

# ANNUAL REPORT & ACCOUNTS

For the year ended 31st March 2019



**DEY'S MEDICAL STORES (MFG.) LIMITED**

62, Bondel Road, Kolkata - 700 019

**CONTENTS**

	Page No.
1. Company Details	1 - 2
2. Boards' Report	3 - 22
3. Independent Auditors' Report	23 - 32
4. Balance Sheet	34
5. Statement of Profit and Loss	35
6. Cash Flow Statement	36
7. Notes to Balance Sheet and Statement of Profit and Loss Account	37 - 50



CIN No. : U24232WB1957PLC023528

Telephone No. : 033-2287-1381/1382/6467

Website : www.deysmedical.com

**Board of Directors :**

Mr. Gautam Dey, Managing Director

Mr. Ranajit Dey, Jt. Managing Director

Mr. Subharthee Dey, Wholetime Director

Mr. Sourendra Prosad Saha, Director

Mr. Debashish Mazumdar, Director

Mr. Bhaskar Ghose, Director

Mr. Amit Kumar Roy, Director

Mr. Dwarakeswar Chatterjee, Director

**Auditors :**

Nundy Roy & Co. Chartered Accountants

**Bankers :**

UCO Bank

**Registered Office :**

62, Bondel Road, Kolkata - 700 019

**Factories :**

62, Bondel Road, Kolkata - 700 019

8, Rifle Range Road, Kolkata - 700 019

**BRANCHES / C & F AGENTS / C & S AGENTS**

Ahmedabad : Dey's Block, Hariom Avenue, 31/B, Govt. Servant Housing Society Ltd.  
Near Municipal Market, Navrangpura, Ahmedabad - 380 009.

Bengaluru : Mahendra Drug Distributors, 3/6, 1st Floor, 4th Cross, Mysore Road,  
Behind Corporation Bank, Bengaluru - 560 026

Chandigarh : Geeta Marketing, Plot No. 10, 2 Kanal Industrial Area, Phase-II  
Chandigarh - 160 002.

Chennai : Shruti's, New No. 353, Old No. 202, Sydenhams Road, Apparao Garden,  
Choolai, Chennai - 600 112.

Kochi : 73/1862, K.S.Udayan Road, Pachalan, Kochi - 682 012.

Cuttack : 26 Cantonment Road, Chandni Chawk, Cuttack - 753 001.

- Delhi : A-49 (Basement), Main Kanti Nagar, Delhi - 110 051  
Kapco Marketing Pvt.Ltd., S-3, Bhagwan Dass Nagar, East Punjabi Bagh,  
Delhi - 110 026.
- Guwahati : L. B. Medi Services Pvt. Ltd., 1, Gopal Road, Panbazar, Guwahati - 781 001.
- Jabalpur : Khasra No. 466/1, 467/1, Mouza Karmeta, Katangi Road, Jabalpur - 482 002.
- Jaipur : Plot No. 102, Near Bank of Baroda, Tonk Road, Sanganer, Jaipur - 302 033.
- Kolkata : 8, Rifle Range Road, Kolkata - 700 019  
Rajprotim Agencies, 49/89, Prince Gulam Mohammad Shah Road,  
Golf Gardens, Kolkata - 700 033.
- Lucknow : E-435, Transport Nagar, Behind Parking No.9, Lucknow - 226 012.
- Mumbai : 004/005/103, Dattani Palza, Safed Pool, Saki Naka, Andheri, Kurla Road  
Mumbai - 400 072.
- Patna : Arya Remedies Pvt. Ltd., Sahara Road, Choti Pahari, Agam Kuan,  
P.O. : Gulzarbagh, Patna - 800 007.
- Ranchi : J.M.Pharma,120, Basant Vihar, Road No.1, Harmu, Ranchi - 834 012.
- Secunderabad : Durga Bhavan (1st Floor), 141/1, Rashtrapati Road, Secunderabad - 500 003.
- Varanasi : H.K.Das Marketing, Lahartara Boulia, Varanasi Cantt. - 221 002.
- Ambala Cantt. : Soleks MLT, House No. 1, DRM Office Road, P.O.: Kuldeep Nagar, Ambala  
Cantt. - 133 001.
- Zirakhpur : Vill. Pabhat, Godown Area, Near J P Hospital, Behind Unicity Business  
Center, Zirakhpur MC, Distt. S.A.S. Nagar (Mohali), Punjab - 140 603.  
Soleks MLT, SCF 89, Govind Vihar, Baltana, Zeerakhpur, Dist. - Mohali, Punjab
- Parwanoo : Geeta Marketing, Khasra No. 427/2, Nariyal Road, Sector - 4, Parwanoo.
- Raipur : Shri Krishna Traders, Shop No.105, Medical Complex, GE Road, Raipur  
Gawri Marketing, Near Jeet Cold Storage, Ring Road No. 2, Gondwara,  
Raipur -493 221, Chattisgarh.
- Rishikesh : Narang Distributors, 585/311, Bankhandi Gram, Rishikesh - 249 201.
- Nagpur : Tradelinks, Block - 401, Pooja Chamber, Wadi, Nagpur - 440 023.
- Vijaywada : Satya Logistics, Door No. 76-1/1, 1<sup>st</sup> Floor, Shop No-31, Hrt Sai Nirman  
Complex, Bhavanipuram, Vijaywada - 520 012.  
Vinayaka Corporation, Door No. 75/5/7, R. S. No. 10, Durga Plot,  
Temple Road, Bhawanipuram, Vijaywada - 520 012

**BOARD'S REPORT**

To  
The Shareholders,  
Dey's Medical Stores (Manufacturing) Limited

Your Directors have pleasure in presenting the **Sixty-Second** Annual Report of the Company together with the Audited Financial Statements for the financial year ended 31<sup>st</sup> March, 2019

<b>1. Financial Results :</b>	<b>As at 31.3.19</b>	<b>As at 31.3.18</b>
	<b>(Rupees in Thousands)</b>	
Revenue from Operations	<u>105,21,23</u>	<u>98,32,43</u>
Profit before Depreciation	10,54,96	4,36,40
Depreciation	<u>65,28</u>	<u>79,57</u>
Profit before Tax	9,89,68	3,56,83
Less : Provision for Taxation		
- For the Current Year	2,88,27	1,22,72
- Deferred Tax	(149)	(357)
- Tax Adj. for Previous Year	<u>16,77</u>	<u>—</u>
Total amount available for appropriation	6,86,13	2,37,68
Less : Transfer to General Reserve	2,00,00	1,00,00
Proposed Dividend	12,77	8,51
Tax on Dividend	<u>2,62</u>	<u>1,75</u>
	4,70,74	1,27,42
Balance brought forward from last year	<u>22,60,33</u>	<u>21,32,91</u>
Balance carried forward	<u>27,31,07</u>	<u>22,60,33</u>

**Operating Results**

During the year under review your Company's Revenue from Operations amounted to Rs.10521.23 Lakhs as compared to Rs.9832.43 Lakhs in the previous year. Company's Profit Before Tax is Rs. 989.68 Lakhs against Rs. 356.83 Lakhs in the previous year.

***Good Manufacturing Practices (GMP)***

In the last few years, your Company has been continuously making significant investment towards up-gradation of its facilities to bring it in full compliance with Schedule M of the Drugs & Cosmetics Acts and Rules & ICH guidelines. The Company is now fully Schedule M compliant and is relentlessly pursuing its improvement programme to achieve better standards in the years to come. The Company has now also become GLP (Good Laboratory Practices) compliant.

***Dividend***

Your directors recommend payment of Dividend @ Rs. 1.50/- per Equity Shares subject to approval by the shareholders at the ensuing Annual General Meeting. Total financial outgo will be Rs. 15.39 lakhs, including dividend distribution tax of Rs. 2.62 lakhs.

***Share Capital***

There has been no change in authorised, issued subscribed and paid up share capital during the year under review.

***Material changes/any commitments affecting financial position between end of the financial year and Date of Report.***

Subsequent to the end of financial year on March 31, 2019 till date, there has been no material change and /or commitment which may affect the financial position of the Company.

***Directors' Responsibility Statement***

Pursuant to Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013 (hereinafter referred to as "the Act"). Directors of the Company hereby state and confirm that –

- a) In the preparation of the annual accounts for the year ended March 31, 2019, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there were no material departures from the same;
- b) The Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2019 and of the profit of the Company for the year ended on that date;
- c) The Directors have taken proper and sufficient care for the the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Directors have prepared the annual accounts on a going concern basis;
- e) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

***Directors and Key Managerial Personnel***

In accordance with the provisions of Section 152 (6) of the Companies Act, 2013, Rules framed thereunder and the Articles of Association of your Company, Mr. Bhaskar Ghose (DIN 00007714) and Mr. Debashish Mazumdar (DIN 00119396), Directors of the Company, are due to retire by rotation

at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. Your Board recommends reappointment of Mr. Bhaskar Ghose and Mr. Debashish Mazumdar as Director of the Company liable to retire by rotation.

