NGS & CO. LLP
CHARTERED ACCOUNTANTS
MUMBAI . INDORE . CHITTORGARH

Independent Auditor's Report

To the Members of
Kopran Research Laboratories Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **Kopran Research Laboratories Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, 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 then ended and a summary of significant accounting policies and other explanatory information.

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 Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other Comprehensive Income, cash flows and changes in the equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order issued under section 143(11) of the Act.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company Directors, as well as evaluating the overall presentation of the financial statements.

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.

Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its profit, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements.

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

2. As required by section 143(3) of the Act, we report that:

   a. We have sought and obtained all the information and explanation 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 appears from our examination of those books;

   c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account;

   d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rule issued thereunder;

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e. On the basis of written representations received from the Directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of Section 164 (2) of the Act.

f. With respect to the adequacy of the internal financial control over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure-B"; and

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

   i. The company has disclosed the impact of pending litigations on its financial position in its financial statements.

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

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

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

Ganesh Toshniwal
Partner
Membership Number: 046669
Mumbai
May 19, 2018

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Annexure A to the Independent Auditor's Report
(Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date)

i.
   a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

   b. According to the information and explanations given to us, the Fixed Assets have been physically verified by the management during the year, no material discrepancies were noticed on such verification with book records. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and nature of its assets.

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

ii. The management has conducted physical verification of inventory at regular intervals during the year. In our opinion and according to the information and explanations given to us, the Company is maintaining proper records of inventory. The discrepancies noticed on verification between physical stocks and the book records were not material having regard to the size of the operations of the company.

iii. Based on the audit procedure and according to information and explanations given to us, the Company has not granted any loan secured or unsecured to the companies, firm, or other parties covered in the register maintained under section 189 of the Act. Therefore, paragraph 3 (iii) of the order is not applicable.

iv. In our opinion and according to the information and explanations given to us and based on our examination of the records, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to guarantee given.

v. According to information and explanations given to us, the Company has not accepted any deposits within the meaning of Section 73 to 76 of the Act and Rules framed thereunder to the extent notified. Therefore, paragraph 3(v) of the order is not applicable.

vi. We have broadly reviewed the books of accounts maintained by the company pursuant to the rules made by the Central Government for the maintenance of cost records under seb-section (1) of section 148 of the Act in respect of Company's products and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

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vii. a. According to the information and explanations given to us and on the basis of our examination of the records of the company is generally regular in depositing with appropriate authority the amounts deducted/ accrued in the books of accounting respect of undisputed statutory dues including Profession Tax, Provident Fund, Employees State Insurance, Income-tax, Service-tax, cess, custom duty, excise duty and other statutory dues, as applicable.

b. There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Value Added Tax, Goods and Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues in arrears as at March 31, 2018 for a period of more than six months from the date they became payable.

c. Details of dues of Service Tax and Excise Duty which have not been deposited as at March 31, 2018 on account of dispute are given below:

Name of the Statute	Nature of the dues	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Excise Duty	313,527	2012-13	Joint Secretary of Government of India Ministry of Finance
Central Excise Act, 1944	Excise Duty	1,502,439	2012-13	Commissioner of Central Excise
Finance Act, 1994	Service Tax	109,819	2011-12	Central Excise and Service Tax Appellate Tribunal
Finance Act, 1994	Service Tax	109,672	2014-15	Central Excise and Service Tax Appellate Tribunal
Finance Act, 1994	Service Tax	30,159	2014-15	Assistant Commissioner
Finance Act, 1994	Service tax	340,463	2015-16	Central Excise and Service Tax Appellate Tribunal
Finance Act, 1994	Service tax	344,482	2015-16	Assistant Commissioner
Central Excise Act, 1944	Excise Rebate	186,371	2016-17	Principal Commissioner (RA)

viii. In our opinion and according to the information and explanations given to us, the Company has not taken any loan either from banks, financial institutions or from the government and has not issued any debentures. Therefore, paragraph 3(viii) of the order is not applicable.

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

x. 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.

NGS & CO. LLP * MUMBAI * CHARTERED ACCOUNTANTS

xi. According to the information and explanation give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the Act.

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

xiii. According to the information and explanation give to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 & 188 of the Act where applicable and details have been disclosed in the Financial statements as required by the applicable accounting standard.

xiv. According to the information and explanation give to us and based on our examination of the records, Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Therefore, paragraph 3(xiv) of the order is not applicable.

xv. According to the information and explanation give to us and based on our examination of the records, Company has not entered into any non-cash transactions with the directors or persons connected with him. Therefore, paragraph 3(xv) of the order is not applicablex.

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

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

NGS & CO. LLP * MUMBAI * CHARTERED ACCOUNTANTS

Ganesh Toshniwal
Partner
Membership Number: 046669
Mumbai
May 19, 2018

Annexure – B to the Auditor'sReport

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 ofSection 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Kopran Research Laboratories Limited** ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls overfinancial 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 toobtain 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 judgments, 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.

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Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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, 2018, 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 Number: 119850W

NGS & CO. LLP MUMBAI CHARTERED ACCOUNTANTS

Ganesh Toshniwal
Partner
Membership Number: 046669
Mumbai
May 19, 2018

KOPRAN RESEACH LABORATORIES LIMITED
BALANCE SHEET AS AT MARCH 31, 2018

(Amount In Rupees)

	Note No.	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
ASSETS				
1. Non-Current Assets				
Property, Plant and Equipment	4	864,930,815	880,331,168	910,836,782
Capital work-in-progress		20,896,892	18,480,344	29,416,519
Other Intangible Assets	5	4,618,140	6,927,209	9,236,278
Financial Assets				
Other financial assets	6	5,983,308	5,149,408	4,742,508
Other Non Current Assets	7	73,349,276	66,760,053	68,125,332
Total Non-Current Assets		**969,778,431**	**977,648,182**	**1,022,357,418**
2. Current Assets				
Inventories	8	412,579,954	354,704,232	307,129,613
Financial Assets				
Trade Receivables	9	455,313,891	401,167,344	386,382,858
Cash and Cash Equivalents	10	207,404	880,726	705,576
Other balances with bank	11	44,764,188	49,190,908	498,353
Others	12	7,880,010	1,450,495	1,725,034
Other Current Assets	13	101,876,346	37,396,028	29,004,764
Total Current Assets		**1,022,621,793**	**844,789,733**	**725,446,198**
Total Assets		**1,992,400,224**	**1,822,437,915**	**1,747,803,616**
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital	14	200,000,000	200,000,000	200,000,000
Other Equity	15	1,006,611,744	881,651,457	791,569,436
Total Equity		**1,206,611,744**	**1,081,651,457**	**991,569,436**
Liabilities				
1. Non-Current Liabilities				
Financial Liabilities				
Long Term Borrowings	16	79,592,206	43,707,709	-
Provisions	17	23,286,291	20,110,125	17,571,874
Deferred tax liabilities (net)	18	1,448,824	-	-
Total Non-Current Liabilities		**104,327,321**	**63,817,834**	**17,571,874**
2. Current Liabilities				
Financial Liabilities				
Short Term Borrowings	19	285,496,667	345,868,332	377,456,897
Trade Payables	20	344,317,602	181,788,905	243,724,144
Other Financial Liabilities	21	44,723,035	132,575,557	106,633,886
Provisions	22	407,328	-	288,613
Other Current Liabilities	23	6,516,527	16,735,830	10,558,766
Total Current Liabilities		**681,461,159**	**676,968,623**	**738,662,306**
Total Equity and Liabilities		**1,992,400,224**	**1,822,437,915**	**1,747,803,616**

