

# S.P. Babuta and Associates

Chartered Accountant

#240, Sector 21-A, Chandigarh-160022, Tel: 91 172 2704943, 2713814, Email ID : [spbabuta@hotmail.com](mailto:spbabuta@hotmail.com), Website : [www.babuta.com](http://www.babuta.com)

## Independent Auditor's Report

To the Members of Dr. Morepen Limited

## Report on the Audit of Standalone Financial Statements

### Opinion

We have audited the accompanying standalone financial statements of **Dr. Morepen Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of standalone financial statements" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Information Other than the Standalone Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for preparation of the other information. The other information comprises the information included in Annual Report, but does not include the standalone financial statements and our auditor's report thereon.



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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

## Management's responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the company in accordance with applicable Ind AS and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the company's ability to continue as going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the company or to cease the operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the company's financial reporting process.

## Auditor's Responsibilities for the Audit of standalone financial statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could





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reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedure responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transaction and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



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## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government in terms of section 143(11) of the Act, we give in Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of accounts as required by law have been kept by the company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of accounts.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act read with relevant rules issued thereunder.
  - e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2024 taken on record by the Board of Directors, none of the directors are disqualified as on 31<sup>st</sup> March 2024 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, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

The company has not paid any remuneration to any director during the year under audit

- h) 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:





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- a) The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
- b) The Company did not have any long term contracts including derivative contracts.
- c) During the year, the company was not liable to transfer any amount to the Investor Education and Protection Fund.
- d) The Gratuity Liability accrued remains uncovered to the extent of unfunded.
- e) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material mis-statement. (Refer Note No. 34(b) to the standalone financial statements).
- f) The Company has not declared or paid any dividend during the year.

For S.P. Babuta & Associates  
Chartered Accountants  
F.No. 007657N



CA S.P. Babuta  
Managing Partner  
FCA, IP, DISA, CCA  
GST Cert, Forensic Auditor  
Membership No. 086348

Date : 21<sup>st</sup> May, 2024  
Place : Gurugram, Haryana

UDIN : 24086348BKGUSN2478

# S.P. Babuta and Associates

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## ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date on the standalone financial statements of Dr. Morepen Limited for the year ended 31<sup>st</sup> March, 2024)

(i)	(a)	(A)	The company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;
		(B)	The company is maintaining proper records showing full particulars of intangible assets;
	(b)		Property, Plant and Equipment have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification;
	(c)		The company does not have any immovable property as at 31 <sup>st</sup> March 2024;
	(d)		The company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year;
	(e)		According to the information and explanations given to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder;
(ii)	(a)		As explained to us, physical verification of inventory has been conducted at reasonable intervals by the management and in our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancy of 10% or more in the aggregate for each class of inventory was noticed;
	(b)		During the year the company has not been sanctioned any working capital limits from banks or financial institutions on the basis of security of current assets, hence provisions of this clause are not applicable to the company;
(iii)			According to the information and explanations given to us and based on audit procedures performed, we are of the opinion that during the year the company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. However old interest free unsecured loan to subsidiary company Total Care Limited amounting to Rs. 868.00 Lakhs is outstanding as on 31 <sup>st</sup> March 2024. There are no fixed term for repayment (Refer note no. 5 to the financial statements);
(iv)			According to the information and explanations given to us and based on audit procedures performed, we are of the opinion that in respect of loans, investments, guarantees and security, the company has complied with the provisions of section 185 and 186 of the Act;
(v)			According to the information and explanations given to us, the company has not accepted any deposits and does not have any unclaimed deposits as on 31 <sup>st</sup> March 2024 and hence provisions of clause 3(v) of the Order are not applicable to the company;
(vi)			The Central Government has not prescribed the maintenance of cost records for the company under section 148(1) of the Act;
(vii)	(a)		According to the information and explanations given to us and on the basis of examination of the records of the company, during the year, the company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-





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		tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities. No such dues are outstanding as on 31st March 2024 for a period exceeding six months;
	(b)	<p>According to the records and information and explanation given to us, there are no dues in respect of Income tax, Sales tax, VAT, Service-tax, Custom duty, cess outstanding as at March 31, 2024 due to any dispute except as disclosed in Note No.17 (a) para 2 to the financial statements which is as under:-</p> <p>Income tax demand of Rs.1,67,22,972/-for Assessment Year 2022-23 (Financial Year 2021-22) is under appeal before National Faceless Appeal Centre (NFAC) against the order passed by the assessment unit, Income Tax Department u/s143(3) read with the section 144B of the income tax act,1961, for the disallowance of Rs.5,42,38,332/-being depreciation claimed by the Company on intangible assets .</p>
(viii)		According to the records and information and explanation given to us, no transaction/amount has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961;
(ix)	(a)	According to the information and explanations given to us by the management, the company has outstanding loans or other borrowings of Rs.80.68 lakh from Banks/FIs during the year under audit.;
	(b)	According to the information and explanations given to us by the management, the company is not declared willful defaulter by any bank or financial institution or other lender during the year;
	(d)	According to the records and information and explanation given to us, the company has not raised any funds during the year under audit;
	(e)	According to the records and information and explanation given to us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures;
	(f)	According to the records and information and explanation given to us, the company has not raised any loan during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies;
(x)	(a)	During the year, the company has not raised any money by way of initial public offer or further public offer (including debt instruments);
	(b)	According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year hence the clause 3(x)(b) of the Order is not applicable.
(xi)	(a)	During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the company or on the company, noticed or reported during the year, nor have we been informed of any such case by the Management;
	(b)	No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;
	(c)	According to the records and information and explanation given to us, there is no whistle-blower complaint received during the year by the company;
(xii)		The company is not a Nidhi Company and hence this clause is not applicable.



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		applicable to the company;
(xiii)		According to the information and explanations given to us and based on our examination of the records of the company, all transactions with the related parties are in compliance with sections 177 & 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards;
(xiv)		As explained to us by the management, there is no Internal Audit system in the company as the same is not required.
(xv)		According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into any non- cash transaction with directors or person connected with them during the year;
(xvi)	(a)	The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934;
	(b)	The company has not conducted any Non-Banking Financial or Housing Finance activities during the year;
	(c)	The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India;
(xvii)		The company has not incurred cash losses in the financial year and in the immediately preceding financial year;
(xviii)		As explained to us by the management, there is no resignation of the statutory auditors during the period. Accordingly, clause 3(xviii) of the order is not applicable;
(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, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is 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;
(xx)		According to the information and explanations given to us and based on our examination of the records of the company, the company is not required to spend any amount under CSR Activities;
(xxi)		There is no qualification or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements.

For S.P. Babuta & Associates

Chartered Accountants

F.No. 007657N



S.P. Babuta  
Managing Partner

FCA, IP, DISA, CCA

GST Cert, Forensic Auditor

Membership No. 086348

Date : 21<sup>st</sup> May, 2024

Place : Gurugram, Haryana

UDIN : 24086348BKGUSN2478



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## ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date on the standalone financial statements of Dr. Morepen Limited for the year ended 31<sup>st</sup> March 2024)

### Report on the Internal Financial Controls over Financial Reporting 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 **Dr. Morepen Limited** ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone 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 issued by the Institute of Chartered Accountants of India (the "Guidance Note"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the 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 and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial control. 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 includes 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.



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## 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.

## 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 March 31, 2024, 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.

For S.P. Babuta & Associates

Chartered Accountants

F.No. 007657N



S.P. Babuta

Managing Partner

FCA, IP, DISA, CCA

GST Cert, Forensic Auditor

Membership No. 086348

Date : 21<sup>st</sup> May, 2024

Place : Gurugram, Haryana

UDIN : 24086348BKGUSN2478



**Dr. MOREPEN LIMITED**  
**BALANCE SHEET AS AT 31st MARCH, 2024**

(Rs. in Lakhs)

	Notes	As at 31.03.2024	As at 31.03.2023
<b>A ASSETS</b>			
<b>1. NON-CURRENT ASSETS</b>			
<i>Fixed Assets :</i>			
Property, Plant and Equipment	2	70.20	91.36
Intangible Assets	2	1,158.54	1,921.82
		1,228.74	2,013.18
<i>Financial Assets :</i>			
Investments	3	1,171.00	1,171.00
Other Financial Assets	4	144.45	131.21
Other Non-Current Assets	5	869.50	869.50
		3,413.69	4,184.89
<b>2. CURRENT ASSETS</b>			
Inventories	6	516.70	826.86
<i>Financial Assets :</i>			
Trade Receivables	7	2,256.19	2,271.02
Cash and Cash Equivalents	8	36.47	11.00
Other Current Assets	9	221.40	395.03
		3,030.76	3,503.91
<b>TOTAL</b>		<b>6,444.45</b>	<b>7,688.80</b>
<b>B EQUITY AND LIABILITIES</b>			
<b>1. EQUITY</b>			
Equity Share Capital	10	4,067.95	4,067.95
Other Equity		(416.28)	446.13
		3,651.67	4,514.08
<b>2. NON - CURRENT LIABILITIES</b>			
<i>Financial Liabilities :</i>			
Other Financial Liabilities	11	205.28	120.00
Provisions	12	105.30	87.67
		310.58	207.67
<b>3. CURRENT LIABILITIES</b>			
<i>Financial Liabilities :</i>			
Borrowings	13	80.68	-
Trade payables	14	1,922.80	2,467.70
Other Financial liabilities	15	161.21	188.20
Other Current Liabilities	16	177.42	178.46
Provisions	12	140.09	132.69
		2,482.20	2,967.05
<b>TOTAL</b>		<b>6,444.45</b>	<b>7,688.80</b>

**SIGNIFICANT ACCOUNTING POLICIES**

1

**NOTES ON FINANCIAL STATEMENTS**

2-35

As per our separate report of even date

For & on behalf of the Board of Directors of Dr. Morepen Limited

For S.P.BABUTA & ASSOCIATES

Chartered Accountants  
Firm Regn. No. 007657N

(C.A. S.P. Babuta)  
Partner  
Membership No. 086348



(Varun Suri)  
Managing Director  
DIN No. : 01456254

(Ajay Kumar Sharma)  
Director & CFO  
DIN No. : 00041932

(Vipul Kumar)  
Company Secretary  
Membership No. : A37677

Place : Gurugram  
Date : 21st May, 2024

**Dr. MOREPEN LIMITED**

**STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31st MARCH,2024**

		(Rs. in Lakhs)	
	<u>Notes</u>	<u>Year Ended</u> <u>31.03.2024</u>	<u>Year Ended</u> <u>31.03.2023</u>
<b>REVENUE</b>			
Revenue from Operations (Net)	18	9,071.72	9,530.00
Other Income	19	354.17	190.92
<b>Total Revenue</b>		<u>9,425.89</u>	<u>9,720.92</u>
<b>EXPENSES</b>			
Purchases of Stock-in-Trade	20	6,443.90	5,921.78
Changes in inventories of Stock-in-Trade		305.29	917.67
Employee Benefits Expenses	21	977.54	793.71
Finance Cost	22	20.08	-
Depreciation & Amortization	2	1,155.21	992.47
Other Expenses	23	1,377.92	1,730.89
<b>Total Expenses</b>		<u>10,279.94</u>	<u>10,356.52</u>
<b>Profit/(Loss) before exceptional and extraordinary items and tax</b>		<u>(854.05)</u>	<u>(635.60)</u>
Tax expense:			
Earlier Years		-	6.27
<b>Total Tax Expense</b>		<u>-</u>	<u>6.27</u>
<b>Profit/ (Loss) for the Year</b>		<u>(854.05)</u>	<u>(641.87)</u>
<b>Other Comprehensive Income</b>			
Items that will not be reclassified to Profit & Loss :			
Actuarial Gain/(Loss) on Employee Benefits		(8.36)	(3.25)
<b>Other Comprehensive Income for the Year</b>		<u>(8.36)</u>	<u>(3.25)</u>
<b>Total Comprehensive Income for the Year</b>		<u>(862.41)</u>	<u>(645.12)</u>
<b>Earning/(Loss) per share of par value of Rs.10/-</b>			
(1) Basic	30	(2.10)	(1.58)
(2) Diluted		(1.68)	(1.26)

