



INDEPENDENT AUDITOR'S REPORT

To the Members of
Lyka BDR International Limited

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying financial statements of Lyka BDR International Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement, the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2021, and its profit, total comprehensive income, its cash flows and changes in equity for the year ended on that date.

Basis of Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 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.

Material Uncertainty Related to Going Concern

We would also like to draw your attention regarding the financial statement being prepared on a going concern basis, notwithstanding the fact that the company has negative networth of Rs. 1,12,09,073/- as at March 31, 2021. The appropriateness of the said basis is inter alia dependent on the fact that the management is hopeful of better prospects in future. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. There are no key audit matters to be disclosed.





Information Other than the financial Statements and Auditor's Report thereon

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

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

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.





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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements present the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "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, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2021 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"; and
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the pending litigations which has impact on its financial position in its financial statements - Refer Note 35 to the standalone financial statements.
 - ii. The Company did not have any on long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31st March, 2021.

For D. Kothary & Co
Chartered Accountants
Firm Regn No. 105335W


Mehul N. Patel
(Partner)
Membership No. 132650
UDIN: 21132650AAAAEN9157



Place: Mumbai
Date: 21st May, 2021.



Annexure A to Independent Auditors' Report

(Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date)

- i. In respect of its Property, plant & Equipment:
 - a) The Company has maintained proper records showing full particulars including quantitative details and situation of property, plant & equipment on the basis of available information.
 - b) As explained to us, all the property, plant & equipment have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
 - c) According to the information and explanations given to us, the title deeds of immovable properties including leasehold land, as disclosed in Note on property, plant and equipment to the Financial Statements, are held in the name of the Company.
- ii. In respect of its inventories:
 - a) In our opinion and according to the information and explanations given to us, physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies were noticed.
- iii. The Company has not granted any Secured or unsecured loans to Companies, Firms, LLP or Other Parties, covered in the register maintained under section 189 of the Companies Act, 2013, therefore, the said Provision is not applicable to the company.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- v. The Company has not accepted any deposits from Public.
- vi. To the best of our knowledge and belief, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of Section 148 of the Act, in respect of the activities rendered by the Company.
- vii. According to the information and explanations given to us in respect of statutory dues:
 - a) Undisputed statutory dues in respect of sales tax, service tax, withholding taxes, provident fund, and employees' state insurance, cesses applicable and any other statutory dues have been generally regularly deposited with the appropriate authorities. There were no undisputed amounts payable in respect of Income-tax, Custom Duty, GST, Cess and other material statutory dues in arrears as at 31st March 2021, for a period of more than six months from the date they became payable.





D. KOTHARY & CO. Chartered Accountants

- b) Following statutory dues have not been deposited on account of disputes pending with various forums.

Name of Statute	Nature of Dues	Amount (Rs. In)	Period to which the amount relates	Name of the forum
Maharashtra Value Added Tax, 2002.	VAT Liability Including interest, Penalty.	Rs. 9,97,769	April 2011 to March 2012	Asst. Commissioner of Tax Department.

- viii. According to the information and explanations given to us, the Company has no default in repayment of loans or borrowings from financial institutions, Banks, Government and due to debenture holders.
- ix. According to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. The Company has paid/provided for managerial remuneration in the books of accounts in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 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. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Therefore, the said clause is not applicable.
- 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 non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.





D. KOTHARY & CO.
Chartered Accountants

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For D. Kothary & Co
Chartered Accountants
Firm Regn No. 105335W

Mehul N. Patel
(Partner)
Membership No. 132650
UDIN: 21132650AAAEN9157



Place: Mumbai
Date: 21st May, 2021.



Annexure - B to the Auditors' Report

To the Members of
Lyka BDR International Limited

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

We have audited the internal financial controls over financial reporting of Lyka BDR International Limited ("the Company") as of 31 March 2021 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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





Meaning of Internal Financial Controls over Financial Reporting

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


Inherent Limitations of Internal Financial Controls 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 31 March 2021, 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.

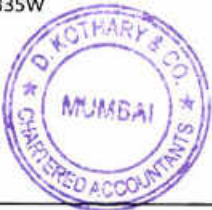
For D. Kothary & Co
Chartered Accountants
(Firm Registration No. 105335W)


Mehul N. Patel
Partner
Membership No. 132650
UDIN: 21132650AAAAEN9157



Place: Mumbai
Date: 21st May 2021.

Lyka BDR International Limited
Balance Sheet as at 31st March, 2021

Particulars	Notes	As at 31st March, 2021	As at 31st March, 2020
ASSETS			
Non-Current Assets			
(a) Property, Plant and Equipment	3	1,21,796	2,48,864
(b) Intangible assets	4	4,47,169	6,36,997
(c) Intangible assets under development	4	1,35,56,569	1,35,56,569
(d) Financial Assets			
(i) Investments	5	-	-
(ii) Other Financial Assets	6	17,27,000	15,84,856
(e) Other Non Current Assets	7	-	8,16,879
(f) Non Current Tax Assets	8	29,78,443	28,06,808
(g) Deferred tax assets(net)	9	15,87,574	27,85,989
		2,04,18,551	2,24,36,962
Current Assets			
(a) Inventories	10	75,549	1,02,63,592
(b) Financial Assets			
(i) Trade Receivables	11	2,86,60,664	2,60,96,071
(ii) Cash and Cash Equivalents	12	2,66,251	1,87,26,861
(iii) Loans	13	-	1,38,485
(iv) Other Financial Assets	14	4,38,913	1,04,352
(c) Other Current Assets	15	3,94,06,843	3,58,04,131
		6,88,48,219	9,11,33,492
Total Assets		8,92,66,770	11,35,70,454
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	16	22,50,00,000	22,50,00,000
(b) Other Equity	17	(23,62,16,623)	(27,28,02,549)
		(1,12,16,623)	(4,78,02,549)
LIABILITIES			
Non-Current Liabilities			
(a) Provisions	18	30,18,149	37,22,649
		30,18,149	37,22,649
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	27,58,070	6,30,26,875
(ii) Trade Payable			
- Micro and Small Enterprise		28,93,036	-
- Other than Micro and Small Enterprise		6,15,44,860	3,27,88,826
(iii) Other Financial Liabilities	21	1,61,59,979	2,19,26,384
(b) Other Current Liabilities	22	1,33,24,828	3,67,81,444
(c) Provisions	23	7,84,470	31,26,825
		9,74,65,243	15,76,50,354
Total Equity and Liabilities		8,92,66,770	11,35,70,454
<p>See accompanying notes to the financial In terms of our report of even date, For D. Kothary & Co. Chartered Accountants Firm Registration No. 105335W</p> <p style="text-align: right;">For and on behalf of the Board of Directors of Lyka BDR International Ltd</p>			
<p>(Mehul N. Patel) Partner Membership No. 132650 Place : Mumbai Date : 21st May, 2021</p>		<p>(Kunal N Gandhi) Director DIN : 01516156</p> <p>(Y. B. Shah) Chief Financial Officer</p>	
		<p>(Arun Rao) Wholetime Director DIN: 02346252</p> <p>(Bhavik Parekh) Company Secretary</p>	

Lyka BDR International Limited
Statement of Profit and Loss for the period ended 31st March, 2021

