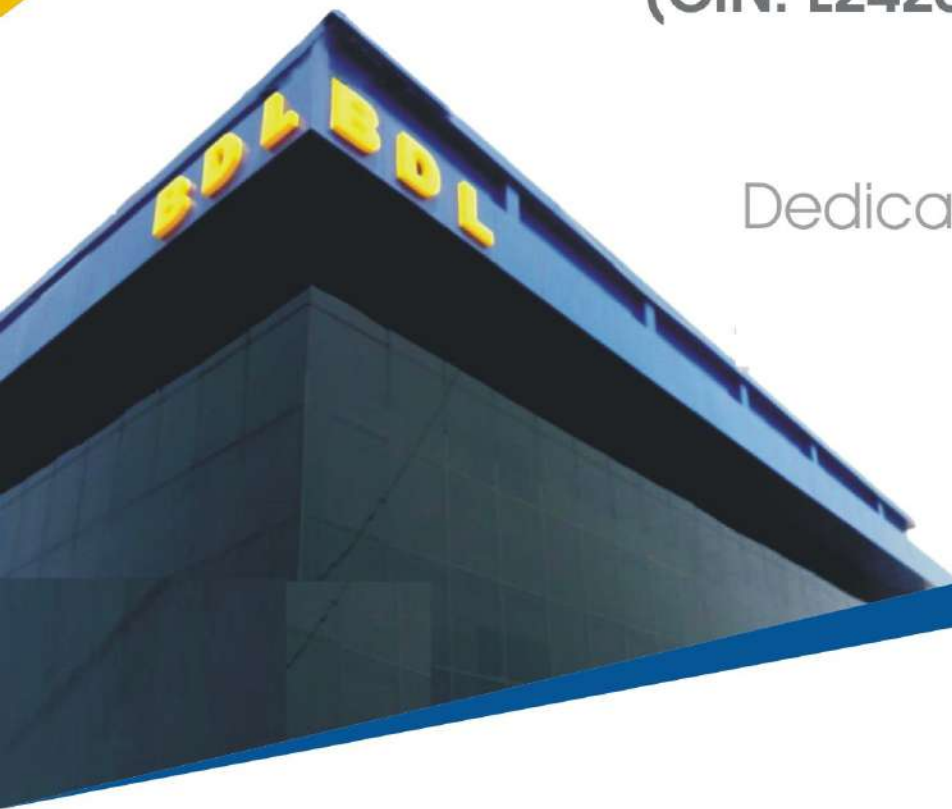


18<sup>th</sup>

ANNUAL REPORT  
2022-23

**BETA DRUGS LIMITED**  
(CIN: L24230HP2005PLC028969)

Dedicated To Oncology....



**BDL ONCOLOGY**  
(Beta Drugs Limited)



## **TABLE OF CONTENT**

<b>PARTICULARS</b>	<b>PAGE NO.</b>
Company Information	2
Financial Highlights	3
Chairman Message	4
Notice to Shareholders	5-10
Directors Report	11-21
Secretarial Audit Report	22-24
CSR Details	25-26
Management's Discussion and Analysis	27-29
Standalone Financial Statements of Beta Drugs Limited along with Auditor's Report	30-69
Consolidated Financial Statements along with Auditor's Report	70-110
Standalone Financial Statements of Adley Formulations Private Limited along with Auditor's Report (Wholly owned Subsidiary)	111-148
Standalone Financial Statements of Adley Lab Limited along with Auditor's Report (Wholly owned Subsidiary)	149-183
Standalone Financial Statements of Beta Research Private Limited along with Auditor's Report (Wholly owned Subsidiary)	184-197
Attendance Slip	198
Proxy Form	199
Ballot Form	200
AGM Venue Map	201

**18<sup>TH</sup> ANNUAL REPORT 2022-23**  
**COMPANY INFORMATION**  
**CIN NO: L24230HP2005PLC028969**

**Board of Directors**

Chairperson & Managing Director	: Mr. Rahul Batra (DIN: 02229234)
Joint Managing Director	: Mr. Varun Batra (DIN: 02148383)
Whole Time Director	: Mr. Balwant Singh (DIN: 01089968)
Whole-time Director	: Mrs. Seema Chopra (DIN: 08510586)
Whole-time Director	: Mr. Ashutosh Shukla (DIN: 09461568)
Independent Director	: Mr. Rohit Parti (DIN: 07889944)
Independent Director	: Mr. Manmohan Khanna (DIN: 07888319)

**Chief Financial Officer**

: Mr. Nipun Arora  
 Email: nipun@betadrugslimited.com

**Company Secretary & Compliance Officer**

: Mrs. Rajni Brar  
 Email: cs@betadrugslimited.com

**Registered Office**

: Village Nandpur, Lodhimajra Road  
 Baddi, Distt Solan, Himachal Pradesh-174101  
 Website: www.betadrugslimited.com  
 Email: cs@betadrugslimited.com

**Corporate Office**

: SCO-184, Sector-5, Panchkula-134114  
 Ph no. 0172-2585481, 483

**Statutory Auditors**

: M/s Kalra Rai & Associates, Chartered Accountants, Chandigarh

**Secretarial Auditors**

: Mr Dinesh Bhandari, Company Secretary, Chandigarh

**Internal Auditor**

: M/s Srivastava V.K. & Associates, Chartered Accountants, Chandigarh

**Cost Auditor**

: M/s Charu Jindal & Company, Cost Accountants, Dehradun

**Shares Listed::**

National Stock Exchange of India Limited (SME)  
 Exchange Plaza, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra  
 (E), Mumbai-400051, Maharashtra, India

**Registrar & Transfer Agent**

: Link Intime India Pvt Ltd.  
 C-101, 247 Park, L.B.S. Marg, Vikhroli(W), Mumbai-400083

**ISIN No.**

: INE351Y01019

**Bankers**

: HDFC Bank Limited, Chandigarh  
 ICICI Bank Limited, Panchkula

**AGM Date**

: 30.09.2023

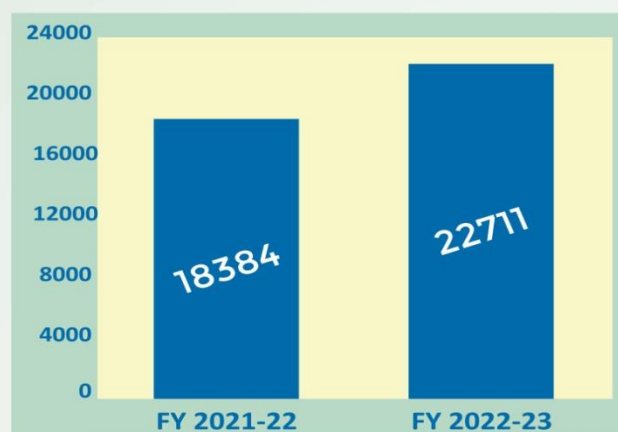
**Book Closure Date**

: From 23.09.2023 to 30.09.2023

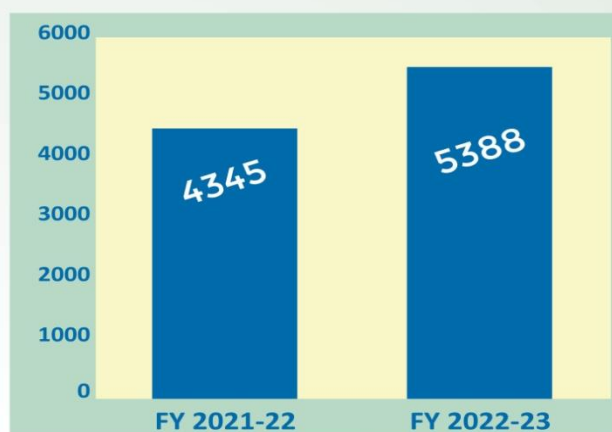
## FINANCIAL HIGHLIGHTS

### CONSOLIDATED

**Net Sales (In Lacs)**



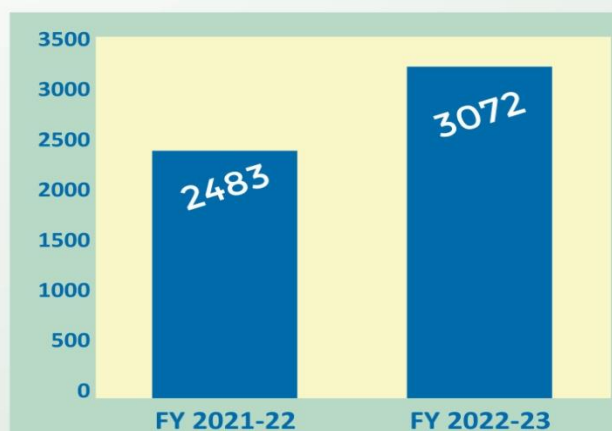
**EBITDA (In Lacs)**



**Net Profit before tax (In Lacs)**



**Net Profit after tax (In Lacs)**





---

**CHAIRMAN MESSAGE**

Dear Shareholders,

The fiscal year 2022-23 was a tough year due to significant global challenges, such as the Russia-Ukraine crisis that exerted considerable cost pressures on the pharmaceutical industry due to supply chain constraints, higher interest rates which decelerated the economic growth and inflationary pressures across the globe. However, despite these challenges the Company has continued to grow faster than the market.

Beta has achieved a growth of 24% in both revenue and net profit over the prior year. EBITDA, adjusted for losses in Dermatology segment increased by 28% to Rs.55.92 crores from Rs. 43.7 crores compared with the year-ago period. While EBITDA margin expanded to 25.04% from 23.8%. Improvement in EBITDA was on account of higher sales of branded products and exports along with the positive impact of backward integration. However, considering the impact on Derma's business the consolidated EBITA stood at Rs 53.88 crores. The Company has invested in capacity additions at both the formulation and API plants and is fully funded for growth for the next 3 years. In spite of the significant investments, the company continues to be net debt free providing immense financial muscle to capitalize on emerging opportunities.

In FY 2022-23, Beta has strengthened its leadership in the domestic oncology segment through innovative and differentiated product launches. The company is now among ranked 9<sup>th</sup> in the branded oncology space and aims to be among top five players in the next three years. We were among the few companies to launch Enzalutamide 160mg which provides dosing advantage to patients thereby increasing patient compliance. We have developed novel NDDS platforms and plan to launch innovative formulations to address unmet patient needs.

The recent approvals of ANVISA & INVIMA are a testimony to the Company's manufacturing and quality credentials. Many regulatory inspection/audits are lined up for this year and we believe Beta will emerge as a leading high-quality manufacturer of oncology formulations and APIs catering to large markets including Latin America, CIS, South East Asia. We have accelerated the product registrations in the above-mentioned geographies and are well positioned to capture a significant market share in these countries.

Going forward, our top priority would be to improve and strengthen our position in the Indian oncology market, expand our presence in Latin American and other developing markets while continuing to focus on improving our backward integration. We would continue to optimise our cost competitiveness and fortify the R&D pipeline through multiple filings and product launches. Beta also expects to clock strong growth into its newly launched cosmetic-dermatology segment.

While the company expects revenues to double in the next three years it does not foresee any major capex for the same period. We expect significant operating leverage to payout which will lead to expansion in our operating margins.

On behalf of the Board and management, I would like to thank our shareholders, customers, distributors and other stakeholders for their continued support and trust. And a special thanks to all our employees for their sheer hard work and commitment, which has helped the company to become a leader in the Oncology segment.

It is an honor to serve you all.

With Warm Regards

Sd/-  
Rahul Batra & Varun Batra  
Chairman & Managing Director  
Joint Managing Director



### NOTICE TO SHAREHOLDERS

Notice is hereby given that the 18<sup>th</sup> Annual General Meeting of the Company will be held on Saturday, the 30<sup>th</sup> day of September, 2023 at 12:30 p.m. at Registered Office of the company situated at Village Nandpur, Lodhimajra Road, Baddi, Distt Solan, Himachal Pradesh-174101 to transact the following businesses:-

#### ORDINARY BUSINESS:-

##### **1. Adoption of Financial Statements**

(I) Audited Standalone Financial Statements of the Company for the financial year ended on March 31, 2023 and the Reports of the Board of Directors and Auditors thereon;

and

(II) Audited Consolidated Financial Statements of the Company for the financial year ended on March 31, 2023, together with the Report of the Auditors thereon

##### **2. To appoint a Director in place of Mr. Rahul Batra (DIN: 02229234), who retires by rotation and being eligible, offers himself for re-appointment.**

##### **3. To appoint a Director in place of Mr. Ashutosh Shukla (DIN: 09461568), who retires by rotation and being eligible, offers himself for re-appointment.**

#### SPECIAL BUSINESS:

##### **4. To ratify the remuneration payable to the Cost Auditor appointed by the Board of Directors of the Company for the financial year 2023-24 pursuant to Section 148 and all other applicable provisions of Companies Act, 2013.**

*To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:*

**“RESOLVED THAT** pursuant to the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14 of Companies (Audit and Auditors) Rules, 2014 and other applicable provisions of the Companies Act, 2013, the remuneration of **Rs.1,25,000/- (Rupees One Lac twenty five thousand Only)** with reimbursement of conveyance expenses at actual and GST as applicable payable to **M/s Charu Jindal & Co, Cost Accountants**, bearing Firm Registration Number 103508, for conducting cost audit of the Company for the financial year 2023-24, as approved by the Board of Directors of the Company, be and is hereby ratified.”

**“RESOLVED FURTHER THAT Mr.Rahul Batra, (DIN:02229234)** Chairman cum Managing Director of the Company be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion consider necessary, proper or desirable for the purpose of giving effect to this resolution.”

##### **5. To alter the incidental object of the Memorandum of Association of the company**

*To consider and if thought fit, to pass the following resolutions as Special Resolution:-*

**“RESOLVED THAT** pursuant to the provisions of Section 13 and all other applicable provisions of the Companies Act, 2013, including any statutory modification(s) or re-enactment thereof, for the time being in force, and subject to such other requisite approvals, if any, in this regard from appropriate authorities and terms(s), condition(s), amendment(s), modification(s), as may be required or suggested by any such appropriate authorities, and agreed to by the Board of Directors of the Company (hereinafter referred to as “Board” which term shall include any Committee), the consent of the members of the Company be and is hereby accorded to alter the incidental object of the Memorandum of Association of the company by way of addition after clause no. **3 (b) (17)**, copy of which is placed before the meeting as follow:-



## 18<sup>TH</sup> ANNUAL REPORT

**BETA DRUGS LIMITED**

---

**17.** To borrow money by way of deposits, loans, overdrafts, cash credit or by issue of bonds, debentures or debenture-stock (perpetual or otherwise) or in any other manner, or from any person, firm, company, co-operative society, any body corporate, bank, institution, whether incorporated in India or abroad, Government or any authority or any other body for the purpose of the Company and may secure the payment of any sums of money so received, raised or borrowed.

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

**Dated: 01.09.2023**

**Place: Panchkula**

**By Order of the Board of Directors**

**sd/-**

**Rahul Batra**

**Chairman & Managing Director**

**(DIN:02229234)**



## 18<sup>TH</sup> ANNUAL REPORT

## BETA DRUGS LIMITED

### NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF AND PROXY NEED NOT BE A MEMBER. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAT 48 HOURS BEFORE THE COMMENCEMENT OF MEETING.**
2. **A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.**
3. Pursuant to the provisions of SEBI (LODR) Regulations, 2015 and section 91 of the Companies Act, 2013, Register of Members and Shares Transfer Books of the Company will remain closed from Saturday, **23<sup>rd</sup>September, 2023 to Saturday, 30<sup>th</sup>September, 2023. (both days inclusive).**
4. Members intending to require information about accounts at the meeting are requested to write to the Company at least 10 days in advance of the Annual General Meeting.
5. Shareholders holding shares in dematerialized form should communicate the change of address, if any, to their Depository Participant and other who hold shares in physical form should communicate the change of address, to the Registrar and Share Transfer Agent of the Company at the following address:  
**Link Intime India Pvt Limited.  
C-101, 247 Park, L.B.S. Marg, Vikhroli West, Mumbai-400083.**
6. Members/Proxies should bring their attendance slip duly filed in for attending the meeting.
7. The Notice of the **18<sup>th</sup>AGM** along with the attendance slip and proxy form are being sent by electronic mode to all the members whose email addresses are registered with Company/ Depository Participant(s) unless a member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the aforesaid documents are being sent by the permitted mode.
8. In terms of provisions of Section 107 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 since the Company is voluntarily providing the facility of remote e-voting to the shareholders, there shall be no voting by show of hands at the AGM. The facility for ballot / polling paper shall be made available at the Meeting and the members attending the Meeting who have not cast their vote by remote e-voting shall be able to vote at the Meeting through ballot / polling paper. The shareholders can opt for only one mode of voting i.e. remote e-voting or physical polling at the meeting. In case of voting by both the modes, vote casted through remote e-voting will be considered final and voting through physical ballot will not be considered. The members who have cast their vote by remote e-voting may also attend the Meeting.
9. The cut-off date for remote E-Voting/ Poll Paper is Friday, 22<sup>nd</sup>September, 2023.
10. Members may also note that the notice of the Annual General Meeting and the Annual Report will also be available on the Company's website for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office at Village Nandpur, Lodhimajra Road, Baddi, Distt Solan, H.P. 174101, for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same by post free of cost.
11. All the statutory registers under Companies Act, 2013 will remain open for inspection by the members during the AGM.
12. CS Dinesh Bhandari, FCS 5887 Practicing Company Secretary appointed as a scrutinizer to scrutinize the remote E-voting and voting through Ballot Form during the AGM to be carried out in a fair and transparent manner and they have communicated their willingness to be appointed and will be available for the said purpose.
13. An Explanatory Statement pursuant to Section 102 of the Act in respect of **Item nos. 4 & 5** of the Notice set out above is annexed hereto.
14. A route map giving directions to reach the venue of the 18<sup>th</sup> Annual General Meeting is enclosed for the convenience of the members.

**REMOTE E-VOTING INSTRUCTIONS FOR SHAREHOLDERS:-**

The remote e-voting period begins on **Wednesday, 27<sup>th</sup> September, 2023 at 09:00 A.M.** and ends on **Friday, 29<sup>th</sup> September, 2023 at 05:00 P.M.** During this period, Members holding shares as on **Friday, 22<sup>nd</sup> September, 2023** i.e. cut-off date, may cast their vote electronically. The e-Voting module shall be disabled by Linkintime for voting thereafter. Members have the option to cast their vote on any of the resolutions using the remote e-Voting facility either during the period commences **27<sup>th</sup> September, 2023 to 29<sup>th</sup> September, 2023** or Voting through poll paper during the AGM. Members who have voted on some of the resolutions during the said voting period are also eligible to vote on the remaining resolutions during the AGM.

As per the SEBI circular dated December 9, 2020, individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts.

**Login method for Individual shareholders holding securities in DEMAT mode is given below:**

1. Individual Shareholders holding securities in demat mode with NSDL
  1. Existing IDeAS user can visit the e-Services website of NSDL viz... <https://eservices.nsdl.com> either on a personal computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be re-directed to "InstaVote" website for casting your vote during the remote e-Voting period.
  2. If you are not registered for IDeAS e-Services, option to register is available at <https://eservices.nsdl.com> Select "Register Online for IDeAS Portal" or click at <https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp>

Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://eservices.nsdl.com> either on a personal computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.

2. Individual Shareholders holding securities in demat mode with CDSL
  1. Existing users who have opted for Easi / Easiest, can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <https://web.cdslindia.com/myeasi/home/login> or [www.cdslindia.com](http://www.cdslindia.com) and click on New System Myeasi.
  2. After successful login of Easi/Easiest the user will be able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. LINKINTIME. Click on LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.
  3. If the user is not registered for Easi/Easiest, option to register is available at <https://web.cdslindia.com/myeasi/Registration/EasiRegistration>.
  4. Alternatively, the user can directly access e-Voting page by providing demat account number and PAN No. from a link in [www.cdslindia.com](http://www.cdslindia.com) home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. LINKINTIME. Click on LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.
3. Individual Shareholders (holding securities in demat mode) login through their depository participants. You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.

**Login method for Individual shareholders holding securities in physical form is given below:**

Individual Shareholders of the company, holding shares in physical form as on the cut-off date for e-voting may register for e-Voting facility of Link In time as under:

1. Open the internet browser and launch the URL: <https://instavote.linkintime.co.in>
2. Click on "Sign Up" under 'SHARE HOLDER' tab and register with your following details: -
  - A. User ID:** Shareholders holding shares in **physical form shall provide** Event No + Folio Number registered with the Company.
  - B. PAN:** Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.
  - C. DOB/DOI:** Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)
  - D. Bank Account Number:** Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

*\*Shareholders/ members holding shares in **physical form** but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above*





- Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&\*), at least one numeral, at least one alphabet and at least one capital letter).
  - Click “confirm” (Your password is now generated).
3. Click on ‘Login’ under ‘**SHARE HOLDER**’ tab.
  4. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on ‘**Submit**’.

**Cast your vote electronically:**

1. After successful login, you will be able to see the notification for e-voting. Select ‘**View**’ icon.
2. E-voting page will appear.
3. Refer the Resolution description and cast your vote by selecting your desired option ‘**Favour / Against**’ (If you wish to view the entire Resolution details, click on the ‘**View Resolution**’ file link).
4. After selecting the desired option i.e. Favour/Against, click on ‘**Submit**’. A confirmation box will be displayed. If you wish to confirm your vote, click on ‘**Yes**’, else to change your vote, click on ‘**No**’ and accordingly modify your vote.

**Guidelines for Institutional shareholders:**

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as ‘**Custodian / Mutual Fund / Corporate Body**’. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the ‘**Custodian / Mutual Fund / Corporate Body**’ login for the Scrutinizer to verify the same.

**Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders:**

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) or contact on: - Tel: 022 – 4918 6000.

**Helpdesk for Individual Shareholders holding securities in demat mode:**

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 22-23058542-43.

**Individual Shareholders holding securities in Physical mode has forgotten the password:-**

If an Individual Shareholders holding securities in Physical mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the “Forgot Password” option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>

- Click on ‘**Login**’ under ‘**SHARE HOLDER**’ tab and further Click ‘**forgot password?**’
- Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on “**SUBMIT**”.

*In case shareholders are having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain minimum 8 characters, at least one special character (@!#\$%&\*), at least one numeral, at least one alphabet and at least one capital letter.*

User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No +Folio Number registered with the Company

**Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:**

Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular “Event”.



## 18<sup>TH</sup> ANNUAL REPORT

## BETA DRUGS LIMITED

---

### **EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 IN RESPECT OF SPECIAL BUSINESSES MENTIONED IN THE NOTICE OF 18<sup>TH</sup> ANNUAL GENERAL MEETING.**

#### **ITEM NO.4**

The Board, on the recommendation of the Audit Committee, has approved in its meeting held on 1<sup>st</sup> September, 2023, the appointment of **M/s Charu Jindal & Co, Cost Accountants** bearing Firm Registration Number **103508**, at a remuneration of **Rs.1,25,000/- (Rupees One Lac twenty five thousand only)** with reimbursement of conveyance expenses at actual and GST as applicable to conduct the Cost Audit of the Company for the financial year 2023-24. In accordance with the provisions of Section 148 (3) of the Companies Act, 2013 read with Rule 14 of Companies (Audit & Auditor Rules), 2014, the remuneration payable to the Cost Auditor is required to be ratified by the members of the Company.

None of the Directors, Key Managerial Personnel of the Company or their relatives is in any way, concerned or interested, financially or otherwise, in the resolution.

The Board of Directors recommends the Ordinary Resolution for your approval.

#### **ITEM NO. 5**

Considering the present changing scenario and as per requirement of the Banks and in line with the amendments in Companies Act 2013 it is proposed to alter the incidental object of the Memorandum of Association of the company with the approval of the members of the Company. The approval of the members of the company is required, by way of special resolution pursuant to section 13 of the Companies Act, 2013 and other applicable provisions if any of the Companies Act, 2013 and accordingly the Board recommended the relevant resolution for the approval of members.

Existing and new altered MOA and AOA will be placed in the meeting for the information of the members.

None of the Directors of the Company or key managerial personnel or their relatives is, in any way, concerned or interested in the resolution.

**Dated: 01.09.2023**

**Place: Panchkula**

**By Order of the Board of Directors**

**sd/-**

**Rahul Batra**

**Chairman & Managing Director**

**(DIN:02229234)**



# 18<sup>TH</sup> ANNUAL REPORT

## BETA DRUGS LIMITED

### DIRECTORS' REPORT

To  
The Members of  
BETA DRUGS LIMITED

Your Directors take pleasure in presenting the 18<sup>th</sup> Annual Report of the Company together with the Audited Accounts for the financial year ended on 31<sup>st</sup> March, 2023. The Management Discussion and Analysis has also been incorporated in this report.

#### ❖ FINANCIAL SUMMARY/HIGHLIGHTS:

The brief financial results are as under:

PARTICULARS	STANDALONE (Amount in Lacs)		CONSOLIDATED (Amount in Lacs)	
	YEAR ENDED 31.03.2023	YEAR ENDED 31.03.2022	YEAR ENDED 31.03.2023	YEAR ENDED 31.03.2022
Revenue from Operations	15,787.46	12,484.68	22,711.36	18,383.74
Other Income	104.28	85.79	75.35	75.69
Total Revenue	15,891.74	12,570.47	22,786.71	18,459.43
Less: Other expenses excluding depreciation	12751.31	10,007.53	17,640.06	14,303.87
Less: Depreciation & Preliminary expenses written off	619.48	546.78	1,041.00	725.42
Profit / (loss) before Taxation	2,520.95	2,016.16	4,105.65	3,430.14
Less : Provision for Taxation				
Current Tax	668.39	615.06	1085.85	950.62
Deferred Tax	-29.05	-23.54	-52.07	-3.23
Profit/ (loss) after Taxation	1,881.61	1,424.65	3,071.87	2,482.75

#### ❖ DIVIDEND:

The Board of Directors has not recommended any dividend for the year.

#### ❖ TRANSFER TO RESERVE:

Profit of Rs.18881.61 lakhs was transferred to surplus a/c.

#### ❖ REVIEW OF FINANCIAL PERFORMANCE AND STATE OF COMPANY'S AFFAIRS:

During the year, your Company has emerged as one of the fastest growing company in the Oncology product segment which has contributed to significant increase in the profitability of the company.

##### • STANDALONE:

During the year, Revenue of the Company increased by 26.42% i.e. from Rs 12,570.47 lakhs to Rs 15,891.74 lakhs .Profit before tax increased by 25.04% i.e. from Rs. 2,016.16 lakhs to Rs.2,520.95 lakhs. Profit after tax increased by 32.07% i.e. from Rs. 1424.65 lakhs to Rs.1881.61 lakhs.

##### • CONSOLIDATED:

The Consolidated Financial Statements of the Company have been prepared as per Accounting Standard of the Institute of Chartered Accountants of India. During the year, Company's consolidated Revenue increased by 23.44% i.e. from Rs. 18,459.43lakhs to Rs.22,786.71 lakhs. Profit before tax increased by 19.69% i.e. from Rs.3430.14 lakhs to Rs.4105.65lakhs. Profit after tax increased by 23.73% i.e. from Rs.2482.75 lakhs to Rs.3071.87 lakhs.

#### ❖ CHANGE IN THE NATURE OF BUSINESS:

During the year the Company has not changed its business.

#### ❖ MATERIAL CHANGES:

There are no Material change occurred between the end of the financial year of the company to which the financial statements related and the date of the report, which is affecting the financial position of the company.

#### ❖ LISTING:

The Equity Shares of the Company are listed on SME Platform of National Stock Exchange of India Limited (NSE Emerge).

The Company is regular in payment of Annual Listing Fees. The Company has paid Listing fees up to the year 2023-24.

#### ❖ SUBSIDIARY COMPANIES/JOINT VENTURE COMPANY/ASSOCIATE COMPANY:

Company has following Subsidiary Companies:-

- **Beta Ubk International Private Limited**, subsidiary in Uzbekistan having works & registered office at: 27, Alimkent Street, Yashnabad District, Tashkent City, Uzbekistan **with 60% Shareholding.**



# 18<sup>TH</sup> ANNUAL REPORT

## BETA DRUGS LIMITED

**Business:** Manufacturing of Oncology Products.

- **Adley Formulations Private Limited**, a wholly owned subsidiary of Beta Drugs Limited having Registered office at SCO-184, Sector-5, Panchkula, Haryana-134114 & Works at Kotla, Barotiwala, Distt Solan, Himachal Pradesh **with 100% Shareholding**

**Business:** Manufacturing & Trading of Oncology Products

- **Adley Lab Limited**, a wholly owned subsidiary of Beta Drugs Limited having Registered office & Works at D-27, Focal Point, Derabassi-140507 (SAS Nagar, Mohali) **with 100% Shareholding**

**Business:** Manufacturing of Oncology API

- **Beta Research Private Limited**, a wholly owned subsidiary of Beta Drugs Limited having Registered office at SCO-184, 1<sup>st</sup> Floor, Sector-5, Panchkula, Haryana-134114 with 100% Shareholding.

A statement containing the salient feature of the financial statement of Subsidiary company under the first proviso to sub-section (3) of section 129 in form AOC - 1 is appended as **Annexure – 5**

The Company is not having any other Joint Venture or Associate Company.

### ❖ PERFORMANCE OF SUBSIDIARY COMPANIES:

- **Beta Ubk International Private Limited** is engaged primarily in manufacturing of **Oncology Products**. There were no commercial transactions during the year.
- **Adley Formulations Private Limited** is engaged primarily in **Manufacturing & Trading of Oncology Products**. During the period under review, **Adley Formulations Private Limited** achieved a turnover of **Rs 5,820.54 lakhs** with a profitability of **Rs 644.42 lakhs**.
- **Adley Lab Limited** is engaged in **manufacturing of Oncology API**. During the period under review, **Adley Lab Limited** achieved a turnover of **Rs 4276.94 lakhs** with a profitability of **Rs 545.84 lakhs**.
- **Beta Research Private Limited**, there is no operations till date.  
Therefore **Adley Formulations Private Limited** and **Adley Lab Limited** played a significant role toward the increase in the overall profitability of the company.

### ❖ REASONS FOR REVISION OF FINANCIAL STATEMENT OR REPORT:

During the year, the financial statement or report was not revised. Hence further details are not applicable.

### ❖ INCREASE IN AUTHORISED SHARE CAPITAL:

During the year under review there is no change in the authorized Share capital of the company.

### ❖ ALLOTMENT OF SHARES:

During the financial year 2022-23 the Company has not allotted any shares

### ❖ DEMATERIALISATION OF EQUITY SHARES:

The entire Shareholding of the Company is in Demat mode.

### ❖ DEPOSITORY SYSTEM:

As the Members are aware, your Company's shares are trade-able compulsorily in electronic form and your Company has established connectivity with both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). In view of the numerous advantages offered by the depository system, the members are requested to avail the facility of dematerialization of the Company's shares on NSDL & CDSL. The ISIN allotted to the Company's Equity shares is **INE351Y01019**.

### ❖ DIRECTORS & KEY MANAGERIAL PERSONNEL:

Pursuant to the provisions of Section 152 of the Companies Act, 2013 **Mr. Rahul Batra (DIN: 02229234)** & **Mr. Ashutosh Shukla (DIN: 09461568)**, Directors of the Company retires by rotation at the ensuing Annual General Meeting and being eligible, has offered themselves to be re-appointed as Directors of the Company.

The Board recommends the re-appointment of **Mr. Rahul Batra (DIN: 02229234)** & **Mr. Ashutosh Shukla (DIN: 09461568)**, as Director of the Company liable to retire by rotation.

Brief profile of the directors seeking appointment/re-appointment and other details including remuneration etc has been given in the **Annexure-1** of the notice of the ensuing AGM.

### ❖ DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement of section 134(5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed:

1. that in the preparation of the annual accounts, the applicable Indian accounting standards had been followed along with proper explanation relating to material departures;
2. that the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;





## 18<sup>TH</sup> ANNUAL REPORT

## BETA DRUGS LIMITED

3. that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. that the Directors had prepared the annual accounts on a going concern basis; and
5. that the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
6. that the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### ❖ **FORMAL EVALUATION BY BOARD OF ITS OWN PERFORMANCE:**

The performance of the board was evaluated by the board after seeking inputs from all the directors on the basis of the criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc. The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

The Board and the Nomination and Remuneration Committee reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the chairman was also evaluated on the key aspects of his role.

In a separate meeting of independent directors, performance of non-independent directors, performance of the board as a whole and performance of the chairman was evaluated, taking into account the views of executive directors and non-executive directors. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

### ❖ **NUMBER OF MEETINGS OF BOARD:**

During the FY 2022-23, the Board of Directors met thirteen times viz. 1<sup>st</sup> April, 2022, 27<sup>th</sup> April, 2022, 13<sup>th</sup> May, 2022, 4<sup>th</sup> June, 2022, 16<sup>th</sup> June, 2022, 20<sup>th</sup> July, 2022, 28<sup>th</sup> July, 2022, 5<sup>th</sup> August, 2022, 30<sup>th</sup> August, 2021, 27<sup>th</sup> September, 2022, 13<sup>th</sup> October, 2022, 27<sup>th</sup> October, 2022, & 16<sup>th</sup> February, 2023.

Name of the Director	Number of Board Meetings Attended
Rahul Batra	13
Varun Batra	13
Balwant Singh	13
Rohit Parti	13
Manmohan Khanna	13
Seema Chopra	13
Ashutosh Shukla	13

Last Annual General Meeting of the company was held on 29<sup>th</sup> September, 2022.

During the Financial year 2022-23 no Extraordinary General Meeting was held. No item was required to be passed through postal ballot during the Financial year 2022-23.

### ❖ **DECLARATION BY INDEPENDENT DIRECTORS:**

The Company has received necessary Declaration from each Independent Director/s under section 149(7) of the Companies Act, 2013 that they meets the criteria of Independence laid down in section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Companies Act, 2013.

### ❖ **ISSUE OF EQUITY SHARES WITH DIFFERENTIAL VOTING RIGHTS / SWEAT EQUITY SHARES / EMPLOYEE STOCK OPTION SCHEME:**

During the year, the Company has not issued any equity shares with differential voting rights or sweat equity shares or shares under employee stock option scheme. Hence disclosure regarding the same is not given.

### ❖ **AUDITORS' REPORT:**

M/s Kalra Rai & Associates, Chartered Accountants, Chandigarh, Firm Registration Number **008859N** have issued their Report (Standalone & Consolidated) for the financial year ended on March 31, 2023 forms part of this Annual Report and the same does not contain any qualification, reservation or adverse remark hence no explanation or comments of the Board is required in this matter.

There have been no instances of fraud reported by the Auditors under Section 143(12) of the Companies Act, 2013.

### ❖ **COMMENTS ON AUDITOR'S REPORT:**

The notes referred to in the Auditor Report are self-explanatory and they do not call for any further explanation as required under section 134 of the Companies Act, 2013.

### ❖ **COST AUDITOR:**

The Board of Directors of your Company has appointed M/s Charu Jindal & Company, Cost Accountants, Dehradun as Cost Auditors to conduct audit of the Cost Records for Financial Year to be ended on March 31, 2024.





# 18<sup>TH</sup> ANNUAL REPORT

## BETA DRUGS LIMITED

### ❖ **COST RECORDS:**

The Central Government has prescribed the maintenance of cost records under section 148(1) of the act, for the goods supplied by the Company. The Company had maintained proper cost records. Cost Audit Report for the financial year 2022-23 is being filed.

### ❖ **INTERNAL AUDITOR:**

The Board of Directors of your company has appointed M/s Srivastava V.K. & Associates, Chartered Accountants, Chandigarh as Internal Auditors to conduct Internal audit for Financial Year to be ended on March 31, 2024.

### ❖ **SECRETARIAL AUDIT:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. Dinesh Bhandari, Company Secretary to undertake the Secretarial Audit of the Company for Financial Year to be ended on March 31, 2024.

The Secretarial Audit Report for the FY 2022-23 is annexed herewith as “Annexure-2”.

### ❖ **MANAGEMENT COMMENTS TO THE SECRETARIAL AUDITOR QUALIFICATION/OBSERVATIONS:**

	Audit Qualifications/Observations	Management Comments
1.	Section 178 (1) of Companies Act, 2013 requires Composition of Nomination and remuneration committee of 3 or more non executive director, whereas Company has only 2 non executive directors in the Committee. It is also further drawn to your attention that there is a shortfall of one independent Director w.e.f. 20.1.2022 required u/s 149(4) of the Companies Act, 2013 as per strength of Board of Directors of Company.	The company is in the process of finding the suitable candidate and will fill the vacancy of Independent Director. After appointing the Independent Director, the composition of Nomination and Remuneration Committee will be as per the requirement of Section 178 (1) of Companies Act, 2013.
2.	(i) Clause 33(3)(d) of LODR- submission of non consolidated annual audited financial results as at 31.3.2023 to Stock Exchange with respect to non operative foreign subsidiary viz. Beta UBK International Pvt. Ltd. Compliance required u/s 129, 136 and other relevant provisions of Companies Act, 2013 with respect to (non-operative) foreign subsidiary viz. Beta UBK International Pvt. Ltd not made inter-alia Consolidation of Annual Audited Financial Statements as at 31.3.2023, Standalone financial statements as at 31.3.2023 / Statement containing salient features thereof required not attached with annual report. Unaudited financials of non operative wholly owned subsidiary Beta Research Pvt Ltd, were consolidated. ii) Annual performance report (APR) for calendar year 2022 not filed to authorized dealer bank in respect of Beta UBK International Pvt. Ltd., foreign subsidiary.	(i) Since the production facility in Beta UBK International Pvt. Ltd was not operational till Balance Sheet date and the subsidiary is non operational since incorporation, therefore financials of Beta UBK International was not consolidated. Beta Research Pvt. Ltd is 100% subsidiary, however, the accounts were skipped to be audited though the consolidation was done, as there was only one transaction of capital induction and no other transaction was there. However it was audited on 28.08.2023.  (ii) The company is non-operative therefore APR is not yet filed.

### ❖ **INTERNAL AUDIT CONTROLS AND THEIR ADEQUACY:**

The Company has a proper and adequate system of internal controls, commensurate with the size scale and complexity of its operations. This ensures that all transactions are authorized, recorded and reported correctly, and assets are safeguarded and protected against loss from unauthorized use or disposition. In addition, there are operational controls and fraud risk controls, covering the entire spectrum of internal financial controls. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the audit committee of the Board and to the Chairman and Managing Director. The Internal Audit department monitors and evaluate the efficiency and adequacy of the internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal audit functions, process owner undertake corrective actions in their respective areas and thereby strengthen the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board.

### ❖ **ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:-**

The Company has internal Auditors and the Audit Committee constituted are in place to take care of the same. During the year, the Company continued to implement their suggestions and recommendations to improve the control environment. Their scope of work includes review of processes for safeguarding the assets of the Company, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths in all areas. Internal Auditors findings are discussed with the process owners and suitable corrective actions taken as per the directions of Audit Committee on an ongoing basis to improve efficiency in operations.

### ❖ **AUDIT COMMITTEE:**

As required under the provisions of section 177 of the Companies Act, 2013 and Rules made there under the Board of Director constituted the Audit Committee.



# 18<sup>TH</sup> ANNUAL REPORT

## BETA DRUGS LIMITED

The composition of the committee is as follows:-

1.	Mr. Manmohan Khanna	Chairman
2.	Mr. Rohit Parti	Member
4.	Mr. Rahul Batra	Member

During the year, Audit Committee has met four times details of the same are as follows:

Sr. No	Date of Meeting	Strength of Committee	No. of Members Present
1.	1 <sup>st</sup> April, 2022	3	3
2.	27 <sup>th</sup> April, 2022	3	3
3.	30 <sup>th</sup> August, 2022	3	3
4.	27 <sup>th</sup> October, 2022	3	3

The term of references of audit committee are to recommend for appointment of statutory auditor, approve related party transactions, examination of financial statements and auditor's report, scrutinize inter corporate loans and investments, evaluation of internal financial control and risk management, review and monitor auditors independence and performance and effectiveness of audit process.

### ❖ **NOMINATION & REMUNERATION COMMITTEE:**

As required under the provisions of section 178 of the Companies Act, 2013 and Rules made there under the Board of Director constituted the Nomination and Remuneration Committee.

The composition of the committee is as follows:-

1.	Mr. Manmohan Khanna	Chairman
2.	Mr. Rohit Parti	Member
3.	Mr. Rahul Batra	Member

During the year, three meeting of the nomination and remuneration committee was held. Details of the Meeting are as follows:

Sr. No	Date of Meeting	Strength of Committee	No. of Members Present
1.	13 <sup>th</sup> May, 2022	3	3
2.	20 <sup>th</sup> July, 2022	3	3
2.	30 <sup>th</sup> August, 2022	3	3

**Remuneration Policy: Website link:-**

<http://www.betadrugslimited.com>

### (a) **Remuneration to Executive Directors:**

The remuneration paid to executive directors of the Company is recommended by the Nomination and Remuneration Committee of the Company and then Board of the Company approve in their duly held meeting. The remuneration of executive directors are decided by considering various criteria like qualification, experience, responsibilities, value addition to the Company and financial position of the Company. Board is taking permission of the members if required at any time for paying remuneration to executive directors.

### (b) **Remuneration to Non-Executive Directors:**

Company is not paying any remuneration to non-executive and independent directors of the Company except sitting fees of Rs 1000/- per meeting.

### ❖ **STAKEHOLDERS RELATIONSHIP COMMITTEE:**

As required under the provisions of section 178 of the Companies Act, 2013 and Rules made there under the Board of Director constituted the Stakeholders Relationship Committee.

The composition of the committee is as follows:-

1.	Mr. Manmohan Khanna	Chairman
2.	Mr. Rohit Parti	Member
4.	Mr. Rahul Batra	Member

The Company has not received any complaints during the year. There was no valid request for transfer of shares pending as on 31st March, 2023. Mrs. Rajni Brar, Company Secretary is the Compliance Officer for the above purpose.

During the year, two meeting of the Stakeholders Relationship Committee was held. Details of the Meeting are as follows:

Sr. No	Date of Meeting	Strength of Committee	No. of Members Present
1.	27 <sup>th</sup> April, 2022	3	3
2.	16 <sup>th</sup> February, 2023	3	3

### ❖ **POLICY ON PRESERVATION OF THE DOCUMENTS:**

The Company has formulated a Policy pursuant to Regulation 9 of the Securities Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015 ("Regulations") on Preservation of the Documents to ensure safe keeping of the records and safeguard the Documents from getting mishandled, while at the same time avoiding superfluous inventory of Documents.



# 18<sup>TH</sup> ANNUAL REPORT

## BETA DRUGS LIMITED

### ❖ **WHISTLE BLOWER POLICY/ VIGIL MECHANISM:**

The Vigil Mechanism/Whistle Blower Policy has been adopted to provide appropriate Avenues to the employees to bring to the attention of the management, the concerns about any unethical behaviour, by using the mechanism provided in the Policy. In cases related to financial irregularities, including fraud or suspected fraud, the employees may directly approach the Chairman of the Audit Committee of the Company. No director or employee has been denied access to the Audit Committee.

The Policy provides that no adverse action shall be taken or recommended against any employee in retaliation to his/her disclosure, if any, in good faith of any unethical and improper practices or alleged wrongful conduct. This Policy protects such employees from unfair or prejudicial treatment by anyone in the Company. The same is available on the Company's Web [www.betadrugslimited.com](http://www.betadrugslimited.com).

### ❖ **POLICY ON CRITERIA FOR DETERMINING MATERIALITY OF EVENTS:**

The Policy is framed in accordance with the requirements of the Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Regulations). The objective of the Policy is to determine materiality of events or information of the Company and to ensure that such information is adequately disseminated in pursuance with the Regulations and to provide an overall governance framework for such determination of materiality.

### ❖ **RISK MANAGEMENT POLICY/PLAN:**

It may please be noted that as our Company is not falling in the applicability criteria prescribed as mentioned in the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

Hence, the company has not developed and implemented any risk management policy/plan but the Company has adequate internal control systems and procedures to combat the risk.

### ❖ **VIGIL MECHANISM:**

It may please be noted that as our Company is not falling in the applicability criteria prescribed as mentioned in the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

Hence, there is no vigil mechanism in the company.

### ❖ **CODE OF BUSINESS CONDUCT AND ETHICS:**

Based on the requirements under SEBI (Prohibition of Insider Trading) Regulations, 1992 read with SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, the code of Internal Procedures and code for prevention of insider trading ("Code of Conduct"), as approved by the Board from time to time, are in force by the Company. The objective of this Code of Conduct is to protect the interest of shareholders at large, to prevent misuse of any price sensitive information and to prevent any insider trading activity by dealing in shares of the Company by its Directors, designated employees and other employees.

The Company also adopts the concept of Trading Window Closure, to prevent its Directors, Officers, designated employees and other employees from trading in the securities of Beta Drugs Limited at the time when there is unpublished price sensitive information.

The COC is available on the website of the Company [www.betadrugslimited.com](http://www.betadrugslimited.com) and the Directors and senior management personnel's of the company has complied with the code of conduct.

### ❖ **DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

The company has a policy and it provides for protection against sexual harassment of woman at work place and for prevention and redressal of such complaints. The Company has zero tolerance on Sexual Harassment at workplace. During the year under review, no complaints were received against the sexual harassment at workplace. The Complaint Committee for Redressal of Sexual Harassment consists of the following members:-

1.	Mrs. Salita Chauhan,	Presiding Officer
2.	Mrs. Parul Thakur	Member
3.	Ms. Sonia Nawani,	Member
4.	Mr. Balwant Singh,	Member
5.	Mr. Rajeev Kumar Sharma, Advocate	Member

### ❖ **REMUNERATION POLICY:**

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration.

The Company's shareholders may refer the Company's website for the detailed Nomination & Remuneration Policy of the Company on the appointment and remuneration of Directors including criteria for determining qualifications, positive attributes, independence of a Director; and other matters provided under sub-section (3) of section 178.

The Company's remuneration policy is directed towards rewarding performance based on review of achievements periodically.

The remuneration policy is in consonance with the existing industry practice.

### ❖ **ANALYSIS OF REMUNERATION:**

Disclosure/details pursuant to provisions of Section 197(12) of the Companies Act 2013 read with Companies (appointment and Remuneration of managerial personnel) Rules, 2014 are given as follows:-



# 18<sup>TH</sup> ANNUAL REPORT

## BETA DRUGS LIMITED

- 1) The percentage increase in Remuneration of each Director, Chief Financial Officer and Company Secretary in the financial year 2022-23 and ratio of remuneration of each key managerial personnel (KMP) against the performance are as under:-

Sr No.	Name of Director/KMP and Designation	Remuneration of Director/KMP for the Financial Year 2022-23 (In Rs.)	%age Increase in Remuneration for the Financial Year 2022-23	Ratio of Remuneration of each director to the Median Remuneration of Employees
1.	Mr. Varun Batra, Whole Time Director	1,21,00,000	44.05%	79.52
2.	Mr. Rahul Batra, Whole Time Director	1,21,00,000	44.05%	79.52
3.	Mr. Balwant Singh, Whole Time Director	26,61,560	24.86%	17.50
4.	Mr. Ashutosh Shukla, Whole Time Director	42,22,996	-	27.75
5.	Mrs. Seema Chopra, Whole time Director	8,87,228	29.10%	5.83
6.	Mr. Manmohan Khanna, Independent Director	NIL	NIL	NIL
7.	Mr. Rohit Parti, Independent Director	NIL	NIL	NIL
8.	Mrs. Rajni Brar, Company Secretary	8,39,727	9.19%	5.52
9.	Mr. Nipun Arora, CFO	26,23,256	15.40%	17.24

2) The Median Remuneration of Employees of the Company during the financial year 2022-23 was Rs.1,52,152/-

3) There was an increase of 13.88% in median remuneration of employees during the financial year.

4) The number of permanent employees on the rolls of the Company is 315 for the year ended March 31, 2023.

5) There was an increase of 42.81% in salaries of employees other than the managerial personnel during the financial year 2022-23 while the increase in the remuneration of managerial personnel was 32.66%. The aggregate limit of remuneration of managerial personnel was reviewed and revised, keeping in view the need for leveraging experience and expertise as well as rewarding talent and the prevailing trend in the industry. Therefore increase in the managerial remuneration is justified.

6) It is affirmed that remuneration paid during the year ended March 31st, 2023 is as per the Remuneration Policy of the Company.

7) There is no employee withdrawing remuneration equal to or more than the limit prescribed in rule 5 (2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

### ❖ **PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES:**

There was no employee drawing remuneration in excess of limits prescribed under section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

### ❖ **REGULATORY ORDERS:**

During the year, there were no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

### ❖ **CSR COMMITTEE:**

As required under the provisions of section 135 of the Companies Act, 2013 and Rules made there under the Board of Director constituted the Stakeholders Relationship Committee.

The composition of the committee is as follows:-

1.	Mr. Rahul Batra	Chairman
2.	Mr. Varun Batra	Member
3.	Mr. Rohit Parti	Member

During the year, four meeting of the Corporate Social Responsibility Committee was held. Details of the Meeting are as follows:

Sr. No	Date of Meeting	Strength of Committee	No. of Members Present
1.	30 <sup>th</sup> August, 2022	3	3
2.	15 <sup>th</sup> November, 2022	3	3
3.	3 <sup>rd</sup> January, 2023	3	3
4.	7 <sup>th</sup> March, 2023	3	3

The Committee has been entrusted with the responsibility of formulating and recommending to the Board, a Corporate Social Responsibility Policy (CSR Policy), indicating the activities to be undertaken by the Company, recommending the amount to be spent on CSR activities and monitoring the implementation of the framework of the CSR Policy.

The Company has provided for the corporate social responsibility as per Section 135 of the Companies Act 2013 i.e. **Rs. 29,17,943.00** during the year being 2% of the average net profits for the immediately preceding three Financial Years. The actual amount spent during the financial year



# 18<sup>TH</sup> ANNUAL REPORT

## BETA DRUGS LIMITED

was Rs. 29,28,000.00 on eligible projects/ activities approved by the Board on the recommendation of the CSR Committee. Brief particulars of the CSR projects undertaken are given in **Annexure 3**, forming part of the Board's Report.