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

Ganesh Toshniwal
Partner
M.No. 046669
Mumbai
May 19, 2018

NGS & CO. LLP
MUMBAI
CHARTERED ACCOUNTANTS

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

Chandra M. Singhi
Director
DIN : 1793293

Rakesh Doshi
Executive Director
DIN : 00359832

K.B. Shetty
Chief Financial Officer

Hansa Gaggar
Company Secretary

KOPRAN RESEACH LABORATORIES LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018

(Amount In Rupees)

	Note No.	Year Ended March 31, 2018	Year Ended March 31, 2017
INCOME			
Revenue From Operations	24	1,752,070,922	1,586,303,897
Other Income	25	29,019,601	20,888,873
Total Income		**1,781,090,523**	**1,607,192,770**
EXPENSES			
Cost of material consumed	26	1,120,193,236	935,556,016
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	27	(9,316,674)	(1,455,002)
Employee Benefits Expense	28	138,985,382	122,580,376
Finance Costs	29	24,562,985	34,147,668
Depreciation and Amortization Expense	4&5	82,189,875	79,097,567
Other Expenses	30	295,783,828	353,190,281
Total Expenses		**1,652,398,631**	**1,523,116,905**
Profit Before Tax		**128,691,892**	**84,075,865**
Tax Expense		-	-
(1) Current Tax		-	
Less: MAT credit entitlement			
(2) Deferred Tax		1,448,824	
(3) Taxation adjustment of earlier years			-
		1,448,824	-
Profit For The Year		**127,243,068**	**84,075,865**
Other Comprehensive Income For The Year		-	-
Items that would not be classified subsequently to Profit and Loss			
Remeasurement of Defined benefit palns- OCI		(407,781)	16,573
		(407,781)	**16,573**
Total Comprehensive Income For The Year		**126,835,287**	**84,092,438**
Earnings Per Equity Share of Face Value of ₹ 5/- each			
Basic And Diluted		**6.36**	**4.20**

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

NGS & CO. LLP MUMBAI CHARTERED ACCOUNTANTS

Ganesh Toshniwal
Partner
M.No. 046669
Mumbai
May 19, 2018

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

Chandra M. Singhi
Director
DIN : 1793293

Rakesh Doshi
Executive Director
DIN : 00359832

K.B. Shetty
Chief Financial Officer

Hansa Gaggar
Company Secretary

KOPRAN RESEACH LABORATORIES LIMITED

Cash Flow Statement for the year ended March 31, 2018 (Amount In Rupees)

			Year ended March 31, 2018		Year ended March 31, 2017	
A.	**Cash flow from operating activities**					
	Profit/(Loss) Before Tax			128,691,892		84,075,865
	Adjustments for:					
	Depreciation		82,189,875		79,097,567	
	Interest income		(6,408,225)		(2,315,726)	
	Defined benefit plan expense-Gratuity		(407,781)		16,573	
	Capital Contribution from Holding Company		3,125,000		5,989,583	
	Adjustments to Security Deposits		(5,000,000)		-	
	Finance costs		24,562,985		34,147,668	
	Miscellaneous Income		-	98,061,854	(26,137)	116,909,528
				226,753,746		**200,985,393**
	Operating profit before working capital changes					
	Changes in working capital:					
	Increase / (Decrease) in Trade payables		162,528,697		(61,935,239)	
	Increase / (Decrease) in Short-term & Long-term provisions		3,583,494		2,249,638	
	Increase / (Decrease) in Other current liabilities		(10,219,303)		6,177,063	
	Increase / (Decrease) in Other Financial liabilities		(87,852,522)		25,941,671	
	(Increase) / Decrease in Trade receivables		(54,146,547)		(14,784,486)	
	(Increase) / Decrease in Inventories		(57,875,722)		(47,574,619)	
	(Increase) / Decrease in Other Financial Assets		(7,263,415)		(132,361)	
	(Increase) / Decrease in Other Current and Non-Current Assets		(71,069,541)	(122,314,859)	(7,025,985)	(97,084,317)
	Operating profit after working capital changes			**104,438,887**		**103,901,076**
	Direct taxes paid (net of refund)			-		-
	Net cash from operating activities (A)			**104,438,887**		**103,901,076**
B.	**Cash flow from investing activities**					
	Purchase of tangible/ intangible assets (including capital work-in-progress & Capital Advance)			(66,897,002)		(35,346,709)
	Interest received			6,408,225		2,315,726
	Miscellaneous Income			-		26,137
	Net cash used in investing activities (B)			**(60,488,777)**		**(33,004,846)**
C.	**Cash flow from financing activities**					
	Interest and financial charges paid			(24,562,985)		(34,147,668)
	Proceeds / (Repayment) Long-term & Short Term borrowings (Net)			(24,487,168)		12,119,144
	Net cash from financing activities (C)			**(49,050,153)**		**(22,028,524)**
	Net increase/ (decrease) in cash and cash equivalents (A+B+C)			**(5,100,042)**		**48,867,705**
	Cash and cash equivalents at the beginning of the year			50,071,634		1,203,929
	Cash and cash equivalents at the end of the year			44,971,592		50,071,634
	Net increase/ (decrease) in cash and cash equivalents			**(5,100,042)**		**48,867,705**
	Cash and cash equivalents comprise of:					
	Cash on Hand			51,539		629,739
	Bank Balances:					
	In Current Accounts			155,865		250,987
	In Fixed Deposits with original maturity less than 3 months			44,764,188		49,190,908
	Cash and cash equivalents at the end of the year			**44,971,592**		**50,071,634**

Notes:

1 Figures in brackets indicate cash outgo.

2 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

NGS & CO. LLP MUMBAI CHARTERED ACCOUNTANTS

Ganesh Toshniwal
Partner
M.No. 046669
Mumbai
May 19, 2018

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

Chandra M. Singhi
Director
DIN : 1793293

Rakesh Doshi
Executive Director
DIN : 00359832

K.B. Shetty
Chief Financial Officer

Hansa Gaggar
Company Secretary

1 Corporate Information

Kopran Research Laboratories Limited (KRLL) ("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 19, 2018.

2 Revised Indian Accounting Standard ("Ind AS") issued but not effective

Ind AS 115 'Revenue from Contracts with Customers' has been notified by Ministry of Corporate Affairs as on March 28, 2018. This standard prescribes only one underlying principle for revenue recognition i.e., transfer of control over goods/services. Ind 115 will supersede Ind AS 11 'Construction Contracts' and Ind AS 18, 'Revenue' and is effective for annual periods beginning on or after April 1, 2018. Management consider that the amendment does not have significant impact on the financial statements.

3 Significant Accounting Policies

3.1 Basis of preparation

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

For all periods up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended March 31, 2018 are the first the Company has prepared in accordance with Ind AS. Refer to Note No. 41 for information on how the Company adopted Ind AS.

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

3.2 Summary of significant accounting policies

(a) Foreign currency translation

(i) Functional and presentation currency

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

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

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

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

NGS & CO. LLP MUMBAI CHARTERED ACCOUNTANTS

(b) Property, plant and equipment

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

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

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

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

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

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

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 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.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

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(c) Intangible assets

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

Amortisation methods and periods

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

(d) 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 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.

(e) Leases

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

(i) As a lessee

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

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

(ii) As a lessor

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

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

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(f) 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-Process and Finished Goods is determined on absorption costing method.

(g) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The Company collects taxes such as sales tax/value added tax, service tax, etc on behalf of the Government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from the aforesaid revenue/ income.

The following are the specific revenue recognition criteria:

a) Revenue from sale of goods is recognized when all the significant risk and rewards of ownership of the goods have been passed to the buyer.

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

c) **Interest income**

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

d) **Dividend income**

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

(h) Taxes

(i) Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(ii) Deferred tax

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

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

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

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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.

