

Independent Auditors' Report

To the Members of **Kopran Research Laboratories Limited**

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Kopran Research Laboratories Limited**, ("the Company") which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

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

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

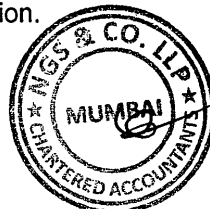
The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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



Materiality is the magnitude of misstatements in the 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.

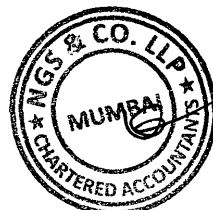
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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 financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's 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.

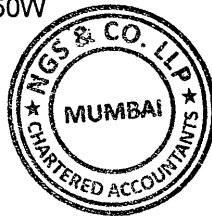
1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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 Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid financial statements comply with Ind AS specified under Section 133 of the Act, read with relevant rule issued there under.
 - e. On the basis of written representations received from the Directors as on March 31, 2019, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019, 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 over financial reporting of the company and the operating effectiveness of such control, refer to our separate report in "Annexure B" our report express an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial control over financial reporting.
- g. With respect to the other matters to be included in the Auditor's in the Auditor's Report in accordance with requirement of section 197(16) of the Act, as amended:
- i. In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanation given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its 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.
- iii. There were no amounts, which were required to be transferred, to the Investor Education and Protection Fund by the Company.

For **NGS & CO. LLP.**
Chartered Accountants
Firm Registration No. : 119850W


Ganesh Toshniwal
Partner
Membership Number: 046669
Mumbai
May 07, 2019



Annexure A to the Independent Auditor's Report

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

- i. a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b. According to the information and explanations given to us, the Fixed Assets have been physically verified by the management during the year, no material discrepancies were noticed on such verification with book records. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and nature of its assets.
- c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the lease agreements for leasehold properties are held in the name of the company.
- ii. The management has conducted physical verification of inventory at regular intervals during the year. In our opinion and according to the information and explanations given to us, the Company is maintaining proper records of inventory. The discrepancies noticed on verification between physical stocks and the book records were not material having regard to the size of the operations of the company.
- iii. Based on the audit procedure and according to information and explanations given to us, the Company has not granted any loan secured or unsecured to the companies, firm, or other parties covered in the register maintained under section 189 of the Act. Therefore, paragraph 3 (iii) of the order is not applicable.
- iv. In our opinion and according to the information and explanations given to us and based on our examination of the records, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to guarantee given.
- v. According to information and explanations given to us, the Company has not accepted any deposits within the meaning of Section 73 to 76 of the Act and Rules framed thereunder to the extent notified. Therefore, paragraph 3(v) of the order is not applicable.
- vi. We have broadly reviewed the books of accounts maintained by the company pursuant to the rules made by the Central Government for the maintenance of cost records under sub-section (1) of section 148 of the Act in respect of Company's products and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii. a. The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.



- b. There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, 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. Details of dues of Service Tax and Excise Duty which have not been deposited as at March 31, 2019 on account of dispute are given below:


Name of the Statute	Nature of the dues	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Excise Duty	313,527	2012-13	Joint Secretary of Government of India Ministry of Finance
Central Excise Act, 1944	Excise Duty	1,502,439	2012-13	Commissioner of Central Excise
Central Excise Act, 1944	Excise Rebate	186,371	2016-17	Principal Commissioner (RA)
Finance Act, 1994	Service Tax	109,819	2011-12	Central Excise and Service Tax Appellate Tribunal
Finance Act, 1994	Service Tax	50,993	2014-15	Central Excise and Service Tax Appellate Tribunal
Finance Act, 1994	Service Tax	30,159	2014-15	Assistant Commissioner
Finance Act, 1994	Service Tax	340,463	2015-16	Central Excise and Service Tax Appellate Tribunal
Finance Act, 1994	Service Tax	344,482	2015-16	Assistant Commissioner

- viii. In our opinion and according to the information and explanations given to us, the Company has not taken any loans either from banks, financial institutions or from the government and has not issued any debentures. Therefore, paragraph 3(viii) of the order is not applicable.
- ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instrument) and term loans during the year. Therefore, paragraph 3(ix) of the order is not applicable.
- x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the provisions of section 197 of the Act.



- xii. In our opinion and according to the information given to us, the Company is not a Nidhi Company. Therefore, paragraph 3(xii) of the order is not applicable.
- xiii. According to the information and explanation give to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details have been disclosed in the Financial statements as required by the applicable accounting standard.
- xiv. According to the information and explanations given to us and based on our examination of the records, Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Therefore, paragraph 3(xiv) of the order is not applicable.
- xv. According to the information and explanations given to us and based on our examination of the records, Company has not entered into any non-cash transactions with the directors or persons connected with him. Therefore, paragraph 3(xv) of the order is not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For NGS & Co. LLP,
Chartered Accountants
Firm Registration Number: 119850W


Ganesh Toshniwal
Partner
Membership Number: 046669
Mumbai
May 07, 2019



**Annexure - B to the Auditors' Report
Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of
the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **Kopran Research Laboratories Limited** ("the Company") as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures



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

Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For **NGS & CO. LLP.**
Chartered Accountants
Firm Registration No. : 119850W



Ganesh Toshniwal

Partner

Membership Number: 046669

Mumbai

May 07, 2019



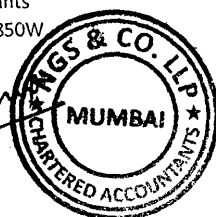
KOPRAN RESEARCH LABORATORIES LIMITED
BALANCE SHEET AS AT MARCH 31, 2019 (Amount In Rs.)

Particulars	Note No.	As at March 31, 2019	As at March 31, 2018
ASSETS			
1. Non-Current Assets			
Property, Plant and Equipment	4	88,09,76,569	86,49,30,815
Capital work-in-progress		16,20,71,347	2,08,96,892
Other Intangible Assets	5	36,84,034	46,18,140
Intangible Assets under Development		1,33,33,106	-
Financial Assets			
Other financial assets	6	59,86,008	59,83,308
Other Non Current Assets	7	8,03,59,677	7,33,49,276
Total Non-Current Assets		1,14,64,10,741	96,97,78,431
2. Current Assets			
Inventories	8	48,25,67,431	41,25,79,954
Financial Assets			
Trade Receivables	9	51,32,67,273	45,53,13,891
Cash and Cash Equivalents	10	2,16,127	2,07,404
Other balances with bank	11	2,70,03,225	4,47,64,188
Other financial assets	12	48,04,617	78,80,010
Other Current Assets	13	7,42,61,921	10,18,76,346
Total Current Assets		1,10,21,20,594	1,02,26,21,793
Total Assets		2,24,85,31,335	1,99,24,00,224
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	14	20,00,00,000	20,00,00,000
Other Equity	15	1,09,18,87,065	1,00,66,11,744
Total Equity		1,29,18,87,065	1,20,66,11,744
Liabilities			
1. Non-Current Liabilities			
Financial Liabilities			
Borrowings	16	19,40,94,205	7,95,92,206
Provisions	17	2,81,10,499	2,32,86,291
Deferred tax liabilities (net)	18	1,58,96,634	14,48,824
Total Non-Current Liabilities		23,81,01,338	10,43,27,321
2. Current Liabilities			
Financial Liabilities			
Borrowings	19	27,54,36,122	28,54,96,667
Trade Payables	20		
(a) Micro and Small Enterprises		21,17,347	23,61,750
(b) Others		29,53,51,031	34,19,55,852
Other Financial Liabilities	21	9,23,20,651	4,47,23,035
Other Current Liabilities	22	3,47,15,226	65,16,527
Provisions	23	5,20,462	4,07,328
Current tax liabilities (net)	24	1,80,82,094	-
Total Current Liabilities		71,85,42,932	68,14,61,159
Total Equity and Liabilities		2,24,85,31,335	1,99,24,00,224

Significant Accounting Policies and Notes Forming Part of the Financial Statements 1-46

In terms of our report attached
For NGS & Co. LLP
Chartered Accountants
Firm Regn. No. 119850W

Ganesh Toshniwal
Partner
M.No. 046669
Mumbai
May 7, 2019



For and on behalf of Board of Directors
Kopran Research Laboratories Limited

Chandra M. Singhi
Whole Time Director
DIN : 1793293

K.B. Shetty
Chief Financial Officer

Rakesh Doshi
Executive Director
DIN : 00359832

Ahren A Rodrigues
Company Secretary

KOPRAN RESEARCH LABORATORIES LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019


(Amount In Rs.)