Mr. Ushanath Banerjee (DIN 02312565 and Mr. Baidyanath Dutta (DIN 06948842) have resigned as Director of the Company and the Board accepted the resignation at the Board Meeting held on 30th August, 2018 and on 1st November, 2018 respectively. The Board accepted the resignation and recorded appreciation of invaluable advice received from them during their tenure as Director of the Company.

During the year under review your Board approved reappointment of Mr. Gautam Dey as Managing Director, Mr. Ranajit Dey as Joint Managing Director, Mr. Subharthee Dey as Whole-time Director for a period of five years subject to the approval of shareholders of the ensuing sixty-second Annual General Meeting as per Section 196(4) of Companies Act 2013. Your Board is of the opinion that their continuous association with the Board shall be beneficial to the Company to achieve its desired objectives.

#### ***Independent Director***

Dr. Amit Kumar Roy (DIN 06910710) was appointed as an Additional Director in the category of Independent Director at the Board meeting held on 30<sup>th</sup> August 2018. His appointment as an Independent Director was approved at the sixty-first Annual General Meeting of the Company held on 28th September 2018 for a period of five consecutive years as per Section 149 (10) of the Companies Act 2013 and not liable to retire by rotation as per Section 152 (6) of the said act.

Mr. Dwarakeswar Chatterjee (DIN 08390801) chartered accountant in practice was appointed as an additional director in the category of independent director in terms of Section 149 and Schedule IV of Companies Act 2013 at the Board Meeting held on 19th March 2019 for a period of five consecutive years subject to the approval by shareholders at the ensuing sixty-second Annual General Meeting.

Dr. Amit Kumar Roy and Mr. Dwaraseswar Chatterjee have declared to the Board of Directors that they meet the criteria of Independence as laid down in Section 149(6) of the Companies Act 2013.

#### ***Extract of Annual Return***

The extract of the Annual Return in prescribed Form MGT-9, as required under Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013 and applicable Rules thereunder, is annexed herewith as **Annexure - A** and forms an integral part of this report.

**Number of Meetings of the Board of Directors**

The Board of Directors duly met four times during the financial year from 1<sup>st</sup> April, 2018 to 31<sup>st</sup> March, 2019 i.e., on 04.07.2018, 30.08.2018, 28.09.2018, 11.01.2019, 04.02.2019 and 19.03.2019. The details of meeting attended by the each director of the Company are given below :

<b>Name of Directors</b>	<b>No. of meetings attended</b>
Mr. Gautam Dey	6
Mr. Ranajit Dey	6
Mr. Subharthee Dey	6
Mr. Bhaskar Ghose	5
Dr. Amit Kumar Roy	3
Mr. Debashish Mazumdar	3
Mr. Sourendro Prosad Saha	5
Mr. Baidyanath Dutta	1
Mr. Usha Nath Banerjee	–

**Auditors**

M/s. Nundy Roy & Co. Chartered Accountants, (Firm Registration No. 301049E), Statutory Auditors of the Company, was appointed as Auditors of the Company for a period of 5 years, from the conclusion of the 58<sup>th</sup> Annual General Meeting till the conclusion of 63<sup>rd</sup> Annual General Meeting. In terms of MCA Notification dated 7<sup>th</sup> May, 2018, the First Proviso to Section 139(1) of Companies Act 2013, requiring ratification of appointment of Statutory Auditor at every Annual General Meeting, has been omitted and accordingly, no resolution need to be passed at any Annual General Meeting to be held after 7<sup>th</sup> May, 2018 for ratification of appointment of M/s. Nundy Roy & Co. as Statutory Auditor of the Company.

**Auditors' Report**

Comments of the Auditors in their report and the notes forming part of the Accounts are self explanatory and need no comments.

**Deposit**

The Company has not accepted any deposits and it does not hold any deposit as on March 31, 2019. As such, the details required to be given pursuant to the provisions of sub-rule 5 of Rule 8 of the Companies (Accounts) Rules, 2014 are not applicable to the Company.

***Contracts and Arrangements with Related Parties***

The Board noted that Contracts and Arrangements now existing with Dey's Medical Stores Private Limited (DMSPL) and Dey's Medical (U.P.) Private Limited [DM(UP)PL], related parties within the meaning of Section 2 (76) of the Companies Act 2013, were approved by the board as transactions in ordinary course of business on the same footing as if such transactions were entered with unrelated parties on arm's length basis. Accordingly there is no requirement to record the details of transactions in prescribed format pursuant to Clause (h) of Subsection (3) of Section 134 and Rule 8(2) of the Companies (Accounts) Rules 2014.

Related Party disclosures pursuant to Accounting Standard 18 are made in the notes to Financial Statements (Note No.: 28).

***Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo***

The details as required pursuant to the provisions of Section 134(3)(m) of the Companies Act, 2013 read with sub-rule 3 of Rule 8 of the Companies (Accounts) Rules, 2014 are given in **Annexure B**.

***Audit Committee***

The Board of Directors has duly constituted Audit Committee at the Board Meeting held on 19<sup>th</sup> March 2019 in terms of Provisions of Section 177 of the Companies Act 2013 read with the rules framed thereunder. The terms of reference of the Audit Committee has been approved by the Board of directors composition of the audit committee is stated below –

- (i) Mr. Dwarakeswar Chatterjee (Chairman)
- (ii) Dr. Amit Kumar Roy (Member)
- (iii) Mr. Sourendra Prasad Saha (Member)

***Nomination and Remuneration Committee***

The Board of Directors has duly constituted Nomination and Remuneration Committee at the Board Meeting held on 19<sup>th</sup> March 2019 in terms of provisions of section 178 of the Companies Act 2013 read with rules framed there under composition of the Nomination and Remuneration Committee is stated below –

- (i) Dr. Amit Kumar Roy (Chairman)
- (ii) Mr. Dwarakeswar Chatterjee (Member)
- (iii) Mr. Sourendra Prasad Saha (Member)

***Nomination and Remuneration Policy***

The Nomination and Remuneration Committee has formulated and recommended to the Board Nomination and Remuneration Policy for identification, selection and Appointment of Directors, Key Managerial Personnel (KMP) and Senior Managerial Personnel (SMS) of your Company. The policy inter alia provides for criteria for fixing remuneration of the Directors of KMPS. SMPS as well as other employees of the Company. The Policy has been placed on the website of the Company at the webaddress – [www.deysmedical.com](http://www.deysmedical.com)

***Corporate Social Responsibility***

At the Board Meeting held on 19<sup>th</sup> March, 2019 your Board has reconstituted a Corporate Social Responsibility (CSR) Committee of the Board under the Chairmanship of Mr. Gautam Dey, Managing Director of the Company. Other members of the Committee are (a) Mr. Ranajit Dey, Joint Managing Director, (b) Mr. Subharthee Dey, Wholetime Director, (c) Dr. Amit Kumar Roy, Independent Director.

Pursuant to the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Annual Report on CSR Activities has been annexed to this Board's Report and marked as Annexure – C. The CSR Policy is available on the website of the Company at the webaddress - [www.deysmedical.com](http://www.deysmedical.com)

***Investor Education and Protection Fund (IEPF)***

During the year under review the Company has transferred to the IEPF unclaimed/unpaid dividend Rs. 8,403/- on 8<sup>th</sup> January, 2019 and the corresponding shares (13 Nos. on 23.04.2019) in terms of Section 124(6) of the Companies Act 2013 and in pursuance of Rule 6 of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules 2016 pertaining to dividend declared for the year 2010-11 and remaining unpaid for continuous 7 years.

The company has also credited to the Demat Account of IEPF Authority in the NSDL System (ISIN INE 00890105) 3045 Equity Shares on 20<sup>th</sup> November, 2018 and corresponding dividend Rs. 8,860/- on 12<sup>th</sup> January, 2018 for the year 2009-2010 remaining unpaid for continuous 7 years.

***Particulars of Employees and related disclosures***

None of the employees of the Company were in receipt of remuneration in excess of the limits prescribed under Rules 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules 2016.

***Internal Financial Controls***

The Company has in place adequate internal financial controls as a part of sound financial management of the Company. The Company periodically reviews the existing financial controls for better monitoring and evaluation of the performance of the Company.

***Risk Management***

The Company has formulated and adopted a Risk Management Policy for identification of elements of risk and to mitigate various business risks arising due to internal and external risks. The Company has appointed a Committee to identify and access risk, both internal and external, affecting the organization and its growth.

***Significant and material Orders passed by the Regulators or Courts***

There are no significant and material orders passed by any Regulators/Courts which would impact the going concern status of the Company and its future operations.

***Performance and Financial Position of Subsidiaries, Associates and Joint Venture Companies***

The Company does not have any Subsidiary, Joint Venture Company and/or Associate Company. As such information required to be given pursuant to Rule 8(1) of the Companies (Accounts) Rules, 2014 are not applicable.