Particulars	Notes	For the period ended 31st March, 2021	For the year ended 31st March, 2020
INCOME			
Income from Operations	26	25,81,63,104.21	16,01,35,019.00
Other Operating Income	26	86,57,357.00	73,09,234.00
		26,68,20,461.21	16,74,44,253.00
Other Income	27	11,23,501.46	1,20,70,933.75
Total Income		26,79,43,962.67	17,95,15,186.75
EXPENSES			
Cost of Materials Consumed	28	-	-
Purchases of Stock-in-Trade		17,41,79,615.90	12,98,71,909.00
Changes in Inventories of Finished Goods, Work in Progress and Stock in Trade	29	1,01,88,043.00	(38,88,958.00)
Employee Benefits Expense	30	1,23,34,858.00	1,71,00,285.77
Finance Costs	31	67,00,539.66	99,12,154.09
Depreciation and Amortization Expense	3 & 4	3,16,896.96	3,39,411.32
Other Expenses	32	2,96,13,959.75	3,94,91,643.39
Total Expenses		23,33,33,913.27	19,28,26,445.57
Profit/(Loss) before Exceptional items		3,46,10,049.40	(1,33,11,258.82)
Exceptional items	33	(30,08,007.72)	(31,30,395.15)
Profit/(Loss) before tax		3,76,18,057.12	(1,01,80,863.67)
Prior Period Adjustments (Net)			
Tax Expense:			
Deferred Tax		11,98,415.02	44,12,946.64
Current Tax / Earlier Year Tax		43,562.00	73,314.00
Profit / (Loss) for the year		3,63,76,080.10	(1,46,67,124.31)
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit plans (net of tax)		(2,09,845.00)	(7,56,267.00)
Total Other Comprehensive Income		(2,09,845.00)	(7,56,267.00)
Total Comprehensive Income for the year		3,65,85,925.10	(1,39,10,857.31)
Earnings per share (of Rs. 10 /- each):			
Basic / Diluted		0.16	(0.65)

See accompanying notes to the financial statements

In terms of our report of even date,

For D. Kothary & Co.

Chartered Accountants

Firm Registration No. 105335W

(Mehul N. Patel)

Partner

Membership No. 132650

Place : Mumbai

Date : 21st May, 2021



For and on behalf of the Board of
Directors of Lyka BDR International Ltd

(Kunal N Gandhi)

Director

DIN : 01516156

(Arun Rao)

Wholetime Director

DIN: 02346252

(Y. B. Shah)

Chief Financial Officer

(Bhavik Parekh)

Company Secretary

Lyka BDR International Limited
Cash flow statement for the period ended 31st March, 2021

Particulars	Period Year ended 31st March, 2021	Previous Year ended 31st March, 2020
A. Cash Flow from Operating Activities		
Profit / (Loss) for the year/period before tax	3,76,18,057	(1,01,80,864)
Adjusted for:		
Depreciation	3,16,897	3,39,411
Interest Income	(4,84,682)	(28,74,905)
(Profit) / Loss on sale of fixed assets (net)	(2,00,000)	(1,53,368)
Finance Cost	67,00,540	99,12,154
Provision for Doubtful Trade Receivables / Advances / Deposits	-	-
Provision/ Credit Balance no longer required Written Back	(59,64,990)	(44,57,172)
Exchange rate fluctuation	(4,38,819)	(31,88,492)
Expected loss Provision/ Provision for Doubtful Debt	54,03,032	24,23,715
Return on Investment	-	-
	53,31,977	20,01,343
Operating profit before working capital change	4,29,50,034	(81,79,521)
Changes in Working Capital :		
(Increase) / Decrease in Trade and other receivables	(75,28,805)	5,94,82,118
(Increase) / Decrease in Other Current Assets	(36,02,712)	(50,617)
(Increase) / Decrease in Other Current Financial Assets	(1,96,076)	55,56,230
(Increase) / Decrease in Other Non-Current Financial Assets	(1,42,144)	(2,22,196)
(Increase) / Decrease in Other Non-Current Assets	8,16,879	-
(Increase) / Decrease in Inventories	1,01,88,043	(38,88,958)
Increase / (Decrease) in Other Non-Current Financial Liabilities	-	-
Increase / (Decrease) in Other Current Liabilities	(2,34,56,616)	(2,05,95,878)
Increase / (Decrease) in Other Current Financial Liabilities	(57,66,404)	(3,63,763)
Increase / (Decrease) in Non-Current Provisions	(7,04,500)	(6,33,308)
Increase / (Decrease) in Current Provisions	(21,32,510)	(4,03,549)
Increase / (Decrease) in Trade Payables	3,76,14,060	(5,06,84,604)
	50,89,215	(1,18,04,524)
Cash generated from operations	4,80,39,249	(1,99,84,045)
Exchange rate fluctuation	-	-
Net Income Tax Payment	(2,15,197)	(1,52,298)
Net cashflow from operating activities (A)	4,78,24,052	(2,01,36,343)
B. Cashflow for Investing activities		
Purchase of fixed assets	-	(1,23,432)
Proceeds from sale of fixed assets	2,00,000	1,54,000
Interest Received	4,84,682	28,74,905
Net cash used in Investing activities (B)	6,84,683	29,05,473
C. Cashflow from Financing activities		
Proceed from / (Repayment) of Non Current Borrowings Net	-	-
(Repayment) of Current Borrowings Net	(6,02,68,805)	3,03,41,100
FD Matured Encashed	-	-
Proceeds from Issue of Equity Shares net (Including Premium)	-	-
Interest Paid	(67,00,540)	(99,12,154)
Net cash used in Financing activities (C)	(6,69,69,344)	2,04,28,946
Net (decrease) / increase in cash and cash equivalents (A+B+C)	(1,84,60,610)	31,98,077
Cash and Cash Equivalents at the beginning of the year/period		
Cash and Cash Equivalents	1,65,999	3,92,988
Earmarked Balances	1,85,60,862	1,51,35,797
	1,87,26,861	1,55,28,784
Cash and Cash Equivalents at the end of the year/period		
Cash and Cash Equivalents	2,07,792	1,65,999
Earmarked Balances	58,459	1,85,60,862
	2,66,251	1,87,26,861

See accompanying notes to the financial statements

In terms of our report of even date,
For D. Kothary & Co.
Chartered Accountants
Firm Registration No. 105335W

(Mehul N. Patel)
Partner
Membership No. 125024
Place : Mumbai
Date : 21st May, 2021



For and on behalf of the Board of
Lyka BDR International Ltd

(Kunal Gandhi)
Director
DIN : 01516156

(Y. B. Shah)
Chief Financial Officer.

(Arun Rao)
Wholtime Director
DIN: 02346252

(Bhavik Parekh)
Company Secretary

Lyka BDR International Limited
Standalone Statement of Changes in Equity for the period ended 31st March, 2021

A. Equity Share Capital (Refer note 16)

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	No. of Shares	Amount	No. of Shares	Amount
Balance at the beginning of the reporting year	2,25,00,000	22,50,00,000.00	2,25,00,000	22,50,00,000.00
Changes in equity share capital during the year	-	-	-	-
Balance at the end of reporting year	2,25,00,000	22,50,00,000.00	2,25,00,000	22,50,00,000.00

B. Other Equity (Refer note 17)

Particulars	Reserves and surplus		Items of Other Comprehensive Income (Remeasurement of the defined benefit plan)	Total
	Retained Earnings	General Reserve		
Balance as at 31st March, 2020	(27,69,48,197.43)	41,87,780.00	(42,132.00)	(27,28,02,549.43)
Profit / (Loss) for the year	3,63,76,080.10	-	2,09,845.00	3,65,85,925.10
Retained INDAS-Lease Liability	-	-	-	-
Other Comprehensive Income for the year, net of income tax	-	-	-	-
Balance as at 31st Mar, 2021	(24,05,72,117.33)	41,87,780.00	1,67,713.00	(23,62,16,624.33)

Lyka BDR International Limited
Significant Accounting Policies for the year ended 31st March 2021

1. CORPORATE INFORMATION

“Lyka BDR International Limited “is unlisted entity incorporated and domiciled in India. The Company is a subsidiary of Lyka Labs Limited which is Listed Company. The address of its registered office and principal place of business are disclosed in the introduction to the annual report.

