such process to arrive at the net cost of formulation produced.
- (h) If the quantity and value of materials consumed in a company are determined on any basis other than actuals for example at standards, the method adopted shall be mentioned in cost records and followed consistently. The overall reconciliation of such quantities and values of materials with the actuals shall be made at the end of the financial year explaining the reasons of variances. The treatment of such variances in determining the cost of items referred to in sub-para (2) of paragraph V shall be indicated in the cost records.
- (i) The records shall be maintained in such details as may enable the company to readily provide data required in the various Annexes of Schedule III, in a verifiable state.

(2) Consumable Stores/Spares/Operating Supplies.-

- (a) Record of each item of consumable stores/spares/operating supplies shall be maintained so as to show receipts, issues and balances, both in quantities and values, required or actually used for the relevant cost centres. In case of consumable stores and small tools cost of which is insignificant, the company may if it so desires maintain such records for main group of such items.
- (b) Cost of consumable stores shall include all direct charges incidental to procurement of each item up to the factory. The cost of such stores/spares/operating supplies consumed shall be charged to relevant cost centre on the basis of actual consumption. The items issued for capital expenditure, such as additions to plant and machinery shall be shown under relevant heads and not in the cost statements of formulation.
- (c) Wastage of consumable stores, whether in transit, storage or at any other point, shall be quantified and shown separately. Method of dealing with such losses in costing shall also be indicated in the cost records.

II. SALARIES AND WAGES

(1) Adequate record shall be maintained to show the attendance of workers employed by the company whether on regular, temporary, piece-rate basis or on contract basis, as the case may be, proper records shall also be maintained in respect of payment made for overtime work and production incentives whether in the shape of production bonus or incentives based on output given to the workers. Payment of any production bonus or incentive based on output given to the workers. Payment of any retirement benefits including pension, provident fund, gratuity, old age benefits and any identifiable labour related expenses shall also be included in the labour cost of beneficiary cost centre/department. This will be done in a manner that labour cost is available for each cost centre and for each formulation and batch so that all particulars required to fill in the Annexes of Schedule III are readily available and verifiable.

(2) Fair and reasonable allocation shall be made for wages paid to such direct labour as has been utilized in more than one department, between the various departments or cost centres and the basis of such allocation shall be consistently followed. Any wages paid for additions to plant and machinery or other fixed assets shall be capitalized and excluded from the cost statements.

(3) Benefits paid to the employees other than covered in (a) above shall be worked out separately and shown in the cost statement department-wise.

III. SERVICE DEPARTMENTS

Adequate records shall be maintained showing expenses incurred for each Service Department, such as laboratory, testing house, animal house, transport, and quality control, these expenses have to be apportioned to other cost centres including service departments on an equitable basis. Where these service departments serve other products other than formulations suitable bases should be worked out so that the share apportioned to formulations is worked out and applied consistently.

IV. UTILITIES

Adequate record shall be maintained showing the quantity and cost of the following utilities and services both purchased/produced and utilized by different cost centres:

- (i) Power
- (ii) Treated Water/Deionized water
- (iii) Refrigeration
- (iv) Compressed Air (if installed separately)
- (v) Effluent treatment
- (vi) Oxygen/Nitrogen Plants.
- (vii) Air Conditioning
- (viii) LPG
- (ix) Quality Control Department.
- (x) Others (to be specified).

The records shall be so maintained as to enable assessment of consumption or utilization of services by different departments, cost centres or manufacturing units. Allocation of cost shall be on the basis of actual consumption, or utilization, if possible, or on the basis of technical estimates in the

absence of actual measurement. In the case of fixed charges or fuel adjustment surcharges for electricity claimed by the utility company irrespective of the actual power consumed and if the amount payable as per actual consumption falls below the contractual minimum, the difference between the contractual minimum and the actual amount shall be treated as fixed period cost and transferred to relevant Annexes of Schedule III. Cost of service including power consumed in and chargeable to non-manufacturing departments, if significant, shall be shown separately.

Note. - In case of self generation quantity of power generated and reasons for any under utilization of power generated capacity, shall be specified and the relevant cost should be treated as fixed / period cost.

V. REPAIRS AND MAINTENANCE

Adequate records showing expenditure incurred on workshop facilities for repairs and maintenance of plant and machinery in different departments and cost centres shall be maintained on permanent basis. Details of costs incurred and the basis of allocation of repairs and maintenance expenditure to different departments or manufacturing units or cost centres shall be indicated. Cost of work of capital nature, of heavy repairs, and overhaul cost, benefit of which is likely to be spread over a period longer than the financial year, shall be shown separately.

