INDEPENDENT AUDITOR'S REPORT

To the Members of
Lyka Exports Limited

Opinion

Report on the Financial Statements

We have audited the accompanying financial statements **Lyka Exports Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2019, the Statement of Profit and Loss, Changes in Equity, total Comprehensive Income and the Cash Flow Statement, for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Company's 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, 2019, and its loss, total Comprehensive Income and its cash flows 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.

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, we have determined that there are no key audit matters to communicate in our report.

Other Matter

The comparative financial information of the Company for the year ended 31st March 2018, included in the Standalone Ind AS Financial Statements, are based on the previously issued statutory financial statements audited by statutory auditors MSP & Co.

D. KOTHARY & CO. ★ MUMBAI ★ CHARTERED ACCOUNTANTS

75/76, 'C' Wing, 7th Floor, Mittal Court, Nariman Point, Mumbai - 400 021.
Tel (B) +91 22 6638 1155 / 66 • Fax : +91 22 6638 1167 • E-mail : info@dkothary.com • Website : www.dkothary.com

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, (changes in equity) and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards (Ind AS) specified under section 133 of the Act. 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 Responsibility for the Audit of 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.

Report on Other Legal and Regulatory Requirements

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

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.

D. KOTHARY & CO. ★ MUMBAI ★ CHARTERED ACCOUNTANTS

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss, Changes in Equity, total Comprehensive Income and the Cash Flow Statement dealt with by this report are in agreement with the books of account.

(d) In our opinion, the aforesaid financial statements comply with the Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which has impact on its financial position in its financial statements.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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

D. KOTHARY & CO. MUMBAI CHARTERED ACCOUNTANTS

Mehul N. Patel
Partner
Membership No. 132650
Place: Mumbai
Date: 15th May 2019

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)

1. In respect of its Property, plant & Equipment:

   a) The Company has maintained proper records showing full particulars including quantitative details and situation of property, plant & equipment on the basis of available information.

   b) As explained to us, all the property, plant & equipment have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.

   a) According to the documents provided to us, we report that, the Company does not have any immovable properties of land and buildings, as at the balance sheet date.

2. In our opinion and according to the information and explanations given to us, there are no inventory held by the Company during the year.

3. The Company has not granted any loans secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.

5. The Company has not accepted any deposits from the public.

6. To the best of our knowledge and belief, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of Section 148 of the Act, in respect of the mining activities rendered by the Company.

7. According to the information and explanations given to us in respect of statutory dues:

   a) Undisputed statutory dues in respect of sales tax, service tax, withholding taxes, provident fund, and employees' state insurance, cess as applicable and any other statutory dues have been regularly deposited with the appropriate authorities. There were no undisputed amounts payable in respect of Income-tax, Custom Duty, GST, Cess and other material statutory dues in arrears as at 31st March 2019, for a period of more than six months from the date they became payable.

   b) There are no statutory dues pending to be deposited on account of disputes pending with various forums.

D. KOTHARY & CO. MUMBAI CHARTERED ACCOUNTANTS

8. 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 financial institution.

9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.

10. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

11. The Company has paid/provided for managerial remuneration in the books of accounts in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.

12. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

14. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

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

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

D. KOTHARY & CO. ★ MUMBAI ★ CHARTERED ACCOUNTANTS

Mehul N. Patel
Partner
Membership No. 132650
Place: Mumbai
Date: 15th May 2019

D. KOTHARY & CO.
Chartered Accountants

Annexure - B to the Auditors' Report

To the Members of
Lyka Exports 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 Exports Limited** ("the Company") as of 31 March 2019 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.

D. KOTHARY & CO. MUMBAI CHARTERED ACCOUNTANTS

75/76, 'C' Wing, 7th Floor, Mittal Court, Nariman Point, Mumbai - 400 021
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Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

D. KOTHARY & CO. MUMBAI CHARTERED ACCOUNTANTS

Mehul N. Patel
Partner
Membership No. 132650
Place: Mumbai
Date: 15th May 2019

LYKA EXPORTS LIMITED
CIN : U51100GJ1992PLC023975
Balance sheet as at 31st March, 2019

(Amount In Rs.)

