DEY'S MEDICAL STORES (Manufacturing) LIMITED

Statement of Profit and Loss for the year ended 31st March,2023

| | Note No. | | Year Ended 31.3.2023 | | Year Ended 31.3.2022 |
|---|---|---|---|---|---|
| | | | ( RUPEES IN LACS ) | | |
| INCOME | | | | | |
| Revenue from operations | 16 | | 12186.96 | | 12806.46 |
| Other Income | 17 | | 283.69 | | 238.59 |
| TOTAL INCOME | | | 12470.65 | | 13045.05 |
| EXPENDITURE | | | | | |
| Cost of Materials consumed | 18 | | 3503.28 | | 3857.92 |
| Purchases of Traded Goods | 19 | | 492.75 | | 419.38 |
| Changes in inventories of Finished Goods, Work-In-Progress and Traded Goods | 20 | | (38.03) | | (497.99) |
| Employee benefits expense | 21 | | 4281.12 | | 4019.28 |
| Interest Expenses | 22 | | 9.35 | | 8.67 |
| Depreciation | 23 | | 123.25 | | 96.14 |
| Other expenses | 24 | | 3252.00 | | 2722.09 |
| TOTAL EXPENSES | | | 11623.72 | | 10625.49 |
| Profit before Tax | | | 846.93 | | 2419.56 |
| TAX EXPENSES | | | | | |
| Current Tax | | 216.67 | | 624.74 | |
| Defered Tax charge/(credit) | | (3.70) | | (0.25) | |
| Tax adjustments related to earlier years | | (0.97) | 212.00 | 11.15 | 635.64 |
| Profit/(Loss) for the Year | | | 634.93 | | 1783.92 |
| Earning per equity share of Rs.10/- each fully paid up | | | | | |
| (i) Basic | | | 74.59 | | 209.58 |
| (ii) Diluted | | | 74.59 | | 209.58 |

Significant Accounting Policies 1
Notes are an integral part of these financial statements.

In terms of our attached report of even date

GAUTAM DEY
Managing Director
DIN : 01277238

For RAY & RAY
Chartered Accountants
(FRN : 301072E)

Asish Kumar Mukhopadhyay

(Asish Kumar Mukhopadhyay)
Partner
Membership No. 056359
Kolkata, the 7th August,2023

RAY & RAY CHARTERED ACCOUNTANTS

Ranajit Dey

RANAJIT DEY
Joint Managing Director
DIN : 01277323

DEY'S MEDICAL STORES (Manufacturing) LIMITED

Notes to Financial Statements (Contd.)

( RUPEES IN LACS )

| Note : 16 REVENUE FROM OPERATIONS | | Year Ended 31.3.2023 | | Year Ended 31.3.2022 |
|---|---|---|---|---|
| (a) Sale of Products | | | | |
| Finished Goods | 11168.15 | | 11889.77 | |
| Traded Goods | 957.75 | | 868.27 | |
| | | 12125.90 | | 12758.04 |
| (b) Sale of Services | | | | |
| Sales Promotion expenses Realised | 23.93 | | 16.31 | |
| Handling & Collection Charges | 3.99 | | 2.72 | |
| | | 27.92 | | 19.03 |
| (c) Other Operating Revenue | | | | |
| Miscellaneous Receipts | | 33.14 | | 29.39 |
| | | 12186.96 | | 12806.46 |

| Note : 17 OTHER INCOME | Year Ended 31.3.2023 | Year Ended 31.3.2022 |
|---|---|---|
| Interest | 240.84 | 234.23 |
| Gain on Investment | 2.26 | - |
| Dividend Income | 21.16 | - |
| Insurance Claim | - | 1.18 |
| Liabilities Written Back | 18.58 | 1.36 |
| Profit on Sale of Property, Plant and Equipment | 0.85 | 1.82 |
| | 283.69 | 238.59 |

RAY & RAY CHARTERED ACCOUNTANTS

Notes to Financial Statements (Contd.)

( RUPEES IN LACS )

| | | Year Ended 31.3.2023 | | Year Ended 31.3.2022 |
|---|---|---|---|---|
| **Note : 18 COST OF MATERIALS CONSUMED** | | | | |
| Opening Stock | | 480.35 | | 374.26 |
| Add : Purchases | | 3420.03 | | 3964.01 |
| | | 3900.38 | | 4338.27 |
| Less : Closing Stock | | 397.10 | | 480.35 |
| | | 3503.28 | | 3857.92 |
| **Note : 19 PURCHASES OF TRADED GOODS** | | 492.75 | | 419.38 |
| Purchases of Traded Goods | | 492.75 | | 419.38 |
| **Note : 20 CHANGE IN INVENTORIES OF FINISHED GOODS,WORK-IN-PROGRESS AND TRADED GOODS** | | | | |
| Closing Stock : | | | | |
| Finished Goods | 2032.04 | | 1993.09 | |
| Work-in-Progress | 204.65 | | 197.06 | |
| Traded Goods | 58.71 | | 67.22 | |
| | | 2295.40 | | 2257.37 |
| Less : Opening Stock : | | | | |
| Finished Goods | 1993.09 | | 1517.63 | |
| Work-in-Progress | 197.06 | | 155.09 | |
| Traded Goods | 67.22 | | 86.62 | |
| Manufactured Intermediaries | - | | 0.04 | |
| | | 2257.37 | | 1759.38 |
| | | (38.03) | | (497.99) |

DEY'S MEDICAL STORES (Manufacturing) LIMITED

Notes to Financial Statements (Contd.)

