

INDEPENDENT AUDITORS' REPORT

To
The Members of
Ramdev Chemical Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the Financial Statements of Ramdev Chemical Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the Financial Statements, including a summary of Significant Accounting Policies and other explanatory information. (hereinafter referred to as "Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the State of Affairs of the Company as at March 31, 2021, the loss (including Other Comprehensive Income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

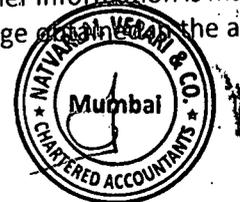
We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Financial Statements.

Information Other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the Other Information. The "Other Information" comprises of the Report of the Board of Directors but does not include the Financial Statements and our Independent Auditors' Report thereon.

Our opinion on the Financial Statements does not cover the Other Information and we do not and will not express any form of assurance or conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the Other Information identified above and, in doing so, consider whether the Other Information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained during the audit, or



Natvarlal Vepari & Co.

CHARTERED ACCOUNTANTS

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otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this Other Information, we are required to report that fact. We have nothing to report in this regard.

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the



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- company has adequate internal financial controls system in place and the operating effectiveness of such controls.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 5. Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

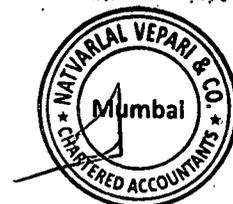
Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, make it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the attached Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss (including comprehensive income), the statement of changes in equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.



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- e. On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended: According to the information and explanations given to us and based on the documents and records produced before us, the Company has not paid any managerial remuneration and therefore provisions of Section 197 are not applicable.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 35 to the Financial Statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were material foreseeable losses;
 - iii. There are no amounts that are required to be transferred to the Investor Education and Protection.

For Natvarlal Vepari & Co.
Chartered Accountants
Firm Registration no.106971W


N. Jayendran

Partner

M. No. – 40441

Mumbai, Dated: May 26, 2021

UDIN : 21040441AAAAABI3679



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ANNEXURE A

To the Independent Auditors' Report on the Financial Statements of Ramdev Chemical Private Limited

- (i)
 - a. The Company has maintained proper records showing full particulars including quantitative details and situation of its Property, Plant and Equipments.
 - b. Property, Plant and Equipments have been physically verified by the management during the year and no material discrepancies were identified on such verification.
 - c. We have verified the title deeds of immovable properties forming part of property, plant and equipment which are in the name of the Company.
- (ii) The management has conducted physical verification of inventory at reasonable intervals during the year. The discrepancies noticed between the book stock and the physical stocks were not material and they have been properly dealt with in the books of accounts.
- (iii) The Company has not granted any loans, secured or unsecured to parties covered in the register maintained u/s 189 of the Companies Act 2013. Consequently, requirement of clause 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013, to the extent applicable, with respect to loans, investments, guarantees and security given.
- (v) In our opinion and according to the information and explanations given to us, the company has not accepted any deposit from the public pursuant to sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and rules framed thereunder. As informed to us, there is no order that has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal in respect of the said sections.
- (vi) As informed to us, the maintenance of the cost records under the sub-section (1) of section 148 of the Companies Act, 2013 has been prescribed and we are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, carried out a detailed examination of the records to ascertain whether they are accurate or complete.