Particulars	Note No.	As at 31st March 2019	As at 31st March 2018
I. ASSETS			
1. Non-current assets			
(a) Property, Plant & Equipment	1	59,08,065	1,48,813
(b) Intangible Assets		2,13,91,092	2,24,85,807
(c) Financial Assets			
(i) Loans	2	6,81,65,620	6,89,26,467
(ii) Other financial assets	3	41,37,337	41,37,337
(iii) Non current Investments	4	1,08,214	22,77,884
(d) Other Non Current Assets	5	1,00,17,747	79,30,163
(e) Deferred Tax Assets (Net)	6	(21,50,463)	(13,186)
Total Non-Current Assets(A)		10,75,77,612	10,58,93,285
2. Current assets			
(a) Financial Assets			
(i) Trade receivables	7	8,28,642	-
(ii) Cash and cash equivalents	8	3,68,979	1,46,989
(iii) Other Financial Assets	9	-	7,20,000
(b) Other Current Assets	10	2,84,45,279	3,07,02,834
Total Current Assets(B)		2,96,42,900	3,15,69,823
Total Assets(A+B)		13,72,20,512	13,74,63,107
II. EQUITY AND LIABILITIES			
1. Shareholders' funds			
(a) Equity Share capital	11	7,39,54,240	7,39,54,240
(b) Other Equity	12	1,66,60,815	2,42,80,149
Total Equity(A)		9,06,15,055	9,82,34,389
2. Non-current liabilities			
(a)Financial Liabilities			
(i) Borrowings	13	11,87,192	-
(ii) Other Financial Liabilities	14	1,33,61,867	82,61,867
Total Non-Current Liabilities(B)		1,45,49,059	82,61,867
2) Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	27,26,161	13,34,553
(ii) Other Financial Liabilities	16	22,27,044	-
(b) Provisions	17	65,71,896	1,22,00,000
(c) Other current Liabilities	18	2,05,31,297	1,74,32,298
Total Current Liabilities (C)		3,20,56,397	3,09,66,851
TOTAL EQUITY AND LIABILITIES (A)+(B)+(C)		13,72,20,512	13,74,63,107
Significant Accounting Policies			
Notes on Financial Statements			

As per our attached report of even date

D. Kothary & Co.
Chartered Accountants
FRN: 105335W

D. KOTHARY & CO. MUMBAI CHARTERED ACCOUNTANTS

Mehul N. Patel
Partner
Membership No: 132650

Mumbai
Date : 15/05/2019

For and on behalf of the Board

Kunal N. Gandhi
Director

N.I.Gandhi
Director

M.H. Shah

Miti Shah
Company Secretary
Mumbai
Date : 15/05/2019

LYKA EXPORTS LIMITED

LYKA EXPORTS LTD

CIN : U51100GJ1992PLC023975

Statement of Profit & Loss for the year ended 31st March, 2019

(Amount in Rs.)

Particulars	Note No	Year ended 31.03.2019	Year ended 31.03.2018
I. Revenue :			
Revenue from operations	19	10,33,28,870	5,06,23,397
Other Income	20	70,85,285	17,73,850
Total Revenue		11,04,14,155	5,23,97,247
II. Expenses :			
Purchase of Stock in Trade	21	10,59,11,001	4,54,46,387
Changes in Inventories of Stock in Trade	22	-	-
Employee benefits expense	23	27,54,281	15,35,403
Finance costs	24	7,38,759	1,76,876
Depreciation and Amortization expenses	25	12,27,898	12,62,148
Other expenses	26	1,01,90,069	34,81,441
Total Expenses		12,08,22,009	5,19,02,255
Profit /(Loss) before tax		(1,04,07,854)	4,94,992
Tax Expense:			
Previous years Adjustments		-48,98,986	-
Current years		-	-
Deferred Tax		21,28,992	-
Profit/(Loss) for the Period		(76,37,860)	4,94,992
Other Comprehensive Income			
(i) Items that will not be reclassified to Profit or Loss			
(a) Remeasurement of the defined benefit plan			
(b) Gains and losses from investments in equity instruments measured at fair value		26,810	(3,33,957)
(ii) Income tax relating to items that will not be reclassified to Profit or Loss		(8,284)	1,03,193
Total Other Comprehensive Income		18,526	(2,30,765)
Total Comprehensive Income for the period		(76,19,334)	2,64,227
Earning per Share (of Rs 10/- each)			
Basic/Diluted	27	(1.03)	0.07
Significant Accounting Policies			
Notes on Financial Statements			

For and on behalf of the Board

D. Kothary & Co.
Chartered Accountants
FRN: 105335W

Mehul N. Patel
Partner
Membership No: 132650

Mumbai
Date : 15/05/2019

Kunal N. Gandhi
Director

N.I.Gandhi
Director

M.H.Shah

Miti Shah
Company Secretary

Mumbai
Date : 15/05/2019

LYKA EXPORTS LIMITED

LYKA EXPORTS LIMITED
CIN : U51100GJ1992PLC023975
Cash Flow Statement for the year ended 31st March,2019

(Amount In Rs.)

