



INDEPENDENT AUDITOR'S REPORT

To the Members of
Lyka BDR International Limited

Report on the 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, 2022, 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 standalone 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, 2022, and its loss, 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 ₹. 3,21,39,205/- as at 31st March, 2022. 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 Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the standalone Ind AS 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 standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent





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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 Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone 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 the Companies (Indian Accounting Standard) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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.





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- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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 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.
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 and proper returns adequate for the purposes of our audit have been received from the branch not visited by us.
 - (c) The reports on the accounts of the branch offices of the Company audited under Section 143(8) of the Act by branch auditor have been sent to us and have been properly dealt with by us in preparing this report.
 - (d) 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 and with the returns received from the branch not visited by us.
 - (e) In our opinion, the aforesaid standalone 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.
 - (f) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (g) 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





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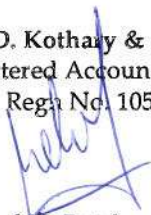
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- (h) In our opinion, the managerial remuneration for the year ended 31st March, 2022 has been paid/ provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act.
- (i) With respect to the 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 31 to the standalone financial statements.
 - ii. The Company has made provisions, as required under the applicable Law or accounting standards, for material foreseeable losses, if any on long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring of amounts required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31st March, 2022.
 - iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in Note 39(v) to the standalone financial statements, 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 or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented that, to the best of its knowledge and belief, as disclosed in Note 39(vi) to the Standalone financial statements, no funds have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on such audit procedures 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 (a) and (b) contain any material misstatement.
 - v. The dividend has not been declared or paid during the year by the Company.

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


Mehul N. Patel
(Partner)
Membership No. 132650
UDIN: 22132650AJIKLV1993



Place: Mumbai
Date: 17th May, 2022



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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) (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) The company has maintained proper records showing full particulars of intangible assets;
 - 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 Company does not have any immovable property as at the balance sheet date;
 - d) According to the information and explanations given to us the Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets during the year;
 - e) There are no proceedings initiated and 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. 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 coverage and procedure of such verification is appropriate and no material discrepancies were noticed.
 - b) In our opinion and according to the information and explanations given to us, the Company has not been sanctioned working capital limits, in excess of five crore rupees, during any point of time of the year, in aggregate, from banks or financial institutions on the basis of security of current assets.
- iii. In respect of loans and advances, guarantee or security provided:
 - a) During the year the Company has not provided loans, advances in the nature of loans, or provided security to companies, firms, Limited Liability Partnerships or any other parties.
 - b) During the year the Company has not provided security, granted loan and advances in the nature of loan to companies, firms, Limited Liability Partnerships or any other parties. Further, during the year the investments made and guarantees provided to companies are not prejudicial to the Company's interest.
 - c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c), (d), (e) and (f) of the Order are 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 granted, investments made and guarantees and securities provided.





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- v. According to the information and explanations given to us, the Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the company and hence clause (vi) of paragraph 3 of the Order is not applicable to the Company.

vii. In respect of statutory dues:

- a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues applicable to the Company have been regularly deposited by it with the appropriate authorities in all cases during the year.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues in arrears as at 31st March, 2022 for a period of more than six months from the date they became payable.

- b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on 31st March, 2022 on account of disputes are given below:

Sr. No.	Nature of Dues	Amount	Period to which the amount relates	Name of the forum
1)	Mumbai Port Trust	₹. 21,82,863	A.Y. 2018-19	Civil Suit

viii. There are no transactions which are not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix.

- (a) Based on our audit procedures and as per the information and explanations given by management, the Company has not defaulted in repayment of dues to any lender.
- (b) The Company has not declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the Order is not applicable.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long term purposes by the Company.
- (e) The company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) The company has not raised loans during the year on the pledge of securities held in its subsidiaries.

x.

- (a) 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(x) of the Order is not applicable.





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- (b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.
- xi.
- (a) To the best of our knowledge, 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.
- (b) To the best of our knowledge, no report under Sub-section (12) of Section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year and up to the date of this report.
- xii. The Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- xiv. The provisions of section 138 are not applicable to the Company. Accordingly, paragraph 3(xiv) of the Order is not applicable.
- xv. In our opinion during the year the Company has not entered into non-cash transactions with any of its directors or directors of its holding company, subsidiary company or persons connected with such directors and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.
- xvii. The company has not incurred cash losses in the financial year covered by our audit and in the immediately preceding financial year.
- xviii. There has not been any resignation of the statutory auditors during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.





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- xx. The provisions of section 135 are not applicable to the Company. Accordingly, paragraph 3(xx) of the Order is not applicable.

