PARIJAT ENTERPRISES

Kopran

KOPRAN LIMITED

ANNUAL REPORT

2019-2020

FINANCIAL HIGHLIGHTS

(₹ In Lakhs)

	Consolidated				Standalone			
Particulars	**2019-20**	**2018-19**	**2017-18**	**2016-17**	**2019-20**	**2018-19**	**2017-18**	**2016-17**
Equity share capital	4,324.89	4,324.89	4,324.89	4,324.89	4,324.89	4,324.89	4,324.89	4,324.89
Other equity	14,643.12	12,522.68	10,145.94	8,142.47	18,642.42	17,519.29	16,249.86	15,769.07
Networth	18,968.01	16,847.57	14,470.83	12,467.36	22,967.31	21,844.18	20,574.75	20,093.96
Fixed Assets(net)	14,139.16	13,691.55	11,436.93	11,076.05	5,001.86	4,863.69	4,599.26	4,378.28
Sales/Other Income	36,013.01	36,095.99	32,430.42	32,947.82	18,128.09	19,974.21	16,156.51	19,077.86
Gross Profit/(loss)	4,695.65	4,913.68	4,005.36	4,676.86	2,517.81	2,564.25	1,691.74	2,645.64
Finance Costs	891.17	899.06	859.51	1,370.17	596.17	545.53	663.36	978.85
Depreciation	957.69	873.92	851.29	832.54	347.23	310.64	322.18	333.54
Tax expenses	726.34	763.95	239.90	484.83	451.28	438.65	225.41	484.83
Net Profit/(loss)	2,120.45	2,376.75	2,054.66	1,989.32	1,123.13	1,269.43	480.79	848.42
Earning per share(Rs)	4.86	5.55	4.74	4.60	2.59	3.00	1.09	2.97

CONTENTS

BOARD OF DIRECTORS :

Mr. Susheel G. Somani	Chairman (Appointed w.e.f. 20th July 2019)
Mr. Surendra Somani	Executive Vice Chairman
Mr. Adarsh Somani	Non-Executive Director
Mrs. Mamta Biyani	Independent Director
Mr. Narayan Atal	Independent Director
Dr. Siddhan Subramanian	Independent Director
Dr. Sunita Banerji	Independent Director
Mr. Varun Somani	Non-Executive Director

CHIEF FINANCIAL OFFICER:

Mr. Basant K. Soni

COMPANY SECRETARY:

Mr. Sunil Sodhani

STATUTORY AUDITORS:

M/s. Khandelwal Jain & Co.
Chartered Accountants,

INTERNAL AUDITORS:

M/s. STDJ & Company
Chartered Accountants.

SECRETARIAL AUDITORS:

Ms. Nirali Mehta
Practicing Company Secretary

REGISTRAR & TRANSFER AGENT:

M/s. Bigshare Services Pvt. Ltd.
Mumbai.

BANKERS:

State Bank of India,
The Federal Bank Limited
RBL Bank Limited

REGISTERED OFFICE:

"Parijat House",
1076, Dr.E.Moses Road, Worli, Mumbai – 400 018
Tel.No.: 022-43661111 Email: investors@kopran.com

FORMULATION UNIT:

Villages Savroli,
Taluka Khalapur,
Dist. Raigad, Khopoli
Maharashtra–412 202
Tel.No.:02192-274500

API UNIT:
Kopran Research Laboratories Ltd. (Subsidiary Company)

K-4/4, Additional MIDC,
At/Post : Birwadi, Taluka: Mahad
Dist.: Raigad
Maharashtra– 402 302
Tel.No.:02145-251101

Directors Report

Dear Members,

Your Directors have pleasure in presenting their 61st Annual Report together with the Audited Financial Statement for the year ended on 31st March, 2020.

1. Financial Performance

(₹ in Lacs)

Particulars	Standalone Basis*		Consolidated Basis*	
For the Period Ended	**FY 2019-20**	FY 2018-19	**FY 2019-20**	FY 2018-19
Total Revenue	**18,128**	19,974	**36,013**	36,096
Less Expenses	**16,555**	18,238	**33,129**	32,930
Profit before Exceptional Items & Tax	**1,573**	1,736	**2,884**	3,166
Less Exceptional Items	-	-	**(55)**	-
Profit before Tax	**1,573**	1,736	**2,828**	3,166
Net Tax Expenses	**451**	439	**726**	764
Profit/(Loss) for the Financial Year	**1,122**	1,297	**2,102**	2,402
Other Comprehensive Income/(Loss)	**1**	(28)	**18**	(26)
Total Comprehensive Income/(Loss)	**1,123**	1,269	**2,120**	2,376

*The Company has adopted Indian Accounting Standards (Ind-AS) from 1st April 2017 as prescribed under Section 133 of the Companies Act 2013 ("the Act"), read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India.

2. Performance review

A) Standalone

Standalone Total Revenue was ₹ 18,128 lacs as against the previous year's figures of ₹ 19,974 lacs decreased by 9.24%. Profit before tax was ₹ 1,573 lacs decreased by 9.39% over the previous year's figures of ₹ 1,736 lacs. Total Comprehensive Income was ₹ 1,123 lacs decreased by 11.51% over the previous year's figures of ₹ 1,269 lacs.

B) Consolidated

Consolidated Total Revenue was ₹ 36,013 lacs as against the previous year's figures of ₹ 36,096 lacs decreased by 0.23%. Profit before tax was ₹ 2,828 lacs decreased by 10.68% over the previous year's figures of ₹ 3,166 lacs. Total Comprehensive Income was ₹ 2,120 lacs decreased by 10.77% over the previous year's figures of ₹ 2,376 lacs.

3. Operations of the Company

(₹ In Lacs)

Particulars		FY 2019-20	FY 2018-19	% Change +/(-)
Formulations	Exports	**16,672**	17,723	(5.93)
	Local	**1,257**	1,941	(35.24)
Total		**17,929**	**19,665**	**(8.83)**
Active Pharmaceutical Ingredient (API)*	Exports	**11,455**	11,516	(0.53)
	Local	**7,810**	6,678	16.95
Total		**19,265**	**18,194**	**5.89**

*Operations of the Kopran Research Laboratories Limited, a Subsidiary Company

During the financial year the turnover in Formulations was ₹ 17,929 lacs as compared to ₹ 19,665 lacs in the previous year, which was lower by 8.83%. Disturbance in supply chain and delay in material handling at JNPT port led to disruption of execution of export orders in the month of March resulting in lower sales.

During the financial year Kopran Research Laboratories Limited, Subsidiary Company turnover was ₹ 19,265 lacs higher by 5.89% as compared to previous financial year.

4. Dividend

In view of expansion plans and evolving Covid-19 situation the Board is of the view to conserve the resources and consolidate Company's financial position, has not recommended any dividend on Equity shares or Preference shares for the Financial Year 2019-20.

5. Management Discussion and Analysis

The Report on Management Discussion and Analysis as required under SEBI (LODR) Regulations, 2015 as amended is provided as a separate section in **Annexure A** of this Report.

6. Subsidiaries, Associates and Joint Ventures

Kopran Research Laboratories Ltd., Kopran (H.K.) Ltd., and Kopran Lifesciences Ltd. are the existing wholly owned subsidiaries of the Company. Salient features and financial summary is provided as a separate section in **Annexure B** of this Report.

The Active Pharmaceutical Ingredients Manufacturing facility at Mahad of Kopran Research Laboratories Limited, was inspected by the USFDA in January 2019 without any observation under Para 483. The Company had filed the DMF of Atenolol which has been approved by the USFDA and the Company can commence supplies of the API Atenolol to the US market.

The Panoli Plant acquired by Kopran Research Laboratories Limited, could not be operational as necessary governmental permissions were not received due to Covid-19 pandemic situation.

As required under Rule 8(1) of the Companies (Accounts) Rules, 2014, the Directors Report has been prepared on Standalone Financial Statements and a report on performance and financial position of each of the subsidiaries and associates included in the Consolidated Financial Statements.

In accordance with third proviso of Section 136(1) of the Companies Act, 2013, the Annual Report of the Company, containing therein its Standalone and Consolidated Financial Statements has been placed on the website of the Company www.kopran.com Shareholders interested in obtaining a copy of the Financial Statements of the subsidiary companies may write to the Company Secretary at the Company's registered office.

7. Directors & Key Managerial Personnel

In accordance with the provisions of the Act and the Articles of Association of the Company, Mr. Varun Somani, Non-Executive Director of the Company, retires by rotation at the ensuing AGM, and being eligible, has offered himself for re-appointment.

The Board at its meeting held on 11th August, 2020, based on the recommendations received from the Nomination & Remuneration Committee subject to the approval of members at Annual General Meeting, recommended the re-appointment of Dr. Siddhan Subramanian and Dr. Sunita Banerji as Independent Directors for a second term of five years w.e.f. 18th September, 2020 to 17th September, 2025.

The Board seeks approval of the shareholders at the 61st Annual General Meeting for confirmation of the re-appointment of Mr. Varun Somani, Dr. Siddhan Subramanian and Dr. Sunita Banerji.

The brief profile of Mr. Varun Somani, Dr. Siddhan Subramanian and Dr. Sunita Banerji has been detailed in the Annexure to the Notice of Annual General Meeting.

In terms of section 203 of the Companies Act, 2013 following are the Key Managerial Personnel (KMP) of the Company

Mr. Surendra Somani	– Executive Vice Chairman
Mr. Basant K Soni	– Chief Financial Officer
Mr. Sunil Sodhani	– Company Secretary and Compliance Officer

No KMP has been appointed or has retired or resigned during the financial year

All Independent Directors of the Company have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015. In the opinion of the Board they fulfill the conditions of independence as specified in the Act and the Rules made there under and are independent of the management.

8. Board and Committee Meetings

The details of the composition of the Board and its Committees and the number of meetings held and the attendance of Directors in such meetings are provided in the Corporate Governance Report as a separate section in **Annexure D** which forms a part of the Annual Report. There have been no instances during the year where the recommendations of the Board Committees were not accepted by the Board.

9. Board and Committee Evaluation

Pursuant to the applicable provisions of the Act and the Listing Regulations, the Board has carried out an Annual Evaluation of its own performance, performance of the Directors and the working of its Committees based on the evaluation criteria defined by Nomination and Remuneration Committee (NRC) for performance evaluation process of the Board, its Committees and Directors.

The Board's functioning was evaluated on various aspects, including inter-alia the Structure of the Board, Meetings of the Board, Functions of the Board, Effectiveness of Board Processes, information and functioning.

The Committees of the Board were assessed on the degree of fulfillment of key responsibilities, adequacy of Committee composition and effectiveness of meetings. The Directors were evaluated on aspects such as attendance, contribution at Board/Committee Meetings and guidance/support to the Management outside Board/Committee Meetings.

The performance assessment of Non-Independent Directors, Board as a whole and the Chairman were evaluated in a separate meeting of Independent Directors. The same was also discussed in the meetings of NRC and the Board. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

10. Internal Control Systems and their adequacy

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its Business & risk management including adherence to the Company's Policies, the safeguarding of its Assets, the prevention and detection of frauds and errors, the accuracy and the completeness of the accounting records and timely preparation of reliable financial disclosure and other regulatory and statutory compliances and there were no instance of fraud during the year under review.

11. Directors Appointment and Remuneration

The Nomination and Remuneration Committee (NRC) has been mandated to fulfill the competency requirements of the Board. The NRC reviews and evaluates the resumes of potential candidates for appointment of Directors and recommends their nomination to the Board. On the recommendation of the NRC, the Board has adopted and framed a Remuneration Policy for the Directors, Key Managerial Personnel, Senior Management and other employees pursuant to the provisions of the Act and the Listing Regulations. The remuneration determined for Executive Directors is subject to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors. The Executive Directors are not paid sitting fees; the Non-Executive Directors are entitled to sitting fees for attending the Board/Committee Meetings. It is affirmed that the remuneration paid to Directors, Key Managerial Personnel and all other employees is in accordance with the Remuneration Policy of the Company.

12. Corporate Social Responsibility (CSR)

The company had to spend ₹ 20.41 Lacs towards it's CSR activities for FY 2019-20 of which ₹ 1.00 Lac was spent on the CSR activities as per the CSR Policy. The Company could not identify suitable CSR programs and hence the full amount of CSR could not be spent. The Company would endeavor and spend the unutilized CSR amount in the current financial year. The annual report on CSR activities is provided in **Annexure C** of this Report.

13. Related Party Transactions

All Related Party Transactions that were entered into during the financial year were in ordinary course of business done on arm's length basis and of repetitive nature and transactions proposed to be entered during the Financial year are placed before the Audit Committee duly empowered by the Board with prior omnibus approval at the commencement of Financial year. A statement giving details of all Related Party Transactions are placed before the Audit Committee on quarterly basis for their approval. There are no materially significant related party transactions made by the Company during the financial year which may have potential conflict with the interest of the Company that required shareholder's approval under regulation 23 of the Listing Regulations. Enclosing of Form AOC-2 is not required as suitable disclosure as required by the Indian Accounting Standard has been made in the notes to the Financial Statements. The policy for related party transactions as approved by the Board can be accessed on the Company's web-link: http://www.kopran.com/investors/policy/pdf/Policy%20on%20related%20party%20transaction.pdf

14. Corporate Governance

A detailed report on Corporate Governance as required under the Listing Regulations is provided in **Annexure D** and forms part of Annual Report. Certificate from Ms. Nirali Mehta, Practicing Company Secretary (Membership No.A37734, COP No.20754) regarding compliance stipulated in the Listing Regulations forms part of the Corporate Governance Report. The Company has complied with the Secretarial Standards on Meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India.

15. Loans, Guarantee or Investments

Particulars of loans given, investments made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are provided in the Notes to the Financial Statements forming part of the Annual Report.

16. Rating

CRISIL has re-affirmed the rating for long term is CRISIL BBB /stable and short term rating is CRISIL A3+.

17. Auditors

a) Statutory Auditors

In compliance with the Companies (Audit and Auditors) Rules, 2014 M/s. Khandelwal Jain & Co. Chartered Accountants (Firm Registration No.105049W) were appointed as Statutory Auditors of the Company for a period of five consecutive years from the conclusion of 58th AGM to the conclusion of 63rd AGM. The payments made to Auditors are given in the Corporate Governance Report provided in **Annexure D**.

Further, the report of the Statutory Auditors along with notes to Schedules is a part of the Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

b) Secretarial Auditors

Pursuant to the provisions of Section 204 of the Act, the Board of Directors has re-appointed Ms. Nirali Mehta, Practicing Company Secretary (Membership No. A37734, COP No. 20754) to conduct the Secretarial Audit of the Company for the FY 2020-21. Ms. Nirali Mehta, Practicing Company Secretary has issued the Secretarial Audit Report for FY 2019-20, given in **Annexure E**. Secretarial Audit Report for the financial year ended 31st March, 2020 do not contain any qualification, reservation or adverse remark.

c) Internal Auditors

The Board of Directors has re-appointed M/s STDJ & Co, Chartered Accountants (Firm Regn.No.136551W) as Internal Auditors of the Company for the FY 2020-21.

18. Directors Responsibility Statement

Based on the framework of Internal Financial Controls and compliance systems established and maintained by the Company, the work performed by the Internal, Statutory and Secretarial Auditors including Audit of Internal Financial Controls over financial reporting by the Statutory Auditors and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's Internal Financial Controls were adequate and effective during the financial year 2019-20.

Pursuant to Section 134(3)(c) and 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

i. In preparation of the annual accounts for the financial year ended 31st March, 2020, the applicable accounting standards have been followed along with proper explanation relating to material departures;
ii. They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year as on 31st March, 2020 and of the profit of the Company for that period;
iii. They have taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
iv. They have prepared the Annual Accounts on a going concern basis;
v. They have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
vi. They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

19. Extracts of Annual Return

The extract of Annual Return required under Section 134(3)(a) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, is placed on the Company's website. The web-link as required under Companies Act, 2013 is:

http://www.kopran.com/investors/communication/pdf/Form%20MGT-9%20Extract%20of%20Annual%20Return%20as%20on%2031st%20March,%202020.pdf

20. Conservation of Energy, Technology Absorption & Foreign Exchange Earnings and Outgo

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

21. Particulars of employees and related disclosures

Disclosures pertaining to remuneration and other details required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2016 is annexed herewith as **Annexure G.** Any Shareholder interested in obtaining the information required under Rule 5(2) and (3) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 may write to the Company Secretary at the Registered Office of the Company.

22. Vigil Mechanism

Pursuant to the provisions of Section 177(9) and (10) of the Companies Act, 2013 and Regulation 22 of SEBI (LODR) Regulations, 2015, the Company has adopted a Vigil Mechanism or 'Whistle Blower Policy' for directors, employees and all stakeholders to report any concerns about unethical behavior, actual or suspected fraud or violation our Company's Code of Conduct. The same is also disclosed on the Company's web-link http://www.kopran.com/investors/policy/pdf/Whistle%20Blower%20Policy.pdf. It is affirmed that no personnel or stakeholder of the Company have been denied access to Audit Committee.

23. Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act,2013

The Company is committed to create and maintain an environment in which employees can work together without fear of sexual harassment, exploitation or intimidation. A Complaint Redressal Committee has been set up by your Company to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered for any complains. During the Financial Year 2019-20, no complains were received.

24. Other Disclosures/Reporting

Your Directors further state that during the year under review:

a) There are no pecuniary relationship or transactions of the Non-Executive Directors vis-à-vis the Company.
b) No amount is transferred to General Reserve
c) The paid up Equity Share Capital as on 31st March, 2020 was ₹ 43.25 crores. During the year under review, the Company has not issued any shares. The Company has not issued shares with differential voting rights. It has neither issued employee stock options nor sweat equity shares and does not have any scheme to fund its employees to purchase the shares of the Company
d) The Company has not accepted any deposits from the public and as such, there are no outstanding deposits in terms of the Companies (Acceptance of Deposits) Rules, 2014
e) There were no significant/material orders passed by the Regulators or Courts or Tribunals impacting going concern status of your Company and its operations in future
f) There was no change in nature of Business. There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which this Financial Statement relate and the date of this Report.
g) Electronic copy of the Notice of 61st Annual General Meeting of the Company are sent to all Members whose email addresses are registered with the Company/Depository Participant(s).

25. Acknowledgements

The Directors wish to place on record their appreciation for the continued support and co-operation by Vendors, Customers, Investors and Employees of the Company.

On behalf of the Board of Directors

Surendra Somani
Executive Vice Chairman
11th August, 2020

Annexure A

(TO THE DIRECTOR'S REPORT)

REPORT ON MANAGEMENT DISCUSSION AND ANALYSIS

a. Industry Structure and Developments

During these unprecedented times, pharmaceutical companies are responding to the rapid challenges arising from disruption in supply chains and the need to change business processes. If the current COVID-19 pandemic lasts for a medium/long span of time, it may impact the supply of active material and ingredients (mainly from China), as well as the import and export of pharmaceuticals.

There is also the potential for negative impacts of both a medium- and longer-term nature on R&D and manufacturing activities, as well as delay on projects/programs not related to the core supply chain/data management operations. While the full impact of the global pandemic is still unknown, pharma companies need to respond, recover and thrive.

The Indian pharmaceutical industry, with its access to economic impact, resources, networks, and expertise, is in a strong position - and has a responsibility - to drive positive economic, social change. If India is to address this opportunity, the industry will need further export incentives and policies to further encourage 'Innovate in India', 'Make in India' and 'Buy in India'

b. Opportunities & Threats

Pharmaceutical Market Challenges and the COVID-19 Impact:

The Government of India has already announced in Apr'20, INR 10000 crore of investments to incentivise production of Active Pharmaceutical Ingredients (API) in India. Discussions are on regarding how this can be made even more attractive. We need to remember, the rest of the world is also offering incentives to attract those looking for relocation and we need to offer a compelling proposition both for Indian and other companies. Additionally, pharma companies have started re-visiting their API strategy and considering options around building capacity including partnerships with Contract Manufacturing Organizations.

In a pessimistic scenario characterized by regulatory controls and economic slowdown, the market will be depressed and is not expected to reach its potential. The following challenges stand out:

- Rising number of US FDA inspections. The number of inspections is at an all-time high. This comes as no surprise considering India has the most USFDA approved sites
- Government Control on Drug pricing: This is directly impacting the confidence levels of companies to invest respectable amounts in R&D.
- India's significant dependence on Chinese Active Pharmaceutical Ingredients (API): According to Bloomberg, 70% of India's imports of APIs come from China, totaling $2.4 billion of India's $3.56 billion in import spending for those products each year
- Manufacturing units/warehouses not working at full utilisation, due to unavailability of staff.
- Non-Availability or disrupted supply of raw materials and packing materials.
- As with all industries, implementing effective and robust cyber security measures is a challenge in the work from home scenario.

Supply disruptions have eased out now, but still, there are difficulties regarding availability and movement of labour.

c. Outlook & Company Strategy

Your company has responded to these challenging times by gearing up production of both APIs and Formulations.

New products like Nitroxiline and Ticagrelor have been commercialised.

Atenolol DMF has been approved by the USFDA and commercial supplies are commencing to various customers.

We have received approval for Pregabalin from the EU-GMP- and will be able to market the API in Europe.

Company has filed USDMF for Azithromycin and Pregabalin.

The company continues to upgrade and automate its plants to increase production and reduce cost. The company is constantly reviewing its costs and rationalize to bring cost efficiencies in its operations. The company is expanding its API and Formulation portfolio and would be starting its sale of Atenelol in US market during 2020-21. It expects to grow and improve its margin with new products, cost efficiencies and higher production. Your company continues to pursue Automation and Expansion for growth for formulations and in its subsidiary Kopran Research Laboratories Ltd manufacturing APIs.

d. Research and Development

The company continues to focus on process improvement, which improves yields, minimize yield variations and reduce cost and wastage. There is increasing process discipline and focus on results.

The company is also developing new products both in API and Formulations and filing Dossiers and DMFs for products in various countries.

e. Risk and Concerns due to Covid – 19 impact on Business Operations

Your Company was able to keep in functioning mode all the manufacturing units during the lockdown, since pharmaceuticals are in category of essential commodities. In the initial stage of Covid the Company's operations were affected due to lower employee attendance, disturbance in supply chain and delay in handling of material at the JNPT port led to disruption in execution of export orders. The raw material prices of both formulation and APIs increased and the supplies from China was erratic. However, the situation now is improving and Company expects normal operations in near future. The impact in various customer countries due to Covid-19 pandemic is still not certain as how it would evolve.

f. Material developments in Human Resources/Industrial Relations front, including number of people employed.

The Company employee strength is 345 as on the end of financial year. The industrial relation with the employees remains to be cordial. The Company has regularly conducted skill development programs for the employees to discharge their responsibilities.

g. Details of significant changes in key financial ratios on Consolidated Financial Statement

Key Ratio	**2019-20**	2018-19	Variance
Debtors Turnover Ratio	**1.002**	0.846	18.39%
Inventory Turnover Ratio	**0.642**	0.671	(4.24%)
Interest Coverage Ratio	**4.236**	4.522	(6.32%)
Current Ratio	**1.589**	1.541	3.15%
Debt Equity Ratio	**0.958**	1.091	12.18%
Operating Profit Margin (%)	**10.50**	11.36	(7.56%)
Net Profit Margin (%)	**7.85**	8.77	(10.47%)
Return on Net Worth	**11.08**	14.26	(22.27%)

Key financial highlights on the Consolidated basis.

(₹ In Lacs)

Particulars	**FY 2019-20**	FY 2018-19	Increase /(Decrease)
Income from Operations	**35,949.94**	35,790.10	0.45
EBITDA	**4,677.22**	4,939.23	(5.30)
PBT	**2,828.36**	3,166.25	(10.67)
PAT	**2,102.02**	2,402.30	(12.50)
Material costs	**23,283.09**	21,723.70	7.18
Employee benefit expenses	**3,685.21**	3,710.61	(0.68)
Other expenses	**6,593.25**	6,649.16	(0.84)
Shareholders' funds	**18,968.01**	16,847.57	12.59
Non-current liabilities	**4,171.43**	4,912.44	(15.08)
Current liabilities	**14,005.34**	13,471.30	3.96
Non-Current assets	**14,884.56**	14,474.61	2.83
Current assets	**22,260.22**	20,756.70	7.24

Key financial highlights on the Standalone basis.

(₹ In Lacs)

Particulars	**FY 2019-20**	FY 2018-19	Increase /(Decrease)
Income from Operations	**17,929.09**	19,664.59	(8.83)
EBITDA	**2,516.68**	2,591.91	(2.90)
PBT	**1,573.28**	1,735.73	(9.36)
PAT	**1,122.00**	1,297.09	(13.50)
Material costs	**11,850.22**	11,689.30	1.38
Employee benefit expenses	**2,002.15**	2,038.32	(1.77)
Other expenses	**3,492.39**	3,607.67	(3.20)
Shareholders' funds	**22,967.31**	21,844.18	5.14
Non-current liabilities	**1,354.70**	2,531.43	(46.48)
Current liabilities	**8,386.89**	7,480.61	12.12
Non-Current assets	**21,285.56**	21,113.72	0.81
Current assets	**11,423.34**	10,742.49	6.34

Annexure B

(TO THE DIRECTOR'S REPORT)

FORM AOC-1

(Pursuant to section 129(3)(1) read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures

Part "A": Subsidiaries

(₹ In Lacs)

1	Name of Subsidiary & CIN No.	Kopran (H.K.) Ltd.	Kopran Research Laboratories Ltd. U24230MH1986PLC040601	Kopran Lifesciences Ltd. U74120MH2010PLC21112
2	Reporting Period for the Subsidiary Concerned, if different from holding company's reporting period	01-04-2019 to 31-03-2020	01-04-2019 to 31-03-2020	01-04-2019 to 31-03-2020
3	Reporting Currency and Exchange rate as on the last date of the relevant financial year in the case of Foreign subsidiaries	Hong Kong Dollar (HKD) ₹ 9.07 = 1HKD	NA	NA
4	Share Capital	23,18,750	20,00,00,000	500,000
5	Reserves & Surplus	(11,543)	1,16,56,52,852	(1,29,500)
6	Total Assets	26,40,692	2,31,93,60,622	11,20,512
7	Total Liabilities	26,40,692	2,31,93,60,622	11,20,512
8	Investment	-	8,87,325	10,00,000
9	Turnover	11,34,794	1,93,29,18,006	-
10	Profit Before Taxation	(9,860)	9,54,13,149	(10,960)
11	Provision for Taxation	-	2,75,43,700	-
12	Profit after Taxation	(9,860)	6,78,69,449	(10,960)
13	Proposed Dividend	Nil	Nil	Nil
14	% of Shareholding	100%	99.50%	100%

Part " B" : Associates and Joint Ventures : None

Annexure C

ANNUAL REPORT ON CSR ACTIVITIES

[Pursuant to Section 135 of the Companies Act, 2013 & the Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. A brief outline of the Company's CSR Policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs:

   The Company's CSR Policy provides for carrying out CSR activities in the areas of Education, Healthcare and Rural Development directly or through various Non for Profit Organizations or by way of donation to the corpus of the Non Profit Organizations or contribution towards some specific project being undertaken by any of the organizations. The web-link for the CSR Policy of the Company is as under:
   http://kopran.com/investors/policy/pdf/Corporate%20Social%20Responsibility%20Policy.pdf

2. The Composition of CSR Committee during the financial year 2019-20:
   Mrs. Mamta Biyani – Chairman
   Mr. Surendra Somani – Member
   Mr. Varun Somani – Member

3. Average Net Profit of the Company for the last three financial years: ₹ 1001.93 lacs

4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above): ₹ 20.41 lacs

5. Details of CSR Spent during the financial year:
   (a) Total amount to be spent for the financial year: ₹ 20.41 Lacs
   (b) Amount unspent, if any: ₹ 19.41
   (c) Manner in which the amount spent during the financial year is detailed below:

Sr. No.	CSR Projects/Activities identified	Sector in which the project is covered	Projects or programs 1. Local Area or other 2. Specify the state and district where projects undertaken	Amount outlay (budget) project or program wise	Amount spent on projects or programs. Subheads. 1. Direct expenditure on projects or programs 2. Overheads	Cumulative expenditure upto reporting period 2019-20	Amount Spent: Direct or through implementing agency.
1	Contribution for Drinking Water Pipeline to Village	Health & Sanitation	Mahad, Raidgad	Single Program	₹ 1 Lac	₹ 1 Lac	Direct
				TOTAL	₹ 1 Lac	₹ 1 Lac	

6. In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board's Report: Note provided in Directors Report

7. The CSR Committee of the Company hereby confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

Place: Mumbai
Date: 11th August, 2020

Surendra Somani
Executive Vice Chairman

Mamta Biyani
Chairperson of CSR Committee

Annexure D

(TO THE DIRECTOR'S REPORT)

REPORT ON CORPORATE GOVERNANCE

A. Board

1. Company's Philosophy on the Code of Corporate Governance

The Securities and Exchange Board of India ("SEBI") has introduced a Code of Corporate Governance for a listed company, which is implemented through the Listing Regulations. Corporate Governance is a set of systems and practices to ensure that the affairs of a Company are being managed in a manner which ensures accountability, transparency, and fairness in all its transactions in the widest sense and meet the aspirations and expectations of the stakeholders' and the society as a whole. Corporate Governance necessitates professionals to raise their competency and capability levels and upgrade systems and processes to meet the expectations in managing the enterprise and its resources effectively with the highest standards of ethics. The Company is, therefore, committed to maintaining the highest standards of Corporate Governance in its conduct towards Shareholders, employees, regulators, customers, suppliers, lenders and other stakeholders. The Company strongly believes that good Corporate Governance and fairness in actions, words and deeds will form the base of the Company's Corporate Governance philosophy.

2. Board of Directors

The composition of Board is in conformity with Regulation 17 of SEBI (LODR) Regulations, 2015 as amended. As on 31st March, 2020, the Company has a Non-Executive Chairman and half of the total numbers of Directors are comprised of Independent Directors. Of the Eight Directors in the Company, Seven are Non-Executive Directors and One Executive Director. The Non-Executive Directors comprise of four Independent Directors, including Two Women Directors. All the Non-executive Directors draw remuneration only by the way of sitting fees for attending the meeting of the Board and the Committees thereof. None of the Independent directors have any material pecuniary relationship or transaction with the Company, its Promoters, its Directors, its Senior Management or its Subsidiary and Associates which may affect independence of the Director. None of the Directors are related to each other except Mr. Varun Somani is the son of Mr. Surendra Somani, Executive Vice Chairman of the Company.

a. Composition and Details of Directorship of Directors in other Listed Entities and the category of their Directorship as on 31st March, 2020 are as below :

Name of Director	Appointment/Cessation during the FY 2019-20	Name of Listed Entity where Directorship is held	Category of Directorship	
Mr. Susheel G. Somani*	Retired from Directorship w.e.f. 25th April, 2019. Re-appointed as Director liable to retire by rotation w.e.f. 20th July, 2019.	Kopran Limited	Non-Executive Director	Chairman (Promoter)
		Oricon Enterprises Limited	Non-Executive Director	Chairman (Promoter)
Mr. Surendra Somani	Re-appointed as Executive Vice Chairman for three years w.e.f. 1st January, 2020	Kopran Limited	Executive Director	Vice Chairman (Promoter)
Dr. Siddhan Subramanian	-	Kopran Limited	Non-Executive Director	Independent Director
Dr. Sunita Banerji	-	Kopran Limited	Non-Executive Director	Independent Director
Mrs. Mamta Biyani	Appointed as Independent Director for five years at the 60th Annual General Meeting held on 20th July, 2019	Kopran Limited	Non-Executive Director	Independent Director
		Oricon Enterprises Limited	Non-Executive Director	Independent Director
Mr. Narayan Atal	Appointed as Independent Director for five years at the 60th Annual General Meeting held on 20th July, 2019	Kopran Limited	Non-Executive Director	Independent Director
		Elpro International Ltd.	Non-Executive Director	Independent Director
		Ajcon Global Services Ltd.	Non-Executive Director	Independent Director
Mr. Adarsh Somani	Re-appointed as Director liable to retire by rotation w.e.f. 20th July, 2019	Kopran Limited	Non-Executive Director	Director (Promoter)
		Oricon Enterprises Limited	Executive Director	Joint Managing Director (Promoter)
		Sarvamangal Mercantile Company Limited	Non-Executive Director	Director (Promoter)
Mr. Varun Somani	-	Kopran Limited	Non-Executive Director	Director (Promoter)
		Oricon Enterprises Limited	Non-Executive Director	Director (Promoter)

* Under Regulation 17(1A) of the SEBI (LODR) Regulations, 2015 as amended, a person cannot continue directorship in a listed entity as a non-executive director who has attained the age of 75 years unless Special Resolution is passed, Mr. Susheel G. Somani, Non-Executive Director (Chairman), Dr. Arvind K. Mehta, Independent Director and Mr. Vijay K. Bhandari, Independent Director, vacated the office and ceased to continue as directors of the Company w.e.f. 25th April, 2019.

* Mr. Susheel G. Somani has been re-appointed as Director of the Company at the 60th Annual General Meeting held on 20th July, 2019 by the Members vide their powers under section 160 of the Companies Act, 2013.

Note :

None of the Directors of the Company as mentioned above is:

(a) a Director in more than 10 (ten) Public Limited Companies - As per Section 165 of the Companies Act, 2013;
(b) a Director in more than 8 (eight) Listed Companies- As per Regulation 17(A) of the Listing Regulations;
(c) an Independent Director in more than 7 (seven) Listed Companies or 3 (three) Listed Companies (in case he / she serves as a Whole Time Director in any listed Company - As per Regulation 17 of the Listing Regulations;
(d) a not Member of more than 10 (ten) Committees and Chairman of more than 5 (five) Committees across all the Indian Public Limited Companies in which he / she is a Director - As per Regulation 26 of the Listing Regulations.

b. Board Procedure and Meetings :

The Board, inter alia, focuses on Strategic Planning, Financial Control, Risk Management, Compliance and Corporate Governance to maintain high standards of ethical conduct and integrity.

The Board of Directors meets at regular intervals to discuss and decide on business strategies/polices and reviews the financial and operational performance of the Company and its subsidiaries. The Company adheres to the provisions of the Companies Act, 2013 read with the Rules framed thereunder, Secretarial Standards and the Listing Regulations with respect to convening and holding the Meetings of the Board of Directors and its Committees.

The Board meets regularly at quarterly intervals and holds additional meetings as and when appropriate and needed. Six meetings of the Board of Directors were held during FY 2019-20 on 6th May 2019, 8th May 2019, 8th August 2019, 11th September 2019, 24th October 2019 and 31st January 2020. All Operational and Statutorily required information was placed before the Board and significant events were reported to the Board.

c. Skills Sets of the Board:

The Company has devised the policy on Board diversity and based on which appointment of the Board of Directors is made. The Company maintains that Board appointments should be based on merit that complements and expands the skills, experience and expertise of the Board as a whole taking into account knowledge, professional experience and qualifications, gender, age, cultural and educational background, and any other factors that the Board might consider relevant and applicable from time to time for it to function effectively.