Particulars	**Year ended 31.03.2019**	**Year ended 31.03.2018**
A. Cash Flow from Operating activities		
Net profit before taxation	(1,04,07,854)	4,94,992
Adjustment for :		
Finance Cost	7,35,220	1,47,836
Loss /Profit on sale of Assets	6,32,916	(59,265)
Interest Income	(4,68,716)	(6,43,766)
Depreciation/Amortisation	12,27,898	12,62,148
Operating Profit before Working Capital changes	**(82,80,536)**	**12,01,945**
Adjustment for :		
(Increase)/Decrease in trade receivables	(8,28,642)	(4,56,124)
(Increase)/Decrease in Financial Assets	14,80,847	-
(Increase)/Decrease in other current & non current assets	1,69,971	-
Increase/(Decrease) in trade payables	-	8,09,865
Increase/(Decrease) in others current liabilities	82,25,809	-
Increase/(Decrease) in short term provisions	(4,08,071)	-
Cash generated from/(used in) operations	**86,39,914**	**3,53,742**
Direct taxes paid	(3,21,047)	(26,90,000)
Net cash flow from/(used in) operating activities	**38,332**	**(11,34,314)**
B. Cash flow from Investing activities		
Purchase of Fixed assets	(58,92,435)	-
Sales of Fixed Assets	-	5,00,000
Interest received	4,68,716	6,43,766
Change in Investment	15,36,754	-
Net cash flow from/(used in) investment activities	**(38,86,965)**	**11,43,766**
C. Cash Flow from Financing activities		
Proceeds from/(repayment of) borrowings (net)	48,05,844	-
Interest paid	(7,35,220)	(1,47,836)
Net cash flow from/(used in) financing activities	**40,70,624**	**(1,47,836)**
Net increase/(decrease) in cash and cash equivalents	**2,21,990**	**(1,38,384)**
Cash and cash equivalents at the beginning of the year	1,46,989	2,85,372
Cash and cash equivalents at the end of the year	**3,68,979**	**1,46,989**

As per our attached report of even date

D. Kothary & Co.
Chartered Accountants
FRN: 105335W

D. KOTHARY & CO. MUMBAI CHARTERED ACCOUNTANTS

Mehul N. Patel
Partner
Membership No: 132650
Mumbai
Date : 15/05/2019

For and on behalf of the Board

Kunal N. Gandhi
Director

N.I.Gandhi
Director

M.H.Shah
Miti Shah
Company Secretary
Mumbai
Date : 15/05/2019

LYKA EXPORTS LIMITED

LYKA EXPORTS LTD

Statement of Changes in Equity for the period ended 31st March, 2019

A. Equity Share Capital

Particulars	Amount (Rs.)
Balance as at April 1, 2018	7,39,54,240
Changes in equity share capital during the period	-
Balance as at March 31, 2019	7,39,54,240

B. Other Equity

(Amount in Rs.)

Particulars	Reserves and surplus		Items of Other Comprehensive Income	Total
	Profit & Loss A/c	Share Premium	Fair Value of Investments	
Balance as at April 1, 2017	(8,26,10,988)	10,63,66,660	2,60,250	2,40,15,922
Profit/(Loss) for the year	4,94,992	-		4,94,992
Other Comprehensive Income for the year.	-		(2,30,765)	(2,30,765)
Balance as at 31st March, 2018	(8,21,15,996)	10,63,66,660	29,485	2,42,80,149
Profit/(Loss) for the year	(76,37,860)		18,527	(76,19,333)
Other Comprehensive Income for the year.		-		-
Balance as at March 31, 2019	**(8,97,53,856)**	**10,63,66,660**	**48,012**	**1,66,60,816**

D. Kothary & Co.
Chartered Accountants
FRN: 105335W

Mehul N. Patel
Partner
Membership No: 132650

Mumbai
Date : 15th May 2019

Kunal N. Gandhi
Director

N.I.Gandhi
Director

Miti Shah
Company Secretary

Mumbai
Date : 15th May 2019

A.1 CORPORATE INFORMATION

"Lyka Exports Limited "is unlisted entity incorporated and domiciled in India. 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 pharmaceutical products.

