

ANNUAL REPORT & ACCOUNTS

For the year ended 31st March 2020



DEY'S MEDICAL STORES (MFG.) LIMITED

62, Bondel Road, Kolkata - 700 019

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Dey's Medical Stores (Manufacturing) Limited

CIN No. : U24232WB1957PLC023528

Telephone No. : 033-2973-0440/2973-0441

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. 333, Old No. 202, Sydenhams Road, Apparao Garden,
Choolai, Chennai - 600 112.

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

Cuttack : Plot No. 344, 26 Cantonment Road, Near Chandni Chhak, Cuttack - 753 008.

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., M/s Agarwal Tube Company Complex, G. S. Road, Christian Basti (Near Apollo Hospital), Dispur, Guwahati - 781 005.
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 - 302 029.
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	: 103/104/105, 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, Narriyal 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 st 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-Third** Annual Report of the Company together with the Audited Financial Statements for the financial year ended 31st March, 2020

	As at 31.3.20	As at 31.3.19
	(Rupees in Thousands)	
1. Financial Results :		
Revenue from Operations	<u>109,01,09</u>	<u>105,21,23</u>
Profit before Depreciation	10,04,39	10,54,96
Depreciation	<u>62,17</u>	<u>65,28</u>
Profit before Tax	9,42,22	9,89,68
Less : Provision for Taxation		
- For the Current Year	2,43,51	2,88,27
- Deferred Tax	(29)	(149)
- Tax Adj. for Previous Year	<u>—</u>	<u>16,77</u>
Total amount available for appropriation	6,99,00	6,86,13
Less : Transfer to General Reserve	2,00,00	2,00,00
Proposed Dividend	8,51	12,77
Tax on Dividend	<u>—</u>	<u>2,62</u>
	4,90,49	4,70,74
Balance brought forward from last year	<u>27,31,07</u>	<u>22,60,33</u>
Balance carried forward	<u>32,21,56</u>	<u>27,31,07</u>

Operating Results

During the year under review your Company's Revenue from Operations amounted to Rs.10901.09 Lakhs as compared to Rs. 10521.23 Lakhs in the previous year. Company's Profit Before Tax is Rs. 942.22 Lakhs against Rs. 989.68 Lakhs in the previous year.

Good Manufacturing Practices (GMP)

In the last few years, your Company has been continuously making significant investment towards upgradation 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 per Equity Shares subject to approval by the shareholders at the ensuing Annual General Meeting. Total financial outgo will be Rs. 8.51 lakhs.

Share Capital

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

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

All operations of the Company were disrupted during the first quarter of the current financial year 2020-21 due to impact of COVID-19. However steps have been taken to ensure smooth functioning of operation of all units of the Company. The Board finds pleasure to apprise you that your Company has launched commercial production of Hand Sanitizer under the trade mark "DEY'S CARE". Since August, 2020 at its plant located at 62, Bondel Road, Kolkata - 700019.

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, 2020, 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, 2020 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 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. Sourendro Prasad Saha (DIN 01927506), Director of the Company is due to retire by rotation at the ensuing Annual General Meeting and being eligible offer himself for reappointment. Your Board recommends reappointment of Mr. Sourendro Prasad Saha as Director of the Company liable to retire by rotation.

Nomination and Remuneration Committee of the Board of the Company had at its meeting held on 9th August 2019 recommend appointment of Mr. Rajarshi Dutta as Chief Executive Officer of the Company within the meaning of Section 2 (18) and Section 2 (51) of Companies Act 2013. The Board at its meeting held on 12th December 2019, approved his appointment from 16th December 2019 till the closing of business hours of 31st December, 2021 on contractual basis. Mr. Rajarshi Dutta is a science graduate with an MBA (from IIM, Ahmedabad). He has more than 20 years experience across international/multi-cultural environments. His immediate previous employer was ARVIND LTD. as Chief Operating Officer and head of Country Operation. His present remuneration comprised of salary Rs.40,00,000/- per annum, HRA Rs.35,000/- per month and other perquisite.

Independent Director

Your Board includes two Independent Directors i.e. (a) Dr. Amit Kumar Roy (DIN 06910710) and Mr. Dwarakeswar Chatterjee (DIN 08390801). In terms of Section 149 (10) and Section 152 of Companies Act 2013, appointment of Dr. Amit Kumar Roy, Independent Director of the Company was approved at 61st Annual General Meeting for a period of five years from 30th August 2018. Appointment of Mr. Dwarakeswar Chatterjee as Independent Director of the Company was approved at 62nd Annual General Meeting for a period of five years from 19th March, 2019. They 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 five times during the financial year from 1st April, 2019 to 31st March, 2020 i.e. on 10.07.2019, 09.08.2019, 16.09.2019, 12.12.2019 and 11.02.2020. The details of meeting attended by each director of the Company are given below :

