

## **Independent Auditors' Report**

To the Members of **Kopran Lifesciences Limited**

### **Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the accompanying financial statements of **Kopran Lifesciences Limited**, ("the Company") which comprise the Balance Sheet as at March 31, 2022, 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, 2022, the loss and total comprehensive loss, 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.

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.

## **Report on Other Legal and Regulatory Requirements.**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government 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, 2022, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022, 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 expresses 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 Company has not paid/ provided remuneration to the directors during the year. Hence, reporting under section 197 of the Act is not applicable.
  - 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 no pending litigations on its financial position in its financial statements
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There is no amount, required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv. (A) As per the provisions of section 197 of the Act, Management has represented that, to the best of its knowledge and belief, no funds ( which are material either individually or in the aggregate ) have been advanced or loaned or invested ( either from borrowed funds or share premium or any other sources or kinds of funds) by the Company to or in any other person or entity, including foreign entity ( “intermediaries”), with the understanding , whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ( “ Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries:  
  
(B) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (I) of Rule 11(e), as provided under (A) above, contain any material misstatement.
- v. The Board of Directors of the Company have not proposed any dividend for the year and therefore section 123 of the Act is Not applicable.

**For NGS & Co. LLP**

Chartered Accountants

Firm Registration No: 119850W

**Ashok A. Trivedi**

Partner

Membership No. 042472

Mumbai

May 26, 2022

UDIN: 22042472AJRABY2270

**Annexure A to the Independent Auditor's Report**

**(Referred to in Paragraph 1 under the "Report on Other Legal and Regulatory Requirements" section of our report to the Members of Kopran Lifesciences Limited of even date)**

The Annexure referred to in Independent Auditors' report to the members of the company on the financial statements for the year ended March 31, 2022, we report that:

- i. The Company does not have any fixed assets. Therefore, paragraph 3(i) of the Order is not applicable.
- ii. (a) In our opinion and according to the information and explanations given to us, the Company did not carry any inventory during the year. Therefore, the provision of clause 3 (ii)(a) of the Order is not applicable.  
  
(b) The Company has not been sanctioned any working capital loans during the year. Therefore, the provision of clause 3 (ii)(b) of the Order is not applicable.
- iii. In our opinion and according to the information and explanations given to us, the Company has not granted any loan, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the, Companies Act, 2013. Therefore, paragraph 3 (iii) of the Order is not applicable.
- iv. In our opinion and according to the information and explanations given to us, the Company has not given any loan, investment, guarantees, and security with respect to the provisions of section 185 and 186 of the Act, Therefore, paragraph 3 (iv) of the Order is not applicable.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public.
- vi. In our opinion and according to information and explanation given to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Companies Act for any of services rendered by the company.
- vii. a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no amounts deducted/ accrued in the books of accounting in respect of undisputed statutory dues including Income-tax, cess and other statutory dues as applicable.

- b. There are no undisputed amounts payable in respect of Income Tax and other material statutory dues in arrears as at March 31, 2022, for a period of more than six months from the date they became payable.
  - c. According to the information and explanations given to us, there are no dues of income tax, Goods and Service tax and cess which have not been deposited with appropriate authorities on account of any dispute.
- vii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. In our opinion and according to the information and explanation given to us, the Company has not taken any loans either from banks, financial institution or from government and has not issued and debentures. Therefore, paragraph 3(ix) of the order is not applicable.
- x. (a) 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(x)(a) of the Order is not applicable.
- (b) During the year, there has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and therefore clause 3(x)(b) of the Order is not applicable.
- xi. (a) According to the information and explanations given to us, no material fraud by the company or on the Company by its officer or employees has been noticed or reported during the course of our audit.
- (b) No report under sub section (12) of section 143 of the Companies Act has been filed in Form ADT- 4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) During the year, company has not received any whistle blower complaints, hence reporting under clause 3(xi)(c) of the Order is not applicable.
- 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 section 188 of the Act where applicable and details have been disclosed in the Financial statements as required by the applicable accounting standard. Provisions of section 177 of the Act are not applicable to the Company.
- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.  
(b) In our opinion, Internal audit is not applicable to the Company. Therefore, paragraph 3(xiv)(b) of the Order is not applicable.
- xv. The 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. (a) In our opinion, the company is not required to be registered under section 45- IA of the Reserve Bank of India Act, 1934. Hence reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.  
(b) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Therefore, Clause 3(vi)(c) and clause 3(vi)(d) of the Order is not applicable.
- xvii. The Company has incurred cash losses of Rs 8,500 (Previous Year: Rs 6,700) during the financial year covered by our audit and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. In our opinion and according to the information and explanations given to us, the provisions under sub section (5) of Section 135 of the Companies Act, 2013 are not applicable to the Company. Therefore paragraph 3(xx) of the Order is not applicable.