B. SIGNIFICANT ACCOUNTINGPOLICIES

B1 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).

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.

D. KOTHARY & CO. MUMBAI CHARTERED ACCOUNTANTS

LYKA EXPORTS LIMITED

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.

2.1 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.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Property, Plant and Equipment:

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

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

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

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b) Intangible Assets:

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

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

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

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

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

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

c) Inventories:

The Company has complied with Ind AS on Valuation of 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

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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

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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:

Sales are net of discount and Sales Tax. Revenue is recognized on dispatch of goods, and significant risk, reward and ownership of products is transferred to customers.

h) 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.

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i) 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

j) 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:

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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.

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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

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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 and financial guarantee contracts.

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.

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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.

k) 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.

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Notes on Financial Statements for the year ended 31st Mar, 2019

Note 1 : Property, Plant & Equipment

(Amount in Rs.)

Fixed Assets	Gross carrying Value				Accumulated Depreciation				Net Carrying Value	
	As at 01/04/2018	Additions during the period	Deduction During the period	As at 31/03/2019	Up to 31/03/2018	Provided for the period	Deduction During the period	As at 31/03/2019	As at 31/03/2019	As at 01/04/2018
(a) Owned Assets										
Buildings	1,60,050	-	-	1,60,050	60,988	2,529	-	63,517	96,533	99,062
Plant and Equipment	1,59,188	-	-	1,59,188	1,16,861	10,077	-	1,26,938	32,250	42,327
Furniture and Fixtures	6,08,551	-	-	6,08,551	6,07,101	1,450	-	6,08,551	-	1,450
Computer & Printers	16,89,938	-	-	16,89,938	16,89,919	19	-	16,89,938	-	19
Office equipment	6,08,427	-	-	6,08,427	6,02,473	5,954	-	6,08,427	-	5,954
(a)	32,26,154	-	-	32,26,154	30,77,342	20,029	-	30,97,371	1,28,783	1,48,812
(b) Leased Assets										
Vehicles	-	58,92,437	-	58,92,437	-	1,13,154	-	1,13,154	57,79,283	-
(b)	-	58,92,437	-	58,92,437	-	1,13,154	-	1,13,154	57,79,283	-
Total (a+b)	32,26,154	58,92,437	-	91,18,591	30,77,342	1,33,183	-	32,10,525	59,08,066	1,48,812

Note 1A : Intengible Assets

Fixed Assets	Gross carrying Value				Accumulated Depreciation				Net Carrying Value	Gross carrying Value
	As at 01/04/2018	Additions during the period	Deduction During the period	As at 31/03/2019	Up to 31/03/2018	Provided for the period	Deduction During the period	As at 31/03/2019	As at 31/03/2019	As at 01/04/2018
Trademarks	2,38,50,000	-	-	2,38,50,000	13,64,193	10,94,715	-	24,58,908	2,13,91,093	2,24,85,807
Total	2,38,50,000	-	-	2,38,50,000	13,64,193	10,94,715	-	24,58,908	2,13,91,093	2,24,85,807

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Notes on Financial Statements for the year ended 31st March, 2019

Note 4 : Non-Current Investments

Particulars	Face Value (In Rs.)	Quantity (In nos.) As at 31.03.2019	Quantity (In nos.) As at 31.03.2018	Amount (In Rs.) As at 31.03.2019	Amount (In Rs.) As at 31.03.2018
Unquoted, Fully Paid Up Equity Shares					
From wholly Owned Subsidiary					
Lyka Animal Healthcare Ltd	10	-	49,994	-	4,99,940
From Bank					
The Kapol Co-Op Bank Ltd					
Janata Sahakari Bank Ltd	100	10	10	1,000	1,000
		10	10	1,000	1,000
		10	50,004	1,000	5,00,940
Quoted, Fully Paid Up Equity Shares					
From Companies					
Relic Technologies Ltd	10	-	1,30,827	-	15,83,007
Paramount Printpackaging Ltd	10	10,000	10,000	8,200	8,200
Themis Medicare Ltd	10	334	334	99,014	1,85,737
		10,334	1,41,161	1,07,214	17,76,944
		10344	191165	1,08,214	22,77,884