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

Mehul N. Patel
(Partner)
Membership No. 132650
UDIN: 22132650AJIKLV1993



Place: Mumbai
Date: 17th May, 2022



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 31st March, 2022 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 31st March, 2022, 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 Regn No. 105335W

Mehul N. Patel
(Partner)
Membership No. 132650
UDIN: 22132650AJIKLV1993



Place: Mumbai
Date: 17th May 2022

Lyka BDR International Limited
Balance Sheet as at 31st March, 2022

Particulars	Notes	As at 31st March, 2022	As at 31st March, 2021
ASSETS			
Non-Current Assets			
(a) Property, Plant and Equipment	3	-	121,796
(b) Intangible assets	4	493,623	447,169
(c) Intangible assets under development	4	-	13,556,569
Financial Assets			
(i) Other Financial Assets	5	1,677,000	1,727,000
(e) Non Current Tax Assets	6	2,978,443	2,978,443
(f) Deferred tax assets(net)	7	2,040,350	1,587,574
		7,189,416	20,418,551
Current Assets			
(a) Inventories	8	137,004	75,549
Financial Assets			
(i) Trade Receivables	9	18,894,534	28,660,664
(ii) Cash and Cash Equivalents	10	528,807	266,251
(iii) Other Financial Assets	11	141,035	438,913
(c) Other Current Assets	12	17,190,861	39,406,843
		36,892,241	68,848,220
Total Assets		44,081,657	89,266,771
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	13	225,000,000	225,000,000
(b) Other Equity	14	(257,139,205)	(236,216,623)
		(32,139,205)	(11,216,623)
LIABILITIES			
Non-Current Liabilities			
(a) Provisions	15	3,341,829	3,018,149
		3,341,829	3,018,149
Current Liabilities			
Financial Liabilities			
(i) Borrowings	16	1,686,143	2,758,070
(ii) Trade Payable			
- Micro and Small Enterprise	17	18,147,145	2,893,036
- Other than Micro and Small Enterprise	17	21,984,577	61,544,859
(iii) Other Financial Liabilities	18	22,093,160	18,625,039
(b) Other Current Liabilities	19	8,688,276	10,859,769
(c) Provisions	20	279,733	784,470
		72,879,035	97,465,244
Total Equity and Liabilities		44,081,657	89,266,771

See accompanying notes to the financial

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 : 17th May 2022



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

(Kunal N Gandhi)

Director

DIN : 01516156

(Y. B. Shah)

Chief Financial Officer

DIN : 06396150

(Arun Rao)

Wholetime Director

DIN : 02346252



Lyka BDR International Limited
Statement of Profit and Loss for the Year ended 31st March, 2022

Particulars	Notes	For the Year ended 31st March, 2022	For the year ended 31st March, 2021
INCOME			
Income from Operations	21	199,626,356	258,163,104
Other Operating Income	21	1,183,774	8,657,357
		200,810,130	266,820,461
Other Income	22	2,275,704	1,123,501
Total Income		203,085,834	267,943,963
EXPENSES			
Purchases of Stock-in-Trade		140,856,508	174,179,616
Changes in Inventories of Finished Goods, Work in Progress and Stock in Trade	23	(61,455)	10,188,043
Employee Benefits Expense	24	14,327,943	12,334,858
Finance Costs	25	4,011,104	6,700,540
Depreciation and Amortization Expense	3 & 4	13,631,910	316,897
Other Expenses	26	31,097,519	29,613,960
Total Expenses		203,863,529	233,333,913
Profit / (Loss) before Exceptional items		(777,695)	34,610,050
Exceptional items	27	18,504,515	(3,008,008)
Profit/(Loss) before tax		(19,282,209)	37,618,058
Prior Period Adjustments (Net)			
Tax Expense:			
Deferred Tax		(452,777)	1,198,415
Earlier Year Tax		2,243,483	43,562
Profit / (Loss) for the year		(21,072,915)	36,376,081
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit plans (net of tax)		150,333	209,845
Total Other Comprehensive Income		150,333	209,845
Total Comprehensive Income for the year		(20,922,582)	36,585,926
Earnings per share (of Rs. 10 /- each):			
Basic / Diluted		(0.94)	0.16

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 : 17th May 2022




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



(Kunal N Gandhi)

Director

DIN : 01516156



(Arun Rao)

Wholtime Director

DIN: 02346252



(Y. B. Shah)

Chief Financial Officer

DIN : 06396150



Lyka BDR International Limited
Cash flow statement for the Year ended 31st March, 2022