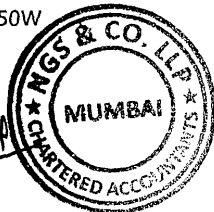
Particulars	Note No.	Year Ended March 31, 2019	Year Ended March 31, 2018
INCOME			
Revenue From Operations	25	1,81,93,93,306	1,75,20,70,922
Other Income	26	2,26,39,081	2,90,19,601
Total Income		1,84,20,32,386	1,78,10,90,523
EXPENSES			
Cost of material consumed	27	1,21,06,91,373	1,12,01,93,236
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	28	(9,73,71,451)	(93,16,674)
Employee Benefits Expense	29	16,72,28,749	13,89,85,382
Finance Costs	30	3,64,27,158	2,45,62,985
Depreciation and Amortization Expense	4&5	8,56,50,803	8,21,89,875
Other Expenses	31	32,67,56,750	29,57,83,828
Total Expenses		1,72,93,83,381	1,65,23,98,631
Profit Before Tax		11,26,49,005	12,86,91,892
Tax Expense		-	-
(1) Current Tax		1,80,82,094	
(2) Deferred Tax		1,44,47,811	14,48,824
		3,25,29,904	14,48,824
Profit For The Year		8,01,19,101	12,72,43,068
Other Comprehensive Income For The Year		-	-
Items that would not be classified subsequently to Profit and Loss			
Remeasurement of Defined benefit plans- OCI		(10,93,780)	-4,07,781
		(10,93,780)	-4,07,781
Total Comprehensive Income For The Year		7,90,25,321	12,68,35,287
Earnings Per Equity Share of Face Value of ` 5/- each			
Basic And Diluted		4.01	6.36

Significant Accounting Policies and Notes Forming Part of the Financial Statements

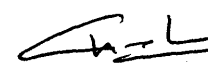
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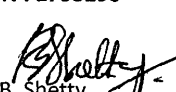
In terms of our report attached
For NGS & Co. LLP
Chartered Accountants
Firm Regn. No. 119850W



Ganesh Toshniwal
Partner
M.No. 046669
Mumbai
May 7, 2019

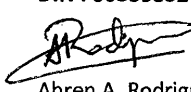


For and on behalf of Board of Directors
Kopran Research Laboratories Limited


Chandra M. Singhi
Whole Time Director
DIN : 1793293


K.B. Shetty
Chief Financial Officer


Rakesh Doshi
Executive Director
DIN : 00359832


Ahren A. Rodrigues
Company Secretary

KOPRAN RESEARCH LABORATORIES LIMITED

Cash Flow Statement for the year ended March 31, 2019

(Amount In Rs.)

	Particulars	Year ended March 31, 2019	Year ended March 31, 2018
A.	CASH FLOWS FROM OPERATING ACTIVITIES:		
	Profit/(Loss) Before Tax	11,26,49,005	12,86,91,892
	Adjustments for:		
	Depreciation	8,56,50,803	8,21,89,875
	Interest income	(30,71,709)	(64,08,225)
	Defined benefit plan expense-Gratuity	(10,93,780)	(4,07,781)
	Capital Contribution from Holding Company	62,50,000	31,25,000
	Adjustments to Security Deposits	-	(50,00,000)
	Finance costs	3,64,27,158	2,45,62,985
	Change in operating assets and liabilities:		
	Increase / (Decrease) in Trade payables	(4,68,49,225)	16,25,28,697
	Increase / (Decrease) in Short-term & Long-term provisions	49,37,342	35,83,494
	Increase / (Decrease) in Other current liabilities	2,81,98,699	(1,02,19,303)
	Increase / (Decrease) in Other Financial liabilities	4,75,97,616	(8,78,52,522)
	(Increase) / Decrease in Trade receivables	(5,79,53,382)	(5,41,46,547)
	(Increase) / Decrease in Inventories	(6,99,87,477)	(5,78,75,722)
	(Increase) / Decrease in Other Financial Assets	30,72,693	(72,63,415)
	(Increase) / Decrease in Other Current and Non-Current Assets	2,06,04,024	(7,10,69,541)
	Cash generated from operations	16,64,31,768	10,44,38,888
	Direct taxes paid (net of refund)	-	-
	Net cash generated by operating activities	(A) 16,64,31,768	10,44,38,888
B.	CASH FLOWS FROM INVESTING ACTIVITIES:		
	Purchase of tangible/ intangible assets (including capital work-in-progress & Capital Advance)	(25,52,70,011)	(6,68,97,002)
	Interest received	30,71,709	64,08,225
	Net cash used in investing activities	(B) (25,21,98,302)	(6,04,88,777)
C.	CASH FLOWS FROM FINANCING ACTIVITIES:		
	Interest and financial charges paid	(3,64,27,158)	(2,45,62,985)
	Proceeds / (Repayment) Long-term & Short Term borrowings (Net)	10,44,41,454	(2,44,87,168)
	Net cash used in financing activities	(C) 6,80,14,296	(4,90,50,153)
	Net decrease in cash and cash equivalents	(A+B+C) (1,77,52,239)	(51,00,043)
	Cash and cash equivalents at the beginning of the year	4,49,71,592	5,00,71,634
	Cash and cash equivalents at the end of the year	2,72,19,352	4,49,71,592
	Cash and cash equivalents comprise of:		
	Cash on Hand	1,44,773	51,539
	Bank Balances:		
	In Current Accounts	71,354	1,55,865
	In Fixed Deposits with original maturity less than 3 months	2,70,03,225	4,47,64,188
	Cash and cash equivalents at the end of the year	2,72,19,352	4,49,71,592

Notes:

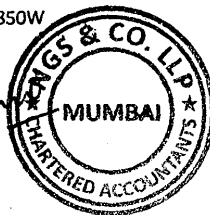
- 1 Figures in brackets indicate cash outgo.
- 2 Previous year's figures have been regrouped/ rearranged wherever necessary.

Significant Accounting Policies and Notes Forming Part of the Financial Statements

1-46

In terms of our report attached
For NGS & Co. LLP
Chartered Accountants
Firm Regn. No. 119850W

Ganesh Toshniwal
Partner
M.No. 046669
Mumbai
May 7, 2019



For and on behalf of Board of Directors
Kopran Research Laboratories Limited

Chandra M. Singhi
Whole Time Director
DIN : 1793293

K.B. Shetty
Chief Financial Officer

Rakesh Doshi
Executive Director
DIN : 00359832

Ahren A. Rodrigues
Company Secretary

KOPRAN RESEARCH LABORATORIES LIMITED

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

(Amount In Rs.)