- (i) If a separate maintenance team is working for a particular department the salaries, wages, cost of consumables, spares and tools should be charged as direct expense of that department.
- (ii) If the maintenance services are utilized for other products such as basic manufactures and semi-manufactures also, the portion utilized for them should be segregated and charged thereto.

VI. MULTIPURPOSE VESSELS AND MACHINES

When same vessels and machines are used for manufacturing of different formulations/drugs, formulations-wise and batch-wise cost incurred may be charged accordingly. When composite machine hour rates are used for allocation of conversion costs, overheads and equipment usage, adequate records for machine hour's utilization for different formulations and batches should be kept for proper apportionment of cost. The variances between the actuals and the amount charged on the basis of predetermined standard rates shall be adjusted or arriving at the actual cost of production periodically and the year end.

VII. DEPRECIATION

(1) Adequate records shall be maintained showing values and other particulars of fixed assets in respect of which depreciation is to be provided. The records shall, inter-alia, indicate the cost of each item of asset, the date of its acquisition, amount of depreciation charged for the relevant period, accumulated depreciation and the written down value of the assets.

(2) Basis on which depreciation is calculated and allocated to the various departments and or products/formulation shall be clearly indicated in the records.

(3) Amount of depreciation chargeable to different departments, manufacturing units or cost centres, for the financial year shall be measured and disclosed in accordance with the in accordance with the company's policy which shall be consistent with the Accounting and Financial Reporting Standards as applicable in Pakistan and shall relate to the plant and machinery and other fixed assets utilized in such departments or units or cost centres. The method once adopted shall be applied consistently.

VIII. INSURANCE

(1) Record shall be maintained showing insurance premium paid for the various risks covered for the assets and other interests of the Company.

(2) Method of allocating insurance cost to the various cost centers shall be indicated in the cost records and followed consistently.

(3) Amount of depreciation chargeable to different, manufacturing units or cost centres, for the financial year shall be in accordance with the provisions of the Fourth Schedule of the Companies Ordinance 1984, and shall relate to the plant and machinery and other fixed assets utilized in such departments or units or cost centres. The method once adopted shall be applied consistently.

IX. ROYALTY/TECHNOLOGY TRANSFER FEE

Adequate record including technical agreements shall be maintained in respect of fee paid to the collaborators or technology suppliers on recurring or non-recurring basis, party-wise. The basis of charging such amounts to the beneficiating formulations shall be indicated in the cost records.

X. OTHER OVERHEADS

Adequate records showing the amounts comprising the manufacturing overhead expenses other than those already mentioned and details of apportionment thereof to the various departments or processes or cost centres, shall be maintained. The factory overheads shall include, among other items, indirect labour cost alongwith share of labour related cost such as fringe benefits, other labour and staff welfare expenses, and establishment expenses of manufacturing of items referred in paragraph 2. If products other than formulations are also being produced in the factory, adequate bases should be developed to apportion the overhead cost equitably.

XI. CONVERSION COST

Adequate record shall be maintained for bifurcating conversion cost for each formulation batch-wise into fixed and variable factors for compiling the different Annexes of Schedule III.

XII. QUALITY CONTROL EXPENSES

In case certain formulations require continuous or periodic checks by the quality control department, as to the formula strength conforming to the standards laid down by the Government or industry, necessary records shall be maintained so that the expenses incurred on the quality control department are prorated to the formulations/batches concerned. Adequate records shall be maintained of rejected formulation/batches. Expenses incurred on quality control built in within the cost of a certain department shall be charged as direct departmental expense.

XIII. RESEARCH AND DEVELOPMENT EXPENSES

Research and development expenses incurred by the research and development department shall be broken down by the nature and activity, e.g., development of new products, improvement of manufacturing processes, design and development of new plant facilities, market research for existing and new products shall be maintained separately. The benefit of some of these expenses might extend to more than one accounting cycle in which case these expenses shall be treated in accordance with the Accounting and Financial Reporting Standards as applicable in Pakistan. In other case the bases of pro-ration of the expenses to the formulations, batch-wise shall be indicated in the cost records.

XIV. INTER-DEPARTMENTAL TRANSFERS

Proper records shall be maintained showing the quantity and cost of formulation transferred to other departments/units of the company for further processing, mixing or self-consumption. Such transfers shall ordinarily be affected at cost and shall be disclosed in the cost records. If however, the transfer of formulation to other departments/units is made at a valuation other than cost, profit or loss arising out of such transfer shall be disclosed in the records.