**For NGS & Co. LLP**

Chartered Accountants

Firm Registration No: 119850W

**Ashok A. Trivedi**

Partner

Membership No. 042472

Mumbai

May 26, 2022

UDIN: 22042472AJRABY2270

## **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 Lifesciences Limited** ("the Company") as of March 31, 2022 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, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

### **For NGS & Co. LLP**

Chartered Accountants

Firm Registration No.: 119850W

### **Ashok A. Trivedi**

Partner

Membership No. 042472

Mumbai

May 26, 2022

UDIN: 22042472AJRABY2270

**KOPRAN LIFESCIENCES LIMITED**  
**Balance Sheet as at March 31, 2022**

(Amount In Rs.)

	Note No.	As at March 31, 2022	As at March 31, 2021
<b>ASSETS</b>			
<b>1. Non-Current Assets</b>			
<b>Financial Assets</b>			
Investment	4	10,00,000	10,00,000
Other non current financial assets	5	5,000	-
<b>Total Non-Current Assets</b>		<b>10,05,000</b>	<b>10,00,000</b>
<b>2. Current Assets</b>			
Cash and Cash Equivalents	6	1,12,112	1,19,712
<b>Total Current Assets</b>		<b>1,12,112</b>	<b>1,19,712</b>
<b>Total Assets</b>		<b>11,17,112</b>	<b>11,19,712</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	7	5,00,000	5,00,000
Other Equity	8	(1,44,700)	(1,36,200)
<b>Total Equity</b>		<b>3,55,300</b>	<b>3,63,800</b>
<b>Liabilities</b>			
<b>1. Current Liabilities</b>			
<b>Financial Liabilities</b>			
Short Term Borrowing	9	7,00,000	7,00,000
Other Financial Liabilities	10	61,812	55,912
<b>Total Current Liabilities</b>		<b>7,61,812</b>	<b>7,55,912</b>
<b>Total Equity and Liabilities</b>		<b>11,17,112</b>	<b>11,19,712</b>

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

**For NGS & Co. LLP**

Chartered Accountants

Firm Regn. No. 119850W

**For and on behalf of Board of Directors**

**Ashok A. Trivedi**

Partner

M.No. 042472

Mumbai

May 26, 2022

**Surendra Somani**

Director

DIN: 600860

**Ajit Jain**

Director

DIN: 147277

KOPRAN LIFESCIENCES LIMITED		(Amount In Rs.)	
Statement of Profit and Loss for the Year Ended Mar 31, 2022			
	Note No.	Year Ended March 31, 2022	Year Ended March 31, 2021
<b>INCOME</b>			
Revenue From Operations		-	-
<b>Total Income</b>		<b>-</b>	<b>-</b>
<b>EXPENSES</b>			
Other Expenses	11	8,500	6,700
<b>Total Expenses</b>		<b>8,500</b>	<b>6,700</b>
<b>Profit Before Tax</b>		<b>(8,500)</b>	<b>(6,700)</b>
Tax Expense		-	-
<b>Profit For The Year</b>		<b>(8,500)</b>	<b>(6,700)</b>
Other Comprehensive Income For The Year		-	-
<b>Total Comprehensive Income For The Year</b>		<b>(8,500)</b>	<b>(6,700)</b>
<b>Earnings Per Equity Share of Face Value of ₹ 10/- each</b>			
Basic And Diluted		<b>(0.17)</b>	<b>(0.13)</b>
The accompanying notes are an integral part of the financial statements.			
As per our report of even date attached		<b>For and on behalf of Board of Directors</b>	
<b>For NGS &amp; Co. LLP</b>			
Chartered Accountants			
Firm Regn. No. 119850W			
<b>Ashok A. Trivedi</b>		<b>Surendra Somani</b>	<b>Ajit Jain</b>
Partner		Director	Director
M.No. 042472		DIN: 600860	DIN: 147277
Mumbai			
May 26, 2022			

**KOPRAN LIFESCIENCES LIMITED**

Cash Flow Statement for the Year ended Mar 31, 2022

(Amount In Rs.)