Company is engaged in the business of exports of pharmaceutical products.

2. SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS:

A. SIGNIFICANT ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION AND PRESENTATION

The Ind-AS financial statements of the Company have been prepared in accordance with the relevant provisions of the Companies Act, 2013, the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 read with the Companies (Indian Accounting Standards) Amendment Rules, 2017 and the Guidance Notes and other authoritative pronouncements issued by the Institute of Chartered Accountants of India (ICAI).

For all periods up to and including the year ended 31 March 2017, the Company prepared its financial statements in accordance with Indian GAAP, including accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended). These financial statements for the year ended 31 March 2018 are the first the Company has prepared in accordance with Ind-AS. Refer to Note No.33 (XVII) for information on how the Company adopted Ind AS, including the details of the first time adoption exemptions availed by the company.

The Ind-AS financial statements have been prepared on a historical cost basis, except for certain financial assets and financial liabilities measured at fair value (refer accounting policy no. 2.9 regarding financial instruments). Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant’s ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses 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.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- **Level 1** — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- **Level 2** — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- **Level 3** — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

2.2 Current and Non-Current Classification of Assets and Liabilities and Operating Cycle:

An asset is considered as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is considered as current when:

- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The Operating Cycle is the time between the acquisition of assets for business purpose and their realisation into cash and cash equivalents.

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Property, Plant and Equipment:

Property, Plant and Equipment are recorded at their cost of acquisition, net of MODVAT/CENVAT, less accumulated depreciation and impairment losses, if any. The cost thereof comprises of its purchase price, including import duties, if any, and other non-refundable taxes or levies and any directly attributable cost for bringing the asset to its working condition for its intended use.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit or Loss when the asset is derecognised.

Lyka BDR International Limited

Significant Accounting Policies for the year ended 31st March 2021

For transition to Ind AS, the Company has elected to continue with the carrying value of all its Property, Plant and Equipment recognised as on 1st April 2017 measured as per previous GAAP as its deemed cost on the date of transition.

Depreciation on Property, Plant and Equipment is being provided on "Written down Value method" basis at the Useful lives/rates specified as per Schedule II of the Companies Act, 2013. Depreciation in respect of addition to the fixed assets is provided on Pro-rata basis from the date in which such assets are acquired / installed / put to use.

The residual value, useful lives and method of deprecation are reviewed at each financial year and adjusted prospectively, if appropriate.

Gains or losses arising out of de-recognition of Property, Plant and Equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

b) Intangible Assets:

Intangible Assets are recorded at their cost of acquisition, less accumulated depreciation and impairment losses, if any. The cost thereof comprises of its purchase price, borrowing costs and directly attributable cost for bringing the asset to its working condition for its intended use.

An item of intangible asset initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the intangible asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit or Loss when the intangible asset is derecognised.

For transition to Ind AS, the Company has elected to continue with the carrying value of all its Intangible Asset recognised as on 1st April, 2017 measured as per previous GAAP as its deemed cost on the date of transition.

Depreciation on Intangible Asset is being provided on "Written down Value Method" basis at the Useful lives/rates specified as per Schedule II of the Companies Act, 2013, except of Registration Rights which are depreciated on "Straight Line Method" basis considering estimated useful life of 15 years. Depreciation in respect of addition to the Intangible Assets is provided on Pro-rata basis from the date in which such assets are acquired or put to use.

The residual value, useful lives and method of deprecation are reviewed at each financial year and adjusted prospectively, if appropriate.

Gains or losses arising out of de-recognition of Intangible Asset is measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

c) Inventories

The Company has complied with Ind AS -2 Inventories issued by the Institute of Chartered Accountants of India, to the extent practicable keeping in mind the peculiar nature of the industry.

Inventories are valued at lower of cost, determined on the basis of weighted average, or net realisable value and valued by using FIFO method of valuation. In the opinion of the management of the Company, this does not have any material impact on the operating results of the Company.

d) Impairment of non-financial asset- property, plant and equipment and intangible assets

The company assesses at each reporting date as to whether there is any indication that any property, plant and equipment and intangible assets or group of assets, called as cash generating units (CGU) may be impaired. If any such indication exists, the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.

An impairment Loss is recognised in the Statement of Profit and Loss to the extent asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an assets fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

e) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

f) Employee Benefits:

Short Term Employee Benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

Post-Employment Benefits

Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified contributions towards Provident Fund and Pension Scheme. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

Defined Benefit Plans

The Company pays gratuity as applicable under the Payment of Gratuity Act 1972.

The gratuity liability amount is contributed to the approved gratuity fund with Life Insurance Corporation of India, exclusively for gratuity payment to the employees. The said contributions are charged to profit and loss account in the year in which they accrue. Contribution paid/ payable for the year/ period to Defined Contribution Retirement Benefit Plans is charged to Statement of Profit and Loss account. The gratuity fund has been approved by respective IT authorities.

Re-measurement of defined benefit plans in respect of post-employment are charged to the Other Comprehensive Income.

Liabilities towards Defined Benefit Schemes viz. Gratuity benefits and other long term benefit viz. compensated absences are determined based on Actuarial Valuation. Actuarial gains and losses are recognised immediately in the Balance Sheet with a corresponding effect in the Statement of Other Comprehensive Income. Past service cost is recognised immediately in the Statement of Profit or Loss.

g) Revenue Recognition:

Revenue from Operation: - Revenue from sales of formulations is recognized on dispatch of goods to Customs port by clearing & forwarding agents of the Company. Both in respect of CIF sales and FOB Sales, irrespective of significant risk & reward, the ownership of product is transferred to customers. Sales are stated net of discounts and exclusive of taxes recovered.

Other Operating Revenue:- Export Incentive Entitlement in form of Duty Drawback & Market Focus Scheme Income is accounted when the right to receive credit as per terms of the scheme is established in respect of export made and there is no significant uncertainty regarding the ultimate collection of export proceeds. Market Focus Income has been reinstated at customs foreign exchange rate at the year end and they are discounted by 7% of the realizable value considering its normal realization potential.