Aggregate Value of Quoted Investments	Amount (In Rs.)	Amount (In Rs.)
At Cost	3,09,132	20,05,958
At Market Value	1,07,214	17,76,944
Aggregate Value of Unquoted Investments		
At Cost	1,000	5,00,940

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Notes on Financial Statements for the year ended 31st March, 2019

Particulars	As at 31.03.2019	As at 31.03.2018
Note 2 : Loans		
A. Other loans and advances		
Loans and advances to Others	6,81,65,620	6,89,26,467
	6,81,65,620	6,89,26,467
Note 3 : Other financial assets		
Unsecured, considered good		
Security Deposit	2,00,000	2,00,000
Interest receivable from Related Party	37,66,457	37,66,457
Advances to Related Parties	1,70,880	1,70,880
	41,37,337	41,37,337
Note 5 : Other Non Current Assets		
A. Other loans and advances		
Advance Payment of Taxes (Net)	72,48,751	51,97,467
Advances to suppliers & others	27,68,996	27,32,696
	1,00,17,747	79,30,163
Note 6: Deferred Tax Balances		
Deferred Tax Assets	1,55,777	1,55,777
Add: With respct to Investment	-1,22,778	-
Add: With respct to Fixed Assets	-	-
Total	32,999	1,55,777
Less: Deferred Tax Liabilities	1,68,963	1,68,963
Add: With respct to Investment	-1,14,493	-
Add: With respct to Fixed Assets	21,28,992	-
Total	21,83,462	1,68,963
	(21,50,463)	(13,186)

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Notes on Financial Statements for the year ended 31st March, 2019

Particulars	As at 31.03.2019	As at 31.03.2018
Note 7 : Trade Receivables		
(Unsecured , Considered Good unless otherwise specified)		
Overdue for more than Six months from Due date		
Unsecured, considered good	-	-
Others		
Unsecured, considered good	8,28,642	-
	8,28,642	-
Note 8 : Cash & Cash Equivalents		
Balances with banks	3,68,707	1,46,215
Cash on hand	272	774
	3,68,979	1,46,989
Note 9 : Other Financial Assets		
Unsecured, considered good		
Advances to Employees	-	7,20,000
	-	7,20,000
Note 10 : Other Current Assets		
Prepaid expenses	7,653	-
Advance for Brands (from related party)	2,84,37,626	2,85,87,626
Receivable from government authorities	-	21,15,208
	2,84,45,279	3,07,02,834

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Notes on Financial Statements for the year ended 31st March, 2019

Note 11 : Share Capital

(Amount in Rs.)

Share Capital	As at 31.03.2019		As at 31.03.2018	
	Nos.	Amt (In Rs)	Nos.	Amt (In Rs)
Authorised Share Capital				
Equity Shares of Rs 10/- each	90,00,000	9,00,00,000	90,00,000	9,00,00,000
Issued Share Capital				
Equity Shares of Rs 10 each	73,95,424	7,39,54,240	73,95,424	7,39,54,240
Subscribed & Paid up Share Capital				
Equity Shares of Rs 10 each	73,95,424	7,39,54,240	73,95,424	7,39,54,240
Total	73,95,424	7,39,54,240	73,95,424	7,39,54,240

11.1. Reconciliation of the number of shares outstanding is set out Below:

Particulars	As at 31.03.2019	As at 31.03.2018
Shares outstanding at the beginning of the period	73,95,424	73,95,424
Shares Issued during the period	-	-
Shares bought back during the period	-	-
Shares outstanding at the end of the period	73,95,424	73,95,424

11.2. Rights , Preferences and Restrictions Attached to Equity Shares

The company has one class of equity shares having par value of Rs 10/- per share . Each Shareholder is eligible for one vote per share held. In Liquidation the Equity shareholders are eligible for receiving the remaining assets of the company after Distribution of all Preferential Amounts in proportion to their shareholding.