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- (vii) (a) The Company has been by and large regular in depositing with appropriate authorities undisputed statutory dues such as Provident Fund, Professional Tax, Goods and Service Tax, Custom Duty and other statutory dues applicable to it with the appropriate authorities, No undisputed statutory dues payable were in arrears as at March 31, 2021 for a period of more than six months from the date they became payable except Property Tax for Rs. 0.29 lacs and Provident Fund and Family Pension Fund for Rs.0.20 Lacs.
- (b) According to the information and explanations given to us, there are no dues of Sales Tax, Income Tax, GST, Service Tax, Duty of Customs or Duty of Excise or Value Added Tax which have not been deposited on account of any dispute.
- (viii) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not defaulted in repayment of dues to the financial institution, banks, Government or debenture holders.
- (ix) The company has not raised any money by way of public issue / follow-on offer (including debt instruments). The Company has also not raised any term loans during the year. Hence clause 3(ix) of Companies (Auditors Report) Order 2016 is not applicable to the Company.
- (x) According to the information and explanations given to us and to the best of our knowledge and belief no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) The Company has not paid any managerial remuneration and therefore the provisions of Section 197 are not applicable to the Company and consequently Clause 3(xi) of Companies (Auditor's Report) Order, 2016 is not applicable to the Company.
- (xii) The Company is not a Nidhi Company. Hence clause 3(xii) of Companies (Auditor's Report) Order, 2016 is not applicable to the Company.
- (xiii) The Company being an unlisted public company and wholly owned subsidiary of a public company, provisions of Section 177 are not applicable to the Company. However, all transactions with the related parties are in compliance with section 188 of the Companies Act, 2013 in so far as our examination of the proceedings of the meetings of the Board of Directors are concerned. The details of related party transactions have been disclosed in the Ind AS Financial Statements as required by the applicable Indian Accounting Standard.
- (xiv) The Company has not made any preferential allotment / private placement of shares or fully or partly convertible debentures during the year under review and hence clause 3(xiv) of the Companies (Auditor's Report) Order, 2016 is not applicable to the Company.



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- (xv) The Company has not entered into any non-cash transactions with directors or persons connected with him and hence clause 3(xv) of the Companies (Auditor's Report) Order, 2016 is not applicable to the Company.
- (xvi) The nature of business and the activities of the Company are such that the Company is not required to obtain registration under section 45-IA of the Reserve Bank of India Act 1934.

For Natvarlal Vepari & Co.
Chartered Accountants
Firm Registration no.106971W



N. Jayendran
Partner

M. No. – 40441

Mumbai, Dated: May 26, 2021

UDIN : 21040441AAAABI3679



Annexure - B to the Auditors' Report

Report on the Internal Financial Controls with reference to Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to Financial Statements of Ramdev Chemical Private Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

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

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



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Meaning of Internal Financial Controls with reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Financial Statements.

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to Financial Statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2021, 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 Natvarlal Vepari & Co.
Chartered Accountants
Firm Registration no.106971W


N. Jayendran

Partner

M. No. – 40441

Mumbai, Dated: May 26, 2021

UDIN : 21040441AAAABI3679



RAMDEV CHEMICAL PRIVATE LIMITED

CIN No : U24200MH1999PTC120863

Balance Sheet as at March 31, 2021

(All amounts in Indian Rupees in lacs unless otherwise stated)

Particulars	Note Ref.	As at Mar 31, 2021	As at Mar 31, 2020
ASSETS			
1. Non-current assets			
(a) Property, plant & equipment	3A	7,327.20	7,549.00
(b) Capital work-in-progress	3C	280.80	103.02
(c) Other intangible assets	3B	46.99	66.33
(d) Intangible assets under Development	3C	18.00	-
(e) Financial assets			
(i) Loans	4	46.32	37.03
(ii) Others	5	-	-
(f) Deferred tax assets (net)		-	-
(g) Other non-current assets	6	244.36	145.98
Total Non-current assets		7,963.67	7,901.36
2. Current assets			
(a) Inventories	7	2,180.49	1,667.83
(b) Financial assets			
(i) Loans		4.87	8.75
(ii) Trade receivables	8	679.80	1,097.87
(iii) Cash and cash equivalents	9	74.74	3.94
(iv) Bank Balance Other than Cash & Cash Equivale	10	34.87	519.26
(v) Others	5	1.99	1.29
(c) Current tax assets (net)		-	-
(d) Other current assets	6	239.93	88.89
Total Current assets		3,216.69	3,387.83
Total Assets		11,180.36	11,289.19
EQUITY & LIABILITIES			
Equity			
(a) Equity share capital	11	50.00	50.00
(b) Other equity	12	7,107.62	7,940.20
Total Equity		7,157.62	7,990.20
Liabilities			
1. Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	13	-	-
(b) Provisions	14	127.03	125.08
(c) Deferred tax liabilities (net)	15	707.21	1,015.59
(d) Other non-current liabilities	20	-	-
Total Non-current liabilities		834.24	1,140.67
2. Current liabilities			
(a) Financial liabilities			
(i) Borrowings	16	1,900.00	267.67
(ii) Trade payables:			
Total dues of Micro & small enterprises		37.66	-
Total dues of Others	17	981.71	1,674.95
(iii) Other financial liabilities	18	145.25	106.57
(b) Current tax liabilities (net)	19	-	-
(c) Provisions	14	84.83	85.36
(d) Other current liabilities	20	39.05	23.78
Total Current liabilities		3,188.50	2,158.33
Total Equity and Liabilities		11,180.36	11,289.19