( RUPEES IN LACS )

| | | Year Ended 31.3.2023 | Year Ended 31.3.2022 |
|---|---|---|---|
| Note : 21 | EMPLOYEE BENEFITS EXPENSE | | |
| | Salary, Wages, Bonus and Allowances | 3608.83 | 3475.18 |
| | Contribution to Employees' Gratuity Fund | 190.00 | 132.13 |
| | Contribution to Employees' Provident Fund | 159.98 | 149.40 |
| | Contribution to Employees' Pension Fund | 119.13 | 119.34 |
| | One time Settlement | 73.66 | 42.61 |
| | Employees' State Insurance | 4.10 | 4.18 |
| | Workmen and Staff Welfare Expenses | 125.42 | 96.44 |
| | | 4281.12 | 4019.28 |
| Note : 22 | INTEREST EXPENSES | | |
| | Interest | 9.35 | 8.67 |
| | | 9.35 | 8.67 |
| Note : 23 | DEPRECIATION | | |
| | Depreciation on Property, Plant and Equipment | 123.25 | 96.14 |
| | | 123.25 | 96.14 |

Notes to Financial Statements (Contd.)

( RUPEES IN LACS )

| Note : 24 OTHER EXPENSES : | Year Ended 31.3.2023 | Year Ended 31.3.2022 |
|---|---|---|
| Power, Light and Fuel | 239.48 | 214.05 |
| Rent | 57.52 | 64.01 |
| Repairs- | | |
| To Buildings | 56.69 | 37.80 |
| To Machineries | 88.66 | 62.65 |
| [ Incuding Rs 40.61 (2021-22 Rs.55.19) for spare parts consumed ] | | |
| To others | 158.17 | 115.66 |
| Consumable Stores | 37.59 | 36.68 |
| Security & Manpower supply service charges | 131.30 | 130.04 |
| Hire charges & Other Maintenance | 73.26 | 56.71 |
| Insurance | 71.70 | 65.24 |
| Rates & Taxes | 33.04 | 10.22 |
| Sundry Manufacturing Expenses | 29.27 | 22.39 |
| Travelling,Conveyance & Motor car | 779.38 | 563.19 |
| Publicity & Advertisement | 550.95 | 370.16 |
| Telephone Charges | 6.66 | 6.69 |
| Printing & Stationery | 40.66 | 43.43 |
| Postage & Telegram | 11.99 | 13.86 |
| Bank Charges | 2.21 | 3.34 |
| General Charges | 76.55 | 80.04 |
| Liveries & Draperies | 5.88 | 8.61 |
| Magazine & Journals | 1.54 | 1.49 |
| Entertainment | 11.68 | 4.52 |
| Internal Auditors' Remuneration | 15.38 | 11.92 |
| Freight, Handling & Delivery | 325.85 | 376.77 |
| Subscription | 2.11 | 1.86 |
| Trade Mark Expenses | 2.09 | 0.36 |
| Law Charges | 26.80 | 2.10 |
| Commission to C&F Agent | 230.60 | 224.56 |
| Research & Testing | 17.63 | 16.14 |
| Royalty Paid | 13.34 | 13.44 |
| Commission to Directors | 16.88 | 48.35 |
| Auditors' Remuneration | | |
| Audit Fee | 5.00 | 3.60 |
| Out of Pocket Expenses | - | 0.72 |
| In other capacity (for Tax Audit,GST Audit Miscellaneous Certification) | - | 6.83 |
| Cost Audit Fee | 1.13 | 1.10 |
| Profession tax | 0.37 | 0.25 |
| Breakage | 19.62 | 18.11 |
| Bad Debts Written off | 0.23 | 16.65 |
| Corporate Social Responsibility Activities (Note - 36) | 32.09 | 22.56 |
| Operational Expenditure for C&FA Agent | 12.76 | 11.03 |
| Insurance Claim Rejected | - | 0.90 |
| GST Paid | 65.94 | 33.86 |
| | 3252.00 | 2722.09 |

Notes to Financial Statements (Contd.)

25. Contingent Liabilities and commitments (to the extent not provided for)

A. Contingent Liability :

Counter Guarantee given by the Company to the bank against guarantee given by the bank on account of Purchase of Raw Materials from Foreign Suppliers amounted Rs. Nil against Rs. 59.40 lacs in the previous year.

B. Commitment :

Estimated amount of contracts remaining to be executed on Capital Account and not provided for is Rs. 5.99 Lacs (Previous Year Rs. Nil)

26. A clause in the earlier DPCO stipulated that if the manufacturer purchases the Bulk Drug at a price lower than the price allowed to him by the Government while fixing the price of his formulations, then in such cases the difference to be paid to the Government by the manufacturer. The Government of India had appointed a committee consisting of three members headed by a retired High Court Judge to go into the demands made on the pharmaceutical companies including Dey's Medical Stores (Mfg.) Ltd. under the DPCO. Demands aggregating to Rs. 40549 thousand tentatively had been raised on Dey's Medical Stores (Mfg) Ltd in 1987,1990 and 1995 for payment into the Drug Price Equalisation Account (DPEA) under the DPCO 1979 and 1987 read with DPCO 1995, being the difference between the price of bulk drugs, according to the Government. The Company disputed the said demands and obtained legal advice that such demands are not sustainable in law.

27. Amount due to Micro Enterprises and Small Enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006 as amended amounting to Rs. 54.58 lacs (Previous year Rs. 4.01 lacs). This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

Disclosures as required under Section 22 of The Micro, Small and Medium Enterprises Development Act, 2006, as amended, are as under :

(Rs. in Lacs)

| Sl No. | Particulars | As at 31.03.2023 | As at 31.03.2022 |
|---|---|---|---|
| a) | the Principal amount and the interest due thereon remaining unpaid to any supplier on Balance sheet date : | - | - |
| | Trade Payables : Principal<br>Interest | 54.58<br>NIL | 4.01<br>NIL |
| b) | the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, as amended, along with the amount of the payment made to the supplier beyond the appointed day during the year: | - | - |
| c) | the amount of interest due and payable for the year of delay in making payment (which has been paid but beyond appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006: | - | - |
| d) | the amount of interest accrued and remaining unpaid as on Balance Sheet date: | - | - |
| e) | the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006. | - | - |

RAY & RAY CHARTERED ACCOUNTANTS

Notes to Financial Statements (Contd.)