Other Incomes: Other operating income is accounted for on accrual basis.

h) Foreign Currency Transactions

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency prevailing rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the year-end rates of the functional currency. Differences arising on settlement or translation of monetary items are recognised in profit or loss except in cases where they relate to acquisition of fixed assets in which case, they are adjusted to the carrying cost of such assets.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item. (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or Statement of Profit and Loss are also recognised in OCI or Statement of Profit and Loss, respectively).

i) Borrowing Costs:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are considered as a part of cost of such assets less interest earned on the temporary investment. A qualifying asset is one that necessarily takes substantial period of time to get ready for the intended use. All other borrowing costs are charged to Statement of Profit & Loss in the year in which they are incurred.

j) Taxes on Income:

Current Tax:

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised directly in equity is recognised in Other Comprehensive Income / Equity and not in the Statement of Profit and Loss. Management periodically evaluates position taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Taxes:

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

The carrying amount of deferred tax asset and liabilities are reviewed at each reporting date

k) 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.

i) Financial Assets:

A) Initial Recognition and Measurement:

All financial assets and liabilities are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

B) Subsequent Measurement:

For purposes of subsequent measurement, financial assets are classified in following categories:

- i) Financial assets at Amortised Cost (AC)
- ii) Financial assets at Fair Value through Other Comprehensive Income. (FVTOCI)
- iii) Financial assets at Fair Value through Statement of Profit and Loss. (FVTPL)

i) Financial Assets at Amortised Cost (AC):

A financial asset is measured at the amortised cost if the asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and, the contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

ii) Financial Assets at Fair Value through Other Comprehensive Income (FVTOCI):

A financial asset is measured at FVTOCI 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.

iii) Financial Assets at Fair Value through Statement of Profit and Loss. (FVTPL):

Even if an instrument meets the two requirements to be measured at amortised cost or fair value through other comprehensive income, a financial asset is measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an "accounting mismatch") that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

All other financial assets are measured at fair value through profit or loss.

C) De-recognition:

A financial asset (or, where applicable, a part of a financial asset or group of similar financial assets) is primarily derecognised (i.e. removed from the Company's statement of financial position) when:

- (i) The rights to receive cash flows from the asset have expired, or
- (ii) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
 - (a) the Company has transferred substantially all the risks and rewards of the asset, or
 - (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

D) Impairment of Financial Assets:

The Company applies the expected credit loss (ECL) model for measurement and recognition of impairment loss of Financial assets at amortised cost.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. The ECL impairment loss allowance (or reversal) recognized during the period in the statement of profit and loss and the cumulative loss is reduced from the carrying amount of the asset until it meets the write off criteria, which is generally when no cash flows are expected to be realised from the asset.

Expected credit losses are measured through a loss allowance at an amount equal to:

The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date) or Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12-month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Lyka BDR International Limited
Significant Accounting Policies for the year ended 31st March 2021

ii) Financial Liabilities:

A) Initial Recognition and Measurement:

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, trade and other payables.

There is no significant impact on valuation of Financial Liabilities at fair value through comprehensive income and hence no profit or loss on such valuation is provided.

B) Subsequent Measurement:

This is dependent upon the classification thereof as under:

Financial Liabilities are carried 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.

There is no significant impact on valuation of Financial Liabilities at fair value through comprehensive income and hence no profit or loss on such valuation is provided.

iii) Offsetting of Financial Instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise an asset and settle the liabilities simultaneously.

iv) De-recognition of financial instruments

The Company derecognizes a financial asset 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 (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

i) Contingent Liabilities:

A Contingent Liability is a possible obligation that arises from past events and 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 enterprise or a present obligation that arises from past events that may, but probably will not, require an outflow of resources.

Contingent Liabilities are not recognized but are disclosed in the notes.

Lyka BDR International Limited
Notes to the Financial Statements for the period ended 31st March, 2021

3 Property Plant and Equipment

Carrying amounts of:

Particulars	As at 31st March, 2021	As at 31st March, 2020
Plant and Machinery	73,613.00	1,33,229.00
Computers	48,176.73	1,15,628.73
Vehicles	-	-
Office Equipments	6.00	6.00

Particulars	Plant and Machinery	Computers	Vehicles	Office Equipments	Total
Gross Block (Cost or Deemed Cost):					
Balance at 31st March, 2020	22,21,015.00	26,58,900.00	16,42,487.00	61,747.00	65,84,149.00
Additions					-
Disposals					-
Balance as at 31st Mar, 2021	22,21,015.00	26,58,900.00	16,42,487.00	61,747.00	65,84,149.00
Accumulated Depreciation and Impairment:					
Balance at 31st March, 2020	20,87,785.00	25,43,271.27	16,42,487.00	61,741.00	63,35,285.27
Depreciation for the year	59,616.00	67,452.00	-	-	1,27,068.00
Disposals					-
Balance as at 31st Mar, 2021	21,47,402.00	26,10,723.27	16,42,487.00	61,741.00	64,62,353.27
Carrying amounts of:					
Balance at 31st March, 2020	1,33,229.00	1,15,628.73	-	6.00	2,48,863.73
Balance as at 31st Mar, 2021	73,613.00	48,176.73	-	6.00	1,21,795.73

Lyka BDR International Limited
Notes to the Financial Statements for the period ended 31st March, 2021

4 Intangible Assets

Carrying amounts of :

Particulars	As at 31st March, 2021	As at 31st March, 2020
Internally Developed Intangible Assets (Research and development expenditure)	-	-
Computer Software	2,275.86	6,031.86
Intangible Assets (Trade Mark/Brand)	-	-
Technical and Marketing Knowhow	-	-
Registration Rights	4,44,892.92	6,30,964.92

Particulars	Computer Software	Registration Rights	Total
Gross Block (Cost or Deemed Cost) :			
Balance at 31st March, 2020	8,34,594.00	43,28,30,353.00	43,36,64,947.00
Additions	-	-	-
Disposals	-	-	-
Balance as at 31st Mar, 2021	8,34,594.00	43,28,30,353.00	43,36,64,947.00
Accumulated Amortisation and Impairment :			
Balance at 31st March, 2020	8,28,562.14	43,21,99,388.08	43,30,27,950.22
Amortisation for the year	3,756.00	1,86,072.00	1,89,828.00
Balance as at 31st Mar, 2021	8,32,318.14	43,23,85,460.08	43,32,17,778.22
Carrying amounts of :			
Balance at 31st March, 2020	6,031.86	6,30,964.92	6,36,996.78
Balance as at 31st Mar, 2021	2,275.86	4,44,892.92	4,47,168.78

Details of Intangible Assets under Development

Particulars	As at 31st March, 2021	As at 31st March, 2020
Opening balance Capitalised	1,35,56,569.32	1,35,56,569.32
Additions during the year	-	-
Closing Balance	1,35,56,569.32	1,35,56,569.32

Lyka BDR International Limited

Notes to the Financial Statements for the period ended 31st March, 2021

5 Non-Current Investments

Particulars	As at 31st March, 2021	As at 31st March, 2020
	-	-
Total	-	-

6 Other Non-current Financial Assets

Particulars	As at 31st March, 2021	As at 31st March, 2020
(Unsecured, considered good)		
Security Deposit	17,27,000.00	15,84,856.00
Others - Deposit with Drug Price Equalisation Account	-	-
Total	17,27,000.00	15,84,856.00

7 Other Non-Current Assets

Particulars	As at 31st March, 2021	As at 31st March, 2020
(Unsecured, considered good)		
Capital Advances	-	-
Balance with Government Authorities	-	8,16,879.17
Others	-	-
Total	-	8,16,879.17

8 Non-Current Tax Assets

Particulars	As at 31st March, 2021	As at 31st March, 2020
Advance Tax and Tax deducted at source	29,78,442.64	28,06,807.64
Total	29,78,442.64	28,06,807.64

9 Deferred Tax Assets (net)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Deferred Tax Assets	11,37,595.36	28,44,851.36
Less: Deferred Tax Liabilities	4,49,978.98	(58,862.00)
Total	15,87,574.34	27,85,989.36