A) Equity Share Capital

Particulars	Number	Amount
As at March 31, 2018	2,00,00,000	20,00,00,000
Changes in equity share capital	-	-
As at March 31, 2019	2,00,00,000	20,00,00,000

B) Other Equity

Particulars	Retained earnings			Other Comprehensive Income	Total
	Securities Premium Reserve	Capital Contribution from holding	Retained Earnings	Remeasurements of net defined benefit plans	
As at April 01, 2018	1,34,70,78,150	91,14,583	-35,00,12,365	4,31,376	1,00,66,11,744
Profit for the year	-	-	8,01,19,101	-	8,01,19,101
Capital Contribution from holding company	-	62,50,000	-	-	62,50,000
Other comprehensive income for the year	-	-	-	-10,93,780	-10,93,780
As at March 31st, 2019	1,34,70,78,150	1,53,64,583	-26,98,93,264	-6,62,404	1,09,18,87,065

Nature and Purpose of Reserves:

a) Securities Premium Reserve

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

b) Retained Earnings

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

Significant Accounting Policies and Notes Forming Part of the Financial Statements

1-46

In terms of our report attached

For NGS & Co. LLP

Chartered Accountants

Firm Regn. No. 119850W

Ganesh Toshniwal

Partner

M.No. 046669

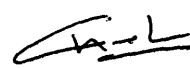
Mumbai


May 7, 2019

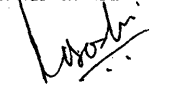


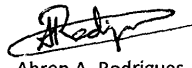
For and on behalf of Board of Directors

Kopran Research Laboratories Limited


Chandra M. Singhi
Whole Time Director
DIN : 1793293


K.B. Shetty
Chief Financial Officer


Rakesh Doshi
Executive Director
DIN : 00359832


Ahren A. Rodrigues
Company Secretary

KOPRAN RESEARCH LABORATORIES LIMITED

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

1 Corporate Information

Kopran Research Laboratories Limited (KRL) ("the Company") is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India.

The Company is engaged in the business of manufacturing of Active Pharmaceutical Ingredients (API)

The financial statements were authorised for issue by the board of directors on May 07, 2019.

2 Significant Accounting Policies

2.1 Statement of Compliances with Indian Accounting Standards (Ind AS)

The financial statements of the Company comply in all material aspects with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 (as amended).

2.2 Basis of preparation

The financial statements of the Company comply with and have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and the relevant provisions of the Companies Act, 2013 ("the Act").

The financial statements have been prepared on a historical cost convention and accrual basis, except for certain financial assets and liabilities (including derivative instruments) which are measured at fair value.

2.3 Summary of significant accounting policies

(a) Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

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 to be put to use as at the balance sheet date are disclosed as 'Capital work-in-progress'.

An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the Property, plant and equipment is de-recognized.



KOPRAN RESEARCH LABORATORIES LIMITED**Notes to Financial Statements for the year ended March 31, 2019**

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

on is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

Property, Plant and Equipment	Number of Years
Office equipment	5 years
Office Building	30 years
Computer	3 years
Plant and Equipment	20 years
R & D Equipment	15 years
Furniture and Fixture	10 years
Vehicle	8 years

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

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. 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.

(b) Intangible assets

Intangible Assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss.

Amortisation methods and periods

The Company amortises intangible assets with a finite useful life using the straight-line method over the following periods:

Property, Plant and Equipment	Number of Years
Product Development Cost	5 years
Goodwill	5 years

(c) Impairment of non financial assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. 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 for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.



KOPRAN RESEARCH LABORATORIES LIMITED

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

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

(d) Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

(i) As a lessee

A lease is classified at the inception date as a finance lease or an operating lease. Leases of property, plant and equipment where the company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

(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.

Lease income from operating leases where the company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

(e) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost of inventories comprise of cost of purchase and other related cost incurred in bringing the inventories to their present location and condition.

Cost of Raw Materials, Stores & Spares and Packing Materials is determined using First in First out (FIFO) Method. Cost of Work-in- Process and Finished Goods is determined on absorption costing method.

(f) Revenue recognition

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties including taxes. Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services.

Effective April 1, 2018, the Company adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative catch-up transition method, applied to contracts that were not completed as of April 1, 2018. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted. The effect on adoption of Ind AS 115 was insignificant.

The following are the specific revenue recognition criteria:

- a) Revenue from sale of goods is recognized when all the significant risk and rewards of ownership of the goods have been passed to the buyer.
- b) Revenue from services are recognised as they are rendered based on agreements/ arrangements with the concerned parties.



KOPRAN RESEARCH LABORATORIES LIMITED

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

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due)

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

Assets and liabilities arising from rights of return

Right of return assets

Right of return asset represents the Company's right to recover the goods expected to be returned by customers. The asset is measured at the former carrying amount of the inventory, less any expected costs to recover the goods,

Refund liabilities

A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Company ultimately expects it will have to return to the customer. The Company updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

c) Interest income

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

d) Dividend income

Revenue is recognised when the company's right to receive the payment is established, which is generally when shareholders approve the dividend.

(g) Taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.

(i) Current income tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

(ii) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.



KOPRAN RESEARCH LABORATORIES LIMITED

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

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

(iii) Minimum alternate Tax

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.

(h) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of the entity 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. 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 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 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.

(i) Financial Instruments

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

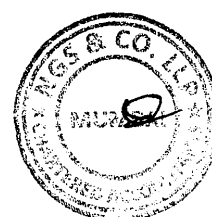
Initial Recognition

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss and ancillary costs related to borrowings) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in Statement of Profit and Loss.

Classification and Subsequent Measurement: Financial Assets

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL") on the basis of following:

- the entity's business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset.



KOPRAN RESEARCH LABORATORIES LIMITED

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

(i) Amortised Cost

A financial asset shall be classified and measured at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Fair Value through other comprehensive income

A financial asset shall be classified and measured at fair value through OCI if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(iii) Fair Value through Profit or Loss

A financial asset shall be classified and measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through OCI.

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.

Classification and Subsequent Measurement: Financial liabilities

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

(i) Financial Liabilities at FVTPL

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

(ii) Other Financial Liabilities:

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

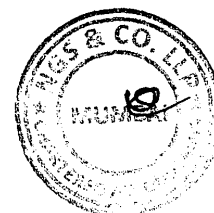
The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. The Company recognises a loss allowance for expected credit losses on financial asset. In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.



KOPRAN RESEARCH LABORATORIES LIMITED

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

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Equity investment in subsidiaries, joint ventures and associates

The Company does not have investment in subsidiaries, joint ventures and associates.

Offsetting of financial instruments

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

(j) Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements 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 a Company are recognised at the proceeds received.

(k) 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.

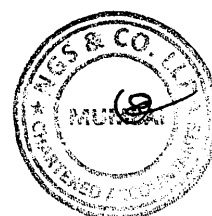
The remainder of the proceeds is allocated to the conversion option that is recognised and included in equity since conversion option meets Ind AS 32 criteria for fixed to fixed classification. Transaction costs are deducted from equity, net of associated income tax. The carrying amount of the conversion 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.

(l) 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.

Remeasurement 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 included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised 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.

(m) Provisions, Contingent Liabilities and Contingent Assets

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

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



KOPRAN RESEARCH LABORATORIES LIMITED

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

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.

(n) 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 capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

(o) 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.

(p) Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

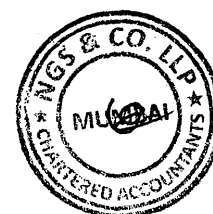
- the after income tax effect of interest and other financing costs associated with dilutive potential equity
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(q) 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 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.



KOPRAN RESEARCH LABORATORIES LIMITED

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

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.

(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 original maturity of three months or less which are subject to insignificant risk of changes in value.

(t) 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.

(u) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

(v) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Rupee as per the requirement of Schedule III, unless otherwise stated.

2.4 Recent accounting pronouncements

Ind AS 116 Leases : On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116 on Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the Statement of Profit and Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition:

- Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application.

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:

- Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or
- An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application.