28. The Company has proposed Dividend to be distributed to the Equity Shareholders amounting to Rs. 106.40 lacs and the related amount per equity share is #Rs. 12.50 per equity share, subject to approval of shareholders at the ensuing Annual General Meeting.

29. Related Parties :

The details of related parties and transactions entered into with related parties,to the extent identified by the management in accordance with AS-18 on "Related Party Transactions"

(a) Name of Related Parties :

(i) Key Management Personnel :

Mr.Gautam Dey - Managing Director

Mr.Ranajit Dey - Jt.Managing Director

(ii) Holding Company of Dey's Medical Stores (Manufacturing) Limited

Dey's Medical Stores Private Limited

(iii) Enterprises in which key management personnel has significant influence

Dey's Medical (U.P.) Private Limited

(b) Transaction with related parties during the year ended 31st March,2023 with Outstanding Balance as on 31st March,2023.

( Rs. in Lacs )

| Nature of Transactions | Name of Personnel/ Entity | For the year ended | | Outstanding Balance as on | |
|---|---|---|---|---|---|
| | | 31.03.2023 | 31.03.2022 | 31.03.2023 | 31.03.2022 |
| (i) Key Management Personnel : | | | | | |
| Commission Paid/Payable | Mr. Gautam Dey | 8.44 | 24.18 | 8.44 | 24.18 |
| Commission Paid/Payable | Mr. Ranajit Dey | 8.44 | 24.18 | 8.44 | 24.18 |
| (ii) Enterprises in which KMP has significant influence : | | | | | |
| Inter Company balance | Dey's Medical (U.P.) Private Limited | - | - | 4.06 | - |
| Finished goods Purchased | Dey's Medical (U.P.) Private Limited | 145.66 | 99.28 | - | - |
| Handling & Collection received | Dey's Medical (U.P.) Private Limited | 3.99 | 2.72 | - | - |
| Advertising Expenses Recovered | Dey's Medical (U.P.) Private Limited | 23.93 | 16.31 | - | - |
| (iii) Holding Company : | | | | | |
| Inter Company balance | Dey's Medical Stores Private Limited | - | - | (40.06) | 36.51 |
| Sales Promotion expenses | Dey's Medical Stores Private Limited | 53.45 | 56.42 | - | - |
| Royalty Paid/Payable | Dey's Medical Stores Private Limited | 13.34 | 13.44 | - | - |

* Figures in bracket represent Debit Balances.

Notes to Financial Statements (Contd.)

30. The diminution in value of Current Investments is considered by the Management to be of temporary in nature and is due to market flotuations.In the opinion of the Management, no provision for such temporary dimunition in value of Investments is required to be made in the accounts.

31. Actuarial valuation in respect of Gratuity and Leave Encashment has not been done and hence,in view of non availability of such reports,disclosures requirement in terms of Accounting Standard (AS-15) on "Employee Benefits" could not be complied with.

32. Leave Encashment Liability has been provided for during the year on accrual basis as against cash basis followed in earlier years with consequential impact on profit for the year,Shareholders Fund and net assets position as at the year end.

33. Capital Work-in-Progress amounting to Rs. 8.18 lacs (Previous year. NIL) is for a period of less than one year.

34. TRADE PAYABLES AGEING SCHEDULE : (RUPEES IN LACS)

| Particulars | Outstanding for following periods from the date of transaction. | | | | |
|---|---|---|---|---|---|
| | Less than 1 year | 1 - 2 Year | 2 - 3 Year | More than 3 Year | Total |
| Micro enterprises and small enterprise | 54.58<br>(4.01) | -<br>- | -<br>- | -<br>- | 54.58<br>(4.01) |
| Other than micro enterprises and small enterprises | 490.24<br>(582.67) | 0.65<br>(0.13) | 8.24<br>(0.44) | -<br>(4.90) | 499.13<br>(588.14) |
| Disputed dues - | | | | | |
| Micro enterprises and small enterprise | - | - | - | - | - |
| Other than micro enterprises and small enterprises | - | - | - | - | - |
| | 544.82<br>(586.68) | 0.65<br>(0.13) | 8.24<br>(0.44) | -<br>(4.90) | 553.71<br>(592.15) |

35. TRADE RECEIVABLES AGEING SCHEDULE : (RUPEES IN LACS)

| Particulars | Outstanding for following periods from the date of transaction: | | | | | |
|---|---|---|---|---|---|---|
| | Less than 6 months | 6 months 1 year | 1 - 2 Year | 2 - 3 Year | More than 3 Year | Total |
| (i) Undisputed Trade Receivables - | | | | | | |
| a) Considered Good | 1293.35<br>(1109.85) | 32.39<br>(9.50) | 7.14<br>(10.91) | 5.74<br>(3.92) | 9.17<br>(20.06) | 1347.79<br>(1154.24) |
| b) Considered doubtful | - | - | - | - | - | - |
| (ii) Disputed Trade Receivables - | | | | | | |
| a) Considered Good | - | - | - | - | - | - |
| b) Considered doubtful | - | - | - | - | - | - |
| | 1293.35<br>(1109.85) | 32.39<br>(9.50) | 7.14<br>(10.91) | 5.74<br>(3.92) | 9.17<br>(20.06) | 1347.79<br>(1154.24) |

* Figures in bracket represent figures for the previous year.

RAY & RAY CHARTERED ACCOUNTANTS

Notes to Financial Statements (Contd.)

36. Expenditure on Corporate Social Responsibility (CSR) activities :

In terms of provisions of Section 135 of the Companies Act,2013 the required CSR spending for the year is worked out as below:

(RUPEES IN LACS)

| Particulars | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|---|---|---|
| Amount required to be spent by the Company during the year | 32.09 | 22.56 |
| Amount of expenditure incurred | 32.09 | 22.56 |
| Shortfall at the end of the year | Nil | Nil |
| Nature of CSR activities - Contribution to Prime Minister National Relief Fund | 32.09 | 22.56 |

37. The Company is exclusively engaged in the business of Pharmaceuticals Products. In the opinion of the Management the above business activities are considered as the only reportable business segment referred to in Accounting Standard (AS 17) on "Segmental Reporting".