The Board has identified the following skills/expertise/competencies fundamental for the effective functioning of the Company which is currently available with the Board:

Name of the Director	Area of skills/expertise/competence						
	Strategy	Finance	Leadership	Technical	HR	Governance	Government / Regulatory
Mr. Susheel Somani	√		√			√	
Mr. Surendra Somani	√	√	√	√		√	√
Dr. Siddhan Subramanian	√		√	√			√
Dr. Sunita Banerji		√		√	√		
Mrs. Mamta Biyani		√			√	√	
Mr. Narayan Atal		√	√			√	
Mr. Adarsh Somani	√	√			√		
Mr. Varun Somani		√	√			√	

3. Familiarization Programme of Independent Directors

Training Programme for Independent Directors was held on 31st January, 2020 and conducted by Ms. Nirali Mehta, Practicing Company Secretary. In training programme, the presentation was on the provisions of Independent Directors as per Companies Act, 2013 and SEBI (LODR) Regulations, 2015 as amended. The Details of Familiarization Program imparted to Independent Directors is available on the Company's website at the weblink:
http://www.kopran.com/investors/profile/pdf/Familiarization%20programe%20of%20Independent%20Directors.pdf

4. Key information pertaining to Directors

The attendance of Directors at Board meetings during the financial year 2019-20 and at the last Annual General Meeting including information on the number of Directorships and Committee positions held by them in other companies are given below. The purpose of determination of limit of the Board Committees, Chairperson and Membership of the Audit Committee and Stakeholders Relationship Committee has been considered as per Regulation 26(1)(b) of the Listing Regulations.

Name of Director	Attendance at		No. of Directorships held in other public Companies	Number of Committee Positions held in other Public Companies	
	Board Meeting held during FY 2019-20	Last AGM held on 20th July, 2019		Member	Chairman
Mr. Susheel G Somani	4	-	8	1	0
Mr. Surendra Somani	6	Yes	1	0	0
Dr. Siddhan Subramanian	6	Yes	0	1	0
Dr. Sunita Banerji	5	No	1	2	1
Mr. Adarsh Somani	5	Yes	7	2	0
Mr. Varun Somani	4	Yes	3	1	1
Mrs. Mamta Biyani	2	Yes	2	3	0
Mr. Narayan Atal	4	No	3	5	4

a. Remuneration to Directors and their Shareholding during the financial year 2019-20

i) Details of remuneration to Executive Directors

Name of Director	No. of Equity Shares	Remuneration (in Rs)
Mr. Surendra Somani	503075	1,48,45,500
Other benefits/Stock Option/Pension/Bonuses/ Performance Linked Incentives		None
As per the terms of appointment there is no Severance Fee and the Notice Period is three months.		

ii) Details of remuneration to Non-Executive Directors

Name of the Director	No. of Equity Shares	Details of sitting Fees (in Rs.)	
		Board	Committee
Mr. Susheel G Somani	871900	48,000	-
Dr. Siddhan Subramanian	None	84,000	20,000
Dr. Sunita Banerji	None	72,000	30,000
Mr. Adarsh Somani	181250	60,000	5,000
Mr. Varun Somani	272500	48,000	10,000
Mrs. Mamta Biyani	None	36,000	10,000
Mr. Narayan Atal	None	60,000	15,000

There were no pecuniary relationships or transactions of the non-executive director's vis-à-vis the Company. Except for drawing remuneration by Managing Director, receipt of Sitting Fees by Directors for attending the Board/Committee Meetings, none of the Directors have any other Material Significant Related Party Transactions, pecuniary or business relationship with the Company.

5. Code of Conduct

The Code of Conduct for its Directors and Senior Management upholds the interest of the Company and its stakeholders and to fulfill all the fiduciary obligations towards them. The Code of Conduct further directs the Directors and Senior Management to act in accordance with the highest standard of honesty, integrity, fairness and good faith and due diligence in performing their duties. The Code of Conduct is signed by Directors and Senior Management within one week of the start of financial year. The Code of Conduct adopted by the Board is available on the Company's web-link **http://www.kopran.com/investors/policy/pdf/CODE%20OF%20CONDUCT.pdf**

6. CEO & CFO Certification

The Executive Vice Chairman and Chief Financial Officer have certified to the Board in accordance with Regulation 17(8) read with Part B of Schedule II to the Listing Regulations pertaining to CEO & CFO Certification for the Financial Year ended 31st March 2020. (Attached to Corporate Governance Report)

B. Committees

1. Audit committee

i. Brief terms of reference

The Audit Committee has adequate powers to play an effective role as required under Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (LODR) Regulation, 2015 which inter-alia include overseeing financial reporting processes, reviewing periodic financial results, financial statements and adequacy of internal control systems with the management, financial statement and Investments of Unlisted Subsidiary Company, approval of payment to statutory auditors, review the annual financial statements, accounting policies and practices, major accounting entries involving estimates based on the exercise of judgment by management, disclosure of any related party transactions, the statement of uses/application of funds, adequacy of internal audit function, functioning of the Whistle Blower mechanism, Scrutinize inter-corporate loans and investments, risk management systems etc., discuss with internal auditors of any significant findings and follow up there on.

ii. Audit Committee Members, its composition & attendance during the year

During the FY 2019-20 four Audit Committee meetings were held on 7th May 2019, 8th August 2019, 24th October 2019 and 31st January 2020 and the gap between any two meetings did not exceed 120 days. Requisite quorum was present at the above meetings. During the year the Audit Committee inter alia reviewed key audit findings covering Operational, Financial and Compliance areas. The Chairman of the Audit Committee briefed the Board members on the significant discussions which took place at Audit Committee Meetings.

The Composition of the Audit Committee and the details of the meetings attended by the Directors during the year are as given below:

Name of the Member	Designation	Category	Meetings attended
Mr. Narayan Atal**	Chairman	Independent Director	3
Mrs. Mamta Biyani**	Member	Independent Director	2
Dr. Siddhan Subramanian*	Member	Independent Director	1
Dr. Sunita Banerji	Member	Independent Director	4
Mr. Surendra Somani	Member	Executive Director	4

Note: Dr. Arvind K. Mehta and Mr. Vijay K. Bhandari were members of Audit Committee till 25th April, 2019.

* Dr. Siddhan Subramanian joined the Audit Committee on 6th May, 2019 and ceased to be member on 8th May, 2019, due to Committee reconstitution by Board of Directors at their meeting held on 8th May, 2019.

** Mrs. Mamta Biyani and Mr. Narayan Atal have joined the Audit Committee on 8th May, 2019.

2. Nomination and Remuneration Committee (NRC)

i. Brief terms of reference

In pursuant to the provisions of Section 178 of the Companies Act, 2013, the Company has constituted a Nomination &

Remuneration Committee of Directors in May 2013. The terms of reference of the Committee are in line with Regulation 19 of SEBI (LODR) Regulation, 2015 and brief terms of reference are devising the criteria for the appointment, evaluation, policy matters for remuneration and performance appraisal, identifying and recommending the appointment of Key Managerial Personnel & Directors, determining the appropriate size, diversity and composition of the Board, conduct meeting at regular intervals to carry out the functions as assigned by the Board, working with the Board on the leadership succession plan. The Nomination & Remuneration Policy has been revised on 8th May, 2019 and is available on the Company's web-link http://www.kopran.com/investors/policy/pdf/Nomination%20and%20Remuneration%20Policy.pdf

ii. Committee Members, its composition & attendance during the year

During the FY 2019-20 the Nomination & Remuneration Committee meeting was held on 6th May 2019 and 30th January 2020.

The Composition of the Nomination & Remuneration Committee and the details of the meetings attended by the Directors during the year are as given below:

Name	Designation	Category	Committee Meeting attended
Dr. Siddhan Subramanian	Chairman	Independent Director	2
Dr. Sunita Banerji*	Member	Independent Director	2
Mr. Varun Somani*	Member	Non-Executive Director	1

Note: Dr. Arvind K. Mehta and Mr. Vijay K. Bhandari were members of Nomination & Remuneration Committee till 25th April, 2019.

* Dr. Sunita Banerji and Mr. Varun Somani have joined the Nomination & Remuneration Committee on 6th May, 2019.

iii. Performance evaluation criteria of Independent Directors

Performance evaluation of Directors is carried out through a structured questionnaire which was prepared after taking into consideration various aspects of the Board's functioning, composition of the Board and its Committees, execution and performance of specific duties, obligations and governance.

Pursuant to the provision of the Companies Act, 2013, SEBI (LODR) Regulations, 2015 as amended and Guidance Note on Board Evaluation issued by SEBI, the Board has carried out the Annual Performance Evaluation of the Independent Directors on 31st January, 2020.

3. Stakeholders Relationship Committee

During the FY 2019-20 Stakeholders Relationship Committee Meeting was held on 31st January, 2020.

The Composition of the Stakeholders Relationship Committee and the details of the meetings attended by the Directors during the year are given below:

Name	Designation	Category	Meetings attended
Mr. Varun Somani*	Chairman	Non-Executive Director	1
Dr. Siddhan Subramanian*	Member	Independent Director	1
Mr. Adarsh Somani*	Member	Non-Executive Director	1

Note: Dr. Arvind K. Mehta and Mr. Susheel Somani were members of Stakeholders Relationship Committee till 25th April, 2019.

Mr. Surendra Somani ceased to be member on 6th May, 2019, due to Committee reconstitution by Board of Directors at their meeting held on 6th May, 2019.

* Dr. Siddhan Subramanian, Mr. Varun Somani and Mr. Adarsh Somani have joined the Stakeholders Relationship Committee on 6th May, 2019.

Status of Shareholder's Complaints for FY 2019-20.

Outstanding Complaints at the beginning of the year	Receiving during the year	Resolved during the year	Outstanding Complaints at the end of the year
0	0	0	0

Other Committees

4. Corporate Affairs Committee

The terms of reference of the Corporate Affairs Committee include handling of various administrative and other routine matters of the Company, which have been delegated to the Corporate Affairs Committee by the Board of Directors, from time to time.

During the FY 2019-20 Corporate Affairs Committee Meetings were held on 9th April 2019, 15th July 2019, 6th September 2019, 15th November 2019, 17th December 2019 and 30th December 2019.

The Composition of the Corporate Affairs Committee and the details of the meetings attended by the Directors during the year are as given below:

Name	Designation	Category	Committee Meetings attended
Mr. Surendra Somani	Chairman	Executive Director	6
Dr. Arvind K Mehta*	Member	Independent Director	1
Mr. Susheel G. Somani*	Member	Non-Independent Director	1
Mr. Adarsh Somani**	Member	Non-Executive Director	5
Mr. Varun Somani**	Member	Non-Executive Director	5

* Dr. Arvind K. Mehta and Mr. Susheel G. Somani were members of Corporate Affairs Committee till 25th April, 2019.

** Mr. Varun Somani and Mr. Adarsh Somani have joined the Corporate Affairs Committee on 6th May, 2019.

5. Corporate Social Responsibility Committee (CSR)

The Composition of the Corporate Social Responsibility Committee is given below:

Name	Designation	Category
Mrs. Mamta Biyani*	Chairman	Independent Director
Mr. Surendra Somani	Member	Executive Director
Mr. Varun Somani*	Member	Non-Executive Director

No CSR Committee Meeting was held during the year 2019-20.

Note: Mr. Susheel G. Somani was member of Corporate Social Responsibility Committee till 25th April, 2019. Dr. Sunita Banerji ceased to be member on 6th May, 2019, due to Committee reconstitution by Board at their meeting held on 6th May, 2019.
* Mrs. Mamta Biyani and Mr. Varun Somani have joined the Corporate Social Responsibility Committee on 6th May, 2019.

C. Shareholders Information

i. General Meetings:

Location, date and time of Annual General Meetings held during the last three years and number of special resolutions passed.

AGM	Date	Day	Time	Location of the Meeting	No. of Special Resolutions passed
58th	2nd September, 2017	Saturday	10.30 am	Shri S.K. Somani Memorial Hall, HVB Academy, 79, Marine Drive, Mumbai 400 020	Two*
59th	29th September, 2018	Saturday	11.30 am	As above	None
60th	20th July, 2019	Saturday	11.00 am	As above	Three#

*1. Appointment of Mr. Susheel Somani as a Director.
*2. Re-appointment of Mr. Surendra Somani as Executive Vice Chairman.
#1. Appointment of Mr. Susheel Somani (DIN: 00601727) as Director.
#2. Approval of Remuneration payable to Mr. Surendra Somani (DIN: 00600860) as Executive Vice Chairman for the remainder period of his tenure till 31st December, 2019.
#3. Re-appointment of Mr. Surendra Somani (DIN: 00600860) as Executive Vice Chairman.

I. General Shareholders Information :

1)	Date, time and venue of 61st AGM	:	Wednesday, 16th September, 2020 at 12.00 noon (IST) through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM")
	Financial Year	:	2019-20
2)	Date of Book Closure	:	7th September, 2020 to 9th September, 2020 (both days inclusive)
3)	Dividend payment date, if declared at the AGM	:	No dividend declared
4)	Listing on Stock Exchanges	:	BSE Ltd., P. J. Towers, Dalal Street, Mumbai – 400 001. Phone no. 22721233/34 - 66545695
			National Stock Exchange of India Ltd., Exchange Plaza, Plot no. C/1, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051. Phone no. 26598100-66418100
5)	Listing fees	:	Paid as per the listing agreement
6)	ISIN No.	:	INE082A01010
7)	BSE Scrip code	:	524280
	NSE Scrip Code	:	KOPRAN
8)	Registered office	:	Kopran Ltd., Parijat House, 1076, Dr. E. Moses Road, Worli, Mumbai – 400 018 Tel. No. 022-43661111. CIN: L24230MH1958PLC011078, Fax No. 022-24950363, Website: www.kopran.com
9)	Registrar & Share Transfer Agent (RTA) & Investor correspondence	:	Bigshare Services Pvt. Ltd., 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East) Mumbai 400059. Board No.: 022 62638200 Fax No: 022 62638299 Email: bhagwan@bigshareonline.com or Secretarial Department, Kopran Ltd., Parijat House, 1076, Dr. E. Moses Road, Worli, Mumbai – 400 018 Tel.No.022-43661111: Fax No. 022-24950363, Email: investors@kopran.com
10)	Compliance Officer	:	Mr. Sunil Sodhani, Company Secretary & Compliance Officer. Email : sunil@kopran.com , Tel No. 022-43661251
11)	Share Transfer System	:	The Company's shares are traded compulsorily in Dematerialized form at BSE Ltd and National Stock Exchange. Shares in physical segment which are lodged for transfer are processed by our RTA and returned to the Shareholders within stipulated time period.
12)	Financial Calendar for FY 2020-21	:	Results for the Quarter ending:
			30th June, 2020 – By 14th August, 2020
			30th September, 2020 – By 14th November, 2020
			31st December, 2020 – By 14th February, 2021
			31st March, 2021 – By 30th May, 2021 (Audited Results)
13)	Dematerializations of shares	:	As on 31st March, 2020, 42955572 shares representing 99.31% of Equity shares are held in dematerialized mode.
14)	Plant Location	:	Formulation Unit : Village Savroli, Taluka Khalapur, District Raigad, Khopoli-410 202
			API Unit : Kopran Research Laboratories Ltd. (Subsidiary Company) K-4, Additional MIDC, Village Birwadi, Near Global Board, Mahad – 402 302.

15) Distribution of Shareholding as on 31st March, 2020

By size of shareholdings, Face Value of Equity : Rs.10/-

Range	No. of Shareholders	% of Shareholders	Holdings	% to Capital
01 to 500	26107	81.43	4356427	10.07
501 to 1000	2959	9.23	2500244	5.78
1001 to 2000	1464	4.57	2309379	5.34
2001 to 3000	494	1.54	1279979	2.96
3001 to 4000	226	0.71	821384	1.89
4001 to 5000	234	0.73	1115001	2.58
5001 to 10000	308	0.96	2299342	5.32
10001 and above	265	0.83	28570846	66.06
Grand Total	**32057**	**100**	**43252602**	**100**

16) Stock market price data for the year 2019-20

The monthly movement of equity share price on BSE & NSE is summarized below:

Month	BSE			National Stock Exchange		
	High	Low	Volume of Shares Traded	High	Low	Volume of Shares Traded
Apr-19	43	38	2,47,759	43.25	38.05	9,11,611
May-19	46.1	36.9	3,75,832	46.1	36.45	17,58,906
Jun-19	40.8	33.1	1,38,443	40.5	33	5,65,556
Jul-19	38.3	29.8	1,18,888	38.3	29.1	5,70,306
Aug-19	33.95	25.9	1,96,109	33.85	25.5	8,03,074
Sep-19	33.65	27.05	1,67,067	33.6	27.05	7,71,361
Oct-19	31	24	1,64,671	29.9	24	9,41,880
Nov-19	37.05	28	3,60,369	37	28	28,59,615
Dec-19	37.6	28.1	2,02,253	34.35	27.7	13,27,019
Jan-20	39.5	30.25	3,38,725	38.75	30.2	29,53,940
Feb-20	34.5	26.1	1,93,449	34.6	26.15	15,02,174
Mar-20	27.5	16.15	4,25,769	27.7	15.1	29,64,107

17) Yearly Stock Performance vs Benchmark Index

NSE exchange	As on 31st March, 2019	As on 31st March, 2020	Change in %
Nifty (Closing Index)	11624	8598	-26.03%
Nifty Pharma	9347	7177	-23.22%
Kopran Ltd. (Closing Price)	41.35	25.4	-38.57%

18) Details of Unclaimed Suspense Account

Disclosure pertaining to Unclaimed Suspense Account as required under Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended:

There are no shares in demat suspense account reported by the RTA or any amount in unclaimed suspense account at the end of the financial year 31st March, 2020.

19) Nomination Facility

As per the provisions of Section 72 of the Companies Act, 2013 and Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, as amended, Members holding shares in physical form may file nomination in the prescribed Form SH-13 with the Company's Registrar and Share Transfer Agent. In respect of shares held in dematerialized form, the nomination form may be filed with the respective Depository Participant.

20) Means of communication

The Quarterly Financial Results of the Company for the 1st quarter, 2nd quarter and 3rd quarter was published in Business standard (English) & Tarun Bharat (Marathi). The Financial Results/Company news releases are also made available on the Company's website www.kopran.com and also on nseindia.com & bseindia.com

D. General Information

1. Subsidiary Company

The Company has one Material Subsidiary Kopran Research Laboratories Limited incorporated in India. Regulation 24 of the Listing Regulations requires at least one Independent Director of the listed entity to be a Director on the Board of an unlisted material subsidiary incorporated in India. Dr. Sunita Banerji and Mrs. Mamta Biyani, Independent Director of Kopran Research Laboratories Limited are also Independent Directors on the Board of Kopran Limited. The Company monitors performance of subsidiary companies, inter alia by following means

The Company's Audit Committee reviews the Financial Statement of the Subsidiary Companies also, including the investment made by subsidiaries.

i. The minutes of Board Meetings and Committee Meetings of the subsidiary companies are placed before the Board of Directors at regular interval.
ii. All significant transaction including Loans, Guarantees and Investments of subsidiary company are reviewed periodically by the Company and placed before the Board.
iii. The Company has formulated a policy for determining material subsidiaries and the Policy is disclosed on the Company's web-link http://www.kopran.com/investors/policy/pdf/Material%20Subsidiary%20Policy.pdf The Material Subsidiary Policy has been revised on 6th May, 2019.

2. Outstanding GDR/ADR/Warrant or any convertible instruments, conversion date and likely impact on Equity.

The Company does not have any outstanding GDRs / ADRs / warrants / convertible instruments.

3. Foreign Exchange Risk and hedging activities.

The Company's Sales is mainly in exports and it is exposed to fluctuations in foreign exchange rates. The Management however takes appropriate hedging strategies which limits the risk. The details of the Company's Foreign Exchange hedging activities are included in Notes to Financial Statements.

4. Disclosures

i. There were no materially significant related party transactions that may have potential conflict with the interests of the Company at large. The Company has formulated a Related Party Transactions Policy and the same is displayed on the Company's website at the following web link
http://www.kopran.com/investors/policy/pdf/Policy%20on%20related%20party%20transaction.pdf

ii. The Company has complied with the requirements of the Stock Exchange, SEBI and other Statutory Authorities on all matters relating to Capital Markets during the last three years. No penalties or strictures were imposed on the Company by these authorities.

iii. The Company has complied with all mandatory requirements of Listing Regulations with the Stock Exchanges as on 31st March, 2020.

iv. Adoption / non adoption of non–mandatory requirements listed in Part E of Schedule II of the Listing Regulations as at 31st March, 2020 is as under:
a. The Company does not maintain an office for the Non-Executive Chairman.

b. As the Financial Results are published in the newspaper as well as displayed on the Company's website, the Results are not sent to household of each of the Shareholders.
c. The auditors have issued an unqualified opinion for financial statements for the year ended 31st March,2020.
d. The Company is already having separate posts for Chairman and Managing Director.
e. Internal Auditor reports to Audit Committee.

v. Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the Statutory Auditor is a part:

(₹ in Lakhs)

Name of the Company	Name of Statutory Auditor	Particulars	Amount
Kopran Limited	Khandelwal Jain & Co.	Audit Fees	7.00
		Other Matters	1.50
Kopran Research Laboratories Limited	NGS & Co. LLP	Audit Fees	5.00
		Other Matters	1.70
Kopran Lifesciences Limited	NGS & Co. LLP	Audit Fees	0.05
		Other Matters	-

vi. Details of Non-compliance on matters related to Capital Markets:
There has not been any non-compliance by the Company and no penalties or strictures were imposed on your Company by any of the Stock Exchange(s) or the Securities and Exchange Board of India or any statutory authority, on any matter related to capital markets, during the last 3 (three) Financial Years.

vii. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7a):
During the Financial Year 2019-20, the Company has not raised funds through any kind of issue (public issue, rights issue, preferential issue, etc.)

viii. Disclosure about instances where the Board had not accepted any recommendation of any Committee of the Board which is mandatorily required, in the relevant Financial Year, the same to be disclosed along with the reasons thereof:
During the Financial Year 2019-20, there were no instances reported/recorded, where the Board of Directors of the Company did not accept recommendation(s) of any of its Committees.

ix. Non-compliance of any Requirement of Corporate Governance Report of sub-paras (2) to (10) of Para C to Schedule V of the Listing Regulations:
The Company has complied with all the requirements in this regard, to the extent applicable.

x. Disclosures of compliance with Corporate Governance requirements specified in Regulation 17 to 27 and Regulation 46(2)(b) to (i) of the Listing Regulations:

Sr. No.	Particulars	Regulation	Compliance Status Yes/No/ N.A.	Compliance observed for the following:
1	Board of Directors	17 & 17A	Yes	• Board Composition
				• Meeting of Board of Directors
				• Review of Compliance Reports
				• Plans for Orderly Succession for Appointments
				• Code of Conduct
				• Minimum Information to be placed before the Board
				• Compliance Certificate
				• Risk Assessment and Management
				• Performance Evaluation of Independent Directors
				• Explanatory Statement to be annexed
				• Maximum Number of Directorship
				• Recommendation of Board

Sr. No.	Particulars	Regulation	Compliance Status Yes/No/ N.A.	Compliance observed for the following:
2	Audit Committee	18	Yes	• Composition • Meeting of Audit Committee • Powers of Audit Committee • Role of Audit Committee • Review of Information by the Committee
3	Nomination and Remuneration Committee	19	Yes	• Composition • Role of the Committee • Frequency of Meetings • Quorum
4	Stakeholders Relationship Committee	20	Yes	• Composition • Role of the Committee • Frequency of Meetings
5	Vigil Mechanism	22	Yes	• Formulation of Vigil Mechanism for Directors and Employees • Direct access to Chairperson of Audit Committee
6	Related Party Transactions	23	Yes	• Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions • Disclosure of Related Party Transactions
7	Corporate Governance requirements with respect to subsidiary of Listed entity	24 & 24A	Yes	• Review of Investments made by unlisted subsidiary companies by the Audit Committee • Minutes of Meetings of Board of Directors of unlisted subsidiary companies placed at the Meetings of the Board of Directors of the Company • Secretarial Audit Report of Material Subsidiary to be annexed
8	Obligations with respect to Independent Directors	25	Yes	• Maximum Directorships and Tenure • Meeting of Independent Directors • Familiarization of Independent Directors
9	Obligations with respect to Directors and Senior Management	26	Yes	• Memberships / Chairmanships in Committees • Affirmation with compliance to Code of Conduct from Directors and Senior Management
10	Other Corporate Governance Requirements	27	Yes	• Compliance with discretionary requirements • Filing of quarterly compliance report on Corporate Governance
11	Website	46 (2) (b) to (i)	Yes	• Terms and conditions of appointment of Independent Directors • Composition of various Committees of Board of Directors • Code of Business Conduct and Ethics for Directors Management Personnel • Details of establishment of Vigil Mechanism / Whistle Blower Policy • Policy on dealing with Related Party Transactions • Details of familiarization programmes imparted to Independent Directors

For Kopran Limited

Surendra Somani
Executive Vice Chairman
11th August, 2020

CEO & CFO Certificate

The Board of Directors,
Kopran Limited

Dear Members of the Board,

We, Surendra Somani, Executive Vice Chairman and Basant Kumar Soni, Chief Financial Officer of Kopran Limited, to the best of our knowledge and belief, certify that:

1. We have reviewed the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement of the Company and all the notes on accounts and the Board's report for FY 2019-20.

2. These statements do not contain any materially untrue statement or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report.

3. The financial statements, and other financial information included in this report, present in all material respects a true and fair view of the Company's affairs, the financial condition, results of operations and cash flows of the Company as at, and for, the periods presented in this report and are in compliance with the existing accounting standards and / or applicable laws and regulations.

4. There are no transactions entered into by the Company during the year that are fraudulent, illegal or violate the Company's Code of Conduct, except as disclosed to the Company's auditors and the Company's audit committee of the Board of Directors.

5. We are responsible for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of the Internal control systems of the Company pertaining to financial reporting;

6. We have disclosed, based on our most recent evaluation, wherever applicable, to the Company's Auditors and the Audit Committee of the Company's Board of Directors, all significant deficiencies in the design or operation of Internal controls, if any, of which they are aware and the steps taken or proposed to be taken to rectify the deficiencies;

7. We have indicated to the Auditors and the Audit Committee:

   a. Significant changes in the Company's Internal control over financial reporting during the year.

   b. All significant changes in accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statements.

   c. Any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's Internal control system over financial reporting.

8. We affirm that we have not denied any personnel access to the Audit Committee of the Company (in respect of matters involving alleged misconduct) and we have provided protection to whistle blowers from unfair termination and other unfair or prejudicial employment practices.

9. We further declare that all Board members and senior management personnel have affirmed compliance with the Code of Conduct for the financial year covered by this report.

Mumbai

Date: 11th August, 2020

Mr. Surendra Somani	Mr. Basant Kumar Soni
Executive Vice Chairman	Chief Financial Officer

NIRALI MEHTA
COMPANY SECRETARY

CERTIFICATE REGARDING COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE REQUIREMENTS UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To,
The Members,
Kopran Limited
CIN: L24230MH1958PLC011078
Parijat House,1076,
Dr. E. Moses Road,
Worli, Mumbai – 400 018

I have examined the compliance of the conditions of Corporate Governance procedures implemented by KOPRAN LIMITED (the **"Company"**) for the financial year ended on March 31, 2020 as per Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the **"Listing Regulations"**) pursuant to the Listing agreement of the Company with the Stock Exchanges and I have examined the relevant records of the Company in accordance with the Guidance Note on Corporate Governance Certificate issued by The Institute of Company Secretaries of India (the "ICSI").

In my opinion and to the best of my information and according to the explanations given to me, and the representations made by the Directors and Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Listing Regulations, as applicable.

The Compliance of the conditions of Corporate Governance is the responsibility of the Management. My examination has been limited to a review of the procedures and implementations thereof, adopted by the Company for ensuring compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

Ensuring eligibility for appointment / continuity of every director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

NIRALI MEHTA

Practicing Company Secretary

UDIN: A037734B000565602

Membership No: A37734
COP No: 20754

Date: August 10, 2020
Place: Mumbai

712-714, C-Wing, Trade World, Kamla Mill Compound,
Senapati Bapat Marg, Lower Parel, Mumbai-400 013
Contact: +91 8169175537/ +91 9819733214
PAN: AZRPM4701G

NIRALI MEHTA

COMPANY SECRETARY

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
Kopran Limited
CIN: L24230MH1958PLC011078
Parijat House,1076,
Dr. E. Moses Road,
Worli, Mumbai – 400 018

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **KOPRAN LIMITED** having **CIN:L24230MH1958PLC011078** and having registered office at Parijat House, 1076, Dr. E. Moses Road, Worli, Mumbai – 400 018(hereinafter referred to as the **"Company"**), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as at the end of the Financial Year ending on March 31, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the Management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

NIRALI MEHTA

Practicing Company Secretary

UDIN: A037734B000565580

Membership No: A37734
COP No: 20754

Date: August 10, 2020
Place: Mumbai

712-714, C-Wing, Trade World, Kamla Mill Compound,
Senapati Bapat Marg, Lower Parel, Mumbai-400 013
Contact: +91 8169175537/ +91 9819733214
PAN: AZRPM4701G

Annexure E

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2020
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Kopran Limited
CIN: L24230MH1958PLC011078
Parijat House,1076,
Dr. E. Moses Road,
Worli, Mumbai – 400 018

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **KOPRAN LIMITED**.(hereinafter called the **"Company"**). The Secretarial Audit was conducted in a manner that provided a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinionthereon.

Based on my verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on March 31, 2020, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

Due to unprecedented lockdown imposed in the country caused by COVID-19 at a crucial time when the audit was underway limiting the availability of physical access to the records of the Company, and which lockdown continues even on the date of signing this report, I have examined in the best possible manner, books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2020, according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;
(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
(iv) Foreign Exchange Management Act,1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations,2011;

b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

c) The Securities and Exchange Board of India (Registrars to an issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **[Not applicable as the Company has not issued any further share capital during the period under review]**

e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 **[Not applicable as the Company has not issued any Employee Stock Option Scheme and Employee Stock Purchase Scheme to the Company during the audit period];**

f) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **[Not applicable during the period of audit];**

g) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **[Not applicable as the Company has not issued and listed any debt securities during the financial year under review]**

h) The Securities and Exchange Board of India (De-listing of Equity Shares) Regulations, 2009; **[Not applicable as the Company has not de-listed its equity shares during the period under review]** and

i) The Securities and Exchange Board of India (Buy back of Securities) Regulations, 1998; **[Not applicable as the Company has not bought back its securities during the period under review]**;

j) Other laws applicable specifically to the Company a list of which has been provided by the management namely:
- Drugs and Cosmetics Act, 1940 and Rules made there-under;
- Drugs Price Control Order, 2013;
- National Pharmaceuticals Pricing Policy, 2012;
- The Pharmacy Act, 1948;
- The Narcotic Drugs and Psychotropic Substances Act, 1985;
- The Drugs and Magic Remedies (Objectionable Advertisement) Act, 1954;
- Food Safety and Standards Act, 2006.

The examination and reporting of these laws and rules are limited to whether there are adequate systems and processes are in place to monitor and ensure compliance with those laws.

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

i. Secretarial Standards with respect to Board and General Meetings (SS-1 and SS-2) specified by The Institute of Company Secretaries of India;
ii. The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the year under review, the company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non- Executive Directors and Independent Directors.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. In case of notice/ agenda sent through shorter notice, prior approvals of Board of Directors have been obtained. Majority decision is carried through in the Board Meetings and that of its Committee and there were no dissenting members' view in any of the meetings.

I further report that based on the information provided and the representation made by the Chief Financial Officer/Company Secretary, taken on record by the Board of Directors of the Company, in my opinion, adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

The compliance by the Company of applicable financial laws such as direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated professionals.

I further report that during the year under report, the company has not undertaken event/action having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, etc. referred to above.

NIRALI MEHTA
Practicing Company Secretary
UDIN: A037734B000565283

Membership No: A37734
COP No: 20754

Date: August 10, 2020
Place: Mumbai

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

ANNEXURE I

To,
The Members,
Kopran Limited
CIN: L24230MH1958PLC011078
Parijat House,
1076, Dr. E. Moses Road,
Worli, Mumbai – 400 018.

MANAGEMENT'S RESPONSIBILITY

1. It is the responsibility of management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

AUDITOR'S RESPONSIBILITY

2. My responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.

3. I believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for my opinion.

4. Wherever required, I have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

DISCLAIMER

5. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted affairs of the Company.

6. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

NIRALI MEHTA
Practicing Company Secretary

Membership No: A37734
COP No: 20754

Date: August 10, 2020
Place: Mumbai

Annexure F

(TO THE DIRECTOR'S REPORT)

Information required under section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts)Rules, 2014 pertaining to Conservation of energy, Technology absorption, Foreign exchange earnings and outgo

A. CONSERVATION OF ENERGY

1. The company has replaced 40 W florescent conventional tube lights by energy efficient LED light fixtures, which reduced the electricity consumption QA, QC, Administration & canteen. Total Quantity is replaced is 220 Nos.
2. Street Lights: Existing sodium vapor lamp 250 Watt conventional lights by energy efficient of 50 watt LED of 25 street pole light i.e. reduced energy consumption 6.25 KW to 1.2 KW per HRs & saved 5 KW per Hrs.
3. VFD: 15 VFD installed for Air Handling units to reduce the power consumption.
4. The company has plan to replace the 40 watt florescent conventional lights by energy efficient 20 watt LED light fixtures for PM warehouse and service floor both plants that is 110 nos.
5. Utility area cooling tower motor 40 HP pump replace by 30 HP higher efficiency to reduce 7.46 KW power per hrs.
6. Automatic Power factor control: 10 faulty capacitor replaced with 15 kvar capacitor and maintain power factor to 0.99 continues on monthly basis.
7. Soft starter installation plan to 240 TR screw chiller & 75 HP air compressor.

B. TECHNOLOGY ABSORPTION

The Company has focused on new product development for both the Finished Dosage Forms and the Active Pharmaceutical Ingredients. During the year, several new products were developed in the field of Oncology, Pain Management, Anti-infective and Cardiac therapies.

1. Efforts made towards Technology Absorption
   a. Process time for manufacturing of tablets and capsules has been reduced with installation pneumatic transfer system for powered material.
   b. Fully automatic blister pack machine with cartonator (Make: Accupack) procured and in operation in plant as a part of automation in carton packing process.
   c. Coating process time for tablets manufacturing has been reduced with changes in formulation and processing parameter.
   d. Capsules filing process improved for Azithromycin capsules from semi-automatic to automatic encapsulation process.
2. Benefits derived like product improvement, cost reduction, product development or import substitution
   a. Drying and coating process cycle time reduced for tablet formulation.
   b. Improved yield in the formulation in Ciproquin -500, Bren 400, Ibusor 200, Amyn dry syrup etc.
3. The expenditure incurred on Research and Development
   a. Capsules filling machine has been procured.
   b. New UPLC procured in support of formulation trails
   c. Up gradation of corel draw

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Earnings: Rs.15,813.08 Lacs (Previous year: Rs.16686.46 Lacs)
Outgo : Rs.651.52 Lacs (Previous year: Rs.708.71 Lacs)

Annexure G

(TO THE DIRECTOR'S REPORT)

As per the provision of section 197 of the Companies Act, 2013 read with Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2016 every listed company is required to disclose following information in Board Report.

Ratio of Remuneration of each Director to the median Remuneration of the Employees of the company for the Financial Year.

Name	Ratio to Median
Surendra Somani – Executive Vice Chairman	39

Note: All Non-Executive Directors are paid sitting fees and hence not considered for comparison of median remuneration.

Percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any in the Financial Year.