Particulars	Current Year ended 31st March, 2022		Previous Year ended 31st March, 2021	
A. Cash Flow from Operating Activities				
(Loss)/Profit for the year/period before tax		(19,282,209)		37,618,058
Adjusted for				
Depreciation	13,631,910		316,897	
Interest Income	-		(484,682)	
(Profit) / Loss on sale of fixed assets (net)	-		(200,000)	
Finance Cost	4,011,104		6,700,540	
Provision/ Credit Balance no longer required Written Back	18,504,515		(5,964,990)	
Provision for Doubtful Trade Receivables / Advances / Deposits	2,142,319		5,403,032	
Exchange rate fluctuation	(1,781,508)		(438,819)	
		36,508,339		5,331,977
Operating profit before working capital change		17,226,129		42,950,034
Changes in Working Capital :				
(Increase) / Decrease in Other Non-Current Financial Assets	50,000		(142,144)	
(Increase) / Decrease in Other Non-Current Assets	-		816,879	
(Increase) / Decrease in Inventories	(61,455)		10,188,043	
(Increase) / Decrease in Trade and other receivables	9,405,318.86		(7,528,805)	
(Increase) / Decrease in Other Current Financial Assets	297,878		(196,076)	
(Increase) / Decrease in Other Current Assets	22,215,982		(3,602,712)	
Increase / (Decrease) in Non-Current Provisions	323,680		(704,500)	
Increase / (Decrease) in Trade Payables	(42,810,688)		37,614,060	
Increase / (Decrease) in Other Current Financial Liabilities	3,468,122		(5,766,404)	
Increase / (Decrease) in Other Current Liabilities	(2,171,493)		(23,456,616)	
Increase / (Decrease) in Current Provisions	(354,404)		(2,132,510)	
		(9,637,060)		5,089,216
Cash generated from operations		7,589,069		48,039,250
Net Income Tax Payment	(2,243,483)	(2,243,483)	(215,197)	(215,197)
Net cashflow from operating activities (A)		5,345,586		47,824,053
B. Cashflow for Investing activities				
Proceeds from sale of fixed assets	-		200,000	
Interest Received	-		484,682	
Net cash used in Investing activities (B)		-		684,682
C. Cashflow from Financing activities				
(Repayment) of Current Borrowings Net	(1,071,927)		(60,268,805)	
Interest Paid	(4,011,104)		(6,700,540)	
Net cash used in Financing activities (C)		(5,083,031)		(66,969,344)
Net increase in cash and cash equivalents (A+B+C)		262,555		(18,460,609)
Cash and Cash Equivalents at the beginning of the year				
Cash and Cash Equivalents		207,792		165,999
Earmarked Balances		58,459		18,560,862
		266,251		18,726,861
Cash and Cash Equivalents at the end of the year				
Cash and Cash Equivalents		528,807		207,792
Earmarked Balances		-		58,459
		528,807		266,251

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 : 17th May 2022



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

(Kunal N Gandhi)

Director

DIN : 01516156

(Y. B. Shah)

Chief Financial Officer

DIN : 06396150

(Arun Rao)

Wholtime Director

DIN: 02346252



Lyka BDR International Limited

Standalone Statement of Changes in Equity for the Year ended 31st March, 2022

A. Equity Share Capital (Refer note 13)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	No. of Shares	Amount	No. of Shares	Amount
Balance at the beginning of the reporting year	22,500,000	225,000,000	22,500,000	225,000,000
Changes in equity share capital during the year	-	-	-	-
Balance at the end of reporting year	22,500,000	225,000,000	22,500,000	225,000,000

B. Other Equity (Refer note 14)

Particulars	Reserves and surplus		Items of Other Comprehensive Income	Total
	Retained Earnings	General Reserve	(Remeasurement of the defined benefit plan)	
Balance as at 31st March, 2021	(240,572,117)	4,187,780	167,713	(236,216,624)
Profit / (Loss) for the year	(21,072,915)	-	-	(21,072,915)
Other Comprehensive Income for the year, net of income tax	-	-	150,333	150,333
Balance as at 31st March, 2022	(261,645,033)	4,187,780	318,046	(257,139,207)



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.



Significant Accounting Policies for the year ended 31st March 2022

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.



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 depreciation 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 5 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 depreciation 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.



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 date 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 Year ended 31st March, 2022

3 Property Plant and Equipment

Carrying amounts of :

Particulars	As at 31st March, 2022	As at 31st March, 2021
Plant and Machinery	-	73,613
Computers	-	48,177
Office Equipments	-	6

Particulars	Plant and Machinery	Computers	Office Equipments	Total
Gross Block (Cost or Deemed Cost) :				
Balance at 31st March, 2021	2,221,015	2,658,900	61,747	6,584,149
Disposals	(2,221,015)	(2,598,900)	(61,747)	(6,524,149)
Balance as at 31st March, 2022	-	60,000	-	60,000
Accumulated Depreciation and Impairment :				
Balance at 31st March, 2021	2,147,402	2,610,723	61,741	6,462,353
Depreciation for the year	73,613	48,177	6	121,796
Disposals	(2,221,015)	(2,598,900)	(61,747)	(6,524,149)
Balance as at 31st March, 2022	-	60,000	-	60,000
Carrying amounts of :				
Balance at 31st March, 2021	73,613	48,177	6	121,796
Balance as at 31st March, 2022	-	-	-	-