Name of Directors	No. of meetings attended
Mr. Gautam Dey	5
Mr. Ranajit Dey	5
Mr. Subharthee Dey	5
Dr. Amit Kumar Roy	4
Mr. Bhaskar Ghose	5
Mr. Dwarakeswar Chatterjee	4
Mr. Debashish Mazumder	3
Mr. Sourendro Prasad Saha	3

Auditors

M/s. Nundy Roy & Co., Chartered Accountants, (Firm Registration No.301049E), was appointed as Auditor of the Company for a period of 5 years, from the conclusion of the 58th Annual General Meeting till the conclusion of 63rd Annual General Meeting. The Board has received written consent to the appointment and certificate from Nundy Roy & Co., Chartered Accountants (Firm Registration No.301049E) that the appointment, if made, shall be in accordance with conditions prescribed in Rule 4 of Companies (Audit and Auditors) Rules 2014.

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 covered under Chapter V of Companies Act 2013 and it does not hold any deposit as on March 31,2020. 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. 27).

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 had duly constituted Audit Committee at the Board Meeting held on 19th 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)

During the year under review, Audit Committee Meetings were held on 7th August, 2020 and 11th March, 2020. The Chairman of the Audit Committee was present at 62nd Annual General Meeting.

Nomination and Remuneration Committee

The Board of directors had duly constituted Nomination and Remuneration Committee at the Board Meeting held on 19th March 2019 in terms of provisions of section 178 of the Companies Act 2013 read with rules framed thereunder 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)

During the year under review, Nomination and Remuneration Committee meetings were held on 7th August, 2019 and 9th August, 2019. The Chairman of the Committee was present at the 62nd Annual General Meeting.

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 (SMP) of your Company. The policy, inter alia provides for criteria for fixing remuneration of the Directors, KMP, SMP 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

Corporate Social Responsibility

Corporate Social Responsibility (CSR) Committee of the Board comprise (a) Mr. Gautam Dey, Managing Director, (b) Mr. Ranajit Dey, Joint Managing Director, (c) Mr. Subharthee Dey, Wholetime Director, (d) Dr. Amit Kumar Roy, Independent Director. Mr. Gautam Dey is the Chairman of the Committee.

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

Investor Education and Protection Fund (IEPF)

During the year under review the Company has transferred to the IEPF unclaimed/unpaid dividend Rs.9,850/- on 20th January, 2020 and 13 Nos. of shares were transferred 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.

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 Rule 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 ascertain risk, both internal and external, affecting the organization and its growth. The company has taken COVID-19 Insurance Policy upto a sum of Rs. 1,00,000/- (Rupees One Lakh) for each employee including contractual employees.

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 :

Name of Directors	Remuneration (Rs.)
Mr. Gautam Dey	70,35,365.00
Mr. Ranajit Dey	61,50,621.00
Mr. Subharthee Dey	55,08,846.00

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 2019-2020.

No. of complaints received : NIL

No. of complaints disposed off : NIL

Industrial Relations

Industrial relation continued to be cordial during the year under review. Your Directors place on record their heartiest appreciation of the contributions made by the employees at all levels.

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, Directors of the Company affirm that cost records as specified by the Central Government under Section (1) of Section 148 of the Companies Act 2013 have been maintained by the Company.

Acknowledgment

Yours directors wish to place on record the utmost cooperation and support extended by various departments and agencies of the State & Central Government, UCO Bank, Bandhan Bank, ICICI 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.

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 : 5th November, 2020

(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, 2020

[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	62, Bondel Road, Kolkata – 700019
6.	Office & Contact Details	Phone : 033-2973-0440; 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 th 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 product/service	% to total turnover of the company
1.	I TONE Eye Drop		19.03
2.	Enteromycetin Suspension 60 ml.		11.04

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 st April, 2019]				No. of Shares held at the end of the year [As on 31 st March, 2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
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	-	-	-	-	-	-	-	-	-
Sub-Total (A)(1)	Nil	837264	837264	98.36	Nil	837264	837264	98.36	Nil
(2) Foreign									
a) NRIs-Individuals									
b) Other Individuals									
c) Bodies Corporate									
d) Banks / FI									
e) Any Other									
Sub-Total (A)(2)									
Total Shareholding of Promoter (A) = (A)(1) + (A)(2)	Nil	837264	837264	98.36	Nil	837264	837264	98.36	Nil
B. Public Shareholding									
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)									
Sub-Total (B)(1)	Nil	7831	7831	0.92	Nil	7831	7831	0.92	Nil
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									
Sub-Total (B)(2)	Nil	6091	6091	0.72	Nil	6091	6091	0.72	Nil
Total Public Shareholding B = B(1) + B(2)	Nil	13922	13922	1.64	Nil	13922	13922	1.64	Nil
C. Shares held by Custodian for GDRs & aDRs									
Grand Total (A+B+C)	Nil	851186	851186	100	Nil	851186	851186	100	Nil