***Particulars of Loans given, Investments made and Guarantee Provided***

During the period under review, the Company did not give any loans or make any investment or provide any security within the meaning of section 186(4) of the Companies Act, 2013, and accordingly, no disclosure is required to be made with respect thereto.

***Remuneration received by Directors from Holding Company***

The details of remuneration received by the Directors of the Company from Dey's Medical Stores Private Limited, the Holding Company, are given below :

<b>Name of Directors</b>	<b>Remuneration (Rs.)</b>
Mr. Gautam Dey	58,54,954
Mr. Ranajit Dey	53,32,702
Mr. Subharthee Dey	53,36,683

***Sexual Harrasment of Women at workplace***

As required under the provisions of the sexual harassment of women at the workplace (Prevention, Prohibition & Redressal (Act 2013) read with the sexual harassment of women at the workplace (Prevention, Prohibition & Redressal (Rules 2013), an Internal Committee (ICC) with requisite no. of representatives has been set up to redress complaints of sexual harassment, if any.

The following is a summary of sexual harassment complaints received and disposed off during the financial year 2018-2019 :-

No. of complaints received	:	NIL
No. of complaints disposed off	:	NIL

***Industrial Relations***

Your Directors place on record their heartiest appreciation of the contributions made by the employees at all levels. Your directors wish to place on record the utmost cooperation and support extended by various departments and agencies of the State & Cetral Government, UCO Bank, Indian Drug Manufacturer's Association (IDMA), Ayurvedic Drug Manufacturer's Association and various Chambers of Commerce, in the various fields of the companies' activities.

***Disclosure***

The Directors have devised proper systems and procedures for ensuring compliance with all applicable secretarial standards as approved by the Central Government under Section 118 (10) of the Companies Act 2013.

As required under Companies (Accounts) Rules 2014, the Director of the Company affirm that cost records as prescribed by the Central Government under Section (1) of Section 148 of the Companies Act 2013 have been maintained by the Company.

***Acknowledgment***

In conclusion your Directors pledge to continue to strive to achieve excellence in all fields of the Companies activities and take appropriate measure that may be necessary for the fulfillment of the overall objectives. It is hoped that you will extend your cooperation in the coming years also.

For & on behalf of the Board

Registered Office :  
62, Bondel Road,  
Kolkata- 700 019  
Date : 9<sup>th</sup> August, 2019

**(Gautam Dey)**  
Managing Director  
DIN : 01277238

**(Ranajit Dey)**  
Jt. Managing Director  
DIN : 01277323

**Annexure - A**
**FORM NO. MGT 9  
EXTRACT OF ANNUAL RETURN**

As on the financial year ended on March 31, 2019  
[Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1)  
of the Companies (Management & Administration) Rules, 2014]

**I. REGISTRATION & OTHER DETAILS:**

1	CIN	U24232WB 1957PLC023528
2	Registration Date	01.08.1957
3	Name of the Company	DEY'S MEDICAL STORES (MANUFACTURING) LTD.
4	Category/Sub-category of the Company	Unlisted Public Company
5	Address of the Registered Office	62, Bondel Road, Kolkata - 700019
6	Office & Contact Details	Phone : 033-2287-1381; e-mail: dmsml@deysmedical.com
7	Whether listed company	No
8	Name, Address & contact details of the Registrar & Share Transfer Agent, if any.	MAHESWARI DATAMATICS PRIVATE LIMITED 23, R.N. Mukherjee Road, 5 <sup>th</sup> Floor Kolkata - 700 001

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

Sl. No.	Name and Description of main products/services	NIC Code of the	% to total turnover of the company
1.	I TONE Eye Drop		20.32
2.	Enteromycetin Suspension 60 ml.		10.93

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:**

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Dey's Medical Stores Pvt. Ltd.	U5 1217WB1949PTC017847	HOLDING	98.27	2(46)

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

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1 <sup>st</sup> April, 2018]				No. of Shares held at the end of the year [As on 31 <sup>st</sup> March, 2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF	Nil	773	773	0.09	Nil	773	773	0.09	Nil
b) Central Govt.	-	-	-	-	-	-	-	-	-

# Dey's Medical Stores (Manufacturing) Limited



c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	Nil	836491	836491	98.27	Nil	836491	836491	98.27	Nil
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-Total (A)(1)</b>	<b>Nil</b>	<b>837264</b>	<b>837264</b>	<b>98.36</b>	<b>Nil</b>	<b>837264</b>	<b>837264</b>	<b>98.36</b>	<b>Nil</b>
(2) Foreign									
a) NRIs-Individuals									
b) Other Individuals									
c) Bodies Corporate									
d) Banks / FI									
e) Any Other									
Sub-Total (A)(2)									
<b>Total Shareholding of Promoter (A) = (A)(1) + (A)(2)</b>	<b>Nil</b>	<b>837264</b>	<b>837264</b>	<b>98.36</b>	<b>Nil</b>	<b>837264</b>	<b>837264</b>	<b>98.36</b>	<b>Nil</b>
<b>B. Public Shareholding</b>									
1. Institutions									
a) Mutual Funds									
b) Banks / FI	Nil	8	8	0.00	Nil	8	8	0.00	Nil
c) Central Govt.									
d) State Govt.(s)									
e) Venture Capital Fund									
f) Insurance Companies	Nil	7823	7823	0.92	Nil	7823	7823	0.92	Nil
g) FIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
<b>Sub-Total (B)(1)</b>	<b>Nil</b>	<b>7831</b>	<b>7831</b>	<b>0.92</b>	<b>Nil</b>	<b>7831</b>	<b>7831</b>	<b>0.92</b>	<b>Nil</b>
2. Non-Institutions									
a) Bodies Corporate									
i) Indian	Nil	35	35	0.00	Nil	35	35	0.00	Nil
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs.1 lakh	Nil	6056	6056	0.72	Nil	6056	6056	0.72	Nil
ii) Individual Shareholders holding nominal share capital in excess of Rs.1 Lakh									
c) Others (specify)									
Overseas Corporate Bodies									
Foreign Nationals									
Clearing Members									
Trusts									
Foreign Bodies – D R									
<b>Sub-Total (B)(2)</b>	<b>Nil</b>	<b>6091</b>	<b>6091</b>	<b>0.72</b>	<b>Nil</b>	<b>6091</b>	<b>6091</b>	<b>0.72</b>	<b>Nil</b>
<b>Total Public Shareholding B = B(1) + B(2)</b>	<b>Nil</b>	<b>13922</b>	<b>13922</b>	<b>1.64</b>	<b>Nil</b>	<b>13922</b>	<b>13922</b>	<b>1.64</b>	<b>Nil</b>
C. Shares held by Custodian for GDRs & aDRs									
<b>Grand Total (A+B+C)</b>	<b>Nil</b>	<b>851186</b>	<b>851186</b>	<b>100</b>	<b>Nil</b>	<b>851186</b>	<b>851186</b>	<b>100</b>	<b>Nil</b>

**(ii) Shareholding of Promoters**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total shares of the company	% of Shares Pledged/ encumbered in total shares	No. of Shares	% of total shares of the company	% of Shares Pledged/ encumbered in total shares	
1.	Dey's Medical Stores Pvt. Ltd.	836491	98.27	Nil	836491	98.27	Nil	Nil
2.	Mr. Gautam Dey	773	0.09	Nil	773	0.09	Nil	Nil
	<b>Total</b>	<b>837264</b>	<b>98.36</b>	<b>Nil</b>	<b>837264</b>	<b>98.36</b>	<b>Nil</b>	<b>Nil</b>

**(iii) Change in Promoter's Shareholding (please specify, if there is no change) : NO CHANGE**

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	At the beginning of the year				
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweet equality etc.)				
	At the end of the year				

**(iv) Shareholding pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs) :**

Sl. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1.	New India Assurance Co.Ltd.				
	At the beginning of the year	7823	0.92	7823	0.92
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc)	Nil	Nil	Nil	Nil
	At the end of the year	7823	0.92	7823	0.92
2.	Ruma Rudra				
	At the beginning of the year	672	0.08	672	0.08
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer bonus / sweat equity etc)	Nil	Nil	Nil	Nil
	At the end of the year	672	0.08	672	0.08
3.	Nirmal Baran Bhattacharjee				
	At the beginning of the Year	346	0.04	346	0.04
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	Nil	Nil	Nil	Nil
	At the end of the year	346	0.04	346	0.04