The accompanying notes form an integral part of the standalone financial statements

Note : 1 - Significant Accounting policies and Other Related Notes

As per our report of even date attached

For Natvarlal Vepari & Co.

Chartered Accountants

Firm Registration No. : 106971W

N. Jayendran

Partner

M.No. 40441

Place : Mumbai

Date : May 26, 2021

For and on behalf of the Board of Directors of
Ramdev Chemical Private Limited

Babu Jacob

Edakkalathur

Director

DIN: 06759124

Place : Mumbai

Pabitrakumar

Kalipada

Bhattacharyya

Director

DIN: 07131152

RAMDEV CHEMICAL PRIVATE LIMITED
CIN No : U24200MH1999PTC120863
Statement of Profit & Loss for year ended March 31, 2021
(All amounts in Indian Rupees in lacs unless otherwise stated)

Particulars	Note	2020-21	2019-20
I. Revenue from operations	21	3,892.42	4,826.72
II. Other income	22	42.77	71.31
III. Total income (I + II)		3,935.19	4,898.03
IV. Expenses:			
Cost of materials consumed	23	2,868.21	2,146.75
Purchase of stock-in-trade	24	32.58	161.36
Changes in inventories of finished goods, work-in-progress and stock-in-trade	25	(776.35)	179.48
Employee benefit expenses	26	1,009.70	771.97
Finance cost	27	113.19	27.70
Depreciation & amortisation	28	539.89	523.04
Other expenses	29	1,322.66	1,357.72
Total expenses (IV)		5,109.88	5,168.02
V. Profit / (Loss) before exceptional items and tax (III-IV)		(1,174.69)	(269.99)
VI. Exceptional items		-	-
VII. Profit / (Loss) before tax (V-VI)		(1,174.69)	(269.99)
VIII. Tax expense	30	(338.24)	(137.06)
1. Current tax		-	-
2. Short / (excess) provision of taxes for earlier years		(28.55)	19.07
3. Deferred tax liability / (asset)		(309.69)	(156.13)
IX. Profit / (Loss) for the period (VII-VIII)		(836.45)	(132.93)
X. Other comprehensive income			
Items that will not be reclassified to profit or loss			
Actuarial gain and (loss)		5.18	(18.66)
Tax effects thereon		(1.30)	4.70
Other comprehensive income for the year, net of tax		3.88	(13.96)
XI. Total comprehensive income for the year (IX+X)		(832.58)	(146.89)
XII.			
Earnings per equity share (Face value of Rs. 10/- each) :			
Basic (in Rs.)	31	(167.29)	(26.59)
Diluted (in Rs.)		(167.29)	(26.59)

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached
For Natvarlal Vepari & Co.
Chartered Accountants
Firm Registration No. : 106971W



N. Jayendran
Partner
M.No. 40441
Place : Mumbai
Date : May 26, 2021



For and on behalf of the Board of Directors of
Ramdev Chemical Private Limited


Babu Jaicob Edakkalathur
Director
DIN: 06759124


Pabitrakumar Kalipada
Director
DIN: 07131152

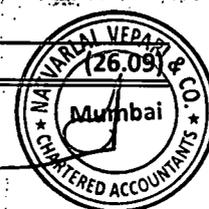
RAMDEV CHEMICAL PRIVATE LIMITED

CIN No : U24200MH1999PTC120863

Cash Flow Statement for year ended March 31, 2021

(All amounts in Indian Rupees in lacs unless otherwise stated)