**SIGNIFICANT ACCOUNTING POLICIES**  
**NOTES ON FINANCIAL STATEMENTS**

As per our separate report of even date

1  
2-35

For & on behalf of the Board of Directors of Dr. Morepen Limited

For S.P.BABUTA & ASSOCIATES

Chartered Accountants  
Firm Regn. No. 007657N

(CA S.P. Babuta)  
Partner  
Membership No. 086348



*Varun Suri*

(Varun Suri)  
Managing Director  
DIN No. : 01456254

*Ajay Kumar Sharma*

(Ajay Kumar Sharma)  
Director & CFO  
DIN No. : 00041932



*Vipul Kumar*  
(Vipul Kumar)  
Company Secretary  
Membership No. : A37677

Place : Gurugram

Date : 21st May,2024



**Dr. MOREPEN LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2024**

	Note No.	Year Ended 31.03.2024	(Rs. in Lakhs) Year Ended 31.03.2023
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES :</b>			
Profit/(Loss) before Tax		(854.05)	(635.60)
Adjustments for :			
Depreciation & Amortisation	2	1,155.21	992.47
Provision for Employee benefit (OCI)		(8.36)	(3.25)
Finance Cost	22	20.08	-
<b>Operating Profit before changes in Current Assets and Liabilities</b>		<b>312.88</b>	<b>353.62</b>
Changes in current assets and current liabilities -			
Trade Receivables	7	14.83	313.31
Other current assets	9	173.63	657.07
Inventories	6	310.16	933.20
Current liabilities	12,14,15,16	(565.53)	(1,904.71)
Income Tax (Including Tax on OCI)		-	(6.27)
<b>NET CASH GENERATED/(USED) FROM OPERATING ACTIVITIES</b>		<b>245.97</b>	<b>346.22</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Purchase of Property, Plant & Equipments	2	(4.25)	(7.44)
Purchase/Addition of Intangibles	2	(366.52)	(876.82)
Other Financial Assets & Other Non-current assets	4,5	(13.24)	2.72
<b>NET CASH GENERATED/ (USED) IN INVESTING ACTIVITIES</b>		<b>(384.01)</b>	<b>(881.54)</b>
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
Finance Cost	22	(20.08)	-
Money Received against Share Warrant		-	625.00
Proceeds (Repayments) of Short Term Borrowings (Net)	13	80.68	-
Change in Other Long Term liabilities & provisions(Net)	11,12	102.91	(101.01)
<b>NET CASH GENERATED/(USED) IN FINANCING ACTIVITIES</b>		<b>163.51</b>	<b>523.99</b>
Net Increase/(Decrease) in Cash and Cash equivalents (A+B+C)		25.47	(11.33)
Cash and Cash Equivalents as at Beginning of the Year		11.00	22.33
Cash and Cash Equivalents as at End of the Year		36.47	11.00

**SIGNIFICANT ACCOUNTING POLICIES**

**NOTES ON FINANCIAL STATEMENTS**

As per our separate report of even date

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2-35

For & on behalf of the Board of Directors of Dr. Morepen Limited

For S.P.BABUTA & ASSOCIATES

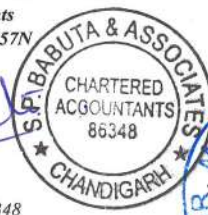
Chartered Accountants

Firm Regn. No. 007657N

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Partner

Membership No. 086348



*Varun Suri*

(Varun Suri)

Managing Director

DIN No. : 01456254

*Ajay Kumar Sharma*

(Ajay Kumar Sharma)

Director & CFO

DIN No. : 00041932

*Vipul Kumar*

(Vipul Kumar)

Company Secretary

Membership No. : A37677

Place : Gurugram

Date : 21st May, 2024

Dr. MOREPEN LIMITED  
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2024

A. EQUITY SHARE CAPITAL

As at 31st March, 2024

(Rs. in Lakhs)

Balance as at 1st April 2023	Change in equity share capital during the year	Balance as at March 31, 2024
4067.95	-	4067.95

As at 31st March, 2023

Balance as at 1st April 2022	Change in equity share capital during the year	Balance as at March 31, 2023
4067.95	-	4067.95

B. OTHER EQUITY AS AT 31st MARCH, 2024

	RESERVES & SURPLUS		Other items of other comprehensive income	Money Received against share warrant	Total Other Equity
	Securities Premium	Retained Earnings			
Balance as at 1st April 2023	3,287.25	(3,906.17)	5.05	1,060.00	446.13
Profit for the year	-	(854.05)	-	-	(854.05)
Other comprehensive income/(loss) for the year	-	-	(8.36)	-	(8.36)
Total comprehensive income/(loss) for the year	-	(854.05)	(8.36)	-	(862.41)
Money Received against Share warrant	-	-	-	-	-
Balance as at March 31, 2024	3,287.25	(4,760.22)	(3.31)	1,060.00	(416.28)

OTHER EQUITY AS AT 31st MARCH, 2023

	RESERVES & SURPLUS		Other items of other comprehensive income	Money Received against share warrant	Total Other Equity
	Securities Premium	Retained Earnings			
Balance as at 1st April 2022	3,287.25	(3,264.30)	8.30	435.00	466.25
Profit for the year	-	(641.87)	-	-	(641.87)
Other comprehensive income/(loss) for the year	-	-	(3.25)	-	(3.25)
Total comprehensive income/(loss) for the year	-	(641.87)	(3.25)	-	(645.12)
Money Received against Share warrant	-	-	-	625.00	625.00
Balance as at March 31, 2023	3,287.25	(3,906.17)	5.05	1,060.00	446.13

In financial year 2020-21, the company had issued 1,01,69,875 Fully Convertible Warrants at an issue price of Rs. 30/- (Rupees Thirty Only) per Warrant to Blueheaven Marketing Private Limited and Vignet Trading Private Limited ("Warrant Holders"). The said Warrant Holders were entitled to exercise their option to convert the Warrants into equivalent number of Equity Shares of face value of Rs.10/- (Rupees Ten Only) each within a period of 12 months from the date of allotment of said Warrants i.e., 24th March 2021. In the meantime, a request has been received from Warrant Holders to extend the Warrant Exercise period and accordingly, the company has extended the Warrant exercise period up-to 9th March 2023 by passing of 'Special Resolution' on 10th March 2022. Therefore, the Warrant Holders were required to exercise their option to convert Warrants into Equity Shares within the prescribed extended period upon payment of balance amount of Warrants issue price.

Further, during the financial year 2021-22, the company had received partial balance amount from the Warrant Holders (Blueheaven Marketing Private Limited Rs.198.00 Lakhs and Vignet Trading Private Limited Rs.427.00 Lakhs) to subscribe for Equity Shares along with a request to extend Warrant Exercise Period for a further period of 1 year. Based on the request received, the company has further extended the Warrant exercise period up-to 6th March 2024 by passing of 'Special Resolution' on 7th March 2023. Accordingly, pursuant to exercise of option, i.e. upon payment of the balance amount of Warrants issue price (i.e. Rs.1990.96.00 Lakhs) on or before 6th March 2024, the said Warrants would be converted into Equity Shares.

During the year under review, the company has again received request from warrant holders to extend the warrant exercise period for further 12 months, accordingly, the company has extended the Warrant exercise period up-to 4th March 2025 by passing of 'Special Resolution' on 5th March 2024. Therefore, the Warrant Holders are required to exercise their option to convert Warrants into Equity Shares within the prescribed extended period upon payment of balance amount of Warrants issue price.

SIGNIFICANT ACCOUNTING POLICIES

NOTES ON FINANCIAL STATEMENTS

As per our separate report of even date

1

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For & on behalf of the Board of Directors of Dr. Morepen Limited

For S.P.BABUTA & ASSOCIATES

Chartered Accountants

Firm Regn. No. 007657N

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Partner

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*Varun Suri*

(Varun Suri)

Managing Director

DIN No. : 01456254

*Ajay Kumar Sharma*

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Director & CFO

DIN No. : 00041932

*Vipul Kumar*

(Vipul Kumar)

Company Secretary

Membership No. : A37677

Place : Gurugram

Date : 21st May, 2024



# ***Dr. Morepen Limited***

## **1. COMPANY OVERVIEW AND SIGNIFICANT ACCOUNTING POLICIES**

### ***Company Overview***

*Dr. Morepen Limited (“the Company”) is a Public limited company incorporated and domiciled in India . The addresses of its registered office and principal place of business are 409, Antriksh Bhawan, 22, KG Marg, New Delhi-110001 and 2<sup>nd</sup> Floor, Tower C, DLF Cyber Park, Udyog Vihar, Sector-20, Gurugram, Haryana-122016 . The Company is in the business of trading of OTC, Health and diagnostic products.*

### **1.1 Basis for preparation of financial statements**

*These financial statements are prepared in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended thereafter, the relevant provisions of the Companies Act, 2013 (“the Act”) and guidelines issued by the Securities and Exchange Board of India (SEBI), as applicable.*

*Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.*

*The financial statements are authorized for issue by the Board of Directors of the Company at their meeting held on May 21, 2024.*

### ***Functional and Presentation Currency***

*The financial statements are presented in Indian Rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.*

### ***Basis of measurement***

*These financial statements are prepared under the historical cost convention unless otherwise indicated.*

### ***Operating Cycle***

*Based on the nature of products/activities of the company and normal time between acquisition of assets and their realisation in cash or cash equivalents, the company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.*

### **1.2 Use of Estimates and Judgements**

*The presentation of financial statements in conformity with Ind AS requires the management of the company to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported balances of assets and liabilities, disclosures of contingent assets and liabilities as at the date of financial statements and the reported amount of revenues and expenses during the year. Examples of such estimates include provisions for doubtful debts, employee benefits, provisions for income taxes, useful life of depreciable assets and provisions for impairments & others.*

*Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to financial statements.*





### 1.3. Property, Plant and Equipment (PPE)

The Company has elected to continue with the carrying value of all its property, plant and equipment as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as the deemed cost as at the transition date pursuant to the exemption under Ind AS 101.

- a) Free hold land is carried at cost. All other items of Property, plant and equipment are stated at cost, less accumulated depreciation. The initial cost of PPE comprises its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use, including relevant borrowing costs and any expected significant costs of decommissioning, less accumulated depreciation and accumulated impairment losses, if any. Expenditure incurred after the PPE have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the period in which the costs are incurred.
- b) Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets.
- c) The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the statement of profit and loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

### 1.4 Intangible Assets and Amortisation

#### Intangible Assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment, if any. The Company determines the amortisation period as the period over which the future economic benefits will flow to the Company after taking into account all relevant facts and circumstances. The estimated useful life and amortisation method are reviewed periodically, with the effect of any changes in estimate being accounted for on a prospective basis.

### 1.5 Depreciation

Depreciation is the systematic allocation of the depreciable amount of PPE over its useful life and is provided on a straight-line basis over the useful lives as prescribed in Schedule II to the Act or as per technical assessment.

- a) Depreciation on fixed assets is provided on straight-line method at the rates prescribed by the schedule II of the Companies Act, 2013 and in the manner as prescribed by it except assets costing less than Rs. 5000/- on which depreciation is charged in full during the year.
- b) Intangible assets are amortized over their respective individual estimated useful life on straight line basis, commencing from the date the asset is available to the company for its use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, etc. The amortization method and useful lives are reviewed periodically at end of each financial year.

### 1.6. Valuation of inventories

Stocks of raw materials and other ingredients have been valued on First in First Out (FIFO) basis, at cost or net realizable value whichever is less, finished goods and stock-in-trade have been valued at lower of cost and net realizable value. Goods in transit are carried at cost.





## 1.7. Foreign Currency Transactions / Translations

- i) Transactions denominated in foreign currency are recorded at exchange rates prevailing at the date of transaction or at rates that closely approximate the rate at the date of the transaction.
- ii) Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.
- iii) Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which they arise.
- iv) In case of long term monetary items outstanding as at the end of year, exchange differences arising on settlement / restatement thereof are capitalised as part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such assets. If such monetary items do not relate to acquisition of depreciable fixed assets, the exchange difference is amortised over the maturity period / up to the date of settlement of such monetary items, whichever is earlier, and charged to the Statement of Profit and Loss.

## 1.8 Dividends

Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the company's Board of Directors.

## 1.9 Leases

Leases under which the company assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or present value of minimum lease payments at the inception of lease, whichever is lower. Lease under which the risks and rewards incidental to ownership are not transferred to lessee, is classified as operating lease. Lease payments under operating leases are recognized as an expense on a straight line basis in net profit in the statement of profit and loss over the lease term.

## 2.0 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

### i) Initial Recognition and measurement

On initial recognition, all the financial assets and liabilities are recognized at its fair value plus or minus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability except financial asset or financial liability measured at fair value through profit or loss ("FVTPL"). Transaction costs of financial assets and liabilities carried at fair value through the Profit and Loss are immediately recognized in the Statement of Profit and Loss.

However, trade receivables that do not contain a significant financing component are measured at transaction price.





ii) **Subsequent measurement**

a) **Financial assets carried at amortised cost**

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) **Financial assets at fair value through other comprehensive income (FVTOCI)**

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c) **Financial assets at fair value through profit or loss (FVTPL)**

A financial asset is measured at fair value through profit and loss unless it is measured at amortized cost or at fair value through other comprehensive income.

d) **Investments in subsidiaries, joint ventures and associates**

The Company has adopted to measure investments in subsidiaries, joint ventures and associates at cost in accordance with Ind AS 27 and carrying amount as per previous GAAP at the date of transition has been considered as deemed cost in accordance with Ind AS 101.

e) **Financial liabilities**

Financial liabilities are classified as either financial liabilities at FVTPL or 'other financial liabilities'.

**Financial liabilities at FVTPL**

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL. Gains or Losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

**Other Financial liabilities**

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

iii) **Derecognition of financial instruments**

A financial asset is derecognized when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability is derecognized when the obligation specified in the contract is discharged or cancelled or expired.

iv) **Fair value measurement of financial instruments**

The fair value of financial instruments is determined using the valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Based on the three level fair value hierarchy, the methods used to determine the fair value of financial assets and liabilities include quoted market price, discounted cash flow analysis and valuation certified by the external valuer.

In case of financial instruments where the carrying amount approximates fair value due to the short maturity of those instruments, carrying amount is considered as fair value.