Deferred Tax Assets / (Liabilities) in relation to:	FY 2020-21			FY 2019-20		
	Opening Balance	Recognised in Profit or Loss	Closing Balance	Opening Balance	Recognised in Profit or Loss	Closing Balance
Fair Value Adjustments	3,48,759.89	6,08,276.00	9,57,035.89	5,76,120.89	(2,27,361.00)	3,48,759.89
ECL Provisions	24,96,091.47	(23,15,532.00)	1,80,559.47	66,22,815.11	(41,26,723.64)	24,96,091.47
Property, Plant and Equipment	(58,862.00)	5,08,840.98	4,49,978.98	-	(58,862.00)	(58,862.00)
Brought forward losses and depreciation	-	-	-	-	-	-
43B Disallowances	-	-	-	-	-	-
Total	27,85,989.36	(11,98,415.02)	15,87,574.34	71,98,936.00	(44,12,946.64)	27,85,989.36

10 Inventories

Particulars	As at 31st March, 2021	As at 31st March, 2020
Raw Materials		-
Packing Material		-
Work-in-Progress		-
Finished Goods	75,549.00	1,02,63,592.00
Total	75,549.00	1,02,63,592.00

Lyka BDR International Limited

Notes to the Financial Statements for the period ended 31st March, 2021

11 Trade Receivables

Particulars	As at 31st March, 2021	As at 31st March, 2020
(Unsecured)		
Considered Good	2,93,78,081.67	3,20,46,693.00
Considered Doubtful	3,00,89,347.00	1,94,53,111.00
Less: Provision for Expected Credit Loss	(7,17,418.00)	(59,50,622.00)
Less: Provision for Doubtful Debt	(3,00,89,347.00)	(1,94,53,111.00)
Total	2,86,60,663.67	2,60,96,071.00

12 Cash and Cash Equivalents

Particulars	As at 31st March, 2021	As at 31st March, 2020
(A) Cash and Cash Equivalents		
Balances with Banks	1,94,801.28	30,208
Cash on hand	12,991.00	1,35,791
(B) Bank Balances other than Cash and Cash Equivalents		
Deposits with Banks held as margin money including interest accrued	58,459.00	1,85,60,862
Total	2,66,251.28	1,87,26,861.02

13 Current Loans

Particulars	As at 31st March, 2021	As at 31st March, 2020
(Unsecured, considered good)		
Loan to Employees	-	1,38,485.00
Loan to Related Party	-	-
Loan to Others	-	-
Total	-	1,38,485.00

14 Other Current Financial Assets

Particulars	As at 31st March, 2021	As at 31st March, 2020
(Unsecured, considered good)		
Deposits	-	-
Advance as Margin Money	-	-
Advance payment of taxes	4,28,320.00	1,04,352.00
Others	10,592.80	-
Total	4,38,912.80	1,04,352.00

15 Other Current Assets

Particulars	As at 31st March, 2021	As at 31st March, 2020
Trade Advances	50,43,314.06	52,32,998.57
Prepaid Expenses	1,20,990.00	1,86,489.40
Claims Receivable	1,66,99,328.00	1,66,99,328.00
Balance with Government Authorities	1,11,69,464.51	73,11,569.06
Others	63,73,746.00	63,73,746.00
Slump Sales Consideration Receivable	-	-
Total	3,94,06,842.57	3,58,04,131.03

Lyka BDR International Limited

Notes to the Financial Statements for the period ended 31st March, 2021

16 Share Capital

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Number of shares	Amount (In Rs.)	Number of shares	Amount (In Rs.)
Authorised Equity Shares of Rs. 10/- each	2,50,00,000.00	25,00,00,000.00	2,50,00,000.00	25,00,00,000.00
	2,50,00,000.00	25,00,00,000.00	2,50,00,000.00	25,00,00,000.00
Issued, Subscribed and Fully Paid Equity Shares of Rs. 10/- each	2,25,00,000.00	22,50,00,000.00	2,25,00,000	22,50,00,000.00
Total	2,25,00,000.00	22,50,00,000.00	2,25,00,000.00	22,50,00,000.00

16.1 Rights, preferences and restriction attached to equity shares :

The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share.

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

16.2 Reconciliation of number of shares outstanding as at the beginning and end of the year

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Equity Shares	Preference Shares	Equity Shares	Preference Shares
Balance as at the beginning of the Year	2,25,00,000	-	2,25,00,000	-
Add : Issued during the Year	-	-	-	-
Balance as at the end of the Year	2,25,00,000	-	2,25,00,000	-

16.3 Details of Shares held by the Shareholders holding more than 5% shares in the Company

Name of the shareholders	As at 31st March, 2021		As at 31st March, 2020	
	No of Shares held	% of Shares	No of Shares held	% of Shares
Equity Shares of Rs. 10/- each				
Lyka Labs Limited	1,46,74,995	65.22%	1,46,74,995	65.22%
BDR Pharmaceuticals International Pvt. Ltd.	74,74,995	33.22%	74,74,995	33.22%

17 Other Equity

Particulars	As at 31st March, 2021	As at 31st March, 2020
Retained Earning	(24,05,72,117.33)	(27,69,48,197.43)
Securities Premium Account	41,87,780.00	41,87,780.00
Items of Other Comprehensive Income	1,67,713.00	(42,132.00)
Total	(23,62,16,624.33)	(27,28,02,549.43)

Nature of Reserves:

General Reserves

The General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the General reserve will not be reclassified subsequently to the statement of profit and loss.

Lyka BDR International Limited

Notes to the Financial Statements for the period ended 31st March, 2021

18 Non Current Provisions

Particulars	As at 31st March, 2021	As at 31st March, 2020
Employee Benefits:		
Provision for Leave Encashment	9,56,963.00	12,44,538.00
Provision for Gratuity	20,61,186.00	24,78,111.24
Provision for Taxation	-	-
Total	30,18,149.00	37,22,649.24

19 Current Borrowings

Particulars	As at 31st March, 2021	As at 31st March, 2020
Secured Loans:		
From Bank		
Bill Discounting- UCO Bank	-	1,01,71,259.00
Packing Credit Loan From Uco Bank	-	1,99,99,121.26
Bank OD	17,41,962.46	37,86,638.21
Unsecured:		
Loans and Advances from related parties	10,16,108.00	2,90,69,857.00
Total	27,58,070.46	6,30,26,875.47

20 Trade Payables

Particulars	As at 31st March, 2021	As at 31st March, 2020
(i) Total outstanding dues of Micro Enterprises and Small Enterprises	28,93,035.61	-
(ii) Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	6,15,44,859.87	3,27,88,825.72
Total	6,44,37,895.48	3,27,88,825.72

20.1 Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006 as per the records of the Company.