### ❖ **DETAILS ON CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014.

#### **(A) CONSERVATION OF ENERGY:**

(i)	the steps taken or impact on conservation of energy	The Company accords high priority to conservation of energy. However, there are no specific steps taken in this regard.
(ii)	the steps taken by the company for utilizing alternate sources of energy	The Company is not utilizing alternate sources of energy.
(iii)	the capital investment on energy conservation equipments	NIL

#### **(B) TECHNOLOGY ABSORPTION:**

(i)	the efforts made towards technology absorption	NIL
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	NIL
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year) (a) the details of technology imported; (b) the year of import; (c) whether the technology been fully absorbed; (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	The Company has not imported any technology during the year. Hence, there are no details to be furnished under this clause.
(iv)	the expenditure incurred on Research and Development	Rs 2,53,26,735.97

#### **(C) Foreign exchange earnings and Outgo:**

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows are given below:

Particulars	Amt. as on 31.3.2023	Amt. as on 31.3.2022
Earnings in Foreign Exchange	27,82,93,667.94	15,17,67,682.14
Foreign Exchange Outgo	4,79,58,756.36	45,84,461.22

### ❖ **INTERNAL FINANCIAL CONTROL:**

The Company has a well placed, proper and adequate internal financial control system which ensures that all the assets are safeguarded and protected and that the transactions are authorized recorded and reported correctly.

The internal audit covers a wide variety of operational matters and ensures compliance with specific standard with regards to availability and suitability of policies and procedures. During the year no reportable material weakness in the design or operation were observed.

The Directors has laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and have been operating effectively.

### ❖ **COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND ANNUAL GENERAL MEETINGS:**

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board meetings and Annual General Meetings.

### ❖ **AGREEMENTS THAT SUBSIST AS ON THE DATE OF NOTIFICATION OF CLAUSE 5A TO PARA A OF PART A OF SCHEDULE III, THEIR SALIENT FEATURES, INCLUDING THE LINK TO THE WEBPAGE WHERE THE COMPLETE DETAILS OF SUCH AGREEMENTS ARE AVAILABLE- N.A.**

### ❖ **DEPOSITS:**

The Company has not invited/ accepted any deposits from the public during the year ended **March 31, 2023**. There were no unclaimed or unpaid deposits outstanding as on **March 31, 2023**. No unsecured loan has been received from the Directors of the company.

### ❖ **CORPORATE GOVERNANCE:**

It may please be noted that as our Company is not falling in the applicability criteria prescribed as mentioned in the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

Hence, the Report on Corporate Governance is not forming part of the Directors' Report.





# 18<sup>TH</sup> ANNUAL REPORT

## BETA DRUGS LIMITED

### ❖ **TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND:**

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore, there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

### ❖ **ANNUAL RETURN:**

Annual Return is available on the Company's website at [www.betadrugslimited.com](http://www.betadrugslimited.com).

### ❖ **PARTICULARS OF LOANS, INVESTMENTS OR GUARANTEES UNDER SECTION 186 OF THE COMPANIES ACT, 2013:**

Company has provided the following loans, investments or guarantees under section 186 of the Companies Act, 2013 as on 31<sup>st</sup> March, 2023:-

PARTICULARS	During the financial year 2022-23	Amount as on 31 <sup>st</sup> March, 2023
<b>LOANS GIVEN BY COMPANY</b>		
LOAN TO ADLEY LAB LIMITED (Wholly-owned Subsidiary)	47,50,000.00	1,98,46,255.00
LOAN TO ADLEY FORMULATIONS PRIVATE LIMITED (AFPL) (Wholly-owned Subsidiary)	-	2,86,22,788.00
<b>TOTAL</b>	<b>47,50,000.00</b>	<b>4,84,69,043.00</b>
<b>INVESTMENTS MADE BY COMPANY</b>		
INVESTMENT IN BETA UBK INTERNATIONAL PVT. LTD.	Nil	77,89,905.49
INVESTMENT IN ADLEY FORMULATION PVT. LTD.	Nil	1,26,00,000.00
INVESTMENT IN ADLEY LAB LTD.	Nil	4,50,40,000.00
INVESTMENT IN BETA RESEARCH PVT. LTD.	1,00,000.00	1,00,000.00
<b>TOTAL</b>	<b>1,00,000.00</b>	<b>6,55,29,905.49</b>
<b>GUARANTEES GIVEN BY COMPANY</b>		
GUARANTEE GIVEN TO ICICI BANK FOR ADLEY FORMULATIONS PRIVATE LIMITED (Wholly-owned Subsidiary)	Nil	11,19,00,000.00
GUARANTEE GIVEN TO HDFC BANK FOR ADLEY LAB LIMITED (Wholly-owned Subsidiary)	Nil	8,25,00,000.00
GUARANTEE GIVEN TO SIDBI FOR ADLEY LAB LIMITED (Wholly-owned Subsidiary)	Nil	37,00,000.00
<b>TOTAL</b>	<b>Nil</b>	<b>19,81,00,000.00</b>

### ❖ **RELATED PARTY TRANSACTIONS:** The particulars of every contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso Form No. AOC -2, given below:

#### **Related Party Transactions:**

**Particulars of contracts or arrangements with related parties referred to in sub-section (1) of section 188 in the form AOC-2:** All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business.

Information Pursuant to *clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014:*

1. Details of contracts or arrangements or transactions not at Arm's length basis.

SL. No.	Particulars	Details
	Name (s) of the related party & nature of relationship	NIL
	Nature of contracts/arrangements/transaction	-
	Duration of the contracts/arrangements/transaction	-
	Salient terms of the contracts or arrangements or transaction including the value, if any	-
	Justification for entering into such contracts or arrangements or transactions'	-
	Date of approval by the Board	-



# 18<sup>TH</sup> ANNUAL REPORT

## BETA DRUGS LIMITED

	Amount paid as advances, if any	-
	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	-

### 2. Details of material contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars			
1	Name (s) of the related party & nature of relationship	Adley Lab Limited (wholly owned subsidiary)	Adley Formulations Private Limited (wholly owned subsidiary)	BT Associates Pvt Ltd.
2	Nature of contracts/Arrangements /transaction	i) Purchase of Goods: Rs 16,38,16,659.00 ii) Interest received on unsecured loan: Rs 13,06,399.00 iii) Sale of Goods: Rs 1,40,000.00 iv) Unsecured Loan given by subsidiary: Rs 47,50,000.00 v) Sale of Machinery: Rs 20,00,000.00 vi) Purchase of Machinery: Rs 2,50,585.00	i) Sale of Goods: Rs 1,82,19,181.18 ii) Purchase of Goods: Rs 5,06,39,544.83 iii) Sale of Fixed assets: Rs 44,12,028.24 iv) Interest received on Unsecured Loan :Rs 24,27,598.00	Payment of Building Rent: Rs 28,88,640.00
3	Duration of the Contracts/Arrangements /transaction	Regular	Regular	Regular
4	Salient terms of the contracts or arrangements or transaction including the value, if any	Transactions are at Arm's length basis and in the ordinary course of business	Transactions are at Arm's length basis and in the ordinary course of business	Transactions are at Arm's length basis and in the ordinary course of business
5	Date of approval by the Board	1 <sup>st</sup> April, 2022	1 <sup>st</sup> April, 2022	1 <sup>st</sup> April, 2022
6	Amount paid as advances, if any	-	-	-

### ❖ MANAGEMENT DISCUSSION AND ANALYSIS:

As per Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements), Regulation 2015, the Management Discussion and Analysis Report is given in **Annexure - 4**.

### ❖ THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR. N.A.

### ❖ THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE-TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OF FINANCIAL INSTITUTIONS

During the period under review there was no instance of one time settlement with any Banker Financial Institution.

### ❖ APPRECIATION:

Your Directors wish to place on record their sincere appreciation for significant contribution made by the employees at all the levels through their dedication, hard work and commitment, thereby enabling the Company to boost its performance during the year under report. Your Directors also take this opportunity to place on record the valuable co-operation and continuous support extended by its valued business associates, Practicing Company Secretary, Auditors, Supplier, Customers, Banks / Financial Institutions, Government authorities and the shareholders for their continuously reposed confidence in the Company and look forward to having the same support in all its future endeavors.

Dated: 01.09.2023  
Place: Panchkula

By Order of the Board of Directors  
sd/-  
Rahul Batra  
Chairman & Managing Director  
(DIN: 02229234)



# 18<sup>TH</sup> ANNUAL REPORT

## BETA DRUGS LIMITED

**Annexure-1**

**DETAILS OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AT THE ENSUING ANNUAL GENERAL MEETING UNDER REGULATION 36 OF SEBI (LODR) REGULATIONS:-**

Name of Director	Mr. Rahul Batra	Mr. Ashutosh Shukla
Director Identification Number	02229234	09461568
Date of Birth	08/10/1983	07/09/1977
Educational Qualification	Master of Science degree in Business and Management from University Strathclyde Scotland	Executive MBA from Symbiosis Institute of Business Management.
Experience	18 Years	21 year
Details of remuneration to be paid, if any	Rs 10,00,000 p.m.	Rs. 3,56,083/- p.m.
Date of first appointment to the Board	01/08/2014	20/01/2022
No. of Share held by Directors in the Company	39,650	Nil
Relationship with other Directors / KMPs	Brother of Mr. Varun Batra	N.A.
No. of Board meetings attended during the year	13	13
Profile	Rahul Batra, (DIN: 02229234) aged 39 years is the Chairman cum Managing Director of the Company. He contributes extensively towards the growth of the company and helps the company achieve its targets and long term objectives toward the achievement of the common objectives of the organization.	Ashutosh Shukla (DIN: 09461568) aged 45 years is the Whole time Director of our Company. He holds a degree in Executive MBA from Symbiosis Institute of Business Management. He is having 20+ years of pharma experience and working with Beta Drugs Limited from last 4 years. He is a strategic thinker, strong team player and a business leader with a successful track record.
Expertise in specific Functional areas	Marketing/ Sales segment & Finance	Marketing
Directorship in other listed/unlisted Companies	Adley Formulations Pvt Ltd (unlisted) Adley Lab Limited (unlisted) B.T. Associates Pvt td (unlisted) Beta Research Pvt Ltd.	NIL
Chairman/ Member of Committees of the Board of other listed/unlisted Companies in which he is a Director	Chairman of CSR committee of Adley Forumations Pvt Ltd & Adley Lab Limited	NIL
Relationship, if any, with the other members of the Board	Brother of Mr. Varun Batra	N.A.
Terms and Conditions of appointment and remuneration sought and remuneration last and justification	Promoted & appointed as Chairman cum Managing Director w.e.f. 27.01.2021 upto 26.01.2026 @ remuneration of Rs 6.00 lacs p.m. Last remuneration Rs 10.00 lacs p.m.	Appointed by Board of Directors in their meeting held on 20 <sup>th</sup> January, 2022 @ remuneration of Rs. 2,56,083/-p.m. subject to the approval of Shareholders in their ensuing meeting. Last remuneration Rs 3,56,083 p.m.
Skills and capabilities required for the role and the manner in which the proposed person meets such requirements.	NA	NA

**Secretarial Audit Report for the Financial Year Ended March 31, 2023**

To

The Members of

**BETA DRUGS LIMITED (CIN : L24230HP2005PLC028969)**

Regd. Office : Village Nandpur, Baddi, Himachal Pradesh-174101.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **BETA DRUGS LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2023 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Byelaws framed thereunder to the extent of Regulation 55A;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and The Securities Exchange Board of India (SEBI) (Substantial Acquisition of Shares and Takeovers (Amendment) Regulations, 2013;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amended thereon.;
  - d) SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999
  - e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client to the extent of securities issued;
  - f) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendment thereon;
  - g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.
- (vi) The other laws, as informed and certified by the management of the Company which are specifically applicable to the Company based on their sectors/ industry are:-
  - (a) Drugs & Cosmetics Act, 1940
  - (b) Drugs and Magic Remedies (Objectionable Advertisement) Act, 1954
  - (c) Narcotic Drugs and Psychotropic Substances Act, 1985
  - (d) Conservations of Foreign Exchange And Prevention of Smuggling Activities Act, 1974
  - (e) The Medicinal & toilet Preparations Substances (Excise Duties) Act, 1955
  - (f) The Environment (Protection) Act, 1986
  - (g) Hazardous Waste Management Rules, 2016
  - (h) The Indian Copyright Act, 1957
  - (i) The Patents Act, 1970
  - (j) The Trade Marks Act, 1999

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with NSE Limited (SME segment) and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations mentioned above in this report except the following:-



## 18<sup>TH</sup> ANNUAL REPORT

## BETA DRUGS LIMITED

1. Section 178 (1) of Companies Act, 2013 requires Composition of Nomination and remuneration committee of 3 or more non executive director, whereas Company has only 2 non executive directors in the Committee. It is also further drawn to your attention that there is a shortfall of one independent Director w.e.f. 20.1.2022 required u/s 149(4) of the Companies Act, 2013 as per strength of Board of Directors of Company.
2. (i) Clause 33(3)(d) of LODR- submission of non consolidated annual audited financial results as at 31.3.2023 to Stock Exchange with respect to non operative foreign subsidiary viz. Beta UBK International Pvt. Ltd. Compliance required u/s 129, 136 and other relevant provisions of Companies Act, 2013 with respect to (non-operative) foreign subsidiary viz. Beta UBK International Pvt. Ltd not made inter-alia Consolidation of Annual Audited Financial Statements as at 31.3.2023, Standalone financial statements as at 31.3.2023 / Statement containing salient features thereof required not attached with annual report. Unaudited financials of non operative wholly owned subsidiary Beta Research Pvt Ltd were consolidated.  
(ii) Annual performance report (APR) for calendar year 2022 not filed to authorized dealer bank in respect of Beta UBK International Pvt. Ltd., foreign subsidiary.

We further report that compliance by the Company of applicable financial laws like direct and indirect tax laws and maintenance of financial record and books of accounts has not been reviewed in this Audit, since the same has been subject to review by statutory financial audit and other designated professionals.

**We further report that:-**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors subject to above. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period no specific events / actions took place that having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards.

**Place: Chandigarh**

**Date: 01.09.2023**

**Sd/-**

**CS. Dinesh Bhandari / Proprietor**

Practising Company Secretary

Membership No. FCS No.: 5887

Certificate of Practice No.: 10300

UDIN : F005887E000906215

Peer Review Cert No. 814/2020

**Note: This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.**





## 18<sup>TH</sup> ANNUAL REPORT

## BETA DRUGS LIMITED

---

### Annexure –A

The Members

**BETA DRUGS LIMITED (CIN:L24230HP2005PLC028969)**

Regd. Office : Village Nandpur,  
Baddi,  
Himachal Pradesh-174101.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and major events during the audit period.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on the random test basis for the purpose of the Secretarial Audit Report.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**Place : Chandigarh**  
**Date : 01.09.2023**

**Sd/-**  
**CS. Dinesh Bhandari / Proprietor**  
Practising Company Secretary  
Membership No. FCS No.: 5887  
Certificate of Practice No.: 10300  
UDIN :F005887E000906215  
Peer Review Cert No. 814/2020

**ANNEXURE 3****ANNEXURE TO BOARD'S REPORT****1. A brief outline on CSR Policy of the Company:-**

The Company's CSR Policy is in adherence to the updated Section 135 of the Companies Act, 2013 read with rules framed thereunder and provides for carrying out CSR activities and Initiate projects that benefit communities, encourage an increased commitment from employees towards CSR activities and volunteering and contribution towards some specific project being undertaken by any of the organizations or directly by the Company.

**2. Composition of CSR Committee:**

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Rahul Batra	Managing Director	4	4
2.	Mr. Varun Batra	Joint Managing Director	4	4
3.	Mr. Rohit Parti	Independent Director	4	4

3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:- <http://www.betadrugslimited.com/>

4. Executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable- Not applicable

4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report):- **Not Applicable**

5. (a) Average net profit of the company as per sub section (5) of section 135: **Rs. 14,58,97,137.99**

(b) Two percent of average net profit of the company as per section 135(5): **Rs. 29,17,942.76**

(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **Rs. 850.58**

(d) Amount required to be set off for the financial year, if any: **Rs. 850.58**

(e) Total CSR obligation for the financial year (b+c-d): **Rs. 29,17,942.76**

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): **Rs. 29,28,000.00**

(b) Amount spent in Administrative Overheads: **NIL**

(c) Amount spent on Impact Assessment, if applicable: **NOT APPLICABLE**

(d) **Total amount spent for the Financial Year (a+b+c): Rs. 29,28,000**

(e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
Rs. 29,28,000.00	Nil	-	Nil	-	-



# 18<sup>TH</sup> ANNUAL REPORT

## BETA DRUGS LIMITED

(f) Excess amount for set off, if any:

Sr. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	29,17,942.76
(ii)	Total amount spent for the Financial Year	29,28,000.00
(iii)	Excess amount spent for the financial year [(ii)-(i)]	10,057.24
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	850.58
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	10,907.82

7. Details of Unspent CSR amount for the preceding three financial years:

Sr. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to a fund as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any.		Amount remaining to be spent in succeeding financial years. (in Rs.)	Deficiency, if any
					Amount (in Rs).	Date of transfer.		
1.	2019-20	NIL	NIL	NIL	-	-	NIL	NIL
2.	2020-21	NIL	NIL	NIL	-	-	NIL	NIL
3.	2021-22	NIL	NIL	NIL	-	-	NIL	NIL
	Total	NIL	NIL	NIL			NIL	NIL

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **No**

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5):-N.A.

<b>Sd/-</b> <b>Rahul Batra</b> <b>Chairman CSR Committee</b>	<b>Sd/-</b> <b>Varun Batra</b> <b>Joint Managing Director</b>
--	---

**MANAGEMENT DISCUSSION AND ANALYSIS**

In terms of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 the Management Discussion and Analysis Report (MDAR) is structured as follows:

❖ **INDUSTRY STRUCTURE, DEVELOPMENTS, OPPORTUNITIES & THREATS:**

According to the IMF, the global economy is estimated to expand by 3% in 2023 and 2024. The World Health Organization (WHO) announced in May that it no longer considers COVID-19 to be a “global health emergency.” Supply chains have largely recovered, and shipping costs and suppliers’ delivery times are back to pre-pandemic levels. But forces like high inflation that hindered growth in 2022 persist. Rise in central bank policy rates to fight inflation continues to weigh on economic activity and may dampen the growth prospects of the global economy.

As per IQVIA, global medicine market is expected to grow at 3–6% CAGR through 2027, reaching about \$1.9Tn in total market size. Oncology is forecasted to grow the fastest in terms of global spending at a CAGR of 13–16% through 2027. Oncology is projected to add 100 new treatments over five years, contributing to an increase in spending of \$184Bn to a total of more than \$370Bn in 2027 and facing limited new losses of exclusivity. While most major therapy areas have seen growth in medicine use in the last decade, oncology usage has far exceeded the others with a 10-year CAGR as of 2021 of 15.3%.

The increase in oncology spending is expected to be driven by early diagnoses of patients, continued introduction of new drugs, and wider access to novel cancer drugs in more countries beyond the major developed countries where they often launch first and longer treatments for medicines with survival benefits.

The oncology market in India is growing at a better rate than the overall pharma industry growth. Since cancer is the second largest cause of death in the country, the Indian market is characterized by a huge demand for cancer drugs. It is a highly fragmented market with many foreign and domestic players. The huge increase in the number of cancer cases, especially in lung cancer and breast cancer; changes in the cancer treatment scenario, development of alternative cancer therapies, increased cancer health insurance coverage and the increasing amount of foreign direct investment (FDI) is contributing to the growth of the market. The increased prevalence of cancer is primarily due to unhealthy lifestyles, and the increasing geriatric population. However, the high cost of products is hindering the market growth.

Beta has identified four pillars for sustainable future growth and build strong defensible moats in the oncology space. The four pillars are:-

1. Building compelling brand equity for leading products through strong clinical differentiation
2. Launching innovative products addressing unmet needs through novel formulation development
3. Integrated manufacturing with best-in-class quality accreditations
4. Leveraging world class Indian manufacturing infrastructure to penetrate export geographies.

Beta has been able to build a significant presence in branded oncology business in India and is ranked among the top 10 oncology companies. Many of the key products of the company are ranked among the Top 5 in their respective categories. We have built a solid credibility among prescribers of being high quality suppliers of life saving oncology formulations who have made cancer medicines affordable to large sections of the society. Going forward Beta will continue to focus on building a solid franchise in the domestic market through robust brand building initiatives focusing on patient outcomes and strong clinical differentiation

We have a large pipeline of new product launches which address the white spaces in oncology. We are on track to offer innovative products through novel formulation development to provide clinicians with better solutions and improve patient outcomes. Over the next three years Beta would be launching oncology formulations in novel NDDS platforms which would be the first of its kind in the Indian oncology market. Beta Drugs is continuously increasing its spend on R&D and is building its capabilities so as to become nimble and responsive to market needs. Beta’s R&D strengths are in developing novel molecules that are going off patent in non-infringing processes, scaling complex chemistry challenges and novel formulation development. The company is in the midst of developing new drug delivery systems, new dosage formulations and applying the latest technology for better processes. The Research centre is proficient in developing, scaling up and commercializing various dosage forms spread across tablets, capsules, oral liquids and injectables (solutions, suspensions, lyophilized, etc.)

The company has proven experience in managing complex product development including Azacitidine Oral, Ready to Use Gemcitabine & Docetaxel and Enzalutamide 160mg formulations. Its R&D expenditure almost doubled as compared to the last year. Beta has a pipeline of



## 18<sup>TH</sup> ANNUAL REPORT

## BETA DRUGS LIMITED

twenty-five Oncology molecules wherein it would be either First to Launch or among the First Few to Launch. For all these molecules the work on getting its API manufactured in-house is already in advanced stages.

We started with the API business in 2018-2019 as it was our firm belief that improving efficiency and quality are only possible if we have control over the entire supply chain. The backward integration into API has provided us with better margins, higher yields, reduced reliance on external suppliers and improved the quality of our products. Going forward API development will be core to launching of new products and maintaining market leadership in select products. We also plan to export APIs to improve the operating leverage in the API business. Beta has been allotted 14 acres land for 95 years lease in a special area allocated for API & intermediates in the vicinity of its current plants which we plan to utilize for our future expansion.

Beta's facilities were approved by INVIMA and ANVISA in 2023 and the company has now focused its efforts on accelerating product filings in Latin America. We expect to be audited by EUGMP later this year which will open markets in CIS, Russia and other developing markets. Beta is well positioned to leverage its Indian low-cost manufacturing expertise to gain traction in the above-mentioned countries and capture significant market share. We will continue to grow our exports business both in formulations and API over the next three years to become a leading supplier of high-quality oncology drugs across developing countries.

### ❖ RISK MANAGEMENT FRAMEWORK:

During the last three years, the company has increased its focus on building its innovative product pipeline in the oncology space and be ready to realize significant growth opportunities both domestically and globally. Your Company has continued to be the preferred supplier of many leading OEMS's and has been successful in expanding its approval base, adding leading players from the industry. Therefore, we expect that your Company will continue to be in a position to gradually expand its market reach and improve its market share. The Company regularly insures all its assets to enable itself in case of any mis-happening. The Company has formed a risk management team which constantly monitors the Indian and international markets and guides the management of any sort of prevailing risk to the company. The commodities prices being internationally traded are affected by the global market demand and supply forces and the dollar rate. The risk management team plays a major role here. Moreover, the industry is labour oriented and business operations of the Company may be materially affected by strikes, lock outs or work stoppage.

### ❖ SEGMENT WISE OR PRODUCT WISE PERFORMANCE:

Your company has only one segment that is trading and manufacturing of pharmaceutical products.

### ❖ OVERVIEW & OUTLOOK:

The Indian pharmaceutical industry has advanced steadily and evolved into a preferred destination for high-value pharma products and APIs for drug manufacturers worldwide. Top notch capabilities and advantageous market conditions over the last many years have ensured that India continues to be one of the most profitable pharma markets across the world. It remains an attractive destination for generic R&D and manufacturing of pharmaceuticals owing to its strong capabilities across the value chain.

Oncology drugs market is expected to grow at a fast clip across the world primarily driven by an ageing population and lifestyle changes making population susceptible to cancer. In India the Oncology drugs market is expected market to grow in double digits for the next many years to come. Therefore, Beta Drugs being a leader in the oncology segment has long runaway ahead both in terms of opportunities and growth.

Our multiple segments of revenue provide us diversification benefits and substantial financial strength. Our financial strength enables us to reinvest in two key areas: building commercial capabilities both domestic and international and building a robust pipeline while expanding our technology capabilities.

### ❖ RISK AND CONCERNS:

During the last three years, the company has increased its focus on building its innovative product pipeline in the oncology space and be ready to realize significant growth opportunities both domestically and globally. Your Company has continued to be the preferred supplier of many leading OEMS's and has been successful in expanding its approval base, adding leading players from the industry. Therefore, we expect that your Company will continue to be in a position to gradually expand its market reach and improve its market share. The Company regularly insures all its assets to enable itself in case of any mis-happening.

The Company has formed a risk management team which constantly monitors the Indian and international markets and guides the management of any sort of prevailing risk to the company. The commodities prices being internationally traded are affected by the global



# 18<sup>TH</sup> ANNUAL REPORT

## BETA DRUGS LIMITED

market demand and supply forces and the dollar rate. The risk management team plays a major role here. Moreover, the industry is labour oriented and business operations of the Company may be materially affected by strikes, lock outs or work stoppage.

### ❖ INTERNAL CONTROL SYSTEM:

The Company has in place an adequate system of internal control commensurate with its size and nature of its business. These have been designed to provide reasonable assurance that all assets are safeguarded and protected against loss from unauthorized use or disposition and that all transactions are authorized, recorded and reported correctly and the business operations are conducted as per the prescribed policies and procedures of the Company. The Audit committee and the management have reviewed the adequacy of the internal control systems and suitable steps are taken to improve the same.

### ❖ FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:

During the year, Revenue of the Company increased by 26.42% i.e. from Rs 12,570.47 lakhs to Rs 15,891.74 lakhs. Profit before tax increased by 25.04% i.e. from Rs. 2,016.16 lakhs to Rs.2,520.95 lakhs. Profit after tax increased by 32.07% i.e. from Rs. 1424.65 lakhs to Rs.1881.61 lakhs.

### ❖ HUMAN RESOURCES DEVELOPMENT AND INDUSTRIAL RELATIONS:

Your Company firmly believes that its human resources are the key enablers for the growth of the Company and important asset. Hence, the success of the Company is closely aligned to the goals of the human resources of the Company. Taking into this account, your Company continued to Invest in developing its human capital and establishing its brand on the market to attract and retain the best talent. Employee relations during the period under review continued to be healthy, cordial and harmonious at all levels and your Company is committed to maintain good relations with the employees.

### ❖ KEY FINANCIAL RATIOS:

Following are ratios for the current financial year and their comparison with preceding financial year:

Sr. No.	Ratios	As at March 31, 2023	As at March 31, 2022	Variance	Explanation for any change in the ratio by more than 25% as compared to the preceding year
1	Debtor Turnover	4.21	4.79	-11.99%	-
2	Inventory turnover	8.91	10.25	-13.03%	-
3	Interest coverage ratio	31.13	49.91	-37.62%	Due to increase in interest expenses by 2 times while EBITDA has increased by 1.27 times.
4	Current Ratio	2.70	2.43	11.23%	-
5	Debt-Equity Ratio	0.05	0.09	-36.09%	Due to increase in reserves by Rs. 18.79 crores.
6	Operating Profit Margin(%)	16.50%	16.48%	0.11%	-
7	Net Profit Margin (%)	11.92%	11.41%	4.44%	-

- Return on Net worth in financial year 2022-23 is 19.55% whereas it was 18.39% in the previous year, there is a variance of 6.29%, this is due to increase in net profit by 32.08% whereas the reserves has only being increased by 24.26%.

### ❖ CAUTIONARY STATEMENT:

Statement in this Management Discussion and Analysis Report, describing the Company's objectives, estimates and expectations may constitute 'Forward Looking Statements' within the meaning of applicable laws or regulations. Actual results might differ materially from those either expressed or implied.

Dated: 01.09.2023

Place: Panchkula

By Order of the Board of Directors

sd/-  
Rahul Batra  
Chairman & Managing Director  
(DIN: 02229234)



# **STANDALONE FINANCIAL**

## **STATEMENTS**

### **OF**

### **“BETA DRUGS LIMITED”**

### **FOR THE FINANCIAL YEAR**

**2022-23**

KALRA RAI & ASSOCIATES  
CHARTERED ACCOUNTANTS

Head Office: Kothi No. 667, 1<sup>st</sup> floor, Sector-43-A  
Chandigarh-160022

## Independent Auditors' Report

Members of Beta Drugs Limited

### Report on the Standalone Financial Statements

We have audited the accompanying standalone Ind-AS financial statements of Beta Drugs Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these standalone Ind-AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind-AS) specified under Section 133 of the Act., read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind-AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind-AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit of the standalone Ind-AS financial statements in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind-AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind-AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind-AS financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the standalone Ind-AS financial statements give the information required by 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 March 31, 2023, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2016 ('the Order') issued by the Central Government of India in terms of subsection (11) of Section 143 of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. 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 purpose 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, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the aforesaid standalone Ind-AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- e. On the basis of written representations received from the directors as on March 31, 2023, and taken on record by the Board of Directors, none of the Director is disqualified as on March 31, 2023, 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 over financial reporting of the Company and the operating effectiveness of such controls, refers to our separate Report in "Annexure B";
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2020, 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 on its financial position in its financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There has been no amounts available which is required to be transferred, to the Investor Education and Protection Fund by the Company;

**Place:- Chandigarh**  
**Date: 08/05/2023**  
**UDIN:23087438BGVHEH8160**

**For KALRA RAI & ASSOCIATES**

**Chartered Accountants**

**Sd/-**  
**(Lajpat Rai Kalra)**  
**Partner**  
**M. No- 087438**  
**FRN: 008859N**

## **CARO**

### **Annexure 1 referred to in paragraph 1 of our report of even date**

#### **Re: Beta Drugs Limited ('the Company')**

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a program of physical verification of Property, Plant and Equipment so to cover all the assets once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) Based on our examination of the property tax receipts and lease agreement for land on which building is constructed, registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title in respect of self-constructed buildings and title deeds of all other immovable properties, disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.

(d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii. (a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals, except goods-in-transit. The coverage and procedure adopted by the Management is appropriate according to the size and scale of the Company. No discrepancies of 10% or more were observed in any class of inventories.

(b) The Company has been previously sanctioned working capital limits of Rs. 10 crores, in aggregate, from banks or financial institutions and the monthly statements filed by the Company with such banks or financial institutions are in agreement with the books of accounts of the Company

iii. The Company has made investments in and granted unsecured loans, to companies or any other parties during the year, in respect of which:

(a) The Company has provided loans during the year and details of which are given below:

	<b>Loan (Rs. in lakhs)</b>
<b>A. Aggregate amount granted / provided during the year:</b>	
- Subsidiaries	47.50

- Others	0.00
B. Balance outstanding as at balance sheet date:*	
- Subsidiaries	484.69
- Others	0.00

\* The amounts reported are at gross amounts, without considering provisions made.

The Company has not provided any advances in nature of loan, guarantee or security to Subsidiaries or any other parties during the year.

(b) In our opinion, the investments made and the terms and conditions of the grant of loans, during the year are, prima facie, not prejudicial to the Company's interest.

(c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are generally been regular as per stipulation.

(d) In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

(e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(f) The Company has granted Loans which are repayable on demand details of which are given below:

	<b>(Rs. in lakhs)</b>		
	<b>All Parties*</b>	<b>Related Parties*</b>	<b>Others*</b>
Aggregate of loans/advances in nature of loans - Repayable on demand (A)	47.50	47.50	-
Percentage of loans/advances in nature of loans to the total loans	100%	100%	-

iv. The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.

v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

vi. The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.

vii. In respect of statutory dues:

- (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities except advance tax. There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

- (b) Disputed Income tax demand amounting to Rs. 12,122/- for A.Y 2020-21 and Rs. 90,64,680/- for A.Y 2021-22 is outstanding and appeal filed against the same is under process as on 31.03.2023. The said demand was raised by the department on account of non-compliance of notice u/s 133(6) issued to the third parties, however, the said third parties had duly filed the response to the notices received by them. The company has filed an appeal providing acknowledgements of the replies filed by those third parties.
- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. (a) The Company has not defaulted in repayment of loans or other borrowings or in payment of interest thereon to any lender.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) According to the explanations provided by the Company and overall examination of the financial statements of the Company, the term loans were prima facie applied for the purpose for which they were obtained.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) The Company has not received any whistle-blower complaints during the year.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.



xv. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b), (c) and (d) of the Order is not applicable.

xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors of the Company during the year.

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of paragraph 3 of the order is not applicable for the year.

**Place:- Chandigarh**  
**Date: 08/05/2023**  
**UDIN:23087438BGVHEH8160**

**For KALRA RAI & ASSOCIATES**

**Chartered Accountants**

**Sd/-**  
**(Lajpat Rai Kalra)**  
**Partner**  
**M. No- 087438**  
**FRN: 008859N**

## **“ANNEXURE-B” TO THE AUDITORS’ REPORT**

**Referred to in Paragraph 7 of Our Report of Even Date**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of **Beta Drugs Limited** (“the Company”) as of 31 March 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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 (“the Guidance Note”) issued by the Institute of Chartered Accountants of India (‘ICAI’). 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 (“the Act”).

#### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (“the Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 over financial reporting was established and maintained and if 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 auditor’s judgment, including the assessment of the risks of material misstatement of the 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 system over financial reporting.

#### **Meaning of Internal Financial Controls over Financial Reporting**

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 control over financial reporting 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 over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2023, based on the internal control over financial reporting 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.

**Place:- Chandigarh**  
**Date: 08/05/2023**  
**UDIN:23087438BGVHEH8160**

**For KALRA RAI & ASSOCIATES**

**Chartered Accountants**

**Sd/-**  
**(Lajpat Rai Kalra)**  
**Partner**  
**M. No- 087438**  
**FRN: 008859N**

<b>BETA DRUGS LIMITED</b> <b>VILLAGE NANDPUR, BADDI, SOLAN 174101</b> <b>CIN: L24230HP2005PLC028969</b> <b>BALANCE SHEET AS AT 31 March' 2023</b>				
	Particulars	Note No.	As at 31 March' 2023	As at 31 March' 2022
			Amount in Rs. Lakhs	Amount in Rs. Lakhs
<b>A</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>Shareholders' funds</b>			
	(a) Share capital	1	961.38	961.38
	(b) Reserves and surplus	2	8,664.14	6,784.78
	(c) Money received against share warrants		-	-
			<b>9,625.52</b>	<b>7,746.16</b>
<b>2</b>	<b>Share application money pending allotment</b>		-	-
<b>3</b>	<b>Non-current liabilities</b>			
	(a) Long-term borrowings	3	372.88	515.08
	(b) Deferred tax liabilities (net)		-	-
	(c) Other long-term liabilities	5 (a)	150.50	143.94
	(d) Long-term provisions	5 (b)	108.12	99.86
			<b>631.50</b>	<b>758.88</b>
<b>4</b>	<b>Current liabilities</b>			
	(a) Short-term borrowings		-	-
	(b) Trade payables	6	2,321.25	1,966.29
	(c) Other current liabilities	7	531.94	424.63
	(d) Short-term provisions	4 (a)	294.28	193.75
			<b>3,147.48</b>	<b>2,584.67</b>
	<b>TOTAL</b>		<b>13,404.49</b>	<b>11,089.71</b>
<b>B</b>	<b>ASSETS</b>			
<b>1</b>	<b>Non-current assets</b>			
	(a) Property, Plant and Equipment and Intangible assets			
	(i) Property, Plant and Equipment	8	3,324.87	3,292.14
	(ii) Intangible assets	8	152.31	113.57
	(iii) Capital work-in-progress	8	-	-
	(iv) Intangible assets under development		-	-
	(v) Fixed assets held for sale		-	-
			<b>3,477.18</b>	<b>3,405.71</b>
	(b) Non-current investments	9	655.30	654.30
	(c) Deferred tax assets (net)	4	89.23	60.18
	(d) Long-term loans and advances	10 (a)	677.72	688.84
	(e) Other non-current assets	10 (b)	5.00	5.00
			<b>1,427.25</b>	<b>1,408.33</b>
<b>2</b>	<b>Current assets</b>			
	(a) Current investments		-	-
	(b) Inventories	11	1,366.35	847.02
	(c) Trade receivables	12	4,359.48	3,135.42
	(d) Cash and cash equivalents	13	1,779.41	1,558.07
	(e) Short-term loans and advances	14	285.01	190.25
	(f) Other current assets	15	709.82	544.92
			<b>8,500.07</b>	<b>6,275.67</b>
	<b>TOTAL</b>		<b>13,404.49</b>	<b>11,089.71</b>
	<b>See accompanying notes forming part of the financial statements</b>	24 & 25		
In terms of our report attached.				
For KALRA RAI AND ASSOCIATES		For and on the behalf of the Board of Directors		
Chartered Accountants				
(FRN: 008859N)				
Sd/-		Sd/-	Sd/-	Sd/-
LAJPAT RAI KALRA		NIPUN ARORA	RAJNI BRAR	VARUN BATRA
Partner		C.F.O	C.S.	DIRECTOR
MEMBERSHIP NO. 087438				DIN: 02148383
UDIN: 23087438BGVHEH8160				RAHUL BATRA
Place : Chandigarh				MANAGING DIRECTOR
Date : 08/05/2023				DIN: 02229234

BETA DRUGS LIMITED VILLAGE NANDPUR, BADDI, SOLAN 174101 CIN: L24230HP2005PLC028969 STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31 March' 2023				
Particulars		Note No.	As at 31 March' 2023	As at 31 March' 2022
			Amount in Rs. Lakhs	Amount in Rs. Lakhs
A	CONTINUING OPERATIONS			
1	Revenue from operations (gross)	16	15,787.46	12,484.68
	Less: Excise duty		-	-
	Revenue from operations (net)		15,787.46	12,484.68
2	Other income	17	104.28	85.79
3	Total revenue (1+2)		15,891.74	12,570.47
4	Expenses			
	(a) Cost of materials consumed	18	8,646.84	6,986.32
	(b) Purchases of stock-in-trade		-	-
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	19	-316.95	86.09
	(d) Other manufacturing expenses	20	1,535.57	1,212.36
	(d) Employee benefits expense	21	1,342.08	872.47
	(e) Finance costs	22	83.66	41.22
	(f) Depreciation and amortisation expense	8	619.48	546.78
	(g) Other expenses	23	1,460.11	809.07
	Total expenses		13,370.79	10,554.31
5	Profit / (Loss) before exceptional and extraordinary items and		2,520.95	2,016.16
6	Exceptional items		-	-
7	Profit / (Loss) before extraordinary items and tax (5 ± 6)		2,520.95	2,016.16
8	Extraordinary items/Prior period items		-	-
9	Profit / (Loss) before tax (7 ± 8)		2,520.95	2,016.16
10	Tax expense:			
	(a) Current tax expense for current year		668.39	615.06
	(b) (Less): MAT credit (where applicable)		-	-
	(c) Tax expense relating to prior years		-	-
	(d) Net current tax expense		668.39	615.06
	(e) Deferred tax		-29.05	-23.54
			639.34	591.52
11	Profit / (Loss) from continuing operations (9 ±10)		1,881.61	1,424.65
B	DISCONTINUING OPERATIONS			
12	Profit / (Loss) from discontinuing operations (B.i ± B.ii ± B.iii)		-	-
C	TOTAL OPERATIONS		1,881.61	1,424.65
13	Profit / (Loss) for the year (11 ± 12)		1,881.61	1,424.65
14	Earnings per share (of Rs. 10/- each):			
	(a) Basic			
	(i) Continuing operations		19.57	14.82
	(ii) Total operations		19.57	14.82
	(b) Diluted			
	(i) Continuing operations		19.57	14.82
	(ii) Total operations		19.57	14.82
	See accompanying notes forming part of the financial statements	24 & 25		
In terms of our report attached.				
For KALRA RAI AND ASSOCIATES		For and on the behalf of the Board of Directors		
Chartered Accountants				
(FRN: 008859N)				
Sd/-		Sd/-	Sd/-	Sd/-
LAJPAT RAI KALRA		NIPUN ARORA	RAJNI BRAR	VARUN BATRA
Partner		C.F.O	C.S.	DIRECTOR
MEMBERSHIP NO. 087438		DIN: 02148383		DIN: 02229234
UDIN: 23087438BGVHEH8160				
Place : Chandigarh				
Date : 08/05/2023				

<b>BETA DRUGS LIMITED</b> <b>VILLAGE NANDPUR, BADDI, SOLAN 174101</b> <b>CIN: L24230HP2005PLC028969</b> <b>CASHFLOW STATEMENT FOR THE PERIOD ENDED 31 March' 2023</b>			
Particulars		As at 31 March' 2023	As at 31 March' 2022
		Amount in Rs. Lakhs	Amount in Rs. Lakhs
<b>A</b>	<b>CASHFLOW FROM OPERATING ACTIVITIES</b>		
	Net Profit before tax and extraordinary items(as per Statement of Profit & Loss)	2,520.95	2,016.16
	Adjustments for non Cash/Non trade items:		
	Depreciation & Amortization Expenses	619.48	546.78
	Finance Cost	83.66	41.22
	Interest received	(98.84)	(63.31)
	Other inflows/(outflows) of cash	(561.84)	(213.21)
	<b>Operating profits before Working Capital Changes</b>	<b>2,563.41</b>	<b>2,327.64</b>
	<b>Adjusted For:</b>		
	(Increase)/Decrease in trade receivables	(1,224.06)	(1,054.62)
	Increase/(Decrease) in trade payables	354.97	641.90
	(Increase)/Decrease in inventories	(519.33)	(77.51)
	Increase/(Decrease) in other current liabilities	107.31	95.76
	(Increase)/Decrease in short term loans and advances	(94.75)	8.87
	(Increase)/Decrease in other current assets	(164.91)	(65.78)
	<b>Working Capital Changes</b>	<b>(1,540.77)</b>	<b>(451.39)</b>
	<b>Net cashflow from Operating Activities (A)</b>	<b>1,022.64</b>	<b>1,876.25</b>
<b>B</b>	<b>CASHFLOW FROM INVESTING ACTIVITIES</b>		
	Purchase of tangible/intangible assets	(690.95)	(961.13)
	Sale of Tangible Assets	-	-
	Interest received	98.84	63.31
	Cash used for Non Current Investment	(1.00)	-
	Cash used for Long Term Loans/ Advances	11.13	(373.97)
	<b>Net cash used in Investing Activities (B)</b>	<b>(581.99)</b>	<b>(1,271.79)</b>
<b>C</b>	<b>CASHFLOW FROM FINANCING ACTIVITIES</b>		
	Finance Cost	(83.66)	(41.22)
	Increase in/(Repayment) of Short term Borrowings	-	(50.09)
	Increase in/(Repayment) of Long term Borrowings	(135.65)	218.30
	Increase/ (Decrease) in Share capital	-	-
	Increase/ (Decrease) in Share premium	-	-
	Other Inflows/ (Outflows) of cash	-	-
	<b>Net cash used in Financing Activities (C)</b>	<b>(219.31)</b>	<b>126.98</b>
<b>D</b>	<b>Net Increase/(Decrease) in cash &amp; cash equivalents (A+B+C)</b>	<b>221.34</b>	<b>731.45</b>
<b>E</b>	Cash & Cash equivalents at beginning of period	1,558.07	826.62
<b>F</b>	Cash & Cash equivalents at end of period	1,779.41	1,558.07
<b>G</b>	<b>Net Increase/(Decrease) in cash &amp; cash equivalents (F-E)</b>	<b>221.34</b>	<b>731.45</b>
In terms of our report attached.			
For KALRA RAI AND ASSOCIATES		For and on the behalf of the Board of Directors	
Chartered Accountants			
(FRN: 008859N)			
Sd/-	Sd/-	Sd/-	Sd/-
LAJPAT RAI KALRA	NIPUN ARORA	RAJNI BRAR	VARUN BATRA
Partner	C.F.O	C.S.	DIRECTOR
MEMBERSHIP NO. 087438			DIN: 02148383
UDIN: 23087438BGVHEH8160			RAHUL BATRA
Place : Chandigarh			MANAGING DIRECTOR
Date : 08/05/2023			DIN: 02229234



**BETA DRUGS LIMITED**  
**Notes forming part of the financial statements**

**Note 1 Share capital**

Particulars	As at 31 March' 2023		As at 31 March' 2022	
	Number of shares	Amount in Rs. Lakhs	Number of shares	Amount in Rs. Lakhs
(a) Authorised	1,00,00,000.00	1,000.00	1,00,00,000.00	1,000.00
- Equity shares of Rs. 10 each	-	-	-	-
(b) Issued				
- Equity shares of Rs. 10 each	96,13,790.00	961.38	96,13,790.00	961.38
	<b>96,13,790.00</b>	<b>961.38</b>	<b>96,13,790.00</b>	<b>961.38</b>
(c) Subscribed and fully paid up				
- Equity shares of Rs.10 each	96,13,790.00	961.38	96,13,790.00	961.38
	<b>96,13,790.00</b>	<b>961.38</b>	<b>96,13,790.00</b>	<b>961.38</b>
(d) Subscribed but not fully paid up	-	-	-	-
	-	-	-	-
<b>Total</b>	<b>96,13,790.00</b>	<b>961.38</b>	<b>96,13,790.00</b>	<b>961.38</b>

Note 1(a) Reconciliation of number of shares outstanding is set out below:

Particulars	Equity Shares March' 2023		Equity Shares March' 2022	
	Number	Amount in (Rs. Lakhs)	Number	Amount in (Rs. Lakhs)
Shares outstanding at the beginning of the year	96,13,790.00	961.38	96,13,790.00	961.38
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	96,13,790.00	961.38	96,13,790.00	961.38

Note 1(b) Shares held by promoters at the end of the year 31st March 2023

Name of Shareholder	As at 31 March' 2023		
	No. of Shares held	% of Holding	% Changes
Mrs. Neeraj Batra	63,41,663.00	65.96%	0.28%
Mr. Varun Batra	33,230.00	0.35%	
Mr. Rahul Batra	39,650.00	0.41%	0.02%
Mrs. Heena Batra	590.00	0.01%	
Mrs. Aditi Batra	590.00	0.01%	

Note 1(b) Shares held by promoters at the end of the year 31st March 2022

Name of Shareholder	As at 31 March' 2022		
	No. of Shares held	% of Holding	% Changes
Mr. Vijay Kumar Batra	63,14,828.00	65.69%	
Mr. Varun Batra	33,230.00	0.35%	
Mr. Rahul Batra	37,250.00	0.39%	0.03%
Mrs. Neeraj Batra	26,835.00	0.28%	
Mrs. Heena Batra	590.00	0.01%	
Mrs. Aditi Batra	590.00	0.01%	

Note 1(c) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31 March' 2023		As at 31 March' 2022	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Mrs. Neeraj Batra	63,41,663.00	65.96%		
Mr. Vijay Kumar Batra			63,14,828	65.69%

<b>BETA DRUGS LIMITED</b>		
<b>Notes forming part of the financial statements</b>		
<b>Note 2 Reserves and surplus</b>		
<b>Particulars</b>	<b>As at 31 March' 2023</b>	<b>As at 31 March' 2022</b>
	<b>Amount in Rs. Lakhs</b>	<b>Amount in Rs. Lakhs</b>
(a) Capital reserve		
Opening balance	-	-
Closing balance	-	-
(b) Securities premium account		
Opening balance	2,394.01	2,394.01
Closing balance	2,394.01	2,394.01
(c) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	4,390.77	2,986.30
	4,390.77	2,986.30
Add: Profit / (Loss) for the year	1,881.61	1,424.65
Less: Excess MAT Credit	-	20.17
Less: Provision for Tax Last Year Adj	2.25	-
Closing balance	<b>6,270.13</b>	<b>4,390.77</b>
<b>Total</b>	<b>8,664.14</b>	<b>6,784.78</b>
<b>Note 3 Long-term borrowings</b>		
<b>Particulars</b>	<b>As at 31 March' 2023</b>	<b>As at 31 March' 2022</b>
	<b>Amount in Rs. Lakhs</b>	<b>Amount in Rs. Lakhs</b>
<b>Term loans</b>		
<b>From banks</b>		
<b>Secured</b>		
HDFC Bank (Covid WCTL)	8.31	36.96
SIDBI ( Machinery Loan -1)	17.47	32.23
SIDBI ( Machinery Loan -2)	37.40	126.20
HDFC ( Machinery Loan)	28.95	-
HDFC Bank Car Loan	23.54	-
SIDBI (Covid WCTL)	130.00	130.00
SIDBI ( Machinery Loan)	91.60	137.20
Axis Bank (Vehicle Loan)	35.61	52.50
	<b>372.88</b>	<b>515.08</b>
<b>From other parties</b>		
Unsecured ( From Related Parties)	-	-
Secured	-	-
<b>Total - A</b>	-	-
Unsecured ( From Unrelated Parties)	-	-
<b>Total - B</b>	-	-
	-	-
	-	-
<b>The Above Amount Includes</b>		
Secured Borrowings	<b>372.88</b>	<b>515.08</b>
Unsecured Borrowings	-	-
<b>Total</b>	<b>372.88</b>	<b>515.08</b>

BETA DRUGS LIMITED						
Notes forming part of the financial statements						
Notes: Long-term borrowings						
Particulars	As at 31 March' 2023			As at 31 March' 2022		
	Amount in Rs. Lakhs			Amount in Rs. Lakhs		
	Non- Current	Current Maturities	Total	Non- Current	Current Maturities	Total
<b>Term loans</b>						
<b>From banks</b>						
<b>Secured</b>						
HDFC Bank (Covid WCTL)	8.31	28.98	37.29	36.96	26.95	63.90
SIDBI ( Machinery Loan-1)	17.47	14.76	32.23	32.23	14.76	46.99
SIDBI ( Machinery Loan-2)	37.40	88.80	126.20	126.20	88.80	215.00
HDFC Bank (Car Loan)	23.54	11.54	35.08	-	-	-
SIDBI (Covid WCTL)	130.00	-	130.00	130.00	-	130.00
SIDBI ( Machinery Loan)	91.60	45.60	137.20	137.20	22.80	160.00
HDFC ( Machinery Loan)	28.95	15.68	44.63	-	-	-
Axis Bank Vehicle Loan	35.61	16.89	52.50	52.50	15.74	68.23
	<b>372.88</b>	<b>222.25</b>	<b>595.13</b>	<b>515.08</b>	<b>169.04</b>	<b>684.13</b>
<b>From other parties</b>						
Unsecured ( From Related Parties)	-	-	-	-	-	-
Secured	-	-	-	-	-	-
<b>Total - A</b>	-	-	-	-	-	-
Unsecured ( From Unrelated Parties)	-	-	-	-	-	-
<b>Total - B</b>	-	-	-	-	-	-
	-	-	-	-	-	-
<b>The Above Amount Includes</b>						
Secured Borrowings	<b>372.88</b>	<b>222.25</b>	<b>595.13</b>	<b>515.08</b>	<b>169.04</b>	<b>684.13</b>
Unsecured Borrowings	-	-	-	-	-	-
Amount disclosed under "Other Current Liabilities"		<b>-222.25</b>	<b>-222.25</b>		<b>-169.04</b>	<b>-169.04</b>
<b>Total</b>	<b>372.88</b>	<b>-</b>	<b>372.88</b>	<b>515.08</b>	<b>-</b>	<b>515.08</b>