## 2.1 Impairment of Assets

### i) **Financial Assets**

*In accordance with Ind AS 109, the company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss.*

*Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in statement of profit or loss.*

### ii) **Non-Financial Assets**

*The carrying amounts of the Company's tangible and intangible assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated in order to determine the extent of the impairment loss, if any.*

*The impairment loss is recognised as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.*

*The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.*

*When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets, such reversal is not recognised.*

## 2.2 **Revenue Recognition**

*Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the amount can be reliably measured.*

a) *Revenue is recognised at the value of consideration received or receivable. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the company as part of the contract. The amount disclosed as revenue is net of returns, trade discounts, Goods and Services Tax (GST).*

*Provisions for rebates, discount and return are estimated and provided for in the year of sales and recorded as reduction of revenue.*

b) *Dividend income is accounted for when the right to receive the income is established.*



### 2.3 Interest

*Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably.*

*Income from interest is recognized using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.*

### 2.4 Income Taxes

*Income tax expense comprises current tax and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent that it relates to items recognized directly in equity or other comprehensive income, in which case it is also recognized in equity or other comprehensive income respectively.*

*Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.*

*Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction. Deferred tax assets and liabilities are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.*

*Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized.*

*Pursuant to Taxation Laws (Amendment) Ordinance 2019, the company has opted to pay Income Tax as provided under Section 115BAA of the Income Tax Act, 1961.*

### 2.5 Borrowing Costs

*Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of the asset. Other borrowing costs are recognized as an expense in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.*





## 2.6 Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Claims against the Company where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

## 2.7 Earning per share

Basic earning per share is calculated by dividing the net profit or loss for the year attributable to the equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating the diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. The dilutive potential equity shares are deemed converted as at beginning of the period, unless they have been issued at a later date.

## 2.8 Employee Retirement benefits

### i) Short term employee benefits

All employee benefits payable/available within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, wages and bonus etc., are recognised in the statement of profit and loss in the period in which the employee renders the related service.

### ii) Post – employment benefits

#### Defined contribution plans –

Retirement benefits in the form of provident fund is a defined contribution scheme. The company has no obligation, other than the contribution payable to the provident fund. Payments to defined contribution plans are recognised as an expense when employees have rendered service entitling them to the contributions.



**Defined benefit plans –**

**Gratuity**

The company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The Gratuity payment plan provides for a lump sum payment to the vested employees at retirement, death, incapacitation while in employment or on termination of employment of an amount based on the respective employee's salary and tenure of employment. Vesting occurs upon completion of five years of service.

Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each balance sheet date using the projected unit credit method. Re-measurements comprising of actuarial gains and losses, are recognised in other comprehensive income which are not reclassified to profit or loss in the subsequent periods.

iii) **Long – term employee benefits**

**Leave Encashment**

The liability of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method.

**2.9 Segment Reporting**

The company operates in one reportable business segment i.e. "OTC, Health & diagnostic products".

**3.0 Cash and cash equivalents**

Cash and cash equivalents in the Balance Sheet comprise cash at bank and in hand and short-term deposits with banks that are readily convertible into cash which are subject to insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments.





2 PROPERTY, PLANT AND EQUIPMENTS (TANGIBLE ASSETS)

(Rs. in Lakhs)

PARTICULARS	Gross Block		Depreciation		Carrying Value			
	As at 01.04.23	Addition As at 31.03.24	(Disposals)/A adjustments	As at 01.04.23	For the Year	Deduction/A adjustments	As at 31.03.24	As at 31.03.23
Office Equipments	10.14	0.29	-	9.38	0.27	-	9.65	0.78
Computer	68.21	3.96	-	44.06	12.58	-	56.64	15.53
Plant and Equipment	94.03	-	-	48.66	6.87	-	55.53	38.50
Furniture & Fixtures	48.16	-	-	37.25	3.21	-	40.46	7.70
Vehicles	162.65	-	-	152.48	2.48	-	154.96	7.69
<b>Total</b>	<b>383.19</b>	<b>4.25</b>	<b>-</b>	<b>291.83</b>	<b>25.41</b>	<b>-</b>	<b>317.24</b>	<b>91.36</b>
Previous Year	375.75	7.44	-	254.72	37.11	-	291.83	121.03

INTANGIBLE ASSETS

PARTICULARS	Gross Block		Amortization		Carrying Value			
	As at 01.04.23	Addition As at 31.03.24	(Disposals)/A adjustments	As at 01.04.23	For the Year	Deduction/A adjustments	As at 31.03.24	As at 31.03.23
Trade Marks	2,693.63	-	-	2,428.75	18.52	-	2,447.27	264.88
Customer acquisition Cost	3,738.24	366.52	717.86	2,081.30	1,111.28	717.86	2,474.72	1,656.94
<b>Total</b>	<b>6,431.87</b>	<b>366.52</b>	<b>717.86</b>	<b>4,510.05</b>	<b>1,129.80</b>	<b>717.86</b>	<b>4,921.99</b>	<b>1,921.82</b>
Previous Year	5,555.05	876.82	-	3,554.69	955.36	-	4,510.05	2,000.36

Grand Total

Current Year	6,815.06	370.77	717.86	6,467.97	1,155.21	717.86	5,239.23	1,228.74
Previous Year	5,930.80	884.26	-	3,809.41	992.47	-	4,801.88	2,121.39

Notes -

- Trade mark "Burnol" forming part of Trade Marks was given as a Collateral security against inter-corporate deposit taken by the parent company. Legal case in respect of the above trade mark is pending adjudication.
- Trademark Lifespring bought from subsidiary company Total Care Limited in the earlier years for Rs. 365.24 Lakhs, pending transfer of ownership.
- Customer acquisition Cost comprises expenses incurred for investment for products & markets. Deductions represents intangibles fully charged and therefore derecognised during the year.



**Dr. MOREPEN LIMITED**  
**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDING 31st MARCH, 2024**

		(Rs. in Lakhs)	
		As at	As at
		31.03.2024	31.03.2023
<b>3</b>	<b><u>INVESTMENTS</u></b>		
a.	<b>Trade Investments</b>		
	<i>Investment in Equity instruments (Unquoted)</i>		
	<i>Subsidiary Company</i>		
	<i>Total Care Ltd</i>		
	8,86,716 (Previous Year 8,86,716) Equity Shares of Rs. 100/- each fully paid up	1,171.00	1,171.00
b.	<b>Other Investments (At Cost) -</b>		
	<i>Unquoted Investments -</i>	1,171.00	1,171.00
	<i>Aggregate Amount</i>	1,171.00	1,171.00
<b>4</b>	<b><u>OTHER FINANCIAL ASSETS</u></b>		
	<i>Security Deposits</i>	144.45	131.21
		144.45	131.21
<b>5</b>	<b><u>OTHER NON CURRENT ASSETS</u></b>		
	<i>Unsecured, considered good</i>		
	<i>Security Deposits with NSDL</i>	1.50	1.50
	<i>Due from Subsidiary Company -Total Care Limited*</i>	868.00	868.00
		869.50	869.50
	<i>* Non interest bearing &amp; having no fixed terms of repayment</i>		
<b>6</b>	<b><u>INVENTORIES</u></b>		
	<i>Stock in Trade</i>	516.70	826.86
		516.70	826.86
	<i>The inventory of stock in trade has been taken, valued and certified by the management</i>		
	<i>Break-up of Inventory</i>		
	<i>Stock in Trade</i>		
	<i>Tablets</i>	161.58	218.57
	<i>Tubes</i>	67.27	28.25
	<i>Others</i>	287.85	580.04
	<i>Total</i>	516.70	826.86
<b>7</b>	<b><u>TRADE RECEIVABLES</u></b>		
	<i>Unsecured</i>		
	<i>Considered good</i>	2,144.95	2,271.02
	<i>Considered doubtful</i>	243.46	98.36
	<i>Less : Allowance for doubtful debts</i>	(132.22)	(98.36)
		2,256.19	2,271.02
	<b>Ageing of Trade Receivables (2023-24)</b>		
		< 6 months	6months-1 year
		1-2 years	2-3 years
		3 years or more	Total
	<b>Undisputed</b>		
	- Considered good	2,045.42	99.53
	- Having significant increase in credit risk	-	-
	- Credit Impaired	-	-
	<b>Disputed</b>		
	- Considered good	-	-
	- Having significant increase in credit risk	14.47	13.55
	- Credit Impaired	-	68.38
	<b>Total Receivables</b>	2,059.89	113.08
		68.38	63.87
		83.19	83.19
		2,388.41	2,388.41
	<b>Ageing of Trade Receivables (2022-23)</b>		
		< 6 months	6months-1 year
		1-2 years	2-3 years
		3 years or more	Total
	<b>Undisputed</b>		
	- Considered good	2,040.83	181.76
	- Having significant increase in credit risk	-	-
	- Credit Impaired	-	-
	<b>Disputed</b>		
	- Considered good	-	-
	- Having significant increase in credit risk	-	0.97
	- Credit Impaired	-	13.62
	<b>Total Receivables</b>	2,040.83	182.73
		54.46	15.16
		76.19	76.19
		2,369.38	2,369.38
<b>8</b>	<b><u>CASH AND CASH EQUIVALENTS</u></b>		
	<i>Balances with banks</i>		
	<i>Current Accounts</i>	35.65	10.95
	<i>Cash in hand</i>	0.82	0.05
		36.47	11.00
<b>9</b>	<b><u>OTHER CURRENT ASSETS</u></b>		
	<i>Unsecured, considered good unless otherwise stated</i>		
	<i>Advance with suppliers and others</i>	42.10	64.75
	<i>Balance with Government Authorities</i>	153.59	106.31
	<i>Advances to employees</i>	13.08	6.04
	<i>Prepaid Expenses</i>	12.63	217.93
		221.40	395.03





(Rs. in Lakhs)  
As at  
31.03.2024      31.03.2023

10 A. **SHARE CAPITAL****Authorised**

5,10,00,000 (Previous Year 5,10,00,000) Equity Shares of Rs.10/- each

5,100.00      5,100.00  
5,100.00      5,100.00

**Issued, Subscribed and paid up**

4,06,79,500 (Previous Year 4,06,79,500) Equity Share of Rs.10/- each fully paid up

4,067.95      4,067.95  
4,067.95      4,067.95

B. **Reconciliation of the numbers and amount of Equity shares -**

	31.03.2024		31.03.2023	
	Nos.	Amount (Rs./Lakhs)	Nos.	Amount (Rs./Lakhs)
Outstanding at beginning of the year	40679500	4067.95	40679500	4067.95
Add : Shares issued during the year	-	-	-	-
Less : Shares bought back during the year	-	-	-	-
Outstanding at the end of year	40679500	4067.95	40679500	4067.95

C. **Rights, preferences and restrictions attached to each class of Shares -**

a) i) The company has only one class of shares referred as equity shares, having a par value of Rs. 10/- each-. Each holder of equity shares is entitled to one vote per share.

ii) In the event of liquidation of the company, the holders of equity shares will be entitled to receive the remaining assets of the company after distribution of preferential amounts. The distribution will be in the proportion of the number of equity shares held by the shareholders.

D. Shares in respect of each class in the company held by its holding company or its ultimate holding company including shares held by or by subsidiaries or associates of the holding company or the ultimate holding company in aggregate;

Name of Holding Company	As at 31-03-2024		As at 31-03-2023	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Morepen Laboratories Ltd.	40679500	100	40679500	100

E. **Shares in the company held by each shareholder holding more than 5% shares -**

Name of Shareholder	As at 31-03-2024		As at 31-03-2023	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Morepen Laboratories Ltd.	40679500	100	40679500	100

F. During last 5 years immediately preceeding the balance sheet date, no Equity Share has been issued pursuant to any contract without payment being received in cash. Further the company has neither allotted any share by way of bonus shares, nor it had bought back any Equity Share during aforesaid period of 5 years.