(iv) 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
	Total	837264	98.36	Nil	837264	98.36	Nil	Nil

(v) 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.	Sandip Rudra				
	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.	Subrata Basu				
	At the beginning of the Year	179	0.02	179	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	179	0.02	179	0.02
6.	Dhruba Das				
	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
7.	Subha Sankar Nandi				
	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
8.	Bani Dey				
	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.	Bhupati Mohan Sen				
	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.	Prakash Chandra Dey				
	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		20884047		20884047
ii) Interest due but no paid				
iii) Interest accrued but not due				
Total (i + ii + iii)				
Change in Indebtedness during the financial year				
• Addition (net)				
• Reduction		113062		113062
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount		20770985		20770985
ii) Interest due but no paid				
iii) Interest accrued but not due				
Total (i + ii + iii)				

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/WT/Manager			Total Amount
		Gautam Dey	Ranajit 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	942219 1%	942219 1%	942219 1%	2826657 3%
5.	Others, please specify	-	-	-	-
	Total (A)	-	-	-	-
	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. Bhaskar Ghose	Mr. Saurendro Prosad Saha	Mr. Dwarakeswar Chatterjee	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 :

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1.	Gross Salary	13,67,311	-	-	-
	(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	94,200	-	-	-
	© 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	14,61,511	-	-	-

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)
A. COMPANY					
Penalty	----	----	----	----	----
Punishment	----	----	----	----	----
Compounding	----	----	----	----	----
B. DIRECTORS					
Penalty	----	----	----	----	----
Punishment	----	----	----	----	----
Compounding	----	----	----	----	----
C. OTHER OFFICERS IN DEFAULT					
Penalty	----	----	----	----	----
Punishment	----	----	----	----	----
Compounding	----	----	----	----	----

ANNEXURE-B

A. CONSERVATION OF ENERGY :

a) STEPS TAKEN ON CONSERVATION OF ENERGY:

The organisation pays whole hearted 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 :

Continuing upgradation to Heating Ventilation Air-Conditioning and Cooling (HVAC) - Hepa Filters, Prefilters, Final filters, cooling coil, expansion valves and control panels.

Continuing replacement old / rewinding motors with energy efficient motors. Installation of VFD's in the process equipment's.

Repalcement of partial damaged / old cooling coil of AC pkg unit & Chiller with new one.

Continuing Cleaning & Maintenance of Boiler with dosing of chemicals in daily / monthly basis. Periodic checking of steam lines & its leakage with replacement as and when required.

Upgradation and periodic checking of APFC Panels 1,2 & 3.

Contiuning replacement of old 36W/40W tube light fittings with 18W/22W LED fixtures.

Continuing regular inspection of duct leakage and its insulation.

b) IMPROVEMENTS :

With regular checking of HVAC systems helps to save the electrical power consumption.

With replacement of old motors with high energy efficient motors which leads to save electrical power consumption.

With the help of VFD's, savings of 15-20% of electricity consumption.

With chemical dosing of chemical and proper cleaning of boiler which helps to reduce furnace oil consumption.

By periodic checking of APFC panels 1, 2 & 3 with nescessary modification time to time, gets rebate from CESC 3-4% (average) on electricity bills.

Saving of 10 to 15% of electricity consumption by the implementation of LED fixtures in phase wise.

IMPACT OF (a) AND (b):

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

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

- a) To prepare a new formulation for Hand Sanitizer.
- b) To prepare a new formulation for MOM by using Magnesium Hydroxide power.
- c) Evaluation of single doses safety and efficacy study of Livina® - a polyherbal capsule based on OECD guidelines.
- d) Assessment of Acute Oral Toxicity Study of Trasina® - an Ayurvadic Herbal Formulation on Experimental Models.

2. NEW PROCESS DEVELOPED :

- a) New process developed for Hand Sanitizer.
- b) New process developed for MOM by using Magnesium Hydroxide powder.

3. IMPROVEMENT IN THE PRODUCT & PROCESS :

- a) Improvement in the product and process of MOM liquid.
- b) Improvement in the product and process of Solacid Suspension group by using different suspending agents.

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-Chem 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 of production.

6. EXPENDITURE ON R & D :**(Rs. in Lakhs)**

Capital Expenditure	25.53
Recurring (including Market Research & Development)	149.32
Total Expenses	174.85
Total as % of Revenue from Operations	1.60

C. FOREIGN EXCHANGE EARNINGS AND OUTGO :**(Rs. in Lakhs)**

(i) Foreign Exchange Export Sales (FOB)	NIL
(ii) Foreign Exchange Outgo (Including Raw Materials, spare parts, Capital Goods and other Expenditure in foreign currency).	479.79

ANNEXURE-C
ANNUAL REPORT ON CSR

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

Policy contained 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 and
- (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

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.7,37,18,667/- (Rupees Seven Crore Thirty-Seven Lakhs Eighteen Thousand Six Hundred Sixty-Seven) only.