KOPRAN RESEARCH LABORATORIES LIMITED
Notes to Financial Statements for the year ended March 31, 2019

Certain practical expedients are available under both the methods

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the financial statements.

Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments : On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition - i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the financial statements.

Amendment to Ind AS 12 – Income taxes : On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes.

The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the financial statements.

Amendment to Ind AS 19 – plan amendment, curtailment or settlement- On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity:

- to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the financial statements.

3 Significant accounting judgements, 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.



KOPRAN RESEARCH LABORATORIES LIMITED

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

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

The Company reviews the carrying amount of deferred tax assets at the end of each reporting period. The policy for the same has been explained under Note (h) above.

(iv) Defined benefit plans

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using 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

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 judgement 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.



KOPRAN RESEARCH LABORATORIES LIMITED
Notes to Financial Statements for the year ended March 31, 2019

(Amount in Rs.)

4. Property, Plant and Equipment									
	Office equipment	Office Building	Computer	Plant and Equipment	R & D Equipment	Furniture and Fixture	Vehicle	Total	
Gross Block (At Cost/Deemed Cost)									
As at April 1, 2018	3,55,613	13,01,88,162	9,12,921	88,30,35,425	4,08,783	36,72,634	30,26,581	1,02,16,00,120	
Additions	97,400	4,56,26,152	24,89,631	4,95,28,831	-	7,76,624	6,75,348	9,91,93,986	
Deletions/ Adjustments	-	-	-	-	-	-	-	-	
As at March 31, 2019	4,53,013	17,58,14,314	34,02,552	93,25,64,256	4,08,783	44,49,258	37,01,929	1,12,07,94,106	
Depreciation									
As At April 1, 2018	57,646	81,18,901	3,59,874	14,67,26,273	84,654	10,25,555	2,96,401	15,66,69,304	
For the year	67,247	46,63,042	6,53,784	7,67,87,755	20,107	5,75,564	3,80,733	8,31,48,232	
Deletions/ Adjustments	-	-	-	-	-	-	-	-	
As at March 31, 2019	1,24,893	1,27,81,943	10,13,658	22,35,14,028	1,04,761	16,01,119	6,77,134	23,98,17,536	
Net Book Value									
As at March 31, 2019	3,28,120	16,30,32,371	23,88,894	70,90,50,228	3,04,022	28,48,139	30,24,795	88,09,76,569	
As at March 31, 2018	2,97,967	12,20,69,261	5,53,047	73,63,09,152	3,24,129	26,47,079	27,30,180	86,49,30,816	
5. Intangible Assets									
	Product Development Cost	Goodwill	Total						
Gross Block (At Cost/Deemed Cost)									
As at April 1, 2018	-	92,36,278	92,36,278						
Additions	15,68,464	-	15,68,464						
Deletions/ Adjustments	-	-	-						
As at March 31, 2019	15,68,464	92,36,278	1,08,04,742						
Amortization									
As at April 1, 2018	-	46,18,138	46,18,138						
For the year	1,93,501	23,09,069	25,02,570						
Deletions/ Adjustments	-	-	-						
As at March 31, 2019	1,93,501	69,27,207	71,20,708						
Net Book Value									
As at March 31, 2019	13,74,963	23,09,071	36,84,034						
As At March 31, 2018	-	46,18,140	46,18,140						



KOPRAN RESEARCH LABORATORIES LIMITED
Notes to Financial Statements for the year ended March 31, 2019

Note No.	Particulars	As at March 31, 2019	As at March 31, 2018
6	Other non current financial assets		
	Unsecured, considered good		
	Security Deposits	59,86,008	59,83,308
	Total	59,86,008	59,83,308
7	Other non current assets		
	Capital Advances	93,34,029	14,80,164
	Deduction of Income Tax	7,95,349	5,35,582
	Premium on Land under operating lease	6,99,12,655	7,08,98,159
	Prepaid expenses	3,17,644	4,35,371
	Total	8,03,59,677	7,33,49,276
8	Inventories		
	(Valued at lower of cost or net realisable value)		
	Raw materials (Includes stocks in transit)	20,03,97,199	22,88,51,385
	Work-in-Process	23,61,40,922	16,00,55,398
	Finished Goods	2,84,06,567	71,20,640
	Stores & Spares	1,22,29,159	1,15,80,497
	Packing Materials	53,93,584	49,72,034
	Total	48,25,67,431	41,25,79,954
9	Trade Receivables		
	Unsecured, considered good		
	Receivable from other parties	51,32,67,273	45,53,13,891
	Unsecured, considered doubtful	54,65,003	1,32,23,089
	Less: Expected credit loss allowance	-54,65,003	-1,32,23,089
	Total	51,32,67,273	45,53,13,891
10	Cash and cash equivalents		
	Cash on Hand	1,44,773	51,539
	Balances with banks		
	On Current Accounts	71,354	1,55,865
	Total	2,16,127	2,07,404
11	Bank Balances other than cash and cash equivalents		
	Fixed deposits (Maturity of more than 3 months & less than 12 months)	2,70,03,225	4,47,64,188
	(Held as margin money or security against the guarantees)		
	Total	2,70,03,225	4,47,64,188
12	Current Financial Assets-Others		
	Advance to Employees	9,24,500	60,57,334
	Foreign currency forward contracts	38,80,117	18,22,676
	Total	48,04,617	78,80,010
13	Other Current Assets		
	Balance with statutory/ government authorities	6,98,50,166	9,79,36,445
	Prepaid Expenses	44,11,755	38,70,855
	Others	-	69,046
	Total	7,42,61,921	10,18,76,346



KOPRAN RESEARCH LABORATORIES LIMITED

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

(Amount in Rs.)

14 Equity Share Capital

	As at Mar 31, 2019		As at March 31, 2018	
	Number	Amount	Number	Amount
Authorised				
2,00,00,000 (Previous Year: 2,00,00,000) Equity Shares of ₹ 10 each	2,00,00,000	20,00,00,000	2,00,00,000	20,00,00,000
	2,00,00,000	20,00,00,000	2,00,00,000	20,00,00,000
Issued, Subscribed and Paid up				
2,00,00,000 (Previous Year: 2,00,00,000) Equity Shares of ₹ 10 each fully paid-up	2,00,00,000	20,00,00,000	2,00,00,000	20,00,00,000
	2,00,00,000	20,00,00,000.00	2,00,00,000	20,00,00,000.00

(i) Reconciliation of Number of Equity Shares

Particulars	Number	As at 31st Mar 2019	Number	As at 31st March 2018
At the beginning of the year	2,00,00,000	20,00,00,000	2,00,00,000	20,00,00,000
Issued during the year	-	-	-	-
Outstanding at the end of the year	2,00,00,000	20,00,00,000	2,00,00,000	20,00,00,000

(ii) Terms/Rights Attached to Equity Shares

As to voting

The Company has only one class of shares referred to as equity shares having a face value of Rs. 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

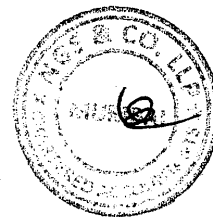
In the event of liquidation of the Company, the holders of equity shares are entitled to receive the remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion of the number of shares held by the shareholders.

(iv) Share in the company held by holding company or their subsidiary:

Shares of the Company are held by holding company and fellow subsidiary of the holding Company.

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

Name of Shareholder	As at March 31, 2019		As at March 31, 2018	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares				
Kopran Limited	1,99,00,000	99.50	1,99,00,000	99.50
Kopran Life science Ltd *	1,00,000	0.50	1,00,000	0.50
	2,00,00,000	100.00	2,00,00,000	100.00
*Wholly owned subsidiary of Kopran Limited				

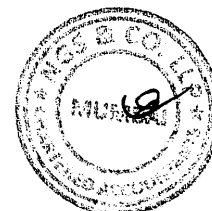


KOPRAN RESEARCH LABORATORIES LIMITED

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

(Amount In Rs.)