G. No shares have been forfeited by the company during the year.



(Rs. in Lakhs)  
As at  
31.03.2024  
As at  
31.03.2023

11 **OTHER FINANCIAL LIABILITIES**

Security received from business associates & others

205.28	120.00
205.28	120.00

12 **PROVISIONS**

Gratuity  
Leave Encashment  
Provision for Unpaid Expenses

Short-Term		Long-Term	
As at 31-3-24	As at 31-3-23	As at 31-3-24	As at 31-3-23
2.67	1.99	76.81	55.60
3.71	3.74	28.49	32.07
133.71	126.96	-	-
140.09	132.69	105.30	87.67

13 **BORROWINGS**

**Short Term**

**Unsecured**

Current maturities of Borrowings

Total

80.68	-
80.68	-

**Unsecured**

Term Loans - Business Loan

Total

Current Portion		Non Current Portion	
As at 31.03.24	As at 31.03.23	As at 31.03.24	As at 31.03.23
80.68	-	-	-
80.68	-	-	-

14 **TRADE PAYABLES**

Total outstanding dues of micro small and medium enterprises

1.07 20.11

Total outstanding dues of creditors other than micro small and medium enterprises

1,921.73 2,447.59

1,922.80 2,467.70

Ageing of Trade Payables (2023-24)	<1 year	1-2 years	2-3 years	3 years or more	Total
(i) MSME	1.07	-	-	-	1.07
(ii) Others	1,822.19	90.87	2.03	0.60	1,915.69
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	6.04	6.04
Total Payable	1,823.26	90.87	2.03	6.64	1,922.80

Ageing of Trade Payables (2022-23)	<1 year	1-2 years	2-3 years	3 years or more	Total
(i) MSME	20.11	-	-	-	20.11
(ii) Others	2,433.33	3.31	3.11	1.80	2,441.55
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	6.04	-	6.04
Total Payable	2,453.44	3.31	9.15	1.80	2,467.70

15 **OTHER FINANCIAL LIABILITIES**

Accrued salaries and benefits

151.94 163.45

Other payables

9.27 24.75

161.21 188.20

16 **OTHER CURRENT LIABILITIES**

Direct Taxes

10.41 13.95

Advance from Customers

153.76 146.17

Indirect Taxes

13.25 18.34

177.42 178.46

17 **CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)**

a) **Contingent Liabilities**

Claims against the Company not acknowledged as debts

100.00

Other money for which Company is contingently liable

167.22

Trade Mark 'Burnol' was given as collateral security to Poysha Power Generation (P) Ltd. against Inter Corporate Deposit taken by Morepen Laboratories Limited, the holding company. No amount is shown as contingent liability, legal case in respect of the above trade mark is pending adjudication - also refer note 2(1)

-

b) **Commitments**

267.22





	<i>As at</i> <u>31.03.2024</u>	<i>As at</i> <u>31.03.2023</u>
<b>18</b>	<b><u>REVENUE FROM OPERATIONS</u></b>	
	<b><u>SALE OF PRODUCTS</u></b>	
Domestic Sales	10,109.09	10,218.81
Less : Discounts	(1,272.58)	(899.04)
Exports	-	29.60
	<u>8,836.51</u>	<u>9,349.37</u>
	<b><u>Other Operating Revenues</u></b>	
Brand Usage Income	221.36	163.53
Misc Income	0.83	0.65
Delivery Charges	13.02	16.45
	<u>9,071.72</u>	<u>9,530.00</u>
	<b><u>TOTAL REVENUE FROM OPERATIONS</u></b>	
	<u>9,071.72</u>	<u>9,530.00</u>
	<i>Break-up of revenue from sale of products</i>	
	<b><u>Traded Goods</u></b>	
Tablets	3,029.77	2,543.33
Tubes	2,139.30	1,483.34
Others	4,940.02	6,221.74
Total	<u>10,109.09</u>	<u>10,248.41</u>
<b>19</b>	<b><u>OTHER INCOME</u></b>	
Unclaimed balances no more payable	7.40	31.01
Business Support Service	344.79	153.50
Interest on Income Tax Refund	1.98	-
Assignment Of Brand Franchise	-	1.00
Prior Period Income	-	5.41
Total	<u>354.17</u>	<u>190.92</u>
<b>20</b>	<b><u>PURCHASE OF STOCK IN TRADE</u></b>	
Traded Goods	6,212.43	5,636.88
Freight Inward	79.74	118.56
Packing Material	23.35	51.86
Handling Charges	3.98	-
Custom Duty	115.65	101.29
Others	8.75	13.19
	<u>6,443.90</u>	<u>5,921.78</u>
	<i>Purchase of Traded Goods</i>	
	<i>Classification</i>	
	<b><u>Traded Goods</u></b>	
Tablets	1,811.39	1,486.14
Tubes	847.85	571.40
Others	3,553.19	3,579.34
Total	<u>6,212.43</u>	<u>5,636.88</u>
<b>21</b>	<b><u>EMPLOYEE BENEFIT EXPENSES</u></b>	
Salaries and Wages	902.57	714.29
Contribution to provident fund and ESIC	54.59	52.44
Gratuity & Leave Encashment Expenses	17.23	23.19
Staff Welfare	3.15	3.79
	<u>977.54</u>	<u>793.71</u>
<b>22</b>	<b><u>FINANCE COST</u></b>	
Interest on Unsecured Business Loan	20.08	-
	<u>20.08</u>	<u>-</u>
<b>23</b>	<b><u>OTHER EXPENSES</u></b>	
Repair and Maintenance	25.38	3.48
Rent	263.00	249.45
Travelling and vehicle running expenses	276.93	222.95
Insurance Expenses	11.19	16.26
Freight Outward	108.92	245.98
Miscellaneous Expenses	182.95	250.70
Legal & Professional Expenses	43.33	48.80
Marketing & Sales Promotion Expenses	466.22	693.27
	<u>1,377.92</u>	<u>1,730.89</u>



**Dr. MOREPEN LIMITED**  
**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDING 31st MARCH, 2024**

**24 PAYMENT TO AUDITORS (excluding GST)**

Year Ended	(Rs. in Lakhs)	
	31.03.2024	31.03.2023
Audit Fee	2.50	2.50
Tax Audit Fee	2.50	2.50
Certification	0.23	0.40
Total	5.23	5.40

**25 PRIOR PERIOD ITEMS**

Expenses include Rs.21.13 Lakhs (Previous Year Rs. 75.68 Lakhs) as expenses (net) relating to earlier years.

**26 DISCLOSURES ABOUT IMPORTS & EXPENDITURE IN FOREIGN CURRENCY**

VALUE OF IMPORTS ON CIF BASIS	(Rs. in Lakhs)	
	As at 31.03.2024	As at 31.03.2023
Stock -in-trade	654.37	577.44
	654.37	577.44
<b>EXPENDITURE IN FOREIGN CURRENCY</b>		
Foreign Travelling	2.99	-
	2.99	-

**27 EARNINGS IN FOREIGN EXCHANGE**

Exports of Goods on F.O.B. basis

	-	29.60
	-	29.60

**28 SEGMENT REPORTING**

In accordance with Ind AS-108, "Operating Segment " the Company's business activity falls within a single primary business segment viz. "Trading in OTC, Health and diagnostics products".

**29 RELATED PARTY DISCLOSURES**

Disclosure as required by accounting standard "Related Party Disclosures" (Ind AS 24) issued by the Institute of Chartered Accountants of India are given here under:

**Related Parties**

1. Holding Company Morepen Laboratories Limited	Domestic Company
2. Subsidiary Company Total Care Limited	Domestic Company
3 Associates Morepen Bio Inc., USA (Formely Morepen Inc.) Morepen RX Limited Morepen Devices Limited	Foreign Company Domestic Company Domestic Company
4. Key Management Personnel	Mr. Varun Suri, Managing Director Mr. Ajay Kumar Sharma, Director & CFO Mr. Akshy Mehta, Company Secretary (Last working date 05.08.2023) Mr. Vipul Kumar, Company Secretary (Joining date 18.08.2023)
5. Relatives of Key Management Personnels with which the company has any transactions during the year	Nil
6. Entities over which key management personnel/ or Relatives of key management personnel are able to exercise significant influence with which the company has any transactions during the year	Groom Town Private Limited Happier Life Private Limited

**Transactions with related parties -**

Particulars	Nature of transaction	(Rs. in Lakhs)
1. Holding Company	Sale of inventories	6.58
	Purchase of inventories	430.24
	Brand Usage Income	221.36
	Reimbursement of Expenses	4.20
	Business Support Services provided	200.99
	Balance as on 31.03.24 - Payable (Maximum balance Payable Rs.1177.80 Lakhs)	720.69
2. Subsidiary Companies	Transactions During the Year	Nil
	Amount Receivable balance as on 31.03.2024 (Maximum balance outstanding Rs. 868.00 Lakhs)	868.00
3 Associates	<b>Morepen Rx Limited</b>	
	Goods Return	3.20
	Purchase of inventories	5.53
	Business Support Services provided	13.85
	Security Deposit Received	5.40
	Balance as on 31.03.24 - Payable (Maximum balance Payable Rs.29.46 Lakhs)	21.22
3. Key Management Personnel	Remuneration	10.41
	Balance Payable as on 31.03.24 (Maximum balance outstanding Rs.0.73 Lakhs)	0.71
4. Relatives of Key Management Personnels with which the company has any transactions during the year	Nil	Nil
5. Entities over which key management personnel/ or Relatives of key management personnel are able to exercise significant influence with which the company has any transactions during the year	<b>Groom Town Private Limited</b>	
	Sale of inventories	994.31
	Purchase of inventories	23.49
	Business Support Services provided	379.55
	Security Deposit Received	9.40
	Balance as on 31.03.24 - Receivable (Maximum balance Receivable Rs.1089.43 Lakhs)	769.92
	<b>Happier Life Private Limited</b>	
	Business Support Services provided	4.03
	Security Deposit Received	0.47
	Balance as on 31.03.24 - Receivable (Maximum balance Receivable Rs.4.66 Lakhs)	0.61





30 **EARNING PER SHARE**

Particulars	Year Ended	
	31.03.2024	31.03.2023
Profit/(Loss) after tax (Rs. in Lakhs)	(854.05)	(641.87)
Weighted average number of equity shares outstanding	40679500	40679500
Basic Earning/(loss) per share in rupees (face value Rs. 10/- per share)	(2.10)	(1.58)
Weighted average number of equity shares used in computing diluted EPS	50849375	50849375
Diluted EPS - (Face value of Rs. 10/- per share)	(1.68)	(1.26)

31 **EMPLOYEE BENEFITS**

Disclosures as per Accounting Standard, Ind AS -19 (Revised) 'Employee Benefits' is as under -

Particulars	(Rs. in Lakhs)	
	31.03.2024	31.03.2023
<b>Disclosures for Defined Contribution Plans -</b>		
Employer's Contribution to Provident Fund	49.78	46.86
Employer's Contribution to Employees State Insurance	4.53	5.32
Employer's Contribution to L.W.F.	0.28	0.27

**Disclosures for Defined Benefit Plans - Unfunded**

Particulars	Gratuity		Leave Encashment	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
<b>Change in the present value of obligation:</b>				
Present Value of Obligation as at beginning of the year	57.59	100.22	35.81	70.94
Add: Interest Cost	5.36	5.34	3.13	3.54
Add: Current Service Cost	11.58	10.09	20.19	18.71
Less:- Benefit Paid	(3.40)	(39.70)	(32.19)	(30.97)
Less:- Disposals	0.00	(21.63)	0.00	(21.19)
Add: Actuarial loss on obligations	8.36	3.25	5.26	(5.22)
Present Value of Obligation as at year end	79.48	57.59	32.20	35.81
<b>Change in the fair value of plan Assets:</b>				
Fair Value of Plan Assets at the beginning of the year	-	-	-	-
Add : Expected Return on Plan Assets	-	-	-	-
Add : Contributions	-	-	-	-
Less: Benefits Paid	-	-	-	-
Fair Value of Plan Assets as at year end	-	-	-	-
<b>Expense recognized in the Statement of Profit and Loss</b>				
Current Service Cost	11.58	10.09	20.19	18.71
Add: Interest Cost	5.36	5.34	3.13	3.54
Less: Expected Return on plan asstes	-	-	-	-
Less: Settlement Credit	-	-	(28.28)	(9.28)
Add: Net actuarial loss recognised	8.36	3.25	5.26	(5.22)
Total expenses recognized in statement of profit & loss	25.29	18.69	0.29	7.75

The following table sets out the assumptions used in actuarial valuation of gratuity and leave encashment-

Assumptions	31.03.2024	31.03.2023	31.03.2024	31.03.2023
Discount Rate	7.00%	7.20%	7.00%	7.20%
Expected return of Assets	N/A	N/A	N/A	N/A
Salary Escalation Rate	5%	5%	5%	5%
Employee Turnover rates	3%	3%	3%	3%

\*Note: A sum of Rs.28.28 Lakhs (previous year Rs. 9.28 Lakhs) benefits paid as salaries in respect of compensated absences and Rs.3.91 Lakhs(previous year Rs.21.69 Lakhs) regular benefit payments upon exit from service is included in the amount of Rs. 32.19 Lakhs (previous year Rs. 30.97 Lakhs) of benefits paid.

32 **IMPAIRMENT**

It is the view of management that there are no impairment conditions that exist as on 31<sup>st</sup> March, 2024. Hence, no provision is required in the accounts for the year under review.

33 **TAXES**

Deferred tax asset of Rs.272.36 Lakhs in respect of sum of Rs.1082.16 Lakhs comprising of net taxable timing differences of depreciation and Unused tax losses as provided by Indian Accounting Standard (Ind-As 12) "Income Taxes" notified u/s 133 of The Companies Act, 2013 is not recognised as a matter of prudence.

34 **OTHERS SIGNIFICANT DISCLOSURES-**

In the opinion of the Board, the assets, except stated otherwise, have a value on realization in the ordinary course of business at least equal to the amount at which they are stated and the provision for depreciation and for all known liabilities is adequate and considered reasonable.

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Balances of Non-current liabilities, Current liabilities, Long terms loans and advances, Trade receivables, Short term loans and advances and banks are subject to confirmation.

Sales Tax assessments for earlier years are in progress. Demand, if any, shall be accounted for, on the completion of assessments.

Previous year figures have been regrouped and rearranged wherever necessary to suit the present year layout.