	2020-21 (Rs. in lacs)	2019-20 (Rs. in lacs)
Cash flow from operating activities:		
Profit / (loss) for the period	(1,174.69)	(269.99)
Add : Adjustments		
Depreciation and amortization expense	539.89	523.04
Interest and borrowing costs	113.10	18.55
Interest on income tax	0.09	9.15
Interest on Income tax refund	(0.97)	-
Interest received	(26.68)	(40.28)
Loss on Sale of assets	-	4.67
Provisions and other write backs	(1.20)	(3.37)
Bad debts and other balance w/off	(32.17)	(0.01)
Exchange (gain) / loss	(0.12)	(6.35)
Sales return provision	(21.97)	(63.25)
	569.97	442.15
Working capital changes		
(Increase) / decrease in trade receivables	451.62	742.25
(Increase) / decrease in loans and other financial assets and other assets	(195.01)	90.18
(Increase) / decrease in inventories	(512.66)	(591.40)
Increase / (decrease) in trade payables	(655.64)	222.84
Increase / (decrease) in other financial liabilities and other liabilities and provisions	57.71	(31.60)
Cash generated from operations	(1,458.70)	604.43
Income tax paid (net of refunds)	22.40	(63.90)
Net cash flows from operating activities	(1,436.30)	540.53
Cash flow from investing activities		
Proceeds from sale of property, plant and equipment	-	11.12
Purchase of property, plant and equipment and CWIP	(508.10)	(470.87)
Capital advance	(52.80)	(42.11)
Movement in Other Bank Balances	484.39	(19.36)
Interest received	25.99	39.18
Net cash flows from / (used in) investing activities	(50.52)	(482.04)
Cash flow from financing activities		
Proceeds from non-current borrowings	-	(11.87)
Repayment of current borrowings	(167.67)	(156.35)
Inter Corporate Deposit received	1,800.00	100.00
Interest paid	(74.71)	(16.36)
Net cash flow from / (used in) financing activities	1,557.62	(84.58)
- Refer note 16(a)		
Net increase /(decrease) in cash and cash equivalents	70.80	(26.09)



	2020-21 (Rs. in lacs)	2019-20 (Rs. in lacs)
Changes in cash and Cash Equivalents		
Cash and cash equivalents at the beginning of the year	3.94	30.03
Cash and cash equivalents at the end of the year	74.74	3.94
	70.80	(26.09)

Components of Cash and Cash equivalents

Balances with banks:		
In Current Accounts	74.64	2.90
Cash on hand	0.10	1.04
Total	74.74	3.94

Refer note no. 16 for reconciliation of liabilities from financing activities

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached
For Natvarlal Vepari & Co.
Chartered Accountants
Firm Registration No. : 106971W

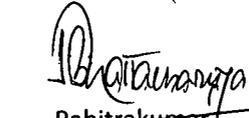
For and on behalf of the Board of Directors of
Ramdev Chemical Private Limited



N. Jayendran
Partner
M.No. 40441
Place : Mumbai
Date : May 26, 2021




*
Babu Jaicob
Edakkalathur
Director
DIN: 06759124


Pabitrakumar
Kalipada
Bhattacharyya
Director
DIN: 07131152

RAMDEV CHEMICALS PRIVATE LIMITED

CIN No : U24200MH1999PTC120863

Statement of changes in Equity

(All amounts in Indian Rupees in lacs unless otherwise stated)

Note : 1

A Equity Share Capital

Particulars	March 31, 2021		March 31, 2020		March 31, 2019	
	Number of Shares	Rs	Number of Shares	Rs	Number of Shares	Rs
Subscribed and Fully Paid up Capital						
Equity shares of INR 10 each						
Opening Balance	5,00,000	50.00	5,00,000	50.00	5,00,000	50.00
Changes in equity share capital during the year	-	-	-	-	-	-
Closing Balance	5,00,000	50.00	5,00,000	50.00	5,00,000	50.00