(i) Financial Instruments

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

Initial Recognition

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

Classification and Subsequent Measurement: Financial Assets

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

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

(i) Amortised Cost

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

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

(ii) Fair Value through other comprehensive income

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

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

(iii) Fair Value through Profit or Loss

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

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

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Classification and Subsequent Measurement: Financial liabilities

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

(i) Financial Liabilities at FVTPL

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

(ii) Other Financial Liabilities:

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

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

Impairment of financial assets

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

Derecognition of financial assets

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

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

Derecognition of financial liabilities

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

Equity investment in subsidiaries, joint ventures and associates

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

Offsetting of financial instruments

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

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(j) Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

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

(k) Convertible financial instrument

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

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

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

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

(l) Employee benefits

(i) Short-term obligations

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

(ii) Other long-term employee benefit obligations

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

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

(iii) Post-employment obligations

The company operates the following post-employment schemes:

(a) defined benefit plans viz. gratuity,

(b) defined contribution plans viz. provident fund.

Gratuity obligations

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

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

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

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

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

Defined contribution plans

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

(vi) Termination benefits

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

(m) Provisions, Contingent Liabilities and Contingent Assets

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

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

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

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

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

(n) Borrowing costs

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

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

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(o) Segment Reporting - Identification of Segments

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

(p) Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing:

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

Diluted earnings per share

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

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

(q) Current/non current classification

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

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

All other assets are classified as non-current.

A liability is current when:

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

The company classifies all other liabilities as non-current.

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

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

(r) Cash and cash equivalents

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

(t) Cash Flow Statement

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

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(u) Dividends

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

(v) Rounding of amounts

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

4 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

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

(ii) Useful lives of property, plant and equipment

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

(iii) Valuation of deferred tax assets

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

(iv) Defined benefit plans

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

(v) Provisions

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

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(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.

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KOPRAN RESEACH LABORATORIES LIMITED

Notes to Financial Statements for the year ended March 31, 2018

(Amount In Rupees)

4. Property, Plant and Equipment

	Office equipment	Office Building	Computer	Plant and Equipment	R & D Equipment	Furniture and Fixture	Vehicle	Total
Cost								
As At April 1, 2016	**475,020**	**124,628,573**	**936,698**	**857,565,990**	**81,133,334**	**4,382,278**	**954,893**	**1,070,076,786**
Additions	150,019	3,939,776	179,852	40,380,541	208,120	387,472	1,037,104	**46,282,884**
Disposals/Transfer								
As At March 31, 2017	**625,039**	**128,568,349**	**1,116,550**	**897,946,531**	**81,341,454**	**4,769,750**	**1,991,997**	**1,116,359,670**
As At April 1, 2017	**625,039**	**128,568,349**	**1,116,550**	**897,946,531**	**81,341,454**	**4,769,750**	**1,991,997**	**1,116,359,670**
Additions	175,000	5,464,114	477,409	56,140,283	-	251,963	1,971,685	**64,480,454**
Disposals/Transfer								
As At March 31, 2018	**800,039**	**134,032,463**	**1,593,959**	**954,086,814**	**81,341,454**	**5,021,713**	**3,963,682**	**1,180,840,124**
Accumulated Depreciation								
As At April 1, 2016	444,426	3,844,301	681,038	71,051,389	80,932,671	1,349,079	937,101	**159,240,004**
Depreciation	18,373	3,981,607	118,626	72,102,047	64,547	497,899	5,399	**76,788,498**
Adjusted during the year								
As At March 31, 2017	**462,799**	**7,825,908**	**799,664**	**143,153,436**	**80,997,218**	**1,846,978**	**942,500**	**236,022,030**
As At April 1, 2017	462,799	7,825,908	799,664	143,153,436	80,997,218	1,846,978	942,500	**236,028,502**
Depreciation	39,273	4,137,294	241,248	74,624,226	20,107	527,656	291,002	**79,880,806**
Adjusted during the year								
As At March 31, 2018	**502,072**	**11,963,202**	**1,040,912**	**217,777,662**	**81,017,325**	**2,374,634**	**1,233,502**	**315,909,308**
Net Book Value								
As At March 31, 2018	**297,967**	**122,069,261**	**553,047**	**736,309,152**	**324,129**	**2,647,079**	**2,730,180**	**864,930,815**
As At March 31, 2017	162,240	120,742,441	316,886	754,793,095	344,236	2,922,772	1,049,497	880,331,168
As At April 1, 2016	30,594	120,784,272	255,660	786,514,601	200,663	3,033,199	17,792	910,836,782

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KOPRAN RESEACH LABORATORIES LIMITED

Notes to Financial Statements for the year ended March 31, 2018

(Amount In Rupees)

5. Intangible Assets

	Goodwill	Total
Cost		
As At April 1, 2016	**9,236,278**	**9,236,278**
Additions/Transfer	-	-
Disposals/Transfer	-	-
As At March 31, 2017	**9,236,278**	**9,236,278**
As At April 1, 2017	**9,236,278**	**9,236,278**
Additions/Transfer	-	-
Disposals/Transfer	-	-
As At March 31, 2018	**9,236,278**	**9,236,278**
Accumulated Amortisation		
As At April 1, 2016	-	-
Amortisation	2,309,069	**2,309,069**
Disposals/Transfer	-	-
As At March 31, 2017	**2,309,069**	**2,309,069**
As At April 1, 2017	**2,309,069**	**2,309,069**
Amortisation	**2,309,069**	**2,309,069**
Disposals/Transfer	-	-
As At March 31, 2018	**4,618,138**	**4,618,138**
Net Book Value		
As At March 31, 2018	**4,618,140**	**4,618,140**
As At March 31, 2017	6,927,209	6,927,209
As At April 1, 2016	9,236,278	9,236,278

NGS & CO. LLP ★ MUMBAI ★ CHARTERED ACCOUNTANTS

KOPRAN RESEACH LABORATORIES LIMITED

Notes to Financial Statements for the year ended March 31, 2018 **(Amount In Rupees)**

		As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
6	**Other non current financial assets**			
	Unsecured, considered good			
	Security Deposits	5,983,308	5,149,408	4,742,508
		5,983,308	**5,149,408**	**4,742,508**
7	**Other non current assets**			
	[Unsecured, Considered Good (unless otherwise stated)]			
	Capital Advances	1,480,164	1,704,169	2,093,513
	Deduction of Income Tax	535,582	299,453	250,916
	Prepaid expenses	435,371	52,980	191,603
	Premium on Land under operating lease	70,898,159	64,703,451	65,589,300
		73,349,276	**66,760,053**	**68,125,332**
8	**Inventories**			
	Raw Materials (Includes Stocks In Transit)	228,851,385	176,493,743	132,471,180
	Work-in-Process	160,055,398	143,156,439	131,679,452
	Finished Goods	7,120,640	14,702,925	24,724,910
	Stores & Spares	11,580,497	12,823,034	14,305,742
	Packing Materials	4,972,034	7,528,091	3,948,329
		412,579,954	**354,704,232**	**307,129,613**
9	**Trade Receivables**			
	Unsecured, considered good:	455,313,891	401,167,344	386,382,858
	Unsecured, considered doubtful:	13,223,089	9,682,978	8,889,856
	Less: Expected credit loss allowance	(13,223,089)	(9,682,978)	(8,889,856)
		455,313,891	**401,167,344**	**386,382,858**
10	**Cash and cash equivalents**			
	Cash on Hand	51,539	629,739	214,747
	Balances with banks			
	On Current Accounts	155,865	250,987	490,829
		207,404	**880,726**	**705,576**
11	**Other balances with bank**			
	Margin Money Deposits with maturity less than 12 months	44,764,188	49,190,908	498,353
		44,764,188	**49,190,908**	**498,353**
12	**Current Financial Assets-Others**			
	Staff Loan & Advances	6,057,334	1,450,495	1,725,034
	Forward Contract	1,822,676	-	
		7,880,010	**1,450,495**	**1,725,034**
13	**Other Current Assets**			
	Balance with statutory/ government authorities	97,936,445	29,188,223	15,460,322
	Prepaid Expenses	3,870,855	2,521,335	2,827,254
	Prepaid expense (Guarantee premium)	-	3,125,000	-
	Others	69,046	2,561,470	10,717,188
		101,876,346	**37,396,028**	**29,004,764**