Name	**% increase**
Surendra Somani – Executive Vice Chairman	No change
Basant Kumar Soni – Chief Financial Officer	No change
Sunil Sodhani – Company Secretary & Compliance officer	No change

Percentage increase in the median remuneration of employee in the financial year	No change
Number of permanent employees on the Roll of the Company	345
Average percentile increase already made in the Salaries of the employees other than the Managerial Personnel in the last Financial Year and its comparison with the percentile increase in the Managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the Managerial remuneration. : No Change	

We affirm that the Remuneration paid to the Managerial and Non-Managerial Personnel is as per the Nomination and Remuneration Policy of the Company.

On behalf of the Board of Directors

Surendra Somani
Executive Vice Chairman

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF,

KOPRAN LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Kopran Limited ("the Company"), which comprise the Standalone Balance Sheet as at 31 March 2020, the Standalone Statement of Profit and Loss (including other comprehensive income), Standalone Statement of Changes in Equity and Standalone Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2020, and profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters ('KAM') are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be Communicated in our report. For each matter below, the description of how our audit addressed the matter is provided in the above context.

Sr. No.	Key Audit Matter description	How the scope of our audit addressed the key audit matter
1	**Evaluation of Provision and Contingent Liabilities :**	
	As at the Balance Sheet date, the Company has significant open litigation and other contingent liabilities as disclosed in note no. 34(a). The assessment of the existence of the present legal or constructive obligation, analysis of the probability or possibility of the related payment require the management to make judgement and estimates in relation to the issues of each matter. The management with the help of opinion and advise of its experts have made such judgements and estimates relating to the likelihood of an obligation arising and whether there is a need to recognize a provision or disclose a contingent liability. Due to the level of judgement relating to recognition, valuation and presentation of provision and contingent liabilities, this is considered to be a key audit matter.	We have reviewed and held discussions with the management to understand their processes to identify new possible obligations and changes in existing obligations for compliance with the requirements of Ind AS 37 on Provisions, Contingent Liabilities and Contingent Assets. We have also discussed with the management significant changes from prior periods and obtained a detailed understanding of these items and assumptions applied. We have held regular meetings with the management and key legal personnel responsible for handling legal matters. In addition, we have reviewed: • the details of the proceedings before the relevant authorities including communication from the advocates / experts; • legal advises / opinions obtained by the management, if any, from experts in the field of law on the legal cases; • status of each of the material matters as on the date of the balance sheet. We have assessed the appropriateness of provisioning based on assumptions made by the management and presentation of the significant contingent liabilities in the financial statements.

Sr. No.	Key Audit Matter description	How to scope of our audit responded the key audit matter
2	**Valuation of inventory:**	
	Inventory comprises of Raw Materials, Finished Goods, Stock in process and Stores and Spares. There is an inherent risk around the accuracy of the valuation of the closing stocks. Inventories are valued at lower of cost and net realisable value. These involve significant management judgement to determine the obsolete or slow moving items of inventory and to evaluate the realisable values. Further, Amoxicillin Trihydrate is the main raw material for the Company, which is partly imported, and is subject to high price fluctuation risk as well as foreign currency risk. The volatility in the prices of Amoxicillin Trihydrate may significantly impact the valuation of not only Raw material but also other items of inventory. In determining the net realizable value, the management uses data of sales of finished good available which is a management estimate. We have considered this as a key audit matter due to the significance in the amount of inventory and volatility in the prices of Amoxicillin Trihydrate.	We have reviewed the stock records and held discussions with the management with regard to determination of slow moving and obsolete items and valuation of realizable values of such items. We verified arithmetical accuracy of valuation records / reports. For a sample of inventory items we have verified that the First in First out (FIFO) Method for valuation in case of inventory is appropriate. We have reviewed the price movement of Amoxicillin Trihydrate with respect to cost to the Company. Compared such prices with the recent selling prices. Compared the value of Finished Goods with the last selling prices of the respective product to determine the basis of valuation adopted.
3	**Estimated allowance of trade receivables:**	
	The Trade receivables forms a significant part of the Group`s total assets. The estimated allowance of trade receivables is identified key audit matter due to the use of significant judgement and estimates with respect to the recoverability of overdue trade receivables. As detailed in note no. 52(b) of financial statements, the management reviews and assesses the recoverability of the carrying value of all overdue trade receivables individually by considering the credit history including default or delay in payments, settlement records and subsequent settlements. Allowance for doubtful debts will be provided for the amount of trade receivables that are considered as irrecoverable.	Our audit procedures in relation to the estimated allowance of trade receivables included: • Understanding how allowance for doubtful debts is estimated by the management; • Testing the subsequent settlements of trade receivables, on a sample basis, to the source documents including bank statements and bank-in slips/ remittance advices. Discussing with the management and evaluating the basis of trade debtors that are overdue and without/with little settlements subsequent to the end of the reporting period identified by the management and their assessment on the recoverability of overdue trade receivables.

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the standalone financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report. Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. When we read the annual report, if, based on the work we have performed, we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management and Board of Directors are 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone 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 Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

2. (A) As required by Section 143(3) of the Act, based on our audit we report that:
   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

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

   (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account.

   (d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

   (e) On the basis of the written representations received from the directors as on 31 March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164(2) of the Act.

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
   i. The Company has disclosed the impact of pending litigations as at 31 March 2020 on its financial position in its standalone financial statements - Refer Note 34(a) to the standalone financial statements;

   ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts - Refer Note 48(a) to the standalone financial statements;

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company - Refer Note 48(b) to the standalone financial statements.

   iv. The disclosures in the standalone financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these standalone financial statements since they do not pertain to the financial year ended 31 March 2020.

   (B) With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of section 197(16):

   In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act.

For KHANDELWAL JAIN & CO.
Chartered Accountants
Firm Registration No.: 105049W

S. S. SHAH
PARTNER
Membership No.: 033632
UDIN: 20033632AAAAAS7075

Place: Mumbai
Date : June 30, 2020

Annexure "A" to the Independent Auditors' Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the Members of Kopran Limited on the standalone financial statements for the year ended March 31, 2020)

I a. The Company has maintained proper records showing full particulars including quantitative details and situations of fixed assets.

b. The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

ii The management has conducted physical verification of inventory once at the year-end, which, in our opinion, is reasonable. Discrepancies noted on physical verification of inventories were not material, and have been properly dealt with in the books of account. In respect of inventories lying with third parties, these have substantially been confirmed by them.

iii According to information and explanations given to us, the Company has granted unsecured loans to a company covered in the register maintained under Section 189 of the Act. The Company has not granted any secured / unsecured loans to firms, LLPs or other parties covered in the register maintained under Section 189 of the Act.

a. In respect of the aforesaid loans, the terms and conditions under which such loans were granted are, in our opinion prima facie not prejudicial to the Company's interest.

b. The repayment terms are not stipulated as the loans are repayable on demand and the parties are regular in payment of interest.

c. There were no overdue amount outstanding as at the year end.

iv In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

v According to the information and explanations given to us, the Company has not accepted any deposits during the year from the public within the meaning of sections 73 to 76 of the Act or any other provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

vi The maintenance of cost records has been specified by the Central Government under sub-section (1) of Section 148 of the Act in respect of the Company's products. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government under sub-section (1) of Section 148 of the Act, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

vii a. According to the information and explanations given to us and records examined by us, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Goods and Service tax, duty of customs, Cess, and any other material statutory dues, as applicable to it, with the appropriate authorities.

b. According to information and explanations given to us, there were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Goods and Service Tax, duty of Customs, Cess, and other material statutory dues in arrears as at March 31, 2019 for a period of more than six months from the date they became payable.

c. According to the information and explanations given to us and the records of the Company, the dues of Income tax, Sales tax, Service tax, Goods and Service tax, duty of Customs, duty of Excise, Value added tax, which have not been deposited on account of any dispute, amount involved and the forum where dispute is pending, are as under:

(₹ in Lakhs)

Name of the Statute	Nature of Dues	Amount Involved (₹ in Lakhs)	Period to which Amount relates	Forum where dispute is pending
Central Excise Act, 1944	Excise Duty	1.46	2011-12	Joint Secretary
	Excise Duty	2.70	2005-06	
	Excise Duty	2.27	2012-13	
	Excise Duty	0.44	2014-15	Commissioner of Central Excise
	Cenvat Credit	91.66	2013-14	High Court, Mumbai
Service Tax Act Chapter V of the Finance Act, 1994	Service Tax	38.99	2001-02	Customs Excise and Service Tax Appellate Tribunal
		475.00	2006-07	
Drug Price Control Order-95 (DPCO - 95)	Difference in Pricing	591.34	2002-03	High Court, Mumbai
Income Tax Act, 1961	Income Tax	206.32	2016-17	Commissioner of Income Tax (Appeals)
		1.24	2017-18	

viii In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks and financial institutions and there are no loans or borrowings from Government and the Company has not issued any debentures.

ix The Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year. In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purpose for which they were raised.

x During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees, has been noticed or reported during the year, nor have we been informed of any such case by the management.

xi According to the information and explanations given to us and the books of accounts verified by us, the Managerial remuneration has been paid and provided by the Company in accordance with the requisite approvals mandated by the provisions of section 197 read with the Schedule V to the Companies Act, 2013.

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

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

xiv According to the information and explanations given 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. Accordingly, paragraph 3(xiv) of the said Order is not applicable to the Company.

xv According to the information and explanations given to us and based on our examination of the records of the company, the Company has not entered into any non-cash transactions for acquisition of assets for consideration other than cash referred to in section 192 of the Act with its directors or persons connected with them.

xvi According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3 (xvi) of the Order is not applicable to the Company.

For KHANDELWAL JAIN & CO.
Chartered Accountants
Firm Registration No.: 105049W

S. S. SHAH
PARTNER
Membership No.: 033632
UDIN: 20033632AAAAAS7075

Place: Mumbai
Date : June 30, 2020

Annexure "B" to the Independent Auditors' Report

(Referred to in paragraph 2A(f) under 'Report on Other Legal and RegulatoryRequirements' section of our report of even date to the Members of Kopran Limited on the standalone financial statements for the year ended March 31, 2020)

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

We have audited the internal financial controls over financial reporting of **KOPRAN LIMITED** ("the Company") as of March 31, 2020 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 Control over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility
Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to the standalone financial statements 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") issued by the Institute of Chartered Accountants of India ("ICAI") and the Standards on Auditing as specified under Section 143 (10) of the Act, to the extent applicable to an audit of internal financial controls. Those standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were 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 standalone 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 with reference to the standalone financial statements 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, 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 the generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls over financial reporting with reference to these standalone financial statements and such internal financial controls over financial reporting with reference to these standalone financial statements were operating effectively as at March 31, 2020, based on the criteria for internal control over financial reporting established by the Company considering the essential components of internal controls stated in the Guidance Note issued by ICAI.

For **Khandelwal Jain & Co.,**
Chartered Accountants,
Firm Registration No.: 105049W

S. S. Shah
Partner
Membership No.: 033632
UDIN: 20033632AAAAAS7075

Place : Mumbai
Date : June 30, 2020

STANDALONE BALANCE SHEET AS AT MARCH 31, 2020

(₹ in Lakhs)

Particulars	Note No.	As at 31st March, 2020	As at 31st March, 2019
ASSETS			
1. Non - current assets			
Property, Plant and Equipment	4	**4,288.51**	4,178.83
Capital work-in-progress		**93.70**	93.70
Intangible assets	5	**6.62**	9.53
Intangible assets under development		**613.03**	581.63
Financial assets			
Investments	6	**15,814.11**	15,751.61
Loans receivables	7	**288.30**	131.82
Deferred tax assets (net)	8	**123.56**	295.25
Other non - current assets	9	**57.73**	71.36
Total non - current assets		**21,285.56**	21,113.73
2. Current assets			
Inventories	10	**4,117.12**	2,518.94
Financial assets			
Trade receivables	11	**4,247.59**	4,459.00
Cash and cash equivalents	12	**20.60**	20.59
Bank balances other than cash and cash equivalents above	13	**94.48**	84.45
Loans receivables	14	**79.82**	535.94
Other financial assets	15	**5.32**	390.76
Current Tax assets		**72.38**	-
Other current assets	16	**2,786.03**	2,732.81
Total current assets		**11,423.34**	10,742.49
Total Assets		**32,708.90**	31,856.22
EQUITY AND LIABILITIES			
Equity			
Equity share capital	17	**4,324.89**	4,324.89
Other equity	18	**18,642.42**	17,519.29
Total Equity		**22,967.31**	21,844.18
LIABILITIES			
1. Non - current liabilities			
Financial liabilities			
Borrowings	19	**966.77**	2,170.96
Provisions	20	**387.93**	360.47
Total non - current liabilities		**1,354.70**	2,531.43
2. Current liabilities			
Financial liabilities			
Borrowings	21	**2,658.29**	1,883.20
Trade payables			
a) total outstanding dues of micro enterprises and small enterprises	22	**133.31**	116.43
b) total outstanding dues of creditors other than micro enterprises and small enterprises	22	**3,028.35**	3,127.63
Other financial liabilities	23	**2,281.70**	1,742.42
Other current liabilities	24	**218.53**	510.25
Provisions	25	**66.71**	66.26
Current tax liabilities (net)	26	**-**	34.42
Total current liabilities		**8,386.89**	7,480.61
Total equity and liabilities		**32,708.90**	31,856.22
Corporate information	**1**		
Significant accounting policies	**2**		
Notes forming part of the standalone financial statements	**3 to 57**		

As per our report of even date
For **Khandelwal Jain & Co**
Chartered Accountants
Firm Registration No: - 105049W

S. S. Shah
Partner
Membership No.: 033632

Place: Mumbai
Date : June 30, 2020

For and on behalf of the Board of Directors

SURENDRA SOMANI
Executive Vice Chairman
DIN: 00600860

NARAYAN ATAL
Director
DIN: 00237626

B. K. SONI
Chief Financial Officer

SUNIL SODHANI
Company Secretary

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

(₹ in Lakhs)

	Particulars	Note No.	For the year ended 31st March, 2020	For the year ended 31st March, 2019
I	**INCOME**			
	Revenue from operations	27	**17,929.08**	19,664.59
	Other income	28	**199.01**	309.62
	Total Income		**18,128.09**	19,974.21
II	**EXPENSES**			
	Cost of materials consumed	29	**10,896.12**	9,591.13
	Purchases of stock-in-trade		**954.10**	2,098.17
	Changes in inventories of finished goods, stock-in-trade and work-in-progress	30	**(1,733.34)**	47.01
	Employee benefits expense	31	**2,002.16**	2,038.32
	Finance costs	32	**596.17**	545.53
	Depreciation and amortization expense	4 & 5	**347.23**	310.64
	Other expenses	33	**3,492.39**	3,607.66
	Total Expenses		**16,554.83**	18,238.46
	Profit before exceptional items and tax		**1,573.26**	1,735.75
	Exceptional items (net)		**-**	-
	Profit before tax		**1,573.26**	1,735.75
	Tax Expense	46		
	(1) Current Tax		**280.07**	347.55
	(2) Deferred Tax		**171.21**	91.10
	Total tax expense		**451.28**	438.65
	Profit for the year		**1,121.98**	1,297.10
	Other Comprehensive Income (OCI)			
	(i) Items that will not be reclassified subsequently to profit or loss			
	a) Net changes in fair value of investments in equity shares carried at fair value through OCI [(expenses) / income]		**-**	(1.22)
	Income tax effect on Net changes in fair value of investments in equity shares carried at fair value through OCI [credit / (charge)]		**-**	0.07
	b) Remeasurement of defined employee benefit plans [(expenses) / write back]		**1.62**	(36.75)
	Income tax effect on remeasurement of defined employee benefit plans [(charge) / credit]		**(0.47)**	10.23
	ii) a) Items that will be reclassified subsequently to profit or loss		**-**	-
	b) Income tax relating to items that will be reclassified subsequently to profit or loss		**-**	-
	Total other comprehensive (loss) / income for the year		**1.15**	(27.67)
	Total comprehensive income for the year		**1,123.13**	1,269.43
	Earnings per equity share (₹)			
	Basic and diluted-par value of ₹ 10/- per share	**35**	**2.59**	3.00
	Corporate information	**1**		
	Significant accounting policies	**2**		
	Notes forming part of the standalone financial statements	**3 to 57**		

As per our report of even date
For **Khandelwal Jain & Co**
Chartered Accountants
Firm Registration No: - 105049W

S. S. Shah
Partner
Membership No.: 033632

Place: Mumbai
Date : June 30, 2020

For and on behalf of the Board of Directors

SURENDRA SOMANI
Executive Vice Chairman
DIN: 00600860

NARAYAN ATAL
Director
DIN: 00237626

B. K. SONI
Chief Financial Officer

SUNIL SODHANI
Company Secretary

Statement of changes in equity for the year ended March 31, 2020

A) Equity share capital

(₹ in Lakhs)

Particulars	Amount
As at April 1, 2018	**4,324.89**
Changes in equity share capital	
As at March 31, 2019	**4,324.89**
Changes in equity share capital	
As at March 31, 2020	**4,324.89**

B) Other equity

(₹ in Lakhs)

Particulars	Reserve and surplus					Other comprehensive income		Total
	Capital reserve	General reserve	Securities premium	Export allowance reserve	Retained Earnings	Equity instruments through OCI	Remeasurements of net defined benefit plans	
As at April 1, 2018	1,484.74	814.21	12,256.20	0.40	1,605.15	(6.29)	95.45	16,249.86
Profit for the year	-	-	-	-	1,297.10	-	-	1,297.10
Other comprehensive income for the year	-	-	-	-	-	(1.15)	(26.52)	(27.67)
Realised Gain/Loss on Equity FVTOCI transferred to Retained Earnings	-	-	-	-	(7.26)	7.26	-	-
As at April 01, 2019	1,484.74	814.21	12,256.20	0.40	2,894.99	**(0.18)**	68.93	17,519.29
Profit for the year	-	-	-	-	1,121.98	-	-	1,121.98
Other comprehensive income for the year	-	-	-	-	-	-	1.15	1.15
Realised Gain/Loss on Equity FVTOCI transferred to Retained Earnings	-	-	-	-	-	-	-	-
As at March 31, 2020	**1,484.74**	**814.21**	**12,256.20**	**0.40**	**4,016.97**	**(0.18)**	**70.08**	**18,642.42**

The Description of the nature and purpose of each reserve within equity is as follows:

a) Capital Reserve:

Capital Reserves are mainly the reserves created by way of forfeiting the deposits received against the share warrants issued in the earlier years and the merger of 'Kopran Pharmaceuticals Ltd.' with the Company, pursuant to the Scheme of Arrangement and Amalgamation sanctioned by the Hon'ble High Court of Judicature at Bombay in the financial year 2004-05.

b) General Reserve:

General reserve is created from time to time by way of transfer profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

c) Securities Premium:

Securities premium reserve is credited when shares are issued at premium. It is utilised in accordance with the provisions of the Act, to issue bonus shares, to provide for premium on redemption of shares or debentures, write-off equity related expenses like underwriting costs, etc.

d) Retained Earnings:

Retained earnings are the profits that the Company has earned till date less any tranfer to General Reserve, dividends or other distributions paid to the shareholders.

e) Equity Instruments through OCI:

This represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income, under an irrevocable option, net of amounts reclassified to retained earnings when such assets are disposed off.

Corporate information	**1**
Significant accounting policies	**2**
Notes forming part of the standalone financial statements	**3 to 57**

As per our report of even date
For **Khandelwal Jain & Co**
Chartered Accountants
Firm Registration No: - 105049W

S. S. Shah
Partner
Membership No.: 033632

Place: Mumbai
Date : June 30, 2020

For and on behalf of the Board of Directors

SURENDRA SOMANI
Executive Vice Chairman
DIN: 00600860

NARAYAN ATAL
Director
DIN: 00237626

B. K. SONI
Chief Financial Officer

SUNIL SODHANI
Company Secretary

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2020

(₹ in Lakhs)

PARTICULARS		Year ended 31st March, 2020	Year ended 31st March, 2019
Cash flow from operating activities			
Net Profit before tax		**1,573.26**	1,735.75
Adjustments for:			
Depreciation and amortisation expense		**347.23**	310.64
Dividend income		**(0.07)**	(0.09)
Finance cost		**596.17**	545.53
Interest income		**(16.07)**	(16.86)
Profit on sale of Investment		**-**	-
Unrealised foreign exchange (gain) / loss (net)		**263.01**	(386.83)
Provision / write off for expected credit loss / trade receivables / advances (net)		**36.53**	29.20
Liabilities written back (net)		**(0.36)**	(87.03)
Financial guarantee Income		**(62.50)**	(62.50)
Operating profit before working capital changes		**2,737.20**	2,067.81
(Increase) / Decrease in inventories		**(1,598.18)**	456.51
Decrease / (increase) in trade receivables		**413.27**	(2,485.17)
Decrease / (increase) in loans receivables		**199.50**	48.72
Increase in other current / non-current assets		**(54.52)**	588.26
Increase / (Decrease) in trade payables		**(133.98)**	443.40
(Decrease) / Increase in provision for retirement benefits		**29.53**	47.74
(Decrease) / Increase in other financial liabilities		**83.10**	108.68
(Decrease) / Increase in other current liabilities		**(291.72)**	301.50
Cash generated from operations		**1,384.20**	1,577.45
Direct taxes paid (Net of refunds)		**(386.87)**	(393.69)
Net cash flow from operating activities	**(A)**	**997.33**	1,183.76
Cash flows (used in) / from investing activities			
Purchase of fixed assets, including capital work-in-progress		**(454.00)**	(256.97)
Purchase of intangibles including Intangible assets under development		**(31.40)**	(326.83)
Proceeds from sale of fixed assets		**-**	8.73
Decrease in creditors for capital goods		**45.00**	(23.69)
Increase in capital advance		**11.37**	(17.69)
Proceeds from Non - current investments		**-**	1.40
Bank balances other than cash and cash equivalents above		**(10.03)**	41.47
Decrease / (increase) in other financial assets		**385.44**	209.41
Decrease / (increase) in Loans receivables		**100.14**	(100.14)
Interest Income		**16.07**	16.86
Dividend Income		**0.07**	0.09
Net cash flow used in investing activities	**(B)**	**62.66**	(447.36)
Cash flows (used in) / from financing activities			
Repayment of long-term borrowings (Net)		**(10.09)**	(9.05)
Redemption of 10% Non-Convertible Non-Cumulative Redeemable Preference Shares of ₹.10 each		**(858.00)**	-
Inter corporate deposits (Net)		**(636.10)**	290.83
Repayment of short-term borrowings (Net)		**757.43**	(463.20)
Current maturites of long term debts		**301.41**	(21.58)
Interest accrued		**(18.46)**	5.78
Interest paid		**(596.17)**	(545.53)
Net cash flow used in financing activities	**(C)**	**(1059.98)**	(742.75)
Net increase in cash and cash equivalents	**(A+B+C)**	**(0.01)**	(6.35)
Cash and cash equivalents at the beginning of the year		**20.59**	26.94
Effect of exchange rate changes on cash and cash equivalents		**-**	-
Cash and cash equivalents at the end of the year (refer note no. 12)		**20.60**	20.59
Corporate information	**1**		
Significant accounting policies	**2**		
Notes forming part of the standalone financial statements	**3 to 57**		

As per our report of even date
For **Khandelwal Jain & Co**
Chartered Accountants
Firm Registration No: - 105049W

S. S. Shah
Partner
Membership No.: 033632

Place: Mumbai
Date : June 30, 2020

For and on behalf of the Board of Directors

SURENDRA SOMANI
Executive Vice Chairman
DIN: 00600860

NARAYAN ATAL
Director
DIN: 00237626

B. K. SONI
Chief Financial Officer

SUNIL SODHANI
Company Secretary

Notes forming part of the Standalone Financial Statements

1) CORPORATE INFORMATION

Kopran Limited (referred to as "KL" or "the Company") is a public company domiciled in India and is incorporated under the provisions of the Companies Act, 1956 applicable in India. Its shares are listed on BSE and NSE in India. The Company is engaged in the business of manufacturing of Formulation (Finished Dosage Form).

The addresses of its registered office and principal place of business are disclosed in the introduction to the annual report.

The financial statements were authorised for issue by the board of directors on June 30, 2020.

2) SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation
Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 as amended from tim••e to time.

Historical Cost Convention

The financial statements have been prepared on the historical cost basis except for the followings:
- certain financial assets and liabilities and contingent consideration that is measured at fair value or amortised cost at the end of each reporting period.
- assets held for sale measured at fair value less cost to sell;
- defined benefit plans plan assets measured at fair value; and
- Derivative 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 financial statements are presented in Indian Rupees (which is the functional currency of the Company) in Lakhs and all values are rounded to the nearest in two decimal point except where otherwise stated.

2.2 Current/non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:
- Expected to be realised or intended to be sold or consumed in Company's 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 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

The Company classifies all other liabilities 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 processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

2.3 Summary of significant accounting policies

Notes form an integral part of the Standalone Financial Statements

(a) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is entity's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Monetary items denominated in foreign currency at the year end and not covered under forward exchange contracts are translated at the functional currency spot rate of exchange at the reporting date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the consolidated statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains/(losses).

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 that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

(b) Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. 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, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

The Company categorizes assets and liabilities measured at fair value into one of three levels as follows:

Level 1 — Quoted (unadjusted)

This hierarchy includes financial instruments measured using quoted prices.

Level 2

Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3

Level 3 inputs are unobservable inputs for the asset or liability.

(c) Non-current assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell and are disclosed separately under the head "Other Current Assets". Once classified as held for sale are not depreciated or amortised.

(d) Property, plant and equipment

Notes form an integral part of the Standalone Financial Statements

For transition to Ind AS, the Company has elected to continue with the carrying value of its Property, Plant and Equipment (PPE) recognized as of April 01, 2016 (transition date) measured as per the Previous GAAP and used that carrying value as its deemed cost as on the transition date.

PPE are stated at actual cost less accumulated depreciation and impairment loss. Actual cost is inclusive of freight, installation cost, duties, taxes and other incidental expenses for bringing the asset to its working conditions for its intended use (net of recoverable taxes) and any cost directly attributable to bring the asset into the location and condition necessary for it to be capable of operating in the manner intended by the Management. It include professional fees and borrowing costs for qualifying assets.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from its previously assessed standard of performance. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Borrowing costs directly attributable to acquisition of property, plant and equipment which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Advances paid towards the acquisition of Property, plant and equipment are disclosed as “Capital advances” under "Other Non - Current Assets" and the cost of assets not ready intended use as at the balance sheet date are disclosed as 'Capital work-in progress'.

An item of PPE is de-recognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss when the asset is derecognized.

Expenditure directly relating to construction activity is capitalized. Indirect expenditure incurred during construction period is capitalized to the extent to which the expenditure is indirectly related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction period which is neither related to the construction activity nor is incidental thereto is charged to the statement of profit and loss.

Depreciation methods, estimated useful lives and residual value

Depreciation of these PPE commences when the assets are ready for their intended use.

Depreciation is calculated on straight line basis using the useful lives estimated by the management, which are equal to those prescribed under Schedule II to the Companies Act, 2013.

The residual values are not more than 5% of the original cost of the asset.

On assets acquired on lease (including improvements to the leasehold premises), amortization has been provided for on Straight Line Method over the period of lease.

The estimated useful lives and residual values are reviewed on an annual basis and if necessary, changes in estimates are accounted for prospectively. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Depreciation on subsequent expenditure on PPE arising on account of capital improvement or other factors is provided for prospectively over the remaining useful life.

(e) Intangible assets

For transition to Ind AS, the Company has elected to continue with the carrying value of intangible assets recognized as of April 01, 2016 (transition date) measured as per the Previous GAAP and use that carrying value as its deemed cost as on the transition date.

Intangible assets are stated at cost (net of recoverable taxes) less accumulated amortization and impairment loss. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence,

Notes form an integral part of the Standalone Financial Statements

demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically including at each financial year end and if necessary, changes in estimates are accounted for prospectively.

Computer software

Costs associated with maintaining software programmes are recognised as an expense has incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use
- management intends to complete the software and use it
- there is an ability to use the software
- it can be demonstrated how the software will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use the software are available, and
- the expenditure attributable to the software during its development can be reliably measured.

Research and development expenditure

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss unless a product's technical feasibility has been established, in which case such expenditure is capitalised.

Development expenditure on an individual project are recognised as an intangible asset when the Company can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale.
- Its intention to complete and its ability and intention to use or sell the asset.
- How the asset will generate future economic benefits.
- The availability of resources to complete the asset.
- The ability to measure reliably the expenditure during development.

The amount capitalised comprise of expenditure that can be directly attributed or allocated on a reasonable and consistent basis for creating, producing and making the asset ready for its intended use.

Following the initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete, and the asset is available for use. It is amortized on a straight-line basis over the period of expected future benefit from the related project, i.e., the estimated useful life. Amortization is recognized in the Statement of Profit and Loss. During the period of development, the asset is tested for impairment annually.

Amortisation methods and periods

Intangible assets comprising of goodwill and other intangible assets is amortized on a straight line basis over the useful life of five years which is estimated by the management.

Amortization on subsequent expenditure on intangible assets arising on account of capital improvement or other factors is provided for prospectively over the remaining useful life.

The estimated useful lives and residual values are reviewed on an annual basis and if necessary, changes in estimates are accounted for prospectively.

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognized in the Statement of Profit and Loss when the asset is derecognized.

(f) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that

Notes form an integral part of the Standalone Financial Statements

reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

A previously recognized impairment loss (except for goodwill) is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited to the carrying amount of the asset.

(g) Leases

(i) As a lessee

The Company assesses whether a contract contains a lease, at the inception of contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assesses whether a contract conveys the right to control use of an identified asset, the Company assesses whether:

- The contract involves use of an identified asset;
- The Company has substantially all the economic benefits from the use of the asset through the period of lease; and
- The Company has the right to direct the use of an asset.

At the date of commencement of lease, the Company recognises a Right-of-use asset (“ROU”) and a corresponding liability for all lease arrangements in which it is a lessee, except for leases with the term of twelve months or less (short term leases) and low value leases. For short term and low value leases, the Company recognises the lease payment as an operating expense on straight line basis over the term of lease.

Certain lease agreements include an option to extend or terminate the lease before the end of lease term. ROU assets and the lease liabilities includes these options when it is reasonably certain that they will be exercised.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right-of-use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e., higher of fair value less cost to sell and the value-in-use) is determined on individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate explicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are re-measured with a corresponding adjustment to the related right-of- use assets if the Company changes its assessment if whether it will exercise an extension or a termination of option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and the lease payments have been classified as financing cash flows.

(ii) As a lessor

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

h. Inventories

Raw Materials, Stores and Spares and Packing Material are valued at lower of cost and net realizable value.

Work-in-Progress, Finished Goods and Stock-in-Trade are valued at lower of cost and net realizable value. Cost of Raw Materials, Stores & Spares and Packing Materials is determined using First in First out (FIFO) Method. Cost of Work-in-Progress and Finished Goods is determined on absorption costing method.

Notes form an integral part of the Standalone Financial Statements

(i) Revenue recognition

(i) Revenue is recognized upon transfer of control of promised goods or services to Customers (i.e. when performance obligation is satisfied) for an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

Revenue is measured based on the transaction price, which is the consideration, adjusted for trade discounts such as price concessions, volume discounts, or any other price concessions as may be agreed with the customers at the time of sale. Revenues also excludes Goods and Services Tax (GST) or any other taxes collected from the Customers and net of returns and discounts.

(ii) In respect of other fixed-price contracts, revenue is recognised using percentage-of-completion method ('POC method') of accounting with contract costs incurred determining the degree of completion of the performance obligation.

(iii) Interest income

Interest income, including income arising from other financial instruments measured at amortized cost, is recognized using the effective interest rate method.

(iv) Dividend income

Dividend income is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

(j) Income Taxes

(i) Current income tax

The income tax expense or credit for the year is the tax payable on the current year's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses, if any.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting year. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(ii) Deferred tax

Deferred income tax is recognized using the balance sheet approach, deferred tax is recognized on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(iii) Minimum Alternate Tax (MAT)

MAT payable for a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available in the statement of profit and loss as deferred tax with a corresponding asset only to the extent that there is probable certainty that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. The said asset is shown as 'MAT Credit Entitlement' under Deferred Tax. The Company reviews the same at each reporting date and writes down the asset to the extent the Company does not have the probable certainty that it will pay normal tax during the specified period.

(k) Financial Instruments

Notes form an integral part of the Standalone Financial Statements

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

Financial assets

Initial Recognition

All financial assets are recognized 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. Purchases or sales of financial assets that require delivery of assets within a time frame are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

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

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

(i) Debt instruments at amortised cost

A debt instrument' is measured at the amortised cost if both the following conditions are met:

- 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 financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Debt instrument at FVTOCI

A debt instrument' is measured as at FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the 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) Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL.

(iv) Equity instruments measured at FVTOCI

All other equity investments are measured at fair value, with value changes recognized in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

(v) Cash and Cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Investments in subsidiaries, Associates and Joint Ventures

The Company has accounted for its subsidiaries, Associates and Joint Ventures at cost.

De-recognition

A financial asset is de-recognized only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognized.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the

Notes form an integral part of the Standalone Financial Statements

financial asset.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL), simplified model approach for measurement and recognition of Impairment loss on Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18.

ECL impairment loss allowance (or reversal) recognized during the year is recognized as income / expense in the statement of Profit and Loss.

Financial liabilities

Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Initial recognition and measurement

Financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortized cost unless at initial recognition, they are classified as fair value through profit and loss.

Subsequent measurement

Financial liabilities are subsequently measured at amortized cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the statement of profit and loss.

(i) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting year. They are recognized initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(ii) Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

(iii) Financial guarantee contracts

Financial guarantee contracts are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value and if not designated as at FVTPL, are subsequently measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount initially recognised less cumulative amount of income recognised.

De-recognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

Embedded derivatives

Derivatives embedded in non-derivative host contracts that are not financial assets within the scope of Ind AS 109 are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value though profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss, unless designated as effective hedging instruments.

Notes form an integral part of the Standalone Financial Statements

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as forward currency contracts, full currency swap, options and interest rate swaps to hedge its foreign currency risks and interest rate risks respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value at the end of each reporting period. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment.
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging/economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

(i) Fair value hedges

Changes in fair value of the designated portion of derivatives that qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

(ii) Cash flow hedges

The effective portion of changes in the fair value of the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in profit or loss. The Company uses forward currency contracts as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments. Amounts recognised as OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the nonfinancial asset or liability.

If the hedging instrument expires or is sold, terminated or exercised or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in profit or loss.

(l) Convertible financial instrument

Convertible instruments are separated into liability and equity components based on the terms of the contract.

Notes form an integral part of the Standalone Financial Statements

On issuance of the convertible instruments, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption.

The remainder of the proceeds is allocated to the conversion option that is recognised and included in equity since conversion option meets Ind AS 32 criteria for fixed to fixed classification. Transaction costs are deducted from equity, net of associated income tax. The carrying amount of the conversion option is not remeasured in subsequent years.

Transaction costs are apportioned between the liability and equity components of the convertible instrument based on the allocation of proceeds to the liability and equity components when the instruments are initially recognised.

(m) Employee benefits

(I) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The Company operates the following post-employment schemes:

(a) defined benefit plans viz. gratuity,

(b) defined contribution plans viz. provident fund.

Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are disclosed as “Re-measurements of net defined benefit plans" under the head "Other Comprehensive Income" in the statement of changes in equity.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

Defined contribution plans

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(vi) Termination benefits

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits.