B Other equity

Particulars	General Reserve	Retained Earnings	Total
Balance as on April 1, 2019	25.53	8,061.56	8,087.09
Profit / (Loss) for the Year 2019-20		(132.93)	(132.93)
Actuarial (gains) / losses - net of Tax		(13.96)	(13.96)
Balance as on March 31, 2020	25.53	7,914.67	7,940.20
Profit / (Loss) for the Year 2020-21		(836.45)	(836.45)
Actuarial (gains) / losses - net of Tax		3.88	3.88
Balance as on March 31, 2021	25.53	7,082.09	7,107.62

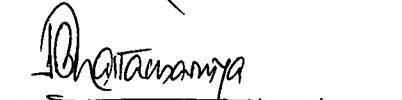
For Natvarlal Vepari & Co.
Chartered Accountants
Firm Registration No. : 106971W

For and on behalf of the Board of Directors of
Ramdev Chemical Private Limited


N. Jayendra
Partner
M.No. 40441
Place : Mumbai
Date : May 26, 2021




Babu Jaicob Edakkalathur
Director
DIN: 06759124


Pabitrakumar Kalipada Bhattacharyya
Director
DIN: 07131152

RAMDEV CHEMICALS PRIVATE LIMITED

CIN No : U24200MH1999PTC120863

Summary of significant accounting policies and other explanatory information to the standalone financial statements for the year ended March 31, 2021.

1. Corporate Information

Ramdev Chemical Private Limited (CIN U24200MH1999PTC120863) incorporated in the year 1999, is a pharmaceutical company manufacturing in all forms, heavy chemicals of all kinds, (Solid, liquid, gaseous), drugs, medicinal, pharmaceuticals, antibiotics products. The products of the Company are sold in and outside India. The Company has a manufacturing unit in India at Tarapur manufacturing APIs. The Company was acquired by Ipca laboratories Limited, a public listed company listed on the stock exchange, in April 2019 and is presently a wholly owned subsidiary of Ipca Laboratories Limited.

The Standalone financial statements were authorised for issue in accordance with a resolution of the Directors on May 26, 2021.

2. Basis of Preparation and Significant Accounting Policies

i. Basis of preparation

Since the Company is a wholly owned subsidiary of IPCA Laboratories Limited since April, 2019, The Companies (Indian Accounting Standard) Rules, 2015 are applicable in accordance with the MCA notification G.S.R. 111 (E) dated, February 16, 2015 with effect from financial year ending March 31,2020.

These financial statements are prepared in accordance with The Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The standalone financial statements are presented in INR and all values are rounded to the nearest lacs, except otherwise stated.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

ii. Use of Judgments, Estimates and Assumption

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of circumstances surrounding the estimates. Changes in estimates are reflected in the financial statement in the period in which changes are made and if material, their effects are disclosed in the notes to the financial statements.

The financial statements require management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities,



and the accompanying disclosures, and the disclosures of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

a. Taxes

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

b. Defined benefit plans (Gratuity benefits)

The cost of the defined benefit plans, compensated absences and the present value of the defined benefit obligations are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These interalia 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.

c. 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.

d. Impairment of Property, Plant and Equipment

For property, plant and equipment and intangibles, an assessment is made at each reporting date to determine whether there is an indication that the carrying amount may not be recoverable or previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised.

e. Inventories

The Company estimates the net realisable value (NRV) of its inventories by taking into account estimated selling price, estimated cost of completion, estimated costs necessary to make the sale, obsolescence considering the past trend. Inventories are written down to NRV where such NRV is lower than their cost.

f. Recognition and measurement of other Provisions

The recognition and measurement of other provisions is based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the closing date. The actual outflow of resources at a future date may therefore, vary from the amount included in other provisions.

iii. Current and non-current classification

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.