**BETA DRUGS LIMITED**  
Notes forming part of the financial statements

**BETA DRUGS LIMITED**  
**Note 4 Deferred Tax**

Particulars	As at 31 March' 2023	As at 31 March' 2022
	Amount in Rs. Lakhs	Amount in Rs. Lakhs
<b>Deferred tax assets</b>		
Deferred tax on depreciation	25.53	11.31
Deferred tax on provision of gratuity	2.08	5.78
Deferred tax on provision of bonus	1.44	6.45
		-
Less: Deferred tax liability opening	60.18	36.64
<b>Net Deferred tax liabilities/assets</b>	<b>-89.23</b>	<b>-60.18</b>

**Note 4 (a) Current tax Provision**

Particulars	As at 31 March' 2023	As at 31 March' 2022
	Amount in Rs. Lakhs	Amount in Rs. Lakhs
Current Year Tax	668.39	615.06
Less :- MAT Credit Utilised	-	-225.52
Less :- Advance Tax Including TDS	-374.11	-195.79
<b>Short term Provision</b>	<b>294.28</b>	<b>193.75</b>
<b>Net Current Tax provision</b>	<b>294.28</b>	<b>193.75</b>

**BETA DRUGS LIMITED**  
**Note 5 (a) Other long-term liabilities**

Particulars	As at 31 March' 2023	As at 31 March' 2022
	Amount in Rs. Lakhs	Amount in Rs. Lakhs
Others:		
(i) Payables on purchase of fixed assets	88.89	132.98
(ii) Security received from customers	61.61	10.96
<b>Total</b>	<b>150.50</b>	<b>143.94</b>

**Note 5 (b) Long Term-provisions**

Particulars	As at 31 March' 2023	As at 31 March' 2022
	Amount in Rs. Lakhs	Amount in Rs. Lakhs
(a) Provision for Gratuity	108.12	99.86
<b>Total</b>	<b>108.12</b>	<b>99.86</b>

<b>Note 6 Trade payables</b>		
Particulars	As at 31 March' 2023	As at 31 March' 2022
	Amount in Rs. Lakhs	Amount in Rs. Lakhs
Trade payables:		
Micro Enterprises And Small Enterprises	1,460.36	1,159.42
Others	860.89	806.87
<b>Total</b>	<b>2,321.25</b>	<b>1,966.29</b>

# **BETA DRUGS LIMITED**

## **Note 6 (a) Trade payables ageing Schedule As at 31st March'2023**

Particulars	Outstanding for following periods from				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	1,459.74	0.62	-	-	1,460.36
(ii) Others	860.89	-	-	-	860.89
(iii) Disputed Dues- MSME	-	-	-	-	-
(iv) Disputed Dues- Others	-	-	-	-	-

## **Note 6 (b) Trade payables ageing Schedule As at 31st March'2022**

Particulars	Outstanding for following periods from				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	1,159.42	-	-	-	1,159.42
(ii) Others	806.81	0.06	-	-	806.87
(iii) Disputed Dues- MSME	-	-	-	-	-
(iv) Disputed Dues- Others	-	-	-	-	-

<b>BETA DRUGS LIMITED</b>		
<b>Note 7 Other current liabilities</b>		
Particulars	As at 31 March' 2023	As at 31 March' 2022
	Amount in Rs. Lakhs	Amount in Rs. Lakhs
(a) Other payables	284.69	220.93
(i) Current Maturities of Long Term Debt ( Note No. 3)	222.25	169.04
(b) Cheque issued yet not presented for Payment	13.62	27.46
Advances From Customers	11.38	7.20
<b>Total</b>	<b>531.94</b>	<b>424.63</b>
<b>Note 7 (a) Other Payables</b>		
Particulars	As at 31 March' 2023	As at 31 March' 2022
	Amount in Rs. Lakhs	Amount in Rs. Lakhs
PF Payable	12.38	8.58
ESI payable	0.70	0.72
Labour Welfare Payable	0.25	-
TDS/TCS payable	17.60	16.96
Interest Accrued But Not Due	4.13	2.67
Salary & wages Payable	135.73	104.25
Other Creditors	86.06	65.61
Bonus Payable	27.85	22.15
<b>Total</b>	<b>284.69</b>	<b>220.93</b>

Note No. 8 Property, Plant and Equipment and Intangible assets as at 31st March'2023														
Assets				Gross Block				Accumulated Depreciation/ Amortisation				Net Block		
		Useful Life (in Years)	Shift	Balance as at 1st April 2022	Additions during the year	Addition on account of business acquisition	Deletion during the year	Balance as at 31st March 2023	Balance as at 1st April 2022	Provided during the year	Deletion / adjustments during the year	Balance as at 31st March 2023	Balance as at 31st March 2023	Balance as at 31st March 2022
<b>A</b>	<b>Property, Plant and Equipment</b>													
	<b>Own Assets</b>													
	LAND		Single	159.09	-	-	-	159.09	-	-	-	-	159.09	159.09
	BUILDING	30	Single	1,535.96	110.08	-	-	1,646.04	390.31	112.37	-	502.68	1,143.37	1,145.65
	PLANT AND MACHINERY	15	Single	2,676.94	406.12	-	149.38	2,933.68	1,057.96	339.92	86.00	1,311.88	1,621.79	1,618.98
	FURNITURE AND FIXTURES	10	Single	91.85	71.08	-	5.35	157.58	37.81	19.80	4.80	52.81	104.77	54.04
	COMPUTER	3	Single	54.70	13.52	-	0.40	67.82	38.97	12.62	0.38	51.21	16.61	15.73
	VEHICLE	8	Single	330.63	59.21	-	-	389.84	209.61	46.12	-	255.74	134.10	121.02
	ELECTRICAL EQUIPMENTS	5	Single	126.93	20.28	-	1.40	145.81	80.45	22.88	1.27	102.06	43.76	46.48
	LAB EQUIPMENTS	10	Single	78.92	1.73	-	0.35	80.30	52.46	7.03	0.31	59.18	21.12	26.46
	R&D LAB BUILDING	30	Single	12.90	-	-	-	12.90	2.59	0.98	-	3.57	9.33	10.31
	R&D LAB EQUIPMENTS	10	Single	169.48	1.19	-	-	170.67	76.45	24.29	-	100.74	69.93	93.03
	R&D LAB FURNITURE	10	Single	2.62	-	-	-	2.62	1.27	0.35	-	1.62	1.00	1.34
	<b>Total (A)</b>			<b>5,240.01</b>	<b>683.21</b>	-	<b>156.88</b>	<b>5,766.34</b>	<b>1,947.87</b>	<b>586.36</b>	<b>92.76</b>	<b>2,441.48</b>	<b>3,324.87</b>	<b>3,292.14</b>
	<b>P.Y Total</b>			<b>4,244.11</b>	<b>1,097.26</b>	-	<b>101.36</b>	<b>5,240.01</b>	<b>1,499.47</b>	<b>528.24</b>	<b>79.84</b>	<b>1,947.87</b>	<b>3,292.14</b>	<b>2,744.64</b>
<b>B</b>	<b>Capital work in progress</b>													
	BUILDING							-	-	-	-	-	-	-
	PLANT AND MACHINERY							-	-	-	-	-	-	-
	SOFTWARE DEVELOPMENT							-	-	-	-	-	-	-
	R&D Lab Building							-	-	-	-	-	-	-
	R&D Lab Equipment							-	-	-	-	-	-	-
	R&D Lab Furniture							-	-	-	-	-	-	-
	<b>Total (B)</b>			<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>P.Y Total</b>			<b>190.29</b>	<b>534.88</b>	-	<b>725.17</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>190.29</b>
<b>C</b>	<b>Intangible Assets</b>													
	Registration Fee			125.13	71.86	-	-	196.99	31.96	28.90	-	60.86	136.13	93.17
	Software			21.09	-	-	-	21.09	0.69	4.22	-	4.91	16.18	20.40
	<b>Total (C)</b>			<b>146.22</b>	<b>71.86</b>	-	<b>-</b>	<b>218.08</b>	<b>32.65</b>	<b>33.12</b>	<b>-</b>	<b>65.77</b>	<b>152.31</b>	<b>113.57</b>
	<b>P.Y Total</b>			<b>70.55</b>	<b>75.68</b>	-	<b>-</b>	<b>146.22</b>	<b>14.11</b>	<b>18.54</b>	<b>-</b>	<b>32.65</b>	<b>113.57</b>	<b>56.44</b>
	<b>Current Year Total (A+B+C)</b>			<b>5,386.24</b>	<b>755.07</b>	-	<b>156.88</b>	<b>5,984.43</b>	<b>1,980.53</b>	<b>619.48</b>	<b>92.76</b>	<b>2,507.25</b>	<b>3,477.18</b>	<b>3,405.71</b>
	<b>Previous Year Total</b>			<b>4,504.95</b>	<b>1,707.82</b>	-	<b>826.53</b>	<b>5,386.24</b>	<b>1,513.58</b>	<b>546.78</b>	<b>79.84</b>	<b>1,980.53</b>	<b>3,405.71</b>	<b>2,991.36</b>



<b>BETA DRUGS LIMITED</b>		
<b>Note 9 Non Current investments</b>		
Particulars	As at 31 March' 2023	As at 31 March' 2022
	Amount in Rs. Lakhs	Amount in Rs. Lakhs
Investment In Beta UBK International Pvt. Ltd. ( Uzbekistan)	77.90	77.90
Investment In Adley Formulation Pvt. Ltd. ( Wholly Owned Subsidiary)	126.00	126.00
Investment In Adley Lab Ltd. ( Wholly Owned Subsidiary)	450.40	450.40
Investment in Beta Research Pvt. Ltd. ( Wholly Owned Subsidiary)	1.00	-
<b>Total</b>	<b>655.30</b>	<b>654.30</b>
<b>Note 10 (a) Long-term loans and advances</b>		
Particulars	As at 31 March' 2023	As at 31 March' 2022
	Amount in Rs. Lakhs	Amount in Rs. Lakhs
<b>Security Deposit</b>		
Secured, considered good	82.40	50.15
	<b>82.40</b>	<b>50.15</b>
<b>Others</b>		
Capital Advances	110.63	235.11
<b>loan and advances to related parties</b>		
Unsecured, considered good		
Adley Lab Ltd.	198.46	139.20
Adley Formulations Pvt. Ltd.	286.23	264.38
<b>Total</b>	<b>677.72</b>	<b>688.84</b>
<b>Note 10 (b) Other Non Current Assets</b>		
Particulars	As at 31 March' 2023	As at 31 March' 2022
	Amount in Rs. Lakhs	Amount in Rs. Lakhs
Amount deposited with Approved Gratuity Fund	5.00	5.00
<b>Total</b>	<b>5.00</b>	<b>5.00</b>
<b>Note 11 Inventories</b>		
Particulars	As at 31 March' 2023	As at 31 March' 2022
	Amount in Rs. Lakhs	Amount in Rs. Lakhs
(Valued at cost or NRV unless otherwise stated)		
(a) Finished goods (other than those acquired for trading)	361.45	246.99
(b) Raw Material	293.74	189.92
(c) WIP	381.40	178.90
(d) Others	329.76	231.20
<b>Total</b>	<b>1,366.35</b>	<b>847.02</b>
<b>Note 12 Trade receivables</b>		
Particulars	As at 31 March' 2023	As at 31 March' 2022
	Amount in Rs. Lakhs	Amount in Rs. Lakhs
<b>Exceeding six months</b>		
Secured, considered good	560.54	484.20
<b>Total</b>	<b>560.54</b>	<b>484.20</b>
<b>Less than six months</b>		
Secured, considered good	3,798.94	2,651.23
<b>Total</b>	<b>3,798.94</b>	<b>2,651.23</b>
<b>Grand Total</b>	<b>4,359.48</b>	<b>3,135.42</b>

**BETA DRUGS LIMITED****Note 12 (a) Trade receivables ageing Schedule As at 31st March'2023**

Particulars	Outstanding for following periods from					
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	3,798.94	21.86	165.86	78.20	206.21	<b>4,271.07</b>
(ii) Undisputed Trade receivables - considered doubtful	-	-	-	-	-	-
(iii) Disputed trade receivables considered good	-	-	-	-	-	-
(iv) Disputed trade receivables considered doubtful	-	15.01	22.62	25.87	24.90	<b>88.41</b>

**Note 12 (b) Trade receivables ageing Schedule As at 31st March'2022**

Particulars	Outstanding for following periods from					
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	2,651.23	167.66	84.88	7.47	172.51	<b>3,083.75</b>
(ii) Undisputed Trade receivables - considered doubtful	-	-	-	-	-	-
(iii) Disputed trade receivables considered good	-	-	-	-	-	-
(iv) Disputed trade receivables considered doubtful	-	0.90	25.87	15.51	9.39	<b>51.67</b>

<b>BETA DRUGS LIMITED</b>		
<b>Note 13 Cash and cash equivalents</b>		
<b>Particulars</b>	<b>As at 31 March' 2023</b>	<b>As at 31 March' 2022</b>
	<b>Amount in Rs. Lakhs</b>	<b>Amount in Rs. Lakhs</b>
<b>CASH ON HAND</b>		
(a) Cash on hand	9.91	10.74
Balance with Imprest a/c	3.92	3.29
<b>Total</b>	<b>13.82</b>	<b>14.03</b>
<b>(b) Balances with banks</b>		
(i) In current accounts		
-Bank of Baroda	1.60	11.89
-HDFC Bank	454.11	542.86
<b>(c) Others (specify nature)</b>		
FDR with Axis Bank_No Lien	119.31	113.67
FDR with Bank of Baroda_No Lien	1,061.97	753.45
FDR with Bank of Baroda_Marked as Lien	16.78	20.44
FDR with SIDBI_No Lien	86.74	82.76
FDR with ICICI Bank_ Marked as Lien	10.69	10.17
FDR with HDFC Bank	1.78	-
FDR with HDFC Bank_Marked as Lien	12.61	8.80
<b>Total</b>	<b>1,765.58</b>	<b>1,544.03</b>
<b>Grand Total</b>	<b>1,779.41</b>	<b>1,558.07</b>
<b>Note 14 Short-term loans and advances</b>		
<b>Particulars</b>	<b>As at 31 March' 2023</b>	<b>As at 31 March' 2022</b>
	<b>Amount in Rs. Lakhs</b>	<b>Amount in Rs. Lakhs</b>
(a) Loans and advances to related parties	-	-
(b) Loans and advances		
Advances To Supplier	251.89	169.67
Other Advances ( Staff)	33.12	20.58
<b>Total</b>	<b>285.01</b>	<b>190.25</b>
<b>Note 15 Other current assets</b>		
<b>Particulars</b>	<b>As at 31 March' 2023</b>	<b>As at 31 March' 2022</b>
	<b>Amount in Rs. Lakhs</b>	<b>Amount in Rs. Lakhs</b>
<b>Other Assets</b>		
Income Tax Refund due A.Y 2021-22	0.64	0.64
Cheque Deposited Yet not Cleared	58.11	0.24
Prepaid Insurance	25.25	26.84
GST Recoverable	625.83	517.19
<b>Total</b>	<b>709.82</b>	<b>544.92</b>

<b>BETA DRUGS LIMITED</b>			
<b>Note 16 Revenue from operations</b>			
	<b>Particulars</b>	<b>For the year ended 31 March' 2023</b>	<b>For the year ended 31 March' 2022</b>
		<b>Amount in Rs. Lakhs</b>	<b>Amount in Rs. Lakhs</b>
	<b>Sale Of Products</b>		
	Indirect Export Sales	79.64	206.31
	Export Sales	2,703.29	1,311.37
	Sales Exempt	0.49	13.70
	GST Sales 12%	10,823.85	9,193.73
	GST Sales 5%	1,504.07	1,552.28
	GST Sales 18%	676.11	207.29
	<b>Total</b>	<b>15,787.46</b>	<b>12,484.68</b>
<b>Note 17 Other income</b>			
	<b>Particulars</b>	<b>For the year ended 31 March' 2023</b>	<b>For the year ended 31 March' 2022</b>
		<b>Amount in Rs. Lakhs</b>	<b>Amount in Rs. Lakhs</b>
(a)	Interest Income	98.84	63.31
(b)	Other non-operating income (net of expenses directly attributable to such income)	5.44	22.48
	<b>Total</b>	<b>104.28</b>	<b>85.79</b>

<b>BETA DRUGS LIMITED</b>		
<b>Note 18 Cost of materials consumed</b>		
<b>Particulars</b>	<b>For the year ended 31 March' 2023</b>	<b>For the year ended 31 March' 2022</b>
	<b>Amount in Rs. Lakhs</b>	<b>Amount in Rs. Lakhs</b>
Opening stock	421.12	257.52
Add: Purchases	8,849.22	7,149.92
Less: Closing stock	623.50	421.12
<b>Cost of material consumed</b>	<b>8,646.84</b>	<b>6,986.32</b>
<b>Total</b>	<b>8,646.84</b>	<b>6,986.32</b>
<b>Note 19 Changes in inventories of finished goods, work-in-progress and stock-in-trade</b>		
<b>Particulars</b>	<b>For the year ended 31 March' 2023</b>	<b>For the year ended 31 March' 2022</b>
	<b>Amount in Rs. Lakhs</b>	<b>Amount in Rs. Lakhs</b>
<b><u>Inventories at the end of the year:</u></b>		
Finished goods	361.45	246.99
Work In Progress	381.40	178.90
	<b>742.85</b>	<b>425.90</b>
<b><u>Inventories at the beginning of the year:</u></b>		
Finished goods	246.99	178.49
Work In Progress	178.90	333.49
	<b>425.90</b>	<b>511.98</b>
<b><u>(Increase)/ decrease in Inventory</u></b>		
Finished goods	-114.46	-68.50
Work In Progress	-202.50	154.59
	<b>-316.95</b>	<b>86.09</b>
<b>Note 20 Other Manufacturing Expenses</b>		
<b>Particulars</b>	<b>For the year ended 31 March' 2023</b>	<b>For the year ended 31 March' 2022</b>
	<b>Amount in Rs. Lakhs</b>	<b>Amount in Rs. Lakhs</b>
Consumable Stores	99.69	101.76
R&D Consumable Stores	132.35	75.55
Generator running expenses	103.50	41.57
Power & Fuel	202.85	186.31
Direct labour	768.95	633.36
Repairs & maintenance (machinery & Building)	106.40	69.46
Freight Inward	13.10	26.59
Factory Expenses	23.77	21.62
Packing & Forwarding expense	13.69	22.50
Solid Waste Pollution expenses	1.17	0.88
Housekeeping Expenses	10.95	4.00
Testing Charges	59.14	28.76
<b>Total</b>	<b>1,535.57</b>	<b>1,212.36</b>

<b>BETA DRUGS LIMITED</b>		
<b>Note 21 Employee benefits expense</b>		
Particulars	For the year ended 31 March' 2023	For the year ended 31 March' 2022
	Amount in Rs. Lakhs	Amount in Rs. Lakhs
<b>Salaries and wages</b>		
Director	311.52	202.30
Employees	803.51	460.88
R&D Staff	47.87	50.34
Employer Share of ESI	6.94	7.78
Employer Share of PF	71.29	51.69
Employer Share of LWF	1.08	-
Bonus	36.52	34.22
Staff welfare expenses	43.90	32.36
Staff Uniform Expenses	0.18	5.92
Gratuity Provision	19.27	26.98
<b>Total</b>	<b>1,342.08</b>	<b>872.47</b>
<b>Note 22 Finance costs</b>		
Particulars	For the year ended 31 March' 2023	For the year ended 31 March' 2022
	Amount in Rs. Lakhs	Amount in Rs. Lakhs
<b>(a) Interest expense on:</b>		
(i) Borrowings		
Bank Interest CC	1.66	3.21
Interest on Term Loan	44.17	31.75
Interest on Vehicle Loan	5.76	1.82
Interest on PCFC Loan	6.53	-
(ii) Others	21.03	0.50
<b>(b) Other borrowing costs (Processing Fees)</b>		
Bank charges	4.52	3.94
<b>Total</b>	<b>83.66</b>	<b>41.22</b>

<b>BETA DRUGS LIMITED</b>		
<b>Note 23 Other expenses</b>		
<b>Particulars</b>	<b>For the year ended 31 March' 2023</b>	<b>For the year ended 31 March' 2022</b>
	<b>Amount in Rs. Lakhs</b>	<b>Amount in Rs. Lakhs</b>
Advertisement Expenses	2.63	5.61
Audit Fee	8.88	8.63
Business Promotion Expenses	98.53	42.15
Daily Pooja Expenses	0.75	0.62
Commission Paid	179.20	110.27
Conference Expenses	119.70	27.65
Conveyance Expenses	66.39	57.84
Corporate Social Responsibility Expenses	29.28	20.02
Donation A/C	5.78	4.32
Diwali Expenses	16.16	1.98
Expired & damages Goods Return	12.76	18.27
Freight Outward	165.05	133.93
Foreign Travel	102.90	27.21
Foreign Exchange	-	0.65
Insurance Apportion Cost	28.55	44.25
Legal & Professional Expenses	183.74	107.12
Medical Expenses	3.57	3.31
Office Expenses	18.02	9.03
Printing & Stationary	35.04	19.07
Rate Fee & taxes	61.72	18.59
Rent	32.37	28.89
Repair & maintenance ( Vehicle)	10.17	8.34
Round Off	-0.01	0.00
Software Expenses	22.14	11.18
Telephone & Postage	3.38	3.57
Trade Discount Expenses	25.21	29.66
Travelling Expenses	228.20	66.91
<b>Total</b>	<b>1,460.11</b>	<b>809.07</b>





**BETA DRUGS LIMITED**  
**NOTE '24': SIGNIFICANT ACCOUNTING POLICIES**  
**(Forming part of Accounts)**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH' 2023**

**24.1. Basis of Accounting**

The financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India under the historical convention on accrual basis. These financial statements have been prepared to comply, in all material aspects, with the accounting standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and the presentation requirements as prescribed by the Schedule III of the Companies Act, 2013 to the extent applicable.

**24.2. Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires that management makes estimates and assumptions that affect the reported amounts of income and expenses of the year, the reported balance of assets and liabilities and the disclosure relating to contingent liabilities as at the date of the financial statements. These estimates are based upon management's best knowledge of current events and actions. The difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

**24.3. Property, Plant and Equipment and Intangible assets**

**-Property, Plant and Equipment**

Tangible Assets are stated at cost of acquisition or construction less accumulated depreciation and impairment of assets, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. The company has a policy of physical verification of all the assets once in a year, the last verification was done on 25<sup>th</sup> March 2023 and no discrepancies were noticed during such verification.

**-Capital Work-in-Progress**

Expenses incurred during construction/installation period are included under capital work-in-progress and allocated to relevant fixed assets in the ratio of cost of the respective assets on completion of construction/installation. There is no work in progress for the financial year ending 31-March-2023.

**24.4. Depreciation/Amortization**

Depreciation on tangible assets is provided, on Written down Value method, over the useful life of assets estimated by the management in accordance with Schedule-II of the Companies Act, 2013. *(Refer note 4.5 on Other Notes to Accounts).*

-Residual value of assets has been considered at 5% of the original cost of the assets.

-Depreciation on additions to fixed assets is calculated on date of put to use as certified by the management.

-Depreciation on assets sold & scrapped, during the year, is provided up-to the date on which such fixed assets are sold or scrapped.

**24.5. Impairment of Assets**

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An asset is treated as impaired when the carrying cost of the assets exceeds its recoverable value. An impairment loss, if any, is charged to the Statement of Profit & Loss in the year in which an asset is identified as impaired. Reversal of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the assets no longer exist or have decreased.

**24.6. Valuation of Inventories**

- Raw Material Chemicals & Salts,
- Packing Material,
- Finished Goods Oncology products comprise of injections, tablets and capsules,
- Work In Progress (Semi Finished Goods).

Is valued at cost or estimated realizable value, whichever is lower. The company has determined the cost of inventory using the First-In, First-Out method.

The company has appointed cost auditor to ascertain and verify the authenticity of cost records maintained by the company. The valuation of Finished Goods as well as Work in Process material has been taken as certified by the cost auditor. The value of raw material and packing material has been taken at cost.

The company has a policy of physical verification of the entire available inventory once every month, no material discrepancies were noticed during such verification. Last stock verification was done on 3<sup>rd</sup> April 2023.

**24.7. Revenue Recognition**

- Revenue from sale of goods is recognized when risk and rewards of ownership are transferred to the customers.
- Revenue from services is recognized when services are rendered and related costs are incurred.
- Other income is recognized on accrual basis unless otherwise stated.
- Insurance and other claims are accounted for on settlement of claims/on receipt.
- Revenue from sales/services are shown net of taxes, as applicable.

**24.8. Employee Benefits****a) Short-term Employee Benefits:**

- Leave Encashment, on the basis of actual computation, is accounted for on payment basis, after the cessation of employment, the payment in respect thereof is made by the Company from its own funds as per the past practice consistently followed by the Company.
- Payment of Bonus – This year the company has incurred the expenditure of Rs. 36,52,430.00 as per The Payment of Bonus Act, 1965.

**b) Post-Employment Benefits****(i) Defined Contribution Plans:**

Contributions as required under the Statute/Rule are made to Employees State Insurance & Provident Fund and charged to the Statement of Profit & Loss of the year when the contributions to the respective funds are due.

**(ii) Defined Benefit Plans:**

Gratuity is accounted for on accrual basis -the Company has opened an Employees' Gratuity Trust with Aditya Birla Sun Life Insurance Company Ltd. and has taken the Group Cap Secure Plan. The Gratuity payable to any employee will be paid out of funds deposited in this plan.

The company has got the Actual Valuation done by independent consultant for FY 2022-23 to determine the projected benefit obligation for Gratuity Benefit and the accounting expenses associated with Gratuity Benefit on 31-03-2023 in accordance with Ind AS-19.

Detailed Calculation of Gratuity Provision as per Certified Actuary.

Particulars	Amount (₹)
Present Value of Benefit Obligation as on 01.04.2022	99,85,505.00
Current Service Cost	33,02,799.00
Interest Cost	7,28,942.00

Benefits paid	(11,00,475.00)
Net Actuarial Losses ( Gains) recognized in the year	(21,04,749.00)
Present Value of Benefit Obligation on 31.03.2023	1,08,12,022.00

Gratuity Provision in FY 2022-23 was provided for Rs. 19,26,992.00 and Rs. 26,98,447.00 in FY 2021-22.

c) **Termination Benefits:** Termination benefits are recognized as an expense as and when incurred.

#### 24.9 Foreign Currency Transactions

- i.) **Functional and Reporting Currency:** The standalone financial statements are presented in Indian Rupee ('INR') which is also the functional and presentation currency of the Company.
- ii.) **Initial Recognition:** Foreign currency transactions are recorded in the functional currency, by applying to the exchange rate between the functional currency and the foreign currency at the date of the transaction.
- iii.) **Conversion on Reporting Date:** Transactions in foreign currencies are initially recorded by the Company at its functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.
- iv.) **Exchange Differences:** Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the statement of profit and loss in the year in which they arise.

#### 24.10. Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets to the extent that they relate to the period till such assets are ready to use. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit & Loss.

During the year, the Company has not capitalized any borrowing cost this year (Previous year Rs. Nil) relating to credit facility availed for installation of Plant and Machinery.

#### 24.11. Investments

- Current Investments are carried at cost or fair market value whichever is lower.
- Non-Current Investments are carried at cost. Provision for diminution in value of non-current Investments is made only, if a decline is other than temporary.

#### 24.12. Operating Lease

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases. Operating lease charges are recognized as an expense in the Statement of Profit & Loss on monthly due basis. The company has taken following premises on lease:

- 1.) Administrative office located at Panchkula-SCO 184, First floor, Sector 5, Panchkula -134114. The lease is entered into with M/s B.T. Associates, Panchkula for 10 years with monthly rent of Rs. 2,40,720.00 plus GST@18 percent.

#### 24.13. Taxes on Income

- Current Tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961.
- Deferred tax is recognized, subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.
- Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off assets against liabilities.

-Minimum Alternate Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will be in a position to avail of such credit under the provisions of the Income Tax Act, 1961.

#### 24.14. Earnings Per Share (EPS)

-Annualized basic earnings per equity share is arrived at based on net profit/(loss) attributable to equity shareholders to the basic weighted average number of equity shares outstanding.  
-Annualized diluted earnings per equity share is arrived at based on adjusted net profit/(loss) attributable to equity shareholders to the adjusted weighted average number of equity shares outstanding, for the effects of all dilutive potential equity shares; except where the results are anti-dilutive. At present the Company does not have any dilutive potential equity shares.

#### 24.15. Cash Flow Statement:

-The Cash Flow Statement is prepared by the indirect method set out in Accounting Standard (Ind AS) 7 on Cash Flow Statements and presents the cash flows by operating, investing and financing activities of the Company.  
-Cash and cash equivalents presented in the Cash Flow Statement consists of balance in current accounts and cash balances.

#### 24.16. Contingencies and Provisions

A provision is recognized when the Company has a present obligation as a result of past events. It is probable that an outflow of resources embodying economic benefit will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on the best estimate of the expenditure required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

A contingent liability is disclosed, unless the possibility of an outflow of resources embodying the economic benefit is remote.

Bank Name	Bank Guarantee No	Opening Date	Expiry Date	In Favor	Bank Guarantee Amount
ICICI BANK	0043BGFD003118	02.09.17	31.08.25	THE PRESIDENT OF INDIA THROUGH THE DEPUTY ASST COMMISSIONER OF CUSTOMS, AIR CARGO COMPLEX, NEW DELHI	8,22,770.00
BANK OF BARODA	8304IGISS190060	04.10.19	31.01.24	PRESIDENT OF INDIA THROUGH OFFICE OF DGAFMS, NEW DELHI	1,68,400.00
BANK OF BARODA	8304IGISS200012	10.09.20	30.10.22	PRESIDENT OF INDIA THROUGH OFFICE OF DGAFMS, NEW DELHI	4,70,600.00
BANK OF BARODA	2488IGP000733520	23.09.20	30.11.24	PRESIDENT OF INDIA THROUGH OFFICE OF DGAFMS, NEW DELHI	2,71,200.00
HDFC BANK	03GT02203400002	05.12.20	28.02.26	PRESIDENT OF INDIA THROUGH OFFICE OF DGAFMS, NEW DELHI	3,13,000.00
BANK OF BARODA	8304IGISS190075	27.12.19	28.02.23	MANAGING DIRECTOR RMSCL, JAIPUR	4,43,944.00
HDFC BANK	03GT02212300004	18.08.21	30.08.23	ODISHA STATE MEDICAL CORP BHUBANESHWAR	65,900.00



HDFC BANK	03GT02220110002	11.01.22	31.01.24	STATE HEALTH SOCIETY ASSAM	1,39,388.00
HDFC BANK	03GT02221450001	25.05.22	30.04.25	Chitranjan national cancer kolkata	2,00,000.00
HDFC BANK	035GT0222180008	30.06.22	30.06.25	STATE HEALTH SOCIETY ASSAM	1,16,160.00
HDFC BANK	035GT02221930004	13.7.2022	13.07.26	PRESIDENT OF INDIA THROUGH OFFICE OF DGAFMS, NEW DELHI	21,600.00
HDFC BANK	035GT0222300001	18.08.22	28.02.23	AIIMS KALYANI PROCUREMENT CELL , DELHI	10,00,000.00
HDFC BANK	035GT02222850004	12.10.22	31.12.26	THE DY DIRECTOR HEALTH SERVICES E&S WEST BENGAL	2,86,650.00
HDFC BANK	035GT02222980001	25.10.22	31.12.26	THE DY DIRECTOR HEALTH SERVICES E&S WEST BENGAL	2,32,200.00
HDFC BANK	035GT02222980002	25.10.22	31.12.26	THE DY DIRECTOR HEALTH SERVICES E&S WEST BENGAL	2,86,650.00
HDFC BANK	035GT02230440002	13.02.23	17.01.25	PUNJAB HEALTH SYSTEMS CORP, PUNJAB	6,00,000.00
HDFC BANK	035GT02230470004	16.02.23	31.12.25	ODISHA STATE MEDICAL CORP BHUBANESHWAR	19,98,000.00
				<b>TOTAL AMOUNT</b>	<b>74,36,462.00</b>

24.17 **Internal Control Policy and BCP Management:** The Company has a comprehensive system of Internal Controls to safeguard its assets against loss from unauthorized use and to ensure reliability of financial reporting. The management assesses the operating effectiveness of these controls on regular basis. All the required security checks i.e., physical security of the company premises and its database are properly installed, daily backup is being done for all the accounting and related data. The internal auditor in his quarterly report, also confirms about the effectiveness of the internal control measures. The company maintains a system of internal controls designed for effectiveness and efficiency of operations, compliance and regulations. To further strengthen the controls, the company has developed a cloud-based ERP system with the help of Tata Consultancy Services in which the data will remain safe on the cloud and can be accessed and updated on real time basis from anywhere with defined access user rights.

The system of internal controls monitors and ensures process for:

- Effectiveness and efficiency of operations;
- Reliability of financial reporting;
- Compliance with applicable laws and regulations.

24.18 **Impact of Covid-19:** The company is in the business of manufacturing and supplying pharmaceuticals products which is categorized under essential goods. There is no problem in sourcing of raw material, packing material, consumables or any kind of machinery and tools. Also, the company is closely monitoring the internal and external environment to see any changes and their impact to make proper decisions in the best interest of the company. The impact of COVID-19 during F.Y 2022-23 is almost negligible. The Company will continue to monitor any material changes to future economic conditions.

**NOTE 25 : OTHER NOTES TO ACCOUNTS**  
**(Forming part of Accounts)**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2023**

**25.1. Contingent Liabilities & Commitments:**

- a) Estimated amount of contracts remaining to be executed and not provided for in the books of account- Nil (previous year- Nil).
- b) Contingent Liabilities: Rs. 74,36,462.00
  - . Claims against the Company not acknowledged as debt -Nil (previous year - Nil).
  - . Liabilities in respect of Income Tax, Service Tax, Sales Tax and other material statutory dues have been accounted for on the basis of respective returns filed with the relevant authorities. Additional demand, if any, arising at the time of assessments will be accounted for in the year in which assessments are completed.

**25.2. Issued, Subscribed & Paid-up Capital:**

Issued, Subscribed and Paid-up capital of the company is Rs. 9,61,37,900.00 (Divided into 96,13,790.00 shares of Rs. 10 each). During the financial year 2022-23, the company has no further issue of capital.

**25.3. Reserves & Surplus:**

-The amount shown in the Reserve & Surplus represents only surplus carried forward from the earlier year plus the surplus earned during the year. Total amount of surplus outstanding as on 31.03.2023 is Rs. 86,64,13,687.44 which includes share premium of Rs. 23,94,01,048.98 and Free Reserves of Rs. 62,70,12,638.46.

**25.4. Long-term Borrowings**

**Secured :**

**Term Loan:**

S.NO	Lender	Nature of facility	Loan	Amount outstanding as at March 31, 2022	Sanctioned Rate of Interest (%)	Repayment Terms	Security / Principal terms and conditions
1.	HDFC Bank	Working Capital Term Loan of Rs. 82.71 Lakhs HDFC bank loan	Working Capital Term Loan	Rs. 37.29 Lakhs	7.50%	Total EMIs of 48 Months with moratorium of 12 months. Instalments of Rs 2.60 Lakhs P.M. divided into 36 EMI's after service moratorium.	Extension of Charge on current asset mortgaged with HDFC Bank.
		Term Loan of Rs. 50.84 Lakhs- IFG Term Loan	Term Loan	Rs.44.63 Lakhs	8.15% (Floating)	Total EMI of 38 months. Installments. 36 Equal Instalments of Rs. 1.60 lakhs.	Charge as per WC Limits sanctioned.
		Vehicle Loan of Rs. 5 Lakhs	Term Loan	Rs. 4.31 Lakhs	8.25%	Total Installments of Rs 0.15 Lakhs P.M.	1) HYP of Motor Vehicles from the bank in the name of Company.

						divided into 39 Equated monthly installment.	
		Vehicle Loan of Rs. 35 Lakhs	Term Loan	Rs. 30.77 Lakhs	7.90%	Total Installments of Rs 1.01 Lakhs P.M. divided into 39 Equated monthly installment.	1) HYP of Motor Vehicles from the bank in the name of Company.
2	SIDBI Loan	Term Loan of Rs. 100.00 Lakhs (Sanctioned Amount Rs. 100 Lakh and Disbursed amount Rs. 98.65 Lakh)	Term Loan	Rs. 32.23 Lakhs	8.84%	Fixed principal repayment of Rs 1.23 Lakhs P.M. divided into 80 Equated monthly installment. Last Installment i.e. 81 <sup>st</sup> Installment is of Rs. 0.25 Lakh.	1) HYP of Machinery and Fixed Deposit amounted Rs. 34 Lakh with SIDBI as collateral.
		Term Loan of Rs. 400.00 Lakhs SIDBI term loan new	Term Loan	Rs. 126.20 Lakhs	8.09%	Fixed principal repayment of Rs 7.40 Lakhs P.M. after moratorium of 6 months divided into 53 Equated monthly installment. Last Installment i.e. 54 <sup>th</sup> Installment is of Rs. 7.80 Lakh.	1) Pari-Passu (Second Charge) of Equitable Mortgage of Industrial Property situated at Lodhimajra, comprising of Khasra No 733/465 (0-5), 466(0-2), 735/467(2-0), Khatoni No 78, comprising of Khasra No 368(1-17). Land measuring 4 Bigha 4 Biswa, Village Nandpur, HB No 170, Tehsil Baddi, Distt Solan (HP) and Khata No 70min/90 comprising Khasra No 369(1-15), 370(0-2-0), 371 (1-6-0), 379/1(2-8-0), Kitte-4. Land measuring 5 Bigha 11 Biswa, village Nandpur, HB NO 170, Tehsil Baddi, Distt Solan (HP) 2) HYP of Machinery amounted Rs. 829.00 Lakhs.
		Term Loan of Rs. 130.00 Lakhs SIDBI Covid Working Capital Term Loan	Working Capital Term Loan	Rs. 130.00 Lakhs	6.00%	Fixed principal repayment of Rs 3.60 Lakhs P.M. after moratorium of 24 months divided into 35 Equated monthly	1) Second charge by way of hypothecation in favour of SIDBI of all the movables including; plant, machinery spares, tools & accessories, office equipment, computers, furnitures and fixtures. 2) Second charge by way of pledge of FDR with SIDBI of Rs. 34 Lakh 3) Second charge by way of mortgage on the Industrial Plot in Vill Nandpur comprised in



						installment. Last Installment i.e. 36 <sup>th</sup> Installment is of Rs. 4 Lakh.	Khewat/Khatoni No. 114/157 measuring 9 Bigha 15 Biswa owned by Beta Drugs Ltd.
		Term Loan of Rs. 160.00 Lakhs SIDBI Machinery Loan	Term Loan	Rs. 137.20 Lakhs	5.65%	Fixed principal repayment of Rs 3.80 Lakhs P.M. after moratorium of 6 months divided into 41 Equated monthly installment. Last Installment i.e. 42 <sup>nd</sup> Installment is of Rs. 4.2 Lakh.	1) First charge by way of hypothecation in favour of SIDBI of the plant, machinery, equipment, tools, spares, accessories, misc fixed assets and all other current assets. 2) Extension of pledge of FDR of Rs. 34 Lakh and pledge of FDR of Rs. 40 Lakh. 3) Extension of first pari passu charge by way of mortgage on Industrial Plot in Vill. Nandpur measuring 9 Bigha 15 Biswa owned by Beta Drugs Ltd.
3	Axis Bank	Vehicle Loan of Rs. 69.72 Lakhs	Term Loan	Rs. 52.50 Lakhs	7.10%	Total Installments of Rs 1.67 Lakhs P.M. divided into 48 Equated monthly installment.	1) HYP of Motor Vehicles from the bank in the name of Company.

*Interest on the above term loans is payable on monthly basis.*

- 25.5. In the opinion of the Directors, “Current Assets” and “Loans & Advances” are approximately of the value stated in the Balance Sheet, if realized in the ordinary course of business and to the best of their knowledge. Provisions for all the known liabilities have been made and, *as certified*, all the contractual and statutory obligations have been duly complied with.

25.6. **Depreciation/Amortisation**

The management estimates the useful life of existing fixed assets as follows:-

Building	30 years
Furniture & Fixtures	10 years
Machinery	15 years
Lab Equipment	10 years
Equipment (Other)	5 years
Vehicles	8 years

For these class of assets, based on internal assessment and independent technical evaluation carried out by external valuers, the management believes that the useful lives as given above best represent the period over which management expects to use these assets..(Refer note 3.4).

## 25.7. Earnings Per Share (Ind AS-33)

	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
<b>Numerator</b>		
Net Profit/(Loss)		
Attributable to Equity shareholders	18,81,60,708.34	14,24,64,839.93
<b>Denominator</b>		
Number of Equity shares	No.'s 96,13,790	No.'s 96,13,790
Number of Weighted avg. shares	No.'s 96,13,790	No.'s 96,13,790
Nominal		
Value per Equity share	10	10
Earnings per Equity share	19.57	14.82
-Basic and diluted		

## 25.8. Non-Current Investments:

Investment in Joint ventures and Associates are accounted for using the equity method of accounting. Under the equity method of accounting, the investments are initially recognized at cost and adjusted thereafter to recognize Dividends received or receivable from associates or joint ventures are recognized as a reduction in the carrying amount of the investment.

Equity shares have been stated at cost; provision for appreciation/diminution in the value of shares has not been made and no dividend was received during the year.

The provisions of Section 186 of the Companies Act 2013 have been complied with.

The company has the following investments as on 31.03.2023 in entities as mentioned below:

- (a) Beta Drugs has an investment in Beta UBK International Private Limited, Uzbekistan amounting to Rs. 77,89,905.49 as on 31.03.2023.

The Joint Venture has been liquidated in the mid of F.Y 2022-23, however, it is mutually agreed that the consideration will be returned as per the terms and conditions laid in the liquidation agreement. Till 31.03.2023 the company has not received any amount against the investment made.

- (b) Beta Drugs has an investment in Adley Formulations Private Limited (CIN: U24303HR2018PTC076347) amounting Rs.1,26,00,000.00

- (c) Beta Drugs has an investment in Adley Lab Limited (CIN: U24231PB1992PLC051220) amounting Rs. 4,50,40,000.00.

- (d) Beta Drugs made an investment in Beta Research Pvt. Ltd. (CIN: U24303HR2022PTC104598) amounting Rs. 1,00,000.00 on 14-12-2022.

## 25.9. Taxes

-The exact liability of CST/VAT, Service Tax, GST, Income Tax and other statutory dues is indeterminate, till finalization of assessments no undisputed dues or amounts were outstanding or remaining unpaid as at 31<sup>st</sup> March, 2023.



-Disputed Income tax demand amounting to Rs. 12,122/- for A.Y 2020-21 and Rs. 90,64,680/- for A.Y 2021-22 is outstanding and appeal filed against the same is under process as on 31.03.2023. The said demand was raised by the department on account of non-compliance of notice u/s 133(6) issued to the third parties, however, the said third parties had duly filed the response to the said notices received by them. The company has filed an appeal providing acknowledgements of the replies filed by those third parties.

-The amount of tax credit determined shall be carried forward up-to fifteen assessment years immediately succeeding the assessment year in which tax credit becomes allowable.

-The current tax provision shown in the Balance Sheet is Rs. 2,94,28,046.01 after utilization of the advance tax and TDS of Rs. 3,74,10,664.44.

#### 25.10. Segment Reporting

Since the Company primarily operates in one segment (i.e., Manufacturing of Oncology medicines), therefore segment reporting as required under Ind AS – 108 is not applicable. Regarding the geographical segments, the company has an export turnover of Rs. 27,82,93,667.94 (Including Direct and Indirect Exports) and the domestic turnover of Rs. 1,30,04,52,205.51.

#### 25.11. Related Party Disclosures (Ind AS-24)

Related parties & their relationship and related party's transactions.

BETA DRUGS LTD				
S. NO.	Related Party	Nature of Relationship	Nature of Transaction	Amount Involved During the year 2023 (Rs.)
1	Adley Lab Limited	Wholly Owned Subsidiary	-Purchase of Goods	16,38,16,659.00
			-Interest received on Unsecured Loan	13,06,399.00
			-Sale of Goods	1,40,000.00
			-Unsecured Loan given to subsidiary	47,50,000.00
			- Sale of Machinery	20,00,000.00
			- Purchase of Machinery	2,50,585.00
2	Adley Formulations Private Limited	Wholly Owned Subsidiary	-Sale of Goods	1,82,19,181.18
			-Purchase of goods	5,06,39,544.83
			-Interest received on Unsecured Loan	24,27,598.00
			-Sale of Fixed Assets	44,12,028.24
3	B.T. Associates Private Limited	Share holder are common (Holding more than 50 % shares)	Payment of Building Rent	28,88,640.00
4	Varun Batra	Director	Salary (including bonus)	1,21,00,000.00
5	Balwant Singh	Director	Salary (including bonus)	26,61,560.00
6	Rahul Batra	Director	Salary (including bonus)	1,21,00,000.00



7	Ashutosh Shukla	Director	Salary (including bonus and incentive)	42,22,996.00
8	Seema Chopra	Director	Salary (including bonus)	8,87,228.00
9	Nipun Arora	Chief Financial Officer	Salary (including bonus)	26,23,256.00
10	Rajni Brar	Company Secretary	Salary (including bonus)	8,39,727.00

The above disclosure of the related party and the transactions entered have been made as per Ind AS-24. The transactions have been carried at arm's length price (ALP).

\*Rs. 47.50 Lakh has been further provided to M/s Adley Lab Limited during F.Y 2022-23 for working capital requirements. The loan has an outstanding balance of Rs. 1,98,46,255.00 as on 31<sup>st</sup> March 2023. No further loan has been taken/ repaid by M/s Adley Formulations Pvt. Ltd. against the unsecured loan granted for working capital requirements, which has an outstanding balance of Rs. 2,86,22,788 as on 31<sup>st</sup> March 2023. The rate of interest on these loans has been taken at yield method i.e. 9% as computed.

## 25.12 Ratios

Sr. No.	Ratios	Numerator	Denominator	As at March 31, 2023	As at March 31, 2022	Variance	Explanation for any change in the ratio by more than 25% as compared to the preceding
1	Current Ratio	Current Assets	Current liabilities	2.70	2.43	11.23%	-
2	Debt-Equity Ratio	Total Debt	Shareholders' equity	0.05	0.09	-36.09%	Due to increase in reserves by Rs. 18.79 crores.
3	Debt Service Coverage Ratio	Earnings available for debt service	Debt service	12.77	14.15	-9.72%	-
4	Return on Equity Ratio	Net profit after taxes less preference dividend (if any)	Shareholder's equity	0.20	0.18	6.29%	-
5	Inventory turnover ratio	Cost of goods sold or sales	Average inventory	8.91	10.25	-13.03%	-

6	Trade Receivables turnover ratio	Net Sales	Average Trade Receivables	4.21	4.79	-11.99%	-
7	Trade Payables turnover ratio	Net Purchases	Average Trade Payables	4.13	4.35	-5.01%	-
8	Net capital turnover ratio	Net Sales	Net working capital	2.95	3.38	-12.80%	-
9	Net Profit ratio	Net Profit after taxes	Net Sales	0.12	0.11	4.44%	-
10	Return on capital employed	Earning before interest and taxes	Capital employed	0.25	0.24	4.97%	-
11	Return on investment	Income generated from investments	Total Current Investments	0.05	0.04	16.37%	-

#### 25.13 Particulars relating to corporate social responsibility

The Company has provided for the corporate social responsibility as per Section 135 of the Companies Act 2013 i.e., Rs. 29,17,943.00 during the year. The actual amount spent during the financial year was Rs. 29,28,000.00 and there is no outstanding provision as on 31<sup>st</sup> March 2023.

#### 25.14. Impairment of Assets

During the year, the Company has undertaken a review of all the fixed assets in line with the requirements of Ind AS-36 on "Impairment of Assets" as notified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, based on such review, no provision for impairment is required to be recognized for the year.

#### 25.15. Property, Plant and Equipment and Intangible assets:

- During the financial Year 2022-23 there was no addition under the head Land.
- During the financial Year 2022-23 there was an addition of Rs. 1,10,08,453.01 under the head Building.
- During the financial year, there was net additions of Rs 5,07,81,557.17 to Plant & Machinery, Furniture & Fixtures, Office Equipment, Vehicles & Computers including the assets transferred from WIP.  
The additions of Rs. 1,19,033.33 was made to the R&D Block.
- During the financial Year 2022-23 there was an addition of Rs. 71,86,027.07 under the head Intangible Assets.

#### 25.16. Deferred Tax Assets & Liabilities

During the FY 2021-22 the company has made Deferred Tax Provision (Asset) as follows:

<b>Calculation of Deferred Tax Asset / Liability</b>	<b>Amount (₹)</b>
Deferred Tax on Depreciation	25,53,302.50
Deferred Tax on provision of Gratuity	2,08,017.80
Deferred Tax on provision of Bonus	1,43,530.84
<b>Total Deferred Asset Created for the financial year in Profit and Loss Account.</b>	<b>29,04,851.13</b>
Add: Deferred Tax Asset as on 31.03.2022 (Opening)	60,18,494.61
<b>Balance Deferred Tax Asset recognized in Balance Sheet</b>	<b>89,23,345.75</b>

25.17. **Micro, Small & Medium Enterprises**

Based on the information presently available, total outstanding as on 31.03.2023 is Rs.14,60,36,155.61 to micro or small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006.