10.3. SHARE HOLDERS HOLDING MORE THAN 5% SHARES

Name of Shareholder	As at 31.03.2019		As at 31.03.2018	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Lyka Labs Limited	53,83,636	72.80	53,83,636	72.80
Enai Trading & Investment Pvt. Ltd.	3,85,600	5.21	3,85,600	5.21
M.J.Desai	4,36,800	5.91	4,36,800	5.91
P.C.Shah	4,36,800	5.91	4,36,800	5.91

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Notes on Financial Statements for the year ended 31st March, 2019

Particulars	As at 31.03.2019	As at 31.03.2018
Note 12 : Reserves & Surplus		
a. Securities Premium Account		
As per Last Balance Sheet	10,63,66,660	10,63,66,660
(+) Addition during the year	-	-
	10,63,66,660	10,63,66,660
b. Surplus/ (Deficit) in Statement of Profit & Loss		
As per Last Balance Sheet	(8,21,15,996)	(8,26,10,988)
Depreciation for prior to opening period adjusted	-	-
(+) Net Profit/(Net Loss) For the current period	(76,37,860)	4,94,992
	(8,97,53,856)	(8,21,15,996)
c. Other Comprehensive Income		
As per Last Balance Sheet	29,485	2,60,250
Fair Value of Investment	18,526	(2,30,765)
	48,011	29,485
	1,66,60,815	2,42,80,149
Note 13 : Non Current Liabilities		
Financial Liabilities		
(Secured Borrowing)		
Hire Purchase Loan	34,14,236	-
Less : Current maturities of long term debt	22,27,044	-
(Secured By way of Mortgage of vehicles of which EMI's are still outstanding)		
	11,87,192	-
Note 14 : Other Financial Liabilities		
Interest accrued and due on borrowings	31,61,867	31,61,867
Security Deposit	1,02,00,000	51,00,000
	1,33,61,867	82,61,867

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Notes on Financial Statements for the year ended 31st March, 2019

Particulars	As at 31.03.2019	As at 31.03.2018
Note 15 : Borrowings		
Unsecured		
(b) Loan From Director	27,26,161	13,34,553
	27,26,161	13,34,553
Note 16 : Other Financial Liabilities		
Current Maturities of Long Term Debt	22,27,044	-
	22,27,044	-
Note 17 : Provisions		
Provision for Taxation	65,71,896	1,22,00,000
	65,71,896	1,22,00,000
Note 18 : Other Current Liabilities		
(a) Advance from debtors	12,51,418	-
(b) Other payables		
- Salary payable	6,01,987	1,19,757
- Against other Expenses	17,92,189	24,51,324
- Statutory Dues	15,05,065	29,022
- Others Liabilites	4,200	13,49,922
(c) Payable for Capital Assets	1,53,76,438	1,34,82,273
	2,05,31,297	1,74,32,298

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Notes on Financial Statements for the year ended 31st March, 2019

Particulars	2018-19	2017-18
Note 19 : Revenue From Operations		
Sale of products	**10,33,28,870**	5,06,23,397
Less:		
Commission & discounts	-	-
	10,33,28,870	5,06,23,397
Note 20 : Other Income		
Interest Income	**4,68,716**	6,43,766
Commission Received	**63,72,207**	-
Profit on sale of Fixed assets	-	59,265
Other Income	**2,44,362**	10,70,819
	70,85,285	17,73,850
Note 21 : Purchase Of Trading Goods		
Purchase of goods	**10,59,11,001**	4,54,46,387
	10,59,11,001	4,54,46,387
Note 22 : Changes In Inventories of Trading Goods		
Opening Inventory of Trading Goods	-	-
(Accretion)/Decretion in stock	-	-
Note 23 : Employee Benefits Expenses		
Salaries & Bonus	**27,37,806**	14,98,703
Contribution to PF & Other Funds	**16,475**	36,700
	27,54,281	15,35,403

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Notes on Financial Statements for the year ended 31st March, 2019