4.	<b>Sandip Rudra</b>				
	At the beginning of the Year	200	0.02	200	0.02
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	Nil	Nil	Nil	Nil
	At the end of the year	200	0.02	200	0.02
5.	<b>Dhruba Das</b>				
	At the beginning of the Year	173	0.02	173	0.02
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	Nil	Nil	Nil	Nil
	At the end of the year	173	0.02	173	0.02
6.	<b>Subha Sankar Nandi</b>				
	At the beginning of the Year	121	0.01	121	0.01
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	Nil	Nil	Nil	Nil
	At the end of the year	121	0.01	121	0.01
7.	<b>Subrata Basu</b>				
	At the beginning of the Year	Nil	Nil	179	0.01
	Transfer of Shares on 30.08.2018 from Tarun Basu (Folio No.520) vide Share Certificate No.795, 222, 774	Nil	Nil	179	0.02
	At the end of the year	Nil	Nil	179	0.02
8.	<b>Bani Dey</b>				
	At the beginning of the Year	100	0.01	100	0.01
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	Nil	Nil	Nil	Nil
	At the end of the year	100	0.01	100	0.01
9.	<b>Bhupati Mohan Sen</b>				
	At the beginning of the Year	86	0.01	86	0.01
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	Nil	Nil	Nil	Nil
	At the end of the year	86	0.01	86	0.01
10.	<b>Prakash Chandra Dey</b>				
	At the beginning of the Year	86	0.01	86	0.01
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	Nil	Nil	Nil	Nil
	At the end of the year	86	0.01	86	0.01

**(v) Shareholding of Directors and Key Managerial Personnel :**

Sl. No.	Shareholding of each Director and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1.	Mr. Gautam Dey, Managing Director				
	At the beginning of the year	773	0.09	773	0.09
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)	Nil	Nil	Nil	Nil
	At the end of the year	773	0.09	773	0.09
2.	Mr. Ranajit Dey, Jt. Managing Director				
	At the beginning of the year	68	0.01	68	0.01
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)	Nil	Nil	Nil	Nil
	At the end of the year	68	0.01	68	0.01
3.	Mr. Subharthee Dey, Wholtime Director				
	At the beginning of the year	71	0.01	71	0.01
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)	Nil	Nil	Nil	Nil
	At the end of the year	71	0.01	71	0.01

**V. INDEBTEDNESS**
*Indebtedness of the Company including interest outstanding/accrued but not due for payment*

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount		15419593		15419593
ii) Interest due but no paid				
iii) Interest accrued but not due				
<b>Total ( i + ii + iii )</b>				
Change in Indebtedness during the financial year				
• Addition (net)		5464454		5464454
• Reduction				
<b>Net Change</b>				
Indebtedness at the end of the financial year				
i) Principal Amount		20884047		20884047
ii) Interest due but no paid				
iii) Interest accrued but not due				
<b>Total ( i + ii + iii )</b>				

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount
		Gautam Dey	Ranjit Dey	Subharthee Dey	
1.	Gross Salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961				
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961				
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961				

2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit - others, specify ....	989685 1%	989685 1%	989685 1%	2969055 3%
5.	Others, please specify	-	-	-	-
	Total (A)	989685	989685	989685	-
	Ceiling as per the Act				10% of Net Profit

**B. Remuneration to other directors : NIL**

Sl. No.	Particulars of Remuneration	Name of Directors						Total Amount
		Dr. Amit Kumar Roy	Mr. Baidyanath Dutta	Mr. Saurendra Prasad Saha	Mr. Bhaskar Ghose	Mr. Ushanath Banerjee	Mr. Debashish Mazumder	
1.	Independent Directors							
	Fee for attending board committee meetings							
	Commission							
	Others, please specify							
	Total (1)							
2.	Other Non-Executive Directors							
	Fee for attending board committee meetings							
	Commission							
	Others, please specify							
	Total (2)							
	Total (B) = (1+2)							
	Total Managerial Remuneration							
	Overall Ceiling as per the Act							

**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD : NIL**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1.	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				
	© Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
2.	Stock Option				
3.	Sweat Equity				
4.	Commission				
	- as % of profit				
	others, specify				
5.	Others, please specify				
	Total				

**VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES : NIL**

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

**ANNEXURE-B****A. CONSERVATION OF ENERGY :****a) MEASURES TAKEN :**

The organisation pays wholehearted attention in respect of conservation of energy in both manufacturing and service departments. This is being closely monitored and controlled in a systematic plan and implemented it in a phased manner as follows :

1. Periodic checking & replacement of repaired old motor with a high efficiency motor.
2. Replacement of V-belt driven pump units with direct coupling to save energy. Already, it has been implemented in almost all sparkler Filters and no. of transfer pumps in different charge sections such as Itone charge / MOM plant / liq 2 etc.
3. Continuing replacement of 4 ft, old 36W/40W tube light fittings with choke or ballast by retrofit 18W LED fixtures. Most of the High pressure sodium vapour lamps / Mercury lamps has been replaced by weather proof LED Street light fixture with low wattage.
4. Performing regular inspection and maintenance of duct and its insulation to minimize the duct losses. Now using high graded insulated materials which is self adhesive with aluminum foil (ARMAFLEX-O) instead of traditional method.
5. Continuing regular monitoring the three phase voltages with load balancing across the all LT-panels and field devices.
6. Installation of automatic drain valve across the air receiver tank output instead of manual drain out.
7. Periodic checking & monitoring the insulation of refrigerant copper lines especially if the air conditioner is an outdoor unit in HVAC system.
8. Implementing digital Temperature controller for the controlling of cooling in HVAC system (Instrument Room/Microbiology Area)

**b) IMPROVEMENTS:**

1. Using a high efficiency motors typically increases performance efficiency upto 25%.
2. Implementation of Direct coupled savings are about 4% of total motor system electricity consumption.
3. Achieving Saving of 10 to 15% by the implementation of LED fixtures in phase wise.
4. Duct leakage can waste significant amounts of energy in HVAC system. Measures taken for reduction duct leakage with high graded insulated material which leading to increases 20-30% overall efficiency of the concern areas on HVAC system.
5. By the implementation of digital temperature controller, AC compressor is turned ON/OFF immediately once the temperature is reached to set value, which does not allow to run the AC Compressor continuously leads power saving.

**IMPACT OF (a) AND (b):**

With earlier and current effect of (a) & (b) enhance operational efficiency of the Company now and also in future.

The company is having two plants situated at 62, Bondel Road, Kolkata – 700 019 and 8, Rifle Range Road, Kolkata – 700 019 respectively. Each of the plants are having both Modern Medicine and Ayurvedic Sections.

The company has made significant investments for the up gradation of its facilities for the compliance of GMP & GLP.

All the manufacturing units are GMP compliant and the centralised Quality Control Laboratory at Bondel Road is GLP compliant. The certificated for the same are either valid till date or the Renewal / Extension is under process by the State Licensing Authorities.

**B. TECHNOLOGY ABSORPTION, ADOPTION & INNOVATION :****1. EFFORTS MADE :**

- a) To improve suspendibility of Solacid and Solacid O Suspensions.
- b) To improve suspendibility of MOM and MOM plus Suspensions.

**2. NEW PROCESS DEVELOPED :**

- a) New process developed for Horn O Tablet.
- b) New process developed for Etformin Tablet.
- c) New process developed for Maxrel Tablet.

**3. IMPROVEMENT IN THE PRODUCT & PROCESS :**

- a) Improvement in the product & process of Enteromycetin Capsules.
- b) Improvement in the product & process of Hexide Mouthwash.
- c) Improvement in the product & process of Pazes-40 Tablet.

**4. BENEFITS :**

A few of the above products have already been placed in the market. Other products will be in the market soon.

**5. IMPORTED TECHNOLOGY :**

Technology know-how for manufacture of Magnesium Hydroxide, a Bulk Drug imported by us, has been fully absorbed. The technical know-how imported in the year 1968 by erstwhile Dey-Se-Chern Ltd., now amalgamated with the company for manufacture of the Bulk Drugs Chloramphenicol Powder and Chloramphenicol Palmitate from basic chemical. Para Nitro Acetophenone could not be absorbed by the Company due to uneconomical cost in production.