25.18. **Auditor's Remuneration**

(Exclusive of GST)

	<b>31<sup>st</sup> March, 2023 AMOUNT</b>	<b>31<sup>st</sup> March, 2022 AMOUNT</b>
As Statutory Auditors	4,02,500.00	4,02,500.00
- Taxation Matters	-	-
-Certification	-	-
-Other Services	-	-
As Internal Auditor	3,60,000.00	3,60,000.00
- Taxation Matters	-	-
-Certification-	-	-
-Other Services	-	-
- Cost Audit	1,25,000.00	1,00,000.00
-Reimbursement of out of pocket expenses	-	-
<b>TOTAL</b>	<b>8,87,500.00</b>	<b>8,62,500.00</b>

25.19. **Other additional information**

<b>Particulars</b>	<b>31<sup>st</sup> March, 2023 AMOUNT</b>	<b>31<sup>st</sup> March, 2022 AMOUNT</b>
<b>“A” Revenue from operations</b>		



<b>(Under broad heads)</b>		
-Export Sales	27,82,93,667.94	15,17,67,682.14
-Sales With in India	1,30,04,52,205.51	1,09,67,00,746.90
-Total	<b><u>1,57,87,45,873.45</u></b>	<b><u>1,24,84,68,429.04</u></b>

**“B” Purchases**

-Raw Material, Excipients & Packing Material	<b>88,49,21,760.72</b>	<b>71,49,91,630.89</b>
--	------------------------	------------------------

25.20. Expenditure In Foreign Currency (On Accrual Basis): - Following Expenses were incurred by the company during the year 2022-23.

	<b>31<sup>st</sup> March, 2023 AMOUNT</b>	<b>31<sup>st</sup> March, 2022 AMOUNT</b>
-Import of Capital Goods	1,60,11,850.26	18,63,426.22
-Import of Capital Services	50,36,026.99	
-Revenue Expenses (Travel)	1,02,89,511.26	27,21,035.00
-Revenue Expenses (Others)	1,66,21,367.85	-
<b>TOTAL</b>	<b><u>4,79,58,756.36</u></b>	<b><u>45,84,461.22</u></b>

25.21. Earning in Foreign Currency Particulars

	<b>For the Year Ended (31.03.2023)</b>	<b>For the year Ended ( 31.03.2022)</b>
FOB Value of Export	27,82,93,667.94*	15,17,67,682.14*
Foreign Exchange Gain	1,87,278.27	

\* This includes indirect export.

25.22. **Other statutory information**

- No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- The Company does not have any trading in Crypto Currency or Virtual Currency.
- The Company does not have any transactions or balances with a Companies struck off under section 248 of the Companies Act, 2013 or Section 560 of the Companies Act 1956.





- iv. The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961.
- v. Company has not advanced or loaned or invested funds to any other person(s) or entity(is), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- vi. The Company has not received any fund from any person(s) or entity(is), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- vii. No charge is pending to be registered beyond statutory period with ROC.
- viii. The company has not used the borrowings from banks and financial institutions for any other purpose other than for the specific purpose for which it was taken.
- ix. The Company have defined agreement with the Debtors regarding the credit payment period given and ageing is done accordingly in Financial Statement.
- x. As there is no specific agreements with the creditors, hence the creditors ageing is done as per the date of invoice received.
- 25.23. Balance confirmation has been sent to all the Debtors and Creditors by way of electronic mail. Out of 169 no. of creditors, confirmations received from 108 and out of 93 no. debtors, confirmation are received from 64. Others are assumed to have confirmed on the basis of non reply.
- 25.24. Figures for previous year have been regrouped/rearranged where necessary to confirm to the current year's presentation.

**In terms of our attached report of even date.**

**For KALRA RAI AND ASSOCIATES**  
**CHARTERED ACCOUNTANTS**  
**F R No. – 008859**

*Sd/-*

**LAJPAT RAI KALRA**  
**PARTNER**  
**M No. -087438**

**Dated: 08/05/2023**  
**Place: Chandigarh**  
**UDIN: 23087438BGVHEH8160**

**For and on behalf of the Board of Directors**

*Sd/-*  
**Rahul Batra**  
**(Director)**  
**DIN: 02229234**

*Sd/-*  
**Varun Batra**  
**(Director)**  
**DIN:02148383**

---

**CONSOLIDATED FINANCIAL STATEMENTS**

**OF**

**“BETA DRUGS LIMITED”**

**&**

**ITS WHOLLY –OWNED SUBSIDIARIES**

**“ADLEY FORMULATIONS PRIVATE LIMITED”**

**“ADLEY LAB LIMITED”**

**&**

**“BETA RESEARCH PRIVATE LIMITED”**

**FOR THE FINANCIAL YEAR 2022-23**

KALRA RAI & ASSOCIATES  
CHARTERED ACCOUNTANTS

Head Office: Kothi No. 667, 1<sup>st</sup> floor, Sector-43-A  
Chandigarh-160022

## Independent Auditors' Report

Members of Beta Drugs Limited

### Report on the Consolidated Financial Statements

We have audited the accompanying consolidated Ind-AS financial statements of Beta Drugs Limited ('the Holding Company'), and its subsidiary (Holding company and its subsidiary together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2023, the Consolidated Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these consolidated Ind-AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Group in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind-AS) specified under Section 133 of the Act., read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group 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 the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind-AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind-AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit of the consolidated Ind-AS financial statements in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind-AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Group's preparation of the consolidated Ind-AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Directors, as well as evaluating the overall presentation of the consolidated Ind-AS financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the consolidated Ind-AS financial statements give the information required by 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 Group as at March 31, 2023, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

1. 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 purpose of our audit;
- b. In our opinion, proper books of account as required by law have been kept by the Group so far as it appears from our examination of those books;
- c. The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the aforesaid consolidated Ind-AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- e. On the basis of written representations received from the directors of holding company as on March 31, 2023, and taken on record by the Board of Directors, none of the Directors in the Group is disqualified as on March 31, 2023.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refers to our separate Report in “Annexure A”;
- g. With respect to the other matters to be included in the Auditor's 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 Group has disclosed the impact of pending litigations on its financial position in its financial statements.
- ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There have been no amounts available which is required to be transferred, to the Investor Education and Protection Fund by the Group;

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the “Order”/ “CARO”) issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Parent Company and CARO reports issued by the respective auditors of its subsidiaries included in the consolidated financial statements, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the consolidated financial statements

**Place:- Chandigarh**  
**Date: 08/05/2023**  
**UDIN:23087438BGVHEG7749**

**For KALRA RAI & ASSOCIATES**

**Chartered Accountants**

**Sd/-**  
**(Lajpat Rai Kalra)**  
**Partner**  
**M. No- 087438**  
**FRN: 008859N**

## **“ANNEXURE-A” TO THE AUDITORS’ REPORT**

**Referred to in Paragraph 7 of Our Report of Even Date**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of **Beta Drugs Limited** (“the Group”) as of 31 March 2023 in conjunction with our audit of the financial statements of the Group for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

The respective Board of Directors of the Holding Company and its subsidiary companies, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (“the Guidance Note”) issued by the Institute of Chartered Accountants of India (‘ICAI’). 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 (“the Act”).

#### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (“the Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 over financial reporting was established and maintained and if 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 auditor’s judgment, including the assessment of the risks of material misstatement of the 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 system over financial reporting.

#### **Meaning of Internal Financial Controls over Financial Reporting**

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 control over financial reporting 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 over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Companies have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2023, based on the internal control over financial reporting criteria established by the Companies 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.

**Place:- Chandigarh**  
**Date: 08/05/2023**  
**UDIN:23087438BGVHEG7749**

**For KALRA RAI & ASSOCIATES**

**Chartered Accountants**

**Sd/-**  
**(Lajpat Rai Kalra)**  
**Partner**  
**M. No- 087438**  
**FRN: 008859N**

<b>BETA DRUGS LIMITED (CONSOLIDATED)</b> <b>VILLAGE NANDPUR, BADDI, SOLAN 174101</b> <b>CIN : L24230HP2005PLC028969</b> <b>BALANCE SHEET AS AT 31ST MARCH' 2023</b>			
Particulars	Note No.	As at 31 March' 2023	As at 31 March' 2022
		Amount in Rs. lakhs	Amount in Rs. lakhs
<b>A EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	1	961.38	961.38
(b) Reserves and surplus	2	11,327.04	8,272.88
(c) Money received against share warrants		-	-
		<b>12,288.42</b>	<b>9,234.26</b>
<b>2 Share application money pending allotment</b>		-	-
<b>3 Non-current liabilities</b>			
(a) Long-term borrowings	3	697.38	1,182.62
(b) Deferred tax liabilities (net)	4	-	-
(c) Other long-term liabilities	5 (a)	371.89	323.96
(d) Long-term provisions	5 (b)	182.87	147.47
		<b>1,252.14</b>	<b>1,654.05</b>
<b>4 Current liabilities</b>			
(a) Short-term borrowings	6	906.85	475.43
(b) Trade payables	7	4,024.04	3,195.19
(c) Other current liabilities	8	953.69	863.30
(d) Short-term provisions		417.01	363.07
		<b>6,301.59</b>	<b>4,896.99</b>
<b>TOTAL</b>		<b>19,842.15</b>	<b>15,785.30</b>
<b>B ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, Plant and Equipment and Intangible assets			
(i) Property, Plant and Equipment	9	5,809.46	5,066.77
(ii) Intangible assets	9	466.23	428.73
(iii) Capital work-in-progress	9	-	-
(iv) Intangible assets under development		-	-
(v) Fixed assets held for sale		-	-
		<b>6,275.69</b>	<b>5,495.51</b>
(b) Non-current investments	10	77.90	77.90
(c) Deferred tax assets (net)	4	120.06	67.99
(d) Long-term loans and advances	11 (a)	595.03	443.02
(e) Other non-current assets	11 (b)	5.00	5.00
		<b>797.99</b>	<b>593.91</b>
<b>2 Current assets</b>			
(a) Current investments		-	-
(b) Inventories	12	3,061.87	2,248.15
(c) Trade receivables	13	6,272.27	4,518.19
(d) Cash and cash equivalents	14	1,916.40	1,732.40
(e) Short-term loans and advances	15	609.02	447.69
(f) Other current assets	16	908.91	749.45
		<b>12,768.47</b>	<b>9,695.88</b>
<b>TOTAL</b>		<b>19,842.15</b>	<b>15,785.30</b>
<b>See accompanying notes forming part of the financial statements</b>	<b>25 &amp; 26</b>		
In terms of our report attached.			
<b>For KALRA RAI AND ASSOCIATES</b> <b>Chartered Accountants</b> <b>(FRN: 008859N)</b>		<b>For and on the behalf of the Board of Directors</b>	
<i>Sd/-</i> <b>LAJPAT RAI KALRA</b> <b>Partner</b> <b>MEMBERSHIP NO. 087438</b> <b>UDIN: 23087438BGVHEG7749</b> <b>Place : Chandigarh</b> <b>Date :- 08/05/2023</b>	<i>Sd/-</i> <b>NIPUN ARORA</b> <b>C.F.O</b>	<i>Sd/-</i> <b>RAJNI BRAR</b> <b>C.S.</b>	<i>Sd/-</i> <b>VARUN BATRA</b> <b>DIRECTOR</b> <b>DIN: 02148383</b>
			<i>Sd/-</i> <b>RAHUL BATRA</b> <b>MANAGING DIRECTOR</b> <b>DIN: 02229234</b>



<b>BETA DRUGS LIMITED (CONSOLIDATED)</b> <b>VILLAGE NANDPUR, BADDI, SOLAN 174101</b> <b>CIN : L24230HP2005PLC028969</b> <b>STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31ST MARCH' 2023</b>				
Particulars		Note No.	As at 31 March' 2023 Amount in Rs. lakhs	As at 31 March' 2022 Amount in Rs. lakhs
<b>A</b>	<b>CONTINUING OPERATIONS</b>			
<b>1</b>	Revenue from operations (gross)	17	22,711.36	18,383.74
	Less: Excise duty		-	-
	Revenue from operations (net)		22,711.36	18,383.74
<b>2</b>	Other income	18	75.35	75.69
<b>3</b>	<b>Total revenue (1+2)</b>		<b>22,786.71</b>	<b>18,459.43</b>
<b>4</b>	<b>Expenses</b>			
	(a) Cost of materials consumed	19	11,040.22	9,620.73
	(b) Purchases of stock-in-trade		-	-
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	20	-471.28	-174.56
	(d) Other manufacturing expenses	21	2,429.42	1,777.92
	(d) Employee benefits expense	22	2,269.68	1,590.78
	(e) Finance costs	23	241.48	189.91
	(f) Depreciation and amortisation expense	9	1,041.00	725.42
	(g) Other expenses	24	2,130.53	1,299.09
	<b>Total expenses</b>		<b>18,681.06</b>	<b>15,029.29</b>
<b>5</b>	<b>Profit / (Loss) before exceptional and extraordinary items and tax (3 - 4)</b>		<b>4,105.65</b>	<b>3,430.14</b>
<b>6</b>	Exceptional items			-
<b>7</b>	<b>Profit / (Loss) before extraordinary items and tax (5 + 6)</b>		<b>4,105.65</b>	<b>3,430.14</b>
<b>8</b>	Extraordinary items/Prior period items		-	-
<b>9</b>	<b>Profit / (Loss) before tax (7 + 8)</b>		<b>4,105.65</b>	<b>3,430.14</b>
<b>10</b>	<b>Tax expense:</b>			
	(a) Current tax expense for current year		1,085.85	950.62
	(b) (Less): MAT credit (where applicable)		-	-
	(c) Current tax expense relating to prior years		-	-
	(d) Net current tax expense		1,085.85	950.62
	(e) Deferred tax		-52.07	-3.23
			<b>1,033.78</b>	<b>947.39</b>
<b>11</b>	<b>Profit / (Loss) from continuing operations (9 +10)</b>		<b>3,071.87</b>	<b>2,482.75</b>
<b>B</b>	<b>DISCONTINUING OPERATIONS</b>			
<b>12</b>	<b>Profit / (Loss) from discontinuing operations (B.i + B.ii + B.iii)</b>		<b>-</b>	<b>-</b>
<b>C</b>	<b>TOTAL OPERATIONS</b>		<b>3,071.87</b>	<b>2,482.75</b>
<b>13</b>	<b>Profit / (Loss) for the year (11 + 12)</b>		<b>3,071.87</b>	<b>2,482.75</b>
<b>14</b>	<b>Earnings per share (of Rs. 10/- each):</b>			
	(a) Basic			
	(i) Continuing operations		31.95	25.82
	(ii) Total operations		31.95	25.82
	(b) Diluted			
	(i) Continuing operations		31.95	25.82
	(ii) Total operations		31.95	25.82
	<b>See accompanying notes forming part of the financial statements</b>	25 & 26		
In terms of our report attached.				
<b>For KALRA RAI AND ASSOCIATES</b> Chartered Accountants (FRN: 008859N)			<b>For and on the behalf of the Board of Directors</b>	
Sd/- <b>LAJPAT RAI KALRA</b> Partner			Sd/- <b>NIPUN ARORA</b> C.F.O	Sd/- <b>RAJNI BRAR</b> C.S.
			Sd/- <b>VARUN BATRA</b> DIRECTOR	Sd/- <b>RAHUL BATRA</b> MANAGING DIRECTOR
MEMBERSHIP NO. 087438 UDIN: 23087438BGVHEG7749 Place : Chandigarh Date :- 08/05/2023			DIN: 02148383	DIN: 02229234

<b>BETA DRUGS LIMITED (CONSOLIDATED)</b> <b>VILLAGE NANDPUR, BADDI, SOLAN 174101</b> <b>CIN : L24230HP2005PLC028969</b> <b>CASHFLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH' 2023</b>			
Particulars		As at 31 March' 2023	As at 31 March' 2022
		Amount in Rs. lakhs	Amount in Rs. lakhs
<b>A</b>	<b>CASHFLOW FROM OPERATING ACTIVITIES</b>		
	Net Profit before tax and extraordinary items(as per Statement of Profit & Loss)	4,105.65	3,430.14
	Adjustments for non Cash/Non trade items:		
	Depreciation & Amortization Expenses	1,041.00	725.42
	Finance Cost	241.48	189.91
	Interest received	(66.30)	(45.17)
	Other inflows/ (outflows) of cash	(1,014.24)	(360.32)
	<b>Operating profits before Working Capital Changes</b>	<b>4,307.60</b>	<b>3,939.98</b>
	<b>Adjusted For:</b>		
	(Increase)/Decrease in trade receivables	(1,754.08)	(1,130.54)
	Increase/ (Decrease) in trade payables	828.84	1,145.82
	(Increase)/Decrease in inventories	(813.72)	(643.90)
	Increase/ (Decrease) in other current liabilities	90.40	78.79
	(Increase)/Decrease in short term loans and advances	(161.33)	(205.28)
	(Increase)/Decrease in other current assets	(159.46)	(222.10)
	<b>Working Capital Changes</b>	<b>(1,969.36)</b>	<b>(977.21)</b>
	<b>Net cashflow from Operating Activities (A)</b>	<b>2,338.24</b>	<b>2,962.77</b>
<b>B</b>	<b>CASHFLOW FROM INVESTING ACTIVITIES</b>		
	Purchase of tangible/intangible assets	(1,821.19)	(1,942.75)
	Interest received	66.30	45.17
	Cash used for Non Current Investments	-	-
	Cash used for Long Term Loans/ Advances	(152.01)	(277.90)
	<b>Net cash used in Investing Activities (B)</b>	<b>(1,906.89)</b>	<b>(2,175.48)</b>
<b>C</b>	<b>CASHFLOW FROM FINANCING ACTIVITIES</b>		
	Finance Cost	(241.48)	(189.91)
	Increase in/ (Repayment) of Short term Borrowings	431.43	121.38
	Increase in/ (Repayment) of Long term Borrowings	(437.31)	60.77
	Increase/ (Decrease) in share capital	-	-
	Increase/ (Decrease) in share premium	-	-
	Other Inflows/ (Outflows) of cash	-	-89.60
	<b>Net cash used in Financing Activities (C)</b>	<b>(247.35)</b>	<b>(97.36)</b>
<b>D</b>	<b>Net Increase/(Decrease) in cash &amp; cash equivalents (A+B+C)</b>	<b>183.99</b>	<b>689.93</b>
<b>E</b>	Cash & Cash equivalents at beginning of period	1,732.40	1,042.47
<b>F</b>	Cash & Cash equivalents at end of period	1,916.40	1,732.40
<b>G</b>	<b>Net Increase/(Decrease) in cash &amp; cash equivalents (F-E)</b>	<b>183.99</b>	<b>689.93</b>
In terms of our report attached.			
For KALRA RAI AND ASSOCIATES		For and on the behalf of the Board of Directors	
Chartered Accountants			
(FRN: 008859N)			
Sd/-	Sd/-	Sd/-	Sd/-
LAJPAT RAI KALRA	NIPUN ARORA	VARUN BATRA	RAHUL BATRA
Partner	C.F.O	DIRECTOR	MANAGING DIRECTOR
MEMBERSHIP NO. 087438		DIN: 02148383	DIN: 02229234
UDIN: 23087438BGVHEG7749			
Place : Chandigarh			
Date :- 08/05/2023			

**BETA DRUGS LIMITED (CONSOLIDATED)**  
**Notes forming part of the financial statements**

**Note 1 Share capital**

Particulars	As at 31 March' 2023		As at 31 March' 2022	
	Number of shares	Amount in Rs. Lakhs	Number of shares	Amount in Rs. Lakhs
(a) Authorised - Equity shares of Rs. 10 each	1,00,00,000.00	1,000.00	1,00,00,000.00	1,000.00
	-	-	-	-
(b) Issued - Equity shares of Rs. 10 each	96,13,790.00	961.38	96,13,790.00	961.38
	<b>96,13,790.00</b>	<b>961.38</b>	<b>96,13,790.00</b>	<b>961.38</b>
(c) Subscribed and fully paid up - Equity shares of Rs.10 each	96,13,790.00	961.38	96,13,790.00	961.38
	<b>96,13,790.00</b>	<b>961.38</b>	<b>96,13,790.00</b>	<b>961.38</b>
(d) Subscribed but not fully paid up	-	-	-	-
	-	-	-	-
<b>Total</b>	<b>96,13,790.00</b>	<b>961.38</b>	<b>96,13,790.00</b>	<b>961.38</b>

Note 1(a) Reconciliation of number of shares outstanding is set out below:

Particulars	Equity Shares March' 2023		Equity Shares March' 2022	
	Number	Amount in (Rs. lakhs)	Number	Amount in (Rs. lakhs)
Shares outstanding at the beginning of the year	96,13,790.00	961.38	96,13,790.00	961.38
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	96,13,790.00	961.38	96,13,790.00	961.38

Note 1(b) Shares held by promoters at the end of the year 31st March 2023

Name of Shareholder	As at 31 March' 2023		
	No. of Shares held	% of Holding	% Changes
Mrs. Neeraj Batra	63,41,663.00	65.96%	0.28%
Mr. Varun Batra	33,230.00	0.35%	
Mr. Rahul Batra	39,650.00	0.41%	0.02%
Mrs. Heena Batra	590.00	0.01%	
Mrs. Aditi Batra	590.00	0.01%	

Note 1(b) Shares held by promoters at the end of the year 31st March 2022

Name of Shareholder	As at 31 March' 2022		
	No. of Shares held	% of Holding	% Changes
Mr. Vijay Kumar Batra	63,14,828.00	65.69%	
Mr. Varun Batra	33,230.00	0.35%	
Mr. Rahul Batra	37,250.00	0.39%	0.03%
Mrs. Neeraj Batra	26,835.00	0.28%	
Mrs. Heena Batra	590.00	0.01%	
Mrs. Aditi Batra	590.00	0.01%	

Note 1(c) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31 March' 2023		As at 31 March' 2022	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Mrs. Neeraj Batra	63,41,663.00	65.96%		
Mr. Vijay Kumar Batra			63,14,828	65.69%

<b>BETA DRUGS LIMITED (CONSOLIDATED)</b>		
<b>Notes forming part of the financial statements</b>		
<b>Note 2 Reserves and surplus</b>		
<b>Particulars</b>	<b>As at 31 March' 2023</b>	<b>As at 31 March' 2022</b>
	<b>Amount in Rs. Lakhs</b>	<b>Amount in Rs. Lakhs</b>
(a) Capital reserve		
Opening balance	-	-
Closing balance	-	-
(b) Securities premium account		
Opening balance	2,394.01	2,394.01
Closing balance	2,394.01	2,394.01
(c) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	5,878.87	3,505.88
Less :- B/f balance on a/c of acquisition	-	-
Less :- Provision for insurance claim recoverable	-	(89.60)
	5,878.87	3,416.28
Add: Profit / (Loss) for the year	3,071.87	2,482.75
Less: Excess MAT Credit	-	20.17
Less: Provision for Income Tax	17.71	
Closing balance	<b>8,933.03</b>	<b>5,878.87</b>
<b>Total</b>	<b>11,327.04</b>	<b>8,272.88</b>
<b>Note 3 Long-term borrowings</b>		
<b>Particulars</b>	<b>As at 31 March' 2023</b>	<b>As at 31 March' 2022</b>
	<b>Amount in Rs. Lakhs</b>	<b>Amount in Rs. Lakhs</b>
<b>Term loans</b>		
<b>From banks</b>		
<b>Secured</b>		
HDFC ( Covid WCTL)	8.31	36.96
HDFC Bank (Machinery Loan)	89.92	147.70
HDFC Bank (Machinery Loan 2)	147.30	-
HDFC Bank (Machinery Loan 3)	28.95	-
SIDBI ( Machinery Loan-1)	17.47	32.23
SIDBI ( Machinery Loan 2)	37.40	126.20
HDFC Bank (Car Loan)	37.96	34.28
Federal Bank (Vehicle Loan)	60.62	24.58
SIDBI (Covid WCTL)	130.00	130.00
SIDBI (Machinery Loan)	91.60	137.20
Axis Bank Vehicle Loan	35.61	52.50
ICICI Bank (Covid WCTL)	12.24	48.96
ICICI Bank (LAP)	-	329.18
Yes Bank (Car Loan)	-	0.59
SIDBI (Term Loan)	-	23.14
SIDBI (Smile Scheme)	-	2.18
SIDBI (Liquid Scheme)	-	2.28
HDB Bank (LAP)	-	54.64
	<b>697.38</b>	<b>1,182.62</b>
<b>From other parties</b>		
<u>Unsecured ( From Related Parties)</u>	-	-
<u>Secured</u>	-	-
<b>Total - A</b>	-	-
Unsecured ( From Unrelated Parties)		
<b>Total - B</b>	-	-
	-	-
<b>The Above Amount Includes</b>		
Secured Borrowings	<b>697.38</b>	<b>1,182.62</b>
Unsecured Borrowings	-	-
<b>Total</b>	<b>697.38</b>	<b>1,182.62</b>

BETA DRUGS LIMITED (CONSOLIDATED)						
Notes forming part of the financial statements						
Notes: Long-term borrowings						
Particulars	As at 31 March' 2023			As at 31 March' 2022		
	Amount in Rs. Lakhs			Amount in Rs. Lakhs		
	Non- Current	Current Maturities	Total	Non- Current	Current Maturities	Total
<b>Term loans</b>						
<b>From banks</b>						
<b>Secured</b>						
HDFC Bank (Covid WCTL)	8.31	28.98	37.29	36.96	26.95	63.90
HDFC Bank (Machinery Loan)	89.92	58.87	148.79	147.70	55.83	203.53
HDFC Bank (Machinery Loan 2 )	147.30	44.17	191.47	-	-	-
HDFC Bank (Machinery Loan 3)	28.95	15.68	44.63	-	-	-
SIDBI ( Machinery Loan 1)	17.47	14.76	32.23	32.23	14.76	46.99
SIDBI ( Machinery Loan 2)	37.40	88.80	126.20	126.20	88.80	215.00
HDFC Bank (Vehicle Loan)	37.96	31.40	69.37	34.28	18.43	52.72
Federal Bank (Vehicle Loan)	60.62	18.95	79.57	24.58	9.40	33.97
SIDBI ( Covid WCTL)	130.00	-	130.00	130.00	-	130.00
SIDBI ( Machinery Loan)	91.60	45.60	137.20	137.20	22.80	160.00
Axis Bank (Vehicle Loan)	35.61	16.89	52.50	52.50	15.74	68.23
ICICI Bank (Covid WCTL)	12.24	36.72	48.96	48.96	36.72	85.68
ICICI Bank (LAP)	-	-	-	329.18	15.92	345.10
Yes Bank (Vehicle Loan)	-	0.59	0.59	0.59	10.62	11.22
SIDBI (Term Loan)	-	23.14	23.14	23.14	44.52	67.66
SIDBI (Smile Scheme)	-	2.18	2.18	2.18	3.24	5.42
SIDBI (Liquid Scheme)	-	2.28	2.28	2.28	14.88	17.16
HDB Bank (LAP)	-	-	-	54.64	23.63	78.26
	<b>697.38</b>	<b>429.02</b>	<b>1,126.40</b>	<b>1,182.62</b>	<b>402.23</b>	<b>1,584.84</b>
<b>From other parties</b>						
Unsecured ( From Related Parties)						
Secured						
<b>Total - A</b>	-	-	-	-	-	-
Unsecured ( From Unrelated Parties)						
<b>Total - B</b>	-	-	-	-	-	-
	-	-	-	-	-	-
<b>The Above Amount Includes</b>						
Secured Borrowings	<b>697.38</b>	<b>429.02</b>	<b>1,126.40</b>	<b>1,182.62</b>	<b>402.23</b>	<b>1,584.84</b>
Unsecured Borrowings	-	-	-	-	-	-
Amount disclosed under "Other Current Liabilities"		<b>-429.02</b>	<b>-429.02</b>		<b>-402.23</b>	<b>-402.23</b>
<b>Total</b>	<b>697.38</b>	<b>-</b>	<b>697.38</b>	<b>1,182.62</b>	<b>-</b>	<b>1,182.62</b>

<b>BETA DRUGS LIMITED (CONSOLIDATED)</b>		
Notes forming part of the financial statements		
<b>BETA DRUGS LIMITED (CONSOLIDATED)</b>		
<b>Note 4 Deferred Tax</b>		
Particulars	As at 31 March' 2023	As at 31 March' 2022
	Amount in Rs. Lakhs	Amount in Rs. Lakhs
<b>Deferred tax liabilities</b>		
Deferred tax on depreciation	-	-
<b>Deferred tax assets</b>		
Deferred tax on unabsorbed depreciation	41.73	-12.52
Deferred tax on loss on sale of asset	-	-
Deferred tax on provision of gratuity	8.91	9.30
Deferred tax on provision of bonus	1.44	6.45
Deferred tax on a/c of acquisition	-	-
Less: Opening Deferred Tax	67.99	64.76
<b>Net Deferred tax liabilities/assets</b>	<b>120.06</b>	<b>67.99</b>
<b>Continue Note 4 Current tax Provision</b>		
Particulars	As at 31 March' 2023	As at 31 March' 2022
	Amount in Rs. Lakhs	Amount in Rs. Lakhs
Current Year Tax	1,085.85	950.62
Less :-MAT Credit Utilised	-	-225.52
Less :- Advance Tax Including TDS	-668.84	-362.02
<b>Short term Provision</b>	<b>417.01</b>	<b>363.07</b>
<b>Net Current Tax provision</b>	<b>417.01</b>	<b>363.07</b>

<b>BETA DRUGS LIMITED (CONSOLIDATED)</b>		
<b>Note 5 Other long-term liabilities</b>		
<b>Particulars</b>	<b>As at 31 March' 2023</b>	<b>As at 31 March' 2022</b>
	<b>Amount in Rs. Lakhs</b>	<b>Amount in Rs. Lakhs</b>
Others:		
(i) Payables on purchase of fixed assets	234.88	227.60
(ii) Security received from customers	137.00	96.36
<b>Total</b>	<b>371.89</b>	<b>323.96</b>
<b>Note 5 (b) Long Term-provisions</b>		
<b>Particulars</b>	<b>As at 31 March' 2023</b>	<b>As at 31 March' 2022</b>
	<b>Amount in Rs. Lakhs</b>	<b>Amount in Rs. Lakhs</b>
(a) Provision for Gratuity	182.87	147.47
<b>Total</b>	<b>182.87</b>	<b>147.47</b>

<b>BETA DRUGS LIMITED (CONSOLIDATED)</b>		
<b>Note 6 Short-term borrowings</b>		
<b>Particulars</b>	<b>As at 31 March' 2023</b>	<b>As at 31 March' 2022</b>
	<b>Amount in Rs. Lakhs</b>	<b>Amount in Rs. Lakhs</b>
Other loans and advances		
- HDFC Bank CC Limit (Beta Drugs) Secured	-	-
- HDFC Bank CC Limit (Adley Lab) Secured	220.21	180.04
- ICICI Bank CC Limit Secured	258.39	295.39
-ICICI Bank OD Account	428.25	-
<b>Total</b>	<b>906.85</b>	<b>475.43</b>
<b>Note 7 Trade payables</b>		
<b>Particulars</b>	<b>As at 31 March' 2023</b>	<b>As at 31 March' 2022</b>
	<b>Amount in Rs. Lakhs</b>	<b>Amount in Rs. Lakhs</b>
Trade payables:		
Micro Enterprises And Small Enterprises	1,887.06	1,250.52
Others	2,136.97	1,944.67
<b>Total</b>	<b>4,024.04</b>	<b>3,195.19</b>

**Note 7 (a) Trade payables ageing Schedule As at 31st March'2023**

<b>Particulars</b>	<b>Outstanding for following periods from</b>				
	<b>Less than 1 year</b>	<b>1-2 years</b>	<b>2-3 years</b>	<b>More than 3 years</b>	<b>Total</b>
(i) MSME	1,886.44	0.62	-	-	1,887.06
(ii) Others	2,033.29	73.36	30.32	-	2,136.97
(iii) Disputed Dues- MSME	-	-	-	-	-
(iv) Disputed Dues- Others	-	-	-	-	-

**Note 7 (b) Trade payables ageing Schedule As at 31st March'2022**

<b>Particulars</b>	<b>Outstanding for following periods from</b>				
	<b>Less than 1 year</b>	<b>1-2 years</b>	<b>2-3 years</b>	<b>More than 3 years</b>	<b>Total</b>
(i) MSME	1,250.52	-	-	-	1,250.52
(ii) Others	1,914.17	30.38	0.12	-	1,944.67
(iii) Disputed Dues- MSME	-	-	-	-	-
(iv) Disputed Dues- Others	-	-	-	-	-



<b>BETA DRUGS LIMITED (CONSOLIDATED)</b>		
<b>Note 8 Other current liabilities</b>		
<b>Particulars</b>	<b>As at 31 March' 2023</b>	<b>As at 31 March' 2022</b>
	<b>Amount in Rs. Lakhs</b>	<b>Amount in Rs. Lakhs</b>
(a) Other payables	483.37	385.89
(i) Current Maturities of Long Term Debt ( Note No. 3)	429.02	402.23
(b) Cheque issued yet not presented for Payment	20.46	29.35
Advances From Customers	20.85	45.83
<b>Total</b>	<b>953.69</b>	<b>863.30</b>
<b>Note 8 (a) Other current liabilities</b>		
<b>Particulars</b>	<b>As at 31 March' 2023</b>	<b>As at 31 March' 2022</b>
	<b>Amount in Rs. Lakhs</b>	<b>Amount in Rs. Lakhs</b>
PF Payable	20.82	13.64
ESI payable	1.33	1.14
Labour Welfare payable	0.50	0.08
TCS payable	-	0.47
TDS/TCS Payable payable	33.36	28.38
Interest Accrued But Not Due	7.65	9.40
Salary & wages Payable	235.13	178.06
Other Expenses payable	156.74	132.56
Bonus Payable	27.85	22.15
CSR Provision	-	-
Income Tax Payable	-	-
<b>Total</b>	<b>483.37</b>	<b>385.89</b>

Note No. 9 Property, Plant and Equipment and Intangible assets as at 31ST MARCH' 2023															
	Assets		Gross Block					Accumulated Depreciation/ Amortisation					Net Block		
		Useful Life (In Years)	Shift	Balance as at 1st April 2022	Additions during the year	Addition on account of business acquisition	Deletion during the year	Balance as at 31st March' 2023	Balance as at 1st April 2022	Addition on account of business acquisition	Provided during the year	Deletion / adjustments during the year	Balance as at 31st March' 2023	Balance as at 31st March' 2023	Balance as at 31st March 2022
<b>A</b>	<b>Tangible assets</b>														
	<b>Own Assets</b>														
	LAND		Single	194.93	-	-	-	194.93	-	-	-	-	-	194.93	194.93
	BUILDING	30	Single	2,429.11	367.41	-	-	2,796.52	615.60	-	185.61	-	801.21	1,995.30	1,813.51
	PLANT AND MACHINERY	15	Single	3,627.88	1,075.83	-	162.88	4,540.84	1,405.35	-	493.37	94.49	1,804.24	2,736.60	2,222.53
	FURNITURE AND FIXTURES	10	Single	105.73	113.50	-	5.35	213.88	46.13	-	27.33	4.80	68.66	145.22	59.60
	COMPUTER	3	Single	63.75	23.51	-	0.40	86.85	42.93	-	18.31	0.38	60.86	25.99	20.81
	VEHICLE	8	Single	579.50	159.81	-	-	739.30	312.15	-	118.89	-	431.03	308.27	267.35
	ELECTRICAL EQUIPMENTS	5	Single	214.95	65.12	-	1.40	278.68	114.95	-	53.71	1.27	167.39	111.29	100.00
	LAB EQUIPMENTS	10	Single	342.28	1.83	-	0.35	343.76	58.93	-	73.55	0.31	132.16	211.60	283.35
	R&D LAB BUILDING	30	Single	12.90	-	-	-	12.90	2.59	-	0.98	-	3.57	9.33	10.31
	R&D LAB EQUIPMENTS	10	Single	169.48	1.19	-	-	170.67	76.45	-	24.29	-	100.74	69.93	93.03
	R&D LAB FURNITURE	10	Single	2.62	-	-	-	2.62	1.27	-	0.35	-	1.62	1.00	1.34
	<b>Total (A)</b>			<b>7,743.12</b>	<b>1,808.20</b>	-	<b>170.37</b>	<b>9,380.95</b>	<b>2,676.34</b>	-	<b>996.39</b>	<b>101.24</b>	<b>3,571.48</b>	<b>5,809.46</b>	<b>5,066.77</b>
	<b>P.Y Total</b>			<b>5,743.41</b>	<b>2,159.29</b>	-	<b>159.58</b>	<b>7,743.12</b>	<b>2,097.94</b>	-	<b>699.31</b>	<b>120.91</b>	<b>2,676.34</b>	<b>5,066.77</b>	<b>3,645.47</b>
<b>B</b>	<b>Capital work in progress</b>														
	BUILDING			-	-	-	-	-	-	-	-	-	-	-	-
	PLANT AND MACHINERY			-	-	-	-	-	-	-	-	-	-	-	-
	SOFTWARE DEVELOPMENT			-	-	-	-	-	-	-	-	-	-	-	-
	R&D Lab Building			-	-	-	-	-	-	-	-	-	-	-	-
	Lab Equipment			-	-	-	-	-	-	-	-	-	-	-	-
	R&D Lab Furniture			-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total (B)</b>			-	-	-	-	-	-	-	-	-	-	-	-
	<b>P.Y Total</b>			<b>281.01</b>	<b>1,604.90</b>	-	<b>1,885.91</b>	-	-	-	-	-	-	-	<b>281.01</b>
<b>C</b>	<b>Intangible Assets</b>														
	Registration Fee			178.43	82.11	-	-	260.54	44.69	-	40.40	-	85.09	175.45	133.74
	Software			21.09	-	-	-	21.09	0.69	-	4.22	-	4.91	16.18	20.40
	Goodwill on consolidation			274.60	-	-	-	274.60	-	-	-	-	-	274.60	274.60
	<b>Total (C)</b>			<b>474.12</b>	<b>82.11</b>	-	-	<b>556.23</b>	<b>45.39</b>	-	<b>44.62</b>	-	<b>90.01</b>	<b>466.23</b>	<b>428.73</b>
	<b>P.Y Total</b>			<b>370.98</b>	<b>103.15</b>	-	-	<b>474.12</b>	<b>19.28</b>	-	<b>26.11</b>	-	<b>45.39</b>	<b>428.73</b>	<b>351.70</b>
	<b>Current Year Total (A+B+C)</b>			<b>8,217.24</b>	<b>1,890.31</b>	-	<b>170.37</b>	<b>9,937.18</b>	<b>2,721.73</b>	-	<b>1,041.00</b>	<b>101.24</b>	<b>3,661.49</b>	<b>6,275.69</b>	<b>5,495.51</b>
	<b>Previous Year Total</b>			<b>6,395.40</b>	<b>3,867.33</b>	-	<b>2,045.49</b>	<b>8,217.24</b>	<b>2,117.22</b>	-	<b>725.42</b>	<b>120.91</b>	<b>2,721.73</b>	<b>5,495.51</b>	<b>4,278.16</b>

<b>BETA DRUGS LIMITED (CONSOLIDATED)</b>		
<b>Note 10 Non Current investments</b>		
<b>Particulars</b>	<b>As at 31 March' 2023</b>	<b>As at 31 March' 2022</b>
	<b>Amount in Rs. Lakhs</b>	<b>Amount in Rs. Lakhs</b>
Investment In Beta UBK International Pvt. Ltd. ( Uzbekistan)	77.90	77.90
<b>Total</b>	<b>77.90</b>	<b>77.90</b>
<b>Note 11 (a) Long-term loans and advances</b>		
<b>Particulars</b>	<b>As at 31 March' 2023</b>	<b>As at 31 March' 2022</b>
	<b>Amount in Rs. Lakhs</b>	<b>Amount in Rs. Lakhs</b>
<b>Security Deposit</b> Secured, considered good	195.71	169.07
<b>Others</b> Capital Advances	399.32	273.95
<b>loan and advances to realted parties</b> Unsecured, considered good	-	-
<b>Total</b>	<b>595.03</b>	<b>443.02</b>
<b>Note 11 (b) Other Non Current Assets</b>		
<b>Particulars</b>	<b>As at 31 March' 2023</b>	<b>As at 31 March' 2022</b>
	<b>Amount in Rs. Lakhs</b>	<b>Amount in Rs. Lakhs</b>
Amount deposited in approved Gratuity fund	5.00	5.00
<b>Total</b>	<b>5.00</b>	<b>5.00</b>
<b>Note 12 Inventories</b>		
<b>Particulars</b>	<b>As at 31 March' 2023</b>	<b>As at 31 March' 2022</b>
	<b>Amount in Rs. Lakhs</b>	<b>Amount in Rs. Lakhs</b>
(Valued at cost or NRV unless otherwise stated)		
(a) Finished goods (other than those acquired for trading)	879.51	664.26
(b) Raw Material	797.66	623.78
(c) WIP	522.52	266.49
(d) Others	862.18	693.62
<b>Total</b>	<b>3,061.87</b>	<b>2,248.15</b>
<b>Note 13 Trade receivables</b>		
<b>Particulars</b>	<b>As at 31 March' 2023</b>	<b>As at 31 March' 2022</b>
	<b>Amount in Rs. Lakhs</b>	<b>Amount in Rs. Lakhs</b>
<b>Exceeding six months</b> Secured, considered good	718.77	597.17
<b>Total</b>	<b>718.77</b>	<b>597.17</b>
<b>Less than six months</b> Secured, considered good	5,553.50	3,921.01
<b>Total</b>	<b>5,553.50</b>	<b>3,921.01</b>
<b>Grand Total</b>	<b>6,272.27</b>	<b>4,518.19</b>

**BETA DRUGS LIMITED (CONSOLIDATED)****Note 13 (a) Trade receivables ageing Schedule As at 31st March'2023**

Particulars	Outstanding for following periods from					
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	5,553.50	38.21	215.04	92.32	242.95	<b>6,142.02</b>
(ii) Undisputed Trade receivables - considered doubtful	-	-	-	-	-	-
(iii) Disputed trade receivables considered good	-	-	-	-	-	-
(iv) Disputed trade receivables considered doubtful	-	15.01	22.62	25.87	66.75	<b>130.25</b>

**Note 13 (b) Trade receivables ageing Schedule As at 31st March'2022**

Particulars	Outstanding for following periods from					
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	3,921.01	226.23	87.74	11.34	178.35	<b>4,424.67</b>
(ii) Undisputed Trade receivables - considered doubtful	-	-	-	-	-	-
(iii) Disputed trade receivables considered good	-	-	-	-	-	-
(iv) Disputed trade receivables considered doubtful	-	0.90	25.87	15.51	51.24	<b>93.52</b>

<b>BETA DRUGS LIMITED (CONSOLIDATED)</b>		
<b>Note 14 Cash and cash equivalents</b>		
<b>Particulars</b>	<b>As at 31 March' 2023</b>	<b>As at 31 March' 2022</b>
	<b>Amount in Rs. Lakhs</b>	<b>Amount in Rs. Lakhs</b>
<b>CASH ON HAND</b>		
(a) Cash on hand	28.72	31.94
Balance with Imprest a/c	6.09	7.23
<b>Total</b>	<b>34.81</b>	<b>39.17</b>
<b>(b) Balances with banks</b>		
(i) In current accounts		
ICICI Bank	0.01	0.33
Bank of Baroda	1.72	12.59
HDFC Bank	454.11	542.86
HDFC Bank - Beta Research Pvt. Ltd.	1.00	-
Indusind Bank	-	-
Kotak Mahindra Bank	0.46	0.12
	-	-
<b>(c) Others (specify nature)</b>	-	-
FDR With Axis Bank	119.31	113.67
FDR With Bank of Baroda	1,078.74	773.89
FDR With SIDBI	86.74	82.76
FDR With ICICI Bank	10.69	10.17
FDR With HDFC Bank	14.39	8.80
FDR (Against Bank Guarantees)	114.40	148.03
<b>Total</b>	<b>1,881.59</b>	<b>1,693.23</b>
<b>Grand Total</b>	<b>1,916.40</b>	<b>1,732.40</b>
<b>Note 15 Short-term loans and advances</b>		
<b>Particulars</b>	<b>As at 31 March' 2023</b>	<b>As at 31 March' 2022</b>
	<b>Amount in Rs. Lakhs</b>	<b>Amount in Rs. Lakhs</b>
(a) Loans and advances to related parties	-	-
(b) Loans and advances		
Advances To Supplier	557.77	372.98
Other Advances (Staff)	51.26	74.71
<b>Total</b>	<b>609.02</b>	<b>447.69</b>
<b>Note 16 Other current assets</b>		
<b>Particulars</b>	<b>As at 31 March' 2023</b>	<b>As at 31 March' 2022</b>
	<b>Amount in Rs. Lakhs</b>	<b>Amount in Rs. Lakhs</b>
<b>Other Assets</b>		
Income Tax Refund due	0.72	0.64
Cheque Deposited yet not cleared	58.11	0.24
Prepaid Insurance	32.74	31.25
Preliminary Expenses	-	0.44
GST Recoverable	817.33	716.88
<b>Total</b>	<b>908.91</b>	<b>749.45</b>

<b>BETA DRUGS LIMITED (CONSOLIDATED)</b>			
<b>Note 17 Revenue from operations</b>			
	<b>Particulars</b>	<b>For the year ended 31 March' 2023</b>	<b>For the year ended 31 March' 2022</b>
		<b>Amount in Rs. Lakhs</b>	<b>Amount in Rs. Lakhs</b>
	<b>Sale Of Products</b>		
	Other Export Sales	104.74	364.98
	Export Sales	2,864.86	2,125.45
	Sales Exempt	2.23	23.04
	GST Sales 12%	14,872.78	11,994.26
	GST Sales 5%	2,527.80	2,603.07
	GST Sales 18%	2,338.95	1,272.95
	<b>Total</b>	<b>22,711.36</b>	<b>18,383.74</b>
<b>Note 18 Other income</b>			
	<b>Particulars</b>	<b>For the year ended 31 March' 2023</b>	<b>For the year ended 31 March' 2022</b>
		<b>Amount in Rs. Lakhs</b>	<b>Amount in Rs. Lakhs</b>
(a)	Interest Income	66.30	45.17
(b)	Rental Income	-	-
(c)	Other non-operating income (net of expenses directly attributable to such income)	9.05	26.18
(d)	Foreign Currency Exchange Gain	-	4.34
(e)	Gain on sale of asset	-	-
	<b>Total</b>	<b>75.35</b>	<b>75.69</b>

<b>BETA DRUGS LIMITED (CONSOLIDATED)</b>		
<b>Note 19 Cost of materials consumed</b>		
<b>Particulars</b>	<b>For the year ended 31 March' 2023</b>	<b>For the year ended 31 March' 2022</b>
	<b>Amount in Rs. Lakhs</b>	<b>Amount in Rs. Lakhs</b>
Opening stock	1,317.40	848.06
Add: Purchases	11,382.66	10,090.07
Less: Closing stock	1,659.84	1,317.40
<b>Cost of material consumed</b>	<b>11,040.22</b>	<b>9,620.73</b>
<b>Total</b>	<b>11,040.22</b>	<b>9,620.73</b>
<b>Note 20 Changes in inventories of finished goods, work-in-progress and stock-in-trade</b>		
<b>Particulars</b>	<b>For the year ended 31 March' 2023</b>	<b>For the year ended 31 March' 2022</b>
	<b>Amount in Rs. Lakhs</b>	<b>Amount in Rs. Lakhs</b>
<b><u>Inventories at the end of the year:</u></b>		
Finished goods	879.51	664.26
Work In Progress	522.52	266.49
	<b>1,402.03</b>	<b>930.75</b>
<b><u>Inventories at the beginning of the year:</u></b>		
Finished goods	664.26	347.76
Work In Progress	266.49	408.43
	<b>930.75</b>	<b>756.19</b>
<b><u>(Increase)/ decrease in Inventory</u></b>		
Finished goods	-215.25	-316.49
Work In Progress	-256.03	141.94
	<b>-471.28</b>	<b>-174.56</b>
<b>Note 21 Other Manufacturing Expenses</b>		
<b>Particulars</b>	<b>For the year ended 31 March' 2023</b>	<b>For the year ended 31 March' 2022</b>
	<b>Amount in Rs. Lakhs</b>	<b>Amount in Rs. Lakhs</b>
Consumeable Stores	206.48	172.59
R&D Consumable Stores	132.35	75.55
Generator running expenses	135.99	63.66
Power & Fuel	343.12	279.80
Direct labour	1,212.55	889.65
Repairs & maintenance (machinery & Building)	183.05	101.38
Freight Inward	29.55	41.74
Factory Expenses	33.29	29.99
Packing & Forwarding expense	51.24	54.60
Solid Waste Pollution expenses	2.44	2.06
Housekeeping expenses	12.48	6.71
Testing Charges	86.89	60.19
<b>Total</b>	<b>2,429.42</b>	<b>1,777.92</b>

<b>BETA DRUGS LIMITED (CONSOLIDATED)</b>		
<b>Note 22 Employee benefits expense</b>		
Particulars	For the year ended 31 March' 2023	For the year ended 31 March' 2022
	Amount in Rs. Lakhs	Amount in Rs. Lakhs
<b>Salaries and wages</b>		
Director	561.80	380.59
Employees	1,372.14	914.47
R&D Staff	47.87	50.34
Employer Share of ESI	11.63	11.40
Employer Share of PF	100.31	70.91
Employer Share of Welfare Fund	13.83	6.67
Bonus	55.14	46.98
Staff welfare expenses	59.67	38.94
Staff Uniform Expenses	0.90	11.35
Gratuity Provision	46.40	59.13
<b>Total</b>	<b>2,269.68</b>	<b>1,590.78</b>
<b>Note 23 Finance costs</b>		
Particulars	For the year ended 31 March' 2023	For the year ended 31 March' 2022
	Amount in Rs. Lakhs	Amount in Rs. Lakhs
<b>(a) Interest expense on:</b>		
(i) Borrowings		
Bank Interest CC	80.36	49.96
Interest on Term Loan	90.87	102.77
Interest on Vehicle Loan	16.49	9.74
Interest on PCFC Loan	6.53	-
(ii) Others	5.03	10.37
(iii) Interest on income tax	28.72	6.03
	-	-
<b>(b) Other borrowing costs (Processing Fees)</b>		
Bank charges	13.49	11.04
	-	-
<b>Total</b>	<b>241.48</b>	<b>189.91</b>



**BETA DRUGS LIMITED (CONSOLIDATED)****Note 24 Other expenses**

Particulars	For the year ended 31 March' 2023	For the year ended 31 March' 2022
	Amount in Rs. Lakhs	Amount in Rs. Lakhs
Advertisement Expenses	5.85	7.89
Audit Fee	9.88	9.63
Business Promotion Expenses	119.89	72.11
Daily Pooja Expenses	1.54	0.62
Commission Paid	304.57	225.67
Conference Expenses	125.01	42.73
Convenyance Expenses	80.78	65.01
Corporate Social Responsibility Expenses	47.44	20.02
Donation A/C	5.78	4.32
Diwali Expenses	16.16	1.98
Expired & damages Goods Return	44.84	31.13
Freight Outward	202.78	191.37
Foreign Travel	120.39	27.21
Foreign Exchange Loss	30.87	-
Insurance Apportion Cost	46.55	56.45
Legal & Professional Expenses	196.64	123.08
Medical Expenses	4.45	3.88
Office Expenses	30.87	14.99
Printing & Stationary	45.59	25.38
Preliminary expenses w/off	0.44	0.44
Rate Fee & taxes	92.86	36.70
Rent	32.37	28.89
Repair & maintenance ( Vehicle)	16.15	10.78
Round Off	0.01	-0.00
Software Expenses	28.70	11.37
Sponsorship Expenses	-	-
Telephone & Postage	11.32	5.87
Trade Discount Expenses	27.53	32.52
Travelling Expenses	481.29	249.08
<b>Total</b>	<b>2,130.53</b>	<b>1,299.09</b>

**NOTES TO CONSOLIDATED FINANCIAL STATEMENT**  
**BETA DRUGS LIMITED**  
**NOTE '25': SIGNIFICANT ACCOUNTING POLICIES**  
**(Forming part of Accounts)**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2023**

**25.1. i) Basis of Accounting**

The consolidated financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India under the historical convention on accrual basis. These financial statements have been prepared to comply, in all material aspects, with the accounting standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and the presentation requirements as prescribed by the Schedule III of the Companies Act, 2013 to the extent applicable.