4. Prescribed CSR Expenditure (two per cent of the amount as stated in Item 3 above): Rs.14,74,373/- (Rupees Fourteen Lakhs Seventy-four Thousand Three Hundred Seventy-three) only.

5. Details of CSR spent during the financial year

- (a) Total amount to be spent for the financial year : Rs.14,74,373/-
- (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 projects or programme were undertaken	Amount outlay (Budget) Project or Programs wise	Amount spent on the projects or programs sub-heads - 1. Direct expenditure on projects or programs 2. Overheads	Cumulative expenditure upto the reporting period	Amount spent direct or through implementing agency
1	Contribution to Prime Minister National Relief Fund	Not Applicable	Not Applicable	Rs.14,74,373	Rs.14,74,373	Rs.14,74,373	Rs.14,74,373

6. In case the Company has failed to spend the two per cent 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 **31st March 2020**, 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 **31st March, 2020** 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 there under, 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
Evaluation of tax positions	
<p>1. 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>2. Due to Covid -19 related Lock down, physical verification of inventory at various location was carried out by the management subsequent to the year end.</p>	<p>1. Our audit procedures include the following observations:</p> <ul style="list-style-type: none"> • Obtained information regarding direct tax and indirect tax matters • Discussed with appropriate senior management and evaluated management's observations and grounds of appeal in estimating the tax provisions; and • Evaluated the status of the current tax assessments, results of previous tax assessments <p>2. We have performed the alternate procedure to audit the existence and condition of inventory.</p> <ul style="list-style-type: none"> • Observed the physical verification of inventory carried out by the Management at various locations subsequent to year end and performed roll back procedure to arrive at the quantity of the Balance Sheet date. • Performed additional alternate procedure which included inspection of supporting documentation relating to purchases, sales and production records relating to inventory as at year end.

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. 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 by ICAI. 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.
- 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 Accounting Standards specified by ICAI.
 - (e) On the basis of the written representations received from the directors as on **31st March, 2020** taken on record by the Board of Directors, none of the directors is disqualified as on **31st March, 2020** 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, 2020 on its financial position in its financial statement - Refer Note 27 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 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 5th November, 2020

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

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

UDIN : 20055132AAAACD3299

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, 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 and any other statutory dues, 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 of 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.

For NUNDY ROY & CO

Chartered Accountants
Registration No. 301049E

(D.K.SAHA)

Partner
Membership No. 55132

No.6, Old Post Office Street,
Kolkata - 700001
Dated the 5th November, 2020

UDIN : 20055132AAAACD3299

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 1A(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 2020** 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 2020**, 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls 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.

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

No.6, Old Post Office Street,
Kolkata - 700001
Dated the 5th November, 2020

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

UDIN : 20055132AAAACD3299



Dey's Medical Stores
(Manufacturing) Limited

STATEMENT OF ACCOUNTS

For the year ended 31st March, 2020

Balance Sheet as at 31st March 2020

		(RUPEES IN THOUSAND)	
	Note No	As at 31.3.2020	As at 31.3.2019
I. EQUITY AND LIABILITIES :			
1. Shareholders' Funds :			
(a) Share Capital	2	8512	8512
(b) Reserve & Surplus	3	594647	525950
2. Non Current Liabilities :			
(a) Long-Term Borrowings	4	13695	15723
(b) Deferred Tax Liabilities (Net)	5	(1903)	(1874)
(c) Long-Term Provisions	6	71665	47314
3. Current Liabilities :			
(a) Short-Term Borrowings	7	7075	5161
(b) Trade Payables	8	56998	62782
(c) Other Current Liabilities	9	63214	61236
(d) Short-Term Provisions	10	851	1539
Total :		814754	726343
II. ASSETS :			
1. Non-Current Assets :			
(a) Properties, Plant and Equipment			
Tangible Assets	11	58077	51119
(b) Long-Term Loans and Advances	12	74119	45744
(c) Other Non-Current Assets	13	150145	134950
2. Current Assets :			
(a) Inventories	14	235587	224482
(b) Trade Receivables	15	116226	102633
(c) Cash and Cash Equivalents	16	133087	114252
(d) Short-Term Loans and Advances	17	47513	53163
Total :		814754	726343

Notes 1 to 27 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 5th November, 2020

Sd/-
GAUTAM DEY
Managing Director
Sd/-
RANAJIT DEY
Joint Managing Director
Sd/-
RAJARSHI DUTTA
Chief Executive Office