Particulars	As at 31st March, 2021	As at 31st March, 2020
Principal Amount outstanding to suppliers under MSMED Act, 2006 beyond the appointed date	28,93,035.61	-
Interest accrued on the dues to suppliers under MSMED Act, 2006 on the above amount	-	-
Payment made to suppliers (Other than interest) beyond the appointed date, during the year	NIL	NIL
Interest paid to suppliers under MSMED Act, 2006 (other than Section 16)	NIL	NIL
Interest paid to suppliers under MSMED Act, 2006 (Section 16)	NIL	NIL
Interest due and payable to suppliers under MSMED Act, 2006 for payments already made	NIL	NIL
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act, 2006	-	-

Lyka BDR International Limited**Notes to the Financial Statements for the period ended 31st March, 2021****21 Other Current Financial Liabilities**

Particulars	As at 31st March, 2021	As at 31st March, 2020
Current Maturities of Long-Term Debt:		
Interest Accrued and due	32,81,449.00	27,86,693.00
Employee dues	47,51,562.00	94,23,795.00
Creditors for:		
Expenses	81,26,968.86	97,15,895.74
Total	1,61,59,979.86	2,19,26,383.74

22 Other Current Liabilities

Particulars	As at 31st March, 2021	As at 31st March, 2020
Other Payables:		
Statutory dues	24,78,838.50	30,46,420.00
Advance from Customers	46,14,473.52	2,94,16,978.87
Provision of expenses	24,65,059.00	5,51,588.00
Other Advance / Liability	37,66,457.00	37,66,457.00
Total	1,33,24,828.02	3,67,81,443.87

23 Current Provisions

Particulars	As at 31st March, 2021	As at 31st March, 2020
Employee Benefits:		
Provision for Gratuity	1,58,459.00	13,09,663.00
Provision for Leave Encashment	6,26,011.00	18,17,162.00
Total	7,84,470.00	31,26,825.00

Lyka BDR International Limited
Notes to the Financial Statements for the period ended 31st March, 2021

24 Revenue From Operations

Particulars	For the period ended 31st March, 2021	For the year ended 31st March, 2020
Sale of products	25,81,63,104.21	16,01,35,019.00
Total	25,81,63,104.21	16,01,35,019.00

24.1 Details of sales of Products

Particulars	For the period ended 31st March, 2021	For the year ended 31st March, 2020
Formulations	25,86,69,514.41	16,12,68,411.00
Less: Discount	5,06,410.20	11,33,392.00
Total	25,81,63,104.21	16,24,01,803.00

24.2 Other Operating Revenue

Particulars	For the period ended 31st March, 2021	For the year ended 31st March, 2020
Export Incentives	86,57,357.00	73,09,234.00
Total	86,57,357.00	73,09,234.00

25 Other Income

Particulars	For the period ended 31st March, 2021	For the year ended 31st March, 2020
Interest Income	4,84,682.00	28,74,905.40
Other Income:		
Foreign Exchange Fluctuation	4,38,819.46	31,88,492.35
Profit on sale of Vehicle	2,00,000.00	1,53,368.00
Miscellaneous Income	-	58,54,168.00
Total	11,23,501.46	1,20,70,933.75

25.1 Interest Income

Particulars	For the period ended 31st March, 2021	For the year ended 31st March, 2020
Interest from banks on deposits	3,70,148.00	10,51,258.00
Other interest	1,14,534.00	18,23,647.40
Total	4,84,682.00	28,74,905.40

Lyka BDR International Limited
Notes to the Financial Statements for the period ended 31st March, 2021

26 Cost of material consumed

Particulars	For the period ended 31st March, 2021	For the year ended 31st March, 2020
Opening stock of raw material and packing material		-
Add: Purchases	-	-
Less: Closing stock of raw material and packing material		-
Total	-	-

27 Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade

Particulars	For the period ended 31st March, 2021	For the year ended 31st March, 2020
<u>As at the beginning of the year:</u>		
Finished Goods/Trading Goods	1,02,63,592.00	63,74,634.00
Work-in-Progress		-
Total Opening Stock (a)	1,02,63,592.00	63,74,634.00
<u>As at the end of the year:</u>		
Finished Goods/Trading Goods	75,549.00	1,02,63,592.00
Work-in-Progress		-
Total Closing Stock (b)	75,549.00	1,02,63,592.00
Net decrease in Finished Goods, work-in-progress and stock in trade(a)-(b)	1,01,88,043.00	(38,88,958.00)

28 Employee Benefit Expenses

Particulars	For the period ended 31st March, 2021	For the year ended 31st March, 2020
Salaries and Wages	1,18,56,101.00	1,44,57,537.77
Contribution to Provident and Other Funds:		
Provident / ESI Fund	5,29,122.00	7,61,718.00
Provision for Gratuity	5,59,184.00	5,50,617.00
Provision for Leave Encashment	(6,77,928.00)	11,52,071.00
Staff Welfare Expenses	68,379.00	1,78,342.00
Total	1,23,34,858.00	1,71,00,285.77

29 Finance Costs

Particulars	For the period ended 31st March, 2021	For the year ended 31st March, 2020
Interest Expenses on:		
Borrowings From Banks:		
Working Capital	10,98,125.00	38,89,584.96
Borrowing Others:		
Bill Discounting charges	3,52,021.00	19,63,590.00
Bank Charges	10,37,613.87	17,92,818.13
Interest Expenses	2,21,775.00	(14,12,392.00)
Others	39,91,004.79	36,78,553.00
Total	67,00,539.66	99,12,154.09

Lyka BDR International Limited
Notes to the Financial Statements for the period ended 31st March, 2021

30 Other Expenses

Particulars	For the period ended 31st March, 2021	For the year ended 31st March, 2020
Power and Fuel	3,06,161.00	4,54,220.00
Rent including Lease Rentals	34,95,452.00	38,53,267.00
Repairs and Maintenance - Others	7,30,482.27	2,43,337.32
Insurance	1,12,125.27	8,20,064.00
Rates and Taxes	15,200.00	8,850.00
Commission Expenses	41,50,187.16	15,11,267.00
Communication Expenses	1,37,123.55	2,77,764.81
Travelling and Conveyance	11,53,263.00	39,73,929.00
Advertisement and Sales Promotion	2,10,143.00	6,99,884.00
Legal and Professional Charges	18,48,177.20	37,22,602.45
Payments to Auditors (Refer Note No.52)	5,50,000.00	6,74,500.00
Miscellaneous Expenses	15,38,505.67	45,40,875.14
ECL Provision Expenses	54,03,032.00	24,23,715.00
Directors Fees	90,000.00	-
Freight & Forwarding Expenses	98,74,107.63	89,68,615.67
Quality Claims	-	73,18,752.00
Total	2,96,13,959.75	3,94,91,643.39

31 Exceptional Items

Particulars	For the period ended 31st March, 2021	For the year ended 31st March, 2020
Claims/expense/FG Not Payable	(29,56,982.72)	(44,57,171.65)
Duty Drawback Refund- Past Years	(51,025.00)	3,78,321.50
Market Focus Income Receivable- Past Years	-	9,48,455.00
Total	(30,08,007.72)	(31,30,395.15)

Lyka BDR International Limited
Notes forming part of Ind AS Financial Statements

32. Going concern:

The company had in the past net loss and had over the years come out with profits. The previous year had sales of Rs 16.01 cr. and negative bottom line of Rs 1.39 cr. The current year too had similar challenges, but the sales increase to Rs 25.82 cr. The Total Comprehensive Income too declined but was positive profit of Rs 3.66 cr.

The net worth of the company is negative, as the balance in Other Equity now is negative at Rs 23.62 cr. which exceed the Share Capital of Rs 22.50 cr.

The management is upbeat with the future plans which shall be better than current year and hence the management expect significant improvement in the bottom line in current year. The accounts of the company are thus based on the principles of Going Concern in the current year.

The appropriateness of the said basis is inter alia dependent on the fact that the management is hopeful of better prospects in future.