Notes form an integral part of the Standalone Financial Statements

(n) Provisions, Contingent Liabilities and Contingent Assets

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

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

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

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

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

(o) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. Other borrowing costs are expensed in the year in which they are incurred.

Borrowing costs consists of interest and other costs that an entity incurs in connection with the borrowing of funds.

(p) Segment Reporting - Identification of Segments

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Company's chief operating decision maker to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the chief operating decision maker evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by geographic segments.

(q) Earnings per share

Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

(r) Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet comprise cash at bank and in hand and short-term deposits with banks having the maturity of three months or less which are subject to insignificant risk of changes in value.

(s) Cash Flow Statement

Cash Flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

(t) Dividends

The Company recognises a liability to make dividend distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

Notes form an integral part of the Standalone Financial Statements

(u) Significant accounting judgments, estimates and assumptions

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

Key sources of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are in respect of impairment of non-current assets, useful lives of property, plant and equipment, valuation of deferred tax assets, provisions and contingent liabilities and fair value measurement.

(i) Impairment of non - financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to disclosure of fair value of investment property recorded by the Company.

(ii) Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

(iii) Valuation of deferred tax assets

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

(iv) Defined benefit plans

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using Projected Unit Credit method with actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(v) Provisions and contingent liabilities

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgment to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

(vi) Fair value measurement

Management uses valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible but this is not always available. In that case management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

3) RECENT INDIAN ACCOUNTING STANDARDS / PRONOUNCEMENTS

Ministry of Corporate Affairs notifies new standards or amendments to existing standards. There is no such notification which would be applicable from April 01, 2020.

Notes forming part of the Standalone Financial Statements

4) PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakhs)

Particulars	Freehold land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Computer equipment	Total
A. Gross amount								
As at April 1, 2018	444.61	913.06	2,784.69	88.60	154.11	25.24	47.59	4,457.90
Additions	-	438.24	216.44	20.28	-	1.77	14.69	691.42
Disposals/Transfer	-	-	-	-	17.01	-	-	17.01
As at March 31, 2019	444.61	1,351.30	3,001.13	108.88	137.10	27.01	62.28	5,132.31
Additions	-	56.55	365.20	21.33	-	5.83	5.09	454.00
Disposals/Transfer	-	-	-	-	-	-	-	-
As at March 31, 2020	**444.61**	**1,407.85**	**3,366.33**	**130.21**	**137.10**	**32.84**	**67.37**	**5,586.31**
B. Accumulated depreciation and impairment								
As at April 1, 2018	-	93.13	471.14	20.71	34.74	8.59	24.68	652.99
Depreciation	-	48.81	217.80	10.47	20.43	4.04	7.22	308.77
Adjusments	-	-	-	-	8.28	-	-	8.28
As at March 31, 2019	-	141.94	688.94	31.18	46.89	12.63	31.90	953.48
Depreciation	-	62.08	226.92	13.52	22.05	5.57	14.18	344.32
Adjusments	-	-	-	-	-	-	-	-
As at March 31, 2020	**-**	**204.02**	**915.86**	**44.70**	**68.94**	**18.20**	**46.08**	**1297.80**
C. Net Carrying amount								
As at March 31, 2019	444.61	1,209.36	2,312.19	77.70	90.21	14.38	30.38	4,178.83
As at March 31, 2020	**444.61**	**1,203.83**	**2,450.47**	**85.51**	**68.16**	**14.64**	**21.29**	**4,288.51**

Notes forming part of the Standalone Financial Statements

5) INTANGIBLE ASSETS

(₹ in Lakhs)

Particulars	Product development cost	Total
A. Gross amount		
As At April 1, 2018	12.69	12.69
Additions	1.44	1.44
Disposals	-	-
As At March 31, 2019	14.13	14.13
Additions/Transfer	-	-
Disposals/Transfer	-	-
As at March 31, 2020	**14.13**	**14.13**
B. Accumulated amortisation	-	-
As At April 1, 2018	2.73	2.73
Amortisation	1.87	1.87
Disposals	-	-
As At March 31, 2019	4.60	4.60
Amortisation	2.91	2.91
Disposals/Transfer	-	-
As at March 31, 2020	7.51	7.51
C. Net Book value		
As At March 31, 2019	9.53	9.53
As at March 31, 2020	**6.62**	**6.62**

Notes forming part of the Standalone Financial Statements

6) NON - CURRENT FINANCIAL ASSETS - INVESTMENT

(₹ in Lakhs)

	Particulars	Face Value Per Share (in ₹)	As at 31st March, 2020	As at 31st March, 2019
a)	**Investments in equity instruments - Quoted - (at fair value through other comprehensive income (FVTOCI))**			
	30 shares (March 31, 2019: 30 shares) of Advent Computers Ltd.	10.00	**-**	-
		Sub - Total	**-**	-
b)	**Investments in Equity Instruments - Unquoted - (at fair value through other comprehensive income (FVTOCI))**			
	20,000 shares (March 31, 2019 20,000 shares) of Kapol Co-Op. Bank Ltd.	10.00	**2.00**	2.00
	1,000 shares (March 31, 2019: 1,000 shares) of Saraswat Co-Op. Bank Ltd.	10.00	**1.64**	1.64
	500 shares (March 31, 2019: 500 shares) of The New India Co-Op. Bank Ltd.	10.00	**0.26**	0.26
	25,000 shares (March 31, 2019: 25,000 shares) of Mandvi Co-Op. Bank Ltd.	10.00	**2.50**	2.50
	Less: Provision for impairment in value of investments		**(4.50)**	(4.50)
		Sub - Total	**1.90**	1.90
c)	**Investments in Government securities (non-trade) - (at amortised cost)**			
	7 years national savings certificate (lodged with collector of central excise and sales tax authority- Mumbai)		**0.40**	0.40
d)	**Investments in Equity Instruments**			
	Wholly owned subsidiary companies (Unquoted) - (at cost)			
	23,18,750 shares (March 31, 2019: 23,18,750 shares) of Kopran (H.K.) Limited, Hong Kong	1 HK$	**100.06**	100.06
	50,000 shares (March 31, 2019: 50,000 shares) of Kopran Lifesciences Ltd.	10.00	**5.00**	5.00
	1,99,00,000 shares (March 31, 2019: 1,99,00,000 shares) of Kopran Research Laboratories Limited.	10.00	**15,706.75**	15,644.25
		Sub - Total	**15,811.81**	15,749.31
		Total	**15,814.11**	15,751.61
	Aggregate amount of quoted Investments		**0.24**	0.24
	Market value of quoted investments		**-**	-
	Aggregate amount of unquoted Investments		**15,818.21**	15,755.71
	Aggregate amount of impairment in value of investments		**4.50**	4.50

Notes forming part of the Standalone Financial Statements

7) NON - CURRENT FINANCIAL ASSETS - LOANS RECEIVABLES

(₹ in Lakhs)

Particulars		As at 31st March, 2020	As at 31st March, 2019
Unsecured, considered good			
Security Deposits		**288.30**	131.82
	Total	**288.30**	131.82

8) DEFERRED TAX ASSETS (NET)

Deferred tax liabilities (Gross)			
Relating to depreciation on fixed assets	**(a)**	**463.61**	423.88
Deferred Tax Assets (Gross)			
Provision for gratuity		**101.94**	89.00
Provision for leave encashment		**30.45**	29.72
Provision for expected credit loss		**10.36**	3.48
Provision for bonus		**5.13**	4.43
Provision for export benefit obligation		**4.74**	6.20
Fair value of equity instruments through OCI		**0.07**	0.07
	(b)	**152.69**	132.90
MAT credit entilement	**(c)**	**434.48**	586.23
Net Deferred Tax Assets - (b) + (c) - (a)	**Total**	**123.56**	295.25

9) OTHER NON - CURRENT ASSETS

Considered good			
Capital advances		**49.36**	60.73
Prepaid expenses		**8.37**	10.63
	Total	**57.73**	71.36

10) INVENTORIES

(Valued at lower of cost and net realisable value)			
Raw materials {Includes stocks in transit ₹ 88.16 Lakhs (March 31, 2019: ₹ 8.72 Lakhs)}		**1,280.89**	1,423.25
Work-in-progress		**694.13**	416.80
Finished goods		**1,718.91**	262.90
Stores and spares		**80.62**	53.96
Packing materials		**342.57**	362.03
	Total	**4,117.12**	2,518.94

Notes forming part of the Standalone Financial Statements

11) CURRENT FINANCIAL ASSETS - TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Unsecured, considered good		
Receivable from other parties	4,282.94	3,597.47
Receivable from related party - subsidiary - Kopran Research Laboratories Limited	0.22	874.03
Credit Impaired	-	-
Less: Expected credit loss	(35.57)	(12.50)
Total	**4,247.59**	4,459.00

There are no other trade receivables which have signinficant increase in credit risk, Refer note 52(b) for information about credit risk of trade receivables.

The loss allowance on trade receivable has been computed on the basis of Ind AS 109, Financial Instruments which require such allowance to be made even for trade receivable considered good on the basis that credit risk exists even though it may be very low. The Company exposure to currency and credit risk and loss allowance related to trade receivable are disclosed in note 52(a) and (b).

12) CURRENT FINANCIAL ASSETS - CASH AND CASH EQUIVALENTS

Balances with banks		
On Current Accounts	18.54	20.28
Cash on Hand	2.06	0.31
Total	**20.60**	20.59

13) CURRENT FINANCIAL ASSETS - BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Fixed deposits (Maturity of more than 3 months & less than 12 months)	94.48	84.45
(Held as margin money or security against the guarantees)		
Total	**94.48**	84.45

14) CURRENT FINANCIAL ASSETS - LOANS RECEIVABLES

Unsecured, considered good		
Security deposits	-	400.00
Advances to related party - Subsidiary - Kopran Research Laboratories Limited	-	100.14
Loans to employees	79.82	35.80
Total	**79.82**	535.94

15) CURRENT FINANCIAL ASSETS - OTHERS

Foreign currency forward / option contracts	-	388.99
Interest receivable	5.32	1.77
Total	**5.32**	390.76

16) OTHER CURRENT ASSETS

Prepaid Expenses	74.33	60.57
Balance with statutory / government authorities	2,653.67	2,654.26
Receivable from related party - Enterprises Significantly influenced by KMP or their relative - Kopran Laboratories Limited	38.46	-
Others	19.57	17.98
Total	**2,786.03**	2,732.81

Notes forming part of the Standalone Financial Statements

17) EQUITY SHARE CAPITAL

(₹ in Lakhs)

Particulars		As at 31st March, 2020 Number	As at 31st March, 2020 Amount	As at 31st March, 2019 Number	As at 31st March, 2019 Amount
Authorised					
Equity Shares of ₹ 10 each		**5,62,50,000**	**5,625.00**	5,62,50,000	5,625.00
	Total	**5,62,50,000**	**5,625.00**	5,62,50,000	5,625.00
Issued					
Equity Shares of ₹ 10 each fully paid up		**4,32,52,602**	**4,325.26**	4,32,52,602	4,325.26
Subscribed and Paid up					
Equity Shares of ₹ 10 each fully paid up		**4,32,52,602**	**4,325.26**	4,32,52,602	4,325.26
Less: Calls in-Arrears (Other than Director's)			**0.37**		0.37
	Total	**4,32,52,602**	**4,324.89**	4,32,52,602	4,324.89

(I) Reconciliation of Number of Equity Shares

	As at 31st March, 2020 Number of Shares	As at 31st March, 2019 Number of Shares
Opening Balance	**4,32,52,602**	4,32,52,602
Add : Shares Issued during the year	**-**	-
Closing Balance	**4,32,52,602**	4,32,52,602

(ii) Rights, Preferences and Restrictions attaching to each class of shares Equity Shares having a face value of ₹ 10

As to voting

The Company has only one class of shares referred to as equity shares having a face value of ₹ 10. Each holder of the equity share is entitled to one vote per share.

As to distribution of dividends

The Shareholders are entitled to receive dividend in proportion to the amount of paid up equity shares held by them. The Company has not declared any dividend during the year.

As to repayment of capital

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

(iii) Shares held by Holding / Ultimate Holding Company and / or their Subsidiaries / Associates

There is no Holding Company or Ultimate Holding Company of the Company. Accordingly, disclosures pertaining to shares of the Company held by held by holding company or its ultimate holding company including shares held by subsidiaries or associates of the holding company or the ultimate holding company is not applicable.

Notes forming part of the Standalone Financial Statements

(iv) Details of shareholders holding more than 5% shares in the company

(₹ in Lakhs)

Name of Shareholder	As at 31st March, 2020		As at 31st March, 2019	
	No. of Share held	% of Holding	No. of Share held	% of Holding
Equity Shares of ₹ 10/- each fully paid				
Panorama Finvest Pvt. Ltd.	**38,00,000**	**8.79%**	38,00,000	8.79%
Sarvamangal Mercantile Co. Ltd.	**29,02,951**	**6.71%**	29,02,951	6.71%
Oricon Enterprises Ltd.	**59,61,758**	**13.78%**	59,61,758	13.78%
Rajendra Somani	**23,24,250**	**5.37%**	23,24,250	5.37%

18) OTHER EQUITY

Particulars		As at 31st March, 2020	As at 31st March, 2019
Reserves and surplus			
Capital Reserve		**1,484.74**	1,484.74
General Reserve		**814.21**	814.21
Securities Premium Reserve		**12,256.20**	12,256.20
Export Allowance Reserve		**0.40**	0.40
Retained Earnings		**4,016.98**	2,894.98
	Sub - Total - A	**18,572.53**	**17,450.53**
Other Comprehensive Income (OCI)			
Equity Instruments through OCI		**(0.17)**	(0.17)
Remeasurements of net defined benefit plans		**70.06**	68.92
	Sub - Total - B	**69.89**	**68.75**
	Total - A + B	**18,642.42**	17,519.28

Note

Refer statement of changes in equity for details of movements in the balances of each items of Reserves and Surplus and OCI under the head "Other Equity" and the nature and purpose of each reserve.

19) NON - CURRENT FINANCIAL LIABILITIES - BORROWINGS

		As at 31st March, 2020	As at 31st March, 2019
Secured			
Term Loans			
From Others - Vehicle loan		**14.97**	25.06
Unsecured			
NIL (March 31, 2019: 5,580,000) 10% Non Convertible Non-Cumulative Redeemable Preference Shares of ₹ 10 each		**-**	558.00
Inter corporate deposits			
Related Parties		**497.97**	1,163.00
Others		**453.83**	424.90
	Total	**966.77**	2,170.96

Notes forming part of the Standalone Financial Statements

Security, rate of interest and terms of repayment

a) **Vehicle loans are secured by way of hypothecation of vehicles.**

Rate of Interest - 9.71% p.a. to 10.25 % p.a.

Terms of repayment are as under:

31.03.2021 - ₹ 10.50 Lakhs
31.03.2022 - ₹ 8.44 Lakhs
31.03.2023 - ₹ 6.53 Lakhs

b) **Inter-corporate deposits from related parties and other parties are unsecured.**

Rate of Interest - 10.50% p.a. to 13.50% p.a.

Inter corporate deposits are repayable as under:

31.03.2021 - ₹ 936.00 Lakhs
31.03.2022 - ₹ 497.97 Lakhs
31.03.2023 - ₹ 453.83 Lakhs

20) NON - CURRENT LIABILITIES - PROVISIONS

(₹ in Lakhs)

Particulars		As at 31st March, 2020	As at 31st March, 2019
Gratuity		**311.82**	282.27
Leave encashment		**76.11**	78.20
	Total	**387.93**	360.47

21) CURRENT FINANCIAL LIABILITIES - BORROWINGS

Particulars		As at 31st March, 2020	As at 31st March, 2019
Secured, Repayable on demand			
From banks			
Cash credit / packing credit		**1,239.69**	1,744.86
Buyers credit		**185.32**	106.84
Unsecured, repayable on demand			
Loan from Director		**319.50**	31.50
Loan from Kopran Research Laboratories Limited		**913.78**	-
	Total	**2,658.29**	1,883.20

Security and rate of interest

Cash credit / packing credit / buyers credit is secured by:

1st pari passu hypothecation charge on entire stocks and receivables of the Company both present and future.

2nd pari passu charge on entire fixed assets of the Company both present and future.

Corporate Guarantee of Subsidiary Company - Kopran Research Laboratories Limited and personal guarantee of director / promoter aggregating to ₹ 3,600.00 Lakhs.

Rate of Interest on cash credit - 9.85% p.a. to 13.10% p.a.

Rate of Interest on packing credit - Libor + 2.50% p.a.

Rate of Interest on buyers credit - Libor + 0.50% p.a to Libor + 1.50% p.a.

Notes forming part of the Standalone Financial Statements

22) TRADE PAYABLES

(₹ in Lakhs)

Particulars		As at 31st March, 2020	As at 31st March, 2019
Due to micro and small enterprises (Refer Note No. 52)		**133.31**	116.43
Due to Others [including acceptances ₹ 129.24 Lakhs ((March 31, 2019: ₹ 82.98 Lakhs)]		**3,028.35**	3,127.63
	Total	**3,161.66**	3,244.06

23) CURRENT FINANICAL LIABILITIES - OTHER

Current maturities of long-term debt (for Security, rate of interest and terms of repayment refer Note No. 19(a) and (b) above)		**946.50**	645.09
NIL (March 31, 2019: 3,000,000) 10% Non Convertible Non Cumulative Redeemable Preference Shares of Rs. 10 each		**-**	300.00
Interest accrued		**1.81**	20.27
Security deposits		**7.50**	7.50
Foreign currency forward / option contracts		**421.01**	-
Other payables			
Creditors for capital goods		**91.25**	46.25
Employees payables		**243.56**	253.09
Creditors for expenses		**456.64**	375.80
Provision for expenses		**56.20**	31.68
Others		**57.23**	62.74
	Total	**2,281.70**	1,742.42

24) OTHER CURRENT LIABILITIES

Advance from customers		**164.14**	440.53
Statutory liabilities		**38.12**	47.44
Other payables		**16.27**	22.28
	Total	**218.53**	510.25

25) CURRENT LIABILITIES - PROVISIONS

Gratuity		**38.24**	37.64
Leave encashment		**28.47**	28.62
	Total	**66.71**	66.26

26) CURRENT TAX LIABILITIES

Provision for tax (Net of advance tax)		**-**	34.42
	Total	**-**	34.42

Notes forming part of the Standalone Financial Statements

27) REVENUE FROM OPERATION

(₹ in Lakhs)

Particulars		Year ended 31st March, 2020	Year ended 31st March, 2019
Sale of products		17,375.76	19,126.44
Other operating revenues			
Scrap sales		20.85	15.39
Export Incentive		532.47	522.76
	Total	17,928.08	19,664.59

28) OTHER INCOME

Dividend income			
Long - term investments		0.07	0.09
Interest Income			
On fixed deposit		5.56	5.30
Others		10.51	11.56
Recovery of Bad Debts Earlier Written off		-	1.70
Liabilities written back (net)		0.36	87.03
Financial guarantee obligation		62.50	62.50
Miscellaneous income		120.01	141.44
	Total	199.01	309.62

29) COST OF MATERIALS CONSUMED

Raw material consumption			
Opening stock		1,423.25	1,832.99
Add: Purchases		9,202.58	7,677.45
		10,625.83	9,510.44
Less : Closing stock		1,280.89	1,423.25
	Sub - Total	9,344.94	8,087.19
Packing materials consumption			
Opening stock		362.03	366.37
Add: Purchases		1,531.72	1,499.60
		1,893.75	1,865.97
Less : Closing stock		342.57	362.03
	Sub - Total	1,551.18	1,503.94
	Total	10,896.12	9,591.13

30) CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

Opening Inventories			
Finished goods		262.90	396.32
Work in progress		416.80	330.39
		679.70	726.71
Closing Inventories			
Finished goods		1,718.91	262.90
Work in progress		694.13	416.80
		2,413.04	679.70
	Total	(1,733.34)	47.01

Notes forming part of the Standalone Financial Statements

31) EMPLOYEE BENEFITS EXPENSE

(₹ in Lakhs)

Particulars			Year ended 31st March, 2020		Year ended 31st March, 2019
Salaries and Wages			**1,733.18**		1,767.65
Contribution to Provident and Other Funds			**90.02**		87.15
Staff welfare expenses			**178.96**		183.52
	Total		**2,002.16**		2,038.32

32) FINANCE COSTS

Interest expense			**430.47**		340.11
Other borrowing cost			**165.70**		205.42
	Total		**596.17**		545.53

33) OTHER EXPENSES

Stores and spares consumed			**109.41**		137.50
Power and fuel			**620.92**		629.63
Rent			**240.36**		240.00
Repairs and maintenance					
Building			**12.52**		13.85
Machinery			**23.29**		12.94
Others			**44.28**		51.92
Insurance			**18.56**		15.77
Commission on sales			**624.12**		602.02
Selling and distribution expenses			**53.42**		99.38
Product Registration Charges			**69.49**		22.14
Job work charges			**538.04**		672.55
Packing, freight and forwarding			**193.80**		289.37
Payment to auditors (Refer Note No. 44)			**8.51**		7.54
Housekeeping and office maintainance			**72.52**		62.36
Printing and stationery			**39.17**		37.22
Postage, telegram and telephone			**30.51**		31.13
Travelling and conveyance			**154.69**		138.75
Legal and professional fees			**442.39**		319.75
Rates and taxes			**35.85**		51.55
Security charges			**35.35**		32.30
Directors' sitting fees			**4.98**		4.91
Sundry balances written off			**4.22**		10.28
Bad debts		9.24		31.43	
Add/(Less): Provision for Expected credit loss written back		23.07	**32.31**	(12.51)	18.92
Corporate Social Responsibility Expenses			**1.00**		8.40
Net loss on foreign currency transaction and translation			**24.86**		36.06
Loss on Sale of License			**5.41**		5.75
Miscellaneous expenses			**52.41**		55.67
	Total		**3,492.39**		3,607.66

Notes forming part of the Standalone Financial Statements

34) CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

(₹ in Lakhs)

	Particulars	As at 31st March, 2020	As at 31st March, 2019
a)	**Contingent liabilities**		
	Guarantees given by the company's bankers on behalf of the Company	**308.78**	17.14
	Corporate guarantee given for loan taken by subsidiary (to the extent amount utilised)	**4,420.22**	3,967.88
	Bills discounted with banks	**2,394.49**	2,461.22
	Disputed tax Matters		
	Excise duty demand disputed in appeal	**98.53**	120.28
	Service tax demand disputed in appeal	**513.99**	513.99
	Income tax demand disputed in appeal	**207.56**	206.32
	Other claims / demands against company not acknowledged as debts		
	a) Demand under Drug Price Control Order - 95 (DPCO - 95) demand disputed in appeal	**591.34**	591.34
	b) Others	**13.24**	13.24

b) Supreme Court Judgement on computation of provident fund contribution

There has been a Supreme Court (SC) judgement dated 28th February 2019, relating to components of salary structure that need to be taken into account while computing the contribution to provident fund under the EPF Act. There are interpretative aspects related to the Judgement including the effective date of application. The Company will continue to assess any further developments in this matter for the implications on financial statements, if any.

		Year ended 31st March, 2020	Year ended 31st March, 2019
c)	**Capital Commitments**		
	Estimated amounts of contracts remaining to be executed on capital account (net of advances) and not provided for	**83.61**	16.23

35) BASIC AND DILUTED EARNINGS PER SHARE [EPS] COMPUTED IN ACCORDANCE WITH IND AS 33 "EARNINGS PER SHARE"

	Year ended 31st March, 2020	Year ended 31st March, 2019
Net Profit as per the Statement of Profit and Loss available for Equity Shareholders (₹ in Lakhs)	**1,121.98**	1,297.10
Number of Equity Shares outstanding (No's in Lakhs)	**432.53**	432.53
Weighted average number of Equity Shares for Basic and Diluted Earnings Per Share (No's in Lakhs)	**432.53**	432.53
Nominal value of equity shares ₹	**10.00**	10.00
Earnings Per Share:		
Basic (in ₹)	**2.59**	3.00
Diluted (in ₹)	**2.59**	3.00

Notes forming part of the Standalone Financial Statements

36) CIF VALUE OF IMPORTS

(₹ in Lakhs)

Particulars		Year ended 31st March, 2020	Year ended 31st March, 2019
Raw Materials / Packing Material		**3,318.71**	2,935.19
	Total	**3,318.71**	2,935.19

37) EXPENDITURE IN FOREIGN CURRENCY

Commission		**528.11**	593.40
Registration Fees		**53.31**	18.76
Bank Interest on Buyers Credit		**3.70**	2.05
Export Promotion Expenses		**12.82**	49.99
Travelling Expenses		**39.75**	33.89
Research & Development Charges		**0.14**	-
Plant Inspection Charges		**10.18**	1.07
Professional Charges Others		**1.24**	0.93
Others		**2.27**	8.63
	Total	**651.52**	708.72

38) EARNINGS IN FOREIGN CURRENCY

FOB Value of Exports		**15,813.08**	16,686.46
	Total	**15,813.08**	16,686.46

39) DISCLOSURE PURSUANT TO IND AS 19 "EMPLOYEE BENEFITS"

a) Defined contribution plan

Contributions to defined Contribution plan, recognised are charged off for the year are as under:

Employer's contribution to Provident Fund		**82.90**	77.93
Employer's contribution to Labour Welfare Fund		**0.22**	0.22
Employer's contribution to ESIC		**6.90**	9.00
	Total	**90.02**	87.15

b) Defined benefit plan

The employees' gratuity scheme is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognised in the same manner.

Notes forming part of the Standalone Financial Statements

i) Gratuity Benefits (unfunded)

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Present value of the projected benefit obligation		
Present value of benefit obligation at the beginning of the year	**319.91**	251.91
Interest cost	**24.89**	19.83
Current service cost	**20.68**	15.59
Past service cost	**-**	-
Actuarial (gains) / losses on obligations - due to change in financial assumptions	**31.82**	2.74
Actuarial (gains) / losses on obligations - due to experience	**(14.49)**	34.01
Benefits paid directly by employer	**(32.74)**	(4.17)
Present value of benefit obligation at the end of the year	**350.06**	319.91
Change in the fair value of plan assets		
Fair value of Plan Assets at the beginning of the year	**-**	-
Interest income	**-**	-
Contributions by the employer	**-**	-
Expected contributions by the employees	**-**	-
Return on plan assets, exluding interest income	**-**	-
Fair value of plan assets at the end of the year	**-**	-
Amount recognised in the Balance Sheet		
Present value obligations at the end of the year	**(350.06)**	(319.91)
Fair value of plan assets at the end of the year	**-**	-
Funded status surplus / (deficit)	**(350.06)**	(319.91)
Net (liability) / asset recognised in the Balance Sheet	**(350.06)**	(319.91)
Net interest cost for the current year		
Present value benefit obligation at the beginning of the year	**319.91**	251.91
Fair value of plan assets at the beginning of the year	**-**	-
Net liability / (asset) at the beginning	**319.91**	251.91
Interest cost	**24.89**	19.83
Interest income	**-**	-
Interest cost for the current year	**24.89**	19.83
Expenses recognised in the statement of profit or loss for the current year		
Current service cost	**20.68**	15.59
Net interest cost	**24.89**	19.83
Past service cost	**-**	-
Expenses recognised	**45.57**	35.42
Expenses recognized in the other comprehensive income (OCI) for current year		
Actuarial (gains) / losses on obligation for the year	**17.33**	36.75
Return on plan assets, excluding interest income	**-**	-
Change in asset ceiling	**-**	-
Net (income) / expense for the year recognized in OCI	**17.33**	36.75

Notes forming part of the Standalone Financial Statements

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Balance Sheet Reconciliation		
Opening net liability	**319.91**	251.91
Expenses recognised in the statement of profit or loss	**45.57**	35.42
Expenses recognised in OCI	**17.33**	36.75
Benefits paid directly by employer	**(32.74)**	(4.17)
Net liability / (asset) recognised in the Balance Sheet	**350.07**	319.91
Category of assets		
NIL, as Funding status in unfunded.	**-**	-
Maturity analysis of the benefit payments from the employer		
Projected benefits payable in future years from the date of reporting		
1st following year	**38.24**	37.64
2nd following year	**5.31**	5.44
3rd following year	**17.96**	30.71
4th following year	**10.29**	17.05
5th following year	**8.68**	12.83
Sum of years of 6 to 10	**124.31**	106.71
Sum of years of 11 and above	**605.12**	608.58

Sensitivity Analysis

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Projected benefit obligation on current assumptions	**350.06**	319.91
Delta effect of + 0.50% change in rate of discounting	**(17.16)**	(14.76)
Delta effect of - 0.50% change in rate of discounting	**18.55**	15.95
Delta effect of + 0.50% change in rate of salary increase	**18.70**	16.07
Delta effect of - 0.50% change in rate of salary increase	**(17.45)**	(14.98)
Delta effect of + 0.50% change in rate of employee turnover	**1.89**	3.15
Delta effect of - 0.50% change in rate of employee turnover	**(2.02)**	(3.35)
Assumptions used to determine the benefit obligations		
Rate of Discounting	**6.82%**	7.78%
Rate of salary increase	**5.50%**	5.50%
Rate of employee turnover	**1.00%**	1.00%
Mortality rate during employment	Indian Assured Lives Mortality (2006-08) Ult	

Notes forming part of the Standalone Financial Statements

ii) Leave Encashment (unfunded)

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Present value of the projected benefit obligation		
Present value benefit obligation at the beginning of the year	**106.82**	90.32
Interest cost	**8.31**	7.11
Current service cost	**3.37**	2.30
Actuarial (gains) / losses on obligations - due to change in financial assumptions	**8.96**	0.77
Actuarial (gains) / losses on obligations - due to experience	**(9.49)**	11.28
Benefits paid directly by employer	**(13.40)**	(4.96)
Present value of benefit obligation at the end of the year	**104.58**	106.82
Change in the Fair value of plan assets		
Fair value of plan assets at the beginning of the year	**-**	-
Interest Income	**-**	-
Contributions by the employer	**-**	-
Expected Contributions by the employees	**-**	-
Return on Plan assets, exluding interest income	**-**	-
Fair value of Plan Assets at the end of the year	**-**	-
Actuarial (gains) / losses recognised in the Statement of Profit or Loss for the current year		
Actuarial (gains) / losses on obligation for the year	**(0.53)**	12.05
Return on plan assets, exluding interest income	**-**	-
Sub- total	**(0.53)**	12.05
Actuarial (gains) / losses recognised in the Statement of Profit or Loss	**(0.53)**	12.05
Actual Return on Plan Assets		
Interest income	**-**	-
Return on plan assets, exluding interest income	**-**	-
Actual return on plan assets	**-**	-
Amount recognised in the Balance Sheet		
Present value obligations at the end of the year	**(104.58)**	(106.82)
Fair value of plan assets at the end of the year	**-**	-
Funded status surplus / (deficit)	**(104.58)**	(106.82)
Unrecognised past service cost at the end of the period	**-**	-
Net (liability) / asset recognised in the Balance Sheet	**(104.58)**	(106.82)
Net interest cost for the current year		
Present value benefit obligation at the beginning of the year	**106.82**	90.32
Fair value of plan assets at the beginning of the year	**-**	-
Net (liability) / asset at the beginning	**106.82**	90.32
Interest cost	**8.311**	7.11
Interest income	**-**	-
Net interest cost for the current year	**8.31**	7.11

Notes forming part of the Standalone Financial Statements

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Expenses recognised in the statement of profit or loss for the current year		
Current service cost	**3.37**	2.30
Net interest cost	**8.31**	7.11
Acturial (gains) / losses	**(0.53)**	12.05
Expenses recognised in the statement of profit or loss	**11.15**	21.46
Balance Sheet reconciliation		
Opening net liability	**106.82**	90.32
Expenses recognised in the statement of profit or loss	**11.15**	21.46
Employers contribution	**-**	-
Benefits paid directly by employer	**(13.40)**	(4.96)
Net liability / (assets) recognised in the Balance Sheet	**104.58**	106.82
Category of Assets		
NIL, as Funding status in unfunded	**-**	-
Assumptions used to determine the benefit obligations		
Rate of Discounting	**6.82%**	7.78%
Rate of salary increase	**5.50%**	5.50%
Rate of employee turnover	**0.00%**	0.00%
Mortality rate during employment	Indian Assured Lives Mortality (2006-08)	

40) Disclosure of related parties/related party transactions pursuant to Ind AS 24 **"related party disclosures"**

(a) Names of related parties where control exists:

Enterprises owned or controlled (wholly owned subsidiaries)	Kopran Research Laboratories Limited Kopran (H. K.) Limited Kopran Life Science Ltd.
Key management Personnel (KMP)	Surendra Somani (Executive Vice Chairman) B. K. Soni (Chief Financial Officer) Sunil Sodhani (Company Secretary) Kamesh Venkata Bhamidipati (w.e.f. August 08, 2019)
Enterprises Significantly influenced by KMP or their relative	Oricon Enterprises Limited Kopran Laboratories Limited

The following transactions were carried out during the year with the related parties in the ordinary course of business:

(₹ in Lakhs)

Nature of Transaction	Enterprises owned or controlled (wholly owned subsidiaries)		Key management personnel		Enterprises significantly influenced by KMP or their relative		Total	
	2019-2020	2018-2019	2019-2020	2018-2019	2019-2020	2018-2019	2019-2020	2018-2019
Loan received								
Oricon Enterprises Limited	-	-	-	-	**250.00**	1,130.00	**250.00**	1,130.00
Kopran Research Laboratories Limited	4,497.26	-	-	-	-	-	**4,497.26**	-
Surendra Somani (Executive Vice Chairman)	-	-	**364.00**	60.00	-	-	**364.00**	60.00
Total	**4,497.26**	**-**	**364.00**	**60.00**	**250.00**	**1,130.00**	**5,111.26**	**1,190.00**
Repayment of Loan taken								
Surendra Somani (Executive Vice Chairman)	-	-	**76.00**	106.50	-	-	**76.00**	106.50
Oricon Enterprises Limited	-	-	-	-	**925.00**	877.00	**925.00**	877.00
Kopran Research Laboratories Limited	3,483.34	-	-	-	-	-	**3,483.34**	-
Total	**3,483.34**	**-**	**76.00**	**106.50**	**925.00**	**877.00**	**4,484.34**	**983.50**
Purchases								
Kopran Research Laboratories Limited	486.26	511.76	-	-	-	-	**486.26**	511.76
Oricon Enterprises Limited	-	-	-	-	**87.87**	378.01	**87.87**	378.01
Total	**486.26**	**511.76**	**-**	**-**	**87.87**	**378.01**	**574.13**	**889.77**
Sales								
Kopran Research Laboratories Limited	860.93	1,792.08	-	-	-	-	**860.93**	1,792.08
Total	**860.93**	**1,792.08**	**-**	**-**	**-**	**-**	**860.93**	**1,792.08**
Interest Expense								
Oricon Enterprises Limited	-	-	-	-	**167.30**	216.96	**167.30**	216.96
Kopran Research Laboratories Limited	17.52	-	-	-	-	-	**17.52**	-
Total	**17.52**	**-**	**-**	**-**	**167.30**	**216.96**	**184.82**	**216.96**
Interest Received								
Kopran Laboratories Limited	-	-	-	-	**3.84**	-	**3.84**	-
Kopran Research Laboratories Limited	-	11.56	-	-	-	-	**-**	11.56
Total	**-**	**11.56**	**-**	**-**	**3.84**	**-**	**3.84**	**11.56**
Loan Given								
Kopran Laboratories Limited	-	-	-	-	**35.00**	-	**35.00**	-
Kopran Research Laboratories Limited	-	4,758.45	-	-	-	-	**-**	4,758.45
Total	**-**	**4,758.45**	**-**	**-**	**35.00**	**-**	**35.00**	**4,758.45**
Repayment of Loan Given								
Kopran Research Laboratories Limited	100.14	4,658.31	-	-	-	-	**100.14**	4,658.31
Total	**100.14**	**4,658.31**	**-**	**-**	**-**	**-**	**100.14**	**4,658.31**
Miscellaneous Expenses								
Oricon Enterprises Limited (Rent Paid)	-	-			**240.00**	240.00	**240.00**	240.00
Kopran Laboratories Limited			-	-	**70.04**	63.20	**70.04**	63.20
Kopran Life Sciences Limited	0.05	0.01	-	-	-	-	**0.05**	0.01
Total	**0.05**	**0.01**	**-**	**-**	**310.04**	**303.20**	**310.09**	**303.21**

(₹ in Lakhs)

	2019-2020	2018-2019	2019-2020	2018-2019	2019-2020	2018-2019	2019-2020	2018-2019
Remuneration								
Surendra Somani	-	-	**148.46**	151.34	**-**	-	**148.46**	151.34
B. K. Soni	-	-	**20.06**	25.03	**-**	-	**20.06**	25.03
Sunil Sodhani	-	-	**14.86**	14.69	**-**	-	**14.86**	14.69
Kamesh Venkata Bhamidipati	-	-	**25.24**	-	**-**	-	**25.24**	-
Total	-	**-**	**208.62**	**191.06**	**-**	**-**	**208.62**	**191.06**
Corporate Guarantee Given to								
Kopran Research Laboratories Limited	6,250.00	6,250.00	**-**	-	**-**	-	**6,250.00**	6,250.00
Total	**6,250.00**	**6,250.00**	**-**	**-**	**-**	**-**	**6,250.00**	**6,250.00**
Financial Guarantee Income								
Kopran Research Laboratories Limited	62.50	62.50	**-**	-	**-**	-	**62.50**	62.50
Total	**62.50**	**62.50**	**-**	**-**	**-**	**-**	**62.50**	**62.50**
Miscellaneous Income								
Kopran Research Laboratories Limited (Rent Lease)	120.00	120.00	**-**	-	**-**	-	**120.00**	120.00
Total	**120.00**	**120.00**	**-**	**-**	**-**	**-**	**120.00**	**120.00**
Investment in the shares of the Subsidairy Company								
Kopran Research Laboratories Limited	62.50	62.50	**-**	-	**-**	-	**62.50**	62.50
Total	62.50	**62.50**	**-**	**-**	**-**	**-**	**62.50**	**62.50**
Corporate Guarantee Given by								
Kopran Research Laboratories Limited	3,600.00	3,600.00	**-**	-	**-**	–	**3,600.00**	3,600.00
Total	**3,600.00**	**3,600.00**	**-**	**-**	**-**	**–**	**3,600.00**	**3,600.00**
Balance Payable / (Receivable) as at March 31, 2020								
Oricon Enterprises Limited - Interest Payable	-	-	**-**	-	**-**	14.44	**-**	14.44
Kopran Research Laboratories Limited - Loan	913.78	(100.14)	**-**	-	**-**	-	**913.78**	(100.14)
Kopran Research Laboratories Limited - Trade Receivable	(0.22)	(874.03)	**-**	-	**-**	-	**(0.22)**	(874.03)
Kopran Research Laboratories Limited - Trade Payable	228.81	228.81	**-**	-	**-**	-	**228.81**	228.81
Oricon Enterprises Limited	-	-	**-**	-	**321.83**	230.74	**321.83**	230.74
Oricon Enterprises Limited - Loan	-	-	**-**	–	**1,133.97**	1,799.00	**1,133.97**	1,799.00
Kopran Laboratories Limited	-	-	**-**	-	**(38.46)**	-	**(38.46)**	-
Surendra Somani	-	-	**319.50**	31.50	**-**	-	**319.50**	31.50
Total	**1,142.37**	**(745.36)**	**319.50**	**31.50**	**1,417.34**	**2,044.18**	**2,879.21**	**1,330.32**

The sitting fees paid to non - executive directors is ₹ 4.98 lakhs (March 31, 2019 ₹ 4.91 lakhs).