NGS & CO. LLP ★ MUMBAI ★ CHARTERED ACCOUNTANTS

Notes to Financial Statements for the year ended March 31, 2018

(Amount In Rupees)

14 Equity Share Capital

	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Number	Amount	Number	Amount	Number	Amount
Authorised 2,00,00,000 (Previous Year: 2,00,00,000) Equity Shares of 10 each	20,000,000	200,000,000	20,000,000	200,000,000	20,000,000	200,000,000
	20,000,000	**200,000,000**	**20,000,000**	**200,000,000**	**20,000,000**	**200,000,000**
Issued, Subscribed and Paid up 2,00,00,000 (Previous Year: 2,00,00,000) Equity Shares of 10 each fully paid-up	20,000,000	200,000,000	20,000,000	200,000,000	20,000,000	200,000,000
	20,000,000	**200,000,000.00**	**20,000,000**	**200,000,000.00**	**20,000,000**	**200,000,000**

(i) Reconciliation of Number of Equity Shares

Particulars	Number	As at 31st March 2018	Number	As at 31st March 2017	Number	As at April 01, 2016
At the beginning of the year	20,000,000	200,000,000	20,000,000	200,000,000	9,000,000	90,000,000
Issued during the year	-	-	-	-	11,000,000	110,000,000
Outstanding at the end of the year	20,000,000	200,000,000	20,000,000	200,000,000	20,000,000	200,000,000

(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 shareheld. 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 and fellow subsidiary of the holding Company.

(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 March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares						
Kopran Limited	19,900,000	99.50	19,900,000	99.50	8,900,000	98.89
Kopran Life science Ltd *	100,000	0.50	100,000	0.50	100,000	1.11
	20,000,000	100.00	20,000,000	100.00	9,000,000	100.00
*Wholly owned subsidiary of Kopran Ltd.						

NGS & CO. LLP ★ CHARTERED ACCOUNTANTS ★ MUMBAI

KOPRAN RESEACH LABORATORIES LIMITED

Notes to Financial Statements for the year ended March 31, 2018

(Amount In Rupees)

15. Other Equity

Particulars	Retained earnings			Other Comprehensive Income	Total
	Securities Premium Reserve	Capital Contribution from holding	Retained Earnings	Remeasurements of net defined benefit plans	
As at April 01, 2016	**1,347,078,150**	**-**	**(556,331,298)**	**822,584**	**791,569,436**
Profit for the year	-	-	84,075,865	-	**84,075,865**
Capital Contribution from holding	-	5,989,583	-	-	**5,989,583**
Other comprehensive income for the year	-	-	-	16,573	**16,573**
As at March 31st, 2017	**1,347,078,150**	**5,989,583**	**(472,255,433)**	**839,157**	**881,651,457**
As at April 01, 2017	**1,347,078,150**	**5,989,583**	**(472,255,433)**	**839,157**	**881,651,457**
Profit for the year	-	-	127,243,068	-	**127,243,068**
Capital Contribution from holding	-	3,125,000	-	-	**3,125,000**
Other comprehensive income for the year	-	-	-	(407,781)	**(407,781)**
Adjustments of security deposits during the year	-	-	(5,000,000)	-	**(5,000,000)**
As at March 31st, 2018	**1,347,078,150**	**9,114,583**	**(350,012,365)**	**431,376**	**1,006,611,744**

Nature and Purpose of Reserves:

a) Securities Premium Reserve

Securities Premium Reserve is created when shares were/are issued at premium. The Company may issue fully paid-up bonus shares to its members out of the security premium reserve account and company can use this reserve for buy-back of shares.

b) Capital Reserve

Nil

c) Retained Earnings

Nil

NGS & CO. LLP * MUMBAI * CHARTERED ACCOUNTANTS

KOPRAN RESEACH LABORATORIES LIMITED

Notes to Financial Statements for the year ended March 31, 2018

(Amount In Rupees)

		As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
16	**Long term Borrowings**			
	Secured			
	Vehicles finance loans *	966,176	707,709	-
	Unsecured			
	from Related Parties:			
	(i) Intercorporate Deposit **	78,626,030	-	-
	(ii) Others	-	43,000,000	
		79,592,206	**43,707,709**	**-**

*** Vehicle Finance Loans carry interest ranging from 8.94% p.a. to 9.93% p.a. and is repayable in 36 equal monthly installments. The loans are secured by hypothecation of vehicles.**

**** The above borrowing is repayable commencing from April 01, 2019.**

		As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
17	**Provisions**			
	Provision for Employee Benefits			
	Gratuity	18,839,893	15,864,259	13,875,822
	Unavalied leave	4,446,398	4,245,866	3,696,052
		23,286,291	**20,110,125**	**17,571,874**
18	**Deferred tax liabilities**			
	Deferred Tax Liability			
	Related to Fixed Assets	29,896,116	34,822,071	19,479,116
	Deferred Tax Assets			
	Unabsorbed Depreciation & Business Loss adjusted for timing difference	18,919,667	43,463,850	55,774,688
	Disallowances under Income tax Act, 1961	9,527,625	6,214,029	5,518,890
		28,447,292	49,677,878	61,293,578
	Deferred tax assets recognised to extent of Deferred tax liabilities	28,447,292	34,822,071	19,479,116
		1,448,824	**-**	**-**
19	**Borrowings**			
	Secured			
	Cash Credit / Packing Credit - Refer Note (a)	218,733,432	146,736,378	258,352,233
	Buyers Credit - Refer Note (a)	66,763,235	132,731,954	52,704,664
	Unsecured			
	From Directors	-	66,400,000	66,400,000
		285,496,667	345,868,332	377,456,897

(a) Cash Credit / Packing Credit & Buyers Credit

Cash credit / Packing credit facilities availed from banks are secured by hypothecation of inventories and book debts (present and future) also first pari passu charge by way of mortgage on all immoveable properties and by way of hypothecation on all the moveable fixed assets of the company both present and future and guaranteed by director / promoter jointly and severally. The said facility is repayable on demand.

		As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
20	**Trade Payables**			
	Due to Micro, Small and Medium Enterprises	2,361,750	2,139,736	1,736,351
	Due to others	341,955,852.34	179,649,169	241,987,793
		344,317,602	**181,788,905**	**243,724,144**

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

		As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
21	**Current-Other Financial Liabilities**			
	Current Maturities of long term borrowings	1,319,581	319,390	-
	Interest Accrued but not Due	235,621	189,274	170,461
	Security Deposits	1,500,000	250,000	250,000
	Others payable			
	Payable to Related Party	-	31,626,780	-
	Creditors for Capital goods	10,028,491	6,123,495	14,094,088
	Employee related	20,061,866	15,389,188	21,135,062
	Others	11,577,476	78,677,430	70,984,275
		44,723,035	**132,575,557**	**106,633,886**
22	**Provisions**			
	Provision for Employee Benefits			
	Gratuity	314,664	-	224,689
	Leave encashment	92,664	-	63,924
		407,328	**-**	**288,613**
23	**Other Current Liabilities**			
	Statutory Dues (including Provident Fund and Tax Deducted at Source)	3,048,969	4,687,792	5,875,315
	Advance Received from Customers	-	53,767	1,753,765
	Others	3,467,558	11,994,271	2,929,686
		6,516,527.00	**16,735,830**	**10,558,766**