35. Ratios	(Rs. in Lakh)		Variation
	As at 31.03.2024	As at 31.03.2023	
<b>Current Ratio</b>	<b>1.22</b>	<b>1.18</b>	3%
- Numerator - Current Assets	3,030.76	3,503.91	
- Denominator - Current Liabilities	2,482.20	2,967.05	
<b>Debt Equity Ratio</b>	<b>0.02</b>	<b>NA</b>	NA
- Numerator - Debt	80.68	-	
- Denominator			
Equity	4,067.95	4,067.95	
Reserves & Surplus	(1,472.97)	(618.92)	
Warrants	1,060.00	1,060.00	
OCI	(3.31)	5.05	
Total Equity	<b>3,651.67</b>	<b>4,514.08</b>	
<b>Debt Service Coverage Ratio</b>	<b>3.19</b>	<b>NA</b>	NA
- Numerator - EBITDA	321.24	356.87	
- Denominator			
Interest on loans	<b>20.08</b>	-	
Principal loans	<b>80.68</b>	-	
Total Loan liability	<b>100.76</b>	-	
<b>Return on Equity Ratio</b>	<b>-23.39%</b>	<b>-14.22%</b>	64%
- Numerator - PAT	(854.05)	(641.87)	
- Denominator			
Equity	4,067.95	4,067.95	
Reserves & Surplus	(1,472.97)	(618.92)	
Warrants	1,060.00	1,060.00	
OCI	(3.31)	5.05	
Total Equity	<b>3,651.67</b>	<b>4,514.08</b>	
<b>Inventory Turnover Ratio</b>	<b>10.05</b>	<b>5.29</b>	90%
- Numerator - Cost of Goods Sold	6,749.19	6,839.45	
- Denominator - Average Inventory	671.78	1,293.46	
<b>Trade Receivable Turnover Ratio( days)</b>	<b>87.65</b>	<b>91.15</b>	-4%
- Numerator - Revenue	9,425.89	9,720.92	
- Denominator - Average Debtors	2,263.60	2,427.67	
<b>Trade Payable Turnover Ratio (days)</b>	<b>118.72</b>	<b>174.38</b>	-32%
- Numerator - COGS	6,749.19	6,839.45	
- Denominator - Average Creditors	2,195.25	3,267.54	
<b>Net Capital Turnover Ratio</b>	<b>2.58</b>	<b>2.15</b>	20%
- Numerator - Revenue	9,425.89	9,720.92	
- Denominator			
Equity	4,067.95	4,067.95	
Reserves & Surplus	(1,472.97)	(618.92)	
Warrants	1,060.00	1,060.00	
OCI	(3.31)	5.05	
Total Equity	<b>3,651.67</b>	<b>4,514.08</b>	
<b>Net Profit Ratio</b>	<b>-9.06%</b>	<b>-6.60%</b>	37%
- Numerator - PAT	(854.05)	(641.87)	
- Denominator - Revenue	9,425.89	9,720.92	
<b>NP Ratio</b>			
<b>Return on Capital employed</b>	<b>-21.05%</b>	<b>-13.59%</b>	55%
- Numerator - (PAT+Interest)	(833.97)	(641.87)	
- Denominator			
Shareholder Wealth	3,651.67	4,514.08	
Non Current Liabilities	310.58	207.67	
	<b>3,962.25</b>	<b>4,721.74</b>	
<b>Return on Investment</b>	<b>-13.25%</b>	<b>-8.35%</b>	59%
- Numerator - PAT	(854.05)	(641.87)	
- Denominator - Total Assets	6,444.45	7,688.80	





# S.P. Babuta and Associates

Chartered Accountants

#240, Sector 21-A, Chandigarh-160022, Tel: 91 172 2704943, 2713814, Email ID : [spbabuta@hotmail.com](mailto:spbabuta@hotmail.com), Website : [www.babuta.com](http://www.babuta.com)

## Independent Auditor's Report

To the Members of Dr. Morepen Limited

## Report on the Audit of Consolidated Financial Statements

### Opinion

We have audited the accompanying Consolidated Financial Statements of **Dr. Morepen Limited** ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiary together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2024, the consolidated loss, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Information Other than the Consolidated Financial Statements and Auditor's Report thereon

The Holding Company's Board of Directors is responsible for preparation of the other information. The other information comprises the information included in Annual Report, but does not include the consolidated financial statements and our auditor's report thereon.

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



# S.P. Babuta and Associates

## Chartered Accountants

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In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Management's responsibility for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act, read with relevant rules issued thereunder.

The respective board of directors of the entities included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies, making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the directors of the Holding Company as aforesaid.

In preparing the consolidated financial statements, the respective board of directors of the entities included in the Group are responsible for assessing the ability of the Group to continue as going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease the operations, or has no realistic alternative but to do so.

The respective board of Directors of the entities included in the Group are responsible for overseeing the financial reporting process of the Group.

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could





# S.P. Babuta and Associates

## Chartered Accountants

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reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transaction and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are independent auditors.

We communicate with those charged with governance of the Holding Company and such entities included in the consolidated financial statements of which we are independent auditors regarding, among other matters, the planned scope and timing of the audit and



# S.P. Babuta and Associates

## Chartered Accountants

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significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

### Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit we report, to the extent applicable, that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- b) In our opinion, proper books of accounts as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including other comprehensive income, the Consolidated Statement of the Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this report are in agreement with the books of accounts.
- d) In our Opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act, read with relevant rules issues thereunder.
- e) On the basis of the written representations received from the directors of the Holding company and its Indian subsidiaries as on 31<sup>st</sup> March 2024 taken on record by the Board of Directors of the respective companies, none of the directors of the Group companies incorporated in India is disqualified as on 31<sup>st</sup> March 2024 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 Group and the operating effectiveness of such controls, refer to our separate report as per Annexure A.
- g) There is no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:





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The company has not paid any remuneration to any director during the year under audit.

- i) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - (i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group;
  - (ii) The companies in the Group did not have any long term contracts including derivative contracts;
  - (iii) During the year, the Group was not liable to transfer any amount to the Investor Education and Protection Fund.
  - (iv) The Gratuity Liability accrued remains uncovered to the extent of unfunded.
  - (v) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries whose financial statements have been audited under the Act, nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material mis-statement. (Refer Note No. 34(b) to the consolidated financial statements)
  - (vi) No Company in the group has declared or paid any dividend during the year.

For S.P. Babuta & Associates  
Chartered Accountants  
F.No. 007657N



CA S.P. Babuta  
Managing Partner  
FCA, IP, DISA, CCA  
GST Cert, Forensic Auditor  
Membership No. 086348

Date : 21<sup>st</sup> May, 2024  
Place : Gurugram, Haryana

UDIN : 24086348BKGU504894

# S.P. Babuta and Associates

## Chartered Accountants

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### ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph (f) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date on the consolidated financial statements of Dr. Morepen Limited for the year ended 31<sup>st</sup> March 2024)

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

In conjunction with our audit of the Consolidated Financial Statements of the Holding Company as of and for the year ended March 31, 2024, we have audited the internal financial controls over financial reporting of Dr. Morepen Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiary together referred to as "the Group"), as of that date.

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

The respective Board of directors of the holding company and its subsidiaries which are incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by these entities, 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 respective 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 Act.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on internal financial controls over financial reporting of the Holding company and its subsidiary companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 consolidated financial statements, whether due to fraud or error.





# S.P. Babuta and Associates

## Chartered Accountants

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We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on internal financial controls system over financial reporting of the Holding company and its subsidiaries incorporated in India.

### 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, to the best of our information and according to the explanation given to us, the Holding company and its subsidiaries incorporated in India, 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 March 31, 2024, based on the internal control over financial reporting criteria established by the respective companies, considering the essential components of internal control stated in the Guidance Note.

For S.P. Babuta & Associates  
Chartered Accountants

F.No. 007657N



S.P. Babuta  
Managing Partner  
FCA, IP, DISA, CCA  
GST Cert, Forensic Auditor  
Membership No. 086348

Date : 21<sup>st</sup> May, 2024

Place : Gurugram, Haryana

UDIN : 24086348 BKGU 504894

Dr. MOREPEN LIMITED  
 CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2024

		(Rs. in Lakhs)	
		As at	As at
		31.03.2024	31.03.2023
		Notes	
<b>A ASSETS</b>			
<b>1. NON-CURRENT ASSETS</b>			
<i>Fixed Assets :</i>			
Property, Plant and Equipment	2	70.20	91.36
Goodwill	2	467.99	467.99
Intangible Assets	2	1,158.54	1,921.82
		1,696.73	2,481.17
<i>Financial Assets :</i>			
Other Financial Assets	3	144.72	131.48
Other Non-Current Assets	4	1.50	1.50
		1,842.95	2,614.15
<b>2. CURRENT ASSETS</b>			
Inventories	5	516.70	826.86
<i>Financial Assets :</i>			
Trade Receivables	6	2,260.71	2,274.56
Cash and Cash Equivalents	7	36.71	12.75
Other Current Assets	8	223.78	397.23
		3,037.90	3,511.40
<b>TOTAL</b>		4,880.85	6,125.55
<b>B EQUITY AND LIABILITIES</b>			
<b>1. EQUITY</b>			
Equity Share Capital	9	4,067.95	4,067.95
Other Equity		(1,992.88)	(1,131.53)
		2,075.07	2,936.42
<b>2. MINORITY INTEREST</b>			
	10	(45.97)	(46.03)
<b>3. NON - CURRENT LIABILITIES</b>			
<i>Financial Liabilities :</i>			
Other Financial Liabilities	11	205.28	120.00
Provisions	12	105.30	87.67
		310.58	207.67
<b>4. CURRENT LIABILITIES</b>			
<i>Financial Liabilities :</i>			
Borrowings	13	80.68	-
Trade payables	14	1,923.40	2,470.29
Other Financial liabilities	15	161.21	188.19
Other Current Liabilities	16	235.79	236.32
Provisions	12	140.09	132.69
		2,541.17	3,027.49
<b>TOTAL</b>		4,880.85	6,125.55

SIGNIFICANT ACCOUNTING POLICIES  
 NOTES ON FINANCIAL STATEMENTS  
 As per our separate report of even date

1  
 2-35

For & on behalf of the Board of Directors of Dr. Morepen Limited

For S.P.BABUTA & ASSOCIATES  
 Chartered Accountants  
 Firm Regn. No. 007657N

(CA S.P. Babuta)  
 Partner  
 Membership No. 086348



*Varun Suri*  
 (Varun Suri)

Managing Director  
 DIN No. : 01456254

*Ajay Kumar Sharma*  
 (Ajay Kumar Sharma)

Director & CFO  
 DIN No. : 00041932

*Vipul Kumar*  
 (Vipul Kumar)

Company Secretary  
 Membership No. : A37677

Place : Gurugram  
 Date : 21st May, 2024



(Rs. in Lakhs)

	Notes	Year Ended 31.03.2024	Year Ended 31.03.2023
<b>REVENUE</b>			
Revenue from Operations (Net)	18	9,075.72	9,533.00
Other Income	19	354.17	190.96
<b>Total Revenue</b>		<b>9,429.89</b>	<b>9,723.96</b>
<b>EXPENSES</b>			
Purchases of Stock-in-Trade	20	6,443.90	5,921.78
Changes in inventories of Stock-in-Trade		305.29	917.67
Employee Benefits Expenses	21	977.55	793.72
Finance Cost	22	20.08	-
Depreciation & Amortization	2	1,155.21	992.47
Other Expenses	23	1,380.78	1,733.44
<b>Total Expenses</b>		<b>10,282.81</b>	<b>10,359.08</b>
<b>Profit/(Loss) before tax</b>		<b>(852.92)</b>	<b>(635.12)</b>
Tax expense:			
(1) Earlier Years		0.01	6.27
<b>Total Tax Expense</b>		<b>0.01</b>	<b>6.27</b>
<b>Profit/ (Loss) for the Year</b>		<b>(852.93)</b>	<b>(641.39)</b>
<b>Share of minority interest in Profit/(loss)</b>		<b>0.06</b>	<b>0.02</b>
<b>Profit/(Loss) for the year available for majority shareholders</b>		<b>(852.99)</b>	<b>(641.41)</b>
<b>Other Comprehensive Income</b>			
Items that will not be reclassified to Profit & Loss :			
Actuarial Gain/(Loss) on Employee Benefits		(8.36)	(3.25)
(1) Tax on Above		-	-
<b>Other Comprehensive Income for the Year</b>		<b>(8.36)</b>	<b>(3.25)</b>
<b>Total Comprehensive Income for the Year</b>		<b>(861.35)</b>	<b>(644.66)</b>
Earning/(Loss) per share of par value of Rs.10/-			
(1) Basic	30	(2.10)	(1.58)
(2) Diluted		(1.68)	(1.26)

## SIGNIFICANT ACCOUNTING POLICIES

## NOTES ON FINANCIAL STATEMENTS

As per our separate report of even date

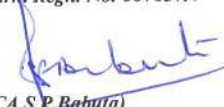
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For &amp; on behalf of the Board of Directors of Dr. Morepen Limited

## For S.P.BABUTA &amp; ASSOCIATES

Chartered Accountants

Firm Regn. No. 007657N

  
(CA S.P. Babuta)  
Partner  
Membership No. 086348



  
(Varun Suri)  
Managing Director  
DIN No. : 01456254

  
(Ajay Kumar Sharma)  
Director & CFO  
DIN No. : 00041932

  
(Vipul Kumar)  
Company Secretary  
Membership No. : A37677

Place : Gurugram

Date : 21st May, 2024

**Dr. MOREPEN LIMITED****CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2024****(Rs. in Lakhs)**

	<u>Note No.</u>	<u>31.03.2024</u>	<u>31.03.2023</u>
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES :</b>			
<b>Profit/(Loss) before Tax</b>		<b>(852.92)</b>	<b>(635.12)</b>
Adjustments for :			
Depreciation & Amortisation	2	1,155.21	992.47
Provision for Employee benefit (OCI)		(8.36)	(3.25)
Finance Cost	22	20.08	
<b>Operating Profit before changes in Current Assets and Liabilities</b>		<b>314.01</b>	<b>354.10</b>
Changes in current assets and current liabilities -			
Trade Receivables	6	13.85	310.74
Other current assets	8	173.45	657.77
Inventories	5	310.16	933.20
Current liabilities	12,14,15,16	(567.00)	(1,903.97)
Income Tax (including Tax on OCI)		(0.01)	(6.27)
<b>NET CASH GENERATED/(USED) FROM OPERATING ACTIVITIES</b>		<b>244.46</b>	<b>345.57</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Purchase of Property, Plant & Equipments	2	(4.25)	(7.44)
Purchase/Addition of Intangibles, Goodwill	2	(366.52)	(876.82)
Other Financial Assets & Other Non-current assets	3,4	(13.24)	2.72
<b>NET CASH GENERATED/(USED) IN INVESTING ACTIVITIES</b>		<b>(384.01)</b>	<b>(881.54)</b>
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
Finance Cost	22	(20.08)	-
Money Received against Share Warrant		-	625.00
Proceeds (Repayments) of Short Term Borrowings (Net)	13	80.68	
Change in Other Long Term liabilities & provisions(Net)	11,12	102.91	(101.01)
<b>NET CASH GENERATED/(USED) IN FINANCING ACTIVITIES</b>		<b>163.51</b>	<b>523.99</b>
 Net Increase/(Decrease) in Cash and Cash equivalents (A+B+C)		 23.96	 (11.98)
Cash and Cash Equivalents as at Beginning of the Year		12.75	24.73
Cash and Cash Equivalents as at End of the Year		36.71	12.75