Notes forming part of the Standalone Financial Statements

41) Disclosure of derivative

a) Particulars of derivatives as at balance sheet date:

(₹ in Lakhs)

Purpose	Currency	As at 31st March, 2020	As at 31st March, 2019
Forward exchange contracts (for export debtors)	USD	**140.35**	107.50
Forward contract value	₹	**10,387.30**	7,902.28
Forward exchange contracts (for Import Creditors)	USD	**-**	-
Forward contract value	₹	**-**	-

b) The foreign currency outstanding balances that have not been hedged by any derivative instrument or otherwise as at March 31, 2020 are as follows:

Particulars	Foreign currency denomination	As at March 31, 2020		As at March 31, 2019	
		Foreign currency amount	Amount	Foreign currency amount	Amount
Payables	USD	**19.59**	**1,482.62**	23.80	1,645.72
	EURO	**0.05**	**4.10**	3.28	254.56
	GBP	**0.78**	**73.54**	0.84	76.32
Receivables	USD	**54.42**	**4,118.19**	43.68	3,020.29
	EURO	**0.77**	**63.14**	4.07	316.05
	GBP	**1.56**	**146.31**	0.49	44.18
Foreign Currency Bank Balance	USD	**0.02**	**1.42**	0.02	1.35
Investment	HKD	**23.19**	**225.46**	23.19	204.75

The foreign currency outstanding has been translated at the rates of exchange prevailing on the balance sheet date.

42) Disclosures pursuant to Ind AS 108 "Segment Reporting"

The company is primarily engaged in the business of manufacturing of "Formulation (finished dosage form)" which in the context of Indian accounting standard (Ind AS) 108 on operating segments constitutes a single reportable segment.

In accordance with Ind AS 108 “operating segments”, segment information has been given in the consolidated financial statements of the company and therefore no separate disclosure on segment information is given in these financial statements.

43) Disclosures pursuant to Ind AS 17 "Leases"

a) The Company has taken office premises under operating lease.

Particulars	Year ended 31st March, 2020 `	Year ended 31st March, 2019 `
Lease payments in respect of such lease recognised in statement of profit and loss account	**240.00**	240.00

Notes forming part of the Standalone Financial Statements

b) Total of future minimum lease payments in respect of such non cancellable operating lease are as follows:

(₹ in Lakhs)

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
Not later than one year	**180.00**	180.00
Later than one year and not later than five years	**-**	-
Later than five years	**-**	-

44) Payments to auditor (Excluding Goods and Service Tax)

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
As Auditor		
Audit Fees	**7.00**	6.00
Tax Audit Fees	**1.50**	1.50
Out of Pocket expenses	**0.01**	0.04
Total	**8.51**	7.54

45) In the opinion of the board, current assets and loans and advances are approximately of the value stated if realised in the ordinary course of business. The provision for all known and determined liabilities are adequate and not in excess of the amounts reasonably required. The Balances of few creditors are subject to their confirmation.

46) Current tax and deferred tax

a) Income tax expense recognised in statement of profit and loss

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
Current Tax		
Current Income Tax Charge	**280.07**	347.55
Adjustments in respect of prior years	-	-
Total	**280.07**	347.55
Deferred Tax		
In respect of current year	**171.21**	91.10
Total	**171.21**	91.10
Total tax expense recognised in Statement of Profit and Loss	**451.28**	438.65

b) Income tax recognised in other comprehensive income

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
Deferred tax (liabilities) / assets		
Net changes in Fair value of investments in equity shares carried at fair value through OCI	-	0.07
Remeasurement of Defined Benefit Obligations	**(0.47)**	10.23
Total	**(0.47)**	10.30

Notes forming part of the Standalone Financial Statements

c) Reconciliation of income tax expense and the accounting profit multiplied by Company's domestic tax rate (₹ in Lakhs)

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
Net profit as per Statement of Profit and Loss Account (before tax) – (i)	**1,573.28**	1,735.73
Corporate Tax Rate as per Income tax Act, 1961 – (ii)	**29.12**	20.59
Tax on Accounting Profit – (iii) = (i) * (ii)	**458.14**	357.33
Tax difference on account of:		
(Expense) / income (debited) / credited to Other Comprehensive Income which will not be re-classified to profit or loss - Remeasurement of defined employee benefit plans	**-**	(7.82)
Expenses not allowable under the Income tax Act, 1961	**(24.54)**	(2.59)
One fifth of Transition Amount (Credit item credited to other Equity)	**-**	1.04
Timing Differences - Deferred tax assets	**19.47**	91.10
Rounding off tax differences	**(1.79)**	(0.41)
Income tax expense recognised in profit and loss	**451.28**	438.65

d) Movement of deferred tax

Deferred tax assets / (liabilities) in relation to the year ended March 31, 2020

Particulars	Opening balance	Recognised in profit and loss	Recognised in OCI	Closing balance
Relating to depreciation on fixed assets	(423.88)	(39.73)	-	(461.61)
Provision for gratuity	89.00	13.41	(0.47)	101.94
Provision for leave encashment	29.72	0.73	-	30.45
Provision for expected credit loss	3.48	6.88	-	10.36
Provision for Bonus	4.43	0.70	-	5.13
Provision for export benefit obligation	6.20	(1.46)	-	4.74
Fari value of equity instruments through OCI	0.07	-	-	0.07
MAT Credit Entilement	586.23	(151.75)	-	434.48
Net Deferred Tax Assets	**295.25**	**(171.21)**	**(0.47)**	**123.56**

Deferred tax assets / (liabilities) in relation to the year ended March 31, 2019

Particulars	Opening balance	Recognised in profit and loss	Recognised in OCI	Closing balance
Relating to depreciation on fixed assets	(522.13)	98.25	-	(423.88)
Provision for gratuity	88.03	(9.33)	10.30	89.00
Provision for leave encashment	31.56	(1.84)	-	29.72
Unabosorbed depreciation	294.00	(294.00)	-	-
Provision for expected credit loss	8.74	(5.26)	-	3.48
Provision for Bonus	0.07	4.36	-	4.43
Provision for export benefit obligation	-	6.20	-	6.20
Fari value of equity instruments through OCI	-	0.07	-	0.07
MAT Credit Entilement	475.77	110.46	-	586.23
Net Deferred Tax Assets	**376.04**	**(91.10)**	**10.30**	**295.25**

Notes forming part of the Standalone Financial Statements

47) Details of Loans given, covered u/s 186 (4) of the Companies Act, 2013 and disclosure pursuant to clause 34 of the (Listing Obligations and Disclosure Requirements) Regulations, 2015

(₹ in Lakhs)

	Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
a)	**Loans and advances in the nature of loans**		
	i) Loan to subsidiary: Kopran Research Laboratories Limited		
	Loans given during the year	-	4,758.45
	Balance as at the year end	-	100.14
	Maximum amount outstanding at any time during the year	-	713.84
	Purpose: Working Capital		
b)	**Investment in the shares of the Subsidiary Company**		
	Kopran Research Laboratories Limited during the year	62.50	62.50
	For details of invesments made in subsidiaries and balances as at March 31, 2020 refer Note No. 6(d)		
c)	**Corporate Guarantee given**		
	For loans sanctioned to Kopran Research Laboratories Limited	6,250.00	6,250.00

48) a) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

b) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

49) The figures for the comparative year / periods have been regrouped wherever necessary, to conform to the current year's classification.

50) FINANCIAL INSTRUMENTS

i. Financial instruments by category

Particulars	March 31, 2020			April 01, 2019		
	FVTPL	FVTOCI	Amortized cost	FVTPL	FVTOCI	Amortized cost
FINANCIAL ASSETS						
Non - current financial assets - Investment		1.90	0.40		1.90	0.40
Non - current financial assets - Loans receivables	-	-	288.30	-	-	131.82
Current financial assets - Trade receivables		-	4,247.59		-	4,459.00
Current financial assets - Cash and cash equivalents	-	-	20.60	-	-	20.59
Current financial assets - Bank Balances other than cash and cash equivalents	-	-	94.48	-	-	84.45
Current financial assets - Loans receivables	-	-	79.82	-	-	535.94
Current financial assets - Others	-	-	5.32	-	-	1.77
Derivatives designated as hedges - Foreign currency forward contracts	-	-	-	388.99	-	-
Total	-	1.90	4,736.51	388.99	1.90	5,233.97
FINANCIAL LIABILITIES						
Non - current financial liabilities - Borrowings	-	-	966.77	-	-	2,170.96
Current financial liabilities - Borrowings	-	-	2,658.29	-	-	1,883.20
Current financial liabilities - Trade payables	-	-	3,161.66	-	-	3,244.06
Current finanical liabilities - Other	-	-	1,860.69	-	-	1,742.41
Derivatives designated as hedges - Foreign currency forward contracts	421.01	-	-	-	-	-
Total	421.01	-	8,647.41	-	-	9,040.63

Notes forming part of the Standalone Financial Statements

ii. Fair value measurements

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The Company has established the fair value hierarchy that categorises the values into 3 levels. For the inputs to valuation techniques used to measure fair value of financial instruments refer Note No. 2.3(b)

Assets and liabilities measured at fair value:

(₹ in Lakhs)

Particulars	March 31, 2020			March 31, 2019		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial Assets						
Financial Investments which are measured at FVTPL						
Investments	-	-	-	-	-	-
Financial Investments which are measured at FVTOCI						
Investments	1.90	-	-	1.90	-	-
Derivatives designated as hedges						
Foreign exchange forward contracts	-	-	-	-	388.99	-
Financial Assets which are measured at Amortized Cost						
Non - current financial assets - Investment	-	0.40	-	-	0.40	-
Non - current financial assets - Loans receivables	-	288.30	-	-	131.82	-
Current financial assets - Trade receivables	-	4,247.59	-	-	4,459.00	-
Current financial assets - Cash and cash equivalents	-	20.60	-	-	20.59	-
Current financial assets - Bank Balances other than cash and cash equivalents	-	94.48	-	-	84.45	-
Current financial assets - Loans receivables	-	79.82	-	-	535.94	-
Current financial assets - Others	-	5.32	-	-	1.77	-
Total Financial Assets	1.90	4,736.51	-	1.90	5,622.96	-
Financial Liabilities						
Financial Liabilities which are measured at FVTPL						
Non - current financial liabilities - Borrowings	-	-	-	-	-	-
Derivatives designated as hedges Foreign exchange forward contracts	-	421.01	-	-	-	-
Financial Liabilities which are measured at Amortized Cost						
Non - current financial liabilities - Borrowings	-	966.77	-	-	2,170.96	-
Current financial liabilities - Borrowings	-	2,658.29	-	-	1,883.20	-
Current financial liabilities - Trade payables	-	3,161.66	-	-	3,244.06	-
Current finanical liabilities - Other	-	1,860.69	-	-	1,742.41	-
Total Financial Liabilities	-	9,068.42	-	-	9,040.63	-

Notes:

There have been no transfers among Level 1, Level 2 and Level 3 during the period

Financial instrument measured at amortised cost

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Management does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

Notes forming part of the Standalone Financial Statements

51) Disclosures pursuant to Ind AS 1 "presentation of financial statements"- capital management

Capital includes issued equity capital and share premium and all other equity reserves attributable to the equity holders. The primary objective of the company's capital management is to maximize the shareholder value.

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Non - current financial liabilities - Borrowings	**966.77**	2,170.96
Current financial liabilities - Borrowings	**2,658.29**	1,883.20
Current finanical liabilities - Other - Current maturities of long - term debt	**946.50**	945.09
Less : cash and cash equivalents	**(20.60)**	(20.59)
Net debt (A)	**4,550.96**	4,978.66
Total Equity	**22,967.31**	21,844.18
Total Capital (B)	**22,967.31**	21,844.18
Capital and Net Debt C = (A) + (B)	**27,518.27**	26,822.84
Gearing Ratio (A) / (C)	**16.54%**	18.56%

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations. The company monitors capital using gearing ratio, which is total debt divided by total capital plus debt.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2020 and March 31, 2019.

52) Disclosures pursuant to Ind AS 107 "Financial Instruments Disclosures"- Financial risk management objectives and policies

The Company's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Company's business activities expose it to a variety of financial risks, namely market risks, credit risk and liquidity risk. The Company's senior management has the overall responsibility for the establishment and oversight of the Company's risk management framework. The top management is responsible for developing and monitoring the Company's risk management policies. The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

a) Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, borrowings, foreign currency receivables and payables.

I) Interest Rate Risk

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's exposure to the risk of changes in market interest rates relates to the Company's long-term debt as well as short-term obligations with floating interest rates.

In order to manage it interest rate risk The Company diversifies its portfolio in accordance with the limits set by the risk management policies.

Notes forming part of the Standalone Financial Statements

As an estimation of the approximate impact of the interest rate risk, with respect to financial instruments, the Company has calculated the impact of a 1% change in interest rates. A 1% decrease in interest rates would have led to approximately an additional ₹ 42.52 Lakhs gain for year ended March 31, 2020 (₹ 49.68 Lakhs gain for year ended March 31, 2019) in Interest expenses. A 1% increase in interest rates would have led to an equal but opposite effect.

Interest rate sensitivity has been calculated assuming the borrowings outstanding at the reporting date have been outstanding for the entire reporting

ii) Foreign Currency Risk

Foreign currency risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the borrowings, import of raw materials, exports of Formulations and the Company's net investments in foreign subsidiaries.

When a derivative is entered into for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match the terms of the hedged exposure.

The Company evaluates exchange rate exposure arising from foreign currency transactions. The Company follows established risk

Outstanding foreign currency exposure:

(₹ in Lakhs)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Foreign currency amount	Amount in ₹	Foreign currency amount	Amount in ₹
Receivables				
USD	**54.42**	**4,118.19**	43.68	3,020.29
EURO	**0.77**	**63.14**	4.07	316.05
GBP	**1.56**	**146.31**	0.49	44.18
Foreign Currency Bank Account				
USD	**0.02**	**1.42**	0.02	1.35
Investments				
HKD	**23.19**	**225.46**	23.19	204.75
Payables				
USD	**19.59**	**1,482.62**	23.80	1,645.72
EURO	**0.05**	**4.10**	3.28	254.56
GBP	**0.78**	**73.54**	0.84	76.32
Borrowings				
USD	**4.45**	**336.66**	6.91	477.90

Foreign exchange risk sensitivity:

As an estimation of the approximate impact of the interest rate risk, with respect to financial instruments, the Company has calculated the impact of a 1% change in interest rates. A 1% decrease in interest rates would have led to approximately an additional ₹ 26.75 Lakhs net gain for year ended March31,2020 (₹11.41 Lakhs net loss for year ended March 31,2019) in Interest expenses. A 1% increase in interest rates would have led to an equal but opposite effect.

Notes forming part of the Standalone Financial Statements

Forward exchange contracts:

Derivatives for hedging currency, outstanding are as under:

(₹ in Lakhs)

Particulars	Purpose	Currency	As at 31st March, 2020	As at 31st March, 2019
Foreign currency forward contracts	Exports	USD	**140.35**	107.50
Forward contract value	Exports	₹	**10,387.30**	7,902.28
Foreign currency forward contracts	Imports	USD	**-**	-
Forward contract value	Imports	₹	**-**	-

iii) Other price risk

a) Other price risk

Other price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded price. Other price risk arises from financial assets such as investments in equity instruments. The Company is exposed to price risk arising mainly from investments in equity instruments recognised at FVTOCI. As at March 31, 2020, the carrying value of such equity instruments recognised at FVTOCI amounts to ₹ 1.90 Lakhs (March 31, 2019 Rs. 1.90 Lakhs). The details of such investments in equity instruments are given in Note 6(a) and 6(b).

The Company is mainly exposed to change in market rates of its investments in equity investments recognised at FVTOCI. A sensitivity analysis demonstrating the impact of change in market prices of these instruments from the prices existing as at the reporting date is given below:

If the equity prices had been higher / lower by 10% from the market prices existing as at March 31, 2020, Other Comprehensive Income for the year ended March 31, 2020 would increase / decrease by ₹ Nil Lakhs (March 31, 2019 ₹ NIL) with a corresponding increase/decrease in Total Equity of the Company as at March 31, 2020. 10% represents management's assessment of reasonably possible change in equity prices.

b) Credit Risk

Credit risk arises when a customer or counter party does 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 / investing activities, including deposits with banks, foreign exchange transactions and financial guarantees. The Company has no significant concentration of credit risk with any counter party.

Trade receivables:

Credit risk arising from trade receivables is managed in accordance with the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on a detailed study of credit worthiness and accordingly individual credit limits are defined/ modified.

Total Trade receivable as on March 31, 2020 is ₹ 4,247.59 Lakhs (March 31, 2019 ₹ 4,459.00 Lakhs). The average credit period on sale of goods is 90 to 180 days. No interest is charged on trade receivables.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on exchange losses historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

The Company has used expected credit loss (ECL) model for assessing the impairment loss. For the purpose, the Company uses a provision matrix to compute the expected credit loss amount. The provision matrix takes into account external and internal risk factors and historical data of credit losses from various customers.

Notes forming part of the Standalone Financial Statements

Movement in the expected credit loss allowance on trade receivables

(₹ in Lakhs)

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
Balance at the beginning of the year	**12.50**	25.00
Addition	**23.07**	-
Write - offs	-	(12.50)
Recoveries	-	-
Balance at the end of the year	**35.57**	12.50

c) Liquidity risk

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions.The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows as at the Balance Sheet date.

Particulars	Carrying amount	Less than 12 months	More than 12 months	Total
As at March 31, 2020				
Non - current financial liabilities - Borrowings	**966.77**	**-**	**966.77**	**966.77**
Current financial liabilities - Borrowings	**2,658.29**	**2,658.29**	**-**	**2,658.29**
Current financial liabilities - Trade payables	**3,161.66**	**3,161.66**	**-**	**3,161.66**
Current finanical liabilities - Other	**2,281.70**	**2,281.70**	**-**	**2,281.70**
As at March 31, 2019				
Non - current financial liabilities - Borrowings	2,170.96	-	2,170.96	2,170.96
Current financial liabilities - Borrowings	1,883.20	1,883.20	-	1,883.20
Current financial liabilities - Trade payables	3,244.06	3,244.06	-	3,244.06
Current finanical liabilities - Other	1,742.42	1,742.42	-	1,742.42

Notes forming part of the Standalone Financial Statements

53) Micro, small and medium enterprises

(₹ in Lakhs)

	Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
(a)	The principal amount remaining unpaid to any supplier at the end of each accounting year.	133.31	116.43
(b)	Interest due thereon remaining unpaid to any supplier as at the end of the accounting year.	-	-
(c)	The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day.	-	-
(d)	The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
(e)	The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
(f)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

Dues to micro, small and medium enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management.

54) Corporate Social Responsibility

As per section 135 of the Companies Act, 2013, amount required to be spent by the Company during the year ended March 31, 2020 and March 31, 2019 is ₹ 20.61 lakhs and ₹ 8.77 lakhs, respectively, computed at 2% of its average net profit for the immediately preceding three financial years, on Corporate Social Responsibility (CSR). The Company incurred an amount of ₹ 1.00 lakhs and ₹ 8.40 lakhs during the year ended March 31, 2020 and 2019, respectively, towards CSR expenditure for purposes other than construction / acquisition of any asset.

55) Disaggregation of revenue

The operations of the Company are limited to only one segment viz. pharmaceuticals and related products. Revenue from contract with customers is from sale of manufactured goods and rendering of research services. Sale of goods are made at a point in time and revenue is recognised upon satisfaction of the performance obligations which is typically upon dispatch / delivery. The Company has a credit evaluation policy based on which the credit limits for the trade receivables are established. There is no significant financing component as the credit period provided by the Company is not significant.

Primary Geographical Markets

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
India	1,789.09	1,941.31
South Africa	7,762.45	9,883.09
Ethiopia	2,927.31	-
Zambia	1,685.67	-
Turkey	-	189.49
Rest of World	3,764.56	7,650.70
Total	**17,929.08**	19,664.59

Contract balances

(₹ in Lakhs)

	31st March, 2020	31st March, 2019
Trade Receivables	4,247.59	4,459.00

The average credit period on sale of goods is 90 to 180 days. No interest is charged on trade receivables. receivables.

Reconciliation of revenue from sale of products as recognised in the Statement of Profit and Loss with the contracted price:

Revenue as per contracted price	17,383.57	19,146.97
Less:		
Sales return	7.81	20.44
Discount	-	0.09
Revenue as per the Statement of Profit and Loss	17,375.76	19,126.44

Disaggregated revenue recognised in the Statement of Profit and Loss:

Tablet / Capsules / Liquids	17,340.03	18,982.94
Others	35.73	143.50
Total	**17,375.76**	**19,126.44**

Information about major customers:

More than 10% of the Revenues is from two customers aggregating to ₹ 6,145.28 Lakhs representing approximately 35.37 of the Company's revenue from operations from sale of products, for the year ended March 31, 2020.

More than 10% of the Revenues is from one customer amounting to ₹ 5,169.35 Lakhs representing approximately 20.03% of the Company's revenue from operations from sale of products, for the year ended March 31, 2019.

56) Effective April 01, 2019, the Company has adopted Ind AS 116 "Leases" and reviewed all contracts having lease components existing on April 01, 2019. These contracts are in the nature of short-term leases and hence there is no impact of application of Ind AS 116 on the standalone financial statements of the Company.

57) The Company has considered the possible effects that may result from the pandemic relating to COVID-19. With a view to ensure minimal disruption with respect to operations including production and distribution activities, the Company has taken several business continuity measures. As the company is into essential manufacturing service which is exempt from lockdown restrictions, the Company has not experienced any significant difficulties with respect to market demand, liquidity, financing capital expansion projects, collections so far. The Company has assessed the financial impact of the Covid 19 situation particularly on the carrying amounts of receivables, inventories, property, plant and equipment and intangible assets. The Company has, as at the date of approval of these standalone financial statements, used internal and external sources of information, including economic forecasts and estimates from market sources. On the basis of evaluation and current indicators of future economic conditions, the Company believes that it will be in a position to recover the carrying amounts of these assets and does not anticipate any material impact due to impairment to these financial and non-financial assets. However, the impact assessment of COVID-19 is a continuing process, given the uncertainties associated with its nature and duration. The Company will continue to monitor any material changes to future economic conditions.

As per our report of even date
For **Khandelwal Jain & Co**
Chartered Accountants
Firm Registration No: - 105049W

S. S. Shah
Partner
Membership No.: 033632

Place: Mumbai
Date :June 30, 2020

For and on behalf of the Board of Directors

SURENDRA SOMANI
Executive Vice Chairman
DIN: 00600860

NARAYAN ATAL
Director
DIN: 00237626

B. K. SONI
Chief Financial Officer

SUNIL SODHANI
Company Secretary

Independent Auditors' Report

To The Members of
Kopran Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Kopran Limited (hereinafter referred to as "the Holding Company") and its subsidiaries listed in Annexure I (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated Balance Sheet as at March 31, 2020, the consolidated statement of Profit and Loss (including other comprehensive income), the consolidated statement of Changes in Equity and the consolidated statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiaries referred to in "Other Matters" section herein below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2020, of its consolidated profit and other comprehensive income, the consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

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

Key Audit Matters

Key audit matters ('KAM') are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be Communicated in our report. For each matter below, the description of audit procedures performed by us and by other auditors, of components not audited by us, as reported and communicated by them and furnished to us by the management, to address the matter, is provided in the above context.

Sr. No.	Key Audit Matter	How scope of the audit addressed the key audit matter
1	**Evaluation of Provision and Contingent Liabilities:**	
	As at the Balance Sheet date, the Company has significant open litigation and other contingent liabilities as disclosed in note no. 36(a). The assessment of the existence of the present legal or constructive obligation, analysis of the probability or possibility of the related payment require the management to make judgment and estimates in relation to the issues of each matter. The management with the help of opinion and advise of its experts have made such judgments and estimates relating to the likelihood of an obligation arising and whether there is a need to recognize a provision or disclose a contingent liability.	We have reviewed and held discussions with the management to understand their processes to identify new possible obligations and changes in existing obligations for compliance with the requirements of Ind AS 37 on Provisions, Contingent Liabilities and Contingent Assets. We have also discussed with the management significant changes from prior periods and obtained a detailed understanding of these items and assumptions applied. We have held regular meetings with the management and key legal personnel responsible for handling legal matters.

	Due to the level of judgment relating to recognition, valuation and presentation of provision and contingent liabilities, this is considered to be a key audit matter.	In addition, we have reviewed: • the details of the proceedings before the relevant authorities including communication from the advocates / experts; • legal advises / opinions obtained by the management, if any, from experts in the field of law on the legal cases; • status of each of the material matters as on the date of the balance sheet. We have assessed the appropriateness of provisioning based on assumptions made by the management and presentation of the significant contingent liabilities in the financial statements.
2	**Valuation of inventory:**	
	Inventory comprises of Raw Materials, Finished Goods, Stock in process and Stores and Spares. There is an inherent risk around the accuracy of the valuation of the closing stocks. Inventories are valued at lower of cost and net realisable value. These involve significant management judgment to determine the obsolete or slow moving items of inventory and to evaluate the realisable values. Further, Amoxicillin Trihydrate is the main raw material for the Company, which is partly imported, and is subject to high price fluctuation risk as well as foreign currency risk. The volatility in the prices of Amoxicillin Trihydrate may significantly impact the valuation of not only Raw material but also other items of inventory. In determining the net realizable value, the management uses data of sales of finished good available which is a management estimate. We have considered this as a key audit matter due to the significance in the amount of inventory and volatility in the prices of Amoxicillin Trihydrate.	We have reviewed the stock records and held discussions with the management with regard to determination of slow moving and obsolete items and valuation of realizable values of such items. We verified arithmetical accuracy of valuation records / reports. For a sample of inventory items we have verified that the First in First out (FIFO) Method for valuation in case of inventory is appropriate. We have reviewed the price movement of Amoxicillin Trihydrate with respect to cost to the Company. Compared such prices with the recent selling prices. Compared the value of Finished Goods with the last selling prices of the respective product to determine the basis of valuation adopted.
3	**Estimated allowance of trade receivables:**	
	The Trade receivables forms a significant part of the Group`s total assets. The estimated allowance of trade receivables is identified key audit matter due to the use of significant judgment and estimates with respect to the recoverability of overdue trade receivables. As detailed in note no. 55(b) of financial statements, the management reviews and assesses the recoverability of the carrying value of all overdue trade receivables individually by considering the credit history including default or delay in payments, settlement records and subsequent settlements. Allowance for doubtful debts will be provided for the amount of trade receivables that are considered as irrecoverable.	Our audit procedures in relation to the estimated allowance of trade receivables included: • Understanding how allowance for doubtful debts is estimated by the management; • Testing the subsequent settlements of trade receivables, on a sample basis, to the source documents including bank statements and bank-in slips/ remittance advices. • Discussing with the management and evaluating the basis of trade debtors that are overdue and without/with little settlements subsequent to the end of the reporting period identified by the management and their assessment on the recoverability of overdue trade receivables.

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report and Corporate Governance Report, but does not include the consolidated financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report. Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. When we read the annual report, if based on the work we have performed, we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

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

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of each entity of the Group.

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the entity has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in Other Matters paragraph below.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the financial statements/financial information of four subsidiaries, whose financial statements / financial information, before consolidated adjustments, reflect total assets of Rs. 23,469.65 lakhs as at 31st March, 2020, total revenues of Rs. 19,368.05 lakhs, total comprehensive income (comprising of profit and other comprehensive income) of Rs. 692.22 lakhs and net cash flows amounting to Rs. 68.61 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements/financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

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

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Statement of Cash Flow and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2020 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in “Annexure A”.

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements of the subsidiaries, as noted in the Other Matters paragraph above:

i. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2020 on the consolidated financial position of the Group. Refer Note 36(a) to the consolidated financial statements.

ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting statements, for material foreseeable losses, if any, on long-term contracts including derivative contracts. Refer Notes 51(a) to the consolidated financial statements in respect of such items as it relates to the Group.

iii. There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India. Refer Notes 51(b) to the consolidated financial statements in respect of such items as it relates to the Group.

iv. The disclosures in the consolidated financial statements regarding holdings as well as dealing in specified banks notes during the period from 8 November 2016 to 30 December, 2016 have not been made since they do not pertain to the financial year ended 31 March 2020.

B. With respect to the matter to be included in the Auditors' Report in accordance with the requirements of Section 197(16) of the Act:

In our opinion and according to the information and explanation given to us and based on the reports of the statutory auditors of such subsidiary companies incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company and its subsidiaries which are incorporated in India, to their directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiaries which are incorporated in India, is not in excess of the limit laid down under Section 197 of the Act.

For **KHANDELWAL JAIN & CO.**
Chartered Accountants,
Firm Registration No.: 105049W

S. S. Shah
Partner
Membership No.: 033632
UDIN: 20033632AAAAAT8348

Place: Mumbai
Date: June 30, 2020

Annexure I: List of entities consolidated as at 31st March 2020

Sr. No.	Name of the subsidiary
1	Kopran Research Laboratories Limited
2	Kopran Lifesciences Limited
3	Kopran (H. K.) Limited
4	Kopran (UK) Limited

Annexure A to the Independent Auditor's Report

(Referred to in paragraph A (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the Members of Kopran Limited on the consolidated financial statements for the year ended March 31, 2020)

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

In conjunction with our audit of the consolidated financial statements of Kopran Limited (hereinafter referred to as “the Holding Company”) as of and for the year ended March 31, 2020, we have audited the internal financial controls over financial reporting with reference to consolidated financial statements of the Holding Company and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding company and respective subsidiaries, which are incorporated in India, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's and its subsidiary companies', which are companies incorporated in India, internal financial controls over financial reporting with reference to these consolidated financial statements 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 both, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013 (“”the Act”), to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these consolidated financial statements 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 with reference to these consolidated financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls with reference to these consolidated financial statements, 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 and the statutory auditors of the subsidiaries incorporated in India, have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial control system over financial reporting with reference to these consolidated financial statements of the Holding Company and its subsidiaries which are incorporated in India.

Meaning of Internal Financial Controls with reference to consolidated Financial Statements

A company's internal financial control with reference to the consolidated financial statements 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 with reference to consolidated financial statements 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 consolidated 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 with reference to these consolidated financial statements:

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors, as referred to in Other Matters paragraph below, the Holding Company and its subsidiaries, which are companies incorporated in India have, maintained in all material respects, adequate internal financial controls over financial reporting with reference to these consolidated financial statements and such internal financial controls over financial reporting with reference to these consolidated financial statements were operating effectively as at March 31, 2020, based on the internal financial control over financial reporting criteria established by the Holding Company considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters:

Our report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements of the Holding Company, in so far as it relates to separate financial statement of 2 subsidiaries, which are companies incorporated in India, is based on the respective reports of the auditors of such subsidiaries incorporated in India.