	Year ended March 31, 2022	Year ended March 31, 2021
<b>A. <u>Cash flow from operating activities</u></b>		
Profit/(Loss) Before Tax	(8,500)	(6,700)
Operating profit before working capital changes	(8,500)	(6,700)
<b>Changes in working capital:</b>		
Increase / (Decrease) in Other Financial liabilities	5,900	5,900
(Increase) / Decrease in Other Financial Assets	(5,000)	-
<b>Net cash from operating activities (A)</b>	<b>(7,600)</b>	<b>(800)</b>
<b>B. <u>Cash flow from investing activities</u></b>		
<b>Net cash used in investing activities (B)</b>	-	-
<b>C. <u>Cash flow from financing activities</u></b>		
Proceeds / (Repayment) borrowings (Net)	-	-
<b>Net cash from financing activities (C)</b>	-	-
<b>Net increase/ (decrease) in cash and cash equivalents (A+B+C)</b>	<b>(7,600)</b>	<b>(800)</b>
Cash and cash equivalents at the beginning of the year	1,19,712	1,20,512
Cash and cash equivalents at the end of the year	1,12,112	1,19,712
<b>Net increase/ (decrease) in cash and cash equivalents</b>	<b>(7,600)</b>	<b>(800)</b>
<b>Cash and cash equivalents comprise of:</b>		
Cash on Hand	-	-
Bank Balances:		
In Current Accounts	1,12,112	1,19,712
<b>Cash and cash equivalents at the end of the year</b>	<b>1,12,112</b>	<b>1,19,712</b>

**Notes:**

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

As per our report of even date attached

**For NGS & Co. LLP**

Chartered Accountants

Firm Regn. No. 119850W

**For and on behalf of Board of Directors****Ashok A. Trivedi**

Partner

M.No. 042472

Mumbai

May 26, 2022

**Surendra Somani**

Director

DIN: 600860

**Ajit Jain**

Director

DIN: 147277

**KOPRAN LIFESCIENCES LIMITED**  
**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022**

**A) Equity Share Capital (Refer Note 16)**

Particulars	As at March 31, 2022		As at March 31, 2021	
	No.of shares	Amount	No.of shares	Amount
Balance at the beginning of the reporting year	2,00,00,000	2,000.00	2,00,00,000	2,000.00
Changes in equity share capital during the year	25,00,000	250.00	-	-
<b>Balance at the end of the reporting year</b>	<b>2,25,00,000</b>	<b>2,250.00</b>	<b>2,00,00,000</b>	<b>2,000.00</b>

**B) Other Equity (Refer Note 17)**

Particulars	Retained earnings	Other Comprehensive Income	Total
<b>As at April 01, 2020</b>	<b>(1,29,500)</b>	-	<b>(1,29,500)</b>
Profit for the year	(6,700)	-	<b>(6,700)</b>
Other comprehensive income for the year	-	-	-
<b>As at March 31, 2021</b>	<b>(1,36,200)</b>	-	<b>(1,36,200)</b>
Profit for the year	(8,500)	-	<b>(8,500)</b>
Other comprehensive income for the year	-	-	-
<b>As at March 31, 2022</b>	<b>(1,44,700)</b>	-	<b>(1,44,700)</b>

## **KOPRAN LIFESCIENCES LIMITED**

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

#### **1 Corporate Information**

Kopran Lifesciences Limited ("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 26, 2022.