The Separate financial statements are presented in addition to the consolidated financial statements presented by the Company.

**ii) Principles of consolidation**

**a) Subsidiaries:**

Subsidiaries are all entities over which the group has control. Control is achieved when the Group has power over the investee, is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to use its power to affect its returns.

The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Inter Company transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

**Common control transactions**

Business combinations involving entities that are controlled by the group are accounted for using the pooling of interests' method as follows:

- 1) The assets and liabilities of the combining entities are reflected at their carrying amounts.
- 2) No adjustments are made to reflect fair values or recognize any new assets or liabilities. Adjustments are only made to harmonize accounting policies.

The company had made an investment in Beta Research Pvt. Ltd. (CIN: U24303HR2022PTC104598) of 99.99% of its share capital on 14-12-2022 making it subsidiary of M/s Beta Drugs Limited.

**\*\***The company has not included the accounts of M/s BETA UBK INTERNATIONAL PRIVATE LIMITED since the plant is still not operational.

**25.2. Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires that management makes estimates and assumptions that affect the reported amounts of income and expenses of the year, the reported balance of assets and liabilities and the disclosure relating to contingent liabilities as at the date of the financial statements. These estimates are based upon management's best knowledge of current events and actions. The difference between the actual results and estimates are recognized in the period in which the results are known/materialized.

### 25.3. Property, Plant and Equipment and Intangible assets

#### - Property, Plant and Equipment

Tangible Assets are stated at cost of acquisition or construction less accumulated depreciation and impairment of assets, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use reflecting in each standalone financials of holding and subsidiaries companies. The company has a policy of physical verification of all the assets once in a year, the last verification was done on 25<sup>th</sup> March 2023 and no discrepancies were noticed during such verification.

Following Immovable assets were in name of M/s Adley Formulations (Prop. Sh. Vijay Kumar Batra) which were required to be transferred in the name of M/s Adley Formulations Private Limited, post-acquisition of business in FY 2018-19.

Particulars	Address of Property
1. LAND	Village Kotla, Barotiwala, Tehsil Baddi, Dist. Solan, HP
2. BUILDING	Village Kotla, Barotiwala, Tehsil Baddi, Dist. Solan, HP
3. BUILDING SHOWROOM	SCO 42, Sector 12, Panchkula

\* A Writ Petition was filed by M/s Adley Formulations Private Limited bearing CWP No. 7630 of 2021 titled M/s Adley Formulations Private Limited Vs State of Himachal Pradesh & anr before the Hon'ble H.P. High Court at Shimla for issuance of nature of mandamus, directing/ commanding the Department of Revenue to change the name of the Petitioner Company from M/s Adley Formulations to M/s Adley Formulations Private Limited consequent upon conversion from a Proprietorship Firm to a Private Limited Company without foisting any condition to pay Stamp Duty or Registration Fee.

The Hon'ble High Court vide Order dated 27-07-2022, disposed off the said petition while issuing a direction to the competent authority i.e. the Department of Revenue to decide the case of the petitioner qua payment of stamp duty and registration charges in accordance with law on the point expeditiously, preferably within three weeks from the receipt of copy of the said order.

The Principal Secretary-cum-Financial Commissioner (Revenue) to the Govt. of Himachal Pradesh, vide his Order dated 11-01-2023, while granting permission for change of name in revenue record from M/s Adley Formulations to M/s Adley Formulations Private Limited consequent upon conversion from a Proprietorship Firm to a Private Limited Company, foisted a condition to pay 'Stamp Duty & Registration Fee' upon the Petitioner, in contravention of the law on the point.

This coerced the petitioner to file another Writ Petition bearing CWP No 1464 of 2023 with the same title, challenging the above noted Order dated 11-01-2023 with consequential relief of change of name on the revenue record, as described in the first para thereof. The said case is still pending.

#### - Capital Work-in-Progress

Expenses incurred during construction/installation period are included under capital work-in-progress and allocated to relevant fixed assets in the ratio of cost of the respective assets on completion of construction/installation. There is no work in progress for the financial year ending 31-March-2023.

#### - Intangible Assets

Intangible assets comprise of product registration fees paid in different countries and goodwill generated on consolidation of the accounts.

### 25.4. Depreciation / Amortisation

-Depreciation on tangible assets is provided, on Written Down Value method, over the useful life of assets estimated by the management in accordance with Schedule-II of the Companies Act, 2013. **(Refer note 4.7).**

-Residual value of assets has been considered at 5% of the original cost of the assets.

-Depreciation on additions to fixed assets is calculated on date of put to use as certified by the management.

- Depreciation on assets sold & scrapped, during the year, is provided up-to the month in which such fixed assets are sold or scrapped.

#### 25.5. Impairment of Assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An asset is treated as impaired when the carrying cost of the assets exceeds its recoverable value. An impairment loss, if any, is charged to the Statement of Profit & Loss in the year in which an asset is identified as impaired. Reversal of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the assets no longer exist or have decreased.

#### 25.6. Valuation of Inventories

- Raw Material Chemicals & Salts
- Packing Material
- Finished Goods Oncology products comprise of Injections, Tablets & Capsules
- Work In Progress (Semi Finished Goods)
- Is valued at cost or estimated realizable value, whichever is lower. The company has determined the cost of inventory using the First-In, First-Out method.
- The company has a policy of physical verification of the entire available inventory once every month, no material discrepancies were noticed during such verification. The last verification was done on 03<sup>rd</sup> April 2023.

#### 25.7. Revenue Recognition

- Revenue from sale of goods is recognized when risk and rewards of ownership are transferred to the customers.
- Revenue from services is recognized when services are rendered and related costs are incurred.
- Other income is recognized on accrual basis unless otherwise stated.
- Revenue from sales/services are shown net of taxes, as applicable.

#### 25.8. Employee Benefits

##### a) Short-term Employee Benefits:

- Leave Encashment, on the basis of actual computation, is accounted for on payment basis, after the cessation of employment the payment in respect thereof is made by the Company from its own funds as per the past practice consistently followed by the Company.
- Payment of Bonus – This year the company has incurred an expenditure of Rs. 55,13,569.00 as per The Payment of Bonus Act, 1965.

##### b) Post-Employment Benefits

##### (i) Defined Contribution Plans:

Contributions as required under the Statute/Rule are made to Employees State Insurance & Provident Fund and charged to the Statement of Profit & Loss of the year when the contributions to the respective funds are due.

##### (ii) Defined Benefit Plans:

Gratuity is accounted for on accrual basis -the Company has opened an Employees' Gratuity Trust with Aditya Birla Sun Life Insurance Company Ltd. and has taken the Group Cap Secure Plan. The Gratuity payable to any employee will be paid out of funds deposited in this plan.

#### GRATUITY PROVISION FOR HOLDING COMPANY – BETA DRUGS LIMITED

Particulars	Amount (₹)
Present Value of Benefit Obligation as on 01.04.2022	99,85,505.00
Current Service Cost	33,02,799.00
Interest Cost	7,28,942.00
Benefits paid	(11,00,475.00)
Net Actuarial Losses ( Gains) recognized in the year	(21,04,749.00)
Present Value of Benefit Obligation on 31.03.2023	1,08,12,022.00

Gratuity Provision in FY 2022-23 was provided for Rs. 19,26,992.00 and Rs. 26,98,447.00 in FY 2021-22.

#### GRATUITY PROVISIONS FOR SUBSIDIARY – ADLEY FORMULATIONS PRIVATE LIMITED

The company has paid Gratuity of Rs. Nil during the year, made a further provision of Rs. 21,39,936.00 and the closing balance of the provision for Gratuity as on 31.03.2023 is Rs. 54,13,133.00.

#### GRATUITY PROVISIONS FOR SUBSIDIARY – ADLEY LAB LIMITED

Provision for Gratuity Liability for the financial year 2022-23 of Rs. 5,73,104.00 is created and the outstanding balance for provision as on 31<sup>st</sup> March 2023 is Rs. 20,61,881.00 as per the Payment of Gratuity Act as per the Payment of Gratuity Act, however actuarial valuation is not done.

c) **Termination Benefits:** Termination benefits are recognized as an expense as and when incurred.

#### 25.9. **Foreign Currency Transactions**

- i.) **Functional and Reporting Currency:** The standalone financial statements are presented in Indian Rupee ('INR') which is also the functional and presentation currency of the Company.
- ii.) **Initial Recognition:** Foreign currency transactions are recorded in the functional currency, by applying to the exchange rate between the functional currency and the foreign currency at the date of the transaction.
- iii.) **Conversion on Reporting Date:** Transactions in foreign currencies are initially recorded by the Company at its functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.
- iv.) **Exchange Differences:** Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the statement of profit and loss in the year in which they arise.
- v.) Net amount of Rs. 30,86,651.71 is recognized as expense for the year due to foreign exchange gains.

#### 25.10. **Borrowing Costs**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets to the extent that they relate to the period till such assets are ready to use. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit & Loss.

During the year, M/s Adley Lab Ltd. has capitalized Rs. 1,18,472/- borrowing cost this year (Previous year Rs. 8,89,687/-) relating to credit facility availed for installation of Plant and Machinery.

#### 25.11. **Investments**

- Current Investments are carried at cost or fair value whichever is lower.
- Non-Current Investments are carried at cost. Provision for diminution in value of non-current investments is made only, if a decline is other than temporary.

#### 25.12. **Operating Lease**

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases. Operating lease charges are recognized as an expense in the Statement of Profit & Loss on monthly due basis. The company has taken following premises on lease:

- 1.) Administrative office located at Panchkula-SCO 184, First floor, Sector 5, Panchkula -134114. The lease is entered into with M/s B.T. Associates, Panchkula for 10 years with monthly rent of Rs. 2,40,720.00 plus GST@18 percent.

#### 25.13. **Taxes on Income**

-Current Tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961.

-Deferred tax is recognized, subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

-Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off assets against liabilities.

-Minimum Alternate Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will be in a position to avail of such credit under the provisions of the Income Tax Act, 1961.

#### 25.14. **Earnings Per Share (EPS)**

-Annualized basic earnings per equity share is arrived at based on net profit/(loss) attributable to equity shareholders to the basic weighted average number of equity shares outstanding.

-Annualized diluted earnings per equity share is arrived at based on adjusted net profit/(loss) attributable to equity shareholders to the adjusted weighted average number of equity shares outstanding, for the effects of all dilutive potential equity shares; except where the results are anti-dilutive. At present the Company does not have any dilutive potential equity shares.

#### 25.15. **Cash Flow Statement:**

-The Cash Flow Statement is prepared by the indirect method set out in Accounting Standard (Ind AS) 7 on Cash Flow Statements and presents the cash flows by operating, investing and financing activities of the Company.

-Cash and cash equivalents presented in the Cash Flow Statement consists of balance in current accounts and cash balances.

#### 25.16. **Contingencies and Provisions**

A provision is recognized when the Company has a present obligation as a result of past events. It is probable that an outflow of resources embodying economic benefit will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on the best estimate of the expenditure required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

A contingent liability is disclosed, unless the possibility of an outflow of resources embodying the economic benefit is remote.

The Consolidated Contingent Liability in the form of Bank Guarantee as on 31.03.2023 is Rs. 1,51,01,650/-. Details of contingent liabilities are separately mentioned in standalone financials statement of each enterprise.

25.17 **Internal Control Policy and BCP Management:** The Company has a comprehensive system of Internal Controls to safeguard its assets against loss from unauthorized use and to ensure reliability of financial reporting. The management assesses the operating effectiveness of these controls on regular basis. All the required security checks i.e., physical security of the company premises and its database are properly installed, daily backup is being done for all the accounting and related data. The company maintains a system of internal controls designed for effectiveness and efficiency of operations, compliance and regulations. To further strengthen the controls, the company has developed a cloud-based ERP system with the help of Tata Consultancy Services in which the data will remain safe on the cloud and can be accessed and updated on real time basis from anywhere with defined access user rights.

The system of internal controls monitors and ensures process for:

- Effectiveness and efficiency of operations;
- Reliability of financial reporting;
- Compliance with applicable laws and regulations.

25.18 **Impact of Covid-19:** The company is in the business of manufacturing and supplying pharmaceuticals products which is categorized under essential goods. There is no problem in sourcing of raw material, packing material, consumables or any kind of machinery and tools. Also, the company is closely monitoring the internal and external environment to see any changes and their impact to make proper decisions in the best interest of the company. The impact of COVID-19 during F.Y 2022-23 is almost negligible. The Company will continue to monitor any material changes to future economic conditions.

**NOTE 26: OTHER NOTES TO ACCOUNTS**  
**(Forming part of Accounts)**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2023**

**26.1. Contingent Liabilities & Commitments:**

- a) Estimated amount of contracts remaining to be executed and not provided for in the books of account -Nil (previous year - Nil).
- b) Contingent Liabilities: Rs. 1,51,01,650/-.
- Claims against the Company not acknowledged as debt- Nil (previous year - Nil).
- Liabilities in respect of Income Tax, Service Tax, Sales Tax and other material statutory dues have been accounted for on the basis of respective returns filed with the relevant authorities. Additional demand, if any, arising at the time of assessments will be accounted for in the year in which assessments are completed.

**26.2. Issued, Subscribed & Paid-up Capital:**

Issued, Subscribed and Paid-up capital of the company are separately mentioned in standalone financials statement of each enterprise.

**26.3. Reserves & Surplus:**

-The amount shown in the Reserve & Surplus represents only surplus carried forward from the earlier year plus the surplus earned during the year. Total amount of surplus outstanding as on 31.03.2023 is Rs. 1,13,27,04,067.17 which includes Share Premium of Rs. 23,94,01,048.98 and Free Reserves of Rs. 89,33,03,018.18.

**26.4. Long-term Borrowings**

**Secured: Details of Consolidated Term Loan is mentioned below.**  
Term Loan:

**DETAILS OF TERM LOAN - M/S BETA DRUGS LIMITED**

S.NO	Lender	Nature of facility	Loan	Amount outstanding as at March 31, 2022	Sanctioned Rate of Interest (%)	Repayment Terms	Security / Principal terms and conditions
1.	HDFC Bank	Working Capital Term Loan of Rs. 82.71 Lakhs HDFC bank loan	Working Capital Term Loan	Rs. 37.29 Lakhs	7.50%	Total EMIs of 48 Months with moratorium of 12 months. Instalments of Rs 2.60 Lakhs P.M. divided into 36 EMI's after service moratorium.	Extension of Charge on current asset mortgaged with HDFC Bank.
		Term Loan of Rs. 50.84 Lakhs- IFG Term Loan	Term Loan	Rs.44.63 Lakhs	8.15% (Floating)	Total EMI of 38 months. Installments. 36 Equal Instalments of Rs. 1.60 lakhs.	Charge as per WC Limits sanctioned.
		Vehicle Loan of Rs. 5 Lakhs	Term Loan	Rs. 4.31 Lakhs	8.25%	Total Installments of Rs 0.15 Lakhs P.M. divided into	1) HYP of Motor Vehicles from the bank in the name of Company.



						39 Equated monthly installment.	
		Vehicle Loan of Rs. 35 Lakhs	Term Loan	Rs. 30.77 Lakhs	7.90%	Total Installments of Rs 1.01 Lakhs P.M. divided into 39 Equated monthly installment.	1) HYP of Motor Vehicles from the bank in the name of Company.
2	SIDBI Loan	Term Loan of Rs. 100.00 Lakhs (Sanctioned Amount Rs. 100 Lakh and Disbursed amount Rs. 98.65 Lakh)	Term Loan	Rs. 32.23 Lakhs	8.84%	Fixed principal repayment of Rs 1.23 Lakhs P.M. divided into 80 Equated monthly installment. Last Installment i.e. 81 <sup>st</sup> Installment is of Rs. 0.25 Lakh.	1) HYP of Machinery and Fixed Deposit amounted Rs. 34 Lakh with SIDBI as collateral.
		Term Loan of Rs. 400.00 Lakhs SIDBI term loan new	Term Loan	Rs. 126.20 Lakhs	8.09%	Fixed principal repayment of Rs 7.40 Lakhs P.M. after moratorium of 6 months divided into 53 Equated monthly installment. Last Installment i.e. 54 <sup>th</sup> Installment is of Rs. 7.80 Lakh.	1) Pari-Passu (Second Charge) of Equitable Mortgage of Industrial Property situated at Lodhimajra, comprising of Khasra No 733/465 (0-5), 466(0-2), 735/467(2-0), Khatoni No 78, comprising of Khasra No 368(1-17). Land measuring 4 Bigha 4 Biswa, Village Nandpur, HB No 170, Tehsil Baddi, Distt Solan (HP) and Khata No 70min/90 comprising Khasra No 369(1-15), 370(0-2-0), 371 (1-6-0), 379/1(2-8-0), Kitte-4. Land measuring 5 Bigha 11 Biswa, village Nandpur, HB NO 170, Tehsil Baddi, Distt Solan (HP) 2) HYP of Machinery amounted Rs. 829.00 Lakhs.
		Term Loan of Rs. 130.00 Lakhs SIDBI Covid Working Capital Term Loan	Working Capital Term Loan	Rs. 130.00 Lakhs	6.00%	Fixed principal repayment of Rs 3.60 Lakhs P.M. after moratorium of 24 months divided into 35 Equated monthly installment. Last Installment i.e. 36 <sup>th</sup>	1) Second charge by way of hypothecation in favour of SIDBI of all the movables including; plant, machinery spares, tools & accessories, office equipment, computers, furnitures and fixtures. 2) Second charge by way of pledge of FDR with SIDBI of Rs. 34 Lakh 3) Second charge by way of mortgage on the Industrial Plot in Vill Nandpur comprised in Khewat/Khatoni No. 114/157 measuring 9 Bigha 15 Biswa owned by Beta Drugs Ltd.



						Installment is of Rs. 4 Lakh.	
		Term Loan of Rs. 160.00 Lakhs SIDBI Machinery Loan	Term Loan	Rs. 137.20 Lakhs	5.65%	Fixed principal repayment of Rs 3.80 Lakhs P.M. after moratorium of 6 months divided into 41 Equated monthly installment. Last Installment i.e. 42 <sup>nd</sup> Installment is of Rs. 4.2 Lakh.	1) First charge by way of hypothecation in favour of SIDBI of the plant, machinery, equipment, tools, spares, accessories, misc fixed assets and all other current assets. 2) Extension of pledge of FDR of Rs. 34 Lakh and pledge of FDR of Rs. 40 Lakh. 3) Extension of first pari passu charge by way of mortgage on Industrial Plot in Vill. Nandpur measuring 9 Bigha 15 Biswa owned by Beta Drugs Ltd.
3	Axis Bank	Vehicle Loan of Rs. 69.72 Lakhs	Term Loan	Rs. 52.50 Lakhs	7.10%	Total Installments of Rs 1.67 Lakhs P.M. divided into 48 Equated monthly installment.	1) HYP of Motor Vehicles from the bank in the name of Company.

Interest on the above term loans is payable on monthly basis.

DETAILS OF TERM LOAN - M/S ADLEY FORMUATIONS P. LTD.

S.NO	Lender	Nature of facility	Loan	Amount outstanding as at March 31, 2022	Rate of interest (%)	Repayment Terms	Security / Principal terms and conditions
1.	HDFC BANK (VEHICLE LOAN)	Term Loan of Rs 60 Lakhs	Term Loan	Rs 25.91 Lakhs	7.50%	Total Installments of Rs 1.45 Lakhs P.M. divided into 48 Equated monthly instalment.	HYP of Motor Vehicles from the bank.
2.	HDFC BANK (VEHICLE LOAN)	Term Loan of Rs 15 Lakhs	Term Loan	Rs 8.37 Lakhs	7.50%	Total Installments of Rs 0.36 Lakhs P.M. divided into 48 Equated monthly instalment.	HYP of Motor Vehicles from the bank.

3.	Yes Bank (VEHICLE LOAN)	Term Loan of Rs 30 Lakhs	Term Loan	Rs 0.59 Lakhs	9.44%	Total Installments of Rs 0.93 Lakhs P.M. divided into 37 Equated monthly instalment.	HYP of Motor Vehicles from the bank.
4.	ICICI Bank (Covid Loan)	Term Loan of Rs. 110.16 Lakhs	Term Loan	Rs. 48.96 Lakhs	8.25%	Total Instalment of 48 months. Moratorium of 12 months. For 36 months, monthly principal repayment of Rs. 3,06,000.00 plus interest.	Extension of charge on existing assets mortgaged with ICICI Bank
5.	Federal Bank (Vehicle Loan)	Term Loan of Rs. 25 Lakh	Term Loan	Rs. 17.82 Lakhs	7.25%	Total Installment s of Rs 0.50 Lakhs P.M. divided into 60 Equated monthly instalment.	HYP of Motor Vehicles from the bank.
6.	Federal Bank (Vehicle Loan)	Term Loan of Rs. 15 Lakh	Term Loan	Rs. 7.14 Lakhs	7.25%	Total Installment s of Rs 0.46 Lakhs P.M. divided into 36 Equated monthly instalment.	HYP of Motor Vehicles from the bank.
7.	Federal Bank (Vehicle Loan)	Term Loan of Rs. 50 Lakh	Term Loan	Rs. 44.61 Lakhs	9.34%	Total Installment s of Rs 0.86 Lakhs P.M. divided into 76 Equated monthly instalment.	HYP of Motor Vehicles from the bank.

DETAILS OF TERM LOAN - M/S ADLEY LAB LTD.

Lender	Nature of Facility	Loan	Amount outstanding as at 31 March'2023	Rate of Interest	Repayment Terms
SIDBI	Term Loan of Rs 268 Lakhs	Term Loan	Rs. 23.14 Lakhs	9.70% (Floating)	1.) First charge by the way of hypothecation in the favor of SIDBI of all the borrower movable, including the movables, plant, machinery, machinery spares, tools & accessories, office equipment, computers, furniture & fixtures both present and future. 2.) Pari passu charge by way of mortgage of leasehold rights in favor of SIDBI of all immovable properties of the borrower, both present and future, situated at plot no D-27, Industrial Area, Focal point, Derabassi, Punjab measuring 2500 sq. yards, including building and structure thereon. 3.) Total 71 Installments of Rs 3.98 Lakhs p.m. (plus interest) and last installment of Rs. 5.42 Lakhs (plus interest).
SIDBI (SMILE)	Term Loan of Rs 20 Lakhs	Term Loan	Rs. 2.18 lakhs	9.35% (Floating)	
SIDBI	Covid Term Loan of Rs. 37 Lakhs	Covid Term Loan	Rs. 2.28 Lakhs	8.71%	
HDFC	Plant and Machinery Loan of Rs. 225 Lakhs	Term Loan	Rs. 148.79 Lakhs	7.36% (Floating)	Installments of Rs. 5.77 lakh per month.
HDFC	Plant and Machinery Loan of Rs. 200 Lakhs	Term Loan	Rs. 191.47 Lakhs	8.35% (Floating)	Installments of Rs. 4.89 lakh per month.
Federal Bank	Vehicle Loan of Rs. 12.50 lakhs	Term Loan	Rs. 10.00 Lakhs	8.90% (Floating)	Installments of Rs. 0.30 lakh per month.

- 26.5. In the opinion of the Directors, “Current Assets” and “Loans & Advances” are approximately of the value stated in the Balance Sheet, if realized in the ordinary course of business and to the best of their knowledge. Provisions for all the known liabilities have been made and, *as certified*, all the contractual and statutory obligations have been duly complied with.
- 26.6. Party balances have been incorporated in the financial statements at the value as per the books of accounts & are considered hopeful of recovery/good for payment. The balance confirmation letter for both debtor and creditors are sent by the company through registered post/email, and in many cases balance confirmation is received from them.

**26.7. Depreciation/Amortization**

The management estimates the useful life of existing fixed assets as follows:-

Building	30 years
Furniture & Fixtures	10 years
Machinery	15 years
Lab Equipment	10 years
Equipment (Other)	5 years
Vehicles	8 years

For this class of assets, based on internal assessment and independent technical evaluation carried out by external valuers the management believes that the useful lives as given above best represent the period over which management expects to use these assets. The useful lives for these assets are same as the useful lives as prescribed under Part-C of Schedule-II of the Companies Act, 2013. (Refer note 3.4).

**26.8. Earnings Per Share**

	<b>Year ended 31<sup>st</sup> March, 2023</b>	<b>Year ended 31<sup>st</sup> March, 2022</b>
<b>Numerator</b>		
Net Profit / (Loss)		
Attributable to Equity shareholders	30,71,87,173.47	24,82,75,447.13
<b>Denominator</b>		
Number of Equity shares	No.'s 96,13,790	No.'s 96,13,790
Nominal		
Value per Equity share	10	10
Earnings per Equity share		
-Basic and diluted	31.95/31.95	25.82/25.82

**26.9. Non-Current Investments:**

Investment in Joint ventures and Associates are accounted for using the equity method of accounting. Under the equity method of accounting, the investments are initially recognized at cost and adjusted thereafter to recognize Dividends received or receivable from associates or joint ventures are recognized as a reduction in the carrying amount of the investment.

Equity shares have been stated at cost; provision for appreciation/diminution in the value of shares has not been made and no dividend was received during the year.

The provisions of Section 186 of the Companies Act, 2013 have been complied with.

The company has the following investments as on 31.03.2023 in entities as mentioned below:

- Beta Drugs has an investment in Beta UBK International Private Limited, Uzbekistan amounting to Rs. 77,89,905.49 as on 31.03.2023.
- Beta Drugs has an investment in Adley Formulations Private Limited (CIN: U24303HR2018PTC076347) amounting Rs.1,26,00,000.00
- Beta Drugs has an investment in Adley Lab Limited (CIN: U24231PB1992PLC051220) amounting Rs. 4,50,40,000.00.

(d) Beta Drugs made an investment in Beta Research Pvt. Ltd. (CIN: U24303HR2022PTC104598) amounting Rs. 1,00,000.00 on 14-12-2022.

#### 26.10. Taxes

-The exact liability of CST/VAT, Service Tax, GST, Income Tax and other statutory dues is indeterminate pending finalization of assessments and no undisputed dues or amounts were outstanding or remaining unpaid as at 31<sup>st</sup> March, 2023.

- **M/S Beta Drugs Limited** -Disputed Income tax demand amounting to Rs. 12,122/- for A.Y 2020-21 and Rs. 90,64,680/- for A.Y 2021-22 is outstanding and appeal filed against the same is under process as on 31.03.2023. The said demand was raised by the department on account of non-compliance of notice u/s 133(6) issued to the third parties, however, the said third parties had duly filed the response to the said notices received by them. The company has filed an appeal providing acknowledgements of the replies filed by those third parties.

- **M/s Adley Formulations Pvt. Ltd**- Disputed Income tax demand amounting to Rs. 72,350/- for A.Y 2021-22 is outstanding and appeal filed against the same is under process as on 31.03.2023. The said demand was due to wrong double disallowance by the department u/s 36 for which appeal has been filed by the company.

-The amount of tax credit determined shall be carried forward up-to fifteen assessment years immediately succeeding the assessment year in which tax credit becomes allowable.

-The tax provision has been disclosed in the separate Notes to Accounts respectively.

#### 26.11 Ratios

Sr. No.	Ratios	Numerator	Denominator	As at March 31' 2023	As at March 31' 2022	Variance	Explanation for any change in the ratio by more than 25% as compared to the preceding
1	Current Ratio	Current Assets	Current liabilities	2.03	1.98	2.34%	
2	Debt-Equity Ratio	Total Debt	Shareholders' equity	0.16	0.21	-25.08%	Due to increase in reserves by Rs. 30.54 crores.
3	Debt Service Coverage Ratio	Earnings available for debt service	Debt service	5.15	7.33	-29.73%	There was re-organization of debt structure in Adley Formulations Pvt. Ltd., where the long-term debt was taken over by short term debt, hence leading to complete payment of long term debt.

4	Return on Equity Ratio	Net profit after taxes less preference dividend (if any)	Shareholder's equity	0.25	0.27	-7.02%	
5	Inventory turnover ratio	Cost of goods sold or sales	Average inventory	4.90	5.83	-15.98%	
6	Trade Receivables turnover ratio	Net Sales	Average Trade Receivables	4.21	4.65	-9.49%	
7	Trade Payables turnover ratio	Net Purchases	Average Trade Payables	3.15	3.85	-18.05%	
8	Net capital turnover ratio	Net Sales	Net working capital	3.51	3.83	-8.32%	
9	Net Profit ratio	Net Profit after taxes	Net Sales	0.14	0.14	0.15%	
10	Return on capital employed	Earnings before interest and taxes	Capital employed	0.32	0.33	-3.44%	
11	Return on investment	Net Profit after taxes	Total Current Investments	4.65%	3.97%	17.19%	

**26.12. Segment Reporting**

Since the Company primarily operates in one segment (i.e., Manufacturing of Oncology medicines), therefore segment reporting as required under Ind AS – 108 is not applicable. Regarding the geographical segments, the company has an export turnover of Rs. 29,69,59,715.54 (Including Direct and Indirect Exports) and the domestic turnover of Rs. 1,97,41,76,278.71.

**26.13. Related Party Disclosures**

Related Party disclosures are made in separate standalone audited financials of each enterprise.

**26.14. Impairment of Assets**

During the year, the Company has undertaken a review of all the fixed assets in line with the requirements of Ind AS-36 on "Impairment of Assets" as notified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, based on such review, no provision for impairment is required to be recognized for the year.

**26.15 Property, Plant and Equipment and Intangible assets:**

- During the financial Year 2022-23 there was no addition under the head Land.
- During the financial Year 2022-23 there was an addition of Rs 3,67,40,959.86 under the head Building.
- During the financial year, there was net addition of Rs. 13,70,47,549.67 to Plant & Machinery, Furniture & Fixtures, Office Equipment, Vehicles & Computers including the assets transferred from WIP.
- The additions of Rs. 1,19,033.33 was made to the R&D Block.
- During the financial year 2021-22 there was an addition of Rs 82,11,027.07 under the head Intangible Asset.

**26.16. Deferred Tax Assets & Liabilities**

During the FY 2022-23 the company has made Consolidated Deferred Tax Provision (Asset) of Rs. 1,20,06,496.08. Details of Calculation in mentioned below.

<b>Calculation of Deferred Tax Asset / Liability</b>	<b>Amount in Rs.</b>
Deferred Tax Asset on provision of gratuity	8,90,835.71
Deferred Tax Asset on provision of CSR	-
Deferred Tax Asset on depreciation	41,72,805.52
Deferred Tax Asset on sale of Asset	-
Deferred Tax Asset on provision of bonus	1,43,530.84
<b>Total Deferred Tax Asset Created for the financial year 2022-23 in Profit and Loss Account.</b>	<b>52,07,172.07</b>
Add: Deferred Tax Asset as on 01.04.2021 (Opening)	67,99,324.01
<b>Balance Deferred Tax Asset recognized in Balance Sheet</b>	<b>1,20,06,496.08</b>

**26.17. Government Grants:**

Government grants are recognized when there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is deducted from the related expense. When the grant relates to an asset, it is recognized as deferred income and amortized over the useful life of such assets. No Government Grant received during the financial year 2022-2023.

**26.18. Micro, Small & Medium Enterprises**

Based on the information presently available, total outstanding as on 31.03.2023 is Rs.18,87,06,418.02 to micro or small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006.

**26.19. Auditor's Remuneration**  
(Exclusive of GST)

	<b>31<sup>st</sup> March, 2023 AMOUNT</b>	<b>31<sup>st</sup> March, 2022 AMOUNT</b>
-As Statutory Auditors	5,02,500.00	5,02,500.00
- Taxation Matters	-	-
-Certification	-	-
-Other Services	-	-
-As Internal Auditor	3,60,000.00	3,60,000.00
- Taxation Matters	-	-
-Certification	-	-
-Other Services	-	-
- Cost Audit	1,25,000.00	1,00,000.00
-Reimbursement of out-of-pocket expenses	-	-
<b>TOTAL</b>	<b>9,87,500.00</b>	<b>9,62,500.00</b>

## 26.20 Other additional information

<u>Particulars</u>	<u>31<sup>st</sup> March, 2023</u> <u>AMOUNT</u>	<u>31<sup>st</sup> March, 2022</u> <u>AMOUNT</u>
<b>“A” Revenue from operations</b>		
(Under broad heads)		
Sales		
-Sales With in India	1,97,41,76,278.71	1,58,93,31,365.12
-Export Sales	<u>29,69,59,715.54</u>	<u>24,90,42,981.28</u>
	<b><u>2,27,11,35,994.25</u></b>	<b><u>1,83,83,74,346.40</u></b>
<b>“B” Purchases</b>		
-Chemicals, Bulk Drugs & Packing Material	1,13,82,65,990.26	1,00,90,06,601.96

## 26.21. Expenditure in Foreign Currency (On Accrual Basis): - Following Expenses were incurred by the company during the year 2022-23.

	<u>31<sup>st</sup> March, 2023</u> <u>AMOUNT</u>	<u>31<sup>st</sup> March, 2022</u> <u>AMOUNT</u>
Import of Capital Goods	1,81,02,850.26	87,26,201.33
Import of Capital Services	50,36,026.99	
Revenue Expenses (Travel)	1,20,38,899.79	27,21,035.00
Revenue Expenses (RM Purchase)	12,60,34,964.18	12,34,01,310.77
Revenue Expenses (others)	1,66,21,367.85	-
Foreign Exchange Loss	30,86,651.71	
<b>TOTAL</b>	<b><u>18,09,20,760.78</u></b>	<b><u>13,48,48,547.10</u></b>

26.22. Earning in Foreign Currency  
Particulars

	<b>For the Year Ended</b> <b>(31.03.2023)</b>	<b>For the year Ended</b> <b>( 31.03.2022)</b>
FOB Value of Export	29,69,59,715.54*	24,90,42,981.28*
Foreign Exchange Gain	1,87,278.27	

\* This includes indirect export

## 26.23. Other statutory information

- No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- The Company does not have any trading in Crypto Currency or Virtual Currency.
- The Company does not have any transactions or balances with a Companies struck off under section 248 of the Companies Act, 2013 or Section 560 of the Companies Act 1956.



- iv. The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961.
- v. Company has not advanced or loaned or invested funds to any other person(s) or entity(is), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- vi. The Company has not received any fund from any person(s) or entity(is), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- vii. No charge is pending to be registered beyond statutory period with ROC.
- viii. The company has not used the borrowings from banks and financial institutions for any other purpose other than for the specific purpose for which it was taken.
- ix. The Company have defined agreement with the Debtors regarding the credit payment period given and ageing is done accordingly in Financial Statement.
- x. As there is no specific agreements with the creditors, hence the creditors ageing is done as per the date of invoice received.

**26.24 Additional Information, as required under Schedule III to the Companies Act, 2013 in respect of subsidiaries whose accounts are consolidated.**

**Amount in Rs.**

Name of the Enterprise	Net Assets i.e., Total assets minus total liabilities		Share in profit or (loss)	
	As % of consolidated net assets	Amount	As % of consolidated net profit	Amount
Parent				
Beta Drugs Limited	78.33%	96,25,51,587.45	61.25%	18,81,60,708.35
Subsidiary				
Adley Formulations Private Limited	13.43%	16,50,66,217.02	20.98%	6,44,42,439.77
Adley Lab Limited	10.69%	13,14,04,662.52	17.77%	5,45,84,025.35
Inter-Company Elimination	(2.46%)	-3,01,80,499.83	-	-
<b>Total</b>	<b>100.00%</b>	<b>1,22,88,41,967.16</b>	<b>100.00%</b>	<b>30,71,87,173.47</b>

## Annexure-5

<b>26.25 SALIENT FEATURES OF FINANCIAL STATEMENTS OF SUBSIDIARIES / ASSOCIATES / JOINT VENTURES AS PER COMPANIES ACT, 2013</b>	
<b>ADLEY FORMULATIONS PRIVATE LIMITED</b>	
[Pursuant to Section 129(3) of the Companies Act, 2013 and Rule 5 of the Companies (Accounts) Rules, 2014 –AOC 1]	
Name of Subsidiary Company	Adley Formulations Private Limited
Reporting Period	01 <sup>st</sup> April 2022 to 31 <sup>st</sup> March 2023
Reporting Currency	Rupees (Rs.)
Share Capital	1,26,00,000.00
Reserves & Surplus	15,24,66,217.02
Total Assets	46,40,93,427.17
Total Liabilities	46,40,93,427.17
Investments	-
Turnover / Total Income	58,20,53,586.06
Profit/ (Loss) Before Taxation	8,57,96,388.26
Provision for Taxation	2,13,53,948.49
Profit / (Loss) After Taxation	6,44,42,439.77
Proposed Dividend	Nil
% of Shareholding	99.99%

<b>26.26 SALIENT FEATURES OF FINANCIAL STATEMENTS OF SUBSIDIARIES / ASSOCIATES / JOINT VENTURES AS PER COMPANIES ACT, 2013</b>	
<b>ADLEY LAB LIMITED</b>	
[Pursuant to Section 129(3) of the Companies Act, 2013 and Rule 5 of the Companies (Accounts) Rules, 2014 -AOC 1]	
Name of Subsidiary Company	Adley Lab Limited
Reporting Period	01 <sup>st</sup> April 2022 to 31 <sup>st</sup> March 2023
Reporting Currency	Rupees (Rs.)
Share Capital	1,75,80,500.00
Reserves & Surplus	11,38,24,162.52
Total Assets	35,95,81,928.02
Total Liabilities	35,95,81,928.02
Investments	-
Turnover / Total Income	42,76,94,024.75
Profit/ (Loss) Before Taxation	7,26,74,433.36
Provision for Taxation*	1,80,90,408.02
Profit / (Loss) After Taxation	5,45,84,025.34
Proposed Dividend	-
% of Shareholding	99.99%

\*Deferred Tax Provision

<b>26.27 SALIENT FEATURES OF FINANCIAL STATEMENTS OF SUBSIDIARIES / ASSOCIATES / JOINT VENTURES AS PER COMPANIES ACT, 2013</b>	
<b>BETA RESEARCH PRIVATE LIMITED</b>	
[Pursuant to Section 129(3) of the Companies Act, 2013 and Rule 5 of the Companies (Accounts) Rules, 2014 -AOC 1]	
Name of Subsidiary Company	Beta Research Private Limited
Reporting Period	22 <sup>nd</sup> June 2022 to 31 <sup>st</sup> March 2023
Reporting Currency	Rupees (Rs.)
Share Capital	1,00,000.00
Reserves & Surplus	-
Total Assets	1,00,000.00
Total Liabilities	1,00,000.00
Investments	-

Turnover / Total Income	-
Profit/ (Loss) Before Taxation	-
Provision for Taxation*	-
Profit / (Loss) After Taxation	-
Proposed Dividend	-
% of Shareholding	99.99%

**26.28. Corporate Social Responsibility:**

The Company has provided for the corporate social responsibility as per Section 135 of the Companies Act 2013 i.e., Rs. 47,32,991.00 during the year. The actual amount spent during the financial year was Rs. 47,44,300.00 and there is no outstanding provision as on 31<sup>st</sup> March 2023.

**26.29.** Balance confirmation has been sent to all the Debtors and Creditors by way of electronic mail.

**26.30.** Figures for previous year have been regrouped / rearranged where necessary to conform to the current year's presentation.

In terms of our attached report of even date.

For and on behalf of the Board of Directors

**For KALRA RAI AND ASSOCIATES**  
**CHARTERED ACCOUNTANTS**  
**F R No. – 008859**

*Sd/-*

**LAJPAT RAI KALRA**  
**PARTNER**  
**M. No.087438**

**Dated: 08/05/2023**  
**Place: Chandigarh**  
**UDIN: 23087438BGVHEG7749**

*Sd/-*  
**Rahul Batra**  
**(Director)**  
**DIN: 02229234**

*Sd/-*  
**Varun Batra**  
**(Director)**  
**DIN:02148383**

---

**STANDALONE FINANCIAL**

**STATEMENTS**

**OF**

**“ADLEY FORMULATIONS PRIVATE LIMITED”**

**(WHOLLY-OWNED SUBSIDIARY)**

**FOR THE FINANCIAL YEAR**

**2022-23**

KALRA RAI & ASSOCIATES  
CHARTERED ACCOUNTANTS

Head Office: Kothi No. 667, 1<sup>st</sup> floor, Sector-43-A  
Chandigarh-160022

## Independent Auditors' Report

Members of Adley Formulations Private Limited

### Report on the Standalone Financial Statements

We have audited the accompanying standalone Ind-AS financial statements of Adley Formulations Private Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these standalone Ind-AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind-AS) specified under Section 133 of the Act., read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind-AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind-AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit of the standalone Ind-AS financial statements in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind-AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind-AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind-AS financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the standalone Ind-AS financial statements give the information required by 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 March 31, 2023, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2016 ('the Order') issued by the Central Government of India in terms of subsection (11) of Section 143 of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. 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 purpose 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, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the aforesaid standalone Ind-AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- e. On the basis of written representations received from the directors as on March 31, 2023, and taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2023, 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 over financial reporting of the Company and the operating effectiveness of such controls, refers to our separate Report in "Annexure B";
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2020, 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 on its financial position in its financial statements.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There have been no amounts available which is required to be transferred to the Investor Education and Protection Fund by the Company;

**Place:- Chandigarh**  
**Date: 08/05/2023**  
**UDIN:23087438BGVHEJ8867**

**For KALRA RAI & ASSOCIATES**

**Chartered Accountants**

**Sd/-**  
**(Lajpat Rai Kalra)**  
**Partner**  
**M. No- 087438**  
**FRN: 008859N**



## **CARO**

### **Annexure 1 referred to in paragraph 1 of our report of even date**

#### **Re: Adley Formulations Private Limited ('the Company')**

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a program of physical verification of Property, Plant and Equipment so to cover all the assets once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) Based on our examination of the property tax receipts and lease agreement for land on which building is constructed, registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title in respect of self-constructed buildings and title deeds of all other immovable properties, except for the following, disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.

Following Immovable assets are currently in the name of M/s Adley Formulations, post-acquisition of business, the title deed is to be transferred in M/s Adley Formulation Private Limited.

Description of Property	Gross carrying value	Held in name of	Whether promoter, director or their relative or employee	Period held- indicate range, where applicable	Reasons for not being held in name of company
Land at Village kotla, Barotiwala, Tehsil Baddi, Dist. Solan, HP	3,58,750/-	M/s Adley Formulations (Proprietorship firm of Mr. Vijay Kumar Batra)		Since 09/10/2018	*as details below
Building at Village kotla, Barotiwala, Tehsil Baddi, Dist. Solan, HP	4,03,13,861.16/-	M/s Adley Formulations (Proprietorship firm of Mr. Vijay Kumar Batra)		Since 09/10/2018	*as details below
Showroom at SCO 42, Sector 12, Panchkula	1,13,18,424.58/-	M/s Adley Formulations (Proprietorship firm of Mr. Vijay Kumar Batra)		Since 09/10/2018	*as details below

\* A Writ Petition was filed by M/s Adley Formulations Private Limited bearing CWP No. 7630 of 2021 titled M/s Adley Formulations Private Limited Vs State of Himachal Pradesh & anr before the Hon'ble H.P. High Court at Shimla for issuance of nature of mandamus, directing/ commanding the Department of Revenue to change the name of the Petitioner Company from M/s Adley Formulations to M/s Adley Formulations Private Limited

consequent upon conversion from a Proprietorship Firm to a Private Limited Company without foisting any condition to pay Stamp Duty or Registration Fee.

The Hon'ble High Court vide Order dated 27-07-2022, disposed off the said petition while issuing a direction to the competent authority i.e. the Department of Revenue to decide the case of the petitioner qua payment of stamp duty and registration charges in accordance with law on the point expeditiously, preferably within three weeks from the receipt of copy of the said order.

The Principal Secretary-cum-Financial Commissioner (Revenue) to the Govt. of Himachal Pradesh, vide his Order dated 11-01-2023, while granting permission for change of name in revenue record from M/s Adley Formulations to M/s Adley Formulations Private Limited consequent upon conversion from a Proprietorship Firm to a Private Limited Company, foisted a condition to pay 'Stamp Duty & Registration Fee' upon the Petitioner, in contravention of the law on the point.

This coerced the petitioner to file another Writ Petition bearing CWP No 1464 of 2023 with the same title, challenging the above noted Order dated 11-01-2023 with consequential relief of change of name on the revenue record, as described in the first para thereof. The said case is still pending..

(d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii. (a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals, except goods-in-transit. The coverage and procedure adopted by the Management is appropriate according to the size and scale of the Company. No discrepancies of 10% or more were observed in any class of inventories.

(b) The Company has been previously sanctioned working capital limits of Rs. 6 crore, in aggregate, from banks or financial institutions and the monthly statements filed by the Company with such banks or financial institutions are in agreement with the books of accounts of the Company.

iii. (a) The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year, and hence reporting under clause 3(iii)(a) of the Order is not applicable.

(b) The company has not made any investments, or provided any guarantees, loans or advances. Hence, clause 3(iii)(b) is not applicable.

(c) The company has not provided any loans and hence, clause 3(iii)(c) is not applicable.

(d) The company has not granted any loans and hence, clause 3(iii)(d) is not applicable.

(e) The company has not granted any loan and hence, clause 3(iii)(e) is not applicable.

(f) The Company has not granted any loans or Hence, reporting under clause 3(iii)(f) is not applicable.

iv. The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.

v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

vi. The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.



vii. In respect of statutory dues:

- (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities except advance tax. There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.
- (b) Disputed Income tax demand amounting to Rs. 72,350/- for A.Y 2021-22 is outstanding and appeal filed against the same is under process as on 31.03.2023. The said demand was due to wrong double disallowance by the department u/s 36 for which appeal has been filed by the company.

viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. (a) The Company has not defaulted in repayment of loans or other borrowings or in payment of interest thereon to any lender.

- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) According to the explanations provided by the Company and overall examination of the financial statements of the Company, the term loans were prima facie applied for the purpose for which they were obtained.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies and hence reporting on clause 3(ix)(f) of the Order is not applicable.

x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

xi. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) The Company has not received any whistle-blower complaints during the year.

xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

xv. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b), (c) and (d) of the Order is not applicable.

xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors of the Company during the year.

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of paragraph 3 of the order is not applicable for the year.

**Place:- Chandigarh**  
**Date: 08/05/2023**  
**UDIN:23087438BGVHEJ8867**

**For KALRA RAI & ASSOCIATES**

**Chartered Accountants**

**Sd/-**  
**(Lajpat Rai Kalra)**  
**Partner**  
**M. No- 087438**  
**FRN: 008859N**

---

**“ANNEXURE-B” TO THE AUDITORS’ REPORT****Referred to in Paragraph 7 of Our Report of Even Date****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of **Adley Formulations Private Limited** (“the Company”) as of 31 March 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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 (“the Guidance Note”) issued by the Institute of Chartered Accountants of India (‘ICAI’). 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 (“the Act”).

**Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (“the Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 over financial reporting was established and maintained and if 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 auditor’s judgment, including the assessment of the risks of material misstatement of the 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 system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

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 control over financial reporting 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 over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2023, based on the internal control over financial reporting 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.