33. Non-Confirmation of Balances:

The balances under Trade Receivables, Other Financial Assets, Trade Payables, Other Financial Liabilities, Other Current Liabilities are subject to confirmation and adjustments, if any on reconciliation of accounts. Since the extent to which these balances are subject to confirmation is not ascertainable, the resultant impact of the same on the accounts cannot be ascertained and shall be adjusted in the year in which the confirmation process is completed.

34. Reinstatement of Opening Balances of Assets and Other Equity for the previous financial year:

The company has reinstatement of Opening Balances of Assets and Other Equity for the previous financial year (which is the earliest prior period presented), pertaining to errors in adjusting the expenses of previous financial years against revaluation reserves, due to which the Revaluation Reserve was understated and Profit and Loss balance was overstated to that extent. The same has been rectified by restating the opening balances of Revaluation Reserve and Profit and Loss Balance of previous financial year.

35. Contingent Liability:

- a. The Company has filed appeal Income tax appeal against the income tax assessment order for Assessment year 2014-15 for disallowance of claim of Rs 68 lacs due to reduction in Brand Value. As the matter is sub-judice, no liability is provided as the company.
- b. The company has received notice from Mumbai Port Trust for recovery of destruction and other charges of Rs 21,82,863/- towards goods returned by overseas customer and for which legal suit for recovery of charges is filed by them. The same is contested in court for non-payment and no liability is provided as the matter is sub-judice.

Lyka BDR International Limited
Notes forming part of Ind AS Financial Statements

36. The Actuarial Valuation of the present value of the defined benefit obligation in respect of Gratuity has been carried out as at 31st March 2021. The following table set out the amounts recognized in the financial statements as at 31st March 2021 for the defined benefit plans

AMOUNT TO BE RECOGNIZED IN BALANCE SHEET		
Particulars	As at 31 st March 2021	As at 31 st March 2020
Present Value of Obligations	22,19,645	37,87,774
Fair Value of Plan Assets	51,740	48,471
Net Liability	21,67,905	37,39,303
<u>Amount in Balance sheet</u>		
Liability	22,19,645	37,87,774
Net Liability is bifurcated as follows:		
Current	1,58,459	13,09,663
Non-Current	20,61,186	24,78,111
Net Liability	22,19,645	37,87,774

37. The Actuarial Valuation of the present value of the defined benefit obligation in respect of Leave Salary has been carried out as at 31st March 2021.

The following table set out the amounts recognized in the financial statements as at 31st March 2021 for the defined benefit plans.

AMOUNT TO BE RECOGNIZED IN BALANCE SHEET		
Particulars	As at 31 st March 2021	As at 31 st March 2020
Present Value of Obligations	15,82,974	34,28,623
Net Liability	15,82,974	34,28,623
<u>Amount in Balance sheet</u>		
Liability	15,82,974	34,28,623
Net Liability is bifurcated as follows:		
Current	6,26,011	18,17,162
Non-Current	9,56,963	16,11,461
Net Liability	15,82,974	34,28,623

Lyka BDR International Limited
Notes forming part of Ind AS Financial Statements

38. Related Party Transaction

As per Ind AS 24 – Related Party Disclosure, issued by the Institute of Chartered Accountants of India, the disclosures of transactions with the related parties as defined in the Accounting Standard are given below:

a) List of Related Parties & their relationship: -

Sr No	Name of the Related Party	Relationship
1	Lyka Labs Limited	Holding Company
2	Lyka Exports Limited	Associate Company
	Lyka Animal Healthcare Limited	Associate Company
3	Kunal N Gandhi	Director
	Arun S Rao (Whole-Time Director)	Whole Time Director
	Yogesh B Shah (Chief Financial Officer) –	Key Management Personnel (KMP)
	Seema Sanei (Company Secretary) – resigned the company on 30/10/2020	Key Management Personnel (KMP)
	Bhavik Parekh – appointed as Company Secretary on 17/08/2020	Key Management Personnel (KMP)

b) List of Related Party transaction

Sr. No.	Nature of Transactions	Related Party	Current Year	Previous Year
1	Purchases of Finished Goods	Lyka Labs Limited	15,05,74,106	12,93,72,951
2	Rent Paid	Lyka Labs Limited	33,55,000	33,00,000
3	Purchase of Sample	Lyka Labs Limited	64,632	15,288
4	Electricity Expenses	Lyka Labs Limited	3,16,161	3,90,220
5	Telephone Charges	Lyka Labs Limited	54,725	68,227
6	Analytical Charges	Lyka Labs Limited	5,36,750	5,59,320
7	Misc. Expenses	Lyka Labs Limited	6,000	Nil
8	Salary paid	Lyka Labs Limited	Nil	9,99,498
9	Transport charges-Inward	Lyka Labs Limited	Nil	1,057
10	Commission Paid	Lyka Labs Limited	27,68,999	Nil
11	Loan Received	Lyka Labs Limited	7,40,78,633	3,23,53,749
12	Loan Repaid	Lyka Labs Limited	10,21,32,382	43,00,000
13	Interest Paid	Lyka Labs Limited	36,62,635	2,85,918
14	Remuneration (Payments/ Provision)	Arun Rao	34,78,011	45,60,715

Lyka BDR International Limited
Notes forming part of Ind AS Financial Statements

15	Remuneration (Payments/ Provision)	Rajiv Malviya	Nil	11,67,100
16	Remuneration (Payments/ Provision)	Yogesh Shah	5,60,000	1,00,000
17	Remuneration (Payments/ Provision)	Seema Sanei	1,94,848	4,67,708
18	Remuneration (Payments/ Provision)	Bhavik Parikh	7,33,420	Nil
19	Loan Received	N I Gandhi	Nil	9,35,000
20	Interest Paid	N I Gandhi	1,22,006	90,116
21	Rent - other	Lyka Animal Healthcare Ltd.	4,65,750	Nil

c. Balance for the year ended:

	Account Head	Related Party	As on 31 st March 2021	As on 31 st March 2020
1	Borrowings- Loan Received	N I Gandhi	10,16,108(Cr)	10,16,108(Cr)
		Lyka Labs Limited	NIL	2,80,53,749(Cr)
2	Trade Payables	Lyka Labs Limited	4,40,22,709(Cr)	1,40,49,944 (Cr)
		Lyka Animal Healthcare Limited	24,750(Cr)	NIL
3	Other Financial Liabilities	Interest to Lyka Labs Limited	3,05,534(Cr)	2,57,326(Cr)
		Arun Rao	2,23,496(Cr)	25,92,259(Cr)
		Interest to N I Gandhi	1,12,347(Cr)	
		Seema Sanei	NIL	39,030(Cr)
4	Other Current Liabilities	Lyka Exports Ltd	37,66,457(Cr)	37,66,457(Cr)

39. Segmental Reporting: -

Segment Information for primary segment reporting (By geographical segments)

Based on the guiding principles given in Ind AS 108 on Operating Segments , primary segment of the company is geographical segment, which comprises of Domestic and Export sales. The company operates in only one business segment- pharmaceutical products. There is no secondary segment.

The company has a customer base within and outside India: In the opinion of the Management, Current Assets have values at equal to the amount shown in the Balance Sheet, if realized in ordinary course of business. The provisions for depreciation and all known liabilities are not in excess of the amount reasonably considered to be necessary.