<b>6. EXPENDITURE ON R &amp; D :</b>	<b>(Rs. in Lakhs)</b>
Capital Expenditure	NIL
Recurring Expense	152.20
Total Expenses	152.20
Total as % of Revenue from Operations	1.45

<b>C. FOREIGN EXCHANGE EARNINGS AND OUTGO :</b>	<b>(Rs. in Lakhs)</b>
(i) Foreign Exchange Export Sales (FOB)	11.25
(ii) Foreign Exchange Outgo (Raw Materials)	317.77

**ANNEXURE-C****ANNUAL REPORT ON CSR**

1. A brief outline of the company's CSR policy including overview of prospects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and prospects or programs -

Policy contains activities which include -

- (a) Contribution to Prime Minister National Relief Fund
- (b) Eradicating Extreme Hunger and Poverty
- (c) Promoting Education
- (d) Promoting Healthcare
- (e) Social Business Projects
- (f) Ensuring Environmental Sustainability
- (g) Rural Development Projects
- (h) Promoting Sports

CSR Policy has been displayed on the website of the Company at the web address  
- [www.deysmedical.com](http://www.deysmedical.com)

2. The composition of the CSR Committee
  - (i) Mr. Gautam Dey, Managing Director
  - (ii) Mr. Ranajit Dey, Joint Managing Director
  - (iii) Mr. Subharthee Dey, Whole-time Director
  - (iv) Dr. Amit Kumar Roy, Independent Director
3. Average net profit of the Company for last three financial years.  
Rs.6,02,48,941/- (Rupees Six Crore Two Lakhs Forty-eight Thousand Nine Hundred Forty-one) only.
4. Prescribed CSR Expenditure (two per cent of the amount as in Item 3 above) : Rs.12,04,980/- (Rupees Twelve Lakhs Four Thousand Nine Hundred Eighty) only.
5. Details of CSR spent during the financial year
  - (a) Total amount to be spent for the financial year : Rs.12,04,980/-
  - (b) Amount unspent, if any : NIL

(c) Manner in which the amount spent during the financial year is detailed below:

1	2	3	4	5	6	7	8
Sr. No.	CSR Project or activity identified	Sector in Which the project is covered	Project or Programs - (1) Local Area or Other (2) Specify the State and the District Where project were undertaken	Amount outlay (Budget Project or Programs wise	Amount spent on the project or programs sub-heads - 1. Direct expenditure on project or programs 2. Overheads	Cumulative expenditure upto the reporting period	Amount spent direct or through implementing agency
1	Contribution to Prime Minister Relief Fund	Not Applicable	Not Applicable	<b>Rs.12,04,980</b>	<b>Rs.12,04,980</b>	<b>Rs.12,04,980</b>	<b>Rs.12,04,980</b>

6. In case the company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the company shall provide the reason for not spending the amount in its Board Report.

NOT APPLICABLE

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and policy of the company.

The CSR Committee confirms that the implementation and monitoring of the CSR policy is in compliance with the CSR objectives and policy of the Company.

**Gautam Dey**  
(Chairman, CSR Committee)  
(DIN : 01277238)

**INDEPENDENT AUDITORS' REPORT**

TO THE SHAREHOLDERS OF  
DEY'S MEDICAL STORES (MANUFACTURING) LIMITED

**Report on the Audit of the Financial Statements****Opinion**

We have audited the financial statements of **DEY'S MEDICAL STORES (MANUFACTURING) LIMITED** which comprise the balance sheet as at **31<sup>st</sup> March 2019**, the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at **31<sup>st</sup> March, 2019**, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act 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.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

**Independent Auditors' Report (Continued) Dey's Medical Stores (Manufacturing) Limited**

The key audit matter	How the matter was addressed in our audit
<b>Evaluation of tax positions</b>	
<p>The Company operates in India and is subject to periodic amendment by local tax authorities on tax matters during the normal course of business including direct tax, and indirect tax matters.</p>	<p>Our audit procedures include the following observations:</p> <ul style="list-style-type: none"> <li>• Obtained information regarding direct tax and indirect tax matters</li> <li>• Discussed with appropriate senior management and evaluated management's observations and grounds of appeal in estimating the tax provisions; and</li> <li>• Evaluated the status of the current tax assessments, results of previous tax assessments</li> </ul>

**Information other than the Financial Statements and Auditor's Report thereon**

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

**Independent Auditors' Report (Continued)****DEY'S MEDICAL STORES (Manufacturing) Limited****Management's Responsibility for the Financial Statements**

The Company's management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Company's (Accounts) Rule 2014. The 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management and 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

**Independent Auditors' Report (Continued)**

**DEY'S MEDICAL STORES (Manufacturing) Limited**

- 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 has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements 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.

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

**Independent Auditors' Report (Continued)****DEY'S MEDICAL STORES (Manufacturing) limited****Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
  - (A) As required by Section 143(3) of the Act, we report that :
    - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
    - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
    - (c) The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.
    - (d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
    - (e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164(2) of the Act.
    - (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
  - (B) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
    - i. The Company has disclosed the impact of pending litigations as at 31st March, 2019 on its financial position in its financial statement - Refer Note 28 to the financial statements;
    - ii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.



**Independent Auditors' Report (Continued)**

**Dey's Medical Stores (Manufacturing) Limited**

**Report on Other Legal and Regulatory Requirements (Continued)**

- iii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- (C) With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act read with Schedule V to the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

No.6, Old Post Office Street,  
Kolkata - 700001  
Dated the 9th August, 2019

**For NUNDY ROY & CO**  
*Chartered Accountants*  
Registration No. 301049E

**( D.K.SAHA )**  
*Partner*  
Membership No. 55132

**ANNEXURE - A TO THE INDEPENDENT AUDITORS' REPORT**

**(Referred to in paragraph I under 'Report on Other Legal and Regulatory Requirements' section of our Report of Even Date)**

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets are physically verified by the management in a phased manner which in our opinion is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such verification during the year.
- (c) The title deeds of immovable properties are held in the name of the Company.
- (ii) As explained to us, physical verification of the inventory was carried out at reasonable intervals by the management and no materials discrepancies were noticed.
- (iii) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013.
- (iv) In respect loans, investments, guarantees, and security, according to information available to us and explanation given by the company, provisions of section 185 & 186 of the Companies Act 2013 have been applied with.
- (v) The Company has not accepted any deposit from public.
- (vi) As explained to us, cost records as prescribed by the Central Government under Sub-Section(1) of Sec.148 of the Companies Act, 2013 have been maintained by the Company.
- (vii) (a) According to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-tax, Value Added Tax, GST and any other statutory dues applicable to it, with the appropriate authorities during the year.
- (b) According to the information and explanations given to us, there are no such dues of Income-tax, Employees State Insurance, Income-tax, Value Added Tax, which have not been deposited on account of any dispute pending before any forum.
- (viii) On the basis of our examination and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to any Bank. The Company has not obtained any borrowings from any Financial Institutions or by way of debentures.

- (ix) The Company has not taken any Term Loan during the year. Accordingly Clause-11 of the Order is not applicable. The Company has not raised money by way of initial public offer or further public offer (including Debt. Instruments).
- (x) In our opinion and according to the information and explanations given to us the Company has no fraud on or by the Company been noticed or reported during the year.
- (xi) The Company has paid managerial remuneration (Director's commission) in accordance with the provision of Section 197 read with Schedule V to the Companies Act, 2013.
- (xii) The Company is not a Nidhi Company;
- (xiii) All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards;
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) The company has not entered into any non-cash transactions with directors or persons connected with him as referred to in Section 192 of the companies Act 2013.
- (xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

No.6, Old Post Office Street,  
Kolkata - 700001  
Dated the 9th August, 2019

**For NUNDY ROY & CO**  
*Chartered Accountants*  
Registration No. 301049E

**( D.K.SAHA )**  
*Partner*  
Membership No. 55132

**ANNEXURE - B TO THE INDEPENDENT AUDITORS' REPORT**

**Report on the Internal Financial Controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013.**

**(Referred to in paragraph 2A(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

**Opinion**

We have audited the internal financial controls with reference to financial statements of Dey's Medical Stores (Manufacturing) Limited ("the Company") as of 31st March 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31st March 2019, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

**Management's Responsibility for Internal Financial Controls**

The Company's management and the Board of Directors are responsible for establishing and maintaining internal controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act")

**AUDITORS' RESPONSIBILITY**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether such controls operated effectively in all material respects.

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

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

#### **Meaning of Internal Financial Controls with reference to Financial Statements**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls with reference to Financial Statements**

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

No.6, Old Post Office Street,  
Kolkata - 700001  
Dated the 9th August, 2019

**For NUNDY ROY & CO**  
*Chartered Accountants*  
Registration No. 301049E

**( D.K.SAHA )**  
*Partner*  
Membership No. 55132



Dey's Medical Stores  
(Manufacturing) Limited

---

**STATEMENT OF  
ACCOUNTS**

---

For the year ended 31<sup>st</sup> March, 2019

**Balance Sheet as at 31st March 2019**

		(RUPEES IN THOUSAND)	
		As at 31.3.2019	As at 31.3.2018
<b>I.</b>	<b>EQUITY AND LIABILITIES :</b>		
	<b>1. Shareholders' Funds :</b>		
	(a) Share Capital	8512	8512
	(b) Reserve & Surplus	525950	459267
	<b>2. Non Current Liabilities :</b>		
	(a) Long-Term Borrowings	15723	9316
	(b) Deferred Tax Liabilities (Net)	(1874)	(1725)
	(c) Long-Term Provisions	47314	73112
	<b>3. Current Liabilities :</b>		
	(a) Short-Term Borrowings	5161	5930
	(b) Trade Payables	62782	56170
	(c) Other Current Liabilities	61236	50005
	(d) Short-Term Provisions	1539	1026
	<b>Total :</b>	<b>726343</b>	<b>661613</b>
<b>II.</b>	<b>ASSETS :</b>		
	<b>1. Non-Current Assets :</b>		
	(a) Properties, Plant and Equipment Tangible Assets	51119	55596
	(b) Non-Current Investments	-	10
	(c) Long-Term Loans and Advances	45744	85296
	(d) Other Non-Current Assets	134950	61370
	<b>2. Current Assets :</b>		
	(a) Inventories	224482	220708
	(b) Trade Receivables	102633	96459
	(c) Cash and Cash Equivalents	114252	102258
	(d) Short-Term Loans and Advances	53163	39916
	<b>Total :</b>	<b>726343</b>	<b>661613</b>

Notes 1 to 28 are an integral part of these financial statements.