38. The particulars of non-resident Shareholders, to whom dividends were remitted during the year in foreign currencies :-

| | Current Year | Previous Year |
|---|---|---|
| i) Number of non-resident shareholders | 1 | 1 |
| ii) Number of Equity Shares held by them | 68 | 68 |
| iii) Gross amount of dividend (Rs.) | 680 | 136 |
| iv) Years to which dividend relates | 2021-22 | 2020-21 |

39 Value of Imports on CIF Basis:-

| | Current Year | Previous Year |
|---|---|---|
| | ( Rs. in lacs ) | |
| Raw Materials | 112.03 | 429.83 |

Notes to Financial Statements (Contd.)

(RUPEES IN LACS)

| | 31.3.2023 Value | 31.3.2022 Value |
|---|---|---|
| **40. A: PURCHASE OF MATERIALS:** | | |
| i) L-Base | 365.70 | 518.40 |
| ii) Chloramphenicol Palmitate | 290.35 | 403.78 |
| iii) Others - include materials (None of which individually accounts for more than 10% of total purchase) | 2763.98 | 3041.83 |
| | 3420.03 | 3964.01 |
| **B. SALES:** | | |
| i) Itone Eye Drop | 2683.78 | 2761.58 |
| ii) Mom Plus Suspension | 1425.70 | 1312.60 |
| iii) Enteromycetin suspension | 1215.88 | 1335.72 |
| iv) Others | 6800.55 | 7348.13 |
| | 12125.90 | 12758.04 |

**C. CONSUMPTION OF RAW MATERIALS:**

| | Value | % | Value | % |
|---|---|---|---|---|
| a) Raw Materials & Packing Materials: | | | | |
| Imported (including Duty & Clearing Charges) | 112.03 | 3.20 | 518.40 | 13.44 |
| Indigenous | 3391.25 | 96.80 | 3339.52 | 86.56 |
| | 3503.28 | 100.00 | 3857.92 | 100.00 |
| b) Components & Spare Parts : | | | | |
| Imported | - | - | - | - |
| Indigenous | 40.61 | 100.00 | 55.19 | 100.00 |
| | 40.61 | 100.00 | 55.19 | 100.00 |

| | 31.3.2023 Value | 31.3.2022 Value |
|---|---|---|
| **D. WORK-IN-PROGRESS:** | | |
| i) Itone Eye Drop | 36.53 | 43.06 |
| ii) Enteromycetin | 62.89 | 119.34 |
| iii) Chloramphenicol Powder | 31.03 | 0.16 |
| iv) Others | 74.20 | 34.50 |
| | 204.65 | 197.06 |

RAY & RAY CHARTERED ACCOUNTANTS

DEY'S MEDICAL STORES (Manufacturing) LIMITED

Notes to Financial Statements (Contd.)

41. Additional Regulatory Information :

Ratios :

| Particulars | Numeartor/Denominator | 2022-23 | 2021-22 | Explanation for any changes in the ratio by more than 25% as compared to the preceding year |
|---|---|---|---|---|
| 1. Current Ratio : | Current Asset<br>Current Liabilities | 5.95 | 4.42 | - |
| 2. Return on Equity : | Net Profit after Tax<br>Share holders Equity | 7 % | 20 % | - |
| 3. Inventory Turnover Ratio : | Turnover<br>Average Inventory | 5.35 | 6.38 | - |
| 4. Trade Receivable Turnover Ratio: | Net Sales<br>Average Debtors | 37.47 Days | 35.32 Days | - |
| 5. Trade Payable Turnover Ratio : | Net Purchase<br>Average Creditors | 53.45 Days | 42.15 Days | - |
| 6. Capital Turnover Ratio : | Net Sales<br>Share holders Equity | 1.30 | 1.46 | - |
| 7. Net Profit Turnover Ratio : | Net Profit after Tax<br>Net sales | 5.21 % | 13.93 % | Due to decrease in Turnover and increase in expenses. |
| 8. Return on Capital Employed : | EBIT<br>Total Capital Employed | 8.60 % | 25.94 % | Due to decrease in Turnover and increase in expenses. |
| 9. Return on Investment : | Net Profit<br>Total Assets | 5.68 % | 16.07 % | Due to decrease in Turnover and increase in expenses. |

42. Opening Balances have been considered from the previous year's Audited Accounts as audited by other auditors and is relied upon by the Statutory Auditors on the work done by the other auditors.

43. Previous year's figures have been regrouped/rearranged wherever necessary.

RAY & RAY CHARTERED ACCOUNTANTS

DEY'S MEDICAL STORES (Manufacturing) LIMITED

Balance Sheet as at 31st March,2023 ( RUPEES IN LACS )

| | Note No. | As at 31.3.2023 | As at 31.3.2022 |
| --- | --- | --- | --- |
| **I: EQUITY AND LIABILITIES :** | | | |
| (1) SHAREHOLDERS' FUNDS : | | | |
| (a) Share Capital | 2 | 85.12 | 85.12 |
| (b) Reserves and Surplus | 3 | 9318.24 | 8683.31 |
| (2) CURRENT LIABILITIES : | | | |
| (a) Trade Payables | 4 | | |
| (i) Total Outstanding dues of Micro Enterprises and Small Enterprises | | 54.58 | 4.01 |
| (ii) Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises | | 499.13 | 588.14 |
| (b) Other Current Liabilities | 5 | 696.20 | 727.46 |
| (c) Short-Term Provisions | 6 | 527.52 | 1015.52 |
| Total : | | 11180.79 | 11103.56 |
| **II. ASSETS :** | | | |
| (1) NON-CURRENT ASSETS : | | | |
| (a) Property,Plant,Equipment and Intangible Assets | | | |
| i) Property,Plant and Equipment | 7 | 834.81 | 726.43 |
| ii) Capital Work-in-Progress (Note - 33) | | 8.18 | - |
| (b) Deferred Tax Assets (Net) | 8 | 23.64 | 19.94 |
| (c) Other Non-Current Assets | 9 | 55.85 | 55.07 |
| (2) CURRENT ASSETS : | | | |
| (a) Current Investments | 10 | 352.26 | - |
| (b) Inventories | 11 | 2704.24 | 2749.13 |
| (c) Trade Receivables | 12 | 1347.79 | 1154.24 |
| (d) Cash and Cash Equivalents | 13 | 4939.08 | 4985.28 |
| (e) Short-Term Loans and Advances | 14 | 888.57 | 1407.42 |
| (f) Other Current Assets | 15 | 26.37 | 6.05 |
| Total : | | 11180.79 | 11103.56 |

Significant Accounting Policies 1

Notes are an integral part of these financial statements.