The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is current when :

- It is expected to be realised or intended to be sold or consumed in normal operating cycle, or
- It is held primarily for the purpose of trading, or
- It is expected to be realised within twelve months after the reporting period, or
- It is 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, or
- It is held primarily for the purpose of trading, or
- 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.

iv. Property, Plant and Equipment

- a) The Company has elected to fair value its Property, Plant and Equipment on transition date. Cost of acquisition comprises its purchase price including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discount and rebates are deducted in arriving at the purchase price.
- b) Stores and spares which meet the definition of Property, Plant and Equipment and satisfy the recognition criteria of Ind AS 16 are capitalised as Property, Plant and Equipment.
- c) Capital Work In Progress represents expenditure incurred on capital assets that are under construction or are pending capitalisation and includes project expenses pending allocation. Project expenses pending allocation are apportioned to the Property, Plant and Equipment of the project proportionately on capitalisation.
- d) Cost of borrowing for assets taking substantial time to be ready for use is capitalised for the period up to the time the asset is ready for its intended use.
- e) Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.
- f) The residual useful life of Property, Plant & Equipment is reviewed at each balance sheet date and adjusted if required in the depreciation rates.
- g) **Depreciation methods, estimated useful lives and residual value**

Depreciation on all assets of the Company is charged on straight line method over the useful life of assets mentioned in Schedule II to the Companies Act ,2013 or the useful life previously assessed by the management based on technical review whichever is lower for the proportionate period of use during the year. Intangible assets are amortised over the economic useful life estimated by the management.



The management's estimated useful life/useful life as per schedule II whichever is lower for the various tangible assets are as follows:

Assets	Estimated useful life (Years)
Leasehold Land	Period of lease
Buildings	28 to 58 years
Plant and equipments	7 to 18 years
Office and other equipments	5 years
Computers	3 to 6 years
Furnitures and other fixtures	6 to 10 years
Vehicles	6 years

v. Intangible assets

The Company has elected to fair value its intangible assets on transition date. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically including at each financial year end.

The management has estimated the economic useful life for the various intangible assets as follows:

Assets	Estimated useful life (Years)
Know how	4 years
Software	4 years

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

vi. Revenue recognition

- a. The Company derives revenues primarily from sale of products and services. Revenue from sale of goods is recognised net of returns, product expiry claims and discounts.

Revenue is recognized on satisfaction of performance obligations upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services.

To recognize revenues, the Company applies the following five step approach:

1. Identify the contract with a customer;
2. Identify the performance obligations in the contract;



3. Determine the transaction price;
4. Allocate the transaction price to the performance obligations in the contract; and
5. Recognize revenues when a performance obligation is satisfied.

Performance obligation may be satisfied over time or at a point in time. Performance obligations satisfied over time if any one of the following criteria is met. In such cases, revenue is recognized over time.

1. The customer simultaneously receives and consumes the benefits provided by the Company's performance; or
2. The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
3. The Company's performance does not create an asset with an alternative use to the Company and the Company has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

Where Revenue is recognized over time, the amount of revenue is determined on the basis of contract costs incurred in relation to estimated contract expenses.

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties.

The Company presents revenues net of indirect taxes in its statement of profit and loss.

- b. In case of export benefits which are in the nature of neutralisation of duties and taxes are grouped under material costs. All other export incentives are grouped under other operating revenue.
- c. Revenue in respect of insurance/other claims, commission, etc. are recognised only when it is reasonably certain that the ultimate collection will be made.
- d. For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR).

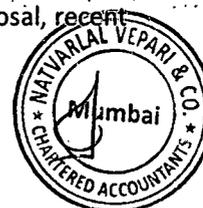
vii. Borrowings

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. Other borrowing costs are expensed in the period in which they are incurred.

viii. Impairment of assets

Carrying amount of Tangible assets, Intangible assets, Investments in Subsidiaries, Joint Venture and Associates (which are carried at cost) are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. 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.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or Company's assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

ix. Leases

Effective April 1, 2018, the Company adopted Ind AS 116 "Leases" as per para 8, 9, D9B(a) & D9B(b)(ii) of Ind AS 101 and applied the standard to all lease contracts existing on April 1, 2018 at the date of transition.

The Company, as a lessee, recognizes a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset. The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate.

For short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

x. Inventories

Items of inventories are valued at lower of cost or estimated net realisable value as given below:

Raw Materials and Packing Materials	Lower of cost and net realisable value. However materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on First In First Out basis.
Work-in-process and Finished Goods	At lower of cost (material cost net of refundable taxes, labour cost and all manufacturing overheads) and net realisable value.
Traded Goods	Traded Goods are valued at lower of cost and net realisable value.