Notes to the Financial Statements for the Year ended 31st March, 2022

4 Intangible Assets

Carrying amounts of :

Particulars	As at 31st March, 2022	As at 31st March, 2021
Computer Software	-	2,276
Registration Rights	493,623	444,893

Particulars	Computer Software	Registration Rights	Total
Gross Block (Cost or Deemed Cost) :			
Balance at 31st March, 2021	834,594	432,830,353	433,664,947
Additions	-	13,556,569	13,556,569
Disposals	(834,594)	(442,798,418)	(443,633,012)
Balance as at 31st March, 2022	-	3,588,504	3,588,504
Accumulated Amortisation and Impairment :			
Balance at 31st March, 2021	832,318	432,385,460	433,217,778
Amortisation for the year	2,276	13,507,839	13,510,115
Disposals	(834,594)	(442,798,418)	(443,633,012)
Balance as at 31st March, 2022	-	3,094,881	3,094,881
Carrying amounts of :			
Balance at 31st March, 2021	2,276	444,893	447,169
Balance as at 31st March, 2022	-	493,623	493,623

Details of Intangible Assets under Development

Particulars	As at 31st March, 2022	As at 31st March, 2021
Opening balance	13,556,569	13,556,569
Capitalised	13,556,569	-
Closing Balance	-	13,556,569

Capital Workin Progress Intangible ageing schedule as at 31st Mar 2021				
Particulars	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Project 1				13,556,569



5 Other Non-current Financial Assets

Particulars	As at 31st March, 2022	As at 31st March, 2021
(Unsecured, considered good)		
Security Deposit	1,677,000	1,727,000
Total	1,677,000	1,727,000

6 Non-Current Tax Assets

Particulars	As at 31st March, 2022	As at 31st March, 2021
Advance Tax and Tax deducted at source	2,978,443	2,978,443
Total	2,978,443	2,978,443

7 Deferred Tax Assets (net)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Deferred Tax Assets	2,040,350	1,137,595
Less: Deferred Tax Liabilities	-	449,979
Total	2,040,350	1,587,574

Deferred Tax Assets / (Liabilities) in relation to:	FY 2021-22			FY 2020-21		
	Opening Balance	Recognised in Profit or Loss	Closing Balance	Opening Balance	Recognised in Profit or Loss	Closing Balance
On Account of Section 43B Disallowances	957,036	(45,562)	911,474	348,760	608,276	957,036
On Account of IndAS Adjustment	180,559	539,179	719,738	2,496,091	(2,315,532)	180,559
On Account of Property, Plant and Equipment	449,979	(40,841)	409,138	(58,862)	508,841	449,979
Total	1,587,574	452,776	2,040,350	2,785,989	(1,198,415)	1,587,574

8 Inventories

Particulars	As at 31st March, 2022	As at 31st March, 2021
Finished Goods	137,004	75,549
Total	137,004	75,549

9 Trade Receivables

Particulars	As at 31st March, 2022	As at 31st March, 2021
(Unsecured)		
Considered Good	21,754,271	29,378,082
Considered Doubtful	30,089,347	30,089,347
Less: Provision for Expected Credit Loss	(2,859,737)	(717,418)
Less: Provision for Doubtful Debt	(30,089,347)	(30,089,347)
Total	18,894,534	28,660,664

9.1 Trade Receivables Mar 2022

Particulars	Less than 6 months	6 months-1 years	1-2 years	2-3 years	More than 3 years	Total
(Unsecured)						
(i) Undisputed Trade receivables - considered good	19,479,858	464,162	1,810,251	-	-	21,754,271
(ii) Undisputed Trade receivables - considered doubtful	-	-	-	5,242,649	24,846,698	30,089,347
Total	19,479,858	464,162	1,810,251	5,242,649	24,846,698	51,843,618

9.2 Trade Receivables Mar 2021

Particulars	Less than 6 months	6 months-1 years	1-2 years	2-3 years	More than 3 years	Total
(Unsecured)						
(i) Undisputed Trade receivables - considered good	27,664,077	-	-	1,442,049	271,955	29,378,081
(ii) Undisputed Trade receivables - considered doubtful	-	-	5,242,649	-	24,846,698	30,089,347
Total	27,664,077	-	5,242,649	1,442,049	25,118,653	59,467,428



Lyka BDR International Limited
Notes to the Financial Statements for the Year ended 31st March, 2022

10 Cash and Cash Equivalents

Particulars	As at 31st March, 2022	As at 31st March, 2021
(A) Cash and Cash Equivalents		
Balances with Banks	528,175	194,801
Cash on hand	632	12,991
(B) Bank Balances other than Cash and Cash Equivalents		
Deposits with Banks held as margin money including interest accrued	-	58,459
Total	528,807	266,251