In terms of our attached report of even date

For RAY & RAY
Chartered Accountants
(FRN : 301072E)

(Asish Kumar Mukhopadhyay)
Partner
Membership No. 056359
Kolkata, the 7th August,2023

GAUTAM DEY
Managing Director
DIN : 01277238

RANAJIT DEY
Joint Managing Director
DIN : 01277323

## Note : 1 SIGNIFICANT ACCOUNTING POLICIES

### Basis of Preparation of Financial Statements

The financial statements have been prepared as going concern on accrual basis under the historical cost convention and in accordance with the Generally Accepted Accounting Principles (GAAP) in India. These financial statements have been prepared to comply in all material aspects with the accounting standards specified under section 133 of the Companies Act, 2013 ('The Act'), read with relevant rules issued thereunder.

### Use of Estimates

In preparing the financial statements in conformity with accounting principles generally accepted in India, Management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities including contingent liabilities as at the date of the financial statements and the amounts of revenue and expenses during the reported period. Actual results could differ from those estimates. Any revision to such estimates is recognized in the period in which the result is known/materialised.

### Property, Plant and Equipment

Property, Plant and Equipment are stated at cost (excepting Land and Factory Building which is carried at revalued amount) less accumulated depreciation and net of impairment, if any. Cost includes taxes, duties, freight and other incidental expenses related to acquisition and installation.

### Capital Work in Progress

Capital work-in progress comprises expenditure incurred on purchase/construction of assets that are not yet ready for their intended use on the reporting date and carried at cost less impairment, if any.

### Depreciation

Depreciation on property, plant and equipment is provided on Written Down Value (WDV) Method based on useful life of the property, plant and equipment as prescribed in Schedule II of Companies Act, 2013 keeping residual value not exceeding 5% in respect of each depreciable items of property, plant and equipment excepting for the factory building, the estimated useful life is still remaining for 21 years with effect from April, 2014, based on an independent technical study and evaluation of the useful life of the asset conducted in this regard and Management's assessment thereof.

Depreciation on additions/disposals of the property, plant and equipment is provided on pro-rata basis with reference to the date of additions/disposals. Any profit/loss arising out of sale/disposal of property, plant and equipment is accounted for and disclosed in the Statement of Profit and Loss.

**Impairment of Assets**

The carrying value of assets at each Balance Sheet date is reviewed. An impairment loss is recognized whenever the carrying amount of the assets exceeds its recoverable amount.

**Investments**

(a) Non-current investments are stated at cost. Provision for diminution is made to recognize the decline other than temporary in the value of the long-term investment.
(b) Current investments are carried at lower of cost and fair value.

**Inventories**

Inventories are valued as under:

i) Raw Materials and Packing Materials at weighted average cost.
ii) Stores and Spares at cost.
iii) Work-in-Progress is valued at cost.
iv) Finished Goods at lower of cost or net realizable value. Cost is determined on First-in First- out (FIFO) Method.
v) Traded Goods at cost.

**Employee Benefits**

(a) Short Term Employee Benefits are recognized in the year in which the service has been rendered by the employee and are measured at cost.

(b) Provident Fund and Employees State Insurance dues (Defined Contribution Schemes) are administered by Government and contributions to the said funds are charged to Statement of Profit and Loss on accrual basis.

(c) Leave encashment liability during the year is provided on accrual basis based on Management estimation and not on actuarial valuation as against cash basis followed in earlier years.

(d) The Company has maintained a Gratuity Fund which is independent of the Company. The Trustees of the Gratuity Fund has taken a "Group Gratuity Policy" with Life Insurance Corporation of India (LICI) for future payment of gratuities to all the retiring employees. The Company is not paying the amount of annual contribution as determined by LICI, instead transferring the gratuity claims amount in respect of retiring employees on an adhoc basis to LICI on a year-to-year basis. The actuarial valuation is not done in respect of gratuity liability.

RAY & RAY
CHARTERED ACCOUNTANTS

**Revenue Recognition**

(a) Sales are accounted for, on the basis of passing of the ownership in the goods to the customers/owner.

(b) Sales comprise of sale price of goods excluding trade discount and GST. Service income excludes GST.

(c) Interest income is recognized on time proportionate basis as per contractual rate of interest.

(d) Revenue from insurance claims is accounted for as and when the Company's right to receive the same is established.

**Foreign Currency Transactions**

Transactions in foreign currencies are recorded at exchange rates prevailing on the date of transaction. Foreign currency monetary assets and liabilities are translated at the exchange rate prevailing on the Balance Sheet date. Exchange differences are recognized in the Statement of Profit and Loss.

**Research and Development:**
Revenue expenditure on Research and Development is charged as expense in the year in which it is incurred. Capital Expenditure, if any, on Research and Development is included in property, plant and equipment and depreciation is provided on the same basis as in respect of property, plant and equipment is provided.

**Net Profit or loss for the period, Prior Period Items and Changes in Accounting Policies**

Prior Period adjustments and changes in accounting policies having material impact on financial affairs of the Company is separately disclosed in the financial statements.

**Taxes on Income**

Tax expenses for the period comprising current tax and deferred tax are included in the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the prevailing taxation laws.