XV. WORK-IN-PROCESS AND FINISHED GOODS INVENTORIES.

The method of valuation of work-in-process and the finished goods inventories shall be indicated in the cost records so as to reveal the cost elements, which have been taken into account in such computation. The cost elements shall be related to the items referred to in the relevant annexes of Schedule III. The costing method adopted shall be consistently followed. Treatment of differences, if any, on physical verification of stocks with book balances, shall also be indicated in the cost records.

XVI. PACKING

Adequate records shall be maintained showing all the receipts, issues and balances both in quantities and cost of various packing materials such as strips, ampoules, vials, bottles, cartons, boxes, labels, and literature for each item separately. Adequate records shall also be maintained for wages and other expenses incurred in respect of different size of packs adopted for marketing of formulations separately. The details of various packing materials actually used and spoiled shall be maintained in respect of each formulation. Where any formulation is repacked due to defective packing, details of such repacking for each pack shall be determined if repacking cost is significant. In case any packing materials are produced by the company, proper record showing the cost and manufacture of such items shall be maintained. In case of export packing, separate records and additional packing cost shall be maintained.

XVII. EXPORT INCENTIVE/EXPENSES

Proper record of export incentive received from the Government and any additional expenses incurred will be accounted for suitably.

XVIII. COST STATEMENTS

Export of formulations (if any) authorized shall be shown separately in cost statements for sale in the local market.

XIX. ADJUSTMENT OF COST VARIANCE

When the company maintains cost records on any basis other than actuals, such as standard costing, the records shall indicate the procedure followed by the company in working out the actual cost of product under such system. The method followed for adjusting the cost variances in determining the actual cost of the product shall be indicated clearly in the cost records. The cost variances shall be shown against the relevant heads in the respective annexes of Schedule III. The reasons for variances in respect of materials shall inter-alia be furnished separately for major materials. Variance analysis shall be made at least monthly/quarterly during the financial year and also at the year-end. The reasons for variances shall be given in the cost reports.

XX. SELLING AND DISTRIBUTION EXPENSES

Administration and selling and distribution expenses shall be recorded separately and bases developed for their apportionment to different formulations, and/or products.

XXI. STATISTICAL STATEMENTS AND OTHER RECORDS

Companies may develop and adopt appropriate standards for use as a basis to evaluate performance. Alternatively formats/procedures adopted by the industry in general should be maintained.

XXII. RECONCILIATION OF COST AND FINANCIAL ACCOUNTS

(1) The cost records shall be periodically reconciled with the financial accounts to ensure accuracy if integrated accounts are not maintained. Variations, if any, shall be clearly indicated and explained.

(2) The reconciliation shall be done in such a manner that the profitability of the different products, as per cost statements, is correctly judged and reconciled with the overall profits of the company from all of its activities.

(c) Adequate cost records shall be maintained in a manner so that the cost statements can be compiled.

SCHEDULE II

GENERAL INFORMATION

1. Name of Company: _____
2. Address: _____
3. Location of the Factory(s).
(if more than one unit state the formulation/activities being manufactured/engaged in by each separately).
4. Date of Registration with the Central Licencing Board under the Drugs Act, 1976 (Act No. XXI of 1976) and Drugs (Licencing and Advertising) Rules, 1976 {Rule No. 3(iii)}
5. Capacity of manufacturing: Current year Previous year
Equipment:
 - (i) Tablets
 - (ii) Capsules
 - (iii) Syrups
 - (iv) Suspension
 - (v) Injections
 - (vi) Ointments
 - (vii) Creams
 - (Viii) Powders
 - (ix) Others (Please specify)
6. Affiliation with foreign manufacturers, if any.
7. Please state if basic, semi-basic and Generic drugs which are also being manufactured.
8. Research and Development activity, if any.

SCHEDULE III

STATEMENT OF GOODS MANUFACTURED, PACKED AND SOLD FOR THE YEAR ENDED

Particulars	Tablets	Capsules	Syrup	Suspension	Powder	Ampoules	Vials	Ointment	Cream	Other (Pls Speci
-------------	---------	----------	-------	------------	--------	----------	-------	----------	-------	------------------------

Quantity Data

Batch Size

No. of Batch mfgd.

Qty mfgd.

Qty Packed.

Qty Sold.

Cost Data:

Direct Raw Materials:

Local

Imported

Own mfgd.

Total Material Cost

Conversion Cost/Gen. Overheads

Direct Labour

Factory Overhead:

Fixed

Variable

Total conversion cost

Inventory adjustment-WIP

Total Cost of Goods Mfgd.