11 Other Current Financial Assets

Particulars	As at 31st March, 2022	As at 31st March, 2021
(Unsecured, considered good)		
Advance payment of taxes	141,035	428,320
Others	-	10,593
Total	141,035	438,913

12 Other Current Assets

Particulars	As at 31st March, 2022	As at 31st March, 2021
Trade Advances	1,264,501	5,043,314
Prepaid Expenses	119,861	120,990
Claims Receivable	-	16,699,328
Balance with Government Authorities	9,432,753	11,169,465
Others	6,373,746	6,373,746
Total	17,190,861	39,406,843



Lyka BDR International Limited
Notes to the Financial Statements for the Year ended 31st March, 2022

13 Share Capital

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Number of shares	Amount (In Rs.)	Number of shares	Amount (In Rs.)
Authorised Equity Shares of Rs. 10/- each	25,000,000	250,000,000	25,000,000	250,000,000
	25,000,000	250,000,000	25,000,000	250,000,000
Issued, Subscribed and Fully Paid Equity Shares of Rs. 10/- each	22,500,000	225,000,000	22,500,000	225,000,000
Total	22,500,000	225,000,000	22,500,000	225,000,000

13.1 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.

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

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Equity Shares	Preference Shares	Equity Shares	Preference Shares
Balance as at the beginning of the Year	22,500,000	-	22,500,000	-
Add : Issued during the Year	-	-	-	-
Balance as at the end of the Year	22,500,000	-	22,500,000	-

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

Name of the shareholders	As at 31st March, 2022		As at 31st March, 2021	
	No of Shares held	% of Shares	No of Shares held	% of Shares
Equity Shares of Rs. 10/- each				
Lyka Labs Limited	14,674,995	65.22%	14,674,995	65.22%
BDR Pharmaceuticals International Pvt. Ltd.	7,474,995	33.22%	7,474,995	33.22%

13.4 Shares held by promoters at the end of the year

Sr.no	Promoter name	No. of Shares	% of total shares	% Change during the year
1	Shri Narendra Ishwarlal Gandhi	309005	1.37336	
2	Smt. Nehal N. Gandhi	7970	0.03542	
3	Shri Kunal N. Gandhi	8000	0.03556	
4	Shri Dharmesh Mahendra Shah	9005	0.04002	
5	Smt. Binita Shah	8000	0.03556	
6	Shri Raheel D. Shah	8000	0.03556	
7	M/s Lyka Labs Limited	14674995	65.22220	
8	M/s BDR Pharmaceuticals	7474995	33.22220	
9	Shri Mukesh Desai	10	0.00004	
10	Smt. Minal Desai	10	0.00004	
11	M/s Enai Trading and Investment Pvt Ltd	10	0.00004	
	Total	22500000	100	

14 Other Equity

Particulars	As at 31st March, 2022	As at 31st March, 2021
Retained Earning	(261,645,033)	(240,572,117)
General Reserve	4,187,780	4,187,780
Items of Other Comprehensive Income	318,046	167,713
Total	(257,139,207)	(236,216,624)

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 Year ended 31st March, 2022

15 Non Current Provisions

Particulars	As at 31st March, 2022	As at 31st March, 2021
Employee Benefits:		
Provision for Leave Encashment	1,000,880	956,963
Provision for Gratuity	2,340,949	2,061,186
Total	3,341,829	3,018,149

16 Current Borrowings

Particulars	As at 31st March, 2022	As at 31st March, 2021
Secured Loans:		
From Bank		
Bank OD	1,686,143	1,741,962
Unsecured:		
Loans and Advances from related parties	-	1,016,108
Total	1,686,143	2,758,070

17 Trade Payables

Particulars	As at 31st March, 2022	As at 31st March, 2021
(i) Total outstanding dues of Micro Enterprises and Small Enterprises	18,147,145	2,893,036
(ii) Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	21,984,577	61,544,859
Total	40,131,722	64,437,895

17.1 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, 2022	As at 31st March, 2021
Principal Amount outstanding to suppliers under MSMED Act, 2006 beyond the appointed date	18,147,145	2,893,036
Interest accrued on the dues to suppliers under MSMED Act, 2006 on the above amount	107,985	221,775
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	107,985	221,775

17.2 Trade Payables Mar 2022

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(Unsecured)					
(i) MSME	17,798,783	254,112	-	94,250	18,147,145
(ii) Others	19,690,194	426,418	260,065	1,607,900	21,984,577
Total	37,488,977	680,530	260,065	1,702,150	40,131,722

17.3 Trade Payables Mar 2021

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(Unsecured)					
(i) MSME	2,152,497	334,430	254,998	151,110	2,893,035
(ii) Others	57,121,297	828,120	622,941	2,972,502	61,544,860
Total	59,273,794	1,162,550	877,939	3,123,612	64,437,895