#### **2 Significant Accounting Policies**

##### **2.1 Basis of preparation**

###### **Compliance with Ind AS**

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

###### **Historical Cost Convention**

The Financial Statements have been prepared on the historical cost basis except for the followings:

- certain financial assets and liabilities and contingent consideration that is measured at fair value or amortised cost at the end of each reporting period.
- assets held for sale measured at fair value less cost to sell;
- defined benefit plans plan assets measured at fair value; and
- Derivative financial instruments;

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Financial Statements are presented in Indian Rupees (which is the functional currency of the Company) and all values are rounded to the nearest rupee except where otherwise stated.

##### **2.2 Current/non current classification**

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

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

## **KOPRAN LIFESCIENCES LIMITED**

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

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

#### **2.3 Summary of significant accounting policies**

##### **(a) Foreign currency translation**

###### **(i) Functional and presentation currency**

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

###### **(ii) Transactions and balances**

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

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

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

##### **(b) Fair value measurement**

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

## **KOPRAN LIFESCIENCES LIMITED**

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

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

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

- **Level 1 — Quoted (unadjusted)**

This hierarchy includes financial instruments measured using quoted prices.

- **Level 2**

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

- **Level 3**

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

**(c) Non-current assets held for sale**

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

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

**(d) Property, plant and equipment**

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

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

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

## **KOPRAN LIFESCIENCES LIMITED**

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

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

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

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

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

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

#### **Depreciation methods, estimated useful lives and residual value**

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

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

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

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

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

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

#### **(e) Intangible assets**

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

## **KOPRAN LIFESCIENCES LIMITED**

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

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

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

#### **Amortisation methods and periods**

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

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

#### **(f) Impairment of non financial assets**

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

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

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

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

#### **(g) Leases**

##### **(i) As a lessee**

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.

## **KOPRAN LIFESCIENCES LIMITED**

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

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.

#### **(h) Inventories**

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

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

#### **(i) Revenue recognition**

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.

#### **The following are the specific revenue recognition criteria:**

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.

Revenue from services are recognised as they are rendered based on agreements/ arrangements with the concerned parties.

#### **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**

## **KOPRAN LIFESCIENCES LIMITED**

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

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, including any potential decreases in the value of the returned goods. The Company updates the measurement of the asset recorded for any revisions to its expected level of returns, as well as any additional decreases in the value of the returned products. This is disclosed along with inventories.

##### **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.

##### **Interest income**

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

##### **Dividend income**

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

#### **(j) Income Taxes**

##### **(i) Current income tax**

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

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

##### **(ii) Deferred tax**

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

## **KOPRAN LIFESCIENCES LIMITED**

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

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

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

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

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

#### **(iii) Minimum Alternate Tax**

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

#### **(k) Financial Instruments**

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

##### **Financial assets**

###### **Initial Recognition**

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

###### **Subsequent measurement**

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

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

###### **(i) Debt instruments at amortised cost**

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

- the asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

## **KOPRAN LIFESCIENCES LIMITED**

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

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

#### **(ii) Debt instrument at FVTOCI**

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

- the objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

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

#### **(iii) Debt instrument at FVTPL**

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

#### **(iv) Equity instruments measured at FVTOCI**

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

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

#### **(v) Cash and Cash equivalents**

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

### **Investments in subsidiaries, Associates and Joint Ventures**

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

### **De-recognition**

A financial asset is de-recognized only when

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

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

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

### **Impairment of financial assets**

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

## **KOPRAN LIFESCIENCES LIMITED**

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

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

#### **Financial liabilities**

##### **Classification as debt or equity**

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

##### **Equity instruments**

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

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

##### **Initial recognition and measurement**

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

##### **Subsequent measurement**

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

##### **(i) Trade and other payables**

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

##### **(ii) Loans and borrowings**

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

##### **(iii) Financial guarantee contracts**

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

##### **De-recognition**

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

## **KOPRAN LIFESCIENCES LIMITED**

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

#### **Embedded derivatives**

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

#### **Reclassification of financial assets**

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

#### **Derivative financial instruments and hedge accounting**

##### **Initial recognition and subsequent measurement**

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

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

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

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

## **KOPRAN LIFESCIENCES LIMITED**

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

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

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

#### **(i) Fair value hedges**

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

#### **(ii) Cash flow hedges**

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

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

#### **(l) Convertible financial instrument**

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

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

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

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

#### **(m) Employee benefits**

## **KOPRAN LIFESCIENCES LIMITED**

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

#### **(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 disclosed as "Remeasurements of net defined benefit plans" under the head "Other Comprehensive Income" in the statement of changes in equity.