NGS & CO. LLP MUMBAI CHARTERED ACCOUNTANTS

KOPRAN RESEACH LABORATORIES LIMITED

Notes to Financial Statements for the year ended March 31, 2018 **(Amount In Rupees)**

		Year Ended March 31, 2018	Year Ended March 31, 2017
24	**Revenue From Operations**		
	Sale of Products*	1,720,001,245	1,562,762,094
	Other operating revenues		
	Scrap sales	1,381,939	1,004,433
	Other	30,687,738	22,537,370
		1,752,070,922	**1,586,303,897**
	*** Sale of products**		
	Bulk Drugs (Net of excise duty)	**1,706,197,752**	**1,474,033,206**
25	**Other Income**		
	Interest Income		
	On Fixed Deposit	3,142,212	1,632,237
	Others	3,266,013	683,489
	Liabilities written back	1,055,338	152,873
	Foreign exchange gain (net)	20,941,213	17,280,583
	Sales Tax Refund	161,389	-
	Miscellaneous Income	453,436	26,137
	Excise Duty on closing stk	-	1,113,554
		29,019,601	**20,888,873**
26	**Cost of Material Consumed**		
	Raw Material Consumption:		
	Opening Stock	176,493,743	132,471,180
	Add: Purchases / Stock Transfer	1,155,142,499	957,569,667
		1,331,636,242	1,090,040,847
	Less : Closing Stock	228,851,385	176,493,743
		1,102,784,857	**913,547,104**
	Packing Materials Consumption:		
	Opening Stock	7,528,091	3,948,329
	Add: Purchases / Stock Transfer	14,852,321	25,588,674
		22,380,412	29,537,003
	Less : Closing Stock	4,972,034	7,528,091
		17,408,378	**22,008,912**
		1,120,193,236	**935,556,016**
	Raw Material Consumption:		
	1) 7 A.C.A.	76,425,525	95,274,608
	2) CEFEPIME	62,467,350	63,018,960
	3) P.H.A.P	112,486,800	131,294,936
	4) Azithromycin Amine	90,323,852	70,268,427
	5) S - 6 (MAEM)	50,451,202	61,941,467
	6) Meropenem	314,769,695	96,208,180
	7) Others	395,860,433	395,540,526
		1,102,784,857	**913,547,104**

NGS & CO. LLP ★ MUMBAI ★ CHARTERED ACCOUNTANTS

KOPRAN RESEACH LABORATORIES LIMITED

Notes to Financial Statements for the year ended March 31, 2018

(Amount In Rupees)

		Year Ended March 31, 2018	Year Ended March 31, 2017
27	**Changes In Inventories of Stock-In-Trade**		
	Opening Inventories		
	Finished Goods	14,702,925	24,724,910
	Work-in-progress	143,156,439	131,679,452
		157,859,364	**156,404,362**
	Closing Inventories		
	Finished Goods	7,120,640	14,702,925
	Work-in-progress	160,055,398	143,156,439
		167,176,038	**157,859,364**
		(9,316,674)	**(1,455,002)**
	Details of Inventory		
	Finished goods		
	Bulk Drugs	7,120,640	14,702,925
		7,120,640	**14,702,925**
	Work in progress		
	Bulk Drugs	160,055,398	143,156,439
		160,055,398	**143,156,439**
28	**Employee Benefits Expense**		
	Salaries, Wages and Bonus	123,011,592	108,518,327
	Contribution to Provident and Other Funds	7,270,955	5,737,720
	Staff Welfare Expenses	8,702,835	8,324,329
		138,985,382	**122,580,376**
29	**Finance Costs**		
	Interest Expenses	20,687,527	30,775,493
	Other borrowing cost	3,875,458	3,372,175
		24,562,985	**34,147,668**
30	**Other Expenses**		
	Amortization of premium on Operating lease	970,692	885,849
	Expected credit loss allowance	3,540,111	1,933,604
	Excise Duty	13,803,493	88,728,888
	Guarantee expense	6,250,000	2,864,583
	Stores and Spares consumed	31,419,647	30,333,918
	Power and Fuel	98,543,823	93,496,130
	Repairs and Maintenance :		
	Building	3,497,549	3,775,238
	Machinery	12,751,958	11,712,002
	Others	1,303,142	1,703,775
	Insurance	4,848,471	5,042,447
	Job Work charges	12,895,038	12,666,260
	Commission on Sales	25,496,761	27,783,064
	Selling and Distribution Expenses	3,621,914	2,800,301
	Packing, Freight and Forwarding	21,615,695	21,243,993
	Audit Fees	550,000	400,000
	Printing and Stationery	2,199,538	1,807,399
	Postage, Telegram and Telephone	1,076,901	979,732
	Travelling and Conveyance	6,927,976	7,614,726
	Legal and Professional Fees	6,608,636	4,323,405
	Rates and taxes	2,194,146	5,983,483
	Labour Charges	8,727,651	6,841,565
	Directors' sitting fees	53,750	34,500
	Miscellaneous Expenses	26,886,938	20,235,419
		295,783,828	**353,190,281**

NGS & CO. LLP ★ MUMBAI ★ CHARTERED ACCOUNTANTS

KOPRAN RESEACH LABORATORIES LIMITED

Notes to Financial Statements for the year ended March 31, 2018 **(Amount In Rupees)**

31 Computation of Earnings per Share (Basic and Diluted):

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

	Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
I.	Profit Computation for both Basic and Diluted Earnings Per Share of Rs.10 each:		
	Net Profit as per the Statement of Profit and Loss available for Equity Shareholders	127,243,068	84,075,865
II.	Weighted average number of Equity Shares for Earnings Per Share computation:		
	Number of shares for Basic and Diluted Earnings Per Share	20,000,000	20,000,000
III.	Earnings Per Share:		
	Basic (in Rs.)	6.36	4.20
	Diluted (in Rs.)	6.36	4.20

32 Value of imported and indigenous materials consumed

		Year Ended March 31, 2018		Year Ended March 31, 2017	
		Rs.	%	Rs.	%
a	**Raw Materials**				
	Imported	916,255,778	83.09%	682,439,071	74.70%
	Local	186,529,079	16.91%	231,108,033	25.30%
	Total	**1,102,784,857**	**100.00%**	**913,547,104**	**100.00%**
	Stores and Spares	31,419,147	100.00%	30,333,918	100.00%
	Total	31,419,147	**100.00%**	**30,333,918**	**100.00%**

b	**CIF Value of Imports**	Year Ended March 31, 2018	Year Ended March 31, 2017
	Raw Materials/Packing Material	900,695,644	716,111,522
	Capital Goods (including Capital Work-in-Progress)	7,821,496	234,372
	Total	**908,517,140**	**716,345,894**

c	**Expenditure in Foreign Currency**	Year Ended March 31, 2018	Year Ended March 31, 2017
	Commission	15,927,212	12,692,417
	Bank Interest on Buyers Credit	1,618,777	759,708
	Export Promotion Expenses	87,351	949,257
	Travelling Expenses	1,612,740	3,544,042
	Product Registration	226,733	-
	Plant Inspection Charges	-	1,159,691
	Others	2,298,974	1,981,591
	Total	**21,771,787**	**21,086,706**

d	**Earnings in Foreign Currency**	Year Ended March 31, 2018	Year Ended March 31, 2017
	FOB Value of Exports	1,027,147,400	704,377,034
	Total	**1,027,147,400**	**704,377,034.00**

NGS & CO. LLP ★ MUMBAI ★ CHARTERED ACCOUNTANTS

KOPRAN RESEACH LABORATORIES LIMITED

Notes to Financial Statements for the year ended March 31, 2018 **(Amount In Rupees)**