18 Other Current Financial Liabilities

Particulars	As at 31st March, 2022	As at 31st March, 2021
Current Maturities of Long-Term Borrowing:		
Interest Accrued and due	2,966,097	3,281,449
Employee dues	1,208,733	4,751,562
Creditors for:		
Expenses	2,539,178	8,126,969
Trade Acceptances	13,612,585	-
Other Outstanding Liabilities	1,766,567	2,465,059
Total	22,093,160	18,625,039

19 Other Current Liabilities

Particulars	As at 31st March, 2022	As at 31st March, 2021
Other Payables:		
Statutory dues	2,873,965	2,478,839
Advance from Customers	5,814,311	4,614,474
Other Advance / Liability	-	3,766,457
Total	8,688,276	10,859,769

20 Current Provisions

Particulars	As at 31st March, 2022	As at 31st March, 2021
Employee Benefits:		
Provision for Gratuity	127,902	158,459
Provision for Leave Encashment	151,831	626,011
Total	279,733	784,470



21 Revenue From Operations

Particulars	For the Year ended 31st March, 2022	For the year ended 31st March, 2021
Sale of products	199,626,356	258,163,104
Total	199,626,356	258,163,104

21.1 Details of sales of Products

Particulars	For the Year ended 31st March, 2022	For the year ended 31st March, 2021
Formulations	199,626,356	258,669,514
Less: Discount	-	506,410
Total	199,626,356	258,163,104

21.2 Other Operating Revenue

Particulars	For the Year ended 31st March, 2022	For the year ended 31st March, 2021
Export Incentives	1,183,774	8,657,357
Total	1,183,774	8,657,357

22 Other Income

Particulars	For the Year ended 31st March, 2022	For the year ended 31st March, 2021
Interest Income	-	484,682
Other Income:		
Foreign Exchange Fluctuation	1,781,508	438,819
Profit on sale of Vehicle	-	200,000
Miscellaneous Income	494,196	-
Total	2,275,704	1,123,501

22.1 Interest Income

Particulars	For the Year ended 31st March, 2022	For the year ended 31st March, 2021
Interest from banks on deposits	-	370,148
Other interest	-	114,534
Total	-	484,682

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

Particulars	For the Year ended 31st March, 2022	For the year ended 31st March, 2021
As at the beginning of the year:		
Finished Goods/Trading Goods	75,549	10,263,592
Total Opening Stock (a)	75,549	10,263,592
As at the end of the year:		
Finished Goods/Trading Goods	137,004	75,549
Total Closing Stock (b)	137,004	75,549
Net decrease in Finished Goods, work-in-progress and stock in trade(a)-(b)	(61,455)	10,188,043



24 Employee Benefit Expenses

Particulars	For the Year ended 31st March, 2022	For the year ended 31st March, 2021
Salaries and Wages	13,641,644	11,856,101
Contribution to Provident and Other Funds:		
Provident / ESI Fund	513,831	529,122
Provision for Gratuity	399,539	559,184
Provision for Leave Encashment	(318,259)	(677,928)
Staff Welfare Expenses	91,188	68,379
Total	14,327,943	12,334,858

25 Finance Costs

Particulars	For the Year ended 31st March, 2022	For the year ended 31st March, 2021
Interest Expenses on:		
Borrowings From Banks:		
Working Capital	-	1,098,125
Borrowing Others:		
Bill Discounting charges	-	352,021
Bank Charges	626,844	1,037,614
Interest Expenses	(111,150)	221,775
Others	3,495,410	3,991,005
Total	4,011,104	6,700,540

26 Other Expenses

Particulars	For the Year ended 31st March, 2022	For the year ended 31st March, 2021
Power and Fuel	344,306	306,161
Rent including Lease Rentals	3,874,808	3,495,452
Repairs and Maintenance - Others	279,202	730,482
Insurance	180,671	112,125
Rates and Taxes	563	15,200
Commission Expenses	7,189,760	4,150,187
Communication Expenses	92,939	137,124
Travelling and Conveyance	2,762,204	1,153,263
Advertisement and Sales Promotion	549,278	210,143
Legal and Professional Charges	1,388,027	1,848,177
Payments to Auditors	550,000	550,000
Miscellaneous Expenses	1,415,768	1,538,506
Expected Credit Loss(ECL) Expenses (IND AS)	2,142,319	5,403,032
Directors Fees	135,000	90,000
Freight & Forwarding Expenses	10,192,674	9,874,108
Total	31,097,519	29,613,960

27 Exceptional Items

Particulars	For the Year ended 31st March, 2022	For the year ended 31st March, 2021
Other Balance / Claims Written Off	18,504,515	(2,956,983)
Duty Drawback Refund- Past Years	-	(51,025)
Total	18,504,515	(3,008,008)



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28. Going Concern:

The net worth of the company is negative, as the balance in Other Equity now is negative at Rs 25,71,39,205/- which exceed the Share Capital of Rs 22,50,00,000/-

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.