**Place:- Chandigarh**  
**Date: 08/05/2023**  
**UDIN:23087438BGVHEJ8867**

**For KALRA RAI & ASSOCIATES**

**Chartered Accountants**

**Sd/-**  
**(Lajpat Rai Kalra)**  
**Partner**  
**M. No- 087438**  
**FRN: 008859N**

ADLEY FORMULATIONS PRIVATE LIMITED				
Cabin No. 1, 1ST FLOOR SCO-184, SECTOR-5 PANCHKULA Panchkula HR 134114 IN				
CIN : U24303HR2018PTC076347				
BALANCE SHEET AS AT 31 March' 2023				
Particulars		Note No.	As at 31 March'	As at 31 March'
			2023	2022
			Amount in Rs.	Amount in Rs.
			Lakhs	Lakhs
A	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	1	126.00	126.00
	(b) Reserves and surplus	2	1,524.66	888.51
	(c) Money received against share warrants		-	-
			1,650.66	1,014.51
2	Share application money pending allotment		-	-
3	Non-current liabilities			
	(a) Long-term borrowings	3	366.47	701.97
	(b) Deferred tax liabilities (net)	4	-	-
	(c) Other long-term liabilities	5 (a)	167.11	167.24
	(d) Long-term provisions	5 (b)	54.13	32.73
			587.71	901.94
4	Current liabilities			
	(a) Short-term borrowings	6	686.64	295.39
	(b) Trade payables	7	1,426.46	1,017.46
	(c) Other current liabilities	8	209.11	246.20
	(d) Short-term provisions		80.34	68.57
			2,402.56	1,627.62
	TOTAL		4,640.93	3,544.07
B	ASSETS			
1	Non-current assets			
	(a) Property, Plant and Equipment and Intangible assets			
	(i) Property, Plant and Equipment	9	1,423.22	1,041.82
	(ii) Intangible assets	9	13.31	19.22
	(iii) Capital work-in-progress		-	-
	(iv) Intangible assets under development		-	-
	(v) Fixed assets held for sale		-	-
			1,436.53	1,061.04
	(b) Non-current investments		-	-
	(c) Deferred tax assets (net)	4	27.92	12.83
	(d) Long-term loans and advances	10	330.16	136.56
	(e) Other non-current assets		-	-
			358.08	149.39
2	Current assets			
	(a) Current investments		-	-
	(b) Inventories	11	834.79	710.62
	(c) Trade receivables	12	1,427.22	1,037.64
	(d) Cash and cash equivalents	13	108.04	144.20
	(e) Short-term loans and advances	14	292.47	248.51
	(f) Other current assets	15	183.81	192.68
			2,846.33	2,333.64
	TOTAL		4,640.93	3,544.07
	See accompanying notes forming part of the financial statements	24 & 25		
In terms of our report attached.				
For KALRA RAI AND ASSOCIATES			For and on the behalf of the Board of Directors	
Chartered Accountants				
(FRN: 008859N)				
Sd/-			Sd/-	Sd/-
LAJPAT RAI KALRA			RAHUL BATRA	VARUN BATRA
Partner			Director	Director
MEMBERSHIP NO. 087438			DIN: 02229234	DIN: 02148383
UDIN: 23087438BGVHEJ8867				
Place : Chandigarh				
Date : 08/05/2023				

ADLEY FORMULATIONS PRIVATE LIMITED				
Cabin No. 1, 1ST FLOOR SCO-184, SECTOR-5 PANCHKULA Panchkula HR 134114 IN				
CIN : U24303HR2018PTC076347				
STATEMENT OF PROFIT AND LOSS FOR THE year ENDED 31 March' 2023				
Particulars		Note No.	As at 31 March' 2023	As at 31 March' 2022
			Amount in Rs. Lakhs	Amount in Rs. Lakhs
A	CONTINUING OPERATIONS			
1	Revenue from operations (gross)	16	5,820.54	5,115.35
	Less: Excise duty		-	-
	Revenue from operations (net)		5,820.54	5,115.35
2	Other income	17	7.32	8.87
3	Total revenue (1+2)		5,827.86	5,124.21
4	Expenses			
	(a) Cost of materials consumed	18	2,767.84	2,899.34
	(b) Purchases of stock-in-trade		-	-
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	19	6.51	-55.09
	(d) Other manufacturing expenses	20	472.00	272.56
	(d) Employee benefits expense	21	812.83	650.83
	(e) Finance costs	22	132.74	120.88
	(f) Depreciation and amortisation expense	9	252.00	120.06
	(g) Other expenses	23	525.97	445.26
	Total expenses		4,969.89	4,453.84
5	Profit / (Loss) before exceptional and extraordinary items and tax (3 - 4)		857.96	670.37
6	Exceptional items		-	-
7	Profit / (Loss) before extraordinary items and tax (5 ± 6)		857.96	670.37
8	Extraordinary items/Prior year items		-	-
9	Profit / (Loss) before tax (7 ± 8)		857.96	670.37
10	Tax expense:			
	(a) Current tax expense for current year		228.63	161.49
	(b) (Less): MAT credit (where applicable)		-	-
	(c) Tax expense relating to prior years		-	-
	(d) Net current tax expense		228.63	161.49
	(e) Deferred tax		(15.09)	7.23
			213.54	168.72
11	Profit / (Loss) from continuing operations (9 ±10)		644.42	501.65
B	DISCONTINUING OPERATIONS			
12	Profit / (Loss) from discontinuing operations (B.i ± B.ii ± B.iii)		-	-
C	TOTAL OPERATIONS		644.42	501.65
13	Profit / (Loss) for the year (11 ± 12)		644.42	501.65
14	Earnings per share (of Rs. 10/- each):			
	(a) Basic			
	(i) Continuing operations		51.14	39.81
	(ii) Total operations		51.14	39.81
	(b) Diluted			
	(i) Continuing operations		51.14	39.81
	(ii) Total operations		51.14	39.81
	See accompanying notes forming part of the financial statements	24 & 25		
In terms of our report attached.				
For KALRA RAI AND ASSOCIATES Chartered Accountants (FRN: 008859N)			For and on the behalf of the Board of Directors	
Sd/- LAJPAT RAI KALRA Partner MEMBERSHIP NO. 087438 UDIN: 23087438BGVHEJ8867 Place : Chandigarh Date : 08/05/2023			Sd/- RAHUL BATRA Director DIN: 02229234 Sd/- VARUN BATRA Director DIN: 02148383	

**ADLEY FORMULATIONS PRIVATE LIMITED**

Cabin No. 1, IST FLOOR SCO-184, SECTOR-5 PANCHKULA Panchkula HR 134114 IN

CIN : U24303HR2018PTC076347

**CASHFLOW STATEMENT FOR THE year ENDED 31 March' 2023**

Particulars		As at 31 March' 2023	As at 31 March' 2022
		Amount in Rs. Lakhs	Amount in Rs. Lakhs
<b>A</b>	<b>CASHFLOW FROM OPERATING ACTIVITIES</b>		
	Net Profit before tax and extraordinary items (as per Statement of Profit & Loss)	857.96	670.37
	Adjustments for non Cash/Non trade items:		
	Depreciation & Amortization Expenses	252.00	120.06
	Finance Cost	132.74	120.88
	Interest received	(4.17)	(4.80)
	Other inflows/(outflows) of cash	(203.73)	(41.32)
	<b>Operating profits before Working Capital Changes</b>	<b>1,034.80</b>	<b>865.18</b>
	<b>Adjusted For:</b>		
	(Increase)/Decrease in trade receivables	(389.58)	84.71
	Increase/(Decrease) in trade payables	409.00	422.54
	(Increase)/Decrease in inventories	(124.17)	(224.68)
	Increase/(Decrease) in other current liabilities	(37.09)	(111.06)
	(Increase)/Decrease in short term loans and advances	(43.96)	(164.31)
	(Increase)/Decrease in other current assets	8.87	(147.31)
	<b>Working Capital Changes</b>	<b>(176.92)</b>	<b>(140.11)</b>
	<b>Net cashflow from Operating Activities (A)</b>	<b>857.88</b>	<b>725.07</b>
<b>B</b>	<b>CASHFLOW FROM INVESTING ACTIVITIES</b>		
	Purchase of tangible/intangible assets	(627.48)	(564.48)
	Interest received	4.17	4.80
	Cash used for Long Term Loans/Advances	(193.60)	(37.44)
	<b>Net cash used in Investing Activities (B)</b>	<b>(816.91)</b>	<b>(597.12)</b>
<b>C</b>	<b>CASHFLOW FROM FINANCING ACTIVITIES</b>		
	Finance Cost	(132.74)	(120.88)
	Increase/(Decrease) in short term borrowings	391.25	111.87
	Increase in/(Repayment) of Long term Borrowings	(335.50)	(17.83)
	Increase in/(Repayment) of Other Long term Liabilities	(0.13)	(57.88)
	Increase/ (Decrease) in share capital	-	-
	Other Inflows/ (Outflows) of cash	-	-89.60
	<b>Net cash used in Financing Activities (C)</b>	<b>(77.12)</b>	<b>(174.32)</b>
<b>D</b>	<b>Net Increase/(Decrease) in cash &amp; cash equivalents (A+B+C)</b>	<b>(36.15)</b>	<b>-46.37</b>
<b>E</b>	<b>Cash &amp; Cash equivalents at beginning of year</b>	<b>144.20</b>	<b>190.56</b>
<b>F</b>	<b>Cash &amp; Cash equivalents at end of year</b>	<b>108.04</b>	<b>144.20</b>
<b>G</b>	<b>Net Increase/(Decrease) in cash &amp; cash equivalents (F-E)</b>	<b>(36.15)</b>	<b>-46.37</b>

In terms of our report attached.

**For KALRA RAI AND ASSOCIATES**  
 Chartered Accountants  
 (FRN: 008859N)

For and on the behalf of the Board of Directors

Sd/-  
**LAJPAT RAI KALRA**  
 Partner  
 MEMBERSHIP NO. 087438  
 UDIN: 23087438BGVHEJ8867  
 Place : Chandigarh  
 Date : 08/05/2023

Sd/-  
**RAHUL BATRA**  
 Director  
 DIN: 02229234

Sd/-  
**VARUN BATRA**  
 Director  
 DIN: 02148383

**ADLEY FORMULATIONS PRIVATE LIMITED**  
**Notes forming part of the financial statements**

**Note 1 Share capital**

Particulars	As at 31 March' 2023		As at 31 March' 2022	
	Number of shares	Amount in Rs. Lakhs	Number of shares	Amount in Rs. Lakhs
(a) Authorised - Equity shares of Rs. 10 each	13,00,000.00 -	130.00 -	13,00,000.00 -	130.00 -
(b) Issued - Equity shares of Rs. 10 each	12,60,000.00 <b>12,60,000.00</b>	126.00 <b>126.00</b>	12,60,000.00 <b>12,60,000.00</b>	126.00 <b>126.00</b>
(c) Subscribed and fully paid up - Equity shares of Rs.10 each	12,60,000.00 12,60,000.00	126.00 126.00	12,60,000.00 12,60,000.00	126.00 126.00
(d) Subscribed but not fully paid up	- -	- -	- -	- -
Total	12,60,000.00	126.00	12,60,000.00	126.00

Note 1(a) Reconciliation of number of shares outstanding is set out below:

Particulars	Equity Shares 31 March' 2023		Equity Shares 31 March' 2022	
	Number	Amount in (Rs. Lakhs)	Number	Amount in (Rs. Lakhs)
Shares outstanding at the beginning of the year	12,60,000.00	126.00	12,60,000.00	126.00
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	12,60,000.00	126.00	12,60,000.00	126.00

Note 1(b) Shares held by promoters at the end of the year 31st March 2023

Name of Shareholder	As at 31 March' 2023		
	No. of Shares held	% of Holding	% Changes
Beta Drugs Limited	12,59,999.00	99.9999%	
Mr. Rahul Batra	1.00	0.0001%	

Note 1(b) Shares held by promoters at the end of the year 31st March 2022

Name of Shareholder	As at 31 March' 2022		
	No. of Shares held	% of Holding	% Changes
Beta Drugs Limited	12,59,999.00	99.9999%	
Mr. Rahul Batra	1.00	0.0001%	

Note 1(c ) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31 March' 2023		As at 31 March' 2022	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Beta Drugs Limited	12,59,999	100%	12,59,999	100%
Mr. Rahul Batra	1	0%	1	0%



**ADLEY FORMULATIONS PRIVATE LIMITED**  
**Notes forming part of the financial statements**

**Note 2 Reserves and surplus**

Particulars	As at 31 March' 2023	As at 31 March' 2022
	Amount in Rs. Lakhs	Amount in Rs. Lakhs
(a) Securities premium account		
Opening balance	-	-
Closing balance	-	-
(b) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	888.51	476.46
Less: Provision for Insurance claim recoverable		89.60
Less: Provision for Income Tax	8.27	
Add: Profit / (Loss) for the year	644.42	501.65
Closing balance	1,524.66	888.51
<b>Total</b>	<b>1,524.66</b>	<b>888.51</b>

**Note 3 Long-term borrowings**

Particulars	As at 31 March' 2023	As at 31 March' 2022
	Amount in Rs. Lakhs	Amount in Rs. Lakhs
Term loans		
From banks		
Secured		
Federal Bank (Vehicle Loan)	53.58	24.58
ICICI Bank Ltd (LAP)	-	329.18
ICICI Covid Loan	12.24	48.96
HDFC Bank (Vehicle Loan)	14.42	34.28
Yes Bank Loan (Vehicle Loan)	-	0.59
	<b>80.24</b>	<b>437.59</b>
From other parties		
Secured		
Unsecured ( From Related Parties)		
M/s Beta Drugs Ltd.	286.23	264.38
<b>Total - A</b>	<b>286.23</b>	<b>264.38</b>
Unsecured ( From Unrelated Parties)	-	-
<b>Total - B</b>	-	-
	<b>286.23</b>	<b>264.38</b>
<b>The Above Amount Includes</b>		
Secured Borrowings	<b>80.24</b>	<b>437.59</b>
Unsecured Borrowings	<b>286.23</b>	<b>264.38</b>
	-	-
<b>Total</b>	<b>366.47</b>	<b>701.97</b>

ADLEY FORMULATIONS PRIVATE LIMITED						
Notes forming part of the financial statements						
Notes: Long-term borrowings						
Particulars	As at 31 March' 2023			As at 31 March' 2022		
	Amount in Rs. Lakhs			Amount in Rs. Lakhs		
	Non- Current	Current Maturities	Total	Non- Current	Current Maturities	Total
<b>Term loans</b>						
<b>From banks</b>						
<b>Secured</b>						
Federal Bank (Vehicle Loan)	53.58	15.99	69.57	24.58	9.40	33.97
HDFC Bank (Vehicle Loan)	14.42	19.86	34.28	34.28	18.43	52.72
Yes Bank (Vehicle Loan)	-	0.59	0.59	0.59	10.62	11.22
ICICI Bank (Loan against Property)	-	-	-	329.18	15.92	345.10
ICICI Covid Loan	12.24	36.72	48.96	48.96	36.72	85.68
	<b>80.24</b>	<b>73.17</b>	<b>153.41</b>	<b>437.59</b>	<b>91.09</b>	<b>528.68</b>
<b>From other parties</b>						
Secured	-	-	-	-	-	-
Unsecured ( From Related Parties)						
M/s Beta Drugs Ltd.	286.23	-	286.23	264.38	-	264.38
<b>Total - A</b>	<b>286.23</b>	<b>-</b>	<b>286.23</b>	<b>264.38</b>	<b>-</b>	<b>264.38</b>
Unsecured ( From Unrelated Parties)	-	-	-	-	-	-
<b>Total - B</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>286.23</b>	<b>-</b>	<b>286.23</b>	<b>264.38</b>	<b>-</b>	<b>264.38</b>
<b>The Above Amount Includes</b>						
Secured Borrowings	80.24	73.17	153.41	437.59	91.09	528.68
Unsecured Borrowings	286.23	-	286.23	264.38	-	264.38
Amount disclosed under "Other Current Liabilities"		(73.17)	(73.17)		(91.09)	(91.09)
<b>Total</b>	<b>366.47</b>	<b>-</b>	<b>366.47</b>	<b>701.97</b>	<b>-</b>	<b>701.97</b>

**ADLEY FORMULATIONS PRIVATE LIMITED**  
Notes forming part of the financial statements

**ADLEY FORMULATIONS PRIVATE LIMITED**  
**Note 4 Deferred Tax**

Particulars	As at 31 March' 2023	As at 31 March' 2022
	Amount in Rs. Lakhs	Amount in Rs. Lakhs
<b>Deferred tax Asset</b>		
Opening Deferred Tax Asset	12.83	20.06 0
Deferred tax on depreciation	9.71	-9.46
Deferred tax on Gratuity	5.39	2.23
Deferred tax on loss on sale of asset	-	-
<b>Deferred tax asset for the year</b>	<b>15.09</b>	<b>-7.23</b>
<b>Net Deferred tax asset</b>	<b>27.92</b>	<b>12.83</b>

**Continue Note 4 Current tax Provision**

Particulars	As at 31 March' 2023	As at 31 March' 2022
	Amount in Rs. Lakhs	Amount in Rs. Lakhs
Current Year Tax	228.63	161.49
Less: Advance Tax/TDS/TCS	-148.29	-92.92
<b>Current Year Tax Provision</b>	<b>80.34</b>	<b>68.57</b>
<b>Short term provisions</b>	<b>80.34</b>	<b>68.57</b>

<b>Note 5 Other long-term liabilities</b>		
Particulars	As at 31 March' 2023	As at 31 March' 2022
	Amount in Rs. Lakhs	Amount in Rs. Lakhs
Others:		
(i) Payables on purchase of fixed assets	91.72	81.84
(ii) Contractually reimbursable expenses	-	-
(iii) Security received from customers	75.40	85.40
<b>Total</b>	<b>167.11</b>	<b>167.24</b>

<b>Note 5 (b) Long Term-provisions</b>		
Particulars	As at 31 March' 2023	As at 31 March' 2022
	Amount in Rs. Lakhs	Amount in Rs. Lakhs
(a) Provision for Gratuity	54.13	32.73
<b>Total</b>	<b>54.13</b>	<b>32.73</b>

**ADLEY FORMULATIONS PRIVATE LIMITED**  
**Notes forming part of the financial statements**

**Note 6 Short-term borrowings**

Particulars	As at 31 March' 2023	As at 31 March' 2022
	Amount in Rs. Lakhs	Amount in Rs. Lakhs
Other loans and advances Secured		
- ICICI Bank CC against hypothecation of stock, Debtors and movable assets	258.39	295.39
-ICICI Bank OD Account	428.25	-
<b>Total</b>	<b>686.64</b>	<b>295.39</b>

**Note 7 Trade payables**

Particulars	As at 31 March' 2023	As at 31 March' 2022
	Amount in Rs. Lakhs	Amount in Rs. Lakhs
Trade payables:		
Micro Enterprises And Small Enterprises	1,113.16	596.07
Others	313.31	421.39
<b>Total</b>	<b>1,426.46</b>	<b>1,017.46</b>

**Note 7 (a) Trade payables ageing Schedule As at 31st March'2023**

Particulars	Outstanding for following years from				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	1,113.16	-	-	-	1,113.16
(ii) Others	243.47	39.52	30.32	-	313.31
(iii) Disputed Dues- MSME	-	-	-	-	-
(iv) Disputed Dues- Others	-	-	-	-	-

**Note 7 (b) Trade payables ageing Schedule As at 31st March'2022**

Particulars	Outstanding for following years from				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	596.07	-	-	-	596.07
(ii) Others	390.94	30.32	0.12	-	421.39
(iii) Disputed Dues- MSME	-	-	-	-	-
(iv) Disputed Dues- Others	-	-	-	-	-

**Note 8 Other current liabilities**

Particulars	As at 31 March' 2023	As at 31 March' 2022
	Amount in Rs. Lakhs	Amount in Rs. Lakhs
(a) Other payables	126.64	114.78
(i) Current Maturities of Long Term Debt	73.17	91.09
(b) Cheque issued yet not presented for Payment	0.03	1.82
Advances From Customers	9.27	38.51
<b>Total</b>	<b>209.11</b>	<b>246.20</b>

**Note 8(a) Other current liabilities**

Particulars	As at 31 March' 2023	As at 31 March' 2022
	Amount in Rs. Lakhs	Amount in Rs. Lakhs
PF Payable	5.87	3.74
ESI payable	0.37	0.23
TDS payable	12.39	10.27
Labour Welfare payable	0.15	-
Interest Accrued But Not Due	0.78	4.11
Salary & wages Payable	79.17	57.40
Other Expenses payable	27.91	39.05
<b>Total</b>	<b>126.64</b>	<b>114.78</b>

Note No. 9 Property, Plant and Equipment and Intangible assets as at 31st March'2023													
Assets			Gross Block					Accumulated Depreciation/ Amortisation				Net Block	
	Useful Life (In Years)	Shift	Balance as at 1st April 2022	Additions during the year	Addition on account of business acquisition	Deletion during the year	Balance as at 31st March' 2023	Balance as at 1st April 2022	Provided during the year	Deletion / adjustments during the year	Balance as at 31st March' 2023	Balance as at 31st March' 2023	Balance as at 31st March 2022
A Tangible assets													
Own Assets													
LAND		Single	3.59	-	-	-	3.59	-	-	-	-	3.59	3.59
SHOWROOM LAND		Single	26.20	-	-	-	26.20	-	-	-	-	26.20	26.20
BUILDING	30	Single	403.14	170.43	-	-	573.57	51.26	40.68	-	91.94	481.63	351.88
SHOWROOM SCO 42	30	Single	86.98	-	-	-	86.98	25.04	5.88	-	30.93	56.06	61.94
PLANT AND MACHINERY	15	Single	493.38	310.75	-	5.66	798.47	82.37	102.13	3.16	181.34	617.13	411.00
FURNITURE AND FIXTURES	10	Single	9.05	38.62	-	-	47.67	4.46	6.86	-	11.32	36.35	4.59
ELECTRICAL EQUIPMENTS	5	Single	58.23	24.15	-	-	82.38	23.24	21.06	-	44.30	38.08	34.99
COMPUTER	3	Single	3.09	4.06	-	-	7.15	1.79	1.96	-	3.74	3.41	1.30
VEHICLE	8	Single	248.87	81.98	-	-	330.85	102.53	67.52	-	170.06	160.79	146.33
Total (A)			1,332.53	629.99	-	5.66	1,956.85	290.70	246.09	3.16	533.63	1,423.22	1,041.82
P.Y Total			722.11	668.64	-	58.22	1,332.53	216.88	114.89	41.07	290.70	1,041.82	505.22
B Capital work in progress													
BUILDING			-	-	-	-	-	-	-	-	-	-	-
PLANT AND MACHINERY			-	-	-	-	-	-	-	-	-	-	-
SOFTWARE DEVELOPMENT			-	-	-	-	-	-	-	-	-	-	-
EUGMP Fee			-	-	-	-	-	-	-	-	-	-	-
Total (B)			-	-	-	-	-	-	-	-	-	-	-
P.Y Total			90.72	452.43	-	543.15	-	-	-	-	-	-	90.72
C Intangible Assets													
REGISTRATION FEE			29.55	-	-	-	29.55	10.33	5.91	-	16.25	13.31	19.22
Total (C)			29.55	-	-	-	29.55	10.33	5.91	-	16.25	13.31	19.22
P.Y Total			25.83	3.72	-	-	29.55	5.17	5.17	-	10.33	19.22	20.67
Current Year Total (A+B+C)			1,362.08	629.99	-	5.66	1,986.40	301.04	252.00	3.16	549.87	1,436.53	1,061.04
Previous Year Total			838.66	1,124.79	-	601.37	1,362.08	222.05	120.06	41.07	301.04	1,061.04	616.61

# ADLEY FORMULATIONS PRIVATE LIMITED

## Note 10 Long-term loans and advances

Particulars	As at 31 March' 2023	As at 31 March' 2022
	Amount in Rs. Lakhs	Amount in Rs. Lakhs
<b>Security Deposit</b>		
Secured, considered good	101.12	107.44
	-	-
<b>Others</b>		
Advances to Capital Suppliers	229.04	29.11
<b>Total</b>	<b>330.16</b>	<b>136.56</b>

## Note 11 Inventories

Particulars	As at 31 March' 2023	As at 31 March' 2022
	Amount in Rs. Lakhs	Amount in Rs. Lakhs
(Valued at cost or NRV unless otherwise stated)		
(a) Finished goods (other than those acquired for trading)	120.55	87.52
(b) Raw Material	133.77	73.09
(c) WIP	48.05	87.59
d) Others	532.43	462.42
<b>Total</b>	<b>834.79</b>	<b>710.62</b>

## Note 12 Trade receivables

Particulars	As at 31 March' 2023	As at 31 March' 2022
	Amount in Rs. Lakhs	Amount in Rs. Lakhs
Exceeding six months		
Secured, considered good	155.58	110.38
<b>Total</b>	<b>155.58</b>	<b>110.38</b>
Less than six months		
Secured, considered good	1,271.64	927.26
<b>Total</b>	<b>1,271.64</b>	<b>927.26</b>
<b>Total</b>	<b>1,427.22</b>	<b>1,037.64</b>

**ADLEY FORMULATIONS PRIVATE LIMITED**
**Note 12 (a) Trade receivables ageing Schedule As at 31st March'2023**

Particulars	Outstanding for following years from					
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	1,271.64	16.34	46.53	14.11	36.75	<b>1,385.37</b>
(ii) Undisputed Trade receivables - considered doubtful	-	-	-	-	-	-
(iii) Disputed trade receivables considered good	-	-	-	-	-	-
(iv) Disputed trade receivables considered doubtful	-	-	-	-	41.84	<b>41.84</b>

**Note 12 (b) Trade receivables ageing Schedule As at 31st March'2022**

Particulars	Outstanding for following years from					
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	927.26	58.57	0.26	3.86	5.84	<b>995.80</b>
(ii) Undisputed Trade receivables - considered doubtful	-	-	-	-	-	-
(iii) Disputed trade receivables considered good	-	-	-	-	-	-
(iv) Disputed trade receivables considered doubtful	-	-	-	-	41.84	<b>41.84</b>

<b>ADLEY FORMULATIONS PRIVATE LIMITED</b>		
<b>Note 13 Cash and cash equivalents</b>		
<b>Particulars</b>	<b>As at 31 March'</b>	<b>As at 31 March'</b>
	<b>2023</b>	<b>2022</b>
	<b>Amount in Rs.</b>	<b>Amount in Rs.</b>
	<b>Lakhs</b>	<b>Lakhs</b>
<b>CASH ON HAND</b>		
(a) Cash on hand	7.28	7.88
(b) Imprest A/c	1.97	2.00
<b>Total</b>	<b>9.26</b>	<b>9.88</b>
<b>(b) Balances with banks</b>		
(i) In current accounts		
-ICICI Bank	0.01	0.33
-Kotak Mohindra Bank	0.46	0.12
(ii) In earmarked accounts		
<b>(c) Others (specify nature)</b>		
FDRs (Margin Money against B.G)	98.31	133.86
<b>Total</b>	<b>98.78</b>	<b>134.31</b>
<b>Grand Total</b>	<b>108.04</b>	<b>144.19</b>
<b>Note 14 Short-term loans and advances</b>		
<b>Particulars</b>	<b>As at 31 March'</b>	<b>As at 31 March'</b>
	<b>2023</b>	<b>2022</b>
	<b>Amount in Rs.</b>	<b>Amount in Rs.</b>
	<b>Lakhs</b>	<b>Lakhs</b>
(a) Loans and advances to related parties	-	-
(b) Loans and advances others		
Advances To Supplier	278.98	239.91
Other Advances ( Staff)	13.49	8.60
<b>Total</b>	<b>292.47</b>	<b>248.51</b>
<b>Note 15 Other current assets</b>		
<b>Particulars</b>	<b>As at 31 March'</b>	<b>As at 31 March'</b>
	<b>2023</b>	<b>2022</b>
	<b>Amount in Rs.</b>	<b>Amount in Rs.</b>
	<b>Lakhs</b>	<b>Lakhs</b>
<b>Other Assets</b>		
Prepaid Insurance	4.59	3.42
GST Recoverable	168.17	188.83
GST-Under Protest	10.96	-
Income Tax Refund A.Y 2022-23	0.09	-
Preliminary Expenses	-	0.44
<b>Total</b>	<b>183.81</b>	<b>192.68</b>



**ADLEY FORMULATIONS PRIVATE LIMITED****Note 16 Revenue from operations**

	Particulars	For the year ended 31 March' 2023	For the year ended 31 March' 2022
		Amount in Rs. Lakhs	Amount in Rs. Lakhs
	<b>Sale Of Products</b>		
	GST Sales 18%	199.83	219.17
	Export Sales	86.32	814.08
	Sales Exempt	1.74	9.34
	GST Sales 12%	4,361.80	2,878.15
	GST Sales 5%	1,145.75	1,035.94
	GST Sales 0.1%	25.10	158.67
	<b>Total</b>	<b>5,820.54</b>	<b>5,115.35</b>

**Note 17 Other income**

	Particulars	For the year ended 31 March' 2023	For the year ended 31 March' 2022
		Amount in Rs. Lakhs	Amount in Rs. Lakhs
(a)	Interest Income	4.17	4.80
(b)	Other non-operating income	3.15	3.69
(c)	Foreign Currency Exchange Gain	-	0.38
	<b>Total</b>	<b>7.32</b>	<b>8.87</b>

<b>ADLEY FORMULATIONS PRIVATE LIMITED</b>		
<b>Note 18 Cost of materials consumed</b>		
<b>Particulars</b>	<b>For the year ended 31 March' 2023</b>	<b>For the year ended 31 March' 2022</b>
	<b>Amount in Rs. Lakhs</b>	<b>Amount in Rs. Lakhs</b>
Opening stock	535.51	365.91
Add: Purchases	2,898.52	3,068.93
Less: Closing stock	666.19	535.51
<b>Cost of material consumed</b>	<b>2,767.84</b>	<b>2,899.34</b>
<b>Total</b>	<b>2,767.84</b>	<b>2,899.34</b>
<b>Note 19 Changes in inventories of finished goods, work-in-progress and stock-in-trade</b>		
<b>Particulars</b>	<b>For the year ended 31 March' 2023</b>	<b>For the year ended 31 March' 2022</b>
	<b>Amount in Rs. Lakhs</b>	<b>Amount in Rs. Lakhs</b>
<b><u>Inventories at the end of the year:</u></b>		
Finished goods	120.55	87.52
Work In Progress	48.05	87.59
	<b>168.60</b>	<b>175.11</b>
<b><u>Inventories at the beginning of the year:</u></b>		
Finished goods	87.52	55.31
Work In Progress	87.59	64.72
	<b>175.11</b>	<b>120.02</b>
<b><u>(Increase)/ decrease in Inventory</u></b>		
Finished goods	-33.03	-32.21
Work In Progress	39.54	-22.87
	<b>6.51</b>	<b>-55.09</b>
<b>Note 20 Other Manufacturing Expenses</b>		
<b>Particulars</b>	<b>For the year ended 31 March' 2023</b>	<b>For the year ended 31 March' 2022</b>
	<b>Amount in Rs. Lakhs</b>	<b>Amount in Rs. Lakhs</b>
Consumeable Stores	50.39	37.17
Generator running expenses	7.72	2.76
Power & Fuel	55.32	31.44
Direct labour	248.64	134.56
Repairs & maintenance (machinery & Building)	62.10	23.84
Freight Inward	7.98	3.85
Factory Expenses	6.06	3.50
Packing & Forwarding expense	23.11	21.50
Solid Waste Pollution expenses	1.26	1.18
Housekeeping Expenses	1.53	2.72
Testing Charges	7.90	10.03
<b>Total</b>	<b>472.00</b>	<b>272.56</b>

**ADLEY FORMULATIONS PRIVATE LIMITED****Note 21 Employee benefits expense**

Particulars	For the year ended 31 March' 2023	For the year ended 31 March' 2022
	Amount in Rs. Lakhs	Amount in Rs. Lakhs
<b>Salaries and wages</b>		
Director	250.29	178.29
Employees	486.46	407.19
Employer Share of ESI	2.58	2.02
Employer Share of PF	28.86	19.10
Employer Share of LWF	0.46	-
Bonus	11.97	7.85
Staff welfare expenses	10.10	4.37
Staff Uniform Expenses	0.73	5.00
Gratuity	21.40	27.03
<b>Total</b>	<b>812.83</b>	<b>650.83</b>

**Note 22 Finance costs**

Particulars	For the year ended 31 March' 2023	For the year ended 31 March' 2022
	Amount in Rs. Lakhs	Amount in Rs. Lakhs
<b>(a) Interest expense on:</b>		
(i) Borrowings		
Bank Interest CC	62.76	35.24
Interest on Term Loan	18.89	51.50
Interest on Term Loan (Vehicle)	9.84	7.92
(ii) Others	12.04	11.03
(iii) Interest on Loan (Holding Co.)	24.28	11.59
<b>(b) Other borrowing costs (Processing Fees)</b>	-	-
Bank charges	4.93	3.61
<b>Total</b>	<b>132.74</b>	<b>120.88</b>

**ADLEY FORMULATIONS PRIVATE LIMITED****Note 23 Other expenses**

Particulars	For the year ended 31 March' 2023	For the year ended 31 March' 2022
	Amount in Rs. Lakhs	Amount in Rs. Lakhs
Advertisement Expenses	0.61	1.54
Audit Fees- Statutory	0.50	0.50
Business Promotion Expenses	16.61	29.90
Commission Paid	96.87	98.99
Conference Expenses	5.30	15.08
Convenyance Expenses	9.12	6.38
Corporate Social Responsibility Expenses	11.36	-
Expired & damages Goods Return	32.07	12.86
Foreign Exchange Gain/Loss	0.19	-
Foreign Travelling	10.11	-
Freight Outward	30.50	55.09
Insurance Apportion Cost	13.10	7.61
Legal & Professional Expenses	5.26	11.76
Medical Expenses	0.88	0.57
Office Expenses	3.85	2.76
Printing & Stationary	5.92	3.44
Preliminary expenses w/off	0.44	0.44
Rate Fee & taxes	13.32	12.89
Repair & maintenance ( Vehicle )	5.82	2.44
Round Off	-0.00	0.00
Software Expenses	6.14	0.18
Telephone & Postage	7.10	1.86
Trade Discount Expenses	2.32	2.86
Travelling Expenses	248.58	178.11
<b>Total</b>	<b>525.97</b>	<b>445.26</b>

**NOTES TO ACCOUNTS OF STANDALONE FINANCIALS OF M/S ADLEY FORMULATIONS PRIVATE LIMITED**
**NOTE '24': SIGNIFICANT ACCOUNTING POLICIES**  
**(Forming part of Accounts)**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2023**
**24.1. Basis of Accounting**

The financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India under the historical convention on accrual basis. These financial statements have been prepared to comply, in all material aspects, with the accounting standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and the presentation requirements as prescribed by the Schedule III of the Companies Act, 2013 to the extent applicable.

**24.2. Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires that management makes estimates and assumptions that affect the reported amounts of income and expenses of the year, the reported balance of assets and liabilities and the disclosure relating to contingent liabilities as at the date of the financial statements. These estimates are based upon management's best knowledge of current events and actions. The difference between the actual results and estimates are recognised in the period in which the results are known / materialized.

**24.3. Property, Plant and Equipment and Intangible assets****- Property, Plant and Equipment**

Tangible Assets are stated at cost of acquisition or construction less accumulated depreciation and impairment of assets, if any. The cost comprises purchase price, borrowing costs if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. The company has a policy of physical verification of all the assets once in a year, the last verification was done on 31<sup>st</sup> March 2023 and no discrepancies were noticed during such verification.

Following Immovable assets were in name of M/s Adley Formulations (Prop. Sh. Vijay Kumar Batra) which were required to be transferred in the name of M/s Adley Formulations Private Limited, post-acquisition of business in FY 2018-19.

Particulars	Address of Property
1. LAND	Village Kotla, Barotiwala, Tehsil Baddi, Dist. Solan, HP
2. BUILDING	Village Kotla, Barotiwala, Tehsil Baddi, Dist. Solan, HP
3. BUILDING SHOWROOM	SCO 42, Sector 12, Panchkula

\* A Writ Petition was filed by M/s Adley Formulations Private Limited bearing CWP No. 7630 of 2021 titled M/s Adley Formulations Private Limited Vs State of Himachal Pradesh & anr before the Hon'ble H.P. High Court at Shimla for issuance of nature of mandamus, directing/ commanding the Department of Revenue to change the name of the Petitioner Company from M/s Adley Formulations to M/s Adley Formulations Private Limited consequent upon conversion from a Proprietorship Firm to a Private Limited Company without foisting any condition to pay Stamp Duty or Registration Fee.

The Hon'ble High Court vide Order dated 27-07-2022, disposed off the said petition while issuing a direction to the competent authority i.e. the Department of Revenue to decide the case of the petitioner qua payment of stamp duty and registration charges in accordance with law on the point expeditiously, preferably within three weeks from the receipt of copy of the said order.

The Principal Secretary-cum-Financial Commissioner (Revenue) to the Govt. of Himachal Pradesh, vide his Order dated 11-01-2023, while granting permission for change of name in revenue record from M/s Adley Formulations to M/s Adley Formulations Private Limited consequent upon conversion from a Proprietorship

Firm to a Private Limited Company, foisted a condition to pay 'Stamp Duty & Registration Fee' upon the Petitioner, in contravention of the law on the point.

This coerced the petitioner to file another Writ Petition bearing CWP No 1464 of 2023 with the same title, challenging the above noted Order dated 11-01-2023 with consequential relief of change of name on the revenue record, as described in the first para thereof. The said case is still pending.

**- Capital Work-in-Progress**

Expenses incurred during construction/installation period are included under capital work-in-progress and allocated to relevant fixed assets in the ratio of cost of the respective assets on completion of construction/installation. There is no work in progress for the financial year ending 31-March-2023.

**24.4. Depreciation/Amortisation**

- Depreciation on tangible assets is provided, on Written Down Value method, over the useful life of assets estimated by the management in accordance with Schedule-II of the Companies Act, 2013. (*Refer note 4.7*).
- Residual value of assets has been considered at 5% of the original cost of the assets.
- Depreciation on additions to fixed assets is calculated on date of put to use as certified by the management.
- Depreciation on assets sold & scrapped, during the year, is provided upto the month in which such fixed assets are sold or scrapped.

**24.5. Impairment of Assets**

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An asset is treated as impaired when the carrying cost of the assets exceeds its recoverable value. An impairment loss, if any, is charged to the Statement of Profit & Loss in the year in which an asset is identified as impaired. Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the assets no longer exist or have decreased.

**24.6. Valuation of Inventories**

- Raw Material Chemicals & Salts
- Packing Material
- Finished Goods Oncology products comprise of Injections, Tablets & Capsules
- Work In Progress (Semi Finished Goods)
- The value of raw material and packing material has been taken at cost.
- The value of Finished Goods and Work in Progress has been taken on allocation of labour and manufacturing overheads and is valued at cost or net realizable value whichever is lower.
- The company has a policy of physical verification of the entire available inventory once every month, no material discrepancies were noticed during such verification. The last verification was done on 5<sup>th</sup> April 2023.

**24.7. Revenue Recognition**

- Revenue from sale of goods is recognised when risk and rewards of ownership are transferred to the customers.
- Revenue from services is recognised when services are rendered and related costs are incurred.
- Other income is recognised on accrual basis unless otherwise stated.
- Revenue from sales/services are shown net of taxes, as applicable.

**24.8. Employee Benefits**

**a) Short-term Employee Benefits:**

- Leave Encashment, on the basis of actual computation, is accounted on payment basis, after retirement of the employees, the payment in respect thereof is made by the Company from its own funds as per the past practice consistently followed by the Company.
- Payment of Bonus – This year the company has paid Rs.11,96,726.00 as per The Payment of Bonus Act, 1965.

**b) Post-Employment Benefits**

**(i) Defined Contribution Plans:**

Contributions as required under the Statute/Rule are made to Employees State Insurance & Provident Fund and charged to the Statement of Profit & Loss of the year when the contributions to the respective funds are due.

**(ii) Defined Benefit Plans:**

Gratuity is accounted for on accrual basis.

The company has paid Gratuity of Rs. Nil during the year, made a further provision of Rs. 21,39,936.00 and the closing balance of the provision for Gratuity as on 31.03.2023 is Rs. 54,13,133.00.

**c) Termination Benefits:** Termination benefits are recognized as an expense as and when incurred.

**24.9. Foreign Currency Transactions**

i.) Functional and Reporting Currency: The standalone financial statements are presented in Indian Rupee ('INR') which is also the functional and presentation currency of the Company.

ii.) Initial Recognition: Foreign currency transactions are recorded in the functional currency, by applying to the exchange rate between the functional currency and the foreign currency at the date of the transaction.

iii.) Conversion on Reporting Date: Transactions in foreign currencies are initially recorded by the Company at its functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

iv.) Exchange Differences: Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the statement of profit and loss in the year in which they arise.

-Net amount of Rs. 18,507.19 is recognized as expense for the year due to foreign exchange fluctuation.

**24.10. Borrowing Costs**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets to the extent that they relate to the period till such assets are ready to use. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit & Loss.

**24.11. Investments**

-Current Investments are carried at cost or fair value whichever is lower.

-Non-Current Investments are carried at cost. Provision for diminution in value of non-current investments is made only, if a decline is other than temporary.

**24.12. Operating Lease**

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases. Operating lease charges are recognised as an expense in the Statement of Profit & Loss on monthly due basis.

**24.13. Taxes on Income**

-Current Tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961.

-Deferred tax is recognised, subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

-Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off assets against liabilities.

-Minimum Alternate Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will be in a position to avail of such credit under the provisions of the Income Tax Act, 1961.

**24.14. Earnings Per Share (EPS)**

-Annualised basic earnings per equity share is arrived at based on net profit/(loss) attributable to equity shareholders to the basic weighted average number of equity shares outstanding.

-Annualised diluted earnings per equity share is arrived at based on adjusted net profit/(loss) attributable to equity shareholders to the adjusted weighted average number of equity shares outstanding, for the effects of all dilutive potential equity shares; except where the results are anti-dilutive. At present the Company does not have any dilutive potential equity shares.

#### 24.15. Cash Flow Statement:

-The Cash Flow Statement is prepared by the indirect method set out in Accounting Standard (Ind AS) 7 on Cash Flow Statements and presents the cash flows by operating, investing and financing activities of the Company.

-Cash and cash equivalents presented in the Cash Flow Statement consists of balance in current accounts and cash balances.

#### 24.16. Contingencies and Provisions

A provision is recognised when the Company has a present obligation as a result of past events. It is probable that an outflow of resources embodying economic benefit will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on the best estimate of the expenditure required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

A contingent liability is disclosed, unless the possibility of an outflow of resources embodying the economic benefit is remote.

#### Details of Contingent Liabilities in the form of Bank Guarantee as on 31.03.2023.

Bank Name	Bank Guarantee No	Opening Date	Expiry Date	In Favour	Amount in Rs.
ICICI BANK	0043BGFD003519	19.12.2018	31.12.2022	THE MANAGING DIRECTOR UTTAR PRADESH MEDICAL SUPPLIES CORP LTD	13,004.00
ICICI BANK	0043BGFD00072	04.06.2019	03.07.2022	MANAGING DIRECTOR,RMSCL JAIPUR	9,61,384.00
KOTAK BANK	0281IGP190065684	26.12.2019	26.12.2022	STATE HEALTH SOCIETY, ASSAM O/O	69,418.00
ICICI BANK	0043BGFD003020	15.02.2020	25.02.2023	ANDHRA PRADESH MEDICAL SERVICES AND INFRASTRUCTURE & DEVELOPMENT CORPORATION	10,21,551.00
ICICI BANK	0043NDDG00008221	29.12.2020	30.12.2022	THE DY DIR HEALTH SERVICES ,WEST BENGAL	1,00,000.00
KOTAK	0259OBG18010100	23.05.2018	31.03.2022	THE DY DIR HEALTH SERVICES ,WEST BENGAL	1,20,000.00
KOTAK	0259OBG18001568	23.01.2018	22.01.2022	MANAGING DIRECTOR,RMSCL JAIPUR	22,08,435.00
KOTAK	0259OBG18003057	13.02.2018	13.02.2022	MANAGING DIRECTOR,RMSCL JAIPUR	2,46,592.00
KOTAK BANK	0281IGP190063972	19.12.2019	11.01.2024	MANAGING DIRECTOR,RMSCL JAIPUR	14,91,497.00
ICICI BANK	0058NDDG00007721	01.10.2020	29.09.2023	MANAGING DIRECTOR,APMSIDC	2,87,942
ICICI BANK	0058NDDG00007421	01.10.2020	29.09.2022	CHHATTISHGARH MEDICAL SERVICES CORPORATION	86,104



ICICI BANK	0043NDDG00 001022	31.05.2021	28.06.2022	STATE HEALTH SOCIETY, ASSAM O/O	9,885.00
ICICI BANK	0043NDDG00 002422	16.06.2021	16.06.2023	MANAGING DIR JAMMU AND KASHMIR	54,249.00
ICICI BANK	0043NDDG00 002522	16.06.2021	16.06.2023	MANAGING DIR JAMMU AND KASHMIR	4,962.00
ICICI BANK	0043NDDG00 002622	16.06.2021	16.06.2023	MANAGING DIR JAMMU AND KASHMIR	31,577.00
ICICI BANK	0043NDDG00 002722	16.06.2021	16.06.2023	MANAGING DIR JAMMU AND KASHMIR	1,33,566.00
ICICI BANK	0043NDDG00 006222	07.08.2021	31.03.2024	THE DY DIR HEALTH SERVICES ,WEST BENGAL	30,000.00
ICICI BANK	0043NDDG00 014822	15.02.2021	28.02.2024	THE DY DIR HEALTH SERVICES ,WEST BENGAL	2,58,685.00
ICICI BANK	0043NDDG00 016622	24.03.2022	23.03.2024	MANAGING DIR JAMMU AND KASHMIR	52,507.00
ICICI BANK	0043NDDG00 046722	24.03.2022	23.03.2024	MANAGING DIR JAMMU AND KASHMIR	72,330.00
ICICI BANK	0043NDDG00 001323	26.05.2022	30.04.2026	DIRECTOR GENERAL ARMED FORCES MEDICAL SERVICES.	1,11,500.00
ICICI BANK	0043NDDG00 013223	02.02.2023	16.08.2026	ALL INDIA INSTITUTE OF MEDICAL SCIENCES , AIIMS PATNA, BIHAR	3,00,000.00
				<b>TOTAL</b>	<b>76,65,188.00</b>

**24.17 Internal Control Policy and BCP Management:** The Company has a comprehensive system of Internal Controls to safeguard its assets against loss from unauthorized use and to ensure reliability of financial reporting. The management assesses the operating effectiveness of these controls on regular basis. All the required security checks i.e., physical security of the company premises and its database are properly installed, daily backup is being done for all the accounting and related data. The company maintains a system of internal controls designed for effectiveness and efficiency of operations, compliance and regulations.

The system of internal controls monitors and ensures process for:

- Effectiveness and efficiency of operations;
- Reliability of financial reporting;
- Compliance with applicable laws and regulations.

**24.18 Impact of Covid.19:** The company is in the business of manufacturing and supplying pharmaceuticals products which is categorized under essential goods. There is no problem in sourcing of raw material, packing material, consumables or any kind of machinery and tools. Also, the company is closely monitoring the internal and external environment to see any changes and their impact to make proper decisions in the best interest of the company. The impact of COVID-19 during F.Y 2022-23 is almost negligible. The Company will continue to monitor any material changes to future economic conditions.

**NOTE 25 : OTHER NOTES TO ACCOUNTS**  
**(Forming part of Accounts)**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022**

**25.1. Contingent Liabilities & Commitments:**

- a) Estimated amount of contracts remaining to be executed and not provided for in the books of account- Nil (previous year- Nil).
- b) Contingent Liabilities: Rs. 76,65,188.00
  - . Claims against the Company not acknowledged as debt -Nil (previous year - Nil).
  - . Liabilities in respect of Income Tax, Service Tax, Sales Tax and other material statutory dues have been accounted for on the basis of respective returns filed with the relevant authorities. Additional demand, if any, arising at the time of assessments will be accounted for in the year in which assessments are completed.

**25.2. Issued, Subscribed & Paid up Capital:**

Issued Subscribed and paid up capital of the company is Rs. 1,26,00,000.00 (divided into 12,60,000 shares of Rs, 10 each)

**25.3. Reserves & Surplus:**

The amount shown in the Reserve & Surplus represents only surplus carried forward from the earlier years plus the surplus earned during the year. Total amount of surplus outstanding as on 31.03.2023 is Rs. 15,24,66,217.02.

**25.4. Long term Borrowings**

Secured :

Term Loan:

S.NO	Lender	Nature of facility	Loan	Amount outstanding as at March 31, 2022	Rate of interest (%)	Repayment Terms	Security / Principal terms and conditions
1.	HDFC BANK (VEHICLE LOAN)	Term Loan of Rs 60 Lakhs	Term Loan	Rs 25.91 Lakhs	7.50%	Total Installments of Rs 1.45 Lakhs P.M. divided into 48 Equated monthly instalment.	HYP of Motor Vehicles from the bank.
2.	HDFC BANK (VEHICLE LOAN)	Term Loan of Rs 15 Lakhs	Term Loan	Rs 8.37 Lakhs	7.50%	Total Installments of Rs 0.36 Lakhs P.M. divided into 48 Equated monthly instalment.	HYP of Motor Vehicles from the bank.
3.	Yes Bank (VEHICLE LOAN)	Term Loan of Rs 30 Lakhs	Term Loan	Rs 0.59 Lakhs	9.44%	Total Instalments of Rs 0.93 Lakhs P.M. divided into	HYP of Motor Vehicles from the bank.

						37 Equated monthly instalment.	
4.	ICICI Bank (Covid Loan)	Term Loan of Rs. 110.16 Lakhs	Term Loan	Rs. 48.96 Lakhs	8.25%	Total Instalment of 48 months. Moratorium of 12 months. For 36 months, monthly principal repayment of Rs. 3,06,000.00 plus interest.	Extension of charge on existing assets mortgaged with ICICI Bank
5.	Federal Bank (Vehicle Loan)	Term Loan of Rs. 25 Lakh	Term Loan	Rs. 17.82 Lakhs	7.25%	Total Installments of Rs 0.50 Lakhs P.M. divided into 60 Equated monthly instalment.	HYP of Motor Vehicles from the bank.
6.	Federal Bank (Vehicle Loan)	Term Loan of Rs. 15 Lakh	Term Loan	Rs. 7.14 Lakhs	7.25%	Total Installments of Rs 0.46 Lakhs P.M. divided into 36 Equated monthly instalment.	HYP of Motor Vehicles from the bank.
7.	Federal Bank (Vehicle Loan)	Term Loan of Rs. 50 Lakh	Term Loan	Rs. 44.61 Lakhs	9.34%	Total Installments of Rs 0.86 Lakhs P.M. divided into 76 Equated monthly instalment.	HYP of Motor Vehicles from the bank.

**25.5.** In the opinion of the Directors, “Current Assets” and “Loans & Advances” are approximately of the value stated in the Balance Sheet, if realized in the ordinary course of business and to the best of their knowledge, provisions for all the known liabilities have been made and, as certified, all the contractual and statutory obligations have been duly complied with.

**25.6.** Party balances have been incorporated in the financial statements at the value as per the books of accounts & are considered hopeful of recovery/good for payment. The balance confirmation letter for both debtor and creditors are sent by the company through registered post/email, and in many cases balance confirmation is received from them.

**25.7. Depreciation/Amortisation**

The management estimates the useful life of existing fixed assets as follows: .

Building	30 years
Furniture & Fixtures	10 years
Machinery	15 years
Equipment	5 years
Lab Equipment	10 years
Vehicles	8 years

For this class of assets, based on internal assessment and independent technical evaluation carried out by external valuers the management believes that the useful lives as given above best represent the period over which management expects to use these assets and the useful lives for these assets is same as the useful lives as prescribed under Part.C of Schedule.II of the Companies Act, 2013. (*Refer note 3.4*).