33 Employee Benefits:

A) Defined Contribution Plan

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

	Year Ended March 31, 2018	Year Ended March 31, 2017
- Employer's contribution to Provident Fund	5,814,821	5,480,007
	5,814,821	**5,480,007**

B) Defined Benefit plan

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

Part A : Gratuity Benefits

	Gratuity benefit Unfunded	
Reconciliation of opening and closing balances of the present value of the defined benefit obligation	As at March 31, 2018 Rs.	As at March 31, 2017 Rs.
Obligation at the beginning of the year	15,864,259	14,100,511
Interest Cost	1,200,924	1,122,401
Service Cost	1,511,702	1,375,806
Past Service Cost	695,969	-
Actuarial (gain)/ loss	407,781	(16,573)
Benefits paid	(526,078)	(717,886)
Obligation at the year end	**19,154,557**	15,864,259
Unfunded Status	**(19,154,557)**	**(15,864,259)**
Expenses Recognized in the Other Comprehensive Income (OCI) for Current Period		
Actuarial (Gains)/Losses on Obligation For the Period	407,781	(16,573)
Return on Plan Assets, Excluding Interest Income		-
Change in Asset Ceiling	-	-
Net (Income)/Expense For the Period Recognized in OCI	**407,781**	**(16,573)**
Unrecognised actuarial gains (losses) at the end of the year		
Reconciliation of present value of the obligation and the fair value of plan assets		
Present value of the defined benefit obligations at the end of the year	19,154,557	15,864,259
Fair value of Plan Assets at the end of the year	-	-
Liability/(Asset) recognised in the Balance Sheet	**19,154,557**	**15,864,259**
Cost for the year		
Service cost	1,511,702	1,375,806
Interest cost	1,200,924	1,122,401
Past Service Cost	695,969	-
Expected return on Plan Assets		-
Actuarial (gain)/loss	407,781	(16,573)
Net cost recognised in the Profit & Loss Account	**3,816,376**	2,481,634
Movement in the liability recognised in the Balance Sheet		
Opening Net Liability	15,864,259	14,100,511
Expenses as above	3,816,376	2,481,634
Contribution paid	(526,078)	(717,886)
Closing Net Liability	**19,154,557**	**15,864,259**
Assumptions used to determine the benefit obligations:		
Discount Rate	7.57%	7.96%
Rate of increase in Compensation levels	6.00%	6.00%

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KOPRAN RESEACH LABORATORIES LIMITED

Notes to Financial Statements for the year ended March 31, 2018 **(Amount In Rupees)**

Part B : Leave Encashment

	Leave Encashment benefit Unfunded	
Reconciliation of opening and closing balances of the present value of the defined benefit obligation	**As at March 31, 2018 Rs.**	**As at March 31, 2017 Rs.**
Obligation at the beginning of the year	4,245,866	3,759,976
Interest Cost	321,412	299,294
Service Cost	466,323	443,841
Actuarial (gain)/ loss	(154,763)	404,726
Benefits paid	(339,776)	(661,971)
Obligation at the year end	**4,539,062**	**4,245,866**
Unfunded Status	**(4,539,062)**	**(4,245,866)**
Limits of Corridor not considered since total		
Actuarial (loss) for the year- obligation	(154,763)	404,726
Actuarial gain/(loss) for the year- Plan Assets		
Sub- Total	(154,763)	404,726
Actuarial loss recognised	**(154,763)**	**263,287**
Unrecognised actuarial gains (losses) at the end of the year		
Reconciliation of present value of the obligation and the fair value of plan assets		
present value of the defined benefit obligations at the end of the year	(4,539,062)	(4,245,866)
Fair value of Plan Assets at the end of the year		-
Liability/(Asset) recognised in the Balance Sheet	**(4,539,062)**	**(4,245,866)**
Cost for the year		
Service cost	466,323	443,841
Interest cost	321,412	299,294
Expected return on Plan Assets		-
Actuarial (gain)/loss	(154,763)	404,726
Net cost recognised in the Profit & Loss Account	**632,972**	**1,147,861**
Movement in the liability recognised in the Balance Sheet		
Opening Net Liability	4,245,866	3,759,976
Expenses as above	632,972	1,147,861
Contribution paid	(339,776)	(661,971)
Closing Net Liability	**4,539,062**	**4,245,866**
Assumptions used to determine the benefit obligations:		
Discount Rate	7.57%	7.96%
Rate of increase in Compensation levels	6.00%	6.00%

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(Amount In Rupees)

34 Related Party Disclosures

Names of related parties where control exists:	
Holding Company	Kopran Limited
Fellow subsidiaries	Kopran Life science Ltd
Key Management Personnel	Vandana Somani (Director) Chandra M Singhi (Director) Shiv Bhagwan Biyani (till November 14, 2017) Rakesh Doshi Hansa Gaggar K B Shetty (CFO)
Other Significantly influenced Related Parties with whom transactions have taken place during the year	Oricon Enterprises Ltd Oricon Containers Ltd

	Names of other related parties with whom transactions have taken place during the year:	
(i)	Holding Company	Kopran Limited
(ii)	Key Management Personnel	Chandra M Singhi (Director) Shiv Bhagwan Biyani (till November 14, 2017) Rakesh Doshi Hansa Gaggar K B Shetty (CFO)
(iii)	Other Significantly influenced Related Parties with whom transactions have taken place during the year	Oricon Enterprises Ltd Oriental Containers Ltd

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KOPRAN RESEACH LABORATORIES LIMITED

Notes to Financial Statements for the year ended March 31, 2018

(Amount In Rupees)

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

Nature of Transaction	Parties referred to in (i) above		Parties referred to in (ii)		Parties referred to in (iii) above		Total	
	2017-2018	2016-2017	2017-2018	2016-2017	2017-2018	2016-2017	2017-2018	2016-2017
Loan Received								
Kopran Limited	325,038,073	815,215,553	-	-	-	-	325,038,073	815,215,553
Mrs Vandana Somani	-	-	50,000,000	-	-	-	50,000,000	-
Oricon Enterprises Limited	-	-	-	-	100,000,000	73,000,000	100,000,000	73,000,000
Oriental Containers Limited	-	-	-	-	-	150,000,000	-	150,000,000
Total	**325,038,073**	**815,215,553**	**50,000,000**	**-**	**100,000,000**	**223,000,000**	**475,038,073**	**1,038,215,553**
Purchases								
Kopran Limited	137,846,327	189,090,523	-	-	-	-	137,846,327	189,090,523
Oricon Enterprises Limited	-	-	-	-	220,436,552	76,900,144	220,436,552	76,900,144
Total	**137,846,327**	**189,090,523**	**-**	**-**	**220,436,552**	**76,900,144**	**358,282,879**	**265,990,667**
Kopran Limited	48,197,919	43,079,574		-	-	-	48,197,919	43,079,574
Total	**48,197,919**	**43,079,574**	**-**	**-**	**-**	**-**	**48,197,919**	**43,079,574**
Interest Expense								
Oriental Containers Limited	-	-	-	-	411,370	2,646,575	411,370	2,646,575
Oricon Enterprises Limited	-	-	-	-	8,286,370	-	8,286,370	-
Kopran Limited	4,947,764	1,519,268	-	-	-	-	4,947,764	1,519,268
Total	**4,947,764**	**1,519,268**	**-**	**-**	**8,697,740**	**2,646,575**	**13,645,504**	**4,165,843**
Interest Payable								
Kopran Limited	-	1,367,341	-	-	-	-	-	1,367,341
Oricon Enterprises Limited	-	-	-	-	626,030	-	626,030	-
Total	**-**	**1,367,341**	**-**	**-**	**626,030**	**-**	**626,030**	**1,367,341**

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KOPRAN RESEACH LABORATORIES LIMITED

Notes to Financial Statements for the year ended March 31, 2018

(Amount In Rupees)