In terms of our separate report of even date

for **NUNDY ROY & CO.**  
Chartered Accountants

**CA. D. K. SAHA**  
Partner

No. 6, Old Post Office Street  
Kolkata, the 9th August, 2019

Sd/-  
**GAUTAM DEY**  
Managing Director  
Sd/-  
**RANAJIT DEY**  
Joint Managing Director  
Sd/-  
**SUBHARTHEE DEY**  
Wholetime Director

**Statement of Profit and Loss for the year ended 31st March, 2019**

		(RUPEES IN THOUSAND)	
	Note No.	Year ended 31.3.2019	Year ended 31.3.2018
<b>INCOME :</b>			
Revenue from operations	19	1052123	983243
Other Income	20	10229	6130
<b>TOTAL REVENUE :</b>		<u>1062352</u>	<u>989373</u>
<b>EXPENDITURE :</b>			
Cost of Materials consumed	21	318938	282344
Purchases of Traded Goods	22	65758	75984
Changes in inventories of Finished Goods, Work-In-Progress and Traded Goods	23	(7407)	31322
Employee benefits expense	24	334656	327886
Finance costs	25	1075	1287
Depreciation & Amortisation expense	26	6528	7957
Other expenses	27	243836	226910
<b>TOTAL EXPENSES :</b>		<u>963384</u>	<u>953690</u>
Profit before exceptional and extraordinary items and tax		98968	35683
Exceptional Items		----	----
Profit before extraordinary items and tax		98968	35683
Extraordinary Items		----	----
Profit before tax		98968	35683
<b>TAX EXPENSES :</b>			
Current Tax	28827		12272
Deferred Tax charge/ (Credit)	(149)		(357)
Tax adjustments related to previous year	1677	30355	-- 11915
Profit for the Period		<u>68613</u>	<u>23768</u>
Earning per equity share :			
(i) Basic		80.61	27.92
(ii) Diluted		80.61	27.92

Notes 1 to 28 are an integral part of these financial statements.

In terms of our separate report of even date

for **NUNDY ROY & CO.**  
Chartered Accountants

**CA. D. K. SAHA**  
Partner

No. 6, Old Post Office Street  
Kolkata, the 9th August, 2019

Sd/-  
**GAUTAM DEY**  
Managing Director

Sd/-  
**RANAJIT DEY**  
Joint Managing Director

Sd/-  
**SUBHARTHEE DEY**  
Wholetime Director

**Cash Flow Statement For the Year Ended 31.03.2019**

	(Rupees in Thousand)	
	2018-19	2017-18
<b>A. Cash Flow from Operating Activities :</b>		
Net Profit before tax & Extra ordinary items	98968	35683
Adjustment for :-		
Depreciation	6528	7957
Interest Income	(10198)	(6070)
(Profit) / loss on sale of Assets	-	(22)
Finance Costs	1075	1287
	(2595)	3152
<b>Operating Profit Before Working Capital Changes</b>	<b>96373</b>	<b>38835</b>
Adjustment for :-		
Decrease/(Increase) in Trade & Other Receivables	(19421)	(25719)
Decrease/(Increase) in Inventories	(3774)	26288
(Decrease)/Increase in Trade and other payables	17074	12726
	(6121)	13295
<b>Cash generated from operation</b>	<b>90252</b>	<b>52130</b>
Income Tax Paid (net of refunds)	(16740)	(27246)
<b>Net Cash from Operating Activities</b>	<b>73512</b>	<b>24884</b>
<b>B. Cash Flow from Investing Activities :</b>		
Purchase of Fixed Assets	(2445)	(3669)
Proceeds from sale of Fixed Assets	-	45
Interest Income	10198	6070
<b>Net Cash used in Investing Activities</b>	<b>7753</b>	<b>2446</b>
<b>C. Cash Flow from Financing Activities :</b>		
Long-term Loans & Advances Availed/(Paid) (Net)	(67170)	(22979)
Finance Cost	(1075)	(1287)
Dividend Paid	(851)	(1277)
Tax on Dividend	(175)	(260)
<b>Net Cash used in Financing Activities</b>	<b>(69271)</b>	<b>(25803)</b>
<b>Net increase/(decrease) in Cash &amp; Cash Equivalents</b>	<b>11994</b>	<b>1527</b>
<b>Cash &amp; Cash Equivalents at the beginning of the year</b>	<b>102258</b>	<b>100731</b>
<b>Cash &amp; Cash Equivalents at the closing of the year</b>	<b>114252</b>	<b>102258</b>

**Note :** The Cash Flow Statement has been prepared under the "Indirect method" as set out in the Accounting Standard 3 : "Cash Flow Statements".

In terms of our separate report of even date

for **NUNDY ROY & CO.**  
Chartered Accountants  
**D. K. SAHA, FCA**  
Partner  
No. 6, Old Post Office Street  
Kolkata, the 9th August, 2019

Sd/-  
**GAUTAM DEY**  
Managing Director  
Sd/-  
**RANAJIT DEY**  
Joint Managing Director  
Sd/-  
**SUBHARTHEE DEY**  
Wholetime Director

## Notes to Financial Statements for the year ended 31.03.2019

## NOTE : 1

## 1. Significant Accounting Policies :

- (a) Method of Accounting :  
These Financial Statement have been prepared to comply with the Generally Accepted Accounting principles in India, including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013.  
The financial statements are prepared on accrued basis under historical cost convention, except for Land and Factory Buildings which are carried at revalued amounts.
- (b) Recognition of Income & Expenses :  
i) Sales and Purchases are accounted for, on the basis of passing of the title to the goods.  
ii) Sales comprise of sale price of goods exclude Trade Discount & GST.  
iii) Service income excludes GST.  
iv) All item of Income & Expenses have been accounted for on accrual basis except for those income stipulated for recognition on realisation basis on the ground of uncertainty under AS-9.
- (c) Research and Development :  
Revenue expenditure on Research and Development is charged out as expenses in the year in which it is incurred. Capital Expenditure, if any, on Research and Development is included in Fixed Assets and the Depreciation is provided on the same basis as on other assets.
- (d) Retirement Benefits :  
Contribution to Provident Funds and Pension Funds are accounted for on actual liability basis. Liabilities in respect of Gratuity Fund have been accounted for on the basis of amount paid/ payable to Life Insurance Corporation of India under their respective schemes.
- (e) Depreciation :  
Depreciation on Fixed Assets 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, except 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.
- (f) Capitalization of Expenditure :  
Expenses which are of Capital in nature are capitalised at cost.
- (g) Inventories :  
Inventories are valued as under :  
Raw Materials and Packing Materials at Weighted Average Cost.  
Stores and Spares at cost.  
Work-in-Progress is valued at cost.  
Finished Goods at cost.  
Traded Goods at cost.
- (h) Foreign Currencies :  
Transactions in Foreign Currencies are converted into Rupee at the rate at which it is debited/ credited by the bank.

**Notes to Financial Statements for the year ended 31.03.2019**

**(RUPEES IN THOUSAND)**

**As at 31.3.2019 As at 31.3.2018**

**NOTE - 2 : Share Capital**

**a) Authorised Share Capital :**

9,50,000 Equity Shares of Rs. 10/- each (2017-18 : 950000 Equity Shares of Rs. 10/- each)	<b>9500</b>	<b>9500</b>
5,000 12% Taxable Cumulative Preference Shares of Rs. 100/- each (2017-18 : 5,000 12% Taxable Cumulative Preference Shares of Rs. 100/- each)	<b>500</b>	<b>500</b>

**TOTAL :**

<b>10000</b>	<b>10000</b>
--------------	--------------

**b) Issued, Subscribed and Paid-up**

8,51,186 Equity Shares of Rs. 10/- each (2017-18 : 851186 Equity Shares of Rs. 10/- each)	<b>8512</b>	<b>8512</b>
---	-------------	-------------

**c) Details of Shareholders holding more than 5% of the aggregate Shares in the Company**

**As at 31.3.2019 As at 31.3.2018**

Name of the Shareholder	Number of Shares	% of holding	Number of Shares	% of holding
Dey's Medical Stores Pvt. Ltd. (Holding Company)	<b>836491</b>	<b>98.27</b>	<b>836491</b>	<b>98.27</b>

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

**As at 31.3.2019 As at 31.3.2018**

	Number of Shares	Amount Rs'000	Number of Shares	Amount Rs' 000
At the begining of the year	<b>851186</b>	<b>8512</b>	<b>851186</b>	<b>8512</b>
Add/Less : During the year	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
At the end of the year	<b>851186</b>	<b>8512</b>	<b>851186</b>	<b>8512</b>