29. 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.

30. 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.

31. 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 68,00,000/- due to reduction in Brand Value. As the matter is sub-judice, no liability is provided.
- 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.



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32. The Actuarial Valuation of the present value of the defined benefit obligation in respect of Gratuity has been carried out as at 31st March 2022. The following table set out the amounts recognized in the financial statements as at 31st March 2022 for the defined benefit plans

AMOUNT TO BE RECOGNIZED IN BALANCE SHEET		
Particulars	As at 31 st March 2022	As at 31 st March 2021
Present Value of Obligations	24,68,851	22,19,645
Fair Value of Plan Assets	51,740	51,740
Net Liability	24,17,111	21,67,905
<u>Amount in Balance sheet</u>		
Liability	24,68,851	22,19,645
Net Liability is bifurcated as follows:		
Current	1,27,902	1,58,459
Non-Current	23,40,949	20,61,186
Net Liability	24,68,851	22,19,645

33. 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 2022.

The following table set out the amounts recognized in the financial statements as at 31st March 2022 for the defined benefit plans.

AMOUNT TO BE RECOGNIZED IN BALANCE SHEET		
Particulars	As at 31 st March 2022	As at 31 st March 2021
Present Value of Obligations	11,52,711	15,82,974
Net Liability	11,52,711	15,82,974
<u>Amount in Balance sheet</u>		
Liability	11,52,711	15,82,974
Net Liability is bifurcated as follows:		
Current	1,51,831	6,26,011
Non-Current	10,00,880	9,56,963
Net Liability	11,52,711	15,82,974



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

34. 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	Fellow Subsidiary
3	Lyka Generics Ltd (Lyka Animal Healthcare Limited)	KMP have Significant Control
4	Kunal N Gandhi (Director) Arun S. Rao (Whole Time Director) Yogesh B. Shah (Chief Financial Officer) Bhavik Parekh (Company Secretary) (Resigned the Company on 28/02/2022)	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	8,36,71,944	15,05,74,106
2	Rent Paid	Lyka Labs Limited	36,30,000	33,55,000
3	Purchase of Sample	Lyka Labs Limited	NIL	64,632
4	Electricity Expenses	Lyka Labs Limited	3,44,306	3,16,161
5	Telephone Charges	Lyka Labs Limited	40,512	54,725
6	Analytical Charges	Lyka Labs Limited	3,75,900	5,36,750
7	Misc. Expenses	Lyka Labs Limited	NIL	6,000
8	Commission Paid	Lyka Labs Limited	58,90,437	27,68,999
9	Loan Received	Lyka Labs Limited	1,47,75,000	7,40,78,633
10	Loan Repaid	Lyka Labs Limited	1,47,75,000	10,21,32,382
11	Interest Paid	Lyka Labs Limited	28,33,579	36,62,635
12	Remuneration (Payments/ Provision)	Arun Rao	37,38,600	34,78,011
13	Car Expenses	Arun Rao	5,76,000	NIL
14	Remuneration (Payments/ Provision)	Yogesh Shah	6,75,060	5,60,000
15	Remuneration (Payments/ Provision)	Seema Sanei	NIL	1,94,848
16	Remuneration (Payments/ Provision)	Bhavik Parikh	12,50,840	7,33,420
17	Loan Received	N I Gandhi	NIL	NIL
18	Interest Paid	N I Gandhi	1,33,117	1,22,006



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

19	Rent – other	Lyka Animal Healthcare Ltd.	14,17,500	4,65,750
20	Rent – other	Lyka Generics Ltd (Lyka Animal Healthcare Ltd)	4,57,500	NIL
21	Loan Received	Lyka Export Ltd	79,00,000	NIL
22	Loan Paid	Lyka Export Ltd	79,00,000	NIL
23	Interest Paid	Lyka Export Ltd	2,35,700	NIL
24	Loan Received	Enai Trading and Investment Pvt Ltd	2,00,00,000	NIL
25	Loan Paid	Enai Trading and Investment Pvt Ltd	2,00,00,000	NIL
26	Interest Paid	Enai Trading and Investment Pvt Ltd	1,89,042	NIL

c. Balance for the year ended:

	Account Head	Related Party	As on 31 st March 2022	As on 31 st March 2021
1	Borrowings- Loan Received	N I Gandhi	NIL	10,16,108(Cr)
2	Trade Payables	Lyka Labs Limited	1,36,61,347(Cr)	4,40,22,709(Cr)
		Lyka Generics Ltd (Lyka Animal Healthcare Ltd)	1,54,500(Cr)	NIL
		Lyka Animal Healthcare Limited	NIL	24,750(Cr)
3	Other Financial Liabilities	Interest to Lyka Labs Limited	1,02,529(Cr)	3,05,534(Cr)
		Yogesh Shah	52,506(Cr)	NIL
		Arun Rao	1,63,689(Cr)	2,23,496(Cr)
		Interest to N I Gandhi	NIL	1,12,347(Cr)
4	Other Current Liabilities	Lyka Exports Ltd	NIL	37,66,457(Cr)

35. 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
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36. 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 2022.