Particulars	2018-19	2017-18
Note 24 : Finance Cost		
Interest expense	7,35,220	1,47,836
Bank Charges	3,540	29,040
	7,38,759	1,76,876
Note 25 : Depreciation & Amortization Expenses		
Depreciation on Tangible Assets	1,33,183	1,67,795
Amortisation of Intangible Assets	10,94,715	10,94,353
	12,27,898	12,62,148
Note 26 : Other Expenses		
Advertisement & Sales Promotion	16,30,500	-
Audit Fees	2,00,000	1,00,000
Insurance Charges	1,549	11,905
Legal Profesion and Consultancy Charges	21,85,379	15,25,951
Travelling Expenses	5,31,903	1,51,205
Rent, Rates and Taxes	16,35,323	1,62,850
Postage & Telephone Expenses	60,420	49,055
Printing & Stationery Charges	91,744	73,355
Loss on sale of investments	6,32,916	-
Miscellaneous Expenses	32,20,334	14,07,120
	1,01,90,069	34,81,441
Note 27: Earnings per equity share		
Net Profit / (Loss) after taxes	-76,37,860	4,94,992
Profit/(Loss) attributable to Equity Shareholders (Rs.)	-76,37,860	4,94,992
Weighted average number of Equity Shares	73,95,424	73,95,424
Basic/Diluted Earnings per Share (Annualised)	(1.03)	0.07
Face Value per Equity Share	10	10

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Notes to the Financial Statements for the year ended 31st March 2019

28. Contingent Liability:

Estimated amount of contracts remaining to be executed on capital account and not provided for amounts to Rs. -- Nil -- (Previous period Rs.-- Nil --) net of advances.

29. Trade Receivables, Trade Payables and Loans & Advances are subject to confirmation and
consequential adjustments, if any, on reconciliation of the accounts.

30. In the opinion of the Management, Current Assets and Loans & Advances have values at least equal to the amount shown in the Balance Sheet, if realised in the ordinary course of business. The provisions for depreciation and all the known liabilities are not in excess of the amount reasonably considered to be necessary.

31. As per Ind AS 24, the disclosure of transactions with the related parties as defined in the Accounting Standard are given below:

a. List of related parties and their relationship:

Name of Related Party	Relationship
Lyka Animal Healthcare Ltd.	Associate
Lyka Labs Ltd.	Holding Company
Lyka BDR International Ltd.	Associate 1
Lyka Healthcare Ltd.	Associate 2
J.B.Singh	KMP 1
N. I. Gandhi	KMP 2
Kunal N. Gandhi	KMP 3
Nehal N. Gandhi	Relative of KMP 2
Alisha K. Gandhi	Relative of KMP 3
Enai Trading and Investment Private Limited	Entities owned by/over which KMP is able to exercise control
N.I. Gandhi HUF	

b. Related party Transactions:

Amount (in Rs.)

Relationship	Nature of Transactions	FY 18-19	FY 17-18
Holding Company	Rent Expenses reimbursed	3,00,000	50,000
	Reimbursement of Travel	4,22,808	-
	Amount received (Net)	-	-
	Amount Paid (Net)	87,97,000	26,24,674
Associate 2	Amount Paid (Net)	-	6,00,325
	Amount received (Net)	1,50,000	-

Relationship	Nature of Transactions	FY 18-19	FY 17-18
Key Management Personnel - KMP 1	Remuneration to Director	-	2,17,047
	Reimbursement of expenses	-	51,727
	Sale of Investment	2,50,000	-
KPM 3	Loan Taken	23,19,591	15,00,000
	Loan repayment	10,90,758	8,39,376
	Interest given	1,62,775	1,47,836
	Sale of Investment	10,63,624	-
Relative of KMP 2	Professional fees	-	13,62,500

c. **Balance Outstanding of related parties:**

Amount (in Rs.)

Financial Head	Relationship	FY 18-19	FY 17-18
Other Financial	Associate	-	1,70,880
	Associate 2	-	-
Other Financial	Associate 1	37,66,457	37,66,457
Financial Liabilities	KMP 3	27,26,161	13,34,553
Other Current Assets	Associate 2	2,84,37,626	2,85,87,626
Other Current Liabilities	Holding Company	1,53,76,438	1,34,82,273
	Relative of KMP 2	1,387	7,96,111

32. Previous year's figures have been re-classified/re-grouped, wherever necessary.

As per our attached report of even date
For D. Kothary & Co.
Chartered Accountants

FRN: 105335W

(Mehul N. Patel, Partner)
Membership No: 132650
Secretary

Mumbai
Date : 15th May 2019

For and on behalf of the Board

Kunal N. Gandhi Director

N.I.Gandhi Director

Miti Shah Company

Mumbai
Date : 15th May 2019

D. KOTHARY & CO. MUMBAI CHARTERED ACCOUNTANTS

LYKA EXPORTS LIMITED