Repayment of Loan taken								
Kopran Limited	356,664,852	784,956,114	-	-	-	-	356,664,852	784,956,114
Oricon Enterprises Limited	-	-	-	-	65,000,000	30,000,000	65,000,000	30,000,000
Oriental containers limited	-	-	-	-	-	150,000,000	-	150,000,000
Total	**356,664,852**	**784,956,114**	-	-	**65,000,000**	**180,000,000**	**421,664,852**	**964,956,114**
Repayment of Loan Given								
Vandana Somani	-	-	116,400,000	-	-	-	116,400,000	-
Total	-	-	**116,400,000**	-	-	-	**116,400,000**	-
Miscellaneous Expenses								
Oricon Enterprises Limited	-	-	-	-	498,401	959,882	498,401	959,882
	-	-	-	-	**498,401**	**959,882**	**498,401**	**959,882**
Remuneration								
Chandra M Singhi	-	-	3,704,830	3,708,275	-	-	3,704,830	3,708,275
Rakesh Doshi	-	-	1,242,000	-	-	-	1,242,000	-
K B Shetty	-	-	1,056,000	871,250	-	-	1,056,000	871,250
Shiv Bhagwan Biyani	-	-	1,013,540	1,584,000	-	-	1,013,540	1,584,000
Hansa Gaggar	-	-	317,940	195,297	-	-	317,940	195,297
	-	-	**7,334,310**	**6,358,822**	-	-	**7,334,310**	**6,358,822**
Director Sitting fees								
Shiv Bhagwan Biyani	-	-	7,500	7,500	-	-	7,500	7,500
Mrs Vandana Somani	-	-	14,750	8,500	-	-	14,750	8,500
	-	-	**22,250**	**16,000**	-	-	**22,250**	**16,000**
Balance Payable/ (Receivable) as at 31 March								
Kopran Limited	25,362,670	104,370,956	-	-	-	-	25,362,670	104,370,956
Mrs Vandana Somani	-	-	-	66,400,000	-	-	-	66,400,000
Oricon Enterprises Ltd	-	-	-	-	201,772,894	43,126,912	201,772,894	43,126,912
	25,362,670	**104,370,956**	-	**66,400,000**	**201,772,894**	**43,126,912**	**227,135,564**	**213,897,868**

Notes to Financial Statements for the year ended March 31, 2018 (Amount In Rupees)

35 Disclosure of Derivatives:

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

Purpose		Particulars of Derivative	
		2017-18	2016-2017
Forward exchange contracts (for export debtors)	USD	1,715,053	465,750
Forward contract value	Rs.	111,547,047	30,199,230

(i) The foreign currency outstanding balances that have not been hedged by any derivative instrument or otherwise as at March 31, 2018 are as follows:

Particulars	Foreign Currency Denomination	Foreign Currency Amount March 31, 2018	Amount March 31, 2018	Foreign Currency Amount March 31, 2017	Amount March 31, 2017
Payables	USD	4,160,897	270,624,744	3,874,613	251,229,921
	EURO	-	-	-	-
	GBP	-	-	-	-
Receivables	USD	2,483,512	161,527,597	2,311,260	149,862,098
	EURO	43,138	3,477,745		
	GBP	-	-	-	-

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

36 Capital Commitments & Contingent liabilities not provided for :	As at March 31, 2018	As at March 31, 2017
(a) Capital Commitments:		
Estimated amounts of contracts remaining to be executed on capital account (net of advances) and not provided for	933,944	6,388,267
(b) Contingent liabilities not provided for :		
i Corporate guarantee given to Bank for finance provided to Kopran Limited	360,000,000	360,000,000
ii Bills discounted with banks	10,001,828	23,396,459
iii Disputed tax Matters :		
Excise duty demand disputed in appeal	2,002,337	2,928,042
Service tax demand disputed in appeal	934,595	454,301

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

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

(a) Geographical Segment:

Particulars	As at March 31, 2018	As at March 31, 2017
Revenue from Operation:		
In India	694,818,402	817,259,285
Outside India	1,057,252,520	769,044,612
Total	**1,752,070,922**	1,586,303,897

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

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

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Principal amount due to suppliers under MSMED Act, 2006*	2,361,750	2,139,736	1,736,351
Interest accrued and due to suppliers under MSMED Act, on the above	NA	NA	NA
Payment made to suppliers (other than interest) beyond the appointed	-	-	-
Interest paid to suppliers under MSMED Act, (other than Section 16)	-	-	-
Interest paid to suppliers under MSMED Act, (Section 16)	-	-	-
Interest due and payable to suppliers under MSMED Act, for payment	-	-	-
Interest accrued and remaining unpaid at the end of the year to suppliers	-	-	-

The above information has been determined to the extent such parties could be identified on the basis of the status of suppliers under

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

NGS & CO. LLP MUMBAI CHARTERED ACCOUNTANTS

(Amount In Rupees)

40. FAIR VALUE MEASUREMENTS

i. Financial Instruments by Category

Particulars	Carrying Amount			Fair Value		
	March 31, 2018	March 31, 2017	April 1, 2016	March 31, 2018	March 31, 2017	April 1, 2016
FINANCIAL ASSETS						
Amortised cost						
Trade Receivables	455,313,891	401,167,344	386,382,858	455,313,891	401,167,344	386,382,858
Cash and Cash Equivalents	207,404	880,726	705,576	207,404	880,726	705,576
Other Financial Assets	7,880,010	1,450,495	1,725,034	7,880,010	1,450,495	1,725,034
Total	**463,401,304**	**403,498,564**	**388,813,468**	**463,401,304**	**403,498,564**	**388,813,468**
FINANCIAL LIABILITIES						
Amortised cost						
Borrowings	285,496,667	345,868,332	377,456,897	285,496,667	345,868,332	377,456,897
Trade Payables	344,317,602	181,788,905	243,724,144	344,317,602	181,788,905	243,724,144
Other financial liabilities	44,723,035	132,575,557	106,633,886	44,723,035	132,575,557	106,633,886
Total	**674,537,304**	**660,232,794**	**727,814,927**	**674,537,304**	**660,232,794**	**727,814,927**

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

ii. Fair Value Measurement

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

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

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

iii. Valuation technique used to determine fair value

Specific Valuation techniques used to value financial instruments include:
- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis

iv. Valuation processes

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

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MUMBAI
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KOPRAN RESEACH LABORATORIES LIMITED

Notes to Financial Statements for the year ended March 31, 2018 **(Amount In Rupees)**

41. Financial Risk Management

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

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

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

Capital Management

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

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

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

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

Foreign Currency Risk

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

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

Trade Payable	2017-18	2016-17
In US $	4,160,897.05	3,874,613.22
In INR	270,624,744	251,229,921
Conversion date of US $	March 31, 2018	March 31, 2017

Foreign exchange risk sensitivity:

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

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KOPRAN RESEACH LABORATORIES LIMITED

Notes to Financial Statements for the year ended March 31, 2018 **(Amount In Rupees)**

A positive number below indicates an increase in profit and negative number below indicates a decrease in profit. Following is the analysis of change in profit where the Indian Rupee strengthens and weakens by 10% against the relevant currency:

	For the year ended March 31, 2018		For the year ended March 31, 2017	
	1% strengthen	1% weakening	1% strengthen	1% weakening
USD	(2,706,247.44)	2,706,247.44	(2,512,299.21)	2,512,299.21

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

Credit Risk

Credit risk refers to the risk of default on its obligation by the counter party resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to Rs. 45,55,57,965 and Rs. 40,11,67,344 as of March 31, 2018 and March 31, 2017 respectively. Trade receivables are typically unsecured and are derived from revenue earned from customers. Credit risk has always been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors and the Company's historical experience for customers.