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

		(RUPEES IN THOUSAND)	
	Note No.	Year ended 31.3.2020	Year ended 31.3.2019
INCOME :			
Revenue from operations	18	1090109	1052123
Other Income	19	15453	10229
TOTAL REVENUE :		1105562	1062352
EXPENDITURE :			
Cost of Materials consumed	20	325643	318938
Purchases of Traded Goods	21	67434	65758
Changes in inventories of Finished Goods, Work-In-Progress and Traded Goods	22	(8358)	(7407)
Employee benefits expense	23	368285	334656
Finance costs	24	1568	1075
Depreciation & Amortisation expense	25	6217	6528
Other expenses	26	250551	243836
TOTAL EXPENSES :		1011340	963384
Profit before exceptional and extraordinary items and tax		94222	98968
Exceptional Items		----	----
Profit before extraordinary items and tax		94222	98968
Extraordinary Items		----	----
Profit before tax		94222	98968
TAX EXPENSES :			
Current Tax	24351		28827
Deferred Tax charge / (Credit)	(29)		(149)
Tax adjustments related to previous year	—	24322	1677
Profit for the Period		69900	68613
Earning per equity share :			
(i) Basic		82.12	80.61
(ii) Diluted		82.12	80.61

Notes 1 to 27 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 5th November, 2020

Sd/-
GAUTAM DEY
Managing Director
Sd/-
RANAJIT DEY
Joint Managing Director
Sd/-
RAJARSHI DUTTA
Chief Executive Officer

Cash Flow Statement For the Year Ended 31.03.2020

	(Rupees in Thousand)	
	2019-20	2018-19
A. Cash Flow from Operating Activities :		
Net Profit before tax & Extra ordinary items	94222	98968
Adjustment for :-		
Depreciation	6217	6528
Interest Income	(15169)	(10198)
Finance Costs	1568	1075
	(7384)	(2595)
Operating Profit Before Wroking Capital Changes	86838	96373
Adjustment for :-		
Decrease/(Increase) in Trade & Other Receivables	(7943)	(19421)
Decrease/(Increase) in Inventories	(11105)	(3774)
(Decrease)/Increase in Trade and other payables	(1892)	17074
	(20940)	(6121)
Cash generated from operation	65898	90252
Income Tax Paid (net of refunds)	(28322)	(16740)
Net Cash from Operating Activities	37576	73512
B. Cash Flow from Investing Activities :		
Purchase of Fixed Assets	(13527)	(2445)
Interest Income	15169	10198
Net Cash used in Investing Activities	1642	7753
C. Cash Flow from Financing Activities :		
Long-term Loans & Advances Availed/(Paid) (Net)	(17276)	(67170)
Finance Cost	(1568)	(1075)
Dividend Paid	(1277)	(851)
Tax on Dividend	(262)	(175)
Net Cash used in Financing Activities	(20383)	(69271)
Net increase/(decrease) in Cash & Cash Equivalents	18835	11994
Cash & Cash Equivalents at the beginning of the year	114252	102258
Cash & Cash Equivalents at the closing of the year	133087	114252

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 seperate report of even date

for **NUNDY ROY & CO.**

Chartered Accountants

D. K. SAHA, FCA

Partner

No. 6, Old Post Office Street

Kolkata, the 5th November, 2020

Sd/-

GAUTAM DEY

Managing Director

Sd/-

RANAJIT DEY

Joint Managing Director

Sd/-

RAJARSHI DUTTA

Chief Executive Officer

Notes to Financial Statements for the year ended 31.03.2020

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 31.03.2020

(RUPEES IN THOUSAND)
As at 31.3.2020 As at 31.3.2019

NOTE - 2 : Share Capital

a) Authorised Share Capital :

9,50,000 Equity Shares of Rs. 10/- each
(2018-19 : 950000 Equity Shares
of Rs. 10/- each)

9500 9500

5,000 12% Taxable Cumulative Preference
Shares of Rs. 100/- each (2018-19 :
5,000 12% Taxable Cumulative
Preference Shares of Rs. 100/- each)

500 500

10000 10000

TOTAL :

b) Issued, Subscribed and Paid-up

8,51,186 Equity Shares of Rs. 10/- each
(2018-19 : 851186 Equity Shares
of Rs. 10/- each)

8512 8512

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

As at 31.3.2020 As at 31.3.2019

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

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

As at 31.3.2020 As at 31.3.2019

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

Notes to Financial Statements for the year ended 31.03.2020
(RUPEES IN THOUSAND)
**As at
31.3.2020**
**As at
31.3.2019**
NOTE : 3 Reserves and Surplus
a) Capital Reserve
Acquisition of Building

As per last Balance Sheet	3453		3844
Less : Depreciation on Increased Value of Assets due to Acquisition	352		391
	3101		3453

Revaluation of Factory, Land & Building	1270		1270
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b) General Reserve