Note No.	Particulars	As at March 31, 2019	As at March 31, 2018
15	Other Equity		
	Capital Contribution from holding	1,53,64,583	91,14,583
	Reserves and Surplus		
	Securities Premium Reserve	1,34,70,78,150	1,34,70,78,150
	Retained Earnings	-26,98,93,264	-35,00,12,365
	Sub - Total - A	1,09,25,49,469	1,00,61,80,368
	Other Comprehensive Income (OCI)		
	Equity Instruments through OCI		
	Remeasurements of net defined benefit plans	-6,62,404	4,31,376
	Sub - Total - B	-6,62,404	4,31,376
	Total - A + B	1,09,18,87,065	1,00,66,11,744
	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.		
16	Long term Borrowings		
	Secured		
	Term Loans		
	From Others - Vehicle loan*	2,99,927	9,66,176
	Unsecured		
	Term Loans		
	From Others**	16,37,94,278	-
	Inter corporate deposits		
	Related Parties***	3,00,00,000	7,86,26,030
	Total	19,40,94,205	7,95,92,206
	* Vehicle Finance Loans carry interest ranging from 8.94% p.a. to 9.93% p.a. and is repayable in 36 equal monthly installments. The loans are secured by hypothecation of vehicles.		
	**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.		
	*** Inter-corporate deposits from related parties carries interest rate 10.50% p.a. and are payable in FY 2020-21.		
17	Non - current Provisions		
	Provision for Employee Benefits		
	Gratuity	2,25,39,896	1,88,39,893
	Unavailed leave	55,70,603	44,46,398
	Total	2,81,10,499	2,32,86,291
18	Deferred tax liabilities		
	Deferred Tax Liability		
	Relating to depreciation on fixed assets (a)	3,55,62,287	2,98,96,116
	Deferred Tax Assets		
	Unabsorbed Depreciation & Business Loss adjusted for timing difference	-	1,89,19,667
	Disallowances under Income tax Act, 1961	99,35,854	95,27,625
	(b)	99,35,854	2,84,47,292
	Less: MAT Credit Entitlement	97,29,798	-
	Total	1,58,96,634	14,48,824
19	Current financial liabilities - Borrowings		
	Secured, Repayable on demand		
	From banks		
	Cash credit / packing credit	20,70,34,132	21,87,33,432
	Buyers credit	5,81,46,852	6,67,63,235
	Unsecured, repayable on demand		
	Intercompany Deposit from Related Parties	1,02,55,138	-
	Total	27,54,36,122	28,54,96,666
(a)	Cash Credit / Packing Credit & Buyers Credit		
	Cash credit / Packing credit facilities availed from banks are secured by hypothecation of inventories and book debts (present and future) also first pari passu charge by way of mortgage on all immoveable properties and by way of hypothecation on all the moveable fixed assets of the company both present and future situated at K4/4, Additional MIDC, Mahad and guaranteed by director / promoter jointly and severally. The said facility is repayable on demand.		

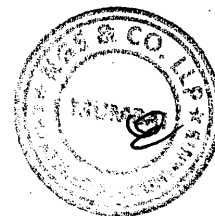


KOPRAN RESEARCH LABORATORIES LIMITED

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

(Amount In Rs.)

Note No.	Particulars	As at March 31, 2019	As at March 31, 2018
20	Trade Payables		
	Due to micro and small enterprises (Refer Note No. 39)	21,17,347	23,61,750
	Due to Others	29,53,51,031	34,19,55,852
	Total	29,74,68,378	34,43,17,602
21	Current financial liabilities - Other		
	Current maturities of long-term debt	91,74,142	13,19,581
	Interest accrued	17,69,751	2,35,621
	Security deposits	15,00,000	15,00,000
	Other payables		
	Creditors for capital goods	4,42,13,900	1,00,28,491
	Employees payables	1,98,60,763	2,00,61,866
	Others	1,58,02,095	1,15,77,476
	Total	9,23,20,651	4,47,23,035
22	Other Current Liabilities		
	Statutory Dues (including Provident Fund and Tax Deducted at Source)	37,51,450	30,48,969
	Advance Received from Customers	3,00,00,000	-
	Others	9,63,776	34,67,558
	Total	3,47,15,226	65,16,527
23	Provisions		
	Provision for Employee Benefits		
	Gratuity	3,74,638	3,14,664
	Leave encashment	1,45,824	92,664
	Total	5,20,462	4,07,328
24	Other Current Liabilities		
	Provision for tax (Net of advance tax)	1,80,82,094	-
	Total	1,80,82,094	-

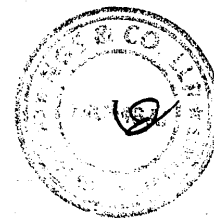


KOPRAN RESEARCH LABORATORIES LIMITED

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

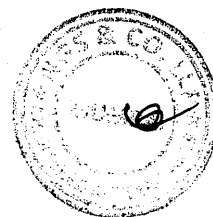
(Amount in Rs.)

		Year Ended March 31, 2019	Year Ended March 31, 2018
25	Revenue From Operations		
	Sale of Products	1,78,18,17,863	1,72,00,01,245
	Other operating revenues		
	Scrap sales	33,56,107	13,81,939
	Export Incentive	3,30,19,336	2,94,87,738
	Royalty Income	12,00,000	12,00,000
		1,81,93,93,306	1,75,20,70,922
26	Other Income		
	Interest Income		
	On fixed deposit	18,44,631	31,42,212
	On Loan to employees at fair value	-	-
	Others	12,27,078	32,66,013
	Liabilities written back	1,48,56,185	10,55,338
	Net gain on foreign currency transaction and translation	47,11,186	2,09,41,213
	Service tax refund	-	1,61,389
	Miscellaneous income	-	4,53,436
	Total	2,26,39,081	2,90,19,601
27	Cost of Material Consumed		
	Raw material consumption		
	Opening stock	22,88,51,385	17,64,93,743
	Add: Purchases	1,16,17,35,857	1,15,51,42,499
		1,39,05,87,242	1,33,16,36,242
	Less : Closing stock	20,03,97,199	22,88,51,385
	Sub - Total	1,19,01,90,043	1,10,27,84,857
	Packing materials consumption		
	Opening stock	49,72,034	75,28,091
	Add: Purchases	2,09,22,879	1,48,52,321
		2,58,94,913	2,23,80,412
	Less : Closing stock	53,93,584	49,72,034
	Sub - Total	2,05,01,329	1,74,08,378
	Total	1,21,06,91,373	1,12,01,93,236



KOPRAN RESEARCH LABORATORIES LIMITED
Notes to Financial Statements for the year ended March 31, 2019 (Amount In Rs.)