**Notes to Financial Statements for the year ended 31.03.2019**
**(RUPEES IN THOUSAND)**
**As at  
31.3.2019**
**As at  
31.3.2018**
**NOTE : 3 Reserves and Surplus**
**a) Capital Reserve**
**Acquisition of Building**

As per last Balance Sheet	<b>3844</b>	4279	
Less : Depreciation on Increased Value of Assets due to Acquisition	<b>391</b>	435	
	<u>          </u>	<u>          </u>	
	<b>3453</b>		3844

Revaluation of Factory, Land & Building	<b>1270</b>		1270
---	-------------	--	------

**b) General Reserve**

As per last Balance Sheet	<b>228120</b>	218119	
Add : Transferred from Surplus	<b>20000</b>	10000	
Less : Adjustment relating to Fixed Assets	<b>-</b>	1	
	<u>          </u>	<u>          </u>	
	<b>248120</b>		228120

**c) Surplus**

As per last Balance Sheet	<b>226033</b>	213291	
Add : Profit for the year	<b>68613</b>	23768	
Less : Appropriations			
Proposed Dividend on Equity Shares	<b>1277</b>	851	
Tax on Dividend	<b>262</b>	175	
Transferred to General Reserve	<b>20000</b>	10000	
	<u>          </u>	<u>          </u>	
	<b>273107</b>		226033
	<u><b>525950</b></u>		<u>459267</u>

**Notes to Financial Statements for the year ended 31.03.2019**

**(RUPEES IN THOUSAND)**

	As at 31.3.2019	As at 31.3.2018
<b>NOTE : 4. LONG TERM BORROWINGS</b>		
<b>Unsecured Loans and Advances</b>		
Dey's Medical Stores Pvt. Ltd. (Holding Company)	4429	(2211)
Security Deposit	11294	11507
Government Subsidy	-	20
	<u>15723</u>	<u>9316</u>
<b>NOTE : 5. DEFERRED TAX LIABILITIES (Net) :</b>		
Deferred Tax Liabilities :	(1725)	(1368)
Less : Deferred Tax Assets :	(149)	(357)
	<u>(1874)</u>	<u>(1725)</u>
<b>NOTE : 6. LONG TERM PROVISIONS</b>		
For Income Tax	46089	71887
For Frindge Benefit Tax	1225	1225
	<u>47314</u>	<u>73112</u>
<b>NOTE : 7. SHORT TERM BORROWING</b>		
Unsecured :		
For Advance from Customer	5161	5930
	<u>5161</u>	<u>5930</u>
<b>NOTE : 8. TRADE PAYABLES</b>		
For Goods and Expenses		
Due to micro and small enterprise	1661	1834
Due to other than micro and small enterprise	61121	54336
	<u>62782</u>	<u>56170</u>
<b>NOTE : 9. OTHER CURRENT LIABILITIES</b>		
Statutory Liabilities	34253	25516
Other Liabilities	26931	24433
Unpaid Dividend	52	56
	<u>61236</u>	<u>50005</u>
<b>NOTE : 10. SHORT TERM PROVISIONS</b>		
For Proposed Dividend	1277	851
For Dividend Tax	262	175
	<u>1539</u>	<u>1026</u>

## Notes to Financial Statements for the year ended 31.03.2019

NOTE : 11

Dey's Medical Stores (Manufacturing) Limited

### PROPERTIES, PLANT AND EQUIPMENT

DESCRIPTION	COST				DEPRECIATION				(RUPEES IN THOUSAND)			
	As at 01.04.18	Additions / Adjustments	Deductions / Adjustments	As at 31.3.19	Upto 01.04.18	For the Year	Acquisition Charged to Capital Reserve	Deductions / Adjustments	Upto 31.3.19	Adjustment with Retained earnings Upto 31.03.19	As at 31.3.19	As at 31.3.18
Tangible Asset												
Land	13512 #	—	—	13512	—	—	—	—	—	—	13512	13512
Building	12406 **	—	—	12406	5574	296	391	—	6261	—	6145	6832
Factory Building	84479 #	—	—	84479	76005	543	—	—	76548	—	7931	8474
Plant, Machinery & Equipments	164691	2445	—	167136	140103	4877	—	—	144980	563	21593	24025
Furniture & Fittings	8586	—	—	8586	8215	97	—	—	8312	—	274	371
Vehicles	9881	—	—	9881	7494	715	—	—	8209	8	1664	2379
<b>TOTAL</b>	<b>293555</b>	<b>2445</b>	<b>—</b>	<b>296000</b>	<b>237391</b>	<b>6528 (*)</b>	<b>391</b>	<b>—</b>	<b>244310</b>	<b>571</b>	<b>51119</b>	<b>55593</b>
Previous Year	289908	3669	22	293555	228999	7957 (*)	435	—	237391	568	55596	60341

(\*) 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. (in thousands) 72,51 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 31.03.1992. The net increase on Revaluation amounting to Rs. (in thousands) 84657 (Land 13257 and Factory Buildings 71390) has been credited to Capital Reserve on 31.03.1992.

**Notes to Financial Statements for the year ended 31.03.2019**

**(RUPEES IN THOUSAND)**

**As at 31.3.2019                      As at 31.3.2018**

**NOTE : 12 NON CURRENT INVESTMENT**

**Government Securities (Unquoted)  
(Deposited with Excise Department)**

National Plan Bonds	-	9
National Savings Certificates	-	1
	<u>-</u>	<u>10</u>

**NOTE : 13 LONG TERM LOANS AND ADVANCES**

Unsecured, Considered Good :

For Security Deposit	6083	5984
For Income-Tax	37875	77424
For Others	1786	1888
	<u>45744</u>	<u>85296</u>

**NOTE : 14 OTHER NON-CURRENT ASSETS**

Margin Money for Letter of Credit/Bank Guarantee	30185	1200
Fixed Deposit Margin for Cash Credit	1200	10195
Fixed Deposit	103565	49975
	<u>134950</u>	<u>61370</u>

**NOTE : 15 INVENTORIES**

**As taken, valued at cost and certified by  
the Management**

Raw Materials and Packing Materials	40388	39404
Manufactured Intermediaries	87	120
Work-in-progress	11432	10785
Finished Goods	158400	151416
Traded Goods	13471	13662
	<u>223778</u>	<u>215387</u>
Stock in Transit of Finished Goods	-	4610
Stores & Spare Parts	704	711
	<u>224482</u>	<u>220708</u>

**Notes to Financial Statements for the year ended 31.03.2019**
**(RUPEES IN THOUSAND)**

	As at 31.3.2019	As at 31.3.2018
<b>NOTE : 16. TRADE RECEIVABLES</b>		
(i) Receivables outstanding for a period exceeding six months :		
a) Considered Good in respect of which the Company is fully Secured	951	1106
b) Considered Good - Unsecured	2956	3255
	<u>3907</u>	<u>4361</u>
(ii) Others Receivables :		
a) Considered Good in respect of which the Company is fully Secured	6833	6561
b) Considered Good - Unsecured	91893	85537
	<u>98726</u>	<u>92098</u>
	<u>102633</u>	<u>96459</u>

**NOTE : 17. CASH AND CASH EQUIVALENT**

a) Bank Balance :			
With Scheduled Banks of Current Account	46831	55861	
In Unpaid Dividend Accounts	52	56	
Margin Money for Letter of Credit/Bank Guarantee	-	9900	
Fixed Deposit	49975	26975	
	<u>96858</u>	<u>92792</u>	
b) Cheques in hand	11429		1438
c) Cash Balance :			
In hand	835	627	
In transit	5130	7401	
	<u>5965</u>	<u>8028</u>	
	<u>114252</u>	<u>102258</u>	

The Company has a Cash Credit Account with UCO Bank, New Market Branch, Kolkata-700 087, by pledging of Fixed Deposits. However, the Company has a favourable balance as at 31st March, 2019 in the Cash Credit Account.