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

#### **Defined contribution plans**

## **KOPRAN LIFESCIENCES LIMITED**

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

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.

#### **(n) Provisions, Contingent Liabilities and Contingent Assets**

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

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

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

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

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

#### **(o) Borrowing costs**

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

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

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

#### **(p) Segment Reporting - Identification of Segments**

## **KOPRAN LIFESCIENCES LIMITED**

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

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

#### **(q) Earnings per share**

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

#### **(r) Cash and cash equivalents**

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

#### **(s) Cash Flow Statement**

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

#### **(t) Dividends**

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

#### **(u) 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.

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**

## **KOPRAN LIFESCIENCES LIMITED**

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

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

#### **(ii) Useful lives of property, plant and equipment**

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

#### **(iii) Valuation of deferred tax assets**

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

#### **(iv) Defined benefit plans**

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

#### **(v) Provisions and contingent liabilities :-**

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of 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 LIFESCIENCES LIMITED**

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

Recent Indian Accounting Standards / Pronouncements Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

a) Ind AS 103 – Reference to Conceptual Framework The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

b) Ind AS 16 – Proceeds before intended use The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

c) Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract The amendments specify that that the ‘cost of fulfilling’ a contract comprises the ‘costs that relate directly to the contract’. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

d) Ind AS 109 – Annual Improvements to Ind AS (2021) The amendment clarifies which fees an entity includes when it applies the ‘10 percent’ test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

e) Ind AS 106 – Annual Improvements to Ind AS (2021) The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements.

**KOPRAN LIFESCIENCES LIMITED**

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

(Amount In Rs.)

	As at March 31, 2022	As at March 31, 2021
<b>4 Investments</b>		
Non Traded, Unquoted Investment in Equity Shares		
1,00,000 Equity Shares of Kopran Research Laboratories Ltd of Rs 10/- each	10,00,000	10,00,000
	<b>10,00,000</b>	<b>10,00,000</b>
<b>5 Other non current financial assets</b>		
Sundry Deposit	5,000	
	<b>5,000</b>	-
<b>6 Cash and Cash Equivalents</b>		
Cash on Hand	-	-
Balances with banks		
On Current Accounts	1,12,112	1,19,712
	<b>1,12,112</b>	<b>1,19,712</b>

**KOPRAN LIFESCIENCES LIMITED****Notes to Financial Statements for the Year ended March 31, 2022****7 Equity Share Capital**

	As at Mar 31, 2022		As at March 31, 2021	
	Number	Amount	Number	Amount
<b>Authorised</b>				
1,00,000 (Previous Year: 1,00,000) Equity Shares of ₹ 10 each	1,00,000	10,00,000	1,00,000	10,00,000
	<b>1,00,000</b>	<b>10,00,000</b>	<b>1,00,000</b>	<b>10,00,000</b>
<b>Issued, Subscribed and Paid up</b>				
50,000 (Previous Year: 50,000) Equity Shares of ₹ 10 each fully paid-up	50,000	5,00,000	50,000	5,00,000
	<b>50,000</b>	<b>5,00,000.00</b>	<b>50,000</b>	<b>5,00,000.00</b>

**(i) Reconciliation of Number of Equity Shares**

Particulars	Number	As at	
		March 31, 2022	31st March 2021
At the beginning of the year	50,000	5,00,000	5,00,000
Issued during the year	-	-	-
Outstanding at the end of the year	<b>50,000</b>	<b>5,00,000</b>	<b>5,00,000</b>

**(ii) Terms/Rights Attached to Equity Shares**

The Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The equity shareholders are entitled for dividend as may be proposed by the Board of Directors and approved by the shareholders in the Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

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

Shares of the Company are held by holding company i.e. Koprana Limited

**(v) Shares in the Company held by each shareholder holding more than 5 percent shares and number of Shares held are as under:**