	Year Ended March 31, 2019	Year Ended March 31, 2018
28 Changes in inventories of finished goods and work-in-progress		
Opening Inventories		
Finished Goods	71,20,640	1,47,02,925
Work-in-progress	16,00,55,398	14,31,56,439
	16,71,76,038	15,78,59,364
Closing Inventories		
Finished Goods	2,84,06,567	71,20,640
Work-in-progress	23,61,40,922	16,00,55,398
	26,45,47,489	16,71,76,038
Total	(9,73,71,451)	(93,16,674)
29 Employee Benefits Expense		
Salaries and Wages	14,90,32,801	12,30,11,592
Contribution to Provident and Other Funds	72,90,404	72,70,955
Staff welfare expenses	1,09,05,544	87,02,835
Total	16,72,28,749	13,89,85,382
30 Finance Costs		
Interest expense	3,26,99,192	2,06,87,527
Other borrowing cost	37,27,966	38,75,458
	3,64,27,158	2,45,62,985
31 Other Expenses		
Stores and spares consumed	2,56,37,181	3,14,19,647
Power and fuel	10,80,51,914	9,85,43,823
Rent	1,33,22,200	-
Repairs and Maintenance :		
Building	53,68,276	34,97,549
Machinery	1,49,33,409	1,27,51,958
Others	14,83,630	13,03,142
Commission on sales	1,95,14,219	2,54,96,761
Job work charges	1,69,57,534	1,28,95,038
Packing, freight and forwarding	2,25,33,192	2,16,15,695
Payment to auditors (Refer Note No. 40)	5,00,000	5,50,000
Legal and professional fees	1,15,73,636	66,08,636
Rates and taxes	6,78,641	21,94,146
Security and labour charges	1,03,03,794	87,27,651
Directors' sitting fees	79,500	53,750
Bad Debts	2,30,23,608	-
Less: Provision for Expected credit loss written back	(77,58,086)	-
Expected credit loss allowance	-	35,40,111
Excise Duty	-	1,38,03,493
Miscellaneous Expenses	6,05,54,102	5,27,82,430
	32,67,56,750	29,57,83,828



KOPRAN RESEARCH LABORATORIES LIMITED

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

32 Basic and diluted earnings per share [EPS] computed in accordance with Ind AS 33 "Earnings Per Share"

The number of shares used in computing Basic and Diluted Earnings Per Share is the weighted average number of shares outstanding during the year.

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
I. Profit Computation for both Basic and Diluted Earnings Per Share of Rs.10 each: Net Profit as per the Statement of Profit and Loss available for Equity Shareholders	8,01,19,101	12,72,43,068
II. Weighted average number of Equity Shares for Earnings Per Share computation: Number of shares for Basic and Diluted Earnings Per Share	2,00,00,000	2,00,00,000
III. Earnings Per Share:		
Basic (in Rs.)	4.01	6.36
Diluted (in Rs.)	4.01	6.36
33 CIF Value of Imports	Year Ended March 31, 2019	Year Ended March 31, 2018
Raw Materials/Packing Material	87,70,87,307	90,06,95,644
Capital Goods	1,81,70,622	78,21,496
Total	89,52,57,929	90,85,17,140
34 Expenditure in Foreign Currency	Year Ended March 31, 2019	Year Ended March 31, 2018
Commission	1,07,58,887	1,59,27,212
Bank Interest on Buyers Credit	3,83,945	16,18,777
Export Promotion Expenses	-	87,351
Travelling Expenses	19,92,060	16,12,740
Product Registration	4,00,763	2,26,733
Others	23,72,505	22,98,974
Total	1,59,08,161	2,17,71,787
35 Earnings in Foreign Currency	Year Ended March 31, 2019	Year Ended March 31, 2018
FOB Value of Exports	1,09,76,28,750	1,02,71,47,400
Total	1,09,76,28,750	1,02,71,47,400.00

36 Disclosure pursuant to Ind AS 19 "Employee Benefits"

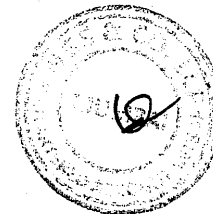
A) Defined Contribution Plan

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

	Year Ended March 31, 2019	Year Ended March 31, 2018
- Employer's contribution to provident fund	64,78,328	58,14,821
	64,78,328	58,14,821

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.



KOPRAN RESEARCH LABORATORIES LIMITED

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

Part A : Gratuity Benefits

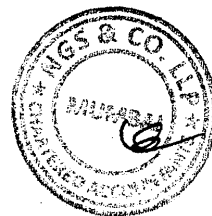
Reconciliation of opening and closing balances of the present value of the defined benefit obligation	Gratuity benefit Unfunded	
	As at March 31, 2019 Rs.	As at March 31, 2018 Rs.
Obligation at the beginning of the year	1,91,54,557	1,58,64,259
Interest Cost	15,07,464	12,00,924
Service Cost	16,77,830	15,11,702
Past Service Cost	-	6,95,969
Actuarial (gain)/ loss	10,93,780	4,07,781
Benefits paid	(5,19,097)	(5,26,078)
Obligation at the year end	2,29,14,534	1,91,54,557
Unfunded Status	-2,29,14,534	-1,91,54,557
Expenses Recognized in the Other Comprehensive Income (OCI) for Current Period		
Actuarial (Gains)/Losses on Obligation For the Period	10,93,780	4,07,781
Return on Plan Assets, Excluding Interest Income	-	-
Change in Asset Ceiling	-	-
Net (Income)/Expense For the Period Recognized in OCI	10,93,780	4,07,781
Unrecognised actuarial gains (losses) at the end of the year		
Reconciliation of present value of the obligation and the fair value of plan assets		
Present value of the defined benefit obligations at the end of the year	2,29,14,534	1,91,54,557
Fair value of Plan Assets at the end of the year	-	-
Liability/(Asset) recognised in the Balance Sheet	2,29,14,534	1,91,54,557
Cost for the year		
Service cost	16,77,830	15,11,702
Interest cost	15,07,464	12,00,924
Past Service Cost	-	6,95,969
Expected return on Plan Assets	-	-
Actuarial (gain)/loss	10,93,780	4,07,781
Net cost recognised in the Profit & Loss Account	42,79,074	38,16,376
Movement in the liability recognised in the Balance Sheet		
Opening Net Liability	1,91,54,557	1,58,64,259
Expenses as above	42,79,074	38,16,376
Contribution paid	(5,19,097)	(5,26,078)
Closing Net Liability	2,29,14,534	1,91,54,557
Maturity analysis of the benefit payments from the employer		
Projected benefits payable in future years from the date of reporting		
1st following year	3,74,638	3,14,664
2nd following year	4,12,941	3,40,918
3rd following year	5,98,150	6,46,311
4th following year	7,19,508	5,34,553
5th following year	26,31,542	6,37,817
Sum of years of 6 to 10	87,99,821	84,10,615
Sum of years of 11 and above	4,79,49,458	4,24,52,949
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	2,29,14,534	1,91,54,557
Delta effect of + 0.50% change in rate of discounting	-1,17,165	-10,15,660
Delta effect of - 0.50% change in rate of discounting	12,61,334	10,95,070
Delta effect of + 0.50% change in rate of salary increase	12,50,275	10,78,861
Delta effect of - 0.50% change in rate of salary increase	-11,69,093	-10,07,333
Delta effect of + 0.50% change in rate of employee turnover	1,73,885	1,62,537
Delta effect of - 0.50% change in rate of employee turnover	-1,84,763	-1,72,519
Assumptions used to determine the benefit obligations:		
Discount Rate	7.87%	7.57%
Rate of increase in Compensation levels	6.00%	6.00%



KOPRAN RESEARCH LABORATORIES LIMITED
Notes to Financial Statements for the year ended March 31, 2019