Unit Cost

Packing cost

Aluminum

Paper

Cellophane

Blister

Strips

Vials

Capsules

Bottles

Tips

Total Cost of Mfgd. /Packed

Finished goods Inventory Adjustment
Cost of Goods sold

Total Profit /(Loss)

Unit profit/ (Loss)

Name of the Company.....

Name & Address of the Factory.....

Statement showing conversion and primary packing cost for various operations/cost centers for the product.

Production Cost Center

S. No	Particulars	Weighing and mixing of Raw materials	Proportion of solutions	Filteration	Homogenization	Final Filtration	Storage	Quality control	R & D	Others (to be specified)	Total
1	2	3	4	5	6	7	8	9	10	11	12

Conversion Cost/ Packing

Charges (Rs).

1. Wages & Salaries
2. Consumable Stores/Operating Supplies
3. Utilities
 - (a) Water
 - (b) Steam
 - (c) Power
 - (d) Demineralised Water
 - (e) Others (to be specified)
4. Other Direct Expenses (to be specified)
5. Repairs & Maintenance
6. Depreciation
7. Other Works Overhead
8. Adjustment for opening & Closing W.I.P
9. Adjustment for cost variance
10. Total
 - (a) Fixed
 - (b) Variable
1. Machine Hours/Direct labour hours
 - (a) Available
 - (b) Worked
2. Cost per machine/Direct labour hours worked
 - (a) Fixed
 - (b) Variable
 - (c) Total
3. Cost per machine/direct labour Hour worked previous year
 - (a) Fixed
 - (b) Variable
 - (c) Total

Primary packing cost center

and	Washing of Bottles	Filling Sealing & labeling	Cartoning	Boxing	others (to be specified)	Total	Grand Total of Production and packing cost centers
	13	14	15	16	17	18	19

Notes:

1. Cost Centers are illustrative only.
2. Item A 9 Applicable to companies maintaining cost records on standard costing.
3. Bonus to employees other than incentive bonus, provision for statutory gratuity or actual payment of the same during the period and interest charges on borrowings including debentures may be shown as annexures.
4. Actual direct labour/machine hours utilised for each type and size of pack of formulation shall be recorded batchwise.
5. Where special machines, such as high speed, automatic etc. are used for a particular process of manufacture, separate cost centers shall be opened for each such machine or group of such machines.

Annexure II

Name of company _____

Name & address of the factory _____

Statement showing the cost of production of formulation for the year ended _____

1. Name of the formulation _____
2. Type of formulation _____
(Plain/coated tablet, soft/hard/printed/capsules without/with band, sterile/Non-sterile liquid/powder/Ointment/cream etc.,
3. Type of packing _____
(Aluminum/paper/cellophane/blister, strips/vials/ampule/bottle/tin/and etc.
4. Size of pack _____
(1mg, 2mg/10s, 100s, etc., 1ml/2ml/10ml etc)
5. Batch size _____
6. No. of batches charged _____
7. No. of batches produced _____

8.	Production	Standard	Actual	Loss	
				Normal Qty %	Abnormal Qty %

- a. Current year
- b. Previous year

9. Packed production

- a. Current year
- b. Previous year

S.NO.	Particulars	Unit	Qty			Rate	Amount	Cost / unit	
			Theoretical Qty.per Batch	Over-ages, if any	Total	Rs.	Rs.	Cy Rs.	Py Rs.
			(1)	(2)	(3)				

A.1. Raw material cost
(cash item to be specified)

- (a) Imported
 - (1)
 - (2)
 - (3) etc.
- (b) indigenous-purchased
 - (1)
 - (2)
 - (3) etc
- (c) Own manufactured
 - (1)
 - (2)
 - (3) etc
 - (4) Less waste/rejects
(qty. to be specified)

2.

B Primary Packing Materials

[1] Aluminum/PVC/Cellophane/
blister foil front.

[2] _____ do _____

[3] Bottle/Container/Tube

[4] Ampoule/vials

[5] Caps/Seals etc.