For **KHANDELWAL JAIN & CO.**
Chartered Accountants,
Firm Registration No.: 105049W

S. S. Shah
Partner
Membership No.: 033632
UDIN: 20033632AAAAAT8348

Place: Mumbai
Date: June 30, 2020

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2020

(₹ in Lakhs)

Particulars	Note No.	As at 31st March, 2020	As at 31st March, 2019
ASSETS			
1. Non - current assets			
Property, Plant and Equipment	4	**11,097.25**	11,238.32
Capital work-in-progress		**2,186.69**	1,714.41
Goodwill		**0.58**	0.58
Intangible assets	5	**17.38**	23.28
Intangible assets under development		**837.26**	714.96
Financial assets			
Investments	6	**2.30**	2.30
Loans receivables	7	**357.23**	191.68
Deferred tax assets (net)	8	**123.56**	295.25
Other non - current assets	9	**262.31**	293.83
Total non - current assets		**14,884.56**	14,474.61
2. Current assets			
Inventories	10	**8,849.66**	7,344.62
Financial assets			
Trade receivables	11	**9,281.12**	8,664.35
Cash and cash equivalents	12	**83.45**	41.47
Bank balances other than cash and cash equivalents above	13	**391.16**	354.48
Loans receivables	14	**87.45**	445.05
Other financial assets	15	**5.32**	429.56
Current tax assets (net)	16	**72.38**	-
Other current assets	17	**3,489.68**	3,477.17
Total current assets		**22,260.22**	20,756.70
Total Assets		**37,144.78**	35,231.31
EQUITY AND LIABILITIES			
Equity			
Equity share capital	18	**4,324.89**	4,324.89
Other equity	19	**14,643.12**	12,522.68
Total Equity		**18,968.01**	16,847.57
LIABILITIES			
1. Non - Current liabilities			
Financial liabilities			
Borrowings	20	**3,182.77**	4,111.90
Provisions	21	**719.97**	641.58
Deferred tax liabilities (net)	22	**268.69**	158.96
Total non - current liabilities		**4,171.43**	4,912.44
2. Current liabilities			
Financial liabilities			
Borrowings	23	**4,623.42**	4,544.42
Trade payables			
a) total outstanding dues of micro enterprises and small enterprises	24	**133.31**	116.43
b) total outstanding dues of creditors other than micro enterprises and small enterprises	24	**5,341.00**	4,999.47
Other financial liabilities	25	**3,060.08**	2,666.43
Other current liabilities	26	**756,71**	857.84
Provisions	27	**72.37**	71.47
Current tax liabilities (net)	28	**18.45**	215.24
Total current liabilities		**14,005.34**	13,471.30
Total equity and liabilities		**37,144.78**	35,231.31

Corporate information	**1**
Significant accounting policies	**2**
Notes forming part of the consolidated financial statements	**3 to 61**

As per our report of even date
For **Khandelwal Jain & Co**
Chartered Accountants
Firm Registration No: - 105049W

S. S. Shah
Partner
Membership No.: 033632

Place: Mumbai
Date : June 30, 2020

For and on behalf of the Board of Directors

SURENDRA SOMANI
Executive Vice Chairman
DIN: 00600860

NARAYAN ATAL
Director
DIN: 00237626

B. K. SONI
Chief Financial Officer

SUNIL SODHANI
Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

(₹ in Lakhs)

Particulars	Note No.	Year Ended 31st March, 2020	Year Ended 31st March, 2019
INCOME			
Revenue from operations	29	**35,949.94**	35,790.10
Other income	30	**63.07**	305.89
Total Income		**36,013.01**	36,095.99
EXPENSES			
Cost of materials consumed	31	**22,305.58**	19,618.95
Purchases of stock-in-trade		**977.51**	2,104.75
Changes in inventories of finished goods and work-in-progress	32	**(2,281.18)**	(926.71)
Employee benefits expense	33	**3,685.21**	3,710.61
Finance costs	34	**891.17**	899.06
Depreciation and amortization expense	4 & 5	**957.69**	873.92
Other expenses	35	**6,593.25**	6,649.16
Total Expenses		**33,129.23**	32,929.74
Profit before exceptional items and tax		**2,883.78**	3,166.25
Exceptional items (net)		**(55.42)**	-
Profit before tax		**2,828.36**	3,166.25
Tax Expense	49		
(1) Current tax		**522.13**	528.37
(2) Deferred tax		**183.63**	235.58
(3) Taxation adjustment of earlier year		**20.38**	
Total tax expense		**726.34**	763.95
Profit for the year		**2,102.02**	2,402.30
Other comprehensive income for the year			
(I) Items that will not be reclassified subsequently to profit or loss			
a) Net changes in fair value of investments in equity shares carried at fair value through OCI [(expenses) / income]		**-**	(1.22)
Income tax effect on Net changes in fair value of investments in equity shares carried at fair value through OCI [credit / (charge)]		**-**	0.07
b) Re-measurement of defined employee benefit plans [(expenses) / write back]		**(1.92)**	(47.69)
Income tax effect on re-measurement of defined employee benefit plans [credit / (charge)]		**(0.47)**	10.23
ii) a) Items that will be reclassified to profit or loss			
Exchange difference in translating the financial statements of foreign operation		**20.82**	13.06
b) Income tax relating to items that will be reclassified to profit or loss		**-**	-
Total other comprehensive (loss) / income for the year		**18.43**	(25.55)
Total comprehensive income for the year		**2,120.45**	2,376.75
Profit for the year attributable to			
Owner of the Company		**2102.02**	2,402.30
Non-Controling Interst		**-**	-
Other comprehensive (loss) / income for the year attributable to			
Owner of the Company		**18.43**	(25.55)
Non-Controling Interst		**-**	-
Total other comprehensive (loss) / income for the year attributable to			
Owner of the Company		**2,120.45**	(2,376.75)
Non-Controling Interst		**-**	-
Earnings per equity share (₹)			
Basic and diluted-par value of ₹ 10/- per share	37	**4.86**	5.55
Corporate information	**1**		
Significant accounting policies	**2**		
Notes forming part of the consolidated financial statements	**3 to 61**		

As per our report of even date
For **Khandelwal Jain & Co**
Chartered Accountants
Firm Registration No: - 105049W

S. S. Shah
Partner
Membership No.: 033632

Place: Mumbai
Date : June 30, 2020

For and on behalf of the Board of Directors

SURENDRA SOMANI
Executive Vice Chairman
DIN: 00600860

NARAYAN ATAL
Director
DIN: 00237626

B. K. SONI
Chief Financial Officer

SUNIL SODHANI
Company Secretary

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2020

(In Lakhs)

A) Equity Share Capital

Particulars	Amount
As at April 1, 2018	4,325.26
Changes in equity share capital	-
As at March 31, 2019	4,325.26
Changes in equity share capital	-
As at March 31, 2020	**4,325.26**

B) Other Equity

	Reserve and Surplus				Other Comprehensive Income				
Particulars	**Capital Reserve**	**General Reserve**	**Securities Premium**	**Export allowance reserve**	**Retained Earnings**	**Equity instruments through OCI**	**Foreign exchange fluctuation reserve**	**Remeasurements of net defined benefit plans**	**Total**
As at April 1, 2018	**1,484.74**	**814.21**	**12,226.95**	**0.40**	**(4,565.74)**	**(6.29)**	**91.90**	**99.77**	**10,145.95**
Profit for the year	-	-	-	-	2,402.30	-	13.06	-	2,415.34
Other comprehensive income for the year	-	-	-	-	-	(1.15)	-	(37.47)	(38.62)
Realised Gain/Loss on Equity FVTOCI transferred to Retained Earnings	-	-	-	-	(7.26)	7.26	-	-	-
As at April 01, 2019	**1,484.74**	**814.21**	**12,226.95**	**0.40**	**(2,170.70)**	**(0.18)**	**104.96**	**62.30**	**12,522.67**
Profit for the year	-	-	-	-	2,102.03	-	20.82	-	2,122.85
Other comprehensive income for the year	-	-	-	-	-	-	-	(2.39)	(2.39)
Realised Gain/Loss on Equity FVTOCI transferred to Retained Earnings	-	-	-	-	-	-	-	-	-
As at March 31, 2020	**1,484.74**	**814.21**	**12,226.95**	**0.40**	**(68.68)**	**(0.18)**	**125.78**	**59.90**	**14,643.12**

The Description of the nature and purpose of each reserve within equity is as follows:

a) Foreign Currency Translation Reserve:

Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. ₹) are recognised directly ro retained earnings and accumulated in foreign currency translation reserve.

b) Capital Reserve:

Capital Reserves are mainly the reserves created by way of forfeiting the deposits received against the share warrants issued in the earlier years and the merger of 'Kopran Pharmaceuticals Ltd.' with the Company, pursuant to the Scheme of Arrangement and Amalgamation sanctioned by the Hon'ble High Court of Judicature at Bombay in the financial year 2004-05.

c) General Reserve:

General reserve is created from time to time by way of transfer profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

d) Securities Premium:

Securities premium reserve is credited when shares are issued at premium. It is utilised in accordance with the provisions of the Act, to issue bonus shares, to provide for premium on redemption of shares or debentures, write-off equity related expenses like underwriting costs, etc.

e) Retained Earnings:

Retained earnings are the profits that the Company has earned till date less any tranfer to General Reserve, dividends or other distributions paid to the shareholders.

f) Equity Instruments through OCI:

This represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income, under an irrevocable option, net of amounts reclassified to retained earnings when such assets are disposed off.

Corporate information	**1**
Significant accounting policies	**2**
Notes forming part of the consolidated financial statements	**3 to 61**

As per our report of even date
For **Khandelwal Jain & Co**
Chartered Accountants
Firm Registration No: - 105049W

S. S. Shah
Partner
Membership No.: 033632

Place: Mumbai
Date : June 30, 2020

For and on behalf of the Board of Directors

SURENDRA SOMANI
Executive Vice Chairman
DIN: 00600860

NARAYAN ATAL
Director
DIN: 00237626

B. K. SONI
Chief Financial Officer

SUNIL SODHANI
Company Secretary

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2020

(₹ in Lakhs)

Particulars		Year Ended 31st March, 2020	Year Ended 31st March, 2019
Cash flows from operating activities			
Net Profit before tax		**2,883.78**	3,166.25
Adjustments for:			
Depreciation and amortisation expense		**957.69**	873.92
Amortisation of premium on operating lease		**1.55**	1.55
Dividend income		**(0.07)**	(0.09)
Finance cost		**891.17**	899.06
Interest income		**(45.91)**	(11.48)
Unrealised foreign exchange (gain) / loss (net)		**263.02**	(386.83)
Provision / write off for expected credit loss / trade receivables / advances (net)		**96.57**	181.86
Liabilities written back (net)		**(0.62)**	(235.59)
Operating profit before working capital changes		**5,047.18**	4,488.65
Movements in working capital			
Increase in inventories		**(1,505.04)**	(243.38)
Decrease / (increase) in trade receivables		**(474.97)**	(2,379.43)
Increase in loans receivables		**192.05**	100.01
Increase in other current / non-current assets		**(23.00)**	857.48
Increase / (Decrease) in trade payables		**306.83**	(874.30)
Increase in provisions		**77.37**	86.18
(Decrease) / Increase in other financial liabilities		**329.80**	148.86
(Decrease) / Increase in other current liabilities		**(100.87)**	732.48
Effects of exchange fluctuation reserve		**20.82**	13.06
Cash generated from operations		**3,870.17**	2,929.61
Direct taxes paid (Net of refunds)		**(714.57)**	(388.33)
Cash flow before exceptional items		**3,155.60**	2,541.28
Payments for exceptional items		**(55.42)**	-
Net cash flow from operating activities	**(A)**	**3,100.18**	2,541.28
Cash flows (used in) / from investing activities			
Purchase of fixed assets, including capital work-in-progress, capital advance and creditors for capital goods		**(1,283.01)**	(2,661.42)
Purchase of intangibles including Intangible assets under development		**(122.29)**	(475.85)
Proceeds from sale of fixed assets		**-**	8.73
(Decrease)/Increase in creditors for capital goods		**(316.86)**	318.17
Decrease in capital advance		**36.90**	(96.23)
Proceeds from Non - current investments		**-**	1.40
Bank balances other than cash and cash equivalents above		**(36.68)**	219.08
Decrease / (increase) in other financial assets		**424.24**	188.84
Interest Income		**45.91**	11.48
Dividend Income		**0.07**	0.09
Net cash flow used in investing activities	**(B)**	**(1,251.72)**	(2,485.71)
Cash flows (used in) / from financing activities			
Repayment of long-term borrowings (Net)		**(13.09)**	(15.71)
Redemption of 10% Non-Convertible Non-Cumulative Redeemable Preference Shares of ₹ 10 each		**(858.00)**	-
Current maturities of long-term debt		**284.48**	56.96
Repayment of Inter corporate deposits		**(72.45)**	1,398.42
Repayment of short-term borrowings (Net)		**(224.25)**	(619.85)
Interest accrued		**(32.00)**	21.12
Interest paid		**(891.17)**	(899.06)
Net cash flow used in financing activities	**(C)**	**(1,806.48)**	(58.12)

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2020

(₹ In Lakhs)

Particulars		Year Ended 31st March, 2020	Year Ended 31st March, 2019
Net increase in cash and cash equivalents	**(A+B+C)**	**41.98**	(2.55)
Cash and cash equivalents at the beginning of the year		**41.47**	44.02
Effect of exchange rate changes on cash and cash equivalents		**-**	-
Cash and cash equivalents at the end of the year (refer note no. 12)		**83.45**	41.47

Note:

The above cash flow statement has been prepared under the "Indirect Method" as set out in Ind AS - 7 - "Statement of Cash Flow".

Corporate information	**1**
Significant accounting policies	**2**
Notes forming part of the consolidated financial statements	**3 to 61**

As per our report of even date
For **Khandelwal Jain & Co**
Chartered Accountants
Firm Registration No: - 105049W

S. S. Shah
Partner
Membership No.: 033632

Place: Mumbai
Date : June 30, 2020

For and on behalf of the Board of Directors

SURENDRA SOMANI
Executive Vice Chairman
DIN: 00600860

NARAYAN ATAL
Director
DIN: 00237626

B. K. SONI
Chief Financial Officer

SUNIL SODHANI
Company Secretary

Notes forming part of the Consolidated Financial Statements

1) CORPORATE INFORMATION

Kopran Limited (referred to as "KL" or “the Holding Company”) is a public company domiciled in India and is incorporated under the provisions of the Companies Act, 1956 applicable in India. Its shares are listed on BSE and NSE in India.

The Holding Company and its subsidiaries are engaged in the business of manufacturing of Formulation (Finished Dosage Form) and Active Pharmaceutical Ingredients (API).

The Holding Company, its subsidiaries, associate and joint venture together referred as “the Company” or “the Group”.

The addresses of its registered office and principal place of business are disclosed in the introduction to the annual report.

The financial statements were authorised for issue by the board of directors on June 30, 2020.

2) SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

Compliance with Ind AS

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as “Ind AS”) as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

Historical Cost Convention

The consolidated financial statements have been prepared on the historical cost basis except for the followings:

- certain financial assets and liabilities and contingent consideration that is measured at fair value or amortised cost at the end of each reporting period.
- assets held for sale measured at fair value less cost to sell;
- defined benefit plans plan assets measured at fair value; and
- Derivative 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 consolidated financial statements are presented in Indian Rupees (which is the functional currency of the Holding Company) in Lakhs and all values are rounded to the nearest in two decimal point except where otherwise stated.

Principles of Consolidation

The consolidated financial statements relate to Kopran Limited ('the Company') and its subsidiary companies, associates and joint ventures. The consolidated financial statements have been prepared on the following basis:

The financial statements of the Company and its subsidiaries are combined on a line by line basis by adding together like items of assets, liabilities, equity, incomes, expenses and cash flows, after fully eliminating intra-group balances and intra-group transactions.

Profits or losses resulting from intra-group transactions that are recognised in assets, such as inventory and property, plant & equipment, are eliminated in full.

In case of foreign subsidiaries, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognized in the Foreign Currency Translation Reserve.

Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.

The difference between the proceeds from disposal of investment in subsidiaries and the carrying amount of its assets less liabilities as on the date of disposal is recognized in the Consolidated Statement of Profit and Loss being the profit or loss on disposal of investment in subsidiary

.

Non-Controlling Interest's share of profit / loss of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Group.

Notes forming part of the Consolidated Financial Statements

Non-Controlling Interest's share of net assets of consolidated subsidiaries is identified and presented in the Consolidated Balance Sheet separate from liabilities and the equity of the Group's shareholders.

Investment in Associates and Joint Ventures has been accounted under the equity method as per Ind AS 28 - Investments in Associates and Joint Ventures.

The Group accounts for its share of post-acquisition changes in net assets of associates and joint ventures, after eliminating unrealized profits and losses resulting from transactions between the Group and its associates to the extent of its share, through its Consolidated Statement of Profit and Loss, to the extent such change is attributable to the associates' Statement of Profit and Loss and through its reserves for the balance based on available information.

2.2 Current/non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in Group's 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 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

The Group classifies all other liabilities 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 processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

2.3 Summary of significant accounting policies

(a) Foreign currency translation

(i) Functional and presentation currency

Items included in the consolidated financial statements of the Group are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Indian rupee (INR), which is group's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions.Monetary items denominated in foreign currency at the year end and not covered under forward exchange contracts are translated at the functional currency spot rate of exchange at the reporting date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the consolidated statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains/(losses).

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 that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

(iii) Foreign operations

For the purposes of presenting these consolidated financial statements, the assets and liabilities of Group's foreign operations,

Notes forming part of the Consolidated Financial Statements

are translated to the Indian Rupees at exchange rates at the end of each reporting period. The income and expenses of such foreign operations are translated at the average exchange rates for the period. Resulting foreign currency differences are recognised to retained earnings and presented within equity as part of Foreign Currency Translation Reserve.

(b) Fair value measurement

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date. 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 Group. 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 Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

The Group categorizes assets and liabilities measured at fair value into one of three levels as follows:

- Level 1 - Quoted (unadjusted)

This hierarchy includes financial instruments measured using quoted prices.

- Level 2

Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

- Level 3

Level 3 inputs are unobservable inputs for the asset or liability.

(c) Non-current assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell and are disclosed separately under the head "Other Current Assets". Once classified as held for sale are not depreciated or amortised.

(d) Property, plant and equipment

For transition to Ind AS, the Group has elected to continue with the carrying value of its Property, Plant and Equipment (PPE) recognized as of April 01, 2016 (transition date) measured as per the Previous GAAP and used that carrying value as its deemed cost as on the transition date.

PPE are stated at actual cost less accumulated depreciation and impairment loss. Actual cost is inclusive of freight, installation cost, duties, taxes and other incidental expenses for bringing the asset to its working conditions for its intended use (net of recoverable taxes) and any cost directly attributable to bring the asset into the location and condition necessary for it to be capable of operating in the manner intended by the Management. It include professional fees and borrowing costs for qualifying assets.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

Notes forming part of the Consolidated Financial Statements

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from its previously assessed standard of performance. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Borrowing costs directly attributable to acquisition of property, plant and equipment which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Advances paid towards the acquisition of Property, plant and equipment are disclosed as “Capital advances” under "Other Non - Current Assets" and the cost of assets not ready intended use as at the balance sheet date are disclosed as 'Capital work-in progress'.

An item of PPE is de-recognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss when the asset is derecognized.

Expenditure directly relating to construction activity is capitalized. Indirect expenditure incurred during construction period is capitalized to the extent to which the expenditure is indirectly related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction period which is neither related to the construction activity nor is incidental thereto is charged to the statement of profit and loss.

Depreciation methods, estimated useful lives and residual value

Depreciation of these PPE commences when the assets are ready for their intended use.

Depreciation is calculated on straight line basis using the useful lives estimated by the management, which are equal to those prescribed under Schedule II to the Companies Act, 2013.

The residual values are not more than 5% of the original cost of the asset. On assets acquired on lease (including improvements to the leasehold premises), amortization has been provided for on Straight Line Method over the period of lease.

The estimated useful lives and residual values are reviewed on an annual basis and if necessary, changes in estimates are accounted for prospectively. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Depreciation on subsequent expenditure on PPE arising on account of capital improvement or other factors is provided for prospectively over the remaining useful life.

(e) Goodwill and Other Intangible assets

For transition to Ind AS, the Group has elected to continue with the carrying value of intangible assets recognized as of April 01, 2016 (transition date) measured as per the Previous GAAP and use that carrying value as its deemed cost as on the transition date.

Goodwill

Goodwill represents the excess of consideration transferred, together with the amount of non-controlling interest in the acquiree, over the fair value of the Group's share of identifiable net assets acquired. Goodwill is measured at cost less accumulated impairment losses. A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. The goodwill acquired in a business combination is, for the purpose of impairment testing, allocated to cash generating units that are expected to benefit from the synergies of the combination. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of a cash generating unit to which goodwill is allocated, the goodwill associated with the disposed cash generating unit is included in the carrying amount of the cash-generating unit when determining the gain or loss on disposal.

Other intangible assets

Intangible assets are stated at cost (net of recoverable taxes) less accumulated amortization and impairment loss. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically including at each financial year end and if necessary, changes in estimates are accounted for prospectively.

Notes forming part of the Consolidated Financial Statements

Computer software

Costs associated with maintaining software programmes are recognised as an expense has incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use - management intends to complete the software and use it
- there is an ability to use the software
- it can be demonstrated how the software will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use the software are available, and
- the expenditure attributable to the software during its development can be reliably measured.

Research and development expenditure

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss unless a product's technical feasibility has been established, in which case such expenditure is capitalised.

Development expenditure on an individual project are recognised as an intangible asset when the Company can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale.
- Its intention to complete and its ability and intention to use or sell the asset.
- How the asset will generate future economic benefits.
- The availability of resources to complete the asset.
- The ability to measure reliably the expenditure during development.

The amount capitalised comprise of expenditure that can be directly attributed or allocated on a reasonable and consistent basis for creating, producing and making the asset ready for its intended use.

Following the initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete, and the asset is available for use. It is amortized on a straight-line basis over the period of expected future benefit from the related project, i.e., the estimated useful life. Amortization is recognized in the Statement of Profit and Loss. During the period of development, the asset is tested for impairment annually.

Amortisation methods and periods

Intangible assets comprising of goodwill is amortized on a straight line basis over the useful life of five years which is estimated by the management.

Amortization on subsequent expenditure on intangible assets arising on account of capital improvement or other factors is provided for prospectively over the remaining useful life.

The estimated useful lives and residual values are reviewed on an annual basis and if necessary, changes in estimates are accounted for prospectively.

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognized in the Statement of Profit and Loss when the asset is derecognized.

(f) Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss.

Notes forming part of the Consolidated Financial Statements

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

A previously recognized impairment loss (except for goodwill) is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited to the carrying amount of the asset.

(g) Leases

(I) As a lessee

The Company assesses whether a contract contains a lease, at the inception of contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assesses whether a contract conveys the right to control use of an identified asset, the Company assesses whether:

- The contract involves use of an identified asset;
- The Company has substantially all the economic benefits from the use of the asset through the period of lease; and
- The Company has the right to direct the use of an asset.

At the date of commencement of lease, the Company recognises a Right-of-use asset ("ROU") and a corresponding liability for all lease arrangements in which it is a lessee, except for leases with the term of twelve months or less (short term leases) and low value leases. For short term and low value leases, the Company recognises the lease payment as an operating expense on straight line basis over the term of lease.

Certain lease agreements include an option to extend or terminate the lease before the end of lease term. ROU assets and the lease liabilities includes these options when it is reasonably certain that they will be exercised.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right-of-use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e., higher of fair value less cost to sell and the value-in-use) is determined on individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate explicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right-of- use assets if the Company changes its assessment if whether it will exercise an extension or a termination of option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and the lease payments have been classified as financing cash flows.

(ii) As a lessor

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

h. Inventories

Raw Materials, Stores and Spares and Packing Material are valued at lower of cost and net realizable value.

Work-in-Progress, Finished Goods and Stock-in-Trade are valued at lower of cost and net realizable value. Cost of Raw Materials, Stores & Spares and Packing Materials is determined using First in First out (FIFO) Method. Cost of Work-in-Progress and Finished Goods is determined on absorption costing method.

(I) Revenue recognition

The Group has adopted Ind AS 115 standard effective April 1, 2018 by using the cumulative catch-up transition method and accordingly comparatives for the year ending or ended March 31, 2018 will not be retrospectively adjusted. The effect on adoption of Ind AS 115 is insignificant.

Notes forming part of the Consolidated Financial Statements

(I) Revenue is recognized upon transfer of control of promised goods or services to Customers (i.e. when performance obligation is satisfied) for an amount that reflects the consideration which the Group expects to receive in exchange for those products or services.

Revenue is measured based on the transaction price, which is the consideration, adjusted for trade discounts such as price concessions, volume discounts, or any other price concessions as may be agreed with the customers at the time of sale. Revenues also excludes Goods and Services Tax (GST) or any other taxes collected from the Customers and net of returns and discounts.

(ii) In respect of other fixed-price contracts, revenue is recognised using percentage-of-completion method ('POC method') of accounting with contract costs incurred determining the degree of completion of the performance obligation.

(iii) Interest income

Interest income, including income arising from other financial instruments measured at amortized cost, is recognized using the effective interest rate method.

(iv) Dividend income

Dividend income is recognised when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

(j) Income Taxes

(i) Current income tax

The income tax expense or credit for the year is the tax payable on the current year's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses, if any.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting year. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(ii) Deferred tax

Deferred income tax is recognized using the balance sheet approach, deferred tax is recognized on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(iii) Minimum Alternate Tax (MAT)

MAT payable for a year is charged to the statement of profit and loss as current tax. The Group recognizes MAT credit available in the statement of profit and loss as deferred tax with a corresponding asset only to the extent that there is probable certainty that the Group will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. The said asset is shown as 'MAT Credit Entitlement' under Deferred Tax. The Group reviews the same at each reporting date and writes down the asset to the extent the Group does not have the probable certainty that it will pay normal tax during the specified period.

Notes forming part of the Consolidated Financial Statements

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

Financial assets

Initial Recognition

All financial assets are recognized 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. Purchases or sales of financial assets that require delivery of assets within a time frame are recognized on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

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

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

(I) Debt instruments at amortised cost

A debt instrument' is measured at the amortised cost if both the following conditions are met:

- 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 financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Debt instrument at FVTOCI

A debt instrument' is measured as at FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the 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) Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL.

(iv) Equity instruments measured at FVTOCI

All other equity investments are measured at fair value, with value changes recognized in Statement of Profit and Loss, except for those equity investments for which the Group has elected to present the value changes in 'Other Comprehensive Income'.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

(v) Cash and Cash equivalents

The Group considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

De-recognition

A financial asset is de-recognized only when

- The Group has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Group has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognized.

Where the Group has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognized if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

Notes forming part of the Consolidated Financial Statements

Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL), simplified model approach for measurement and recognition of Impairment loss on Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18.

ECL impairment loss allowance (or reversal) recognized during the year is recognized as income / expense in the statement of Profit and Loss.

Financial liabilities

Classification as debt or equity

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Group's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

Initial recognition and measurement

Financial liabilities are recognized when the Group becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortized cost unless at initial recognition, they are classified as fair value through profit and loss.

Subsequent measurement

Financial liabilities are subsequently measured at amortized cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the statement of profit and loss.

(I) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting year. They are recognized initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(ii) Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

(iii) Financial guarantee contracts

Financial guarantee contracts are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value and if not designated as at FVTPL, are subsequently measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount initially recognised less cumulative amount of income recognised.

De-recognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

Embedded derivatives

Derivatives embedded in non-derivative host contracts that are not financial assets within the scope of Ind AS 109 are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value though profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss, unless designated as effective hedging instruments.

Reclassification of financial assets

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

Derivative financial instruments and hedge accounting
Initial recognition and subsequent measurement
The Group uses derivative financial instruments, such as forward currency contracts, full currency swap, options and interest rate swaps to hedge its foreign currency risks and interest rate risks respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value at the end of each reporting period. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or nonfinancial liability.

For the purpose of hedge accounting, hedges are classified as:
- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment.
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Group's risk management objective and strategy for undertaking hedge, the hedging/economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:
(I) Fair value hedges
Changes in fair value of the designated portion of derivatives that qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

(ii) Cash flow hedges
The effective portion of changes in the fair value of the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in profit or loss. The Group uses forward currency contracts as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments. Amounts recognised as OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the nonfinancial asset or liability.

If the hedging instrument expires or is sold, terminated or exercised or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in profit or loss.

(I) Convertible financial instrument
Convertible instruments are separated into liability and equity components based on the terms of the contract.
On issuance of the convertible instruments, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption.

Notes forming part of the Consolidated Financial Statements

The remainder of the proceeds is allocated to the conversion option that is recognised and included in equity since conversion option meets Ind AS 32 criteria for fixed to fixed classification. Transaction costs are deducted from equity, net of associated income tax. The carrying amount of the conversion option is not remeasured in subsequent years.

Transaction costs are apportioned between the liability and equity components of the convertible instrument based on the allocation of proceeds to the liability and equity components when the instruments are initially recognised.

(m) Employee benefits

(i) Short-term obligations
Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations
The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations
The Group operates the following post-employment schemes:
(a) defined benefit plans viz. gratuity,
(b) defined contribution plans viz. provident fund.

Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are disclosed as “Re-measurements of net defined benefit plans" under the head "Other Comprehensive Income" in the statement of changes in equity.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

Defined contribution plans
The Group pays provident fund contributions to publicly administered provident funds as per local regulations. The Group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(vi) Termination benefits
Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits.

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(n) Provisions, Contingent Liabilities and Contingent Assets

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

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

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

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

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

(o) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. Other borrowing costs are expensed in the year in which they are incurred.

Borrowing costs consists of interest and other costs that an entity incurs in connection with the borrowing of funds.

(p) Segment Reporting - Identification of Segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Group's chief operating decision maker to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the chief operating decision maker evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by geographic segments.

(q) Earnings per share

Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

(r) Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet comprise cash at bank and in hand and short-term deposits with banks having the maturity of three months or less which are subject to insignificant risk of changes in value.

(s) Cash Flow Statement

Cash Flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

(t) Dividends

The Group recognises a liability to make dividend distributions to equity holders of the Group when the distribution is authorised and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorised when it is

Notes forming part of the Consolidated Financial Statements

approved by the shareholders. A corresponding amount is recognised directly in equity.

(u) Significant accounting judgments, estimates and assumptions

The preparation of these consolidated financial statements in conformity with the recognition and measurement principles of Ind AS requires the management to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the consolidated financial statements and the reported amounts of income and expense for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

Key sources of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are in respect of impairment of non-current assets, useful lives of property, plant and equipment, valuation of deferred tax assets, provisions and contingent liabilities and fair value measurement.

(i) Impairment of non - financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to disclosure of fair value of investment property recorded by the Group.

(ii) Useful lives of property, plant and equipment

The Group reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

(iii) Valuation of deferred tax assets

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

(iv) Defined benefit plans

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using Projected Unit Credit method with actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(v) Provisions and contingent liabilities

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgment to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

(vi) Fair value measurement

Management uses valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible but this is not always available. In that case management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

3) RECENT INDIAN ACCOUNTING STANDARDS / PRONOUNCEMENTS

Ministry of Corporate Affairs notifies new standards or amendments to existing standards. There is no such notification which would be applicable from April 01, 2020.

Notes forming part of the Consolidated Financial Statements

(₹ in Lakhs)

4) PROPERTY, PLANT AND EQUIPMENT

Particulars	Freehold Land	Buildings	Plant & Equipment	Furniture & Fixture	Vehicles	Office Equipment	Computer Equipment	R & D Equipment	Total
Gross Amount									
As At April 1, 2018	**444.61**	**2,094.85**	**9,157.37**	**125.33**	**184.38**	**28.78**	**56.70**	**4.08**	**12,114.10**
Additions	-	894.50	711.72	28.04	6.75	2.75	39.59	-	1,683.35
Adjustments *	-	-	2.55	0.99	-	-	-	-	3.54
Disposals/Transfer	-	-	-	-	17.01	-	-	-	17.01
As At March 31, 2019	**444.61**	**2,989.35**	**9,889.64**	**154.36**	**174.12**	**31.53**	**96.29**	**4.08**	**13,783.98**
Additions	-	56.55	708.24	21.57	-	5.83	17.61	-	809.80
Adjustments *	-	-	5.69	1.55	-	-	-	-	7.24
Disposals/Transfer	-	-	-	-	-	-	-	-	-
As At March 31, 2020	**444.61**	**3045.90**	**10,603.57**	**177.48**	**174.12**	**37.36**	**113.90**	**4.08**	**14,601.02**
Accumulated depreciation and impairment									
As At April 1, 2018	**-**	**165.10**	**1,409.02**	**30.97**	**37.70**	**9.16**	**28.27**	**0.85**	**1,681.07**
Depreciation	-	90.83	720.14	16.23	24.24	4.71	13.76	0.20	870.11
Adjustments *	-	-	1.76	0.99	-	-	-	-	2.75
Disposals/Transfer	-	-	-	-	8.28	-	-	-	8.28
As At March 31, 2019	**-**	**255.93**	**2,130.92**	**48.19**	**53.66**	**13.87**	**42.03**	**1.05**	**2,545.65**
Additions	-	114.63	757.76	19.65	26.98	6.42	25.73	0.63	951.80
Adjustments *	-	-	4.76	1.55	-	-	-	-	6.31
Disposals/Transfer	-	-	-	-	-	-	-	-	-
As At March 31, 2020	**-**	**370.56**	**2,893.44**	**69.39**	**80.64**	**20.29**	**67.76**	**1.68**	**3,503.76**
Net Carrying Amount									
As At March 31, 2019	**444.61**	**2,733.42**	**7,758.72**	**106.17**	**120.46**	**17.66**	**54.26**	**3.03**	**11,238.33**
As At March 31, 2020	**444.61**	**2,675.34**	**7,710.13**	**108.09**	**93.48**	**17.07**	**46.14**	**2.40**	**11,097.26**

* Adjustments represents impact of fluctuation in foreign currency due to translation of fixed assets of foreign subsidiary.