Part B : Leave Encashment

Reconciliation of opening and closing balances of the present value of the defined benefit obligation	Leave Encashment benefit Unfunded	
	As at March 31, 2019 Rs.	As at March 31, 2018 Rs.
Obligation at the beginning of the year	45,39,062	42,45,866
Interest Cost	3,57,224	3,21,412
Service Cost	5,13,854	4,66,323
Actuarial (gain)/ loss	8,77,711	(1,54,763)
Benefits paid	(5,71,424)	(3,39,776)
Obligation at the year end	57,16,427	45,39,062
Unfunded Status	-57,16,427	-45,39,062
Limits of Corridor not considered since total actuarial gain/loss is being recognised as on 31-03-2016		
Actuarial (loss) for the year- obligation		
Actuarial gain/(loss) for the year- Plan Assets	8,77,711	(1,54,763)
Sub- Total	8,77,711	(1,54,763)
Actuarial loss recognised		
Unrecognised actuarial gains (losses) at the end of the year	8,77,711	(1,54,763)
Reconciliation of present value of the obligation and the fair value of plan assets	8,77,711	(1,54,763)
present value of the defined benefit obligations at the end of the year		
Fair value of Plan Assets at the end of the year	(57,16,427)	(45,39,062)
Liability/(Asset) recognised in the Balance Sheet	-57,16,427	-45,39,062
Cost for the year		
Service cost		
Interest cost		
Expected return on Plan Assets	5,13,854	4,66,323
Actuarial (gain)/loss	3,57,224	3,21,412
Net cost recognised in the Profit & Loss Account	8,77,711	(1,54,763)
Movement in the liability recognised in the Balance Sheet	17,48,789	6,32,972
Opening Net Liability		
Expenses as above	45,39,062	42,45,866
Contribution paid	17,48,789	6,32,972
Closing Net Liability	57,16,427	45,39,062
Assumptions used to determine the benefit obligations:		
Discount Rate		
Rate of increase in Compensation levels	7.87%	7.57%
	6.00%	6.00%



KOPRAN RESEARCH LABORATORIES LIMITED
Notes to Financial Statements for the year ended March 31, 2019

37 Related Party Disclosures

Names of related parties where control exists:	
Holding Company	Kopran Limited
Key Management Personnel	Vandana Somani (Director) Chandra M Singhi (Whole Time Director) Shiv Bhagwan Biyani (till November 14, 2017) Rakesh Doshi (Executive Director) Hansa Gaggar (Company Secretary) (till December 24, 2018) Ahren A Rodrigues (Company Secretary) (w.e.f. December 20, 2018) K B Shetty (CFO)
Enterprises significantly influenced by KMP or their relative (With whom there are transaction)	Oricon Enterprises Limited Oricon Containers Limited

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

Nature of Transaction	Holding Company		Key Management Personnel		Enterprises significantly influenced by KMP or their relative		Total	
	2018-2019	2017-2018	2018-2019	2017-2018	2018-2019	2017-2018	2018-2019	2017-2018
Loan Received								
Kopran Limited	47,57,29,687	32,50,38,073	-	-	-	-	47,57,29,687	32,50,38,073
Mrs Vandana Somani	-	-	-	5,00,00,000	-	-	-	5,00,00,000
Oricon Enterprises Limited	-	-	-	-	9,00,00,000	10,00,00,000	9,00,00,000	10,00,00,000
Total	47,57,29,687	32,50,38,073	-	5,00,00,000	9,00,00,000	10,00,00,000	56,57,29,687	47,50,38,073
Repayment of Loan taken								
Kopran Limited	46,57,15,330	35,66,64,852	-	-	-	-	46,57,15,330	35,66,64,852
Mrs Vandana Somani	-	-	-	11,64,00,000	-	-	-	11,64,00,000
Oricon Enterprises Limited	-	-	-	-	4,53,00,000	6,50,00,000	4,53,00,000	6,50,00,000
Total	46,57,15,330	35,66,64,852	-	11,64,00,000	4,53,00,000	6,50,00,000	51,10,15,330	53,80,64,852
Sales								
Kopran Limited	5,11,76,021	4,81,97,919	-	-	-	-	5,11,76,021	4,81,97,919
Total	5,11,76,021	4,81,97,919	-	-	-	-	5,11,76,021	4,81,97,919
Purchases								
Kopran Limited	17,92,07,936	13,78,46,327	-	-	-	-	17,92,07,936	13,78,46,327
Oricon Enterprises Limited	-	-	-	-	3,07,10,415	22,04,36,552	3,07,10,415	22,04,36,552
Total	17,92,07,936	13,78,46,327	-	-	3,07,10,415	22,04,36,552	20,99,18,351	35,82,82,879

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

Nature of Transaction	Holding Company		Key Management Personnel		Enterprises significantly influenced by KMP or their relative		Total	
	2018-2019	2017-2018	2018-2019	2017-2018	2018-2019	2017-2018	2018-2019	2017-2018
Interest Expense								
Oriental Containers Limited	-	-	-	-	-	4,11,370	-	4,11,370
Oricon Enterprises Limited	-	-	-	-	41,29,233	82,86,370	41,29,233	82,86,370
Kopran Limited	11,55,882	49,47,764	-	-	-	-	11,55,882	49,47,764
Total	11,55,882	49,47,764	-	-	41,29,233	86,97,740	52,85,115	1,36,45,504
Expenses								
Kopran Limited - Rent	1,20,00,000	-	-	-	-	-	1,20,00,000	-
Kopran Limited - Corporate Gurantee Expenses	62,50,000	62,50,000	-	-	-	-	62,50,000	62,50,000
Oricon Enterprises Limited - Others	-	-	-	-	25,31,502	4,98,401	25,31,502	4,98,401
Total	1,82,50,000	62,50,000	-	-	25,31,502	4,98,401	2,07,81,502	67,48,401
Remuneration								
Chandra M Singhi	-	-	44,71,920	37,04,830	-	-	44,71,920	37,04,830
Rakesh Doshi	-	-	35,69,404	12,42,000	-	-	35,69,404	12,42,000
K B Shetty	-	-	10,24,857	10,13,540	-	-	10,24,857	10,13,540
Shiv Bhagwan Biyani	-	-	-	10,56,000	-	-	-	10,56,000
Hansa Gaggar	-	-	2,09,836	3,17,940	-	-	2,09,836	3,17,940
Ahren A Rodrigues	-	-	89,892	-	-	-	89,892	-
Total	-	-	93,65,909	73,34,310	-	-	93,65,909	73,34,310
Director Sitting fees								
Shiv Bhagwan Biyani	-	-	-	7,500	-	-	-	7,500
Mrs Vandana Somani	-	-	14,750	14,750	-	-	14,750	14,750
Total	-	-	14,750	22,250	-	-	14,750	22,250
Balance Payable/ (Receivable) as at 31 March								
Kopran Limited	7,45,35,977	2,53,62,670	-	-	-	-	7,45,35,977	2,53,62,670
Oricon Enterprises Ltd (Interest)	-	-	-	-	2,40,781	6,26,030	2,40,781	6,26,030
Oricon Enterprises Ltd (Loan)	-	-	-	-	3,00,00,000	20,11,46,864	3,00,00,000	20,11,46,864
Total	7,45,35,977	2,53,62,670	-	-	3,02,40,781	20,17,72,894	10,47,76,758	22,71,35,564

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year end are unsecured and settlement occurs in cash. For the year ended March 31, 2019, the Company has not recorded any impairment of receivables relating to amount owed by related parties (March 31, 2018: NIL). This assessment is undertaken each financial year through examining the financial position of the related party and market in which the related party operates.



KOPRAN RESEARCH LABORATORIES LIMITED
Notes to Financial Statements for the year ended March 31, 2019

38 Disclosure of Derivatives:

(a) Particulars of derivatives as at balance sheet date:

Purpose		Particulars of Derivative	
		2018-19	2017-18
Forward exchange contracts (for export debtors)	USD	17,36,663	17,15,053
Forward contract value	Rs.	12,55,26,044	11,15,47,047

(i) The foreign currency outstanding balances that have not been hedged by any derivative instrument or otherwise as at March 31, 2019 are as follows:

Particulars	Foreign Currency Denomination	Foreign Currency Amount	Amount	Foreign Currency Amount	Amount
		March 31, 2019	March 31, 2019	March 31, 2018	March 31, 2018
Payables	USD	33,10,479	22,89,19,645	41,60,897	27,06,24,744
	EURO	1,488	1,15,410	-	-
Receivables	USD	26,58,954	17,84,30,885	24,83,512	16,15,27,597
	EURO	1,27,352	98,78,723	43,138	34,77,745

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

39 Capital Commitments & Contingent liabilities not provided for :

(a) Capital Commitments:

Estimated amounts of contracts remaining to be executed on capital account (net of advances) and not provided for

As at March 31, 2019	As at March 31, 2018
96,31,415	9,33,944

(b) Contingent liabilities not provided for :

i Corporate guarantee given to bank for finance provided to Kopran Limited

36,00,00,000	36,00,00,000
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ii Bills discounted with banks

50,02,610	1,00,01,828
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iii Disputed tax Matters :

Excise duty demand disputed in appeal

20,02,337	20,02,337
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Service tax demand disputed in appeal

8,75,916	9,34,595
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Note: Other Legal issues are either in ordinary course of business or not of substantial nature and management is reasonably confident of their positive outcome. Management shall deal with them judiciously and provide for appropriately, if any such need arises.