Deferred tax resulting from "timing differences" between book and taxable profit is accounted for by using the tax rates and laws that have been enacted/substantially enacted as on the Balance Sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is virtual certainty that the asset will be realized in future.

**Provisions, Contingent Liabilities and Contingent Assets**

Provision is made based on a reliable estimate when it is probable that an out flow of resources embodying economic benefits will be required to settle obligation.

Contingent liability disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or nonoccurrence of one or more future events not wholly within the control of the company or a present obligation that arises from past event where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Contingent liabilities, if material, are disclosed by way of notes to the financial statements.

Contingent assets are not recognized or disclosed in the financial statements.

Notes to Financial Statements (Contd.)

( RUPEES IN LACS )

| Note : 2 Share Capital | As at 31.3.2023 | As at 31.3.2022 |
|---|---|---|
| a) Authorised Share Capital : | | |
| 49,50,000 Equity Shares of Rs. 10/- each ( 2021-22 : 9,50,000 Equity Shares of Rs. 10/- each ) | 495.00 | 95.00 |
| 5,000 12% Taxable Cumulative Preference Shares of Rs. 100/- each (2021-22 : 5,000 12% Taxable Cumulative Preference Shares of Rs. 100/- each ) | 5.00 | 5.00 |
| | 500.00 | 100.00 |
| b) Issued, Subscribed and Paid-up | | |
| 8,51,186 Equity Shares of Rs. 10/- each ( 2021-22 : 8,51,186 Equity Shares of Rs. 10/- each ) | 85.12 | 85.12 |
| | 85.12 | 85.12 |

c) The Company is having only one class of Equity Share of Face Value of Rs. 10/- each carrying one vote per share.

d) 8,36,491 (2021-22: 8,36,491) shares held by its Holding Company, Dey's Medical Stores Pvt. Ltd.

e) Details of Shareholders each holding more than 5% of the aggregate Shares in the Company

| | As at 31.3.2023 | | As at 31.3.2022 | |
|---|---|---|---|---|
| Name of the Shareholder | Number of Shares | % of holding | Number of Shares | % of holding |
| Dey's Medical Stores Pvt. Ltd. (Holding Company) | 8,36,491 | 98.27 | 8,36,491 | 98.27 |

f) Share held by Promoters at the end of the year

| | As at 31.3.2023 | | As at 31.3.2022 | |
|---|---|---|---|---|
| Name of the Promoter | Number of Shares | % of holding | Number of Shares | % of holding |
| Dey's Medical Stores Pvt. Ltd. (Holding Company) | 8,36,491 | 98.27 | 8,36,491 | 98.27 |

g) Reconciliation of the Equity Shares outstanding at the beginning and at the end of the reporting period

| | As at 31.3.2023 | | As at 31.3.2022 | |
|---|---|---|---|---|
| | Number of Shares | Amount Rs.in lacs | Number of Shares | Amount Rs.in lacs |
| At the beginning of the year | 8,51,186 | 85.12 | 8,51,186 | 85.12 |
| Add/Less : During the year | - | - | - | - |
| At the end of the year | 8,51,186 | 85.12 | 8,51,186 | 85.12 |

RAY & RAY CHARTERED ACCOUNTANTS

Notes to Financial Statements (Contd.)

( RUPEES IN LACS )

| Note : 3. RESERVES AND SURPLUS | | As at 31.3.2023 | | As at 31.3.2022 |
|---|---|---|---|---|
| a) Capital Reserve (Note - 7) | | | | |
| Acquisition of Building | | | | |
| As per last Balance Sheet | 25.02 | | 27.85 | |
| Less : Depreciation on increased Value of Assets due to Acquisition | - | | 2.83 | |
| | | 25.02 | | 25.02 |
| b) Revaluation Reserve | | | | |
| Revaluation of Factory, Land and Building | | | | |
| As per last Balance Sheet | | 12.70 | | 12.70 |
| c) General Reserve | | | | |
| As per last Balance Sheet | 3481.20 | | 2981.20 | |
| Add : Transferred from Surplus | 300.00 | | 500.00 | |
| | | 3781.20 | | 3481.20 |
| d) Surplus | | | | |
| As per last Balance Sheet | 5164.39 | | 3965.59 | |
| Add : Profit for the year | 634.93 | | 1783.92 | |
| Less : Appropriations | | | | |
| Proposed Dividend on Equity Shares | - | | 85.12 | |
| Transferred to General Reserve | 300.00 | | 500.00 | |
| | | 5499.32 | | 5164.39 |
| | | 9318.24 | | 8683.31 |

RAY & RAY CHARTERED ACCOUNTANTS

Notes to Financial Statements (Contd.)

| | As at 31.3.2023 | As at 31.3.2022 |
|---|---|---|
| | ( RUPEES IN LACS ) | |
| **Note : 4 TRADE PAYABLES (Notes 27 & 34)** | | |
| Total Outstanding dues of Micro Enterprises and Small Enterprises | 54.58 | 4.01 |
| Total Outstanding dues of Creditors Other than Micro Enterprises and Small Enterprises | 499.13 | 588.14 |
| | 553.71 | 592.15 |
| **Note : 5 OTHER CURRENT LIABILITIES** | | |
| Statutory Liabilities | 202.83 | 206.67 |
| Other Liabilities | 308.18 | 338.51 |
| Security Deposits | 137.72 | 127.69 |
| Advance from Customers | 46.95 | 54.12 |
| Unpaid Dividend (Note Below) | 0.52 | 0.47 |
| | 696.20 | 727.46 |

Note : Unpaid Dividend pertaining to the year 2014-15 amounting to Rs. 0.06 lacs is due for transfer to 'Investors' Education and Protection Fund' during the year,but could not be transferred due to some technical problem though the Company has filed Form No. IEPF-1

| | As at 31.3.2023 | As at 31.3.2022 |
|---|---|---|
| **Note : 6 SHORT TERM PROVISIONS** | | |
| For Income Tax | 521.74 | 930.40 |
| For Proposed Dividend | - | 85.12 |
| For Employee Benefits | | |
| - Leave Encashment | 5.78 | - |
| | 527.52 | 1015.52 |