Particulars	Measured at FVTOCI	Measured at FVTPL	Cost/ Amortized Cost	Total Carrying Amount
Financial Assets				
Other Financial Assets			1,41,035	1,41,035
Trade Receivables			1,88,94,534	1,88,94,534
Loans			NIL	NIL
Total	-	-	1,90,35,569	1,90,35,569
Financial Liabilities				
Other Financial Liabilities			2,20,93,160	2,20,93,160
Borrowings			16,86,143	16,86,143
Trade Payable			4,01,31,722	4,01,31,722
Total	-	-	6,39,11,025	6,39,11,025

The following table presents the carrying amounts of each category of financial assets and liabilities as at 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			1,86,25,039	1,86,25,039
Borrowings			27,58,070	27,58,070
Trade Payable			6,44,37,895	6,44,37,895
Total	-	-	8,58,21,004	8,58,21,004

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 2022	As on 31st March 2021
Trade Receivable	USD	2,89,286	3,94,058
Advance from Customer	USD	(77,318)	(63,889)
Trade Payable	USD	(30,016)	(1,13,385)
Net		1,81,952	2,16,784
Forward Contracts to Sell (Hedge of Receivables)	USD	-	-
Net Exposure		1,81,952	2,16,784

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 Rs.)			
Impact on profit before tax	Currency	For the year ended 31st March, 2022	For the year ended 31st March, 2021
INR/USD - Increase by 5%	USD	89,075	21,941
INR/USD - Decrease by 5%	USD	(89,075)	(21,941)

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 Rs.)				
Particulars		Change in interest rate	For the year ended 31st March, 2022	For the year ended 31st March, 2021
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 counter party. 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 2022	3,74,91,887	26,39,835	4,01,31,722
	31st March 2021	5,88,84,496	55,53,400	6,44,37,896
Borrowings	31st March 2022		16,86,143	16,86,143
	31st March 2021	-	27,58,070	27,58,070
Other Financial Liabilities	31st March 2022	1,63,48,240	57,44,920	2,20,93,160
	31st March 2021	69,47,469	1,16,77,570	1,86,25,039

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.

G. 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.

37. Capitalization for expenses related to Registration Right:

During the year, the company had capitalized the expenses of Rs.1,35,56,569/- for Registration Expenses.



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38. Ratio Analysis

Sr. No.	Ratio	As at 31 March, 2022	As at 31 March, 2021	% Change	Reason for Variance
1)	Current Ratio (Current Assets / Current Liabilities)	0.51	0.71	-28.64%	Due to reduction in sales volume and net operating margin for the year
2)	Debt Equity Ratio (Borrowings / Shareholders' Equity)	(0.05)	(0.25)	-78.66%	Due to reduction in borrowings
3)	Debt Service Coverage Ratio (Earnings for Debt Service / Debt Service)	2.87	0.60	374.57%	Due to no further borrowings in the current financial year
4)	Return on Equity (%) (NPAT / Avg. Shareholders' Equity)	97.21%	-103.58%	-193.85%	Due to loss because of reduction in sales volume and net operating margin for the year
5)	Inventory Turnover (COGS / Avg. Inventory)	1325	36	3614.66%	Due to factors like short expiry date, low sales volume, the purchase for the year was low.
6)	Trade Receivable Turnover (Net Credit Sales / Avg. Trade Receivables)	8.40	9.43	-10.96%	Payment received from the debtors.
7)	Trade Payable Turnover (COGS / Avg. Trade Payables)	2.69	3.79	-29%	Payment made to the Creditors
8)	Net Capital Turnover (Net Sales / Avg. Working Capital)	-5.59	-9.28	-39.73%	Due to reduction in sales volume
9)	Net Profit Ratio (%) (NPAT / Net Sales)	-10.56%	14.09%	-174.92%	Due to loss because of reduction in sales volume and net operating margin for the year
10)	Return on Capital Employed (%) (EBIT / Capital Employed)	-10.62%	-187.65%	-94.34%	Due to reduction in profit before interest and tax for the year

39. Other Statutory Information


- i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- ii) The Company does not have any transactions with companies struck off.
- iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or



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- b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- vii) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- viii) The Company has not been declared as a Wilful Defaulter by any bank or financial institution or government or any government authority.
- ix) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
40. 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)
DIN: 06396150



Date: 17th May, 2022

Date: 17th May, 2022