The factors that the Company considers in determining the allowance for slow moving, obsolete and other non-saleable inventory in determining net realisable value include ageing



of inventory, estimated shelf life, price changes, introduction of competitive new products and such other related factors.

Cost in case of Raw material and Packing material, Stores and Spare and Traded Goods include purchase cost net of refundable taxes and other overheads incurred in bringing such items of inventory to its present location and condition.

xi. Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits in banks and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown within bank borrowings in current liabilities in the balance sheet.

xii. Provisions, contingent liabilities and contingent assets

Provision

A Provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Contingent liabilities

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

xiii. Retirement and other employee benefits

Provident fund

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

Gratuity

Gratuity, a post employment defined benefit obligation is provided on the basis of an actuarial valuation made at the end of each year/period on projected unit credit method.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.



Compensated absences

The Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using Projected Unit Credit method on the additional amount expected to be paid/availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia, bonus and performance incentive are recognised in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

xiv. Foreign currencies

Transactions and balances:

- i. The functional currency of the Company is the Indian rupee. These financial statements are presented in Indian rupees.
- ii. Transactions denominated in foreign currency are recorded at the exchange rate on the date of transaction where the settlement of such transactions are taking place at a later date. The exchange gain/loss on settlement / negotiation during the year is recognised in the statement of profit and loss. In case of advance payment for purchase of assets/goods/services and advance receipt against sales of products/services, all such purchase/sales transaction are recorded at the rate at which such advances are paid/received.
- iii. Foreign currency monetary transactions remaining unsettled at the end of the year are converted at year-end rates. The resultant gain or loss is accounted for in the statement of profit and loss.
- iv. Non-monetary items that are measured at historical cost denominated in foreign currency are translated using exchange rate at the date of transaction.
- v. The overseas trading offices are non-integral operations and the overseas non trading offices are integral operations and are accounted accordingly.

xv. Fair Value Measurement

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



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

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

xvi. Financial instruments

a. Financial assets & financial liabilities

Initial recognition and measurement

All financial assets and liabilities are recognised initially at fair value.

In the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset is treated as cost of acquisition. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

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

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

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 7 details how the entity determines whether there has been a significant increase in credit risk. For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

De-recognition of financial instruments

A financial asset is de-recognised only when

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



Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised.

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

A financial liability (or a part of a financial liability) is de-recognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

b. Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement

The Company uses derivative financial instruments such as forward currency contracts, interest rate swaps to hedge its foreign currency risks, interest rate risks, respectively.

Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The purchase contracts that meet the definition of a derivative under Ind AS 109 are recognised in the statement of profit and loss.

xvii. Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

xviii. Goods and service tax input credit

Input tax credit is accounted for in the books in the period in which the underlying service received is accounted and when there is reasonable certainty in availing / utilising the credits.

xix. Taxes

Tax expenses comprise Current Tax and Deferred Tax :

a. Current tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.



b. Deferred tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

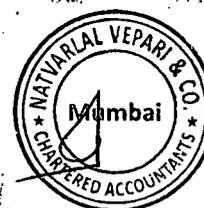
For items recognised in OCI or equity, deferred / current tax is also recognised in OCI or equity.

c. MAT credit

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognises MAT credit available as an asset only to the extent that there is reasonable 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 MAT credit to the extent there is reasonable certainty that the Company will utilize the credit is recognised in the statement of profit and loss and corresponding debit is done to the deferred tax asset as unused tax credit.

xx. Earnings per share

Earnings per share is calculated by dividing the net profit or loss before OCI for the year by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss before OCI for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.



RAMDEV CHEMICAL PVT. LTD.