Name of Shareholder	As at Mar 31, 2022		As at March 31, 2021	
	Number	Amount	Number	Amount

**Name of Shareholder**

**No. of Shares held**

**% of  
Holding**

**No. of Shares held**

**% of  
Holding**

**Equity Shares**

Kopran Limited

50,000

100.00

50,000

100.00

50,000

100.00

50,000

100.00

**KOPRAN LIFESCIENCES LIMITED****STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022**

	As at March 31, 2022	As at March 31, 2021
<b>8 Other Equity</b>		
Retained Earnings	(1,44,700)	(1,36,200)
	<u>(1,44,700)</u>	<u>(1,36,200)</u>
<b>9 Short term Borrowings</b>		
<b>Unsecured</b>		
From Related Parties	7,00,000	7,00,000
	<u>7,00,000</u>	<u>7,00,000</u>
<b>10 Current-Other Financial Liabilities</b>		
<b>Others payable</b>		
Others	61,812	55,912
	<u>61,812</u>	<u>55,912</u>

**KOPRAN LIFESCIENCES LIMITED****STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022****0**

	Year Ended March 31, 2022	Year Ended March 31, 2021
<b>11 Other Expenses</b>		
Audit Fees	5,900	5,900
Filing Fees	800	5,060
Professional Fess	1,800	
	<u>8,500</u>	<u>7,600</u>

**KOPRAN LIFESCIENCES LIMITED**  
**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022**

**12** Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. Nil (2021: Rs. Nil)

**13** Contingent Liabilities not provided Rs. Nil (2021: Rs. Nil)

**14 Deferred Tax**

Deferred tax assets arising on account of timing difference comprising of unabsorbed business losses have not been recognised due to lack of virtual certainty of its realisation.

**15 Related Party disclosures**

**List of Related Parties**

Holding Company - Koprán Limited  
 Key Management Personnel - Surendra Somani

During the year no transactions were carried out with the related parties in the ordinary course of business.

(Amount in Rs.)

	Key Management Personnel
Balance outstanding as at March 31,	7,00,000 (7,00,000)

**16 Computation of Earnings Per Share**

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Loss after tax Rs.	(8,500)	(6,700)
Weighted average number of equity shares	50,000	50,000
Earnings per share of Rs.10/- each - Basic and Diluted Rs.	(0.17)	(0.13)

**17** The Company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence the disclosure, if any, relating to amounts unpaid as at the year-end together with interest paid/payable as required under the said Act have not been given.

**18 Analytical Ratios**

Particulars	Formula	2021-22	2020-21
1.Current Ratio	Current Assets/Current Liabilities	0.15	0.16
2.Debt-Equity Ratio	Total Debt/Shareholders Equity	1.97	1.92
3.Debt Service Coverage Ratio	Earnings available for Debt Service/Debt Service	-0.01	-0.01
4.Return on Equity	Net Profit after tax/Average Shareholder's Equity	-0.02	-0.02
5.Inventory Turnover Ratio	Cost of Goods Sold/Average Inventory	NA	NA
6.Trade Receivables Turnover Ratio	Net Credit Sales/Average Accounts Receivable	NA	NA
7.Trade Payables Turnover Ratio	Purchases/Average Trade Payables	NA	NA
8.Net Capital Turnover Ratio	Net Sales/Average Working Capital	NA	NA
9.Net Profit Ratio	Net Profit/Net Sales	NA	NA
10.Return on Capital Employed	EBIT/Capital Employed	0.0	0.0

11. Return on Investment	Net Profit After Tax/Average Total Assets	NA	NA
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#### 19. Other Statutory Information

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company does not have any identified transaction with struck off company during the year.
- (iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Company has not advanced or loaned or invested funds to any other person(s) or entity, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vi) The Company has not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- (vii) The Company has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income-tax Act, 1961

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

As per our report of even date attached

**For NGS & Co. LLP**  
Chartered Accountants  
Firm Regn. No. 119850W

**For and on behalf of Board of Directors**

**Ashok A. Trivedi**  
Partner  
M.No. 042472  
Mumbai  
May 26, 2022

**Surendra Somani    Ajit Jain**  
Director                      Director  
DIN: 600860                  DIN: 147277