[6] Leaflets

[7] Cartons

[8] Others to be specified

[9] Less rejects / waste
(Qty. to be specified)

[10] Total primary packing material cost

C. Total Material Cost (A +B)

D. (a) Conversion cost

(1) Weighting & Mixing-

- Variable

- Fixed

(2) Sifting

-Variable

- Fixed

(3) Tablet coating -

Variable

(4) Fixed

(c) Packing Cost/Charges

(1) Strip Making -

Variable

Fixed

(2) Washing / sterilizing of bottles -

Variable

Fixed

(3) Filling & sealing -

Variable

Fixed

(4) Cartoning -

(5) Others (to be specified)

Total Packing Cost

(c) Other Expenses

(1) Inspection

Variable

Fixed

(2) Quality Control

Variable

(3) Testing -

Variable

Fixed

(4) R & D -

Variable

Fixed

4. Storage -

Variable

Fixed

5. Others (to be specified)

Total other expenses

G.1. Total cost [D(a) +D(c)]

2. Adjustment for opening & closing work in process

3. Adjustment for cost variances

(a) Raw material

(b) Packing material

(c) Conversion & packing charges

(d) Total

4. Total Cost of Production.

Notes: -

1. This annexure shall be prepared for each type and size of packing (1 mg, 2mg./10s 1000s etc. 1ml./2ml./10ml.etc 5gm./ 10 gms etc. plain/ coated tablet soft / hard/ printed capsules, sterile/non sterile liquid/ powder, ointment/cream etc. in different packing of aluminum / paper / blister/strip vials/ampoule bottle/tin/jar etc. formulations separately.
2. The impact of foreign exchange gain/loss on the purchase of raw material from a foreign country or any other transaction may be disclosed separately, if the impact of such gain or loss is 5% of total material cost;
3. The impact of subsidy/grant/incentive received shall be incorporated and disclosed separately.
4. Separate statement shall be prepared as above for export packing: -
5. Item No.G.3 is applicable for companies following standard costing.
6. The cost of raw material and packing material shall be based on actual consumption for each size and type of formulation.
7. The abnormal loss, if nay, both in quantity and cost shall be own in a separate statement indicating the reason therefore.
8. CY-Current year.
PY- Previous year.

Annexure III

Name of the company.....
 Name & address of the factory
 Statement showing cost of packed product for the year ended.....

1. Name of the formulation
2. Type of formulation
(Plain/coated tablet, soft/hard/printed/capsules without/with band, sterile/Non-sterile liquid/powder/Ointment/cream etc.,
3. Type of packing
(Aluminium/paper/cellophane/blisterstrips/vials/ampoule/bottle/tin jar, with / without dropper/cutting blade, catch cover etc).
4. Size of pack
(10s 100s etc/1ml, 2ml/10ml, etc/ 5gms /10 gms etc)
5. Production

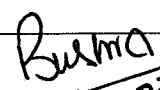
	Current	Previous year
(a) Qty. produced		
(b) Qty packed		
(c) Number of packs		
(d) Qty. & Number of packs sold		

S.N.	Particulars	Unit	Qty.	Rate	Amount. Rs.	Cost/Unit	
						Cy Rs.	Py Rs.
A.	Transferred from annexure II						
B	Secondary packing materials						
1.	Cartons						
2.	Leaflets						
1.	Dropper						
2.	Boxes						
3.	Gum Tapes						
4.	Others (to be specified)						
5.	Less rejects/waste (qty. to be specified)						
6.	Total secondary packing material cost						
C.	Packing Cost/ Charges						
1.	Cartoning -						
2.	Boxing -						
3.	Total Packing Cost -						
D.1.	Cost of packed product (A=B=C)						
2.	Less: Adjustment for cost variances						
3.	Total cost of packed product						
4.	Less qty. transferred for clinical/ Samples/trial						
5.	Add: Opening packed stock						
6.	Less closing packed stock						
7.	Cost of goods Sold						
	(a) Domestic Sale						
	(b) Exports						
	(c) Total						

Notes:

1. This annexure shall be prepared for each type and size of packing (1mg., 2mg., 10s, etc, 1ml./10ml/ etc 5gm/ 10gm etc. plain/ coated tablet soft/ hard/printed capsules, sterile / nonsterile, liquid/ powder, ointment/ cream etc. in different, packing of aluminium/paper/1-liter/strip, vials/ ampoule, bottle/ tin/jar etc. of formulations separately.
2. Separate statement shall be prepared s above for export packing:
3. Bonus to employees other than incentive bonus, provision for statutory gratuity or annual, payment during the period and interest charges on borrowings including debentures shall be exhibited in annexure.
4. Item No.D-2 is applicable for companies following standard costing.
5. The cost of raw material and packing material shall be based on actual consumption for each size and type of formulation.
6. CY = Current Years.
PY = Previous Year.

No. 230(2) RCP/1994


 (Bushra Aslam)
 Secretary to the Commission