Lyka BDR International Limited
Notes forming part of Ind AS Financial Statements

40. DISCLOSURES ON FINANCIAL INSTRUMENTS

A. Financial Instruments by category: -

The following table presents the carrying amounts of each category of financial assets and liabilities as of 31st March 2021.

Particulars	Measured at FVTOCI	Measured at FVTPL	Cost/ Amortized Cost	Total Carrying Amount
Financial Assets				
Other Financial Assets			4,38,913	4,38,913
Trade Receivables			2,86,60,664	2,86,60,664
Loans			NIL	NIL
Total	-	-	2,90,99,577	2,90,99,577
Financial Liabilities				
Other Financial Liabilities			1,61,59,979	1,61,59,979
Borrowings			27,58,070	27,58,070
Trade Payable			6,44,37,896	6,44,37,896
Total	-	-	8,33,55,945	8,33,55,945

The following table presents the carrying amounts of each category of financial assets and liabilities as at 31st March 2020.

Particulars	Measured at FVTOCI	Measured at FVTPL	Cost/ Amortized Cost	Total Carrying Amount
Financial Assets				
Other Financial Assets			104,352	104,352
Trade Receivables			2,60,96,071	2,60,96,071
Loans			1,38,485	1,38,485
Total	-	-	2,63,38,908	2,63,38,908
Financial Liabilities				
Other Financial Liabilities			2,19,26,384	2,19,26,384
Borrowings			6,30,26,875	6,30,26,875
Trade Payable			3,27,88,826	3,27,88,826
Total	-	-	11,77,42,085	11,77,42,085

B. Fair value hierarchy

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

As the company does not have any assets/liabilities for which fair value measurement is carried out, accordingly disclosure with respect to fair value hierarchy is not given.

Lyka BDR International Limited
Notes forming part of Ind AS Financial Statements

C. Valuation technique to determine fair value

The following methods and assumptions were used to estimate the fair values of financial instruments

- I. The management assesses that fair value of cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.
- II. The fair values of the equity investment which are quoted, are derived from quoted market prices in active markets. The Investments measured at fair value and falling under fair value hierarchy Level 3 are valued on the basis of valuation reports provided by external valuers with the exception of certain investments, where cost has been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair values within that range. The carrying value of those investments is individually immaterial.

D. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprises of risks relating to interest rate risk and other price risks such as equity price risk and commodity price risk. Financial instruments affected by market risks mainly include borrowings, deposits and investments.

Foreign currency risk management

Foreign exchange risk arises on future commercial transactions and on all recognised monetary assets and liabilities, which are denominated in a currency other than the functional currency of the Company. The Company's management has set policy wherein exposure is identified, benchmark is set and monitored closely, and accordingly suitable hedges are undertaken. Policy also includes mandatory initial hedging requirements for exposure above a threshold.

The Company's foreign currency exposure arises mainly from foreign exchange imports, exports and other income/expenses in foreign currency, primarily with respect to USD.

As at the end of the reporting period, the carrying amounts of the company's foreign currency denominated monetary assets and liabilities in respect of the primary foreign currency i.e. USD and derivative to hedge the exposure, are as follows:

Particulars of unhedged foreign currency exposure and Derivatives (Outstanding) as at Balance Sheet date:

Particulars	Currency	As on 31st March 2021	As on 31st March 2020
Trade Receivable	USD	3,94,058	5,04,968
Advance from Customer	USD	(63,889)	(3,24,621)
Trade Payable	USD	(1,13,385)	(1,28,263)
Net		2,16,784	56,084
Forward Contracts to Sell (Hedge of Receivables)	USD	-	-
Net Exposure		2,16,784	56,084

The Company's exposure to foreign currency changes from all other currencies is not material.

Lyka BDR International Limited
Notes forming part of Ind AS Financial Statements

Foreign currency sensitivity analysis

The following table demonstrate the sensitivity to a reasonable possible change in USD exchange rate, with all other variables held constant

(in Rupees)			
Impact on profit before tax	Currency	For the year ended 31st March, 2021	For the year ended 31st March, 2020
INR/USD - Increase by 5%	USD	21,941	1,59,425
INR/USD - Decrease by 5%	USD	(21,941)	(1,59,425)

Interest rate risk management

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations and investments in debt instruments including debt mutual fund.

Interest rate sensitivity

The below table demonstrate the sensitivity of the company's profit before tax to a reasonable possible change in interest rate with all other variables being constant.

(in Rupees)				
Particulars		Change in interest rate	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Interest expense	Increase	100 basis point	-	-
	Decrease	100 basis point	-	-

E. Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and other financial instruments.

Trade Receivable

Customer credit risk is managed by SCM team subject to the company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored and followed up.

Financial instruments and cash deposits

Credit risk from balances with banks is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Lyka BDR International Limited
Notes forming part of Ind AS Financial Statements

Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and liquidity requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate source of financing through the use of bank deposits and cash credit facilities. Processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows. The Company assessed the concentration of risk with respect to its debt and concluded it to be low.

The table below summarises the maturity profile of the company's financial liabilities based on contractual undiscounted payments

Particulars	Year	< 1 year	More than 1 year	Total
Financial Liabilities				
Trade Payables	31st March 2021	5,88,84,496	55,53,400	6,44,37,896
	31st March 2020	2,32,68,706	91,01,120	3,27,88,826
Borrowings	31st March 2021	-	27,58,070	27,58,070
	31st March 2020	5,91,50,237	38,76,638	6,30,26,875
Other Financial Liabilities	31st March 2021	44,82,410	1,16,77,570	1,61,59,979
	31st March 2020	95,53,741	1,23,72,644	2,19,26,384

F. Excessive risk concentration

Concentrations arise when a number of counter parties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry. Company believes that there is no such excessive risk concentration.

41. Capital Management

The Company's objective when managing capital is to ensure the going concern operation and to maintain an efficient capital structure to reduce the cost of capital, support the corporate strategy and meet shareholders expectations. The policy of the company is to borrow through banks supported by committed borrowing facility to meet anticipated funding requirements.

The capital structure is governed by policies approved by the Board of Directors.

Lyka BDR International Limited
Notes forming part of Ind AS Financial Statements

The following table summarises the capital of the Company.

Particulars	As at March 31, 2021	As at March 31, 2020
Short Term Debt (Including Current Maturities of long-term loan)	27,58,070	6,30,26,875
Long Term Debt	-	-
Trade Payables	6,44,37,896	3,27,88,826
Less: Cash and Cash Equivalents	2,66,251	1,87,26,861
Net Debt	6,69,29,715	7,70,88,840
Equity	(1,12,16,623)	(4,78,02,549)
Capital and net Debt	5,57,13,092	2,92,86,291
Net Debt to Capital Ratio (Debt/ Equity plus debt)	1.20	2.63

42. Capitalization for expenses related to Registration Right:

During the year, there have been no capitalization of expenses and the balance of Rs 1,35,56,569/- shall be capitalized during the year when the certificate for the same is received.

43. Previous year's figures are reclassified/ regrouped, wherever necessary.

For D Kothary & Co.
Chartered Accountants
FRN No:- 105335W



CA Mehul N. Patel
(Partner)
Membership No. 132650

For and on behalf of Board of Directors



Kunal Gandhi, Director
DIN: 01516156



Arun Rao, Executive Director
DIN: 02346252



Yogesh Shah, Chief Financial Officer



Bhavik Parikh, Company Secretary
Date: 21st May 2021

Date: 21st May 2021