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

Credit Risk Exposure

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

Liquidity Risk

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

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

As of 31st March 2017, The Company had a working capital of Rs. 16,78,21,109/- including cash and cash equivalent of Rs. 5,00,71,634/-.

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KOPRAN RESEACH LABORATORIES LIMITED

Notes to Financial Statements for the year ended March 31, 2018 (Amount In Rupees)

42. FIRST TIME ADOPTION OF IND AS

B. Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

i. Reconciliation of equity

	Opening Balance Sheet as at April 1, 2016			Balance Sheet as at March 31, 2017		
	IGAAP	Adj on transition	Ind AS	IGAAP	Adj on transition	Ind AS
ASSETS						
1. Non-Current Assets						
Property, Plant and Equipment	975,546,705	(64,709,923)	910,836,782	944,156,673	(63,825,505)	880,331,168
Capital work-in-progress	29,416,519	-	29,416,519	18,480,344	-	18,480,344
Intangible Assets	9,236,278	(0)	9,236,278	6,927,209	(0)	6,927,209
Financial Assets						
Other financial assets	8,691,374	(3,948,866)	4,742,508	7,669,010	(2,519,602)	5,149,408
Other Non Current Assets	-	68,125,332	68,125,332	-	66,760,053	66,760,053
Total Non-Current Assets	**1,022,890,876**	**(533,458)**	**1,022,357,418**	**977,233,236**	**414,945**	**977,648,181**
2. Current Assets						
Inventories	307,129,613	-	307,129,613	354,704,232	-	354,704,232
Financial Assets						
Trade Receivables	387,181,172	(798,314)	386,382,858	403,899,262	(2,731,918)	401,167,344
Cash and Cash Equivalents	705,576	-	705,576	880,726	-	880,726
Other Balances with Bank	498,353	-	498,353	49,190,908	-	49,190,908
Loans	312,200	1,412,834	1,725,034	987,495	463,000	1,450,495
Other Current Assets	29,004,764	-	29,004,764	34,271,028	3,125,000	37,396,028
Total Current Assets	**724,831,677**	**614,520**	**725,446,198**	**843,933,651**	**856,082**	**844,789,732**
Total Assets	**1,747,722,553**	**81,063**	**1,747,803,616**	**1,821,166,887**	**1,271,027**	**1,822,437,914**
EQUITY AND LIABILITIES						
Equity						
Equity Share Capital	200,000,000	-	200,000,000	200,000,000	-	200,000,000
Other Equity	788,988,374	2,581,062	791,569,436	877,880,430	3,771,027	881,651,457
Total Equity	**988,988,374**	2,581,062	**991,569,436**	**1,077,880,430**	**3,771,027**	**1,081,651,457**
Liabilities						
1. Non-Current Liabilities						
Financial Liabilities						
Long Term Borrowings	66,400,000	(66,400,000)	-	110,107,709	(66,400,000)	43,707,709
Provisions	17,571,874	-	17,571,874	20,110,125	-	20,110,125
Total Non-Current Liabilities	**83,971,874**	(66,400,000)	**17,571,874**	**130,217,834**	**(66,400,000)**	**63,817,834**
2. Current Liabilities						
Financial Liabilities						
Short Term Borrowings	311,056,897	66,400,000	377,456,897	279,468,332	66,400,000	345,868,332
Trade Payables	243,724,144	(0)	243,724,144	181,788,905	-	181,788,905
Other Financial Liabilities	-	106,633,886	106,633,886	-	132,575,557	132,575,557
Provisions	288,613	-	288,613	-	-	-
Other Current Liabilities	119,692,652	(109,133,886)	10,558,766	151,811,387	(135,075,557)	16,735,830
Total Current Liabilities	**674,762,306**	**63,900,000**	**738,662,306**	**613,068,623**	**63,900,000**	**676,968,623**
Total Equity and Liabilities	**1,747,722,554**	**81,062**	**1,747,803,616**	**1,821,166,887**	**1,271,027**	**1,822,437,915**

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KOPRAN RESEACH LABORATORIES LIMITED

Notes to Financial Statements for the year ended March 31, 2018

(Amount In Rupees)

ii. Reconciliation of total comprehensive income for the year ended March 31, 2017

	IGAAP	Adj on transition	Ind AS
INCOME			
Revenue From Operations	1,497,575,009	88,728,888	1,586,303,897
Other Income	19,803,442	1,085,431	20,888,873
Total Income	**1,517,378,451**	**89,814,319**	**1,607,192,770**
EXPENSES			
Cost of material consumed	935,556,016	-	935,556,016
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	(1,455,002)	-	(1,455,002)
Employee Benefits Expense	122,563,803	16,573	122,580,376
Finance Costs	40,651,450	(6,503,783)	34,147,668
Depreciation and Amortization Expense	79,981,985	(884,418)	79,097,567
Other Expenses	251,188,143	102,002,138	353,190,281
Total Expenses	**1,428,486,395**	**94,630,510**	**1,523,116,905**
Profit Before Tax	**88,892,056**	**(4,816,191)**	**84,075,865**
Tax Expense			
(1) Current Tax	-	-	-
Less: MAT credit entitlement	-	-	-
(2) Deferred Tax	-	-	-
(3) Taxation adjustment of earlier years	-	-	-
		-	
Profit For The Year	**88,892,056**	**(4,816,191)**	**84,075,865**
Other Comprehensive Income For The Year			
Items that would not be classified subsequently to Profit and Loss			
Remeasurement of Defined benefit palns- OCI	-	16,573	16,573
Total Comprehensive Income For The Year	**88,892,056**	**(4,799,618)**	**84,092,438**

iii. Reconciliation of total equity as at March 31, 2017 and April 1, 2016

Particulars	March 31, 2017	April 1, 2016
Total equity (shareholder's funds) as per previous GAAP	**1,077,880,430**	**988,988,374**
Adjustments:		
Impact of ECL on financial assets	(2,731,918)	(798,314)
Impact of amortization of Financial Gurantee Premium	3,125,000	-
Impact of Reclassificaton of Fixed Assets	884,418	
Impact of Fair Valuation of Deposits	2,500,000	2,500,000
Impact of amortization of premium on operating lease	(6,473)	879,376
Total adjustments	**3,771,027**	**2,581,062**
Total equity as per Ind AS	**1,081,651,457**	**991,569,436**

iv. Reconciliation of total comprehensive income for the year ended March 31, 2017

Particulars	Year Ended March 31, 2017
Profit after tax as per previous GAAP	**88,892,056**
Adjustments:	
Impact of ECL on financial assets	(1,933,604)
Impact of amortization of Financial Gurantee Premium	(2,864,583)
Impact of Reclassificaton of Fixed Assets	884,418
Impact of amortization of premium on operating lease	(885,849)
Impact of remeasurement of defined benefits plans classified in OCI	16,573
Total adjustments	**(4,783,045)**
Profit after tax as per Ind AS	**84,109,011**
Other comprehensive income	(16,573)
Total comprehensive income as per Ind AS	**84,092,438**

NGS & CO. LLP ★ MUMBAI ★ CHARTERED ACCOUNTANTS

KOPRAN RESEACH LABORATORIES LIMITED

Notes to Financial Statements for the year ended March 31, 2018

(Amount In Rupees)

vi. Impact of Ind AS adoption on the statements of cash flows for the year ended March 31, 2017

There are no material adjustments to the Statement of Cash flows as reported under the previous GAAP.

43. 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

NGS & CO. LLP
MUMBAI
CHARTERED ACCOUNTANTS

Ganesh Toshniwal
Partner
M.No. 046669
Mumbai
May 19, 2018

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

Chandra M. Singhi
Director
DIN : 1793293

Rakesh Doshi
Executive Director
DIN : 00359832

K.B. Shetty
Chief Financial Officer

Hansa Gaggar
Company Secretary