**25.8. Earnings Per Share (IND AS 33)**

	<u>Year ended</u> <u>31<sup>st</sup> March, 2023</u>	<u>Year ended</u> <u>31<sup>st</sup> March, 2022</u>
<b>Numerator</b>		
Net Profit/(Loss)		
attributable to Equity shareholders	6,44,42,439.77	5,01,65,350.95
<b>Denominator</b>		
Number of Equity shares	No.'s 12,60,000	No.'s 12,60,000
Nominal		
Value per Equity share	10	10
Earnings per Equity share		
Basic and diluted	51.14	39.81

**25.9. Non Current Investments:**

Equity shares have been stated at cost; provision for appreciation/diminution in the value of shares has not been made and no dividend was received during the year.

The provisions of Section 186 of the Companies Act, 2013 have been complied with.

**25.10. Taxes**

-The exact liability of CST/VAT, Service Tax, GST, Income Tax and other statutory dues is indeterminate pending finalisation of assessments and no undisputed dues or amounts were outstanding or remaining unpaid as at 31<sup>st</sup> March, 2023.

-Disputed Income tax demand amounting to Rs. 72,350/- for A.Y 2021-22 is outstanding and appeal filed against the same is under process as on 31.03.2023. The said demand was due to wrong double disallowance by the department u/s 36 for which appeal has been filed by the company.

-The current tax provision shown in the Balance Sheet is Rs. 80,34,203.69 after utilization of the advance tax and TDS of Rs. 1,48,28,996.44.

**25.11. Segment Reporting**

Since the Company primarily operates in one segment (i.e., Manufacturing of Oncology medicines), therefore segment reporting as required under Ind AS 108 is not applicable.

**25.12. Related Party Disclosures (Ind AS-24)**

Related parties & their relationship and related parties' transactions:

S. No.	Related Party	Nature of Relationship	Nature of Transaction	Amount Involved During the year (₹)
1.	Beta Drugs Limited	100% Holding	Purchase of Goods	1,82,19,181.18
	Beta Drugs Limited	100% Holding	Sale of Goods	5,06,39,544.83
	Beta Drugs Limited	100% Holding	Interest on Unsecured Loan	24,27,598.00
	Beta Drugs Limited	100% Holding	Purchase of Fixed Assets	44,12,028.24
2.	Adley Lab Limited	Common Subsidiary	Purchase of Goods	8,45,42,105.00
3.	Rishi Herbal Products	Partnership Firm of Directors	Purchase of Goods	44,77,880.00
4.	Rahul Batra	Director	Salary (including bonus)	1,21,00,000.00
5.	Varun Batra	Director	Salary (including bonus)	1,21,00,000.00
6.	Ram Chander Jha	Director	Salary (including bonus)	10,58,616.00

The above disclosure of the related party and the transactions entered have been made as per Ind AS.24.

The transactions have been carried at arm's length price (ALP).

### 25.13. Ratios

Sr. No.	Ratios	Numerator	Denominator	As at March 31, 2023	As at March 31, 2022	Variance	Explanation for any change in the ratio by more than 25% as compared to the preceding
1	Current Ratio	Current Assets	Current liabilities	1.18	1.43	-17.37%	
2	Debt Equity Ratio	Total Debt	Shareholders' equity	0.74	1.15	-35.60%	Due to increase in reserves by Rs. 6.36 crores.
3	Debt Service Coverage Ratio	Earnings available for debt service	Debt service	2.25	3.07	-26.67	There was re-organization of debt structure, where the long-term debt was taken over by short-term debt, hence leading to complete payment of long term debt.
4	Return on Equity Ratio	Net profit after taxes less preference dividend (if any)	Shareholder's equity	0.39	0.49	-21.05%	
5	Inventory turnover ratio	Cost of goods sold or sales	Average inventory	4.20	5.21	-19.36%	
6	Trade Receivables turnover ratio	Net Sales	Average Trade Receivables	4.72	4.74	-0.29%	
7	Trade Payables turnover ratio	Net Purchases	Average Trade Payables	2.37	3.81	-37.69%	Due to increase in credit period from creditors.

8	Net capital turnover ratio	Net Sales	Net working capital	13.12	7.25	81.03%	Due to increase in turnover by Rs. 7.05 crores.
9	Net Profit ratio	Net Profit after taxes	Net Sales	0.11	0.10	12.90%	
10	Return on capital employed	Earnings before interest and taxes	Capital employed	0.44	0.41	7.20%	
11	Return on investment	Income generated from investments	Total Current Investments	0.04	0.03	18.30%	

#### 25.14. Particulars relating to corporate social responsibility

The Company has provided for the corporate social responsibility as per Section 135 of the Companies Act 2013 i.e., Rs. 11,36,282.00 during the year. The actual amount spent during the financial year was Rs. 11,36,300.00 and there is no outstanding provision as on 31<sup>st</sup> March 2023.

#### 25.15. Impairment of Assets

During the year, the Company has undertaken a review of all the fixed assets in line with the requirements of Ind AS 36 on "Impairment of Assets" as notified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, based on such review, no provision for impairment is required to be recognized for the year.

#### 25.16. Property, Plant and Equipment and Intangible assets:

- During the financial Year 2022-23 there was an addition of Rs. Nil under the head Intangible Asset.
- During the financial Year 2022-23 there was an addition of Rs. 1,70,42,843.35 under the head Building.
- During the financial year, there was net addition of Rs. 4,57,05,648.48 made to Plant & Machinery. Furniture & Fixtures, Office Equipment, Vehicles & Computers

#### 25.17. Deferred Tax Assets & Liabilities

During the FY 2022-23 the company has made Deferred Tax Asset. Details of Calculation is mentioned below:

Calculation of Deferred Tax Asset / Liability	Amount (₹)
Deferred Tax Asset on Depreciation	9,70,672.55
Deferred Tax Asset on Gratuity	5,38,579.09
Deferred tax on loss on Sale of Asset	.
<b>Total Deferred Tax Asset Created for the financial year 2022-23 in Profit and Loss Account.</b>	<b>15,09,251.64</b>
Add: Deferred Tax Asset as on 01.04.2022 (Opening)	12,82,922.82
<b>Balance Deferred Tax Asset recognized in Balance Sheet</b>	<b>27,92,174.46</b>

**25.18. Micro, Small & Medium Enterprises**

Based on the information presently available, total outstanding as on 31.03.2022 is Rs. 5,96,07,267.08 to micro or small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006.

**25.19. Auditor's Remuneration**

(Exclusive of GST)

	<u>31<sup>st</sup> March, 2023</u> <u>AMOUNT</u>	<u>31<sup>st</sup> March, 2022</u> <u>AMOUNT</u>
. As Auditors	50,000.00	50,000.00
. Taxation Matters	.	.
. Certification	.	.
. Other Services	.	.
. Reimbursement of out.of.pocket expenses	.	.
<b>TOTAL</b>	<u><u>50,000.00</u></u>	<u><u>50,000.00</u></u>

**25.20 Other additional information**

	<b>31st March 2023</b>	<b>31st March 2022</b>
<u>Particulars</u>	<u>AMOUNT</u>	<u>AMOUNT</u>
<b>“A” Revenue from operations</b>		
(under broad heads)		
Sales		
.Sales With in India	57,09,11,759.21	41,42,59,562.58
.Export Sales	1,11,41,826.85*	9,72,75,299.14*
<b>Total</b>	<b>58,20,53,586.06</b>	<b>51,15,34,861.72</b>
<b>“B” Purchases</b>		
.Chemicals, Bulk Drugs & Packing Material	28,98,52,382.26	30,68,93,477.08

**25.21. Expenditure In Foreign Currency (On Accrual Basis):. Following Expenses were incurred by the company during the year 2022-23.**

	<u>31<sup>st</sup> March, 2023</u> <u>AMOUNT</u>	<u>31<sup>st</sup> March, 2022</u> <u>AMOUNT</u>
. Import of Capital Goods	.	.
. Import of Raw Material	74,35,273.64	70,35,200.00
. Revenue Expenses (Travel)	10,11,375.00	.

- Foreign Exchange Loss	18,507.19	.
<b>TOTAL</b>	<b>84,65,155.83</b>	<b>70,35,200.00</b>

**25.22. Earning in Foreign Currency**

Particulars	For the Year Ended ( 31.03.2023)	For the year Ended ( 31.03.2022)
FOB Value of Export	1,11,41,826.85*	9,72,75,299.14*

\* This includes indirect export.

**25.23. Other statutory information**

- i. No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. The Company does not have any trading in Crypto Currency or Virtual Currency.
- iii. The Company does not have any transactions or balances with a Companies struck off under section 248 of the Companies Act, 2013 or Section 560 of the Companies Act 1956.
- iv. The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961.
- v. Company has not advanced or loaned or invested funds to any other person(s) or entity(is), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- vi. The Company has not received any fund from any person(s) or entity(is), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- vii. No charge is pending to be registered beyond statutory period with ROC.
- viii. The company has not used the borrowings from banks and financial institutions for any other purpose other than for the specific purpose for which it was taken.
- ix. The Company have defined agreement with the Debtors regarding the credit payment period given and ageing is done accordingly in Financial Statement.
- x. As there is no specific agreements with the creditors, hence the creditors ageing is done as per the date of invoice received.

**25.24** Balance confirmation has been sent to all the Debtors and Creditors by way of electronic mail. Out of 116 no. of creditors, confirmations received from 66 and out of 88 no. debtors, confirmation are received from 53. Others are assumed to have confirmed on the basis of non reply.



- 25.25. Figures for previous year have been regrouped / rearranged where necessary to conform to the current year's presentation.

**In terms of our attached report of even date.**

**For KALRA RAI AND ASSOCIATES  
CHARTERED ACCOUNTANTS  
F R No. – 008859**

*Sd/-*

**LAJPAT RAI KALRA  
PARTNER  
M No. 087438**

**Dated: 08/05/2023  
Place: Chandigarh  
UDIN: 23087438BGVHEJ8867**

**For and on behalf of the Board of Directors**

*Sd/-*  
**Rahul Batra  
(Director)  
DIN: 02229234**

*Sd/-*  
**Varun Batra  
(Director)  
DIN:02148383**

---

# **STANDALONE FINANCIAL**

## **STATEMENTS**

### **OF**

### **“ADLEY LAB LIMITED”**

### **(WHOLLY-OWNED SUBSIDIARY)**

### **FOR THE FINANCIAL YEAR**

**2022-23**

KALRA RAI & ASSOCIATES  
CHARTERED ACCOUNTANTS

Head Office: Kothi No. 667, 1<sup>st</sup> floor, Sector-43-A  
Chandigarh-160022

## Independent Auditors' Report

Members of Adley Lab Limited

### Report on the Standalone Financial Statements

We have audited the accompanying standalone Ind-AS financial statements of Adley Lab Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these standalone Ind-AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind-AS) specified under Section 133 of the Act., read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind-AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind-AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit of the standalone Ind-AS financial statements in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind-AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind-AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind-AS financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the standalone Ind-AS financial statements give the information required by 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 March 31, 2023, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2016 ('the Order') issued by the Central Government of India in terms of subsection(11) of Section 143 of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. 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 purpose 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, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the aforesaid standalone Ind-AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- e. On the basis of written representations received from the directors as on March 31, 2023, and taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2023, 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 over financial reporting of the Company and the operating effectiveness of such controls, refers to our separate Report in "**Annexure B**";
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2020, 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 on its financial position in its financial statements.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There has been no amount available which is required to be transferred to the Investor Education and Protection Fund by the Company;

**Place:- Chandigarh**  
**Date: 08/05/2023**  
**UDIN:23087438BGVHEI4150**

**For KALRA RAI & ASSOCIATES**

**Chartered Accountants**

**Sd/-**  
**(Lajpat Rai Kalra)**  
**Partner**  
**M. No- 087438**  
**FRN: 008859N**

## **CARO**

### **Annexure 1 referred to in paragraph 1 of our report of even date**

#### **Re: Adley Lab Limited ('the Company')**

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a program of physical verification of Property, Plant and Equipment so to cover all the assets once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) Based on our examination of the property tax receipts and lease agreement for land on which building is constructed, registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title in respect of self-constructed buildings and title deeds of all other immovable properties, disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.

(d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii. (a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals, except goods-in-transit. The coverage and procedure adopted by the Management is appropriate according to the size and scale of the Company. No discrepancies of 10% or more were observed in any class of inventories.

(b) The Company has been previously sanctioned working capital limits of Rs. 2 crore, in aggregate, from banks or financial institutions and the monthly statements filed by the Company with such banks or financial institutions are in agreement with the books of accounts of the Company.

iii. (a) The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year, and hence reporting under clause 3(iii)(a) of the Order is not applicable.

(b) The company has not made any investments, or provided any guarantees, loans or advances. Hence, clause 3(iii)(b) is not applicable.

- 
- (c) The company has not provided any loans and hence, clause 3(iii)(c) is not applicable.
- (d) The company has not granted any loans and hence, clause 3(iii)(d) is not applicable.
- (e) The company has not granted any loan and hence, clause 3(iii)(e) is not applicable. .
- (f) The Company has not granted any loans or advances Hence, reporting under clause 3(iii)(f) is not applicable.
- iv. The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi. The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.
- vii. In respect of statutory dues:
- (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities except advance tax. There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.
  - (b) There are no disputed amounts in respect of statutory dues referred to in sub-clause (a) above and therefore reporting under sub-clause (b) is not applicable.
- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. (a) The Company has not defaulted in repayment of loans or other borrowings or in payment of interest thereon to any lender.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
  - (c) According to the explanations provided by the Company and overall examination of the financial statements of the Company, the term loans were prima facie applied for the purpose for which they were obtained.
  - (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
  - (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
  - (f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies and hence reporting on clause 3(ix)(f) of the Order is not applicable.

- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) The Company has not received any whistle-blower complaints during the year.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) (c) and (d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of paragraph 3 of the order is not applicable for the year.

**Place:- Chandigarh**  
**Date: 08/05/2023**  
**UDIN:23087438BGVHEI4150**

**For KALRA RAI & ASSOCIATES**

**Chartered Accountants**

**Sd/-**  
**(Lajpat Rai Kalra)**  
**Partner**  
**M. No- 087438**  
**FRN: 008859N**



## “ANNEXURE-B” TO THE AUDITORS’ REPORT

Referred to in Paragraph 7 of Our Report of Even Date

### Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **Adley Lab Limited** (“the Company”) as of 31 March 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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 (“the Guidance Note”) issued by the Institute of Chartered Accountants of India (‘ICAI’). 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 (“the Act”).

#### Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (“the Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 over financial reporting was established and maintained and if 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 auditor’s judgment, including the assessment of the risks of material misstatement of the 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 system over financial reporting.

#### Meaning of Internal Financial Controls over Financial Reporting

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 control over financial reporting 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 over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2023, based on the internal control over financial reporting 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.

**Place:- Chandigarh**  
**Date: 08/05/2023**  
**UDIN:23087438BGVHEI4150**

**For KALRA RAI & ASSOCIATES**

**Chartered Accountants**

**Sd/-**

**(Lajpat Rai Kalra)**  
**Partner**  
**M. No- 087438**  
**FRN: 008859N**

ADLEY LAB LIMITED  
D-27, INDUSTRIAL AREA FOCAL POINT DERABASSI Mohali PB, 140507 IN  
CIN NUMBER U24231PB1992PLC051220  
BALANCE SHEET AS AT 31 March' 2023

Particulars	Note No.	As at 31 March' 2023	As at 31 March' 2022
		Amount in Rs. Lakhs	Amount in Rs. Lakhs
<b>A EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	1	175.81	175.81
(b) Reserves and surplus	2	1,138.24	599.58
(c) Money received against share warrants		-	-
		<b>1,314.05</b>	<b>775.39</b>
<b>2 Share application money pending allotment</b>		-	-
<b>3 Non-current liabilities</b>			
(a) Long-term borrowings	3	442.72	369.14
(b) Deferred tax liabilities (net)	4	-	5.02
(c) Other long-term liabilities	5 (a)	54.27	12.78
(d) Long-term provisions	5 (b)	20.62	14.89
		<b>517.61</b>	<b>401.83</b>
<b>4 Current liabilities</b>			
(a) Short-term borrowings	6	220.21	180.04
(b) Trade payables	7	1,288.92	1,042.99
(c) Other current liabilities	8	212.64	192.46
(d) Short-term provisions		42.39	100.76
		<b>1,764.16</b>	<b>1,516.25</b>
<b>TOTAL</b>		<b>3,595.82</b>	<b>2,693.47</b>
<b>B ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, Plant and Equipment and Intangible assets			
(i) Property, Plant and Equipment	9	1,061.38	732.81
(ii) Intangible assets		26.01	21.35
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		-	-
(v) Fixed assets held for sale		-	-
		<b>1,087.39</b>	<b>754.16</b>
(b) Non-current investments		-	-
(c) Deferred tax assets (net)	4	2.91	-
(d) Long-term loans and advances	10	71.85	21.21
(e) Other non-current assets		-	-
		<b>74.76</b>	<b>21.21</b>
<b>2 Current assets</b>			
(a) Current investments		-	-
(b) Inventories	11	860.73	690.52
(c) Trade receivables	12	1,498.17	1,176.67
(d) Cash and cash equivalents	13	27.95	30.15
(e) Short-term loans and advances	14	31.55	8.93
(f) Other current assets	15	15.27	11.85
		<b>2,433.67</b>	<b>1,918.11</b>
<b>TOTAL</b>		<b>3,595.82</b>	<b>2,693.47</b>
See accompanying notes forming part of the financial statements	24 & 25		
In terms of our report attached.			
For KALRA RAI AND ASSOCIATES Chartered Accountants (FRN: 008859N)		For and on the behalf of the Board of Directors	
Sd/- LAJPAT RAI KALRA Partner MEMBERSHIP NO. 087438 UDIN: 23087438BGVHEI4150 Place : Chandigarh Date : 08/05/2023		Sd/- RAHUL BATRA Director DIN: 02229234	Sd/- JAYANT KUMAR Director DIN: 02172627

ADLEY LAB LIMITED

D-27, INDUSTRIAL AREA FOCAL POINT DERABASSI Mohali PB, 140507 IN

CIN NUMBER U24231PB1992PLC051220

STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31ST MARCH 2023

Particulars	Note No.	As at 31 March' 2023	As at 31 March' 2022
		Amount in Rs. Lakhs	Amount in Rs. Lakhs
<b>A CONTINUING OPERATIONS</b>			
<b>1</b> Revenue from operations (gross)	16	4,276.94	3,400.62
Less: Excise duty		-	-
Revenue from operations (net)		4,276.94	3,400.62
<b>2</b> Other income	17	1.09	5.09
<b>3 Total revenue (1+2)</b>		<b>4,278.03</b>	<b>3,405.70</b>
<b>4 Expenses</b>			
(a) Cost of material consumed	18	2,799.12	2,351.98
(b) Purchases of stock-in-trade		-	-
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	19	-160.84	-205.56
(d) Other Manufacturing expense	20	421.85	293.00
(d) Employee benefits expense	21	114.78	67.48
(e) Finance costs	22	62.41	51.20
(f) Depreciation and amortisation expense	9	169.52	58.59
(g) Other expenses	23	144.44	45.42
<b>Total expenses</b>		<b>3,551.29</b>	<b>2,662.10</b>
<b>5 Profit / (Loss) before exceptional and extraordinary items and tax (3 - 4)</b>		<b>726.74</b>	<b>743.60</b>
<b>6</b> Exceptional items		-	-
<b>7 Profit / (Loss) before extraordinary items and tax (5 ± 6)</b>		<b>726.74</b>	<b>743.60</b>
<b>8</b> Extraordinary items/Prior period items		-	-
<b>9 Profit / (Loss) before tax (7 ± 8)</b>		<b>726.74</b>	<b>743.60</b>
<b>10 Tax expense:</b>			
(a) Current tax expense for current year		188.83	174.07
(b) (Less): MAT credit (where applicable)		-	-
(c) Current tax expense relating to prior years		-	-
(d) Net current tax expense		188.83	174.07
(e) Deferred tax		-7.93	13.08
		<b>180.90</b>	<b>187.15</b>
<b>11 Profit / (Loss) from continuing operations (9 ± 10)</b>		<b>545.84</b>	<b>556.45</b>
<b>B DISCONTINUING OPERATIONS</b>			
<b>12 Profit / (Loss) from discontinuing operations (B.i ± B.ii ± B.iii)</b>		-	-
<b>C TOTAL OPERATIONS</b>		<b>545.84</b>	<b>556.45</b>
<b>13 Profit / (Loss) for the year (11 ± 12)</b>		<b>545.84</b>	<b>556.45</b>
<b>14 Earnings per share (of Rs. Lakhs 10/- each):</b>			
(a) Basic			
(i) Continuing operations		31.05	31.65
(ii) Total operations		31.05	31.65
(b) Diluted			
(i) Continuing operations		31.05	31.65
(ii) Total operations		31.05	31.65
See accompanying notes forming part of the financial statements	24 & 25		
<p>In terms of our report attached.</p> <p>For KALRA RAI AND ASSOCIATES Chartered Accountants (FRN: 008859N)</p> <p>Sd/- LAJPAT RAI KALRA Partner MEMBERSHIP NO. 087438 UDIN: 23087438BGVHEI4150 Place : Chandigarh Date : 08/05/2023</p>			
<p>For and on the behalf of the Board of Directors</p> <p>Sd/- RAHUL BATRA Director DIN: 02229234</p> <p>Sd/- JAYANT KUMAR Director DIN: 02172627</p>			

<b>ADLEY LAB LIMITED</b> <b>D-27, INDUSTRIAL AREA FOCAL POINT DERABASSI Mohali PB, 140507 IN</b> <b>CIN NUMBER U24231PB1992PLC051220</b> <b>CASHFLOW STATEMENT FOR THE PERIOD ENDED ON 31ST MARCH 2023</b>			
Particulars		As at 31 March' 2023	As at 31 March' 2022
		Amount in Rs. Lakhs	Amount in Rs. Lakhs
<b>A</b>	<b>CASHFLOW FROM OPERATING ACTIVITIES</b>		
	Net Profit before tax and extraordinary items (as per Statement of Profit & Loss)	<b>726.74</b>	<b>743.60</b>
	Adjustments for non Cash/Non trade items:		
	Depreciation & Amortization Expenses	169.52	58.59
	Finance Cost	62.41	51.20
	Interest received	(0.63)	(0.46)
	Other inflows/(outflows) of cash	(248.66)	(105.78)
	<b>Operating profits before Working Capital Changes</b>	<b>709.40</b>	<b>747.16</b>
	<b>Adjusted For:</b>		
	(Increase)/Decrease in trade receivables	(321.51)	(466.87)
	Increase/(Decrease) in trade payables	245.93	387.62
	(Increase)/Decrease in inventories	(170.21)	(341.70)
	Increase/(Decrease) in other current liabilities	20.18	49.80
	(Increase)/Decrease in short term loans and advances	(22.62)	(5.55)
	(Increase)/Decrease in other current assets	(3.42)	(9.01)
	<b>Working Capital Changes</b>	<b>(251.66)</b>	<b>(385.72)</b>
	<b>Net cashflow from Operating Activities (A)</b>	<b>457.74</b>	<b>361.44</b>
<b>B</b>	<b>CASHFLOW FROM INVESTING ACTIVITIES</b>		
	Purchase of fixed assets	(502.75)	(417.14)
	Interest received	0.63	0.46
	Cash used for Long Term Loans/Advances	(50.64)	(12.55)
	<b>Net cash used in Investing Activities (B)</b>	<b>(552.77)</b>	<b>(429.23)</b>
<b>C</b>	<b>CASHFLOW FROM FINANCING ACTIVITIES</b>		
	Finance Cost	(62.41)	(51.20)
	Increase/(Decrease) in short term borrowings	40.17	59.59
	Increase in/(Repayment) of Long term Borrowings	73.58	57.06
	Increase in/(Repayment) of Other Long term Liabilities	41.49	7.18
	Increase/ (Decrease) in share capital	-	-
	Other Inflows/ (Outflows) of cash	-	-
	<b>Net cash used in Financing Activities (C)</b>	<b>92.83</b>	<b>72.64</b>
<b>D</b>	<b>Net Increase/(Decrease) in cash &amp; cash equivalents (A+B+C)</b>	<b>(2.20)</b>	<b>4.85</b>
<b>E</b>	Cash & Cash equivalents at beginning of period	30.15	25.30
<b>F</b>	Cash & Cash equivalents at end of period	27.95	30.15
<b>G</b>	<b>Net Increase/(Decrease) in cash &amp; cash equivalents (F-E)</b>	<b>(2.20)</b>	<b>4.85</b>
In terms of our report attached.			
For KALRA RAI AND ASSOCIATES		For and on the behalf of the Board of Directors	
Chartered Accountants			
(FRN: 008859N)			
Sd/-		Sd/-	Sd/-
LAJPAT RAI KALRA		RAHUL BATRA	JAYANT KUMAR
Partner		Director	Director
MEMBERSHIP NO. 087438		DIN: 02229234	DIN: 02172627
UDIN: 23087438BGVHEI4150			
Place : Chandigarh			
Date : 08/05/2023			

ADLEY LAB LIMITED  
D-27, INDUSTRIAL AREA FOCAL POINT DERABASSI Mohali PB, 140507 IN  
CIN NUMBER U24231PB1992PLC051220  
Note 1 Share capital

Amount in Lakhs

Particulars	As at 31 March' 2023		As at 31 March' 2022	
	Number of shares	Amount in Rs. Lakhs	Number of shares	Amount in Rs. Lakhs
(a) Authorised	30,00,000.00	300.00	30,00,000.00	300.00
- Equity shares of Rs. 10 each	-	-	-	-
(b) Issued				
- Equity shares of Rs. 10 each	17,58,050.00	175.81	17,58,050.00	175.81
	<b>17,58,050.00</b>	<b>175.81</b>	<b>17,58,050.00</b>	<b>175.81</b>
(c) Subscribed and fully paid up				
- Equity shares of Rs. 10 each	17,58,050.00	175.81	17,58,050.00	175.81
	<b>17,58,050.00</b>	<b>175.81</b>	<b>17,58,050.00</b>	<b>175.81</b>
(d) Subscribed but not fully paid up	-	-	-	-
	-	-	-	-
<b>Total</b>	<b>17,58,050.00</b>	<b>175.81</b>	<b>17,58,050.00</b>	<b>175.81</b>

Note 1(a) Reconciliation of number of shares outstanding is set out below:

Particulars	Equity Shares March' 2023		Equity Shares March' 2022	
	Number	Amount in (Rs. Lakhs)	Number	Amount in (Rs. Lakhs)
Shares outstanding at the beginning of the year	17,58,050.00	175.81	17,58,050.00	175.81
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	17,58,050.00	175.81	17,58,050.00	175.81

Note 1(b) Shares held by promoters at the end of the year 31 March' 2023

Name of Shareholder	As at 31 March' 2023		
	No. of Shares held	% of Holding	% Changes
Beta Drugs Limited	17,58,044.00	99.9997%	
Mrs. Neeraj Batra	1.00	0.0001%	0.0001%
Mr. Varun Batra	1.00	0.0001%	
Mr. Rahul Batra	1.00	0.0001%	
Mrs. Heena Batra	1.00	0.0001%	
Mr. Balwant Singh	1.00	0.0001%	
Mrs. Aditi Batra	1.00	0.0001%	

Note 1(b) Shares held by promoters at the end of the year 31st March 2022

Name of Shareholder	As at 31 March' 2022		
	No. of Shares held	% of Holding	% Changes
Beta Drugs Limited	17,58,044.00	99.9997%	
Mr. Vijay Kumar Batra	1.00	0.0001%	
Mr. Varun Batra	1.00	0.0001%	
Mr. Rahul Batra	1.00	0.0001%	
Mrs. Neeraj Batra	-	0.0000%	-0.0001%
Mrs. Heena Batra	1.00	0.0001%	
Mr. Balwant Singh	1.00	0.0001%	
Mrs. Aditi Batra	1.00	0.0001%	0.0001%

Note 1(c) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31 March' 2023		As at 31 March' 2022	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Mr. Vijay Kumar Batra	1	0.00	1	0.00
Mr. Varun Batra	1	0.00	1	0.00
Mr. Rahul Batra	1	0.00	1	0.00
Mrs. Neeraj Batra	1	0.00	1	0.00
Mrs. Heena Batra	1	0.00	1	0.00
Mr. Balwant Singh	1	0.00	1	0.00
Beta Drugs Limited	17,58,044	100.00	17,58,044	100.00
<b>Total</b>	<b>17,58,050</b>	<b>100.00</b>	<b>17,58,050</b>	<b>100.00</b>

**ADLEY LAB LIMITED**
**Notes forming part of the financial statements**
**Note 2 Reserves and surplus**

Particulars	As at 31 March' 2023	As at 31 March' 2022
	Amount in Rs. Lakhs	Amount in Rs. Lakhs
(a) Capital reserve		
Opening balance	-	-
Closing balance	-	-
(b) Securities premium account		
Opening balance	-	-
Closing balance	-	-
(c) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	599.58	43.13
	599.58	43.13
Add: Profit / (Loss) for the year	545.84	556.45
Less: Last Year Provision Diff	7.18	
<b>Closing balance</b>	<b>1,138.24</b>	<b>599.58</b>
<b>Total</b>	<b>1,138.24</b>	<b>599.58</b>

**Note 3 Long-term borrowings**

Particulars	As at 31 March' 2023	As at 31 March' 2022
	Amount in Rs. Lakhs	Amount in Rs. Lakhs
<b>Term loans</b>		
<b>From banks</b>		
<b>Secured</b>		
SIDBI (Plant and Machinery Loan)	-	23.14
SIDBI Smile ( Plant and Machinery )	-	2.18
SIDBI Covid Loan	-	2.28
HDB Bank ( Loan against Property )	-	54.64
HDFC TERM LOAN (CAPEX) NEW	147.30	-
HDFC New Loan-P&M	89.92	147.70
Federal Bank- Vehicle Loan	7.04	-
	<b>244.26</b>	<b>229.94</b>
<b>From other parties</b>		
<b>Secured</b>		
<b>Unsecured ( From Related Parties)</b>		
M/s Beta Drugs Limited	198.46	139.20
<b>Total - A</b>	<b>198.46</b>	<b>139.20</b>
Unsecured ( From Related Parties)	-	-
<b>Total - B</b>	<b>-</b>	<b>-</b>
	<b>198.46</b>	<b>139.20</b>
The Above Amount Includes	-	
<b>Secured Borrowings</b>	<b>244.26</b>	<b>229.94</b>
<b>Unsecured Borrowings</b>	<b>198.46</b>	<b>139.20</b>
<b>Total</b>	<b>442.72</b>	<b>369.14</b>

ADLEY LAB LIMITED  
D-27, INDUSTRIAL AREA FOCAL POINT DERABASSI Mohali PB, 140507 IN  
CIN NUMBER U24231PB1992PLC051220  
Notes 3: Long-term borrowings

Particulars	As at 31 March' 2023			As at 31 March' 2022		
	Amount in Rs. Lakhs			Amount in Rs. Lakhs		
	Non- Current	Current Maturities	Total	Non- Current	Current Maturities	Total
<b>Term loans</b>						
<b>From banks</b>						
<b>Secured</b>						
SIDBI (Plant and Machinery Loan)	-	23.14	23.14	23.14	44.52	67.66
SIDBI Smile ( Plant and Machinery )	-	2.18	2.18	2.18	3.24	5.42
SIDBI Covid Loan	-	2.28	2.28	2.28	14.88	17.16
HDB Bank ( Loan against Property )	-	-	-	54.64	23.63	78.26
HDFC TERM LOAN (CAPEX) NEW	147.30	44.17	191.47	-	-	-
HDFC New Loan-P&M	89.92	58.87	148.79	147.70	55.83	203.53
Federal Bank Vehicle Loan	7.04	2.96	10.00	-	-	-
	<b>244.26</b>	<b>133.60</b>	<b>377.86</b>	<b>229.94</b>	<b>142.09</b>	<b>372.03</b>
<b>From other parties</b>						
<b>Secured</b>	-	-	-	-	-	-
<b>Unsecured ( From Related Parties)</b>						
M/s Beta Drugs Limited	198.46	-	198.46	139.20	-	139.20
<b>Total - A</b>	<b>198.46</b>	<b>-</b>	<b>198.46</b>	<b>139.20</b>	<b>-</b>	<b>139.20</b>
Unsecured ( From Unrelated Parties)	-	-	-	-	-	-
<b>Total - B</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>198.46</b>	<b>-</b>	<b>198.46</b>	<b>139.20</b>	<b>-</b>	<b>139.20</b>
<b>The Above Amount Includes</b>						
Secured Borrowings	244.26	133.60	377.86	229.94	142.09	372.03
Unsecured Borrowings	198.46	-	198.46	139.20	-	139.20
Amount disclosed under "Other Current Liabilities"		(133.60)	(133.60)		(142.09)	(142.09)
<b>Total</b>	<b>442.72</b>	<b>-</b>	<b>442.72</b>	<b>369.14</b>	<b>-</b>	<b>369.14</b>



**ADLEY LAB LIMITED**
**Notes forming part of the financial statements**
**Note 4 Deferred Tax**

Particulars	As at 31 March' 2023	As at 31 March' 2022
	Amount in Rs. Lakhs	Amount in Rs. Lakhs
Deferred tax assets		
Deferred tax on depreciation	7.93	-13.08
Add: Deferred tax asset opening	-5.02	8.06
<b>Net Deferred assets/(liability)</b>	<b>2.91</b>	<b>-5.02</b>

**Continue Note 4 Current tax Provision**

Particulars	As at 31 March' 2023	As at 31 March' 2022
	Amount in Rs. Lakhs	Amount in Rs. Lakhs
Current Year Tax	188.83	174.07
Less :- Advance Tax Including TDS	146.42	73.29
Less :- TCS recoverable	0.02	0.02
<b>Current Year Tax Provision</b>	<b>42.39</b>	<b>100.76</b>
<b>Short Term Provisions</b>	<b>42.39</b>	<b>100.76</b>

**Notes forming part of the financial statements**
**Note 5 Other long-term liabilities**

Particulars	As at 31 March' 2023	As at 31 March' 2022
	Amount in Rs. Lakhs	Amount in Rs. Lakhs
Others:		
(i) Payables on purchase of fixed assets	54.27	12.78
<b>Total</b>	<b>54.27</b>	<b>12.78</b>

**Note 5 (b) Long-term provisions**

Particulars	As at 31 March' 2023	As at 31 March' 2022
	Amount in Rs. Lakhs	Amount in Rs. Lakhs
(a) Provision for Gratuity	20.62	14.89
<b>Total</b>	<b>20.62</b>	<b>14.89</b>

**Note 6 Short-term borrowings**

Particulars	As at 31 March' 2023	As at 31 March' 2022
	Amount in Rs. Lakhs	Amount in Rs. Lakhs
Other loans and advances		
Secured		
HDFC BANK CC A/C against hypothecation of stock, Debtors and movable assets	220.21	180.04
<b>Total</b>	<b>220.21</b>	<b>180.04</b>

# ADLEY LAB LIMITED

## Note 7 Trade payables

Particulars	As at 31 March' 2023 Amount in Rs. Lakhs	As at 31 March' 2022 Amount in Rs. Lakhs
Trade payables:		
MSME	326.15	326.57
Others	962.77	716.42
<b>Total</b>	<b>1,288.92</b>	<b>1,042.99</b>

## Note 7 (a) Trade payables ageing Schedule As at 31st March' 2023

Particulars	Outstanding for following periods from				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	326.15	-	-	-	326.15
(ii) Others	928.93	33.84	-	-	962.77
(iii) Disputed Dues- MSME	-	-	-	-	-
(iv) Disputed Dues- Others	-	-	-	-	-

## Note 7 (b) Trade payables ageing Schedule As at 31st March'2022

Particulars	Outstanding for following periods from				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	326.57	-	-	-	326.57
(ii) Others	716.42	-	-	-	716.42
(iii) Disputed Dues- MSME	-	-	-	-	-
(iv) Disputed Dues- Others	-	-	-	-	-

## Note 8 Other current liabilities

Particulars	As at 31 March' 2023 Amount in Rs. Lakhs	As at 31 March' 2022 Amount in Rs. Lakhs
Other payables	72.03	50.18
(i) Current Maturities of Long Term Debt ( Note No. 3)	133.60	142.09
Cheques issued but not yet presented	6.80	0.07
Advances From Customers	0.20	0.11
<b>Total</b>	<b>212.64</b>	<b>192.46</b>

## Note 8(a) Other current liabilities

Particulars	As at 31 March' 2023 Amount in Rs. Lakhs	As at 31 March' 2022 Amount in Rs. Lakhs
PF Payable	2.57	1.33
ESI payable	0.26	0.20
TDS payable	3.37	1.63
Interest Accrued But Not Due	2.74	2.62
Salary & wages Payable	20.23	16.42
Welfare Payable	0.10	0.08
Electricity Expense Payable	-	4.27
Expenses payable	42.77	23.63
<b>Total</b>	<b>72.03</b>	<b>50.18</b>

Note 9 Property, Plant and Equipment and Intangib													
Assets			Gross Block					Accumulated Depreciation/ Amortisation				Net Block	
	Useful Life (In Years)	Shift	Balance as at 1st April 2022	Additions during the year	Addition on account of business acquisition	Deletion during the year	Balance as at 31st March 2023	Balance as at 1st April 2022	Provided during the year	Deletion / adjustments during the year	Balance as at 31st March 2023	Balance as at 31st March 2023	Balance as at 31st March 2022
<b>A</b>	<b>Tangible assets</b>												
	Own Assets												
	LAND	Single	6.05	-		-	6.05	-	-	-		6.05	6.05
	BUILDING	30 Single	403.03	86.90		-	489.92	148.99	26.68	-	175.67	314.26	254.04
	PLANT AND MACHINERY	15 Single	457.56	358.41		7.83	808.15	265.02	51.32	5.32	311.02	497.13	192.54
	FURNITURE AND FIXTURES	10 Single	4.84	4.35		-	9.19	3.86	0.67	-	4.53	4.66	0.98
	COMPUTER	3 Single	5.96	5.92		-	11.88	2.18	3.73	-	5.91	5.97	3.77
	ELECTRICAL EQUIPMENTS	5 Single	29.79	20.70		-	50.49	11.26	9.77	-	21.03	29.46	18.53
	LAB EQUIPMENTS	10 Single	263.36	0.11		-	263.46	6.47	66.51	-	72.98	190.48	256.89
	VEHICLE	8 Single	-	18.62		-	18.62	-	5.24	-	5.24	13.38	-
	<b>Total (A)</b>		<b>1,170.58</b>	<b>495.01</b>	<b>-</b>	<b>7.83</b>	<b>1,657.76</b>	<b>437.77</b>	<b>163.93</b>	<b>5.32</b>	<b>596.38</b>	<b>1,061.38</b>	<b>732.81</b>
	<b>P.Y Total(A)</b>		<b>777.19</b>	<b>393.39</b>			<b>1,170.58</b>	<b>381.58</b>	<b>56.19</b>	<b>-</b>	<b>437.77</b>	<b>732.81</b>	<b>395.61</b>
<b>B</b>	<b>Capital work in progress</b>			-			-				-	-	
	Building						-					-	
	Plant & Machinery						-					-	
	Lab Equipments						-					-	
	<b>Total(B)</b>			-		-	-					-	
	<b>P.Y Total(B)</b>			<b>366.83</b>		<b>366.83</b>	<b>-</b>					<b>-</b>	
<b>C</b>	<b>Intangible Asseta</b>												
	Product Registration		23.75	10.25			34.00	2.40	5.59		7.99	26.01	21.35
	<b>Total(C)</b>		<b>23.75</b>	<b>10.25</b>			<b>34.00</b>	<b>2.40</b>	<b>5.59</b>		<b>7.99</b>	<b>26.01</b>	<b>21.35</b>
	<b>P.Y Total(C)</b>			<b>23.75</b>			<b>23.75</b>		<b>2.40</b>		<b>2.40</b>	<b>21.35</b>	
	<b>Current Year Total (A+B+C)</b>		<b>1,194.33</b>	<b>505.26</b>	<b>-</b>	<b>7.83</b>	<b>1,691.76</b>	<b>440.17</b>	<b>169.52</b>	<b>5.32</b>	<b>604.37</b>	<b>1,087.39</b>	<b>754.16</b>
	<b>Previous Year Total</b>		<b>777.19</b>	<b>783.97</b>	<b>-</b>	<b>366.83</b>	<b>1,194.33</b>	<b>381.58</b>	<b>58.59</b>	<b>-</b>	<b>440.17</b>	<b>754.16</b>	<b>395.61</b>

**ADLEY LAB LIMITED**

D-27, INDUSTRIAL AREA FOCAL POINT DERABASSI Mohali PB, 140507 IN

CIN NUMBER U24231PB1992PLC051220

**Note 10 Long-term loans and advances**

Particulars	As at 31 March' 2023	As at 31 March' 2022
	Amount in Rs. Lakhs	Amount in Rs. Lakhs
<b>Security Deposit</b>		
Secured, considered good	12.20	11.48
	-	-
<b>Others</b>		
Advances to Capital Suppliers	59.65	9.73
	-	-
<b>Total</b>	<b>71.85</b>	<b>21.21</b>

**Note 11 Inventories**

Particulars	As at 31 March' 2023	As at 31 March' 2022
	Amount in Rs. Lakhs	Amount in Rs. Lakhs
(Valued at cost or NRV unless otherwise stated)		
(a) Finished goods (other than those acquired for trading)	397.51	329.74
(b) Raw Material	370.15	360.77
(c) WIP	93.08	-
<b>Total</b>	<b>860.73</b>	<b>690.52</b>

**Note 12 Trade receivables**

Particulars	As at 31 March' 2023	As at 31 March' 2022
	Amount in Rs. Lakhs	Amount in Rs. Lakhs
Exceeding six months-		
Secured, considered good	2.65	2.60
<b>Total</b>	<b>2.65</b>	<b>2.60</b>
Less than six months-		
Secured, considered good	1,495.52	1,174.07
<b>Total</b>	<b>1,495.52</b>	<b>1,174.07</b>
<b>Total</b>	<b>1,498.17</b>	<b>1,176.67</b>

**ADLEY LAB LIMITED**
**Note 12 (a) Trade receivables ageing Schedule As at As at 31st March'2023**

Particulars	Outstanding for following periods from					Total
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	1,495.52	-	2.65		-	1,498.17
(ii) Undisputed Trade receivables - considered doubtful	-	-	-	-	-	-
(iii) Disputed trade receivables considered good	-	-	-	-	-	-
(iv) Disputed trade receivables considered doubtful	-	-	-	-	-	-

**Note 12 (b) Trade receivables ageing Schedule As at 31st March'2022**

Particulars	Outstanding for following periods from					Total
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	1,174.07	-	2.60	-	-	1,176.67
(ii) Undisputed Trade receivables - considered doubtful	-	-	-	-	-	-
(iii) Disputed trade receivables considered good	-	-	-	-	-	-
(iv) Disputed trade receivables considered doubtful	-	-	-	-	-	-

**ADLEY LAB LIMITED****D-27, INDUSTRIAL AREA FOCAL POINT DERABASSI Mohali PB, 140507 IN**

<b>Particulars</b>	<b>As at 31 March' 2023 Amount in Rs. Lakhs</b>	<b>As at 31 March' 2022 Amount in Rs. Lakhs</b>
<b>Note 13 Cash and cash equivalents</b>		
<b>CASH ON HAND</b>		
(a) Cash on hand	11.53	13.32
(b) Imprest A/c	0.20	1.94
<b>Total</b>	<b>11.73</b>	<b>15.26</b>
(b) Balances with banks		
(i) In current accounts		
IDBI Bank	-	-
Bank of Baroda	0.13	0.71
(iv) In earmarked accounts		
(c) Others (specify nature)		
FDRs against BG	16.09	14.17
<b>Total</b>	<b>16.22</b>	<b>14.88</b>
<b>Total</b>	<b>27.95</b>	<b>30.15</b>

**Note 14 Short-term loans and advances**

<b>Particulars</b>	<b>As at 31 March' 2023 Amount in Rs. Lakhs</b>	<b>As at 31 March' 2022 Amount in Rs. Lakhs</b>
(a) Loans and advances to related parties		
(b) Loans and advances others		
Advances To Supplier	26.90	7.84
Other Advances (Staff)	4.65	1.09
<b>Total</b>	<b>31.55</b>	<b>8.93</b>

**Note 15 Other current assets**

<b>Particulars</b>	<b>As at 31 March' 2023 Amount in Rs. Lakhs</b>	<b>As at 31 March' 2022 Amount in Rs. Lakhs</b>
Prepaid Insurance	2.91	0.99
Income Tax refund due AY 2020-21	-	-
GST Recoverable	12.37	10.86
<b>Total</b>	<b>15.27</b>	<b>11.85</b>

**ADLEY LAB LIMITED**

D-27, INDUSTRIAL AREA FOCAL POINT DERABASSI Mohali PB, 140507 IN

CIN NUMBER U24231PB1992PLC051220

Particulars	For the period ended 31 March' 2023 Amount in Rs. Lakhs	For the period ended 31 March' 2022 Amount in Rs. Lakhs
<b>Note 16 Revenue from operations (gross)</b>		
<b>Sale Of Products</b>		
Domestic Sale	4,201.70	3,400.62
Export Sale	75.24	-
<b>Total</b>	<b>4,276.94</b>	<b>3,400.62</b>

**Note 17 Other income**

Particulars	For the period ended 31 March' 2023 Amount in Rs. Lakhs	For the period ended 31 March' 2022 Amount in Rs. Lakhs
(a) Interest Income	0.63	0.46
(b) Other non-operating income	0.47	0.02
(c) Foreign Currency Exchange Gain	-	4.61
<b>Total</b>	<b>1.09</b>	<b>5.09</b>

**ADLEY LAB LIMITED**

D-27, INDUSTRIAL AREA FOCAL POINT DERABASSI Mohali PB, 140507 IN

CIN NUMBER U24231PB1992PLC051220

**Note 18 Cost of material consumed**

<b>Particulars</b>	<b>For the period ended 31 March' 2023 Amount in Rs. Lakhs</b>	<b>For the period ended 31 March' 2022 Amount in Rs. Lakhs</b>
Opening stock	360.77	224.63
Add: Other items (Direct Expenses) to services provided :	-	-
Purchases	2,808.49	2,488.12
<b>Total</b>	<b>3,169.27</b>	<b>2,712.75</b>
Less: Closing stock	370.15	360.77
<b>Cost of material consumed</b>	<b>2,799.12</b>	<b>2,351.98</b>
<b>Total</b>	<b>2,799.12</b>	<b>2,351.98</b>

**Note 19 Changes in inventories of finished goods, work-in-progress and stock-in-trade**

<b>Particulars</b>	<b>For the period ended 31 March' 2023 Amount in Rs. Lakhs</b>	<b>For the period ended 31 March' 2022 Amount in Rs. Lakhs</b>
<b>Inventories at the end of the year:</b>		
Finished goods	397.51	329.74
Work In Progress	93.08	-
	<b>490.58</b>	<b>329.74</b>
<b>Inventories at the beginning of the year:</b>		
Finished goods	329.74	113.97
Work In Progress	-	10.22
	<b>329.74</b>	<b>124.19</b>
<b>(Increase)/ decrease in Inventory</b>		
Finished goods	-67.77	-215.78
Work In Progress	-93.08	10.22
	<b>-160.84</b>	<b>-205.56</b>

**Note 20 Other Manufacturing expense**

<b>Particulars</b>	<b>For the period ended 31 March' 2023 Amount in Rs. Lakhs</b>	<b>For the period ended 31 March' 2022 Amount in Rs. Lakhs</b>
Consumeable Stores	56.40	33.66
Direct Labour	194.96	121.73
Factory Expenses	3.46	4.86
Freight Inward	8.48	11.29
Generator Running Expenses	24.77	19.33
Packing & Farwading Expenses	14.43	10.59
Power & Fuel	84.95	62.06
Repair & maintenance ( Electricity)	6.19	3.46
Repair & maintenance ( Machinery)	8.36	4.61
Testing Charges	19.85	21.40
<b>Total</b>	<b>421.85</b>	<b>293.00</b>



**ADLEY LAB LIMITED****D-27, INDUSTRIAL AREA FOCAL POINT DERABASSI Mohali PB, 140507 IN**

CIN NUMBER U24231PB1992PLC051220

**Note 21 Employee benefits expense**

	For the period ended 31 March' 2023	For the period ended 31 March' 2022
Particulars	Amount in Rs. Lakhs	Amount in Rs. Lakhs
Salaries and wages		
Employees	82.16	46.40
Employer Share of ESI	2.12	1.60
Employer Share of PF	12.30	6.67
Welfare Fund	0.16	0.12
Staff welfare expenses	5.67	2.21
Staff Uniform (Employees)	0.00	0.43
Gratuity	5.73	5.12
Bonus	6.64	4.92
<b>Total</b>	<b>114.78</b>	<b>67.48</b>

**Note 22 Finance costs**

	For the period ended 31 March' 2023	For the period ended 31 March' 2022
Particulars	Amount in Rs. Lakhs	Amount in Rs. Lakhs
(a) Interest expense on:		
(i) Borrowings		
Interest on CC	15.94	11.51
Interest on Term Loan	27.82	19.52
Interest on Vehicle Loan	0.88	-
(ii) Others	0.68	4.87
(iii) Interest on Loan (Holding Co.)	13.06	11.81
(b) Other borrowing costs (Processing Fees)		
Bank charges	4.04	3.50
<b>Total</b>	<b>62.41</b>	<b>51.20</b>

**ADLEY LAB LIMITED****D-27, INDUSTRIAL AREA FOCAL POINT DERABASSI Mohali PB, 140507 IN****CIN NUMBER U24231PB1992PLC051220****Note 23 Other Expenses**

<b>Particulars</b>	<b>For the period ended 31 March' 2023 Amount in Rs. Lakhs</b>	<b>For the period ended 31 March' 2022 Amount in Rs. Lakhs</b>
Advertisement Expenses	2.61	0.74
Audit Fee	0.50	0.50
Business Promotion	4.75	0.06
Commission	28.49	16.41
Conveyance Expenses	5.27	0.79
Corporate Social Responsibility Expenses	6.80	-
Freight Outward	7.22	2.34
Foreign Travelling	7.38	-
Foreign Currency Exchange Loss	30.68	-
Insurance Apportion Cost	4.90	4.59
Legal & Professional Expenses	7.64	4.20
Misc. Expenses	-	-
Office Expenses	9.79	3.20
Printing & Stationary	4.63	2.87
Rate Fee & taxes	17.82	5.22
Repair & maintenance ( Vehicles)	0.16	-
Round Off	0.02	-0.01
Software Expenses	0.43	-
Telephone & Postage	0.84	0.45
Trade Discount Expenses	-	-
Travelling Expenses	4.51	4.06
<b>Total</b>	<b>144.44</b>	<b>45.42</b>

**NOTES TO ACCOUNTS OF STANDALONE FINANCIALS OF M/S ADLEY LAB LIMITED****NOTE '24': SIGNIFICANT ACCOUNTING POLICIES****(Forming part of Accounts)****FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2023****24.1. Basis of Accounting**

The financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India under the historical convention on accrual basis. These financial statements have been prepared to comply, in all material aspects, with the accounting standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and the presentation requirements as prescribed by the Schedule III of the Companies Act, 2013 to the extent applicable.