**SIGNIFICANT ACCOUNTING POLICIES**

1

**NOTES ON FINANCIAL STATEMENTS**

2-35

As per our separate report of even date

For &amp; on behalf of the Board of Directors of Dr. Morepen Limited

For S.P.BABUTA &amp; ASSOCIATES

Chartered Accountants

Firm Regn. No. 007657N

(CA S.P. Babuta)

Partner

Membership No. 086348



(Varun Suri)

Managing Director

DIN No. : 01456254



(Vipul Kumar)

Company Secretary

Membership No. : A37677

(Ajay Kumar Sharma)

Director &amp; CFO

DIN No. : 00041932

Place : Gurugram

Date : 21st May, 2024



**Dr. MOREPEN LIMITED**  
**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2024**

**A. EQUITY SHARE CAPITAL**

As at 31st March, 2024 (Rs. in Lakhs)

Balance as at 1st April 2023	Change in equity share capital during the year	Balance as at March 31, 2024
4067.95	-	4067.95

As at 31st March, 2023

Balance as at 1st April 2022	Change in equity share capital during the year	Balance as at March 31, 2023
4067.95	-	4067.95

**B. OTHER EQUITY AS AT 31st MARCH, 2024**

	RESERVES & SURPLUS		Other items of other comprehensive income	Money Received against share warrant	Total Other Equity
	Securities Premium	Retained Earnings			
Balance as at 1st April 2023	3,287.25	(5,483.84)	5.06	1,060.00	(1,131.53)
Profit for the year	-	(852.99)	-	-	(852.99)
Other comprehensive income/(loss) for the year	-	-	(8.36)	-	(8.36)
Total comprehensive income/(loss) for the year	-	(852.99)	(8.36)	-	(861.35)
Balance as at March 31, 2024	3,287.25	(6,336.83)	(3.30)	1,060.00	(1,992.88)

**OTHER EQUITY AS AT 31st MARCH, 2023**

	RESERVES & SURPLUS		Other items of other comprehensive income	Money Received against share warrant	Total Other Equity
	Securities Premium	Retained Earnings			
Balance as at 1st April 2022	3,287.25	(4,842.43)	8.31	435.00	(1,111.87)
Profit for the year	-	(641.41)	-	-	(641.41)
Other comprehensive income/(loss) for the year	-	-	(3.25)	-	(3.25)
Total comprehensive income/(loss) for the year	-	(641.41)	(3.25)	-	(644.66)
Money Received against Share warrant	-	-	-	625.00	625.00
Balance as at March 31, 2023	3,287.25	(5,483.84)	5.06	1,060.00	(1,131.53)

In financial year 2020-21, the company had issued 1,01,69,875 Fully Convertible Warrants at an issue price of Rs. 30/- (Rupees Thirty Only) per Warrant to Blueheaven Marketing Private Limited and Vignet Trading Private Limited ("Warrant Holders"). The said Warrant Holders were entitled to exercise their option to convert the Warrants into equivalent number of Equity Shares of face value of Rs. 10/- (Rupees Ten Only) each within a period of 12 months from the date of allotment of said Warrants i.e., 24th March 2021. In the meantime, a request has been received from Warrant Holders to extend the Warrant Exercise period and accordingly, the company has extended the Warrant exercise period up-to 9th March 2023 by passing of 'Special Resolution' on 10th March 2022. Therefore, the Warrant Holders were required to exercise their option to convert Warrants into Equity Shares within the prescribed extended period upon payment of balance amount of Warrants issue price.

Further, during the financial year 2021-22, the company had received partial balance amount from the Warrant Holders (Blueheaven Marketing Private Limited Rs.198.00 Lakhs and Vignet Trading Private Limited Rs.427.00 Lakhs) to subscribe for Equity Shares along with a request to extend Warrant Exercise Period for a further period of 1 year. Based on the request received, the company has further extended the Warrant exercise period up-to 6th March 2024 by passing of 'Special Resolution' on 7th March 2023. Accordingly, pursuant to exercise of option, i.e. upon payment of the balance amount of Warrants issue price (i.e. Rs.1990.96.00 Lakhs) on or before 6th March 2024, the said Warrants would be converted into Equity Shares.

During the year under review, the company has again received request from warrant holders to extend the warrant exercise period for further 12 months, accordingly, the company has extended the Warrant exercise period up-to 4th March 2025 by passing of 'Special Resolution' on 5th March 2024. Therefore, the Warrant Holders are required to exercise their option to convert Warrants into Equity Shares within the prescribed extended period upon payment of balance amount of Warrants issue price.

**SIGNIFICANT ACCOUNTING POLICIES**  
**NOTES ON FINANCIAL STATEMENTS**  
As per our separate report of even date

1  
2-35  
For & on behalf of the Board of Directors of Dr. Morepen Limited

For S.P.BABUTA & ASSOCIATES  
Chartered Accountants  
Firm Regn. No. 007657N

(CA S.P. Babuta)  
Partner  
Membership No. 086348

(Varun Suri)  
Managing Director  
DIN No. : 01456254

(Vipul Kumar)  
Company Secretary  
Membership No. : A37677

(Ajay Kumar Sharma)  
Director & CFO  
DIN No. : 00041932



Place : Gurugram  
Date : 21st May, 2024

# Dr. Morepen Limited

## 1. COMPANY OVERVIEW AND SIGNIFICANT ACCOUNTING POLICIES

### Company Overview

Dr. Morepen Limited ("the Company") is a Public limited company incorporated and domiciled in India. The addresses of its registered office and principal place of business are 409, Antriksh Bhawan, 22, KG Marg, New Delhi-110001 and 2<sup>nd</sup> Floor, Tower C, DLF Cyber Park, Udyog Vihar, Sector-20, Gurugram, Haryana-122016. The Company is in the business of trading of OTC, Health and diagnostic products.

### 1.1 Basis for preparation of financial statements

These financial statements are prepared in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended, the relevant provisions of the Companies Act, 2013 ("the Act") and guidelines issued by the Securities and Exchange Board of India (SEBI), as applicable.

The consolidated financial statements consist of financial statements of Dr. Morepen Ltd. (parent company) and its subsidiary namely Total Care Ltd., (Domestic Company)

The names of subsidiary companies included in consolidation and parent company's holding therein are as under-

Subsidiary Company	Country of Incorporation	Percentage of Holding %
Total Care Ltd.	India	95

The financial statements are authorized for issue by the Board of Directors of the Company at their meeting held on May 21, 2024.

### Functional and Presentation Currency

The financial statements are presented in Indian Rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

### Basis of measurement

These financial statements are prepared under the historical cost convention unless otherwise indicated.

### Operating Cycle

Based on the nature of products/activities of the company and normal time between acquisition of assets and their realisation in cash or cash equivalents, the company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

### 1.2 Use of Estimates and Judgements

The presentation of financial statements in conformity with Ind AS requires the management of the company to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported balances of assets and liabilities, disclosures of contingent assets and liabilities as at the date of financial statements and the reported amount of revenues and expenses during the year. Examples of such estimates include provisions for doubtful debts, employee benefits, provisions for income taxes, useful life of depreciable assets and provisions for impairments & others.





Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to financial statements.

### 1.3. **Property, Plant and Equipment (PPE)**

The Company has elected to continue with the carrying value of all its property, plant and equipment as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as the deemed cost as at the transition date pursuant to the exemption under Ind AS 101.

- a) Free hold land is carried at cost. All other items of Property, plant and equipment are stated at cost, less accumulated depreciation. The initial cost of PPE comprises its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use, including relevant borrowing costs and any expected significant costs of decommissioning, less accumulated depreciation and accumulated impairment losses, if any. Expenditure incurred after the PPE have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the period in which the costs are incurred.
- b) Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets.
- c) The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the statement of profit and loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

### 1.4 **Intangible Assets and Amortisation**

#### Intangible Assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment, if any. The Company determines the amortisation period as the period over which the future economic benefits will flow to the Company after taking into account all relevant facts and circumstances. The estimated useful life and amortisation method are reviewed periodically, with the effect of any changes in estimate being accounted for on a prospective basis.

### 1.5 **Depreciation**

Depreciation is the systematic allocation of the depreciable amount of PPE over its useful life and is provided on a straight-line basis over the useful lives as prescribed in Schedule II to the Act or as per technical assessment.

- a) Depreciation on fixed assets is provided on straight-line method at the rates prescribed by the schedule II of the Companies Act, 2013 and in the manner as prescribed by it except assets costing less than Rs. 5000/- on which depreciation is charged in full during the year.
- b) Intangible assets are amortized over their respective individual estimated useful life on straight line basis, commencing from the date the asset is available to the company for its use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, etc. The amortization method and useful lives are reviewed periodically at end of each financial year.





### 1.6. Valuation of inventories

Stocks of raw materials and other ingredients have been valued on First in First Out (FIFO) basis, at cost or net realizable value whichever is less, finished goods and stock-in-trade have been valued at lower of cost and net realizable value. Goods in transit are carried at cost.

### 1.7. Foreign Currency Transactions / Translations

- i) Transactions denominated in foreign currency are recorded at exchange rates prevailing at the date of transaction or at rates that closely approximate the rate at the date of the transaction.
- ii) Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.
- iii) Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which they arise.
- iv) In case of long term monetary items outstanding as at the end of year, exchange differences arising on settlement / restatement thereof are capitalised as part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such assets. If such monetary items do not relate to acquisition of depreciable fixed assets, the exchange difference is amortised over the maturity period / up to the date of settlement of such monetary items, whichever is earlier, and charged to the Statement of Profit and Loss.

### 1.8 Dividends

Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the company's Board of Directors.

### 1.9 Leases

Leases under which the company assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or present value of minimum lease payments at the inception of lease, whichever is lower. Lease under which the risks and rewards incidental to ownership are not transferred to lessee, is classified as operating lease. Lease payments under operating leases are recognized as an expense on a straight line basis in net profit in the statement of profit and loss over the lease term.

### 2.0 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

#### i) Initial Recognition and measurement

On initial recognition, all the financial assets and liabilities are recognized at its fair value plus or minus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability except financial asset or financial liability measured at fair value through profit or loss ("FVTPL"). Transaction costs of financial assets and liabilities carried at fair value through the Profit and Loss are immediately recognized in the Statement of Profit and Loss.





ii) **Subsequent measurement**

a) **Financial assets carried at amortised cost**

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) **Financial assets at fair value through other comprehensive income (FVTOCI)**

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c) **Financial assets at fair value through profit or loss (FVTPL)**

A financial asset is measured at fair value through profit and loss unless it is measured at amortized cost or at fair value through other comprehensive income.

d) **Investments in subsidiaries, joint ventures and associates**

The Company has adopted to measure investments in subsidiaries, joint ventures and associates at cost in accordance with Ind AS 27 and carrying amount as per previous GAAP at the date of transition has been considered as deemed cost in accordance with Ind AS 101.

e) **Financial liabilities**

Financial liabilities are classified as either financial liabilities at FVTPL or 'other financial liabilities'.

**Financial liabilities at FVTPL**

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL. Gains or Losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

**Other Financial liabilities**

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

iii) **Derecognition of financial instruments**

A financial asset is derecognized when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability is derecognized when the obligation specified in the contract is discharged or cancelled or expired.

iv) **Fair value measurement of financial instruments**

The fair value of financial instruments is determined using the valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Based on the three level fair value hierarchy, the methods used to determine the fair value of financial assets and liabilities include quoted market price, discounted cash flow analysis and valuation certified by the external valuer.



*In case of financial instruments where the carrying amount approximates fair value due to the short maturity of those instruments, carrying amount is considered as fair value.*

## **2.1 Impairment of Assets**

### **i) Financial Assets**

*In accordance with Ind AS 109, the company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss.*

*Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in statement of profit or loss.*

### **ii) Non-Financial Assets**

*The carrying amounts of the Company's tangible and intangible assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated in order to determine the extent of the impairment loss, if any.*

*The impairment loss is recognised as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.*

*The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.*

*When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets, such reversal is not recognised.*

## **2.2 Revenue Recognition**

*Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the amount can be reliably measured.*

*a) Revenue is recognised at the fair value of the consideration received or receivable. The amount disclosed as revenue is net of returns, trade discounts, Goods and Services Tax (GST).*

*Provisions for rebates, discount and return are estimated and provided for in the year of sales and recorded as reduction of revenue.*

*b) Dividend income is accounted for when the right to receive the income is established.*

## **2.3 Interest**

*Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably.*

*Income from interest is recognized using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial*





instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

## 2.4 Income Taxes

Income tax expense comprises current tax and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent that it relates to items recognized directly in equity or other comprehensive income, in which case it is also recognized in equity or other comprehensive income respectively.

Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction. Deferred tax assets and liabilities are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized.

Pursuant to Taxation Laws (Amendment) Ordinance 2019, the company has opted to pay Income Tax as provided under Section 115BAA of the Income Tax Act, 1961.

## 2.5 Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of the asset. Other borrowing costs are recognized as an expense in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

## 2.6 Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.





A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Claims against the Company where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

## 2.7 Earning per share

Basic earning per share is calculated by dividing the net profit or loss for the year attributable to the equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating the diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. The dilutive potential equity shares are deemed converted as at beginning of the period, unless they have been issued at a later date.

## 2.8 Employee Retirement benefits

### i) Short term employee benefits

All employee benefits payable/available within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, wages and bonus etc., are recognised in the statement of profit and loss in the period in which the employee renders the related service.

### ii) Post – employment benefits

#### Defined contribution plans –

Retirement benefits in the form of provident fund is a defined contribution scheme. The company has no obligation, other than the contribution payable to the provident fund. Payments to defined contribution plans are recognised as an expense when employees have rendered service entitling them to the contributions.

#### Defined benefit plans –

##### Gratuity

The company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The Gratuity payment plan provides for a lump sum payment to the vested employees at retirement, death, incapacitation while in employment or on termination of employment of an amount based on the respective employee's salary and tenure of employment. Vesting occurs upon completion of five years of service.

Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each balance sheet date using the projected unit credit method. Re-measurements comprising of actuarial gains and losses, are recognised in other comprehensive income which are not reclassified to profit or loss in the subsequent periods.

### iii) Long – term employee benefits

#### Leave Encashment

The liability of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method.





## 2.9 Segment Reporting

The company operates in one reportable business segment i.e. “ OTC,Health & diagnostic products”.

## 3.0 Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet comprise cash at bank and in hand and short-term deposits with banks that are readily convertible into cash which are subject to insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments.



**Dr. MOREPEN LIMITED**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024**

**2 PROPERTY, PLANT AND EQUIPMENTS**

(Rs. in Lakhs)

PARTICULARS	Gross Block			Depreciation			Carrying Value		
	As at 01.04.23	Addition	(Disposals)/A djustments	As at 31.03.24	As at 01.04.23	For the Year	(Disposals)/ Adjustments	As at 31.03.24	As at 31.03.23
Office Equipments	10.14	0.29	-	10.43	9.38	0.27	-	9.65	0.78
Computer	68.21	3.96	-	72.17	44.06	12.58	-	56.64	24.15
Plant and Equipment	94.03	-	-	94.03	48.66	6.87	-	55.53	45.37
Furniture & Fixtures	48.16	-	-	48.16	37.25	3.21	-	40.46	10.91
Vehicles	162.65	-	-	162.65	152.48	2.48	-	154.96	10.17
<b>Total</b>	<b>383.19</b>	<b>4.25</b>	<b>-</b>	<b>387.44</b>	<b>291.83</b>	<b>25.41</b>	<b>-</b>	<b>317.24</b>	<b>91.36</b>
Previous Year	376.72	7.44	0.97	383.19	255.69	37.11	0.97	291.83	121.03

**Goodwill**

PARTICULARS	Gross Block			Depreciation / Amortization			Carrying Value		
	As at 01.04.23	Addition	(Disposals)/A djustments	As at 31.03.24	As at 01.04.23	For the Year	(Disposals)/ Adjustments	As at 31.03.24	As at 31.03.23
Goodwill	467.99	-	-	467.99	-	-	-	467.99	467.99
<b>Total</b>	<b>467.99</b>	<b>-</b>	<b>-</b>	<b>467.99</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>467.99</b>	<b>467.99</b>
Previous Year	467.99	-	-	467.99	-	-	-	467.99	467.99

**Intangible Assets**

PARTICULARS	Gross Block			Depreciation / Amortization			Carrying Value		
	As at 01.04.23	Addition	(Disposals)/A djustments	As at 31.03.24	As at 01.04.23	For the Year	(Disposals)/ Adjustments	As at 31.03.24	As at 31.03.23
Trade Marks	2,693.63	-	-	2,693.63	2,428.75	18.52	-	2,447.27	264.88
Customer acquisition Cost	3,738.24	366.52	717.86	3,386.90	2,081.30	1,111.28	717.86	2,474.72	1,656.94
<b>Total</b>	<b>6,431.87</b>	<b>366.52</b>	<b>717.86</b>	<b>6,080.53</b>	<b>4,510.05</b>	<b>1,129.80</b>	<b>717.86</b>	<b>4,921.99</b>	<b>1,921.82</b>
Previous Year	5,555.05	876.82	-	6,431.87	3,554.69	955.36	-	4,510.05	2,000.36

**Grand Total**

<b>Current Year</b>	<b>7,283.05</b>	<b>370.77</b>	<b>717.86</b>	<b>6,935.96</b>	<b>4,801.88</b>	<b>1,155.21</b>	<b>717.86</b>	<b>5,239.23</b>	<b>2,481.17</b>
Previous Year	6,399.76	884.26	0.97	7,283.05	3,810.38	992.47	0.97	4,801.88	2,481.17

**Notes -**

- Trade mark "Burnol" forming part of Trade Marks was given as a Collateral security against inter- corporate deposit taken by the parent company. Legal case in respect of the above trade mark is pending adjudication.
- Trademark Lifespring bought from subsidiary company Total Care Limited in the earlier years for Rs. 365.24 Lakhs , pending transfer of ownership .
- Customer acquisition Cost comprises expenses incurred for investment for products & markets. Deductions represents intangibles fully charged and therefore derecognised during the year.







**Dr. MOREPEN LIMITED**  
**NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2024**

(Rs. in Lakhs)  
As at  
**31.03.2024**                      **31.03.2023**

**9 A. SHARE CAPITAL**

**Authorised**

5,10,00,000 (Previous Year 5,10,00,000) Equity Shares of Rs.10 - each

	<b>5,100.00</b>	5,100.00
	<b>5,100.00</b>	5,100.00

**Issued, Subscribed and paid up**

4,06,79,500 (Previous Year 4,06,79,500) Equity Share of Rs.10 - each fully paid up

	<b>4,067.95</b>	4,067.95
	<b>4,067.95</b>	4,067.95

**B. Reconciliation of the numbers and amount of Equity shares -**

	31.03.2024		31.03.2023	
	Nos.	Amount (Rs./Lakhs)	Nos.	Amount (Rs. Lakhs)
	Outstanding at beginning of the year	<b>40679500</b>	<b>4067.95</b>	40679500
Add : Shares issued during the year	-	-	-	-
Less : Shares bought back during the year	-	-	-	-
Outstanding at the end of year	<b>40679500</b>	<b>4067.95</b>	40679500	4067.95

**C. Rights, preferences and restrictions attached to each class of Shares -**

a) i) The company has only one class of shares referred as equity shares, having a par value of Rs. 10 - each-. Each holder of equity shares is entitled to one vote per share.

ii) In the event of liquidation of the company, the holders of equity shares will be entitled to receive the remaining assets of the company after distribution of preferential amounts. The distribution will be in the proportion of the number of equity shares held by the shareholders.

D. Shares in respect of each class in the company held by its holding company or its ultimate holding company including shares held by or by subsidiaries or associates of the holding company or the ultimate holding company in aggregate:

Name of Holding Company	As at 31-03-2024		As at 31-03-2023	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Morepen Laboratories Ltd.	<b>40679500</b>	<b>100</b>	40679500	100

E. Shares in the company held by each shareholder holding more than 5% shares -

Name of Shareholder	As at 31-03-2024		As at 31-03-2023	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Morepen Laboratories Ltd.	<b>40679500</b>	<b>100</b>	40679500	100

F. During last 5 years immediately preceding the balance sheet date, no Equity Share has been issued pursuant to any contract without payment being received in cash. Further the company has neither allotted any share by way of bonus shares, nor it had bought back any Equity Share during aforesaid period of 5 years.

G. No shares have been forfeited by the company during the year.

**10. MINORITY INTEREST**

Share Capital

Share in Profit (Loss)

	<b>46.67</b>	46.67
	<b>(92.64)</b>	(92.70)
	<b>(45.97)</b>	(46.03)





**Dr. MOREPEN LIMITED**

**NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2024**

(Rs. in Lakhs)

	As at 31.03.2024	As at 31.03.2023
<b>11 OTHER FINANCIAL LIABILITIES</b>		
Security received from business associates & others	205.28	120.00
	<u>205.28</u>	<u>120.00</u>

**12 PROVISIONS**

	Short-Term		Long-Term	
	As at 31-3-24	As at 31-3-23	As at 31-3-24	As at 31-3-23
Gratuity	2.67	1.99	76.81	55.60
Leave Encashment	3.71	3.74	28.49	32.07
Provision for Unpaid Expenses	133.71	126.96	-	-
	<u>140.09</u>	<u>132.69</u>	<u>105.30</u>	<u>87.67</u>

**13 BORROWINGS**

**Short Term**

**Unsecured**

Current maturities of Borrowings

Total

80.68	-
<u>80.68</u>	<u>-</u>

**Unsecured**

Term Loans - Business Loan

Total

Current Portion		Non Current Portion	
As at 31.03.24	As at 31.03.23	As at 31.03.24	As at 31.03.23
80.68	-	-	-
<u>80.68</u>	<u>-</u>	<u>-</u>	<u>-</u>

**14 TRADE PAYABLES**

Total outstanding dues of micro small and medium enterprises

Total outstanding dues of creditors other than micro small and medium enterprises

1.52	20.56
<u>1,921.88</u>	<u>2,449.73</u>
<u>1,923.40</u>	<u>2,470.29</u>

Ageing of Trade Payables (2023-24)	<1 year	1-2 years	2-3 years	3 years or more	Total
(i) MSME	1.52	-	-	-	1.52
(ii) Others	1,822.34	90.87	2.03	0.60	1,915.84
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	6.04	6.04
<b>Total Payable</b>	<u>1,823.86</u>	<u>90.87</u>	<u>2.03</u>	<u>6.64</u>	<u>1,923.40</u>

Ageing of Trade Payables (2022-23)	<1 year	1-2 years	2-3 years	3 years or more	Total
(i) MSME	20.56	-	-	-	20.56
(ii) Others	2,434.76	4.02	3.11	1.80	2,443.69
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	6.04	-	6.04
<b>Total Payable</b>	<u>2,455.32</u>	<u>4.02</u>	<u>9.15</u>	<u>1.80</u>	<u>2,470.29</u>

**15 OTHER FINANCIAL LIABILITIES**

Accrued salaries and benefits

Other payables

151.94	163.44
9.27	24.75
<u>161.21</u>	<u>188.19</u>

**16 OTHER CURRENT LIABILITIES**

Direct Taxes

Advance from Customers

Indirect Taxes

Others

10.46	13.99
153.76	146.17
13.75	18.34
57.82	57.82
<u>235.79</u>	<u>236.32</u>

**17 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)**

**a) Contingent Liabilities**

Claims against the Company not acknowledged as debts

Other money for which Company is contingently liable

100.00	-
167.22	-

Trade Mark 'Burnol' was given as collateral security to Poysha Power Generation (P) Ltd. against Inter Corporate Deposit taken by Morepen Laboratories Limited, the holding company. No amount is shown as contingent liability, legal case in respect of the above trade mark is pending adjudication - also refer note 2(1)

**b) Commitments**

-	-
<u>267.22</u>	<u>-</u>



	As at 31.03.2024	(Rs. in Lakhs) As at 31.03.2023
<b>18 REVENUE FROM OPERATIONS</b>		
<b>SALE OF PRODUCTS</b>		
Domestic Sales	10,109.09	10,218.81
Less : Discounts	(1,272.58)	(899.04)
Exports	-	29.60
	<u>8,836.51</u>	<u>9,349.37</u>
<b>Other Operating Revenues</b>		
Brand Usage Income	221.36	163.53
Misc Income	0.83	0.65
Delivery Charges	13.02	16.45
Commission Income	4.00	3.00
<b>TOTAL REVENUE FROM OPERATIONS</b>	<u>9,075.72</u>	<u>9,533.00</u>
<b>Break-up of revenue from sale of products</b>		
<b>Traded Goods</b>		
Tablets	3,029.77	2,543.33
Tubes	2,139.30	1,483.34
Others	4,940.02	6,221.74
<b>Total</b>	<u>10,109.09</u>	<u>10,248.41</u>
<b>19 OTHER INCOME</b>		
Unclaimed balances no more payable	7.40	31.01
Business Support Service	344.79	153.50
Interest on Income Tax Refund	1.98	0.04
Assignment Of Brand Franchise	-	1.00
Prior Period Income	-	5.41
<b>Total</b>	<u>354.17</u>	<u>190.96</u>
<b>20 PURCHASE OF STOCK IN TRADE</b>		
Traded Goods	6,212.43	5,636.88
Freight Inward	79.74	118.56
Packing Material	23.35	51.86
Handling Charges	3.98	-
Custom Duty	115.65	101.29
Others	8.75	13.19
	<u>6,443.90</u>	<u>5,921.78</u>
<b>Purchase of Traded Goods</b>		
<b>Classification</b>		
<b>Traded Goods</b>		
Tablets	1,811.39	1,486.14
Tubes	847.85	571.40
Others	3,553.19	3,579.34
<b>Total</b>	<u>6,212.43</u>	<u>5,636.88</u>
<b>21 EMPLOYEE BENEFIT EXPENSES</b>		
Salaries and Wages	902.57	714.29
Contribution to provident fund and ESIC	54.60	52.45
Gratuity & Leave Encashment Expenses	17.23	23.19
Staff Welfare	3.15	3.79
	<u>977.55</u>	<u>793.72</u>
<b>22 FINANCE COST</b>		
Interest on Unsecured Business Loan	20.08	-
	<u>20.08</u>	<u>-</u>
<b>23 OTHER EXPENSES</b>		
Repair and Maintenance	25.38	3.48
Rent	264.56	250.88
Travelling and vehicle running expenses	276.93	222.95
Insurance Expenses	11.19	16.26
Freight Outward	108.92	245.98
Miscellaneous Expenses	183.70	251.56
Legal & Professional Expenses	43.88	49.06
Marketing & Sales Promotion Expenses	466.22	693.27
	<u>1,380.78</u>	<u>1,733.44</u>





**Dr. MOREPEN LIMITED**  
**NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2024**

**24 PAYMENT TO AUDITORS**

Year Ended	(Rs. in Lakhs)	
	31.03.2024	31.03.2023
Audit Fee	3.00	3.00
Tax Audit Fee	2.50	2.50
Certification	0.23	0.40
Total	5.73	5.90

**25 PRIOR PERIOD ITEMS**

Expenses include Rs.21.13 Lakhs (Previous Year Rs. 75.68 Lakhs) as expenses (net) relating to earlier years.