**NOTE : 18. SHORT TERM LOANS AND ADVANCES**

For Purchase	4129	1993
Related Parties	3902	5755
For Sundries	2290	1993
Interest Accrued on Fixed Deposits	510	224
Balance with Govt. Authorities		
For Excise	42	42
For Goods on Service tax	42290	29909
	<u>42332</u>	<u>29951</u>
	<u>53163</u>	<u>39916</u>

**Notes to Financial Statements for the year ended 31.03.2019**

**(RUPEES IN THOUSAND)**

**As at  
31.3.2019**

**As at  
31.3.2018**

**NOTE : 19. REVENUE FROM OPERATIONS**

a) Sale of Products

Finished Goods	929813	867428
Traded Goods	120716	116078
	<u>1050529</u>	<u>983506</u>

Less : Excise Duty

12	4007
----	------

**1050517**

**979499**

b) Sale of Services

Royalty and License Fee	6	65
Sales Promotion Expenses Realised	44	975
Handling & Collection Charges	239	457
	<u>289</u>	<u>1497</u>

c) Other Operating Revenue

Miscellaneous Receipts

**1317**

**2247**

**1052123**

**983243**

**NOTE : 20. OTHER INCOME**

Interest	10198	6070
Insurance Claim	31	38
Profit on Sale of Assets	-	22
	<u>10229</u>	<u>6130</u>

**Notes to Financial Statements for the year ended 31.03.2019**
**(RUPEES IN THOUSAND)**

	Year Ended 31.3.2019	Year Ended 31.3.2018
<b>NOTE : 21. COST OF MATERIALS CONSUMED</b>		
Opening Stock	39404	38984
Add : Purchases	319922	282764
	<u>359326</u>	<u>321748</u>
Less : Closing Stock	<u>40388</u>	<u>39404</u>
	<u>318938</u>	<u>282344</u>
<b>NOTE : 22. PURCHASES OF TRADED GOODS</b>		
Purchases of Traded Goods	<u>65758</u>	<u>75984</u>
<b>NOTE : 23. CHANGE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND TRADED GOODS</b>		
Closing Stock :		
Finished Goods	158400	151416
Work-in-Progress	11432	10785
Traded Goods	13471	13662
Manufactured Intermediaries	87	120
	<u>183390</u>	<u>175983</u>
<b>Less :</b>		
Opening Stock :		
Finished Goods	151416	179403
Work-in-Progress	10785	13482
Traded Goods	13662	14185
Manufactured Intermediaries	120	235
	<u>175983</u>	<u>207305</u>
	<u>(7407)</u>	<u>31322</u>

**Notes to Financial Statements for the year ended 31.03.2019**

**(RUPEES IN THOUSAND)**

<b>Year Ended 31.3.2019</b>	<b>Year Ended 31.3.2018</b>
---------------------------------	---------------------------------

**NOTE : 24. EMPLOYEE BENEFITS EXPENSE**

Salary, Wages, Bonus and Allowances	281813	272300
Contribution to Employees' Gratuity Fund	11000	11000
Contribution to Employees' Provident Fund	9284	8505
Contribution to Employees' Pension Fund	12173	12339
One time Settlement	3662	6428
Employees' State Insurance	7474	8234
Workmen and Staff Welfare Expenses	9250	9080
	<b>334656</b>	<b>327886</b>

**NOTE : 25. FINANCE COST**

Interest Expenses	726	1007
Bank Charges	349	280
	<b>1075</b>	<b>1287</b>

**NOTE : 26. DEPRECIATION & AMORTISATION EXPENSE**

Depreciation on Tangible Assets	<b>6528</b>	<b>7957</b>
---------------------------------	-------------	-------------

**Notes to Financial Statements for the year ended 31.03.2019**

	(RUPEES IN THOUSAND)	
	Year Ended 31.3.2019	Year Ended 31.3.2018
<b>NOTE : 27.</b>		
<b>Other Expenses :</b>		
Power, Light & Fuel	20126	19483
Rent	6918	6837
Repairs —		
To Buildings	2094	4074
To Machineries	21267	20668
[Including Rs.1988 (2017-18 Rs.1913) for spare parts consumed]		
To others	6006	5907
Insurance	2259	2427
Rates & Taxes	1216	770
Sundry Manufacturing Expenses	3030	2881
Travelling, Conveyance & Motor car	63743	56389
Publicity & Advertisement	29652	24876
Telephone Charges	938	1071
Printing & Stationery	5387	4440
Postage & Telegram	1359	1185
General Charges	5091	4442
Liveries & Draperies	550	408
Magazine & Journals	121	295
Entertainment	749	611
Internal Auditors' Remuneration	957	1076
Freight, Handling & Delivery	33786	30854
Subscription	248	294
Trade Mark Expenses	117	176
Law Charges	129	1046
Commission to C & F Agent	16191	13461
Research & Testing	9424	6849
Royalty Paid	1123	1077
Commission to Directors	2969	1070
Auditors' Remuneration		
Audit Fee	300	300
Out of Pocket Expenses	60	60
In other capacity (for Tax Audit, Vat Audit Miscellaneous Certification)	97	105
Cost Audit Fee	103	98
Service Tax	—	449
Profession Tax	25	22
Breakage	3386	3345
Bad Debts Written off	—	9
Entry Tax	—	743
C. S. R. Expenditure	1205	1179
Operational Expenditure for C&F Agent	391	201
GST Compensation	—	5481
GST Paid	2819	2251
<b>TOTAL :</b>	<b>243836</b>	<b>226910</b>

## Notes to Financial Statements for the year ended 31.03.2019

### NOTE : 28

#### 1. Related Party Disclosure :

SL. NO.	NAME OF THE PARTY	NATURE OF RELATIONSHIP	TRANSACTIONS DURING THE YEAR
i) (a)	Dey's Medical Stores Pvt. Ltd.	Holding Company	Closing Balance on Inter Company A/C is Rs.4429 thousand as on 31.03.2019.
(b)	- do -	Holding Company	Sales Promotion Expense paid Rs. 4542 thousand (Net).
(c)	- do -	Holding Company	Royalty payment made Rs. 1123 thousand (Net).
ii) (a)	Dey's Medical (U.P.) Pvt. Ltd.	Related Party	Sales Promotion Expense Realised Rs. 44 thousand (Net)
(b)	- do -	Related Party	Royalty fees received Rs. 6 thousand (Net).
(c)	- do -	Related Party	Handling & Collection Received Rs. 239 thousand (Net).
(d)	- do -	Related Party	Finished goods purchased worth Rs. 8580 thousand.
(e)	- do-	Related Party	Advertisement Expenses recovered Rs. 1408 thousand (Net).
iii)	Mr. Gautam Dey	Managing Director	Commission paid Rs. 990 thousand
	Mr. Ranajit Dey	Jt. Managing Director	Commission paid Rs. 990 thousand
	Mr. Subharthee Dey	Wholetime Director	Commission paid Rs. 990 thousand

This disclosure is made due to application of Accounting Standard 18 (AS-18) issued by The Institute of Chartered Accountants of India.

**Notes to Financial Statements for the year ended 31.03.2019**

2. 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.

3. Sale of Products exclude GST of Rs.125589 thousand (Previous year) VAT, CST & GST Rs. 107147 thousand.

**4 Contingent Liabilities not provided for :-**

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. 7472 thousand against Rs. 5949 thousand in the previous year.

5. Amount due to Micro & Small enterprises under MSMED Act, 2006 is Rs.1661 thousand ( Previous year Rs.1834 thousand ). This information has been determined to the extent such parties have been identified on the basis of information available with the company.

No interest liability has been accrued on account of default in payment to relevant enterprises.

6. The particulars of non-resident Shareholders, to whom dividends were declared and paid during the year, are as under :-

	<b>Current Year</b>	Previous Year
i) Number of non-resident shareholders	1	1
ii) Number of Ordinary Shares held by them	68	68
iii) Gross amount of dividend (Rs.)	102	68
iv) Years to which dividend relates	2018-19	2017-18

**7. Value of Imports on CIF Basis :-**

Raw Materials

(Rs. in thousands)

	31777	34886
--	-------	-------

**8. Earnings in Foreign Currency-Export on FOB Basis**

	1125	-
--	------	---

Notes to Financial Statements for the year ended 31.03.2019

9. CONSUMPTION OF MATERIALS :

		(RUPEES IN THOUSAND)			
		Year Ended 31.3.2019		Year Ended 31.3.2018	
		Value		Value	
i)	L-Base	36407		35172	
ii)	Chloramphenicol Palmitate	35616		31186	
iii)	Others - include materials (None of which individually accounts for more than 10% of total consumption)	246915		215986	
		<u>318938</u>		<u>282344</u>	
		Value	%	Value	%
a)	Raw Materials & Packing Materials :				
	Imported (including Duty & Clearing Charges)	36407	11.42	35172	12.46
	Indigenous	282531	88.58	247172	87.54
		<u>318938</u>	<u>100.00</u>	<u>282344</u>	<u>100.00</u>
b)	Components & Spare Parts :				
	Imported	-	-	-	-
	Indigenous	1988	100.00	1913	100.00
		<u>1988</u>	<u>100.00</u>	<u>1913</u>	<u>100.00</u>

10. The Company is exclusively engaged in the business of Pharmaceuticals Products which is considered as the only reportable segment referred to in Statement on Accounting Standard (AS 17) for segmental reporting.

11. As per Assessment of the Company no provision is required for impairment of assets during the Financial Year.

12. (i) The Company has a balance of Rs. 4429 thousand in the nature of loan (due to inter-company transactions) payable to its holding company, Dey's Medical Stores Pvt. Ltd. (Previous year Rs. 2211 thousand due from the Holding Company).

(ii) The Company has accepted Security Deposit time to time from its Customers and C & F Agents and amount due as on 31st March, 2019 is Rs.11294 thousand (Previous year Rs. 11507 thousand).

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