As per last Balance Sheet	248120		228120
Add : Transferred from Surplus	20000		20000
	268120		248120

c) Surplus

As per last Balance Sheet	273107		226033
Add : Profit for the year	69900		68613
Less : Appropriations			
Proposed Dividend on Equity Shares	851		1277
Tax on Dividend	-		262
Transferred to General Reserve	20000		20000
	322156		273107
	594647		525950

Notes to Financial Statements for the year ended 31.03.2020
(RUPEES IN THOUSAND)

As at 31.3.2020	As at 31.3.2019
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NOTE : 4. LONG TERM BORROWINGS
Unsecured Loans and Advances

Dey's Medical Stores Pvt. Ltd. (Holding Company)	2502	4429
Security Deposit	<u>11193</u>	<u>11294</u>
	<u>13695</u>	<u>15723</u>

NOTE : 5. DEFERRED TAX LIABILITIES (Net) :

Deferred Tax Liabilities :	(1874)	(1725)
Less : Deferred Tax Assets :	<u>(29)</u>	<u>(149)</u>
	<u>(1903)</u>	<u>(1874)</u>

NOTE : 6. LONG TERM PROVISIONS

For Income Tax	70440	46089
For Frindge Benefit Tax	<u>1225</u>	<u>1225</u>
	<u>71665</u>	<u>47314</u>

NOTE : 7. SHORT TERM BORROWING

Unsecured :		
For Advance from Customer	<u>7075</u>	<u>5161</u>

NOTE : 8. TRADE PAYABLES

For Goods and Expenses	1036	1661
Due to micro and small enterprise	<u>55962</u>	<u>61121</u>
Due to other than micro and small enterprise	<u>56998</u>	<u>62782</u>

NOTE : 9. OTHER CURRENT LIABILITIES

Statutory Liabilities	20441	34253
Other Liabilities	<u>42717</u>	<u>26931</u>
Unpaid Dividend	<u>56</u>	<u>52</u>
	<u>63214</u>	<u>61236</u>

NOTE : 10. SHORT TERM PROVISIONS

For Proposed Dividend	851	1277
For Dividend Tax	<u>-</u>	<u>262</u>
	<u>851</u>	<u>1539</u>

Dey's Medical Stores (Manufacturing) Limited

PROPERTIES, PLANT AND EQUIPMENT

(RUPEES IN THOUSAND)

IN THOUSANDS												
DESCRIPTION	COST				DEPRECIATION					Adjustment with Retained earnings Upto 31.03.20	NET BK. VALUE	
	As at 01.04.19	Additions / Adjustments	Deductions / Adjustments	As at 31.3.20	Upto 01.04.19	For the Year	Acquisition Charged to Capital Reserve	Deductions / Adjustments	Upto 31.3.20		As at 31.3.20	As at 31.3.19
Tangible Asset												
Land	13512 #	—	—	13512	—	—	—	—	—	—	13512	13512
Building	12406 **	—	—	12406	6261	266	352	—	6879	—	5527	6145
Factory Building	84479 #	—	—	84479	76548	518	—	—	77066	—	7413	7931
Plant, Machinery & Equipments	167136	13447	—	180583	144980	4883	—	—	149863	563	30157	21593
Furniture & Fittings	8586	80	—	8666	8312	79	—	—	8391	—	275	274
Vehicles	9881	—	—	9881	8209	471	—	—	8680	8	1193	1664
TOTAL	296000	13527	—	309527	244310	6217 (*)	352	—	250879	571	58077	51119
Previous Year	293555	2445	—	296000	237391	6528 (*)	391	—	244310	571	51119	55593

(*) 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 31.03.2020
(RUPEES IN THOUSAND)

As at 31.3.2020	As at 31.3.2019
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NOTE : 12 LONG TERM LOANS AND ADVANCES

Unsecured, Considered Good :		
For Security Deposit	6216	6083
For Income-Tax	66197	37875
For Others	1706	1786
	<u>74119</u>	<u>45744</u>

NOTE : 13 OTHER NON-CURRENT ASSETS

Margin Money for Letter of Credit/Bank Guarantee	-	30185
Fixed Deposit Margin for Cash Credit	-	1200
Fixed Deposit	150145	103565
	<u>150145</u>	<u>134950</u>

NOTE : 14 INVENTORIES

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

Raw Materials and Packing Materials	43161	40388
Manufactured Intermediaries	310	87
Work-in-progress	11503	11432
Finished Goods	168512	158400
Traded Goods	11424	13471
	<u>234910</u>	<u>223778</u>
Stores & Spare Parts	677	704
	<u>235587</u>	<u>224482</u>

Notes to Financial Statements for the year ended 31.03.2020
(RUPEES IN THOUSAND)
**As at
31.3.2020**
**As at
31.3.2019**
NOTE : 15. TRADE RECEIVABLES