**24.2. Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires that management makes estimates and assumptions that affect the reported amounts of income and expenses of the year, the reported balance of assets and liabilities and the disclosure relating to contingent liabilities as at the date of the financial statements. These estimates are based upon management's best knowledge of current events and actions. The difference between the actual results and estimates are recognised in the period in which the results are known / materialized.

**24.3. Property, Plant and Equipment and Intangible assets****- Property, Plant and Equipment**

Tangible Assets are stated at cost of acquisition or construction less accumulated depreciation and impairment of assets, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. The company has a policy of physical verification of all the assets once in a year, the last verification was done on 31<sup>st</sup> March 2023 and no discrepancies were noticed during such verification.

**-Capital Work-in-Progress s**

Expenses incurred during construction/installation period are included under capital work-in-progress and allocated to relevant fixed assets in the ratio of cost of the respective assets on completion of construction/installation. There is no work in progress for the financial year ending 31-March-2023.

**24.4. Depreciation/Amortisation**

- Depreciation on tangible assets is provided, on Written Down Value method, over the useful life of assets estimated by the management in accordance with Schedule-II of the Companies Act, 2013. (*Refer note 4.5*).
- Residual value of assets has been considered at 5% of the original cost of the assets.
- Depreciation on additions to fixed assets is calculated on date of put to use as certified by the management.
- Depreciation on assets sold & scrapped, during the year, is provided upto the date on which such fixed assets are sold or scrapped.

**24.5. Impairment of Assets**

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An asset is treated as impaired when the carrying cost of the assets exceeds its recoverable value. An impairment loss, if any, is charged to the Statement of Profit & Loss in the year in which an asset is identified as impaired. Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the assets no longer exist or have decreased.

**24.6. Valuation of Inventories**

- Raw Material Chemicals & Salts
- Packing Material

- Finished Goods products comprises of Active Pharmaceutical Ingredients and Pharmaceutical Formulation Intermediates
- Work In Progress (Semi Finished Goods)
- The value of Finished Goods and Work in Progress has been taken on allocation of labour and manufacturing overheads and is valued at cost or net realizable value whichever is lower.
- The company has a policy of physical verification of the entire available inventory once every month, no material discrepancies were noticed during such verification. The last verification was done on 5<sup>th</sup> April 2023.

#### 24.7. Revenue Recognition

- Revenue from sale of goods is recognized when risk and rewards of ownership are transferred to the customers.
- Revenue from services is recognised when services are rendered and related costs are incurred.
- Other income is recognised on accrual basis unless otherwise stated.
- Insurance and other claims are accounted for on settlement of claims/on receipt.
- Revenue from sales/services are shown net of taxes, as applicable.

#### 24.8. Employee Benefits

##### b) Short-term Employee Benefits:

- Leave Encashment, on the basis of actual computation, is accounted for on accrual basis, during the tenure of employment the payment in respect thereof is made by the Company from its own funds as per the past practice consistently followed by the Company.
- Payment of Bonus – This year the company has paid Rs. 6,64,413.00 as per The Payment of Bonus Act, 1965.

##### c) Post-Employment Benefits

###### (i) Defined Contribution Plans:

Contributions as required under the Statute/Rule are made to Employees State Insurance & Provident Fund and charged to the Statement of Profit & Loss of the year when the contributions to the respective funds are due.

###### (ii) Defined Benefit Plans:

Gratuity is accounted for on accrual basis.

Provision for Gratuity Liability for the financial year 2022-23 of Rs. 5,73,104.00 is created and the outstanding balance for provision as on 31<sup>st</sup> March 2023 is Rs. 20,61,881.00 as per the Payment of Gratuity Act as per the Payment of Gratuity Act, however actuarial valuation is not done.

##### d) Termination Benefits: Termination benefits are recognized as an expense as and when incurred.

#### 24.9. Foreign Currency Transactions

- i.) Functional and Reporting Currency: The standalone financial statements are presented in Indian Rupee ('INR') which is also the functional and presentation currency of the Company.
  - ii.) Initial Recognition: Foreign currency transactions are recorded in the functional currency, by applying to the exchange rate between the functional currency and the foreign currency at the date of the transaction.
  - iii.) Conversion on Reporting Date: Transactions in foreign currencies are initially recorded by the Company at its functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.
  - iv.) Exchange Differences: Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the statement of profit and loss in the year in which they arise.
- Net amount of Rs. 30,68,144.52 is recognized as loss for the year due to foreign exchange loss.

**24.10. Borrowing Costs**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets to the extent that they relate to the period till such assets are ready to use. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit & Loss.

During the year, the Company has capitalized Rs. Nil borrowing cost this year (Previous year Rs. 8,89,687/- relating to credit facility availed for installation of Plant and Machinery).

**24.11. Investments**

- Current Investments are carried at cost or fair value whichever is lower.
- Non-Current Investments are carried at cost. Provision for diminution in value of non-current investments is made only, if a decline is other than temporary.

**24.12. Operating Lease**

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases. Operating lease charges are recognised as an expense in the Statement of Profit & Loss on monthly due basis.

**24.13. Taxes on Income**

- Current Tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961.
- Deferred tax is recognised, subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.
- Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off assets against liabilities.
- Minimum Alternate Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will be in a position to avail of such credit under the provisions of the Income Tax Act, 1961.

**24.14. Earnings Per Share (EPS)**

- Annualised basic earnings per equity share is arrived at based on net profit/(loss) attributable to equity shareholders to the basic weighted average number of equity shares outstanding.
- Annualised diluted earnings per equity share is arrived at based on adjusted net profit/(loss) attributable to equity shareholders to the adjusted weighted average number of equity shares outstanding, for the effects of all dilutive potential equity shares; except where the results are anti-dilutive. At present the Company does not have any dilutive potential equity shares.

**24.15. Cash Flow Statement:**

- The Cash Flow Statement is prepared by the indirect method set out in Ind AS 7 on Cash Flow Statements and presents the cash flows by operating, investing and financing activities of the Company.
- Cash and cash equivalents presented in the Cash Flow Statement consists of balance in current accounts and cash balances.

**24.16. Contingencies and Provisions**

A provision is recognized when the Company has a present obligation as a result of past events. It is probable that an outflow of resources embodying economic benefit will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on the best estimate of the expenditure required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

A contingent liability is disclosed, unless the possibility of an outflow of resources embodying the economic benefit is remote.

- 24.17 **Internal Control Policy and BCP Management:** The Company has a comprehensive system of Internal Controls to safeguard its assets against loss from unauthorized use and to ensure reliability of financial reporting. The management assesses the operating effectiveness of these controls on regular basis. All the required security checks i.e., physical security of the company premises and its database are properly installed, daily backup is being done for all the accounting and related data. The company maintains a system of internal controls designed for effectiveness and efficiency of operations, compliance and regulations.

The system of internal controls monitors and ensures process for:

- Effectiveness and efficiency of operations;
- Reliability of financial reporting;
- Compliance with applicable laws and regulations.

- 24.18 **Impact of Covid-19:** The company is in the business of manufacturing and supplying pharmaceuticals products which is categorized under essential goods. There is no problem in sourcing of raw material, packing material, consumables or any kind of machinery and tools. Also, the company is closely monitoring the internal and external environment to see any changes and their impact to make proper decisions in the best interest of the company. The impact of COVID-19 during F.Y 2022-23 is almost negligible. The Company will continue to monitor any material changes to future economic conditions.

**NOTE 25: OTHER NOTES TO ACCOUNTS**  
**(Forming part of Accounts)**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2023**

**25.1. Issued, Subscribed & Paid-up Capital:**

Issued, Subscribed and paid-up capital of the company is Rs. 1,75,80,500.00 (divided into 17,58,050 shares of Rs, 10 each)

**25.2. Reserves & Surplus:**

- The amount shown in the Reserve & Surplus represents profits generated during the year amounting Rs. 5,45,84,025.34. Total amount of Reserves & Surplus as on 31.03.2023 is Rs. 11,38,24,162.52.

**25.3. Long-term Borrowings**

**Secured:**

**Term Loan:**

Lender	Nature of Facility	Loan	Amount outstanding as at 31 March'2023	Rate of Interest	Repayment Terms
SIDBI	Term Loan of Rs 268 Lakhs	Term Loan	Rs. 23.14 Lakhs	9.70% (Floating)	1.) First charge by the way of hypothecation in the favor of SIDBI of all the borrower movable, including the movables, plant, machinery, machinery spares, tools & accessories, office equipment, computers, furniture & fixtures both present and future. 2.) Pari passu charge by way of mortgage of leasehold rights in favor of SIDBI of all immovable properties of the borrower, both present and future, situated at plot no D-27, Industrial Area, Focal point, Derabassi, Punjab measuring 2500 sq. yards, including building and structure thereon. 3.) Total 71 Installments of Rs 3.98 Lakhs p.m. (plus interest) and last installment of Rs. 5.42 Lakhs (plus interest).
SIDBI (SMILE)	Term Loan of Rs 20 Lakhs	Term Loan	Rs. 2.18 lakhs	9.35% (Floating)	Extension of Charge on existing assets mortgaged with SIDBI. Total 36 Installments, moratorium for First six months and fixed principal repayment of Rs. 1.24 lacs plus interest for balance 30 months.
SIDBI	Covid Term Loan of Rs. 37 Lakhs	Covid Term Loan	Rs. 2.28 Lakhs	8.71%	Installments of Rs. 5.77 lakh per month.
HDFC	Plant and Machinery Loan of Rs. 225 Lakhs	Term Loan	Rs. 148.79 Lakhs	7.36% (Floating)	Installments of Rs. 4.89 lakh per month.
HDFC	Plant and Machinery Loan of Rs. 200 Lakhs	Term Loan	Rs. 191.47 Lakhs	8.35% (Floating)	Installments of Rs. 0.30 lakh per month.
Federal Bank	Vehicle Loan of Rs. 12.50 lakhs	Term Loan	Rs. 10.00 Lakhs	8.90% (Floating)	

- 25.4. In the opinion of the Directors, “Current Assets” and “Loans & Advances” are approximately of the value stated in the Balance Sheet, if realized in the ordinary course of business and to the best of their knowledge, provisions for all the known liabilities have been made and, as certified, all the contractual and statutory obligations have been duly complied with.

**25.5. Depreciation/Amortisation**

-The management estimates the useful life of existing fixed assets as follows:-

Building	30 years
Furniture & Fixtures	10 years
Machinery	15 years
Equipment	5 years
Lab Equipment	10 years

For these class of assets, based on internal assessment and independent technical evaluation carried out by external valuers the management believes that the useful lives as given above best represent the period over which management expects to use these assets. The useful lives for these assets are same as prescribed under Part-C of Schedule-II of the Companies Act, 2013. (Refer note 3.4)

**25.6. Earnings Per Share (AS-20)**

	<u>Year ended</u> <u>31<sup>st</sup> March, 2023</u>	<u>Year ended</u> <u>31<sup>st</sup> March, 2022</u>
<b>Numerator</b>		
Net Profit/(Loss)		
attributable to Equity shareholders	5,45,84,025.34	5,56,45,256.34
<b>Denominator</b>		
Number of Equity shares	No.'s 17,58,050	No.'s 17,58,050
Nominal		
Value per Equity share	10	10
Earnings per Equity share		
-Basic and diluted	31.05	31.65

**25.7. Non.Current Investments:**

.Equity shares have been stated at cost; provision for appreciation/diminution in the value of shares has not been made and no dividend was received during the year.

The provisions of Section 186 of the Companies Act, 2013 have been complied with.

**25.8. Taxes**

.The exact liability of CST/VAT, Service Tax, GST, Income Tax and other statutory dues is indeterminate pending finalisation of assessments and no undisputed dues or amounts were outstanding or remaining unpaid as at 31<sup>st</sup> March, 2023.

.The current tax provision shown in the Balance Sheet is Rs. 80,34,203.69 after utilization of the advance tax and TDS of Rs. 1,48,28,996.44.

**25.9. Segment Reporting**

Since the Company primarily operates in one segment (i.e., Manufacturing of API/PFI), therefore segment reporting as required under Ind AS - 108 is not applicable.



**25.10. Related Party Disclosures (Ind AS-24)**

Related parties & their relationship and related parties' transactions.

S. No.	Related Party	Nature of Relationship	Nature of Transaction	Amount Involved During the year (₹)
1.	Beta Drugs Limited	100% Holding	Finished Goods Sold	16,38,16,659.00
	Beta Drugs Limited	100% Holding	Interest on Unsecured Loan	13,06,399.00
	Beta Drugs Limited	100% Holding	Unsecured Loan Taken	47,50,000.00
	Beta Drugs Limited	100% Holding	Purchase	1,40,000.00
	Beta Drugs Limited	100% Holding	Sale of Machinery	2,50,585.00
	Beta Drugs Limited	100% Holding	Purchase of Machinery	20,00,000.00
2.	Adley Formulations Pvt Ltd	Common Subsidiary	Sale of Goods	8,45,42,105

The above disclosure of the related party and the transactions entered has been made as per Ind AS-24.  
The transactions have been carried at arm's length price (ALP).

**25.11. Ratios**

Sr. No.	Ratios	Numerator	Denominator	As at March 31, 2023	As at March 31, 2022	Variance	Explanation for any change in the ratio by more than 25% as compared to the preceding
1	Current Ratio	Current Assets	Current liabilities	1.38	1.27	9.05%	
2	Debt-Equity Ratio	Total Debt	Shareholders' equity	0.55	0.72	-24.69%	
3	Debt Service Coverage Ratio	Earnings available for debt service	Debt service	3.71	6.30	-41.07%	Increase in Debt due to increased capex.
4	Return on Equity Ratio	Net profit after taxes less preference dividend (if any)	Shareholder's equity	0.42	0.72	-42.12%	Since Net Profit after Taxes is 2% lesser than last year but Equity is 1.69 times higher than last year.
5	Inventory turnover ratio	Cost of goods sold or sales	Average inventory	3.95	4.69	-15.95%	
6	Trade Receivables turnover ratio	Net Sales	Average Trade Receivables	3.20	3.61	-11.30%	
7	Trade Payables turnover	Net Purchases	Average Trade Payables	2.41	2.93	-17.79%	

	ratio						
8	Net capital turnover ratio	Net Sales	Net working capital	6.39	8.46	-24.51%	
9	Net Profit ratio	Net Profit after taxes	Net Sales	0.13	0.16	-22.01%	
10	Return on capital employed	Earnings before interest and taxes	Capital employed	0.43	0.68	-36.19%	Due to increase in capital employed by 1.56 times however, EBIT has not increased.
11	Return on investment	Income generated from investments	Total Current Investments	0.04	0.03	21.04%	

#### 25.12. Particulars relating to corporate social responsibility

The Company has provided for the corporate social responsibility as per Section 135 of the Companies Act 2013 i.e., Rs. 6,78,766.00 during the year. The actual amount spent during the financial year was Rs. 6,80,000.00 and there is no outstanding provision as on 31<sup>st</sup> March 2023.

#### 25.13. Property, Plant and Equipment and Intangible assets:

- During the financial Year 2022-23 there was no addition under the head Land.
- During the financial Year 2022-23, there was addition of Rs. 86,89,663.50 under the head Building.  
During the financial year 2022-23, there was addition of Rs. 4,05,60,344.02 made to Plant & Machinery, Furniture & Fixtures, Office Equipment, Vehicles & Computers.
- During the financial Year 2022-23 there was an addition of Rs. 10,25,000.00 under the head Intangible Assets.

#### 25.14. Deferred Tax Assets & Liabilities

During the FY 2022-23 the company has made Deferred Tax Asset. Details of Calculation mentioned below.

Calculation of Deferred Tax Asset / Liability	Amount (₹)
Deferred Tax Asset/(Liability) on depreciation/gratuity/bonus	7,93,069.39
<b>Total Deferred Tax Asset/(Liability) Created for the financial year 2022-23 in Profit and Loss Account.</b>	<b>7,93,069.39</b>
Add: Deferred Tax Asset/(Liability) as on 01.04.2022 (Opening)	(5,02,093.58)
<b>Net Deferred Tax Asset/(Liability)</b>	<b>2,90,975.81</b>

**25.15. Other additional information**

<u>Particulars</u>	<u>31<sup>st</sup> March, 2023</u> <u>AMOUNT</u>	<u>31<sup>st</sup> March, 2022</u> <u>AMOUNT</u>
<b>“A” Revenue from operations (under broad heads)</b>		
Sales		
-Sales With in India	42,01,69,804.00	34,00,61,865
-Export Sales	75,24,220.75	-
<b>Total</b>	<b>42,76,94,024.75</b>	<b>34,00,61,865</b>
<b>“B” Purchases</b>		
-Chemicals, excipients & Packing Material	28,08,49,337.29	24,88,12,303.35

**25.16. Expenditure In Foreign Currency (On Accrual Basis): - Following Expenses were incurred by the company during the year 2022-23.**

	<u>31<sup>st</sup> March, 2023</u> <u>AMOUNT</u>	<u>31<sup>st</sup> March, 2022</u> <u>AMOUNT</u>
- Import of Capital Goods	20,91,000.00	68,62,775.11
- Import of raw material (including import duty)	11,85,99,690.54	11,63,66,110.77
- Foreign Travelling	7,38,013.53	
- Foreign Exchange Loss	30,68,144.52	
<b>TOTAL</b>	<b>12,44,96,848.59</b>	<b>12,32,28,885.88</b>

**25.17. Micro, Small & Medium Enterprises**

Based on the information presently available, total outstanding as on 31.03.2023 is Rs. 3,26,14,896.39 to micro or small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006.

**25.18. Other statutory information**

- No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- The Company does not have any trading in Crypto Currency or Virtual Currency.
- The Company does not have any transactions or balances with a Companies struck off under section 248 of the Companies Act, 2013 or Section 560 of the Companies Act 1956.
- The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961.

- v. Company has not advanced or loaned or invested funds to any other person(s) or entity(is), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- vi. The Company has not received any fund from any person(s) or entity(is), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- vii. No charge is pending to be registered beyond statutory period with ROC.
- viii. The company has not used the borrowings from banks and financial institutions for any other purpose other than for the specific purpose for which it was taken.
- ix. The Company have defined agreement with the Debtors regarding the credit payment period given and ageing is done accordingly in Financial Statement.
- x. As there is no specific agreements with the creditors, hence the creditors ageing is done as per the date of invoice received.
- 25.19.** Balance confirmation has been sent to all the Debtors and Creditors by way of electronic mail. Out of 67 no. of creditors, confirmations received from 42 and out of 20 no. debtors, confirmation are received from 15. Others are assumed to have confirmed on the basis of non reply.
- 25.20.** Figures for previous year have been regrouped / rearranged where necessary to conform to the current year's presentation.

In terms of our attached report of even date.

For and on behalf of the Board of Directors

**For KALRA RAI AND ASSOCIATES**  
**CHARTERED ACCOUNTANTS**  
**F R No. – 008859**

*Sd/-*  
**Rahul Batra**  
**(Director)**  
**DIN: 02229234**

*Sd/-*  
**Jayant Kumar**  
**(Director)**  
**DIN:02172627**

*Sd/-*

**LAJPAT RAI KALRA**  
**PARTNER**  
**M No. -087438**

**Dated: 08/05/2023**  
**Place: Chandigarh**  
**UDIN: 23087438BGVHEI4150**

---

**STANDALONE FINANCIAL**

**STATEMENTS**

**OF**

**“BETA RESEARCH PRIVATE LIMITED”**

**(WHOLLY-OWNED SUBSIDIARY)**

**FOR THE FINANCIAL YEAR**

**2022-23**

KALRA RAI & ASSOCIATES  
CHARTERED ACCOUNTANTS

Head Office: Kothi No. 667, 1<sup>st</sup> floor, Sector-43-A  
Chandigarh-160022

## Independent Auditors' Report

Members of Beta Research Pvt. Ltd.

## Report on the Standalone Financial Statements

We have audited the accompanying standalone Ind-AS financial statements of Beta Research Pvt. Ltd. ('the Company'), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

## Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these standalone Ind-AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind-AS) specified under Section 133 of the Act., read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind-AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

## Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind-AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit of the standalone Ind-AS financial statements in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind-AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind-AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind-AS financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the standalone Ind-AS financial statements give the information required by 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 March 31, 2023, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2016 ('the Order') issued by the Central Government of India in terms of subsection(11) of Section 143 of the Act, regarding statement on the matters specified in paragraphs 3 and 4 of the Order, this is not applicable..

2. 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 purpose 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, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the aforesaid standalone Ind-AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- e. On the basis of written representations received from the directors as on March 31, 2023, and taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2023, 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 over financial reporting of the Company and the operating effectiveness of such controls, refers to our separate Report in "Annexure A";
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2020, 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 on its financial position in its financial statements.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There has been no amount available which is required to be transferred to the Investor Education and Protection Fund by the Company;

**Place:- Chandigarh**  
**Date: 28/08/2023**  
**UDIN:23087438BGVHGY2473**

**For KALRA RAI & ASSOCIATES**

**Chartered Accountants**

**Sd/-**  
**(Lajpat Rai Kalra)**  
**Partner**  
**M. No- 087438**

## **“ANNEXURE-A” TO THE AUDITORS’ REPORT**

**Referred to in Paragraph 7 of Our Report of Even Date**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of **Beta Research Pvt. Ltd.** (“the Company”) as of 31 March 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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 (“the Guidance Note”) issued by the Institute of Chartered Accountants of India (“ICAI”). 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 (“the Act”).

#### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (“the Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 over financial reporting was established and maintained and if 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 auditor’s judgment, including the assessment of the risks of material misstatement of the 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 system over financial reporting.

#### **Meaning of Internal Financial Controls over Financial Reporting**

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 control over financial reporting 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 over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2023, based on the internal control over financial reporting 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.

**Place:- Chandigarh****Date: 28/08/2023****UDIN:23087438BGVHGY2473****For KALRA RAI & ASSOCIATES****Chartered Accountants****Sd/-****(Lajpat Rai Kalra)****Partner****M. No- 087438****FRN: 008859N**

<b>BETA RESEARCH PRIVATE LIMITED</b> <b>SCO-184 1ST FLOOR SECTOR-5 PANCHKULA Panchkula HR 134114 IN</b> <b>CIN NUMBER U24303HR2022PTC104598</b> <b>BALANCE SHEET AS AT 31 March' 2023</b>		
Particulars	Note No.	As at 31 March' 2023 Amount in Rs. Lakhs
<b>A EQUITY AND LIABILITIES</b>		
<b>1 Shareholders' funds</b>		
(a) Share capital	1	1.00
(b) Reserves and surplus	2	-
(c) Money received against share warrants		-
		<b>1.00</b>
<b>2 Share application money pending allotment</b>		-
<b>3 Non-current liabilities</b>		
(a) Long-term borrowings		-
(b) Deferred tax liabilities (net)		-
(c) Other long-term liabilities		-
(d) Long-term provisions		-
		-
<b>4 Current liabilities</b>		
(a) Short-term borrowings		-
(b) Trade payables		-
(c) Other current liabilities		-
(d) Short-term provisions		-
		-
<b>TOTAL</b>		<b>1.00</b>
<b>B ASSETS</b>		
<b>1 Non-current assets</b>		
(a) Property, Plant and Equipment and Intangible assets		
(i) Property, Plant and Equipment		-
(ii) Intangible assets		-
(iii) Capital work-in-progress		-
(iv) Intangible assets under development		-
(v) Fixed assets held for sale		-
		-
(b) Non-current investments		-
(c) Deferred tax assets (net)		-
(d) Long-term loans and advances		-
(e) Other non-current assets		-
		-
<b>2 Current assets</b>		
(a) Current investments		-
(b) Inventories		-
(c) Trade receivables		-
(d) Cash and cash equivalents	3	1.00
(e) Short-term loans and advances		-
(f) Other current assets		-
		-
		<b>1.00</b>
<b>TOTAL</b>		<b>1.00</b>
See accompanying notes forming part of the financial statements	4	
In terms of our report attached.		
<div> <div> For KALRA RAI AND ASSOCIATES  Chartered Accountants  (FRN: 008859N)   Sd/-  LAJPAT RAI KALRA  Partner  MEMBERSHIP NO. 087438  UDIN: 23087438BGVHGY2473  Place : Chandigarh  Date : 28/08/2023 </div> <div> For and on the behalf of the Board of Directors   Sd/-  RAHUL BATRA  Director  DIN: 0222923 </div> <div> Sd/-  VARUN BATRA  Director  DIN: 02148383 </div> </div>		

<b>BETA RESEARCH PRIVATE LIMITED</b> <b>SCO-184 1ST FLOOR SECTOR-5 PANCHKULA Panchkula HR 134114 IN</b> <b>CIN NUMBER U24303HR2022PTC104598</b> <b>STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31ST MARCH 2023</b>		
Particulars	Note No.	As at 31 March' 2023 Amount in Rs. Lakhs
<b>A CONTINUING OPERATIONS</b>		
<b>1</b> Revenue from operations (gross)		-
Less: Excise duty		-
Revenue from operations (net)		-
<b>2</b> Other income		-
<b>3 Total revenue (1+2)</b>		-
<b>4 Expenses</b>		
(a) Cost of material consumed		-
(b) Purchases of stock-in-trade		-
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade		-
(d) Other Manufacturing expense		-
(d) Employee benefits expense		-
(e) Finance costs		-
(f) Depreciation and amortisation expense		-
(g) Other expenses		-
<b>Total expenses</b>		-
<b>5 Profit / (Loss) before exceptional and extraordinary items and tax (3 - 4)</b>		-
<b>6</b> Exceptional items		-
<b>7 Profit / (Loss) before extraordinary items and tax (5 ± 6)</b>		-
<b>8</b> Extraordinary items/Prior period items		-
<b>9 Profit / (Loss) before tax (7 ± 8)</b>		-
<b>10 Tax expense:</b>		
(a) Current tax expense for current year		-
(b) (Less): MAT credit (where applicable)		-
(c) Current tax expense relating to prior years		-
(d) Net current tax expense		-
(e) Deferred tax		-
<b>11 Profit / (Loss) from continuing operations (9 ±10)</b>		-
<b>B DISCONTINUING OPERATIONS</b>		
<b>12 Profit / (Loss) from discontinuing operations (B.i ± B.ii ± B.iii)</b>		-
<b>C TOTAL OPERATIONS</b>		-
<b>13 Profit / (Loss) for the year (11 ± 12)</b>		-
<b>14 Earnings per share (of Rs. Lakhs 10/- each):</b>		
(a) Basic		-
(i) Continuing operations		-
(ii) Total operations		-
(b) Diluted		-
(i) Continuing operations		-
(ii) Total operations		-
See accompanying notes forming part of the financial statements	4	
<b>In terms of our report attached.</b> <b>For KALRA RAI AND ASSOCIATES</b> <b>Chartered Accountants</b> <b>(FRN: 008859N)</b>  <b>Sd/-</b> <b>LAJPAT RAI KALRA</b> <b>Partner</b> <b>MEMBERSHIP NO. 087438</b> <b>UDIN: 23087438BGVHGY2473</b> <b>Place : Chandigarh</b> <b>Date : 28/08/2023</b>		
<b>For and on the behalf of the Board of Directors</b>  <div style="display: flex; justify-content: space-around;"> <div style="text-align: center;"> <b>Sd/-</b>  <b>RAHUL BATRA</b>  <b>Director</b>  <b>DIN: 02229234</b> </div> <div style="text-align: center;"> <b>Sd/-</b>  <b>VARUN BATRA</b>  <b>Director</b>  <b>DIN: 02148383</b> </div> </div>		

<b>BETA RESEARCH PRIVATE LIMITED</b> <b>SCO-184 1ST FLOOR SECTOR-5 PANCHKULA Panchkula HR 134114 IN</b> <b>CIN NUMBER U24303HR2022PTC104598</b> <b>CASHFLOW STATEMENT FOR THE PERIOD ENDED ON 31ST MARCH 2023</b>		
Particulars		As at 31 March' 2023
		Amount in Rs. Lakhs
<b>A</b>	<b>CASHFLOW FROM OPERATING ACTIVITIES</b>	
	Net Profit before tax and extraordinary items (as per Statement of Profit & Loss)	-
	Adjustments for non Cash/Non trade items:	
	Depreciation & Amortization Expenses	-
	Finance Cost	-
	Interest received	-
	Other inflows/(outflows) of cash	-
	<b>Operating profits before Working Capital Changes</b>	-
	<b>Adjusted For:</b>	
	(Increase)/Decrease in trade receivables	-
	Increase/(Decrease) in trade payables	-
	(Increase)/Decrease in inventories	-
	Increase/(Decrease) in other current liabilities	-
	(Increase)/Decrease in short term loans and advances	-
	(Increase)/Decrease in other current assets	-
	<b>Working Capital Changes</b>	-
	<b>Net cashflow from Operating Activities (A)</b>	-
<b>B</b>	<b>CASHFLOW FROM INVESTING ACTIVITIES</b>	
	Purchase of fixed assets	-
	Interest received	-
	Cash used for Long Term Loans/Advances	-
	<b>Net cash used in Investing Activities (B)</b>	-
<b>C</b>	<b>CASHFLOW FROM FINANCING ACTIVITIES</b>	
	Finance Cost	-
	Increase/(Decrease) in short term borrowings	-
	Increase in/(Repayment) of Long term Borrowings	-
	Increase in/(Repayment) of Other Long term Liabilities	-
	Increase/ (Decrease) in share capital	1.00
	Other Inflows/ (Outflows) of cash	-
	<b>Net cash used in Financing Activities (C)</b>	1.00
<b>D</b>	<b>Net Increase/(Decrease) in cash &amp; cash equivalents (A+B+C)</b>	1.00
<b>E</b>	Cash & Cash equivalents at beginning of period	-
<b>F</b>	Cash & Cash equivalents at end of period	1.00
<b>G</b>	<b>Net Increase/(Decrease) in cash &amp; cash equivalents (F-E)</b>	1.00
In terms of our report attached.		
<b>For KALRA RAI AND ASSOCIATES</b> <b>Chartered Accountants</b> <b>(FRN: 008859N)</b>  <b>Sd/-</b> <b>LAJPAT RAI KALRA</b> <b>Partner</b> <b>MEMBERSHIP NO. 087438</b> <b>UDIN: 23087438BGVHGY2473</b> <b>Place : Chandigarh</b> <b>Date : 28/08/2023</b>		<b>For and on the behalf of the Board of Directors</b>  <div style="display: flex; justify-content: space-around;"> <div style="text-align: center;"> <b>Sd/-</b>  <b>RAHUL BATRA</b>  <b>Director</b>  <b>DIN: 02229234</b> </div> <div style="text-align: center;"> <b>Sd/-</b>  <b>VARUN BATRA</b>  <b>Director</b>  <b>DIN: 02148383</b> </div> </div>

Particulars	As at 31 March' 2023	
	Number of shares	Amount in Rs. Lakhs
(a) Authorised	5,00,000.00	5.00
- Equity shares of Rs. 10 each	-	-
(b) Issued		
- Equity shares of Rs. 10 each	1,00,000.00	1.00
	<b>1,00,000.00</b>	<b>1.00</b>
(c) Subscribed and fully paid up		
- Equity shares of Rs. 10 each	1,00,000.00	1.00
	<b>1,00,000.00</b>	<b>1.00</b>
(d) Subscribed but not fully paid up	-	-
	-	-
<b>Total</b>	<b>1,00,000.00</b>	<b>1.00</b>

Note 1(a) Reconciliation of number of shares outstanding is set out below:

Particulars	Equity Shares March' 2023	
	Number	Amount in (Rs. Lakhs)
Shares outstanding at the beginning of the year	-	-
Shares Issued during the year	10,000.00	1.00
Shares bought back during the year	-	-
Shares outstanding at the end of the year	10,000.00	1.00

Note 1(b) Shares held by promoters at the end of the year 31 March' 2023

Name of Shareholder	As at 31 March' 2023		
	No. of Shares held	% of Holding	% Changes
Beta Drugs Limited	99,999.00	99.999%	100.00%
Mr. Rahul Batra	1.00	0.0010%	100.00%

Note 1(c ) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31 March' 2023	
	Number of shares held	% holding in that class of shares
Equity shares with voting rights		
Mr. Rahul Batra	1	0.001
Beta Drugs Limited	99,999	99.999
<b>Total</b>	<b>1,00,000</b>	<b>100.00</b>

**Note 2 Reserves and surplus**

Particulars	As at 31 March' 2023 Amount in Rs. Lakhs
(a) Capital reserve	
Opening balance	-
Closing balance	-
(b) Securities premium account	
Opening balance	-
Closing balance	-
(c) Surplus / (Deficit) in Statement of Profit and Loss	
Opening balance	-
	-
Add: Profit / (Loss) for the year	-
<b>Closing balance</b>	-
<b>Total</b>	-

Particulars	As at 31 March' 2023 Amount in Rs. Lakhs
<b>Note 3 Cash and cash equivalents</b>	
<b>CASH ON HAND</b>	
(a) Cash on hand	-
<b>Total</b>	-
(b) Balances with banks	
(i) In current accounts	
HDFC Bank Ltd.	1.00
(c) Others (specify nature)	
<b>Total</b>	<b>1.00</b>

**NOTES TO ACCOUNTS OF STANDALONE FINANCIALS OF M/S BETA RESEARCH PVT. LTD.**  
**NOTE '4': SIGNIFICANT ACCOUNTING POLICIES**  
**(Forming part of Accounts)**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2023**

**4.1. Basis of Accounting**

The financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India under the historical convention on accrual basis. These financial statements have been prepared to comply, in all material aspects, with the accounting standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and the presentation requirements as prescribed by the Schedule III of the Companies Act, 2013 to the extent applicable.

**4.2. Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires that management makes estimates and assumptions that affect the reported amounts of income and expenses of the year, the reported balance of assets and liabilities and the disclosure relating to contingent liabilities as at the date of the financial statements. These estimates are based upon management's best knowledge of current events and actions. The difference between the actual results and estimates are recognised in the period in which the results are known / materialized.

**4.3. Property, Plant and Equipment and Intangible assets**

Since the company has not started its operations, there are no Property, Plant and Equipment and Intangible assets as on 31.03.2023.

**4.4. Valuation of Inventories**

-Since the company has not started its operations, there is no Inventory as on 31.03.2023

**4.5. Revenue Recognition**

- Since the company has not started its operations, there is no revenue during the F.Y 2022-23.

**4.6. Employee Benefits**

Since the company has not started its operations, no employee benefit cost has been incurred till 31.03.2023.

**4.7. Foreign Currency Transactions**

Since the company has not started its operations, this point is not applicable.

**4.8. Borrowing Costs**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets to the extent that they relate to the period till such assets are ready to use. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit & Loss.

During the year, the Company has capitalized Rs. Nil borrowing cost this year.

**4.9. Investments**

-Current Investments are carried at cost or fair value whichever is lower.

-Non-Current Investments are carried at cost. Provision for diminution in value of non-current investments is made only, if a decline is other than temporary.

**4.10. Operating Lease**

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases. Operating lease charges are recognised as an expense in the Statement of Profit & Loss on monthly due basis.

**4.11. Taxes on Income**

- Current Tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961.
- Deferred tax is recognised, subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.
- Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off assets against liabilities.
- Minimum Alternate Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will be in a position to avail of such credit under the provisions of the Income Tax Act, 1961.

**4.12. Earnings Per Share (EPS)**

- Annualised basic earnings per equity share is arrived at based on net profit/(loss) attributable to equity shareholders to the basic weighted average number of equity shares outstanding.
- Annualised diluted earnings per equity share is arrived at based on adjusted net profit/(loss) attributable to equity shareholders to the adjusted weighted average number of equity shares outstanding, for the effects of all dilutive potential equity shares; except where the results are anti-dilutive. At present the Company does not have any dilutive potential equity shares.

**4.13. Cash Flow Statement:**

- The Cash Flow Statement is prepared by the indirect method set out in Ind AS 7 on Cash Flow Statements and presents the cash flows by operating, investing and financing activities of the Company.
- Cash and cash equivalents presented in the Cash Flow Statement consists of balance in current accounts and cash balances.

**4.14. Contingencies and Provisions**

A provision is recognized when the Company has a present obligation as a result of past events. It is probable that an outflow of resources embodying economic benefit will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on the best estimate of the expenditure required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

A contingent liability is disclosed, unless the possibility of an outflow of resources embodying the economic benefit is remote.

- 4.15 Internal Control Policy and BCP Management:** The Company has a comprehensive system of Internal Controls to safeguard its assets against loss from unauthorized use and to ensure reliability of financial reporting. The management assesses the operating effectiveness of these controls on regular basis. All the required security checks i.e., physical security of the company premises and its database are properly installed, daily backup is being done for all the accounting and related data. The company maintains a system of internal controls designed for effectiveness and efficiency of operations, compliance and regulations.

The system of internal controls monitors and ensures process for:

- Effectiveness and efficiency of operations;
- Reliability of financial reporting;
- Compliance with applicable laws and regulations.



**NOTE 5: OTHER NOTES TO ACCOUNTS**  
**(Forming part of Accounts)**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2023**

**5.1. Issued, Subscribed & Paid-up Capital:**

Issued, Subscribed and paid-up capital of the company is Rs. 1,00,000.00 (divided into 1,00,000 shares of Rs. 1 each)

**5.2. Reserves & Surplus:**

- Since the company has not started its operations, there are no reserves as on 31.03.2023.

**5.3. Long-term Borrowings**

- Since the company has not started its operations, there are no long term borrowings as on 31.03.2023.

**5.4. Earnings Per Share (AS-20)**

**Year ended**  
**31<sup>st</sup> March, 2023**

**Numerator**

Net Profit/(Loss)

attributable to Equity shareholders

0.00

**Denominator**

Number of Equity shares

No.'s 1,00,000

Nominal

Value per Equity share

1

Earnings per Equity share

-Basic and diluted

-

**5.5. Segment Reporting**

Since the Company has not started its operations, therefore segment reporting as required under Ind AS - 108 is not applicable.

**5.6. Related Party Disclosures (Ind AS-24)**

There are no related party transactions.

**5.7. Ratios**

- Since the company has not started its operations, this point is not applicable.

**5.8. Particulars relating to corporate social responsibility**

Since the company has not started its operations, Corporate social responsibility as per Section 135 of the Companies Act 2013 is not applicable.

**5.9. Property, Plant and Equipment and Intangible assets:**

- During the financial Year 2022-23 there are no additions to Property, Plant and Equipment and Intangible assets. Property, Plant and Equipment and Intangible assets as on 31.03.2023 is Rs. Nil.

**5.10. Deferred Tax Assets & Liabilities**

Since the company has not started its operations, no deferred tax asset or liability is created.

**5.12. Expenditure In Foreign Currency (On Accrual Basis): - Following Expenses were incurred by the company during the year 2022-23.**

There is no expenditure in Foreign currency during F.Y 2022-23

**5.13. Micro, Small & Medium Enterprises**

Based on the information presently available, total outstanding as on 31.03.2023 is Rs. Nil to micro or small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006.

**5.14. Other statutory information**

- i. No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. The Company does not have any trading in Crypto Currency or Virtual Currency.
- iii. The Company does not have any transactions or balances with a Companies struck off under section 248 of the Companies Act, 2013 or Section 560 of the Companies Act 1956.
- iv. The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961.
- v. Company has not advanced or loaned or invested funds to any other person(s) or entity(is), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- vi. The Company has not received any fund from any person(s) or entity(is), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- vii. No charge is pending to be registered beyond statutory period with ROC.
- viii. The company has not used the borrowings from banks and financial institutions for any other purpose other than for the specific purpose for which it was taken.

**In terms of our attached report of even date.**

**For and on behalf of the Board of Directors**

**For KALRA RAI AND ASSOCIATES**  
**CHARTERED ACCOUNTANTS**  
**F R No. – 008859**

*Sd/-*

**LAJPAT RAI KALRA**  
**PARTNER**  
**M No. -087438**  
**Dated: 28/08/2023**  
**Place: Chandigarh**  
**UDIN: 23087438BGVHGY2473**

*Sd/-*  
**Rahul Batra**  
**(Director)**  
**DIN: 02229234**

*Sd/-*  
**Varun Batra**  
**(Director)**  
**DIN:02148383**

**BETA DRUGS LIMITED**

CIN: L24230HP2005PLC028969

Registered office: Village Nandpur, Baddi, Distt. SOLAN-174101, Himachal Pardesh.

Tel No. 01795-236196, Email: cs@betadrugslimited.com, Website: www.betadrugslimited.com

**ATTENDANCE SLIP****(Please fill attendance slip and hand it over at the entrance of the meeting hall)****Joint Shareholders may obtain additional slip on request**

DP ID No. : \_\_\_\_\_

Client ID No. : \_\_\_\_\_

Ledger Folio No. : \_\_\_\_\_

NAME AND ADDRESS OF THE SHAREHOLDER: \_\_\_\_\_

No. of shares held \_\_\_\_\_

I hereby record my presence at the **18<sup>th</sup>ANNUAL GENERAL MEETING** of the Company held on **Saturday**, the **30<sup>th</sup>day of September, 2023 at 12.30 p.m.** at Registered Office of the company situated at **Village Nandpur, Lodhimajra Road, Baddi, Distt Solan, H.P. 174101.**

• I certify that I am member/proxy of the company.

\_\_\_\_\_  
Signature of the shareholder or proxy

Note: You are requested to sign and handover this slip at the entrance of the meeting venue.

# 18<sup>TH</sup> ANNUAL REPORT



## BETA DRUGS LIMITED

### BETA DRUGS LIMITED

CIN: L24230HP2005PLC028969

Registered office: Village Nandpur, Baddi, Distt. SOLAN-174101, Himachal Pradesh. Tel No. 01795-236196, Website: www.betadrugslimited.com

### Form No. MGT-11

#### Proxy form

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s): \_\_\_\_\_

Registered address: \_\_\_\_\_

E-mail Id: \_\_\_\_\_

Folio No/ Client Id-DP ID: \_\_\_\_\_

I/ We being the member (s) of shares of the above named company, hereby appoint

1. Name: \_\_\_\_\_

Address: \_\_\_\_\_

E-mail Id: \_\_\_\_\_ Signature: \_\_\_\_\_, or failing him;

2. Name: \_\_\_\_\_

Address: \_\_\_\_\_

E-mail Id: \_\_\_\_\_ Signature: \_\_\_\_\_, or failing him;

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at **18<sup>th</sup> ANNUAL GENERAL MEETING** of the Company held on **Saturday, the 30<sup>th</sup> day of September, 2023 at 12.30 p.m. at Village Nandpur, Lodhimajra Road, Baddi, Distt Solan, H.P. 174101** and at any adjournment thereof in respect of such resolutions as are indicated below:

Indicated below:

Sr No.	Resolutions	Optional	
	ORDINARY BUSINESS	For (✓)	Against (X)
1.	<b>Adoption of Financial Statements</b> (I) Audited Standalone Financial Statements of the Company for the financial year ended on March 31, 2023 and the Reports of the Board of Directors and Auditors thereon; and (II) Audited Consolidated Financial Statements of the Company for the financial year ended on March 31, 2023, together with the Report of the Auditors thereon		
2.	<b>To appoint a Director in place of Mr. Rahul Batra (DIN: 02229234), who retires by rotation and being eligible, offers himself for re-appointment.</b>		
3.	<b>To appoint a Director in place of Mr. Ashutosh Shukla (DIN: 09461568), who retires by rotation and being eligible, offer himself for re-appointment.</b>		
SPECIAL BUSINESS			
4.	<b>To ratify the remuneration payable to the Cost Auditor appointed by the Board of Directors of the Company for the financial year 2023-24 pursuant to Section 148 and all other applicable provisions of Companies Act, 2013.</b>		
5.	<b>To alter the incidental object of the Memorandum of Association of the company</b>		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2023

Signature of Shareholder: \_\_\_\_\_

Signature of Proxy holder(s): \_\_\_\_\_

Affix Revenue Stamp not less than Rs 1/-

**Note:** This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting. A proxy need not be a member of the company.

# 18<sup>TH</sup> ANNUAL REPORT



## BETA DRUGS LIMITED

### BETA DRUGS LIMITED

CIN: L24230HP2005PLC028969

Registered office: Village Nandpur, Baddi, Distt. SOLAN-174101, Himachal Pradesh, Tel No. 01795-236196, Website: www.betadrugslimited.com

### **BALLOT FORM FOR 18<sup>TH</sup> ANNUAL GENERAL MEETING HELD AT REGISTERED OFFICE ON SATURDAY, 30.09.2023 AT 12:30 P.M.**

Name of the member(s):	
Registered Address:	
Folio No	
No. of Shares	
*DP ID	
* Client ID	

\* Applicable to holders holding shares in demat/electronic form

I/We hereby exercise my/our vote in respect to the Ordinary/Special Resolution to be passed through Postal Ballot for the Business stated in the Postal Ballot Notice by sending my/our assent (FOR) or dissent (AGAINST) to the said resolution by placing the right mark (✓) at the appropriate box below:

Item No.	Item	Nature of Resolution	Assent (FOR)( ✓)	Dissent (AGAINST) (X)
1.	<b>Adoption of Financial Statements</b> (I) Audited Standalone Financial Statements of the Company for the financial year ended on March 31, 2023 and the Reports of the Board of Directors and Auditors thereon; and (II) Audited Consolidated Financial Statements of the Company for the financial year ended on March 31, 2023, together with the Report of the Auditors thereon	Ordinary		
2.	<b>To appoint a Director in place of Mr. Rahul Batra (DIN: 02229234), who retires by rotation and being eligible, offers himself for re-appointment.</b>	Ordinary		
3.	<b>To appoint a Director in place of Mr. Ashutosh Shukla (DIN: 09461568), who retires by rotation and being eligible, offers himself for re-appointment.</b>	Ordinary		
4.	<b>To ratify the remuneration payable to the Cost Auditor appointed by the Board of Directors of the Company for the financial year 2023-24 pursuant to Section 148 and all other applicable provisions of Companies Act, 2013.</b>	Ordinary		
5.	<b>To alter the incidental object of the Memorandum of Association of the company</b>	Special		

Place: Baddi

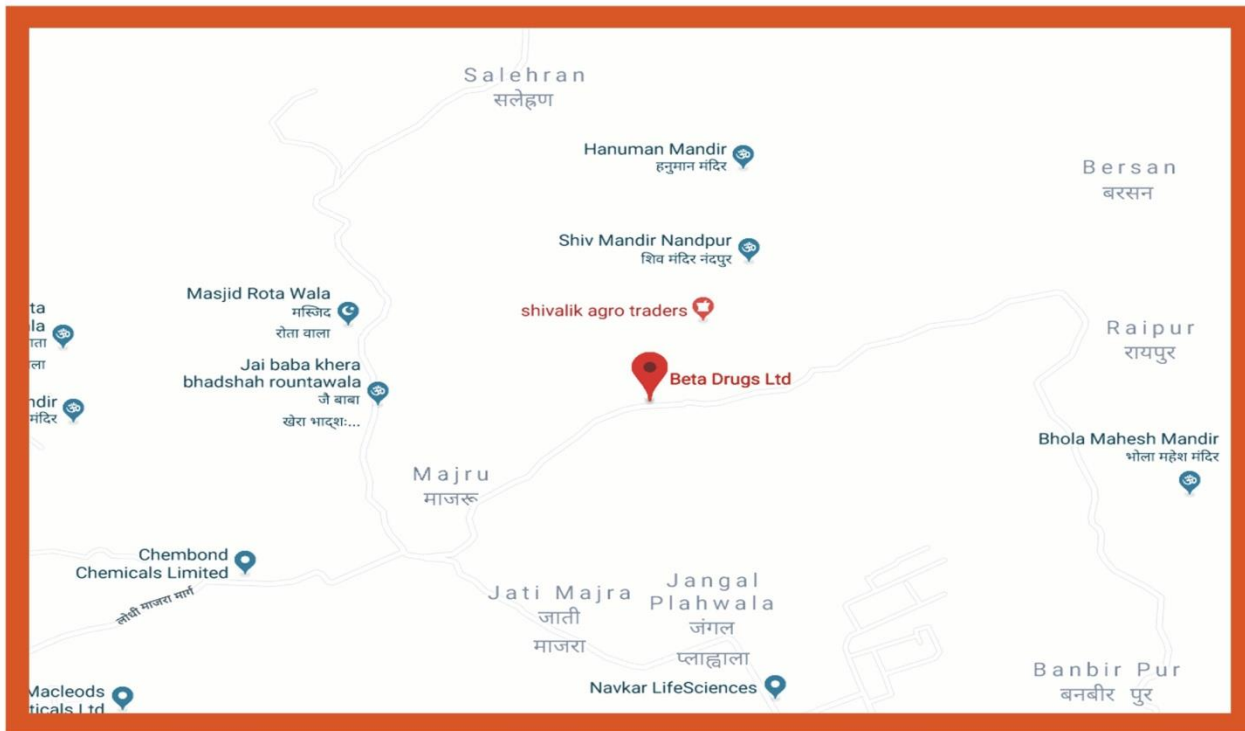
Date:

\_\_\_\_\_  
Signature of Member



BETA DRUGS LIMITED

## AGM VENUE MAP



## BETA DRUGS LIMITED

Registered Office:  
Village Nandpur, Lodhimajra Road  
Baddi, Distt Solan, H.P. 174101



**BDL ONCOLOGY**  
(Beta Drugs Limited)

We team of BETA DRUGS LTD.,  
wants to thank you from bottom  
of our hearts for supporting us  
in achieving this newer heights.

**THANK  
YOU!**



Beta Drugs Limited:-  
Village Nandpur, Lodhimajra Road  
Baddi, Distt Solan, H.P. 174101  
Tel No. 01795-236196,

Email: [cs@betadrugslimited.com](mailto:cs@betadrugslimited.com),  
Website: [www.betadrugslimited.com](http://www.betadrugslimited.com)