40 The disclosure as per Ind AS 108 "Segment Reporting":

(a) Geographical Segment:

Particulars	As at March 31, 2019	As at March 31, 2018
	Revenue from Operation:	
In India	66,78,25,522	66,52,35,419
Outside India	1,15,15,67,784	1,08,68,35,503
Total	1,81,93,93,306	1,75,20,70,922

Fixed Assets used in the Company's business or liabilities contracted have not been identified to any of the reportable segments, as the fixed assets and services are used interchangeably between segments. Accordingly, no disclosure relating to total segment assets and liabilities are made.

41 Dues to Micro, Small and Medium Enterprises (MSME)

No Interest is paid / payable during the year to any enterprise registered under Micro Small and Medium Enterprises Development Act, 2006 (MSMED). The information has been determined to the extent such parties could be identified on the basis of the status of suppliers under MSMED.

42 Auditors Remuneration

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
	Statutory Audit Fees	3,50,000
Tax Audit Fees	1,50,000	1,50,000
Other Matters	-	50,000
Total	5,00,000	5,50,000

43 The company has not entered into any non-cancellable leases.



KOPRAN RESEARCH LABORATORIES LIMITED

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

44. FAIR VALUE MEASUREMENTS

i. Financial Instruments by Category

Particulars	Carrying Amount		Fair Value	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
FINANCIAL ASSETS				
Amortised cost				
Trade Receivables	51,32,67,273	45,53,13,891	51,32,67,273	45,53,13,891
Cash and Cash Equivalents	2,16,127	2,07,404	2,16,127	2,07,404
Other Financial Assets	48,04,617	78,80,010	48,04,617	78,80,010
Total	51,82,88,017	46,34,01,304	51,82,88,017	46,34,01,304
FINANCIAL LIABILITIES				
Amortised cost				
Borrowings	27,54,36,122	28,54,96,667	27,54,36,122	28,54,96,667
Trade Payables	-	-	-	-
Other financial liabilities	9,23,20,651	4,47,23,035	9,23,20,651	4,47,23,035
Total	36,77,56,773	33,02,19,702	36,77,56,773	33,02,19,702

The management assessed that the fair value of cash and cash equivalent, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

ii. Fair Value Measurement

Level 1 - Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2 - The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3 - If one or more of the significant inputs are not based on observable market data, the instrument is included in level 3.

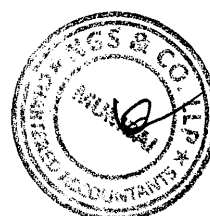
iii. Valuation technique used to determine fair value

Specific Valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis

iv. Valuation processes

The accounts and finance department of the company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. This team reports directly to the chief financial officer (CFO) and the audit committee. Discussions of valuation processes and results are held between the CFO, AC and the valuation team regularly in line with the company's reporting requirements.



KOPRAN RESEARCH LABORATORIES LIMITED

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

45. Financial Risk Management

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the managing board.

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 and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including loans and borrowings, foreign currency receivables and payables.

The Company manages market risk through treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures and borrowing strategies.

Capital Management

The Company manages its capital to ensure that Company will be able to continue as going concern while maximizing the return to shareholders by striking a balance between debt and equity. The capital structure of the Company consists of net debts (offset by cash and bank balances) and equity of the Company (Comprising issued capital, reserves, retained earnings). The Company is not subject to any externally imposed capital requirements except financial covenants agreed with lenders.

In order to optimize capital allocation, the review of capital employed is done considering the amount of capital required to fund capacity expansion, increased working capital commensurate with increase in size of business and also fund investments in new ventures which will drive future growth. The Chief Financial Officer ("CFO") reviews the capital structure of the Company on a regular basis. As part of this review, the CFO considers the cost of capital and the risks associated with each class of capital.

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 is not exposed to significant interest rate risk as at the respective reporting dates.

Foreign Currency Risk

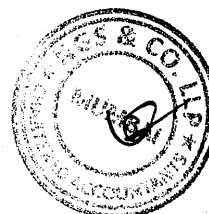
The Company's exposure to exchange fluctuation risk is very limited for its purchase from overseas suppliers in various foreign currencies.

The following table analyzes foreign currency risk from financial instruments as of:

Trade Payable	2018-19	2017-18
In US \$	33,10,479	41,60,897
In INR	22,89,19,645	27,06,24,744
Conversion date of US \$	March 31, 2019	March 31, 2018

Foreign exchange risk sensitivity:

1% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 1% change in foreign currency rates.



KOPRAN RESEARCH LABORATORIES LIMITED**Notes to Financial Statements for the year ended March 31, 2019**

A positive number below indicates an increase in profit and negative number below indicates a decrease in profit. Following is the analysis of change in profit where the Indian Rupee strengthens and weakens by 11% against the relevant currency:

	For the year ended March 31, 2019		For the year ended March 31, 2018	
	1% strengthen	1% weakening	1% strengthen	1% weakening
USD	(22,89,196.45)	22,89,196.45	(27,06,247.44)	27,06,247.44

In management's opinion, the sensitivity analysis is not representative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

Credit Risk

Credit risk refers to the risk of default on its obligation by the counter party resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to Rs. 51,32,67,273 and Rs. 45,55,57,965 as of March 31, 2019 and March 31, 2018 respectively. Trade receivables are typically unsecured and are derived from revenue earned from customers. Credit risk has always been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors and the Company's historical experience for customers.

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

Credit Risk Exposure

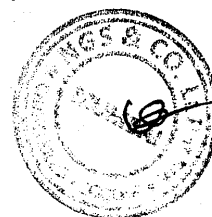
Credit risk on cash and cash equivalents is limited as we generally invest in deposits with banks with high credit ratings assigned by international and domestic credit rating agencies.

Liquidity Risk

The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

As of March 31, 2019, The Company had a working capital of Rs. 38,35,77,663/- including cash and cash equivalent of Rs. 2,72,19,352/-.

As of March 31, 2018, The Company had a working capital of Rs. 34,11,60,634/- including cash and cash equivalent of Rs. 4,49,71,592/-.



KOPRAN RESEARCH LABORATORIES LIMITED

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

46. Previous year's figures have been regrouped or reclassified to conform with the current years' presentation wherever considered necessary.

Significant Accounting Policies and Notes Forming Part of the Financial Statements

1-46

In terms of our report attached

For NGS & Co. LLP

Chartered Accountants

Firm Regn. No. 119850W

Ganesh Toshniwal

Ganesh Toshniwal

Partner

M.No. 046669

Mumbai

May 7, 2019



For and on behalf of Board of Directors

Kopran Research Laboratories Limited

Chandra M. Singhi

Chandra M. Singhi
Whole Time Director

DIN : 1793293

K.B. Shetty

K.B. Shetty
Chief Financial Officer

Rakesh Doshi

Rakesh Doshi
Executive Director

DIN : 00359832

Ahren A. Rodrigues

Ahren A. Rodrigues
Company Secretary