**26 DISCLOSURES ABOUT IMPORTS & EXPENDITURE IN FOREIGN CURRENCY**

**VALUE OF IMPORTS ON CIF BASIS**

Stock -in -trade	31.03.2024	31.03.2023
	654.37	577.44
	654.37	577.44

**EXPENDITURE IN FOREIGN CURRENCY**

Foreign Travelling	31.03.2024	31.03.2023
	2.99	-
	2.99	-

**27 EARNINGS IN FOREIGN EXCHANGE**

Exports of Goods on F.O.B. basis	31.03.2024	31.03.2023
	-	29.60
	-	29.60

**28 SEGMENT REPORTING**

In accordance with Ind AS-108, "Operating Segment " the Company's business activity falls within a single primary business segment viz. "Trading in OTC ,Health & digonastics Products".

**29 RELATED PARTY DISCLOSURES**

Disclosure as required by accounting standard "Related Party Disclosures" (Ind AS 24) issued by the Institute of Chartered Accountants of India are given here under:

**Related Parties**

1. Holding Company Morepen Laboratories Limited	Domestic Company
2. Subsidiary Company Total Care Limited	Domestic Company
3 Associates Morepen Bio Inc., USA (Formerly Morepen Inc.) Morepen RX Limited Morepen Devices Limited	Foreign Company Domestic Company Domestic Company
4. Key Management Personnel	Mr. Varun Suri, Managing Director Mr. Ajay Kumar Sharma, Director & CFO Mr. Akshy Mehta, Company Secretary (Last working date 05.08.2023) Mr. Vipul Kumar, Company Secretary (Joining date 18.08.2023)
5. Relatives of Key Management Personnels with which the company has any transactions during the year	Nil
6. Entities over which key management personnel/ or Relatives of key management personnel are able to exercise significant influence with which the company has any transactions during the year	Groom Town Private Limited Happier Life Private Limited

**Transactions with related parties -**

Particulars	Nature of transaction	(Rs. in Lakhs)
1. Holding Company	Sale of inventories	6.58
	Purchase of inventories	430.24
	Brand Usage Income	221.36
	Reimbursement of Expenses	4.20
	Business Support Services provided	200.99
	Balance as on 31.03.24 - Payable	720.69
	(Maximum balance Payable Rs.1177.80 Lakhs)	
2. Associates	<b>Morepen Rx Limited</b>	
	Goods Return	3.20
	Purchase of inventories	5.53
	Business Support Services provided	13.85
	Security Deposit Received	5.40
	Balance as on 31.03.24 - Payable	21.22
(Maximum balance Payable Rs.29.46 Lakhs)		
2. Key Management Personnel	Remuneration	10.41
Balance Payable as on 31.03.24	0.71	
(Maximum balance outstanding Rs.0.73 Lakhs)		
3. Relatives of Key Management Personnels with which the company has any transactions during the year	Nil	Nil
4. Entities over which key management personnel/ or Relatives of key management personnel are able to exercise significant influence with which the company has any transactions during the year	<b>Groom Town Private Limited</b>	
	Sale of inventories	994.31
	Purchase of inventories	23.49
	Business Support Services provided	379.55
	Security Deposit Received	9.40
	Balance as on 31.03.24 - Receivable	769.92
	(Maximum balance Receivable Rs.1089.43 Lakhs)	
	<b>Happier Life Private Limited</b>	
	Business Support Services provided	4.03
	Security Deposit Received	0.47
Balance as on 31.03.24 - Receivable	0.61	
(Maximum balance Receivable Rs.4.66 Lakhs)		



30 **EARNING PER SHARE**

Particulars	Year Ended	
	31.03.2024	31.03.2023
Profit/(Loss) after tax (Rs. in Lakhs)	(852.99)	(641.41)
Weighted average number of equity shares outstanding	40679500	40679500
Basic Earning/(loss) per share in rupees (face value Rs.10/- per share)	(2.10)	(1.58)
Weighted average number of equity shares used in computing diluted EPS	50849375	50849375
Diluted EPS - (Face value of Rs.10/- per share)	(1.68)	(1.26)

31 **EMPLOYEE BENEFITS**

Disclosures as per Accounting Standard, Ind AS -19 (Revised) 'Employee Benefits' is as under -

**Disclosures for Defined Contribution Plans -**

(Rs. in Lakhs)

Particulars	31.03.2024	31.03.2023
Employer's Contribution to Provident Fund	49.78	46.86
Employer's Contribution to Employees State Insurance	4.53	5.32
Employer's Contribution to L.W.F.	0.28	0.27

**Disclosures for Defined Benefit Plans - Unfunded**

Particulars	Gratuity		Leave Encashment	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
<b>Change in the present value of obligation:</b>				
Present Value of Obligation as at beginning of the year	57.59	100.22	35.81	70.94
Add: Interest Cost	5.36	5.34	3.13	3.54
Add: Current Service Cost	11.58	10.09	20.19	18.71
Less:- Benefit Paid	(3.40)	(39.70)	(32.19)	(30.97)
Less:- Disposals	0.00	(21.63)	0.00	(21.19)
Add: Actuarial loss on obligations	8.36	3.25	5.26	(5.22)
Present Value of Obligation as at year end	79.48	57.59	32.20	35.81
<b>Change in the fair value of plan Assets:</b>				
Fair Value of Plan Assets at the beginning of the year	-	-	-	-
Add : Expected Return on Plan Assets	-	-	-	-
Add : Contributions	-	-	-	-
Less: Benefits Paid	-	-	-	-
Fair Value of Plan Assets as at year end	-	-	-	-

<b>Expense recognized in the Statement of Profit and Loss</b>	31.03.2024	31.03.2023	31.03.2024	31.03.2023
Current Service Cost	11.58	10.09	20.19	18.71
Add: Interest Cost	5.36	5.34	3.13	3.54
Less: Expected Return on plan assets	-	-	-	-
Less: Settlement Credit	-	-	(28.28)	(9.28)
Add: Net actuarial loss recognised	8.36	3.25	5.26	(5.22)
Total expenses recognized in statement of profit & loss	25.29	18.69	0.29	7.75

**The following table sets out the assumptions used in actuarial valuation of gratuity and leave encashment-**

Assumptions	31.03.2024	31.03.2023	31.03.2024	31.03.2023
Discount Rate	7.00%	7.20%	7.00%	7.20%
Expected return of Assets	N/A	N/A	N/A	N/A
Salary Escalation Rate	5%	5%	5%	5%
Employee Turnover rates	3%	3%	3%	3%

\*Note: A sum of Rs.28.28 Lakhs (previous year Rs. 9.28 Lakhs) benefits paid as salaries in respect of compensated absences and Rs.3.91 Lakhs(previous year Rs.21.69 Lakhs) regular benefit payments upon exit from service is included in the amount of Rs. 32.19 Lakhs (previous year Rs. 30.97 Lakhs) of benefits paid.

32 **IMPAIRMENT**

It is the view of management that there are no impairment conditions that exist as on 31<sup>st</sup> March, 2024. Hence, no provision is required in the accounts for the year under review.

33 **TAXES**

Deferred tax asset of Rs.272.36 Lakhs in respect of sum of Rs.1082.16 Lakhs comprising of net taxable timing differences of depreciation and Unused tax losses as provided by Indian Accounting Standard (Ind-As 12) "Income Taxes" notified u/s 133 of The Companies Act, 2013 is not recognised as a matter of prudence.

34 **OTHERS SIGNIFICANT DISCLOSURES-**

In the opinion of the Board, the assets, except stated otherwise, have a value on realization in the ordinary course of business at least equal to the amount at which they are stated and the provision for depreciation and for all known liabilities is adequate and considered reasonable.

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Balances of Non-current liabilities, Current liabilities, Long terms loans and advances, Trade receivables, Short term loans and advances and banks are subject to confirmation.

Sales Tax assessments for earlier years are in progress. Demand, if any, shall be accounted for, on the completion of assessments.

Previous year figures have been regrouped and rearranged wherever necessary to suit the present year layout.





(Rs. In Lakh)			
Ratios	As at 31.03.2024	As at 31.03.2023	Variation
<b>35 Current Ratio</b>	<b>1.20</b>	<b>1.16</b>	<b>3%</b>
- Numerator - Current Assets	3,037.90	3,511.40	
- Denominator - Current Liabilities	2,541.17	3,027.49	
<b>Current Ratio</b>			
<b>Debt Equity Ratio</b>	<b>0.04</b>	<b>NA</b>	<b>NA</b>
- Numerator - Debt	80.68	-	
- Denominator			
Equity	4,067.95	4,067.95	
Reserves & Surplus	(3,049.58)	(2,196.59)	
Warrants	1,060.00	1,060.00	
OCI	(3.30)	5.06	
Total Equity	<b>2,075.07</b>	<b>2,936.42</b>	
<b>Debt Service Coverage Ratio</b>	<b>3.20</b>	<b>NA</b>	<b>NA</b>
- Numerator - EBITDA	322.36	357.35	
- Denominator			
Interest on loans	20.08	-	
Principal loans	80.68	-	
Total Loan liability	<b>100.76</b>	<b>-</b>	
<b>Return on Equity Ratio</b>	<b>-41.11%</b>	<b>-21.84%</b>	<b>88%</b>
- Numerator - PAT	(852.99)	(641.41)	
- Denominator			
Equity	4,067.95	4,067.95	
Reserves & Surplus	(3,049.58)	(2,196.59)	
Warrants	1,060.00	1,060.00	
OCI	(3.30)	5.06	
Total Equity	<b>2,075.07</b>	<b>2,936.42</b>	
<b>Inventory Turnover Ratio</b>	<b>10.05</b>	<b>5.29</b>	<b>90%</b>
- Numerator - Cost of Goods Sold	6,749.19	6,839.45	
- Denominator - Average Inventory	671.78	1,293.46	
<b>Trade Receivable Turnover Ratio( days)</b>	<b>87.77</b>	<b>91.21</b>	<b>-4%</b>
- Numerator - Revenue	9,429.89	9,723.96	
- Denominator - Average Debtors	2,267.63	2,429.93	
<b>Trade Payable Turnover Ratio (days)</b>	<b>118.81</b>	<b>174.49</b>	<b>-32%</b>
- Numerator - COGS	6,749.19	6,839.45	
- Denominator - Average Creditors	2,196.85	3,269.68	
<b>Net Capital Turnover Ratio</b>	<b>4.54</b>	<b>3.31</b>	<b>37%</b>
- Numerator - Revenue	9,429.89	9,723.96	
- Denominator			
Equity	4,067.95	4,067.95	
Reserves & Surplus	(3,049.58)	(2,196.59)	
Warrants	1,060.00	1,060.00	
OCI	(3.30)	5.06	
Total Equity	<b>2,075.07</b>	<b>2,936.42</b>	
<b>Net Profit Ratio</b>	<b>-9.05%</b>	<b>-6.60%</b>	<b>37%</b>
- Numerator - PAT	(852.99)	(641.41)	
- Denominator - Revenue	9,429.89	9,723.96	
<b>Return on Capital employed</b>	<b>-34.91%</b>	<b>-20.40%</b>	<b>71%</b>
- Numerator - (PAT+Interest)	(832.92)	(641.41)	
- Denominator			
Shareholder Wealth	2,075.07	2,936.42	
Non Current Liabilities	310.58	207.67	
	<b>2,385.65</b>	<b>3,144.09</b>	
<b>Return on Investment</b>	<b>-17.48%</b>	<b>-10.47%</b>	<b>67%</b>
- Numerator - PAT	(852.99)	(641.41)	
- Denominator - Total Assets	4,880.85	6,125.55	