(i) Receivables outstanding for a period exceeding six months :

- a) Considered Good in respect of which the Company is fully Secured
- b) Considered Good - Unsecured

**1112
7392**
**951
2956**
8504
3907

(ii) Others Receivables :

- a) Considered Good in respect of which the Company is fully Secured
- b) Considered Good - Unsecured

**6522
101200**
**6833
91893**
**107722
116226**
**98726
102633**
NOTE : 16. CASH AND CASH EQUIVALENT

a) Bank Balance :

- With Scheduled Banks of Current Account
- In Unpaid Dividend Accounts
- Margin Money for Letter of Credit
- Fixed Deposit - Margin for Cash Credit
- Fixed Deposit

**28721
56
29985
1200
66170**
**46831
52
—
—
49975**
126132
96858

b) Cheques in hand

3849
11429

c) Cash Balance :

- In hand
- In transit

**981
2125**
**835
5130**
**3106
133087**
**5965
114252**

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, 2020 in the Cash Credit Account.

NOTE : 17. SHORT TERM LOANS AND ADVANCES

- For Purchase
- Related Parties
- For Sundries
- Interest Accrued on Fixed Deposits
- Balance with Govt. Authorities
- For Excise
- For Goods on Service Taxes

**3131
6151
2310
758**
**4129
3902
2290
510**
**42
35121**
**42
42290**
**35163
47513**
**42332
53163**

Notes to Financial Statements for the year ended 31.03.2020
(RUPEES IN THOUSAND)
**As at
31.3.2020**
**As at
31.3.2019**
NOTE : 18. REVENUE FROM OPERATIONS
a) Sale of Products

Finished Goods	967674	929813
Traded Goods	121074	120716
	<u>1088748</u>	<u>1050529</u>

Less : Excise Duty	<u>309</u>	<u>12</u>
	1088439	1050517

b) Sale of Services

Royalty and License Fee	-	6
Sales Promotion Expenses Realised	-	44
Handling & Collection Charges	<u>277</u>	<u>239</u>

277	289
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c) Other Operating Revenue

Miscellaneous Receipts	1393	1317
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<u>1090109</u>	<u>1052123</u>
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NOTE : 19. OTHER INCOME

Interest	15169	10198
Insurance Claim	<u>284</u>	<u>31</u>
	<u>15453</u>	<u>10229</u>

Notes to Financial Statements for the year ended 31.03.2020
(RUPEES IN THOUSAND)

Year Ended	Year Ended
31.3.2020	31.3.2019

NOTE : 20. COST OF MATERIALS CONSUMED

Opening Stock	40388	39404
Add : Purchases	328416	319922
	<u>368804</u>	<u>359326</u>
Less : Closing Stock	43161	40388
	<u>325643</u>	<u>318938</u>

NOTE : 21. PURCHASES OF TRADED GOODS

Purchases of Traded Goods	<u>67434</u>	<u>65758</u>
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NOTE : 22. CHANGE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND TRADED GOODS

Closing Stock :			
Finished Goods	168512	158400	
Work-in-Progress	11503	11432	
Traded Goods	11423	13471	
Manufactured Intermediaries	310	87	
	<u>191748</u>	<u>183390</u>	
Less : Opening Stock :			
Finished Goods	158400	151416	
Work-in-Progress	11432	10785	
Traded Goods	13471	13662	
Manufactured Intermediaries	87	120	
	<u>183390</u>	<u>175983</u>	
	<u>(8358)</u>	<u>(7407)</u>	

Notes to Financial Statements for the year ended 31.03.2020
(RUPEES IN THOUSAND)
**Year Ended
31.3.2020**
**Year Ended
31.3.2019**
NOTE : 23. EMPLOYEE BENEFITS EXPENSE

Salary, Wages, Bonus and Allowances	314210	281813
Contribution to Employees' Gratuity Fund	12500	11000
Contribution to Employees' Provident Fund	10930	9284
Contribution to Employees' Pension Fund	12155	12173
One time Settlement	4705	3662
Employees' State Insurance	4937	7474
Workmen and Staff Welfare Expenses	8848	9250
	<u>368285</u>	<u>334656</u>

NOTE : 24. FINANCE COST

Interest Expenses	1219	726
Bank Charges	349	349
	<u>1568</u>	<u>1075</u>

NOTE : 25. DEPRECIATION & AMORTISATION EXPENSE

Depreciation on Tangible Assets	<u>6217</u>	<u>6528</u>
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Notes to Financial Statements for the year ended 31.03.2020