RAY & RAY CHARTERED ACCOUNTANTS

Dey's Medical Stores (Manufacturing) Limited

Notes to Financial Statements (Contd.)
NOTE : 7

(RUPEES IN LACS)

PROPERTY, PLANT AND EQUIPMENT

| DESCRIPTION | COST/REVALUATION | | | | DEPRECIATION | | | | NET BOOK VALUE | |
|---|---|---|---|---|---|---|---|---|---|---|
| | As at 1.4.2022 | Additions /Adjust-ments | Deductions /Adjust ments | As at 31.3.2023 | Upto 1.4.2022 | For the Year | Deductions /Adjust-ments | Upto 31.3.2023 | As at 31.3.2023 | As at 31.3.2022 |
| Property, Plant and Equipment | | | | | | | | | | |
| LAND | 135.12 # | - | - | 135.12 | - | - | - | - | 135.12 | 135.12 |
| BULIDING | 124.06 ** | - | - | 124.06 | 79.31 | 4.48 | - | 83.79 | 40.27 | 44.75 |
| FACTORY BUILDING | 853.28 # | 31.07 | - | 884.35 | 780.66 | 5.16 | - | 785.82 | 98.53 | 72.62 |
| PLANT, MACHINERY | 1544.52 | 156.80 | - | 1701.32 | 1212.34 | 71.21 | - | 1283.55 | 412.14 | 326.55 |
| OFFICE EQUIPMENT | 13.09 | 6.02 | - | 19.11 | 9.04 | 0.68 | - | 9.72 | 9.39 | 4.05 |
| ELECTRIC & LABORATORY EQUIPMENT | 471.63 | 22.61 | - | 494.24 | 375.30 | 21.90 | - | 397.20 | 97.04 | 96.33 |
| DATA PROCESSING MACHINE | 54.26 | 6.23 | - | 60.49 | 40.74 | 7.58 | - | 48.32 | 12.17 | 13.52 |
| FURNITURE & FITTINGS | 86.88 | 1.06 | - | 87.94 | 84.98 | 0.46 | - | 85.44 | 2.50 | 1.90 |
| VEHICLES | 116.28 | 7.92 | 1.89 | 122.31 | 84.61 | 11.78 | 1.80 | 94.59 | 27.64 | 31.59 |
| TOTAL | 3399.12 | 231.71 | 1.89 | 3628.95 | 2666.98 | 123.25 (*) | 1.80 | 2788.43 | 834.81 | 726.43 |
| Previous Year | 3165.12 | 248.63 | 14.63 | 3399.12 | 2582.07 | 96.14 (*) | 14.06 | 2666.98 | 726.43 | |

Notes :

(*) Depreciation on Fixed Assets for the year is provided to the extent of depreciable amount on the written down value method in terms of the useful life of assets specified in Schedule II of the Companies Act'2013.

(**) Flats acquired in Financial Year 2006-07, valued Rs.72.51 lacs are capitalised by crediting Capital Reserve in the Financial Year 2010-11.

(#) Land & Factory Buildings have been revalued by a Chartered Engineer and Government Registered Valuer on 31.3.1992 The net increase on Revaluation amounting to Rs.846.47 lacs (Land Rs.132.57 lacs and Factory Buildings 713.90 lacs) has been credited to Capital Reserve on 31.3.1992.

RAY & RAY
CHARTERED ACCOUNTANTS

Notes to Financial Statements (Contd.)

| | ( RUPEES IN LACS ) As at 31.3.2023 | As at 31.3.2022 |
|---|---|---|
| **Note : 8 DEFERRED TAX ASSETS (Net) :** | | |
| Deferred Tax Assets - Timing Difference in value of depreciable assets | 22.18 | 19.94 |
| Related to Employee Benefits | 1.46 | - |
| Deferred Tax Assets (Net) | 23.64 | 19.94 |
| **Note : 9 OTHER NON-CURRENT ASSETS (UNSECURED,CONSIDERED GOOD)** | | |
| Security Deposits | 55.85 | 55.07 |
| | 55.85 | 55.07 |
| **Note : 10 CURRENT INVESTMENTS (At lower of cost and fair value) (Note - 30)** | | |
| Investment in Mutual Fund (Quoted) | | |
| 296369.30 Units (Nil) Edelweiss Balance Advantage Fund-IDCW | 50.00 | - |
| 521837.78 Units (Nil) HDFC Balance Advantage Fund-IDCW | 152.26 | - |
| 90707.837 Units (Nil) HDFC Flexi Cap Fund Reg. Plan-IDCW | 50.00 | - |
| 88147.920 Units (Nil) ICICI Value Discovery Fund-IDCW | 25.00 | - |
| 93674.390 Units (Nil) ICICI Prudential Bluechip Fund-IDCW | 25.00 | - |
| 14091.512 Units (Nil) SBI Large and Midcap Fund-IDCW | 25.00 | - |
| 62661.361 Units (Nil) SBI Contra Fund - Reg.Plan-IDCW | 25.00 | - |
| | 352.26 | - |
| Aggregate Book Value of Quotated Investments | 352.26 | - |
| Aggregate NAV of Investments | 346.27 | - |
| **Note : 11 INVENTORIES (As taken,valued and certified by the Management)** | | |
| Raw Materials and Packing Materials | 397.10 | 480.35 |
| Work-in-Progress | 204.65 | 197.06 |
| Finished Goods | 2032.04 | 1993.09 |
| Traded Goods | 58.71 | 67.22 |
| | 2692.50 | 2737.72 |
| Stores and Spare Parts | 11.74 | 11.41 |
| | 2704.24 | 2749.13 |

DEY'S MEDICAL STORES (Manufacturing) LIMITED

Notes to Financial Statements (Contd.)