5) INTANGIBLE ASSETS

Particulars	Product Development Cost	Intangible Assets-Ticagrelor	Goodwill on Consolidation	Total
Gross Amount				
As At April 1, 2018	**12.69**	**-**	**0.58**	**13.27**
Additions/Transfer	1.44	15.68	-	17.12
Disposals/Transfer	-	-	-	-
As At March 31, 2019	**14.13**	**15.68**	**0.58**	**30.39**
Additions/Transfer	-	-	-	-
Disposals/Transfer	-	-	-	-
As At March 31, 2020	**14.13**	**15.68**	**0.58**	**30.39**
Accumulated amortisation				
As At April 1, 2018	**2.73**	**-**	**-**	**2.73**
Amortisation	1.87	1.94	-	3.81
Disposals	-	-	-	-
As At March 31, 2019	**4.60**	**1.94**	**-**	**6.54**
Amortisation	2.91	2.98	-	5.89
Disposals/Transfer	-	-	-	-
As At March 31, 2020	**7.51**	**4.92**	**-**	**12.43**
Net Carrying Amount				
As At March 31, 2019	**9.53**	**13.74**	**0.58**	**23.85**
As At March 31, 2020	**6.62**	**10.76**	**0.58**	**17.96**

Notes forming part of the Consolidated Financial Statements

6) NON - CURRENT FINANCIAL ASSETS - INVESTMENT

(₹ in Lakhs)

	Particulars	Face Value Per Share (in ₹)	As at 31st March, 2020	As at 31st March, 2019
a)	**Investments in equity instruments - Quoted - (at fair value through other comprehensive income (FVTOCI))**			
	30 shares (March 31, 2019: 30 shares) of Advent Computers Ltd.	10.00	**-**	-
		Sub - Total (A)	**-**	-
b)	**Investments in Equity Instruments - Unquoted - (at fair value through other comprehensive income (FVTOCI))**			
	20,000 shares (March 31, 2019: 20,000 shares) of Kapol Co-Op. Bank Ltd.	10.00	**2.00**	2.00
	1,000 shares (March 31, 2019: 1,000 shares) of Saraswat Co-Op. Bank Ltd.	10.00	**1.64**	1.64
	500 shares (March 31, 2019: 500 shares) of The New India Co-Op. Bank Ltd.	10.00	**0.26**	0.26
	25,000 shares (March 31, 2019: 25,000 shares) of Mandvi Co-Op. Bank Ltd.	10.00	**2.50**	2.50
	Less: Provision for impairment in value of investments		**(4.50)**	(4.50)
		Sub - Total (B)	**1.90**	1.90
c)	**Investments in Government securities (non-trade) - (at amortised cost)**			
	7 years national savings certificate (lodged with collector of central excise and sales tax authority- Mumbai)		**0.40**	0.40
		Sub - Total (C)	**0.40**	0.40
		Total - (A+B+C)	**2.30**	2.30
	Aggregate amount of quoted Investments		**0.24**	0.24
	Market value of quoted investments		**-**	-
	Aggregate amount of unquoted Investments		**6.40**	6.40
	Aggregate amount of impairment in value of investments		**4.50**	4.50

7) NON - CURRENT FINANCIAL ASSETS - LOANS RECEIVABLES

Particulars		As at 31st March, 2020	As at 31st March, 2019
Unsecured, Considered Good			
Security Deposits		**357.23**	191.68
	Total	**357.23**	191.68

Notes forming part of the Consolidated Financial Statements

8) DEFERRED TAX ASSETS (NET)

(₹ in Lakhs)

Particulars		As at 31st March, 2020	As at 31st March, 2019
Deferred Tax liabilities (Gross)			
Relating to depreciation on fixed assets	(a)	**463.61**	423.88
Deferred Tax Assets (Gross)			
Provision for gratuity		**101.94**	89.00
Provision for leave encashment		**30.45**	29.72
Provision for expected credit loss		**10.36**	3.48
Provision for bonus		**5.13**	4.43
Provision for export benefit obligation		**4.74**	6.20
Fari value of equity instruments through OCI		**0.07**	**0.07**
	(b)	**152.69**	132.90
MAT credit entitlement	**(c)**	**434.48**	586.23
Net Deferred Tax Assets - (b) + (c) - (a)		**123.56**	295.25

9) OTHER NON - CURRENT ASSETS

Particulars		As at 31st March, 2020	As at 31st March, 2019
Considered good			
Capital advances		**117.17**	154.07
Deduction of Income Tax		**15.96**	7.95
Premium on Land under operating lease		**116.45**	118.00
Prepaid expenses		**12.73**	13.81
	Total	**262.31**	293.83

10) INVENTORIES

Particulars		As at 31st March, 2020	As at 31st March, 2019
(Valued at lower of cost or net realisable value)			
Raw materials {Includes stocks in transit ₹126.50 Lakhs (March 31, 2019: ₹154.59 Lakhs)}		**2,597.50**	3,427.22
Work-in-progress		**3,002.07**	2,778.21
Finished goods		**2,604.29**	546.97
Stores and spares		**246.12**	176.25
Packing materials		**399.68**	415.97
	Total	**8,849.66**	7,344.62

11) CURRENT FINANCIAL ASSETS - TRADE RECEIVABLES

Particulars		As at 31st March, 2020	As at 31st March, 2019
Unsecured Considered Good			
Receivable from other parties		**9,316.69**	8,676.85
Less: Expected credit loss		**(35.57)**	(12.50)
	Sub - total (A)	**9,281.12**	8,664.35
Credit impaired		**52.45**	66.06
Less: Expected credit loss		**(52.45)**	(66.06)
	Sub - total (B)	**-**	-
	Total - A + B	**9,281.12**	8,664.35

Notes forming part of the Consolidated Financial Statements

12) CURRENT FINANCIAL ASSETS - CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars		As at 31st March, 2020	As at 31st March, 2019
Balances with Banks			
On Current Accounts		**81.18**	39.71
Cash on Hand		**2.27**	1.76
	Total	**83.45**	41.47

13) CURRENT FINANCIAL ASSETS - BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Fixed deposits (Maturity of more than 3 months & less than 12 months) (Held as margin money or security against the guarantees)		**391.16**	354.48
	Total	**391.16**	354.48

14) CURRENT FINANCIAL ASSETS - LOANS RECEIVABLES

Unsecured, considered good			
Security deposits		**-**	400.00
Loans to employees		**87.45**	45.05
	Total	**87.45**	445.05

15) CURRENT FINANCIAL ASSETS - OTHERS

Foreign currency forward / option contracts		**-**	427.79
Interest receivable		**5.32**	1.77
	Total	**5.32**	429.56

16) CURRENT TAX ASSETS (NET)

Advance income-tax (Net of provision of taxation)		**72.38**	-
	Total	**72.38**	-

17) OTHER CURRENT ASSETS

Prepaid Expenses		**140.40**	104.69
Balance with statutory / government authorities		**3,265.78**	3,352.76
Receivable from related party - Enterprises Significantly influenced by KMP or their relative - Kopran Laboratories Ltd.		**38.46**	-
Others		**45.04**	19.72
	Total	**3,489.68**	3,477.17

Notes forming part of the Consolidated Financial Statements

(₹ in Lakhs)

18) EQUITY SHARE CAPITAL

Particulars		As at 31st March, 2020 Number	As at 31st March, 2020 Amount	As at 31st March, 2019 Number	As at 31st March, 2019 Amount
Authorised					
Equity Shares of ₹ 10 each		**5,62,50,000**	**5,625.00**	5,62,50,000	5,625.00
	Total	**5,62,50,000**	**5,625.00**	5,62,50,000	5,625.00
Issued					
Equity Shares of ₹10 each fully paid up		**4,32,52,602**	**4,325.26**	4,32,52,602	4,325.26
Subscribed and Paid up					
Equity Shares of ₹ 10 each fully paid up		**4,32,52,602**	**4,325.26**	4,32,52,602	4,325.26
Less: Calls in-Arrears (Other than Director's)		**-**	**0.37**	-	0.37
	Total	**4,32,52,602**	**4,324.89**	4,32,52,602	4,324.89

(I) Reconciliation of Number of Equity Shares

Particulars	As at 31st Mar, 2020 Number of Shares	As at 31st Mar, 2019 Number of Shares
Opening Balance	**4,32,52,602**	4,32,52,602
Add : Shares Issued during the year	-	-
Closing Balance	**4,32,52,602**	4,32,52,602

(ii) Rights, Preferences and Restrictions attaching to each class of shares. Equity Shares having a face value of ₹ 10.

As to voting
The Company has only one class of shares referred to as equity shares having a face value of ₹ 10. each holder of the equity share is entitled to one vote per share.

As to distribution of dividends
The Shareholders are entitled to receive dividend in proportion to the amount of paid up equity shares held by them. The Company has not declared any dividend during the year.

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

(iii) Shares held by Holding / Ultimate Holding Company and / or their Subsidiaries / Associates

There is no Holding Company or Ultimate Holding Company of the Company. Accordingly, disclosures pertaining to shares of the Company held by held by holding company or its ultimate holding company including shares held by subsidiaries or associates of the holding company or the ultimate holding company is not applicable.

(iv) Details of shareholders holding more than 5% shares in the company

Name of Shareholder	As at March 31, 2020 No. of Shares held	As at March 31, 2020 % of Holding	As at March 31, 2019 No. of Shares held	As at March 31, 2019 % of Holding
Equity Shares of ₹ 10 each fully paid				
Panorama Finvest Pvt. Ltd.	**3,800,000**	**8.79%**	3,800,000	8.79%
Sarvamangal Mercantile Co. Ltd.	**2,902,951**	**6.71%**	2,902,951	6.71%
Oricon Enterprises Ltd.	**5,961,758**	**13.78%**	5,961,758	13.78%
Rajendra Somani	**2,324,250**	**5.37%**	2,324,250	5.37%

Notes forming part of the Consolidated Financial Statements

(₹ in Lakhs)

19) OTHER EQUITY

Particulars		As at 31st March, 2020	As at 31st March, 2019
Reserves and Surplus			
Capital Reserve		**1,484.74**	1,484.74
General Reserve		**814.21**	814.21
Securities Premium		**12,226.95**	12,226.95
Export Allowance Reserve		**0.40**	0.40
Retained Earnings		**(68.69)**	(2,170.70)
	Sub - Total - A	**14,457.61**	12,355.60
Other Comprehensive Income (OCI)			
Equity Instruments through OCI		**(0.17)**	(0.18)
Foreign exchange fluctuation reserve		**125.78**	104.96
Re-measurements of net defined benefit plans		**59.89**	62.30
	Sub - Total - B	**185.50**	167.08
	Total - A + B	**14,643.11**	12,522.68

Note

Refer statement of changes in equity for details of movements in the balances of each items of Reserves and Surplus and OCI under the head "Other Equity" and the nature and purpose of each reserve.

20) NON - CURRENT FINANCIAL LIABILITIES - BORROWINGS

Secured			
Term Loans			
From Others - Vehicle loan		**14.97**	28.06
Unsecured			
Nil (March 31,2020: 55,80,000) 10% Non Convertible Non Cumulative Redeemable Preference Shares of ₹10 each		**-**	558.00
Inter corporate deposits			
Related Parties		**737.97**	1,463.00
Others		**453.83**	424.90
From Others			
Loan Against Property of Bottle closure - Housing Development Corporation Limited (March 21, 2019: Indiabulls)		**1,967.00**	1,637.94
	Total	**3,182.77**	4,111.90

Security, rate of interest and terms of repayment

a) **Vehicle loans are secured by way of hypothecation of vehicles.**
Rate of Interest - 8.94% p.a. to 10.25 % p.a.
Terms of repayment are as under:

31.03.2021 - ₹ 13.50 Lakhs
31.03.2022 - ₹ 8.44 Lakhs
31.03.2023 - ₹ 6.53 Lakhs

b) **Inter-corporate deposits from related parties and other parties are unsecured.**
Rate of Interest - 10.50% p.a. to 13.50% p.a.
Inter corporate deposits are repayable as under:

31.03.2021 - ₹ 1,007.81 Lakhs
31.03.2022 - ₹ 737.97 Lakhs
31.03.2023 - ₹ 453.83 Lakhs

c) **Loan Against Property of Bottle closure - Housing Development Finance Corporation Limited**
The term loan carry adjustable interest rate of ICLR - 10% margin p.a. and is repayable in 144 equal monthly installments. The loan is secured against property of Bottle Closure India Private Limited. The loan is guaranteed by others.

Notes forming part of the Consolidated Financial Statements

(₹ in Lakhs)

21) NON - CURRENT LIABILITIES - PROVISIONS

Particulars		As at 31st March, 2020	As at 31st March, 2019
Gratuity		**574.15**	507.67
Leave encashment		**145.82**	133.91
	Total	**719.97**	641.58

22) DEFERRED TAX LIABILITIES

Deferred Tax Liability			
Relating to depreciation on fixed assets	**(a)**	**367.83**	355.62
Deferred Tax Assets			
Provision for gratuity		**67.05**	63.76
Provision for leave encashment		**17.95**	15.90
Provision for bonus		**3.82**	4.50
Provision for expected credit loss		**10.33**	15.20
	(b)	**99.15**	99.36
Deferred tax assets recognised to extent of Deferred tax liabilities		**99.14**	99.36
Less: MAT Credit Entitlement		**-**	97.30
	Total	**268.68**	158.96

23) CURRENT FINANCIAL LIABILITIES - BORROWINGS

Secured, Repayable on demand			
From banks			
Cash credit / packing credit		**3,417.90**	3,815.20
Buyers credit		**879.02**	688.31
Unsecured, repayable on demand			
Loan from Director		**326.50**	38.50
Intercorporate Deposit from Related Parties		**-**	2.41
	Total	**4,623.42**	4,544.42

Security and rate of interest
Cash credit / packing credit / buyers credit is secured by:

1st pari passu hypothication charge on entire stocks and receivables of the Company both present and future.

2nd pari passu charge on entire fixed assets of the Company both present and future.

Corporate Guarantee of Subsidiary Company - Kopran Research Laboratories Limited and personal guarantee of director / promoter aggregating to ₹ 3,600.00 Lakhs.

Corporate Guarantee of Holding Company - Kopran Limited and personal guarantee of director / promoter aggregating to ₹ 6,250.00 Lakhs.

Rate of Interest on cash credit - 9.85% p.a. to 13.10% p.a.
Rate of Interest on packing credit - Libor + 2.50% p.a.
Rate of Interest on buyers credit - Libor + 0.50% p.a to Libor + 1.50% p.a.

24) TRADE PAYABLES

Due to micro and small enterprises (Refer Note No. 45)		**133.31**	116.43
Due to Others [including acceptances ₹ 129.24 Lakhs (March 31, 2019: ₹ 82.98 Lakhs)]		**5,341.00**	4,999.47
	Total	**5,474.31**	5,155.90

Notes forming part of the Consolidated Financial Statements

(₹ in Lakhs)

25) CURRENT FINANICIAL LIABILITIES - OTHER

Particulars		As at 31st March, 2020	As at 31st March, 2019
Current maturities of long-term debt (for Security, rate of interest and terms of repayment refer Note No. 20(a), (c) and (d) above).		**1021.31**	736.83
Nil (March 31, 2019: 30,00,000) 10% Non-Convertible Non-Cumulative Redeemable preference Shares of ₹ 10 each		**-**	300.00
Interest accrued		**5.97**	37.97
Security deposits		**26.00**	22.50
Foreign currency forward / option contracts		**603.75**	-
Other payables			
Creditors for capital goods		**171.53**	488.39
Employees payables		**447.98**	451.70
Creditors for expenses		**455.78**	375.80
Provision for expenses		**89.47**	32.48
Others		**238.29**	220.76
	Total	**3,060.08**	2,666.43

26) OTHER CURRENT LIABILITIES

Advance from customers		**645.82**	740.53
Statutory liabilities		**66.99**	84.95
Other payables		**43.90**	32.36
	Total	**756.71**	857.84

27) CURRENT LIABILITIES - PROVISIONS

Gratuity		**42.31**	41.39
Leave encashment		**30.06**	30.08
	Total	**72.37**	71.47

28) CURRENT TAX LIABILITIES

Provision for tax (Net of advance tax)		**18.45**	215.24
	Total	**18.45**	215.24

Notes forming part of the Consolidated Financial Statements

29) REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars		Year ended 31st March, 2020	Year ended 31st March, 2019
Sale of products		35,039.92	34,876.20
Other operating revenues			
Scrap sales		39.68	48.95
Export Incentive		858.34	852.95
Others		12.00	12.00
	Total	35,949.94	35,790.10

30) OTHER INCOME

Dividend income			
Long - term investments		0.07	0.09
Interest Income			
On fixed deposit		22.47	23.75
Others		23.33	12.27
Recovery of Bad Debts Earlier Written off		16.46	1.70
Liabilities written back (net)		0.62	235.59
Net gain on foreign currency transaction and translation		-	11.05
Miscellaneous income		0.01	21.44
	Total	63.07	305.89

31) COST OF MATERIAL CONSUMED

Raw material consumption			
Opening stock		3,427.22	4,121.50
Add: Purchases		19,691.82	17,215.85
		23,119.04	21,337.35
Less : Closing stock		2,537.72	3,427.22
	Sub - Total	20,581.32	17,910.13
Packing materials consumption			
Opening stock		415.97	416.09
Add: Purchases		1,707.97	1,708.70
		2,123.94	2,124.79
Less : Closing stock		399.68	415.97
	Sub - Total	1,724.26	1,708.82
	Total	22,305.58	19,618.95

32) CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

Opening Inventories			
Finished goods		546.97	467.53
Work in progress		2,778.21	1,930.94
		3,325.18	2,398.47
Closing Inventories			
Finished goods		2,604.29	546.97
Work in progress		3,002.07	2,778.21
		5,606.36	3,325.18
	Total	(2281.18)	(926.71)

Notes forming part of the Consolidated Financial Statements

33) EMPLOYEE BENEFITS EXPENSE

(₹ in Lakhs)

Particulars		Year ended 31st March, 2020	Year ended 31st March, 2019
Salaries and Wages		**3,231.27**	3,257.98
Contribution to Provident and other funds		**172.94**	160.05
Staff welfare expenses		**281.00**	292.58
	Total	**3,685.21**	3,710.61

34) FINANCE COSTS

Interest expense		**695.61**	655.54
Other borrowing cost		**195.56**	243.52
	Total	**891.17**	899.06

35) OTHER EXPENSES

Stores and spares consumed		**341.42**	393.87
Power and fuel		**1,807.74**	1,710.15
Rent		**253.03**	253.22
Repairs and maintenance			
Building		**42.21**	67.53
Machinery		**144.58**	162.27
Others		**76.93**	66.76
Insurance		**65.72**	54.43
Commission on sales		**859.30**	797.16
Selling and distribution expenses		**76.78**	121.01
Product Registration Charges		**75.07**	22.14
Job work charges		**677.99**	842.13
Packing, freight and forwarding		**453.04**	514.70
Payment to auditors (Refer Note No. 47)		**13.83**	15.38
Housekeeping and office maintenance		**74.55**	76.85
Printing and stationery		**53.34**	65.50
Postage, telegram and telephone		**41.97**	31.13
Traveling and conveyance		**226.34**	226.18
Legal and professional fees		**619.01**	433.26
Rates and taxes		**59.09**	58.54
Security and labour charges		**158.03**	135.34
Directors' sitting fees		**5.55**	5.71
Sundry balances written off		**4.38**	10.28
Bad debts		**82.73**	261.67
Add/(Less): Provision for Expected credit loss written back		**9.46**	(90.09)
Amortization of premium on Operating lease		**1.55**	1.55
Corporate Social Responsibility Expenses		**1.00**	8.40
Net loss on foreign currency transaction and translation		**65.76**	-
Loss on Sale of License		**10.07**	5.75
Miscellaneous expenses		**293.78**	398.34
	Total	**6,593.25**	6,649.16

Notes forming part of the Consolidated Financial Statements

36) CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

(₹ In Lakhs)

	Particulars	As at 31st March, 2020	As at 31st March, 2019
a)	**Contingent liabilities**		
	Guarantees given by the company's bankers on behalf of the Group	**308.78**	17.14
	Corporate guarantee given to Bank for finance provided to Kopran Limited	**3,600.00**	3,600.00
	Corporate guarantee given for loan taken by subsidiary (to the extent amount utilised)	**4,420.22**	3,967.88
	Bills discounted with banks	**2,394.49**	2,511.25
	Disputed tax Matters		
	Excise duty demand disputed in appeal	**118.55**	140.30
	Service tax demand disputed in appeal	**523.34**	523.34
	Income tax demand disputed in appeal	**207.56**	206.32
	Other claims / demands against company not acknowledged as debts		
	a) Demand under Drug Price Control Order - 95 (DPCO - 95) demand disputed in appeal	**591.34**	591.34
	b) Others	**13.24**	13.24

b) **Supreme Court judgement on composition of provident fund contribution**

There has been a Supreme Court (SC) judgement dated 28th February 2019, relating to components of salary structure that need to be taken into account while computing the contribution to provident fund under the EPF Act. There are interpretative aspects related to the Judgement including the effective date of application. The Company will continue to assess any further developments in this matter for the implications on financial statements, if any.

c)	**Capital Commitments**		
	Estimated amounts of contracts remaining to be executed on capital account (net of advances) and not provided for	**166.72**	112.55

37) BASIC AND DILUTED EARNINGS PER SHARE [EPS] COMPUTED IN ACCORDANCE WITH IND AS 33 "EARNINGS PER SHARE"

	Year ended 31st March, 2020	Year ended 31st March, 2019
Net Profit as per the Statement of Profit and Loss available for equity Shareholders (₹ in Lakhs)	**2,102.02**	2,402.30
Number of Equity Shares outstanding (No's in Lakhs)	**432.53**	432.53
Weighted average number of Equity Shares for Basic and Diluted Earnings Per Share (No's in Lakhs)	**432.53**	432.53
Nominal value of equity shares ₹	**10.00**	10.00
Earnings Per Share:		
Basic (in ₹)	**4.86**	5.55
Diluted (in ₹)	**4.86**	5.55

38) CIF VALUE OF IMPORTS

Raw Materials / Packing Material	**10,393.70**	11,240.53
Capital Goods (including Capital Work-in-Progress)	**30.65**	181.71
Total	**10,424.35**	11,422.24

Notes forming part of the Consolidated Financial Statements

(₹ In Lakhs)

39) EXPENDITURE IN FOREIGN CURRENCY

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
Commission	**683.72**	700.99
Registration Fees	**53.31**	18.76
Bank Interest on Buyers Credit	**18.92**	5.89
Export Promotion Expenses	**12.82**	49.99
Travelling Expenses	**73.53**	53.81
Research & Development Charges	**4.12**	-
Product Registration	**1.63**	4.01
Plant Inspection Charges	**10.18**	1.07
Professional Charges Others	**1.81**	0.93
Others	**31.11**	32.36
Total	**891.15**	867.81

40) EARNINGS IN FOREIGN CURRENCY

FOB Value of Exports	**26,754.32**	27,662.75
Total	**26,754.32**	27,662.75

41) DISCLOSURE PURSUANT TO IND AS 19 "EMPLOYEE BENEFITS"

a) Defined contribution plan

Contributions to defined Contribution plan, recognised are charged off for the year are as under:

Employer's contribution to Provident Fund	**158.21**	142.71
Employer's contribution to Labour Welfare Fund	**0.44**	0.44
Employer's contribution to ESIC	**14.29**	16.91
Total	**172.94**	160.06

b) Defined Benefit plan

The employees' gratuity scheme is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognised in the same manner.

i) Gratuity Benefits (unfunded)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Present value of the projected benefit obligation		
Present value of benefit obligation at the beginning of the year	**549.05**	443.46
Interest cost	**42.74**	34.90
Current service cost	**40.15**	32.36
Past service cost	**-**	-
Actuarial (gains) / losses on obligations - due to change in financial assumptions	**57.14**	13.68
Actuarial (gains) / losses on obligations - due to experience	**(36.27)**	34.01
Benefits paid directly by employer	**(36.35)**	(9.36)
Present value of benefit obligation at the end of the year	**616.46**	549.05
Change in the fair value of plan assets		
Fair value of Plan Assets at the beginning of the year	-	-
Interest income	-	-
Contributions by the employer	-	-
Expected contributions by the employees	-	-
Return on plan assets, excluding interest income	-	-
Fair value of plan assets at the end of the year	-	-

Notes forming part of the Consolidated Financial Statements (₹ In Lakhs)

Amount recognised in the Balance Sheet		
Present value obligations at the end of the year	**(616.46)**	(549.05)
Fair value of plan assets at the end of the year	**-**	-
Funded status surplus / (deficit)	**(616.46)**	(549.05)
Net (liability) / asset recognised in the Balance Sheet	**(616.46)**	(549.05)
Net interest cost for the current year		
Present value benefit obligation at the beginning of the year	**549.05**	443.46
Fair value of plan assets at the beginning of the year	**-**	-
Net liability / (asset) at the beginning	**549.05**	443.46
Interest cost	**42.74**	34.90
Interest income	**-**	-
Interest cost for the current year	**42.74**	34.90
Expenses recognised in the statement of profit or loss for the current year		
Current service cost	**40.15**	32.36
Net interest cost	**42.74**	34.90
Past service cost	**-**	-
Expenses recognised	**82.89**	67.26
Expenses recognized in the other comprehensive income (OCI) for current year		
Actuarial (gains) / losses on obligation for the year	**20.87**	47.69
Return on plan assets, excluding interest income	**-**	-
Change in asset ceiling	**-**	-
Net (income) / expense for the year recognized in OCI	**20.87**	47.69
Balance Sheet Reconciliation		
Opening net liability	**549.05**	443.46
Expenses recognised in the statement of profit or loss	**82.89**	67.26
Expenses recognised in OCI	**20.87**	47.69
Benefits paid directly by employer	**(36.35)**	(9.36)
Net liability / (asset) recognised in the Balance Sheet	**616.46**	549.05
Category of assets		
NIL, as Funding status in unfunded.	**-**	-
Maturity analysis of the benefit payments from the employer		
Projected benefits payable in future years from the date of reporting		
1st following year	**42.32**	41.38
2nd following year	**9.71**	9.57
3rd following year	**24.28**	36.69
4th following year	**36.04**	24.25
5th following year	**24.60**	39.14
Sum of years of 6 to 10	**226.83**	194.70
Sum of years of 11 and above	**1,068.81**	1,088.08

Sensitivity Analysis

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Projected benefit obligation on current assumptions	**616.46**	481.06
Delta effect of + 0.50% change in rate of discounting	**(30.66)**	(15.93)
Delta effect of - 0.50% change in rate of discounting	**33.11**	28.56
Delta effect of + 0.50% change in rate of salary increase	**161.08**	28.57
Delta effect of - 0.50% change in rate of salary increase	**(30.89)**	(26.67)
Delta effect of + 0.50% change in rate of employee turnover	**2.67**	4.27
Delta effect of - 0.50% change in rate of employee turnover	**(2.85)**	(5.20)
Assumptions used to determine the benefit obligations		
Rate of Discounting	**6.82%**	7.78%
Rate of salary increase	**5.50% & 6.00%**	5.50% & 6.00%
Rate of employee turnover	**1.00%**	1.00%
Mortality rate during employment	Indian Assured Lives Mortality (2006-08) Ult	

Notes forming part of the Consolidated Financial Statements

ii) Leave Encashment (unfunded)

(₹ In Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Present value of the projected benefit obligation		
Present value benefit obligation at the beginning of the year	**163.99**	135.72
Interest cost	**12.76**	10.68
Current service cost	**10.63**	7.44
Actuarial (gains) / losses on obligations - due to change in financial assumptions	**17.03**	9.54
Actuarial (gains) / losses on obligations - due to experience	**(14.85)**	11.28
Benefits paid directly by employer	**(13.68)**	(10.68)
Present value of benefit obligation at the end of the year	**175.88**	**163.98**
Change in the Fair value of plan assets		
Fair value of plan assets at the beginning of the year	-	-
Interest Income	-	-
Contributions by the employer	-	-
Expected Contributions by the employees	-	-
Return on Plan assets, exluding interest income	-	-
Fair value of Plan Assets at the end of the year	-	-
Actuarial (gains) / losses recognised in the Statement of Profit or Loss for the current year		
Actuarial (gains) / losses on obligation for the year	**2.18**	20.82
Return on plan assets, exluding interest income		
Sub- total	**2.18**	20.82
Actuarial (gains) / losses recognised in the Statement of Profit or Loss	**2.18**	**20.82**
Actual Return on Plan Assets		
Interest income	-	-
Return on plan assets, excluding interest income	-	-
Actual return on plan assets	-	-
Amount recognised in the Balance Sheet		
Present value obligations at the end of the year	**(175.88)**	(163.98)
Fair value of plan assets at the end of the year	-	-
Funded status surplus / (deficit)	**(175.88)**	(163.98)
Unrecognised past service cost at the end of the period	-	-
Net (liability) / asset recognised in the Balance Sheet	**(175.88)**	**(163.98)**
Net interest cost for the current year		
Present value benefit obligation at the beginning of the year	**163.99**	135.72
Fair value of plan assets at the beginning of the year	-	-
Net (liability) / asset at the beginning	**163.99**	135.72
Interest cost	**12.76**	10.68
Interest income	-	-
Net interest cost for the current year	**12.76**	**10.68**
Expenses recognised in the statement of profit or loss for the current year		
Current service cost	**10.63**	7.44
Net interest cost	**12.76**	10.68
Actuarial (gains) / losses	**2.18**	20.82
Expenses recognised in the statement of profit or loss	**25.57**	**38.94**
Balance Sheet reconciliation		
Opening net liability	**163.99**	135.72
Expenses recognised in the statement of profit or loss	**25.57**	38.94
Employers contribution	-	-
Benefits paid directly by employer	**(13.68)**	(10.68)
Net liability / (assets) recognised in the Balance Sheet	**175.88**	**163.98**
Category of Assets		
NIL, as Funding status in unfunded	-	-
Assumptions used to determine the benefit obligations		
Rate of Discounting	**6.82%**	7.78%
Rate of salary increase	**5.50% & 6.00%**	5.50% & 6.00%
Rate of employee turnover	**1.00%**	1.00%
Mortality rate during employment	Indian Assured Lives Mortality (2006-08)	

Notes forming part of the Consolidated Financial Statements

42) Disclosure of related parties/related party transactions pursuant to Ind AS 24 "Related Party Disclosures"

Names of related parties where control exists :

Key Management Personnel	Surendra Somani (Executive Vice Chairman)
	B. K. Soni (Chief Financial Officer)
	Sunil Sodhani (Company Secretary)
	Kamesh Venkata Bhamidipati (w.e.f August 08, 2019)
	Chandra M. Singhi (Director)
	Rakesh Doshi (Director)
	K. B. Shetty (Chief Financial Officer)
	Sunita Banerji (Director)
	Mamta Biyani (Director)
	Hansa Gaggar (Company Secretary - till December 24, 2018)
	Ahren A Rodrigues (Company Secretary - w.e.f December 24, 2018)
	Mrs. Vandana Somani (Director)
Enterprises Significantly influenced by KMP or their relative (With whom there are transaction)	Oricon Enterprises Limited
	Kopran Laboratories Limited

(₹ In Lakhs)

The following transactions were carried out during the year with the related parties in the ordinary course of business

Nature of Transaction	**Key Management Personnel**		**Enterprises Significantly influenced by KMP or their relative (With whom there are transaction)**		**Total**	
	2019-2020	2018-2019	**2019-2020**	2018-2019	**2019-2020**	2018-2019
Loan Received						
Oricon Enterprises Limited	**-**	-	**250.00**	2,030.00	**250.00**	2,030.00
Surendra Somani	**364.00**	60.00	**-**	-	**364.00**	60.00
Total	**364.00**	60.00	**250.00**	2,030.00	**614.00**	2,090.00
Repayment of Loan taken						
Surendra Somani	**76.00**	106.50	**-**	-	**76.00**	106.50
Oricon Enterprises Limited	**-**	-	**985.00**	1,330.00	**985.00**	1,330.00
Total	**76.00**	106.50	**985.00**	1,330.00	**1,061.00**	1,436.50
Purchases						
Oricon Enterprises Limited	**-**	-	**87.87**	685.12	**87.87**	685.12
Total	**-**	-	**87.87**	685.12	**87.87**	685.12
Interest Expense						
Oricon Enterprises Limited	**-**	-	**195.64**	258.25	**195.64**	258.25
Total	**-**	-	**195.64**	258.25	**195.64**	258.25

Notes forming part of the Consolidated Financial Statements

(₹ In Lakhs)

The following transactions were carried out during the year with the related parties in the ordinary course of business

Nature of Transaction	Key Management Personnel		Enterprises Significantly influenced by KMP or their relative (With whom there are transaction)		Total	
	2019-2020	2018-2019	2019-2020	2018-2019	2019-2020	2018-2019
Interest Received						
Kopran Laboratories Limited	-	-	**3.84**	-	3.84	-
Total	-	-	**3.84**	-	**3.84**	-
Loan Received						
Kopran Laboratories Limited	-	-	**35.00**	-	35.00	-
Total	-	-	**35.00**	-	**35.00**	-
Miscellaneous Expenses						
Oricon Enterprises Limited - Rent	-	-	**240.00**	240.00	240.00	240.00
Oricon Enterprises Limited - Others	-	-	-	25.32	-	25.32
Kopran Laboratories Limited	-	-	**70.04**	63.20	70.04	63.20
Total	-	-	**310.04**	328.52	**310.04**	328.52
Remuneration						
Surendra Somani	**148.46**	151.34	-	-	148.46	151.34
B. K. Soni	**20.06**	25.03	-	-	20.06	25.03
Sunil Sodhani	**14.86**	14.69	-	-	14.86	14.69
Kamesh Venkata Bhamidipati	**25.24**	-	-	-	25.24	-
Chandra M. Singhi	**44.23**	44.72	-	-	44.23	44.72
Rakesh Doshi	**41.45**	35.69	-	-	41.45	35.69
K .B . Shetty	**11.11**	10.25	-	-	11.11	10.25
Hansa Gaggar	-	2.10	-	-	-	2.10
Ahren A Rodrigues	**3.34**	0.90	-	-	3.34	0.90
Total	**308.75**	284.72	-	-	**308.75**	284.72
Director Sitting fees						
Vandana Somani	**0.17**	0.21	-	-	0.17	0.21
Sunita Banerji	**0.21**	-	-	-	0.21	-
Mamta Biyani	**0.19**	0.21	-	-	0.19	-
Total	**0.57**	0.21	-	-	**0.57**	0.21
Balance Payable / (Receivable) as at March 31, 2020						
Oricon Enterprises Ltd - Interest Payable	-	-	**1.93**	16.85	1.93	16.85
Oricon Enterprises Ltd.	-	-	**321.83**	230.74	321.83	230.74
Oricon Enterprises Limited - Loan	-	-	**1,373.97**	2,099.00	1,373.97	2,099.00
Kopran Laboratories Limited	-	-	**(38.46)**	-	(38.46)	-
Surendra Somani	**319.50**	38.50	-	-	319.50	38.50
Total	**319.50**	38.50	**1,659.27**	2,346.59	**1,978.77**	2,385.09

The sitting fees paid to non-executive directors is ₹ 5.55 lakhs (March 31, 2019 ₹ 5.71 lakhs).

Notes forming part of the Consolidated Financial Statements

(In Lakhs)

43) Disclosure of Derivatives:

(I) Particulars of derivatives as at balance sheet date :

(₹ In Lakhs)

Purpose	Currency	As at March 31, 2020	As at March 31, 2019
Forward exchange contracts (for export debtors)	USD	**212.04**	124.87
Forward contract value		**15,711.07**	9,157.54
Forward exchange contracts (for Import Creditors)	USD	-	-
Forward contract value		-	-

(ii) The foreign currency outstanding balances that have not been hedged by any derivative instrument or otherwise as at March 31, 2020 are as follows :

Particulars	Foreign Currency Denomination	As at March 31, 2020		As at March 31, 2019	
		Foreign Currency Amount	Amount	Foreign Currency Amount	Amount
Payables	USD	**62.18**	**4,705.33**	56.90	3,934.92
	EURO	**0.06**	**5.33**	3.30	255.71
	GBP	**0.78**	**73.54**	0.84	76.32
Receivables	USD	**84.83**	**6,419.00**	70.27	4,858.96
	EURO	**1.11**	**91.33**	5.35	414.84
	GBP	**1.56**	**146.31**	0.49	44.18
Foreign Currency Bank Account	USD	**0.02**	**1.42**	0.02	1.35

The foreign currency outstanding has been translated at the rates of exchange prevailing on the Balance Sheet date.