	(RUPEES IN THOUSAND)	
	Year Ended 31.3.2020	Year Ended 31.3.2019
NOTE : 26. Other Expenses :		
Power, Light & Fuel	19648	20126
Rent	7061	6918
Repairs —		
To Buildings	3019	2094
To Machineries	23050	21267
[Including Rs. 2170 (2018-19 Rs.1988) for spare parts consumed]		
To others	7969	6006
Insurance	2169	2259
Rates & Taxes	1229	1216
Sundry Manufacturing Expenses	2960	3030
Travelling, Conveyance & Motor car	61600	63743
Publicity & Advertisement	32844	29652
Telephone Charges	864	938
Printing & Stationery	5090	5387
Postage & Telegram	1182	1359
General Charges	7285	5091
Liveries & Draperies	632	550
Magazine & Journals	77	121
Entertainment	733	749
Internal Auditors' Remuneration	1076	957
Freight, Handling & Delivery	32776	33786
Subscription	258	248
Trade Mark Expenses	251	117
Law Charges	231	129
Commission to C & F Agent	16922	16191
Research & Testing	9044	9424
Royalty Paid	1180	1123
Commission to Directors	2827	2969
Auditors' Remuneration		
Audit Fee	300	300
Out of Pocket Expenses	60	60
In other capacity (for Tax Audit, Vat Audit Miscellaneous Certification)	91	97
Cost Audit Fee	105	103
Profession Tax	23	25
Breakage	2213	3386
C. S. R. Expenditure	1474	1205
Operational Expenditure for C&F Agent	425	391
GST Paid	3883	2819
TOTAL :	250551	243836

Notes to Financial Statements for the year ended 31.03.2020
NOTE : 27
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. 2502 thousand as on 31.03.2020. (Rs. 4429 thousand as on 31.3.2019)
(b)	- do -	Holding Company	Sales Promotion Expense paid Rs. 4710 thousand (Net). Previous Year Rs. 4542 thousand (Net)
(c)	- do -	Holding Company	Royalty payment made Rs. 1180 thousand (Net). Previous Year Rs. 1123 thousand (Net)
ii) (a)	Dey's Medical (U.P.) Pvt. Ltd.	Related Party	Sales Promotion Expense Realised Rs. Nil. Previous Year Rs. 44 thousand (Net)
(b)	- do -	Related Party	Royalty fees received Rs. Nil. Previous Year Rs. 6 thousand (Net)
(c)	- do -	Related Party	Handling & Collection Received Rs. 277 thousand (Net). Previous Year Rs. 239 thousand (Net)
(d)	- do -	Related Party	Finished goods purchased worth Rs. 11091 thousand. Previous Year Rs. 8580 thousand (Net)
(e)	- do -	Related Party	Advertisement Expenses recovered Rs. 1664 thousand (Net). Previous Year Rs. 1408 thousand (Net)
iii)	Mr. Gautam Dey	Managing Director	Commission paid Rs. 942 thousand. Previous Year Rs. 990 thousand (Net)
	Mr. Ranajit Dey	Jt. Managing Director	Commission paid Rs. 942 thousand. Previous Year Rs. 990 thousand (Net)
	Mr. Subharthee Dey	Wholetime Director	Commission paid Rs. 942 thousand. Previous Year Rs. 990 thousand (Net)

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 31.03.2020

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 excludes GST of Rs.130090 thousand (Previous year VAT, CST & GST Rs.125589 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. 7002 thousand against Rs. 7472 thousand in the previous year.

5. Amount due to Micro & Small enterprises under MSMED Act, 2006 is Rs. 1036 thousand (Previous year Rs.1661 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 payable/paid for the year, are as under :-

	Current Year	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.)	68	102
iv) Years to which dividend relates	2019-20	2018-19

7. Value of Imports on CIF Basis :-

	(Rs. in thousands)	
Raw Materials	47979	31777

8. Earnings in Foreign Currency-Export on FOB Basis

-	1125
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Notes to Financial Statements for the year ended 31.03.2020.
9. CONSUMPTION OF MATERIALS :
(RUPEES IN THOUSAND)

	Year Ended 31.3.2020 Value		Year Ended 31.3.2019 Value	
i) L-Base	50609		36407	
ii) Chloramphenicol Palmitate	31830		35616	
iii) Others - include materials (None of which individually accounts for more than 10% of total consumption)	243204		246915	
	325643		318938	
	Value	%	Value	%
a) Raw Materials & Packing Materials :				
Imported (including Duty & Clearing Charges)	50609	15.54	36407	11.42
Indigenous	275034	84.46	282531	88.58
	325643	100.00	318938	100.00
b) Components & Spare Parts :				
Imported	2170	100.00	1988	100.00
Indigenous	2170	100.00	1988	100.00

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. 2502 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. 4429 thousand).
- (ii) The Company has accepted Security Deposit time to time from its Customers and C&F Agents and amount due as on 31st March, 2020 is Rs.11193 thousand (Previous year Rs. 11294 thousand).
13. Previous year's figures have been regrouped/rearranged wherever necessary.