( RUPEES IN LACS )

| | | As at 31.3.2023 | | As at 31.3.2022 |
|---|---|---|---|---|
| **Note : 12 TRADE RECEIVABLES (UNSECURED,CONSIDERED GOOD) (Note - 35)** | | | | |
| (i) Undisputed Trade Receivables - | | | | |
| a) Considered Good | 1347.79 | | 1154.24 | |
| | | 1347.79 | | 1154.24 |
| (ii) Disputed Trade Receivables - | | | | |
| a) Considered Good | - | | - | |
| b) Considered doubtful | - | | - | |
| | | - | | - |
| | | 1347.79 | | 1154.24 |
| **Note : 13 CASH AND CASH EQUIVALENTS** | | | | |
| a) Cash and Cash Equivalents | | | | |
| i) Bank Balance : | | | | |
| With Scheduled Banks on Current Account | 824.88 | | 777.56 | |
| ii) Fixed Deposits with maturity within twelve months | 175.00 | 999.88 | 1040.40 | 1817.96 |
| iii) Cheques in hand | | 52.05 | | 33.98 |
| iv) Cash Balance : | | | | |
| in hand | 6.48 | | 7.16 | |
| in transit | 37.45 | 43.93 | 83.01 | 90.17 |
| b) Other Bank Balance : | | | | |
| Fixed Deposits with maturity exceeding twelve months | | 3842.70 | | 2742.85 |
| c) Balance with Banks in Unpaid Dividend Account | | 0.52 | | 0.47 |
| d) Margin Money for Letter of Credit | | - | | 299.85 |
| | | 4939.08 | | 4985.28 |

Note : Fixed Deposits Amounting to Rs. 300 Lacs has been kept as lien with Banks against Letter of Credit facility obtained.

| | | As at 31.3.2023 | | As at 31.3.2022 |
|---|---|---|---|---|
| **Note : 14 SHORT TERM LOANS AND ADVANCES (UNSECURED,CONSIDERED GOOD)** | | | | |
| Others - | | | | |
| For Purchase | | 14.84 | | 67.37 |
| For Sundries | | 38.84 | | 38.44 |
| Balance with Govt.Authorities | | | | |
| For Income-Tax | 551.24 | | 800.25 | |
| For Goods and Service Taxes | 283.65 | | 501.36 | |
| | | 834.89 | | 1301.61 |
| | | 888.57 | | 1407.42 |
| **Note : 15 OTHER CURRENT ASSETS (UNSECURED)** | | | | |
| Interest Accrued on Fixed Deposits | | 26.37 | | 6.05 |
| | | 26.37 | | 6.05 |

Dey's Medical Stores (Manufacturing) Limited

Cash Flow Statement for the Year Ended 31st March,2023. (Rupees in Lacs)

| | Year ended 31.03.2023 | | Year ended 31.03.2022 | |
|---|---|---|---|---|
| **A.Cash Flow from Operating Activities :** | | | | |
| Net Profit before tax | | 846.93 | | 2419.56 |
| Adjustment for :- | | | | |
| Depreciation | 123.25 | | 96.14 | |
| Interest Income | (240.84) | | (234.23) | |
| Dividend Income | (21.16) | | - | |
| Gain on Investment | (2.25) | | - | |
| (Profit)/Loss on Sale of Property,Plant & Equipment | (0.85) | | (1.82) | |
| Interest Expense | 9.35 | | 12.01 | |
| | | (132.51) | | (127.90) |
| Operating Profit Before Working Capital Changes | | 714.42 | | 2291.66 |
| Adjustment for :- | | | | |
| Decrease/(Increase) in Trade & Other Receivables | 55.97 | | 225.10 | |
| Decrease/(Increase) in Inventories | 44.89 | | (599.75) | |
| (Decrease)/Increase in Trade & Other Payables | (69.70) | | (164.51) | |
| | | 31.16 | | (539.16) |
| Cash generated from operation | | 745.58 | | 1752.50 |
| Income Tax Paid (net of refunds) | | (369.75) | | (730.17) |
| Net Cash from Operating Activities (A) | | 375.83 | | 1022.33 |
| **B.Cash Flow from Investing Activities :** | | | | |
| Purchase of Property,Plant and Equipment | (231.71 | | (248.63) | |
| Movement in CWIP | (8.18) | | - | |
| Proceeds from sale of Property,Plant and Equipment | 1.06 | | 2.39 | |
| Investment in Mutual Fund | (352.26 | | - | |
| Gain on Investment | 2.25 | | | |
| Movement in Fixed Deposit | 65.40 | | (1340.72) | |
| Dividend Income | 21.16 | | - | |
| Interest Income | 240.84 | | 234.23 | |
| Net Cash used in Investing Activities (B) | | (261.43) | | (1352.73) |
| **C.Cash Flow from Financing Activities :** | | | | |
| Non-Current Asset | (0.78) | | (431.33) | |
| Interest Expense | (9.35) | | (12.01) | |
| Dividend Paid | (85.12) | | (17.02) | |
| Net Cash used in Financing Activities (C) | | (95.25) | | (460.36) |
| Net increase/(decrease) in Cash & Cash Equivalents (A+B+C) | | 19.15 | | (790.76) |
| Cash & Cash Equivalents at the begining of the year | | 901.71 | | 1692.47 |
| Cash & Cash Equivalents at the end of the year | | 920.86 | | 901.71 |

Notes : i) The Cash Flow Statement has been prepared under the "Indirect method" as set out in the Accounting Standard 3 : "Cash Flow Statements"

ii) Cash and Cash equivalents represent Cash balance,Cheques in hand and Bank balances in Current Account.

In terms of our attached report of even date

For RAY & RAY
Chartered Accountants
(FRN : 301072E)

Asish Kumar Mukhopadhyay

(Asish Kumar Mukhopadhyay)
Partner
Membership No. 056359
Kolkata, the 7th August,2023

RAY & RAY CHARTERED ACCOUNTANTS

GAUTAM DEY
Managing Director
DIN : 01277238

Ranajit Dey

RANAJIT DEY
Joint Managing Director
DIN : 01277323