44) Disclosures pursuant to Ind AS 108 "Segment Reporting"

The Chief Operating Decision Maker ("CODM") evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by reportable segments. The Group's reportable segments are as follows:

The Company is primarily engaged in the business of manufacturing of "Formulation (Finished Dosage Form) and Active Pharmaceutical Ingredients (API)" i.e., "Pharmaceuticals" which in the context of Ind AS 108 on "Operating Segments" constitutes a single reportable segment and hence no separate financial disclosures provided in respect of its single business segment.

a) Information about products

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Bulk Drugs	**18,375.55**	17,295.34
Tablet / Capsules / Liquids	**16,479.10**	17,190.86
Others	**185.27**	425.82
Total	**35,039.92**	**34,912.02**

b) Information about geographical areas

The management also evaluates the Group's revenue performance based on geographical segments. The Group's geographical segments are as follows:

(i) Revenue from operations

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
India	**8,577.97**	6,303.72
South Africa	**7,762.45**	9,883.09
Ethiopia	**2,927.31**	-
Zambia	**1,685.67**	-
Egypt	**1,616.34**	2,737.96
Jordhan	**1,058.71**	-
Turkey	**-**	176.37
Germany	**-**	508.68
Rest of World	**12,321.49**	16,168.28
Total	**35,949.94**	35,778.10

(ii) Non - current assets

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
India	**14,391.92**	13,974.58
Hong Kong	**9.55**	10.80
Total	**14,401.47**	13,985.38

Notes forming part of the Consolidated Financial Statements

(In Lakhs)

c) Information about major customers

Revenues from one of the customers of the Company were approximately ₹ 4,121.17 Lakhs representing approximately 11.76% of the Company's total revenue from operations, for the year ended March 31, 2020.

Revenues from one of the customers of the Company were approximately ₹ 5,169.35 Lakhs representing approximately 14.82% of the Company's total revenue from operations, for the year ended March 31, 2019.

The reportable segments derives their revenues from the sale of pharmaceuticals products. The CODM reviews revenue as the performance indicator.

The measurement of each segment's revenues, expenses and assets is consistent with the accounting policies that are used in preparation of the Group's consolidated financial statements.

45) Dues to Micro, Small and Medium Enterprises (MSME)

(₹ In Lakhs)

Particulars	**As at March 31st, 2020**	As at March 31, 2019
(a) The principal amount remaining unpaid to any supplier at the end of each accounting year.	**133.31**	116.43
(b) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year.	-	-
(c) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day.	-	-
(d) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
(e) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
(f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

Dues to micro, small and medium enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management.

46) Disclosures pursuant to Ind AS 17 "Leases"

a) The Company has taken office premises under operating lease.

Particulars	**Year Ended March 31, 2020**	Year Ended March 31, 2019
Lease payments in respect of such lease recognised in statement of profit and loss account	**240.00**	240.00

b) Total of future minimum lease payments in respect of such non cancellable operating lease are as follows:

Particulars	**Year Ended March 31, 2020**	Year Ended March 31, 2019
Not later than one year	**180.00**	180.00
Later than one year and not later than five years	-	-
Later than five years	-	-

47) Payment to auditors (excluding Service Tax / Goods and Service Tax)

Particulars	**Year Ended March 31, 2020**	Year Ended March 31, 2019
As Statutory Auditors		
Audit Fees	**10.83**	12.34
Tax Audit Fees	**3.00**	3.00
Other Matters	**0.03**	-
Out of Pocket expenses	**0.01**	0.04
Total	**13.87**	15.38

48) In the opinion of the board, current assets and loans and advances are approximately of the value stated if realised in the ordinary course of business. The provision for all known and determined liabilities are adequate and not in excess of the amounts reasonably required.The Balances of few creditors are subject to their confirmation.

Notes forming part of the Consolidated Financial Statements

49) Current tax and deferred tax

a) Income Tax Expense recognised in statement of profit and loss

(₹ In Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Current Tax		
Current Income Tax Charge	**522.33**	528.37
Adjustments in respect of prior years	**20.38**	-
Total	**542.71**	528.37
Deferred Tax		
In respect of current year	**183.63**	235.58
Total	**183.63**	235.58
Total tax expense recognised in Statement of Profit and Loss	**726.34**	763.95

b) Income Tax recognised in Other Comprehensive Income

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred Tax (Liabilities) / Assets		
Net changes in Fair value of investments in equity shares carried at fair value through OCI	**-**	0.07
Remeasurement of Defined Benefit Obligations	**(0.47)**	10.23
Total	**(0.47)**	10.30

c) Reconciliation of income tax expense and the accounting profit multiplied by Company's domestic tax rate

Particulars	As at March 31, 2020	As at March 31, 2019
Net profit as per Statement of Profit and Loss Account (before tax)	**2,828.36**	3,166.25
Corporate Tax Rate as per Income tax Act, 1961		
Tax on Accounting Profit	**723.58**	589.24
Tax difference on account of:		
(Expense) / income (debited) / credited to Other Comprehensive Income which will not be re-classified to profit or loss - Remeasurement of defined employee benefit plans	**-**	(7.82)
Expenses not allowable under the Income tax Act, 1961	**268.35**	(2.59)
One fifth of Transition Amount (Credit item credited to other Equity)	**-**	1.47
Timing Differences - Deferred tax assets	**183.63**	235.58
Expenses allowable under the Income tax Act, 1961	**(315.69)**	(51.52)
MAT credit Utilisation	**(151.75)**	-
Taxation adjustment of earlier years	**20.38**	-
Rounding off tax differences	**(0.41)**	(0.41)
Income tax expense recognised in profit and loss	**726.34**	763.95

d) Movement of Deferred Tax

Deferred tax assets / (liabilities) in relation to the year ended March 31, 2020

Particulars	Opening Balance	Recognised in profit and Loss	Recognised in OCI	Offset against Current tax liability	Closing Balance
Relating to depreciation on fixed assets	**(779.50)**	**(51.94)**	**-**	**-**	**(831.44)**
Provision for gratuity	**89.00**	**13.41**	**(0.47)**	**-**	**101.94**
Provision for leave encashment	**29.72**	**0.73**	**-**	**-**	**30.45**
Provision for expected credit loss	**3.48**	**6.88**	**-**	**-**	**10.36**
Provision for Bonus	**4.43**	**0.70**	**-**	**-**	**5.13**
Provision for export benefit obligation	**6.20**	**(1.64)**	**-**	**-**	**4.74**
Fari value of equity instruments through OCI	**0.07**	**-**	**-**	**-**	**0.07**
Disallowances under Income tax Act, 1961	**99.36**	**(0.20)**	**-**	**-**	**99.14**
MAT Credit Entilement	**683.53**	**(151.75)**	**-**	**(97.30)**	**434.48**
Net Deferred Tax Assets	**136.29**	**(183.63)**	**(0.47)**	**(97.30)**	**(145.13)**

Notes forming part of the Consolidated Financial Statements

Deferred tax assets / (liabilities) in relation to the year ended March 31, 2019

(₹ In Lakhs)

Particulars	Opening Balance	Recognised in profit	Recognised inOCI and Loss	Closing Balance
Relating to depreciation on fixed assets	(821.09)	41.58	-	(779.50)
Provision for gratuity	88.03	(9.26)	10.23	89.00
Provision for leave encashment	31.56	(1.84)	-	29.72
Unabosorbed depreciation	294.00	(294.00)	-	-
Provision for expected credit loss	8.74	(5.26)	-	3.48
Provision for Bonus	0.07	4.36	-	4.43
Provision for export benefit obligation	-	6.20	-	6.20
Fair value of equity instruments through OCI	-	-	0.07	0.07
Loss adjusted for timing difference	189.20	(189.20)	-	-
Disallowances under Income tax Act, 1961	95.28	4.08		99.36
MAT Credit Entilement	475.77	207.76	-	683.53
Net Deferred Tax Assets	**361.56**	**(235.58)**	**10.30**	**136.29**

50) Details of Loans given, covered u/s 186 (4) of the Companies Act,2013 and disclosure pursuant to clause 34 of the (Listing Obligations and Disclosure Requirements) Regulations, 2015

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Corporate Guarantee given		
For loans sanctioned to Kopran Research Laboratories Limited	6,250.00	6,250.00
For loans sanctioned to Kopran Limited	3,600.00	3,600.00

51) a) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

b) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

52) The figures for the comparative year / periods have been regrouped wherever necessary, to conform to the current year's classification.

53) FINANCIAL INSTRUMENTS

i. Financial Instruments by Category

Particulars	March 31, 2020			March 31, 2019		
	FVTPL	FVTOCI	Amortized Cost	FVTPL	FVTOCI	Amortized Cost
Financial Assets						
Non - current financial assets - Investment	-	1.90	0.40	-	1.90	0.40
Non - current financial assets - Loans receivables	-	-	357.23	-	-	191.68
Current financial assets - Trade receivables	-	-	9,281.12	-	-	8,664.35
Current financial assets - Cash and cash equivalents	-	-	83.45	-	-	41.47
Current financial assets - Bank Balances other than cash and cash equivalents	-	-	391.16	-	-	354.48
Current financial assets - Loans receivables	-	-	87.45	-	-	445.05
Current financial assets - Others	-	-	5.32	-	-	1.77
Derivatives designated as hedges - Foreign currency forward contracts	-	-	-	427.79	-	-
Total	-	**1.90**	**10,206.13**	427.79	1.90	9,699.20
Financial Liabilities						
Non - current financial liabilities - Borrowings	-	-	3,182.77	-	-	4,111.90
Current financial liabilities - Borrowings	-	-	4,623.42	-	-	4,544.42
Current financial liabilities - Trade payables	-	-	2,312.65	-	-	5,115.90
Current financial liabilities - Other	-	-	2,456.33	-	-	2,666.43
Derivatives designated as hedges - Foreign currency forward contracts	**603.75**	-	-	-	-	-
Total	**603.75**	-	**12,575.17**	**-**	**-**	16,438.65

Notes forming part of the Consolidated Financial Statements

ii. Fair Value Measurements

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The Company has established the fair value hierarchy that categorises the values into 3 levels. For the inputs to valuation techniques used to measure fair value of financial instruments refer Note No. 2.3(b)

Assets and liabilities measured at fair value: **(₹ In Lakhs)**

Particulars	March 31, 2020			March 31, 2019		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial Assets						
Financial Investments which are measured at FVTPL						
Investments	-	-	-	-	-	-
Financial Investments which are measured at FVTOCI						
Investments	1.90	-	-	1.90	-	-
Derivatives designated as hedges						
Foreign exchange forward contracts	-	-	-	-	427.79	-
Financial Assets which are measured at Amortized Cost						
Non - current financial assets - Investment	-	0.40	-	-	0.40	-
Non - current financial assets - Loans receivables	-	357.23	-	-	191.68	-
Current financial assets - Trade receivables	-	9,281.12	-	-	8,664.35	-
Current financial assets - Cash and cash equivalents	-	83.45	-	-	41.47	-
Current financial assets - Bank Balances other than cash and cash equivalents	-	391.16	-	-	354.48	-
Current financial assets - Loans receivables	-	87.45	-	-	445.05	-
Current financial assets - Others	-	5.32	-	-	1.77	-
Total Financial Assets	1.90	10,206.13	-	1.90	10,126.99	-
Financial Liabilities						
Financial Liabilities which are measured at FVTPL						
Non - current financial liabilities - Borrowings	–	-	-	-	-	-
Derivatives designated as hedges Foreign exchange forward contracts	-	603.75	-	-	-	-
Financial Liabilities which are measured at Amortized Cost						
Non - current financial liabilities - Borrowings	-	3,182.77	-	-	4,111.90	-
Current financial liabilities - Borrowings	-	4,623.42	-	-	4,544.42	-
Current financial liabilities - Trade payables	-	2,312.65	-	-	5,115.90	-
Current finanical liabilities - Other	-	2,456.33	-	-	2,666.43	-
Total Financial Liabilities	-	13,178.92	-	-	16,438.65	-

Notes:

There have been no transfers among Level 1, Level 2 and Level 3 during the period.

Financial Instrument measured at Amortised Cost

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Management does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

Notes forming part of the Consolidated Financial Statements

54) Disclosures pursuant to Ind AS 1 "Presentation of Financial Statements"- Capital Management

Capital includes issued equity capital and share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximize the shareholder value.

(₹ In Lakhs)

Particulars	As at March 31st, 2020	As at March 31st, 2019
Non - current financial liabilities - Borrowings	**3,182.77**	4,111.90
Current financial liabilities - Borrowings	**4,623.42**	4,544.42
Current finanical liabilities - Other - Current maturities of long - term debt	**1,021.31**	1,036.83
Less : cash and cash equivalents	**(83.45)**	(41.47)
Net debt (A)	**8,744.05**	9,651.68
Total Equity	**18,968.01**	16,847.57
Total Capital (B)	**18,968.01**	16,847.57
Capital and Net Debt C = (A) + (B)	**27,712.06**	26,499.25
Gearing Ratio (A) / (C)	**31.55%**	36.42%

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations. The company monitors capital using gearing ratio, which is total debt divided by total capital plus debt.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2020 and March 31, 2019.

55) Disclosures pursuant to Ind AS 107 "Financial Instruments Disclosures"- Financial risk management objectives and policies

The Company's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Company's business activities expose it to a variety of financial risks, namely market risks, credit risk and liquidity risk. The Company's senior management has the overall responsibility for the establishment and oversight of the Company's risk management framework. The top management is responsible for developing and monitoring the Company's risk management policies. The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

a) Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, borrowings, foreign currency receivables and payables.

i) Interest Rate Risk

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's exposure to the risk of changes in market interest rates relates to the Company's long-term debt as well as short-term obligations with floating interest rates.

In order to manage it interest rate risk, the Company diversifies its portfolio in accordance with the limits set by the risk management policies.

As an estimation of the approximate impact of the interest rate risk, with respect to financial instruments, the Company has calculated the impact of a 1% change in interest rates. A 1% decrease in interest rates would have led to approximately an additional ₹ 85.01 Lakhs gain for year ended March 31, 2020 (₹ 96.52 Lakhs gain for year ended March 31, 2019) in Interest expenses. A 1% increase in interest rates would have led to an equal but opposite effect.

Interest rate sensitivity has been calculated assuming the borrowings outstanding at the reporting date have been outstanding for the entire reporting.

Notes forming part of the Consolidated Financial Statements

ii) Foreign Currency Risk

Foreign currency risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the borrowings, import of raw materials, exports of Formulations and the Company's net investments in foreign subsidiaries.

When a derivative is entered into for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match the terms of the hedged exposure.

The Company evaluates exchange rate exposure arising from foreign currency transactions. The Company follows established risk management policies. It uses derivative instruments like foreign currency forwards to hedge exposure to foreign currency risk.

Outstanding foreign currency exposure:

(₹ In Lakhs)

Particulars	As at March 31, 2020		As at March 31, 2019	
	Foreign Currency Amount	Amount In ₹	Foreign Currency Amount	Amount in
Receivables				
USD	**84.83**	**6,419.00**	70.27	4,858.96
EURO	**1.11**	**91.33**	5.35	414.84
GBP	**1.56**	**146.31**	0.49	44.18
Foreign Currency Bank Account				
USD	**0.02**	**1.42**	0.02	1.35
Payables				
USD	**62.18**	**4,705.33**	56.90	3,934.92
GBP	**0.06**	**5.33**	3.30	255.71
EURO	**0.78**	**73.54**	0.84	76.32
Borrowings				
USD	**18.84**	**1,425.86**	20.62	1,425.86

Foreign exchange risk sensitivity:

As an estimation of the approximate impact of the interest rate risk, with respect to financial instruments, the Company has calculated the impact of a 1% change in interest rates. A 1% decrease in interest rates would have led to approximately an additional Rs. 4.50 Lakhs net gain for year ended March 31, 2020 (Rs. 3.68 Lakhs net loss for year ended March 31, 2019) in Interest expenses. A 1% increase in interest rates would have led to an equal but opposite effect.

Forward Exchange Contracts:

Derivatives for hedging currency, outstanding are as under:

Particulars	Purpose	Currency	As at March 31, 2020	As at March 31, 2019
Foreign currency forward contracts	Exports	USD	212.04	124.87
Forward contract value	Exports	₹	15,711.07	9,157.54
Foreign currency forward contracts	Imports	USD	-	-
Forward contract value	Imports	₹	-	-

ii) Other Price Risk

Other price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded price. Other price risk arises from financial assets such as investments in equity instruments. The Company is exposed to price risk arising mainly from investments in equity instruments recognised at FVTOCI. As at March 31, 2020, the carrying value of such equity instruments recognised at FVTOCI amounts to ₹ 1.90 Lakhs (March 31, 2019 ₹ 1.90 Lakhs). The details of such investments in equity instruments are given in Note 6(a) and 6(b).

The Company is mainly exposed to change in market rates of its investments in equity investments recognised at FVTOCI. A sensitivity analysis demonstrating the impact of change in market prices of these instruments from the prices existing as at the reporting date is given below:

If the equity prices had been higher / lower by 10% from the market prices existing as at March 31, 2020, Other Comprehensive Income for the year ended March 31, 2019 would increase / decrease by ₹ Nil Lakhs (March 31, 2019 ₹ Nil Lakhs) with a corresponding increase/decrease in Total Equity of the Company as at March 31, 2020. 10% represents management's assessment of reasonably possible change in equity prices.

Notes forming part of the Consolidated Financial Statements

b) Credit Risk

Credit risk arises when a customer or counterparty does 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 / investing activities, including deposits with banks, foreign exchange transactions and financial guarantees. The Company has no significant concentration of credit risk with any counterparty.

Trade receivables:

Credit risk arising from trade receivables is managed in accordance with the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on a detailed study of credit worthiness and accordingly individual credit limits are defined/ modified.

Total Trade receivable as on March 31, 2019 is ₹ 9,281.12 Lakhs (March 31, 2019 ₹ 8,664.35 Lakhs). The average credit period on sale of goods is 90 to 180 days. No interest is charges on trade receivables.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on exchange losses historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

The Company has used expected credit loss (ECL) model for assessing the impairment loss. For the purpose, the Company uses a provision matrix to compute the expected credit loss amount. The provision matrix takes into account external and internal risk factors and historical data of credit losses from various customers.

Movement in the expected credit loss allowance on trade receivables **(₹ In Lakhs)**

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Balance at the beginning of the year	**78.56**	168.65
Addition	**9.46**	-
Write - offs	**-**	(90.09)
Recoveries	**-**	-
Balance at the end of the year	**88.02**	78.56

c) Liquidity Risk

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions. The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed un-discounted cash flows as at the Balance Sheet date.

Particulars	Carrying Amount	Less than 12 months	More than 12 months	Total
As at March 31, 2020				
Non - current financial liabilities - Borrowings	**3,182.77**	**-**	**3,182.77**	**3,182.77**
Current financial liabilities - Borrowings	**4,623.42**	**4,623.42**	**-**	**4,623.42**
Current financial liabilities - Trade payables	**2,312.65**	**2,312.65**	**-**	**2,312.65**
Current finanical liabilities - Other	**2,456.33**	**2,456.33**	**-**	**2,456.33**
As at March 31, 2019				
Non - current financial liabilities - Borrowings	4,111.90	-	4,111.90	4,111.90
Current financial liabilities - Borrowings	4,544.42	4,544.42	-	4,544.42
Current financial liabilities - Trade payables	5,115.90	5,115.90	-	5,115.90
Current finanical liabilities - Other	2,666.43	2,666.43	-	2,666.43

56) Corporate Social Responsibility

As per section 135 of the Companies Act, 2013, amount required to be spent by the Company during the year ended March 31, 2020 and March 31, 2019 is ₹ 20.61 lakhs and ₹ 8.77 lakhs, respectively, computed at 2% of its average net profit for the immediately preceding three financial years, on Corporate Social Responsibility (CSR). The Company incurred an amount of ₹ 1.00 lakhs and ₹ 8.40 lakhs during the year ended March 31, 2020 and 2019, respectively, towards CSR expenditure for purposes other than construction / acquisition of any asset.

Notes forming part of the Consolidated Financial Statements

57) Disaggregation of revenue

The operations of the Group are limited to only one segment viz. pharmaceuticals and related products. Revenue from contract with customers is from sale of manufactured goods and rendering of research services. Sale of goods are made at a point in time and revenue is recognised upon satisfaction of the performance obligations which is typically upon dispatch / delivery. The Group has a credit evaluation policy based on which the credit limits for the trade receivables are established. There is no significant financing component as the credit period provided by the Group is not significant.

Primary Geographical Markets

Refer note no. 44(b)(i) for detailed disclosure

(₹ In Lakhs)

Contract balances:

Particulars	**March 31, 2020**	March 31, 2019
Trade Receivables	**9,281.12**	8,664.35

The average credit period on sale of goods is 90 to 180 days. No interest is charged on trade receivables.

Reconciliation of revenue from sale of products as recognised in the Statement of Profit and Loss with the contracted price

Particulars	**March 31, 2020**	March 31, 2019
Revenue as per contracted price	**34,244.17**	35,611.79
Less:		
Sales Return	**204.25**	699.68
Discoun	**-**	0.09
Revenues as per the Statement of Profit and Loss	**35,039.92**	34,912.02

Disaggregated revenue recognised in the Statement of Profit and Loss:

Refer note no. 44(a) for detailed disclosure

Information about major customers

Refer note no. 44(c) for detailed disclosure

58) Effective April 01, 2019, the Group has adopted Ind AS 116 "Leases" and reviewed all contracts having lease components existing on April 01, 2019. These contracts are in the nature of short-term leases and hence there is no impact of application of Ind AS 116 on the consolidated financial statements of the Group.

59) The Group has considered the possible effects that may result from the pandemic relating to COVID-19. With a view to ensure minimal disruption with respect to operations including production and distribution activities, the Grouup has taken several business continuity measures. As the Group is into essential manufacturing service which is exempt from lockdown restrictions, the Group has not experienced any significant difficulties with respect to market demand, liquidity, financing capital expansion projects, collections so far. The Group has assessed the financial impact of the Covid 19 situation particularly on the carrying amounts of receivables, inventories, property, plant and equipment and intangible assets. The Group has, as at the date of approval of these consolidated financial statements, used internal and external sources of information, including economic forecasts and estimates from market sources. On the basis of evaluation and current indicators of future economic conditions, the Group believes that it will be in a position to recover the carrying amounts of these assets and does not anticipate any material impact due to impairment to these financial and non-financial assets. However, the impact assessment of COVID-19 is a continuing process, given the uncertainties associated with its nature and duration. The Group will continue to monitor any material changes to future economic conditions.

60) Exceptional item of ₹ 55.42 lakhs represents the amount paid by subsidiary Kopran Research Laboratories Limited towards settlement of disputed indirect tax cases opted by it under Sabka Vishwas (Legacy Dispute Resolution Scheme), 2019 ('SVLDRS'). The subsidiary has obtained discharge certificate for full and final settlement under SVLDRS.

Notes forming part of the Consolidated Financial Statements

(₹ In Lakhs)

61) Statement of net assets, profit and loss and other comprehensive income attributable to owners and non-controlling interests

Name of the entity in the Group	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Holding Company								
Kopran Limited	62.33	22,967.32	62.41	1,222.00	6.24	1.15	61.84	1,123.15
Indian Subsidiaries								
Kopran Research Laboratories Limited	37.06	13,654.97	37.64	676.74	(17.04)	(3.14)	37.09	673.60
Kopran Lifesciences Limited	0.01	3.71	(0.01)	(0.10)	-	-	(0.01)	(0.10)
Foreign Subsidiaries								
Kopran (H. K.) Limited	0.61	224.32	(0.01)	(0.89)	110.80	20.42	1.08	19.53
Total before consolidation adjustments	100.01	36,850.32	99.99	1,797.75	100.00	18.43	100.00	1,816.18
Adjustment arising out of consolidation	-	17,882.31	-	(304.27)	-	-	-	(304.27)
Total after consolidation adjustments	-	18,968.01	-	2,102.02	-	18.43	-	2,120.45

As per our report of even date
For **Khandelwal Jain & Co**
Chartered Accountants
Firm Registration No: - 105049W

S. S. Shah
Partner
Membership No.: 033632

Place: Mumbai
Date : June 30, 2020

For and on behalf of the Board of Directors

SURENDRA SOMANI
Executive Vice Chairman
DIN: 00600860

NARAYAN ATAL
Director
DIN: 00237626

B. K. SONI
Chief Financial Officer

SUNIL SODHANI
Company Secretary

KOPRAN LIMITED

CIN: L24230MH1958PLC011078

Registered Office: Parijat House, 1076, Dr. E. Moses Road, Worli, Mumbai – 400 018
Website: www.kopran.com, Email: investors@kopran.com,
Tel.No.022- 43661111, Fax No.022-24950363

NOTICE OF 61st ANNUAL GENERAL MEETING

Notice is hereby given that the 61st Annual General Meeting of the members of Kopran Limited will be held on Wednesday, 16th September, 2020 at 12.00 noon (IST) through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM"), to transact the following business:

Ordinary Business

Item no. 1: To receive, consider and adopt:

(a) the Audited Standalone Financial Statement of the Company for the financial year ended 31st March, 2020 together with the Reports of the Board of Directors and Statutory Auditors thereon.

(b) the Audited Consolidated Financial Statement of the Company for the financial year ended 31st March, 2020 together with the Reports of the Statutory Auditors thereon.

Item no. 2: To appoint a Director in place of Mr. Varun Somani (DIN: 00015384), a Non Executive/Non Independent Director, who retires by rotation in terms of section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.

Special Business

Item no. 3: Re-appointment of Dr. Siddhan Subramanian (DIN: 02101174) as an Independent Director

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

"**RESOLVED THAT** pursuant to the provisions of section 149, 152 and any other applicable provisions of the Companies Act, 2013 (hereinafter referred to as the 'Act'), the Rules made thereunder read with Schedule IV to the Companies Act, 2013 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the 'Listing Regulations') and amendments thereto (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, Dr. Siddhan Subramanian (DIN: 02101174), who was appointed as an independent director of the Company for a term of five years up to 18th September, 2020 and is eligible for being re-appointed as an independent director and in respect of whom a notice in writing pursuant to section 160 of the Act has been received in the prescribed manner and considering the report of his performance evaluation for the year 2019-20, be and is hereby re-appointed as an independent director on the Board of the Company for a second term of five consecutive years, effective from 18th September, 2020 to 17th September, 2025."

Item no. 4: Re-appointment of Dr. Sunita Banerji (DIN: 02476075) as an Independent Director

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

"**RESOLVED THAT** pursuant to the provisions of section 149, 152 and any other applicable provisions of the Companies Act, 2013 (hereinafter referred to as the 'Act'), the Rules made thereunder read with Schedule IV to the Companies Act, 2013 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the 'Listing Regulations') and amendments thereto (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, Dr. Sunita Banerji (DIN: 02476075), who was appointed as an independent director of the Company for a term of five years up to 18th September, 2020 and is eligible for being re-appointed as an independent director and in respect of whom a notice in writing pursuant to section 160 of the Act has been received in the prescribed manner and considering the report of her performance evaluation for the year 2019-20, be and is hereby re-appointed as an independent director on the Board of the Company for a second term of five consecutive years, effective from 18th September, 2020 to 17th September, 2025."

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Pursuant to Section 102 of the Companies Act, 2013 ('the Act'), the following Explanatory Statement along with Annexure sets out all material facts relating to the business mentioned under Item Nos. 3 & 4 of the accompanying Notice dated 11th August, 2020.

Item No. 3 & 4 : Based on the recommendations of Nomination and Remuneration Committee, the Board of Directors at its meeting held on 29th September, 2014, appointed Dr. Siddhan Subramanian (DIN: 02101174) and Dr. Sunita Banerji (DIN: 02476075) as Additional Director (Independent) of the Company. Their appointment was also approved by the shareholders at the 56th Annual General Meeting of the Company held on 19th September, 2015 for the first term of consecutive period of five years from 19th September, 2015 to 18th September, 2020.

The first term as Independent Director will expire on 18th September, 2020, based on the recommendation of the Nomination and Remuneration Committee (NRC), considering the skills, experience & knowledge they possess and the report of performance evaluation for the financial year 2019-20, done on the criteria of Evaluation of Independent Director formulated by NRC, the Board at its meeting held on 11th August, 2020 recommended for the approval of the members, the re-appointment of Dr. Siddhan Subramanian (DIN: 02101174) and Dr. Sunita Banerji (DIN: 02476075) for a second term of five consecutive years with effect from 18th September, 2020 up to 17th September, 2025 in terms of section 149 read with Schedule IV to the Act and Listing Regulations or any amendment thereto or modification thereof.

In accordance with section 149(10) and (11) of the Act, an Independent Director shall hold office for a term up to five consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report. Dr. Siddhan Subramanian (DIN: 02101174) and Dr. Sunita Banerji (DIN: 02476075) fulfill the requirement of an Independent Director as laid down under section 149(6) of the Act and regulation 16 of the Listing Regulations.

In respect of the said appointment, a notice in writing in the prescribed manner as required by section 160 of the Act, as amended and rules made thereunder, has been received by the Company, regarding their candidature for the office of the director.

Dr. Siddhan Subramanian (DIN: 02101174) and Dr. Sunita Banerji (DIN: 02476075) have given their consent for the said re-appointment and has also submitted the declaration of independence, as required pursuant to section 149(7) of the Act, stating that they meet the criteria of independence as provided in section 149(6) and regulation 16 of the Listing Regulations and are not disqualified from being appointed as a director in terms of section 164 of the Act.

The terms and conditions of appointment of Independent Directors is available at the Company's website www.kopran.com

The Board is of the opinion that Dr. Siddhan Subramanian (DIN: 02101174) and Dr. Sunita Banerji (DIN: 02476075) possess requisite skills, experience and knowledge relevant to the Company's business and it would be of benefit to the Company to continue to have their association with the Company as Independent Director of the Company. According to section 152 of the Act, read with Schedule IV to the Act, in the opinion of the Board, the proposed re-appointment fulfils the conditions specified in the Act and the rules made thereunder as also the applicable provisions of Listing Regulations and is independent of the Management.

The profile and specific areas of expertise of Dr. Siddhan Subramanian and Dr. Sunita Banerji are provided as Annexure to this Notice.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives, is concerned or interested in the Resolution.

The Board recommends the special resolution set out in Item No. 3 & 4 for approval by shareholders.

Annexure

(TO THE EXPLANATORY STATEMENT)

Details of Directors proposed to be re-appointed at the Annual General Meeting scheduled to be held on 16th September, 2020 [Pursuant to Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended.]

Name of the Director	Mr. Varun Somani	Dr. Siddhan Subramanian	Dr. Sunita Banerji
Director Identification Number	00015384	02101174	02476075
Date of Birth	27th September,1982	18th March,1951	4th February,1958
Age	37 Years	69 Years	62 Years
Date of Initial Appointment	29th May, 2018	29th September, 2014	29th September, 2014
Qualifications	Bachelor of Business Administration (BBA) from University of Michigan, USA	Phd in Organic Chemistry from Indian Institute of Technology	MBBS
Terms and conditions of appointment & Category	Non-Executive Director (Promoter). He is entitled only to receive sitting fees for Board and Committee Meetings	Non-Executive Director (Independent). He is entitled only to receive sitting fees for Board and Committee Meetings	Non-Executive Director (Independent). She is entitled only to receive sitting fees for Board and Committee Meetings
Brief Profile of the Directors	Mr. Varun Somani joined Parijat Enterprises in 2004. He is serving as the Managing Director of Kopran Laboratories Ltd. and Shinrai Auto Services Ltd. Kopran Laboratories Ltd., is a healthcare company which Markets medical equipment's in the diagnostic & healthcare industry. The company represents multiple multinational companies in different spheres of the healthcare industry, which gives it a unique advantage of providing a basket of high quality products at competitive prices for the Indian subcontinent market. He is also involved in the Real Estate activities of the group and is currently setting up a packaging unit under Oricon Enterprises Ltd., a group	Dr. Siddhan Subramanian has a vast experience covering R&D in chemicals, agrochemicals and colorants, Technical Service in Textiles, Pigments, Paper, Leather, Pharma, Agro and Chemical industries, Sales and Marketing in Pigments, Fine and Life Science Chemicals. Experienced in IPR and worked on SAP and other ERP systems.	Dr. Sunita Banerji received her credentials in obstetrics and gynecology in 1982 after which she set up a successful family Medicine practice in Mumbai in 1989. She has extensive knowledge of pharmaceutical products, especially new products in chronic therapies. She received extensive training in Aesthetics in London and upon her return, she started an Aesthetic Medicine practice.
Expertise in specific functional areas	Finance & Sales	Technical & Regulatory	Finance, Technical & Human Resource

Name of the Director	Mr. Varun Somani	Dr. Siddhan Subramanian	Dr. Sunita Banerji
Shareholding in the Company	2,72,500 Equity Shares	NIL	NIL
Relationship with other Directors & KMP's	Son of Mr. Surendra Somani	Not related	Not related
Directorship in Other Companies	Hotel Empire Ltd. Skyland Securities Pvt.Ltd. Apurva Caplease and Finance Pvt. Ltd. Sorabh Trading Pvt. Ltd. Panorama Finvest Pvt. Ltd. Himalaya Builders Pvt. Ltd. Reay Road Iron and Metal Warehousing Pvt. Ltd. Kopran Laboratories Ltd. Bigflex Enterprises Pvt. Ltd. Premier Comm. Co. Pvt. Ltd.	None	Kopran Research Laboratories Limited Shihan Enterprises Private Limited
Committee membership in other companies	None	None	Kopran Research Laboratories Limited Audit Committee - Chairman Nomination & Remuneration Committee – Chairman

Place: Mumbai

Date : 11th August, 2020

For Kopran Limited

Sunil Sodhani
Company Secretary & Compliance Officer

Notes:

1. The Company's Register of Members and Share Transfer Books shall be closed from 7th September, 2020 to 9th September, 2020 (both days inclusive).

2. The Notice of the AGM along with Annual Reports 2019-20 is being sent by electronic mode to those members whose E-mail addresses are registered with the Depositories/Company.

3. Ms. Nirali Mehta, Practicing Company Secretary (Membership No. A37734, COP No. 20754) has been appointed as the Scrutinizer to scrutinize the e-voting process.

4. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.kopran.com and on the website of NSDL within two days of the passing of the resolutions at the 61st AGM of the Company on 16th September, 2020 and communicated to the BSE & NSE, where the shares of the Company are listed.

5. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020, physical attendance of the Members to the Annual General Meeting (AGM) venue is not required and AGM be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.

6. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.

7. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

8. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

9. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended) and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM will be provided by NSDL.

10. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.kopran.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e.www.evoting.nsdl.com.

11. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-

The remote e-voting period begins on Sunday, 13th September, 2020 at 9.00 A.M. and ends on Tuesday, 15th September, 2020 at 5.00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Log-in to NSDL e-Voting system at https://www.evoting.nsdl.com/

Step 2: Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	**Your User ID is:**
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:
   If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.
   a) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
   b) How to retrieve your 'initial password'?
      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
      (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
   a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1 Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by email to nirali@mindspright.co.in with a copy marked to evoting@nsdl.co.in.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request to (Name of NSDL Official) at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of email ids for e-voting for the resolutions set out in this notice :

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to investors@kopran.com

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to investors@kopran.com

3. Alternatively member may send an e-mail request to evoting@nsdl.co.in for obtaining User ID and Password by proving the details mentioned in Point (1) or (2) as the case may be.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at https://www.evoting.nsdl.com under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.

2. Members are encouraged to join the Meeting through Laptops for better experience.

3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Shareholders who would like to express their views/have questions may send their questions 48 hours in advance of the meeting time mentioning their name demat account number/folio number, email id, mobile number at investors@kopran.com. The same will be replied by the company suitably.

NOTES

NOTES

Khopoli - Formulation Plant

Mahad - Active Ingredients Plant

If mail undelivered please return to:

KOPRAN LIMITED

Parijat House, 1076, Dr. E. Moses Road, Worli, Mumbai - 400 018.