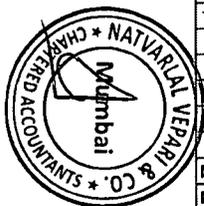
(All amounts in Indian Rupees in lacs unless otherwise stated)

3A PROPERTY, PLANT & EQUIPMENT

Particulars	Land under Lease	Building	Plant and Equipments	Office and Other Equipment	Effluent Treatment Plant	Furniture and Fixtures	Vehicles	Total
GROSS BLOCK								
As on 31/03/2019	1,377.00	2,031.71	4,424.41	25.23	300.00	20.10	24.83	8,203.28
Additions	-	138.87	144.66	5.36	13.62	7.94	-	310.45
Disposals/Adjustments	-	(46.35)	69.98	-	-	-	(19.08)	4.55
As on 31/03/2020	1,377.00	2,124.23	4,639.05	30.59	313.62	28.04	5.75	8,518.28
Additions	-	11.24	274.94	3.70	6.45	0.45	-	296.78
Disposals/Adjustments	-	-	-	-	-	-	-	-
As on 31/03/2021	1,377.00	2,135.47	4,913.99	34.29	320.07	28.49	5.75	8,815.06
ACCUMULATED DEPRECIATION								
As on 31/03/2019	18.71	74.51	341.08	5.97	18.99	2.55	3.79	465.60
Charge for the year	18.71	81.79	373.40	7.62	19.21	4.92	1.32	506.97
Disposals/Adjustments	-	-	-	-	-	-	(3.29)	(3.29)
As on 31/03/2020	37.42	156.30	714.48	13.59	38.20	7.47	1.82	969.28
Charge for the year	18.71	83.37	384.75	7.14	20.13	3.58	0.91	518.59
Disposals/Adjustments	-	-	-	-	-	-	-	-
As on 31/03/2021	56.13	239.67	1,099.23	20.72	58.33	11.05	2.73	1,487.87
NET BLOCK AS ON 31/03/2020	1,339.58	1,967.93	3,924.57	17.00	275.42	20.57	3.93	7,549.00
NET BLOCK AS ON 31/03/2021	1,320.87	1,895.80	3,814.76	13.57	261.74	17.44	3.02	7,327.20

3B OTHER INTANGIBLE ASSETS

	Software	Know-How	Total
GROSS BLOCK			
As on 31/03/2019	-	5.00	5.00
Additions	78.66	-	78.66
Disposals/Adjustments	-	-	-
As on 31/03/2020	78.66	5.00	83.66
Additions	1.96	-	1.96
Disposals/Adjustments	-	-	-
As on 31/03/2021	80.62	5.00	85.62
ACCUMULATED DPR/AMORT.			
As on 31/03/2019	-	1.25	1.25
Charge for the year	14.83	1.25	16.08
Disposals/Adjustments	-	-	-
As on 31/03/2020	14.83	2.50	17.33
Charge for the year	20.05	1.25	21.30
Disposals/Adjustments	-	-	-
As on 31/03/2021	34.88	3.75	38.63
NET BLOCK AS ON 31/03/2020	63.83	2.50	66.33
NET BLOCK AS ON 31/03/2021	45.74	1.25	46.99



RAMDEV CHEMICAL PVT. LTD.

(All amounts in Indian Rupees in lacs unless otherwise stated)

3C CAPITAL WORK IN PROGRESS / INTANGIBLE ASSETS UNDER DEVELOPMENT

Particulars	CWIP				IAUD
	Plant and Equipments	Effluent Treatment Plant	Building	Total	Software
As at 31st April 2019	-	-	-	-	-
Additions	97.91	5.11	-	103.02	-
Capitalization	-	-	-	-	-
As at 31st March 2020	97.91	5.11	-	103.02	-
Additions	253.90	-	26.90	280.80	18.00
Capitalization	(97.91)	(5.11)	-	(103.02)	-
As at 31st March 2021	253.90	-	26.90	280.80	18.00

- i) The Company has carried out the exercise of assessment of any indication of impairment to its property plant and equipment as on the Balance Sheet date. Pursuant to such exercise it is determined that there has been no impairment to its property, plant and equipment during the year.



RAMDEV CHEMICALS PRIVATE LIMITED
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Notes to Financial Statements as at and for the year ended March 31, 2021
(All amounts in Indian Rupees in lacs unless otherwise stated)

FINANCIAL ASSETS

4 Loans (At Amortized Cost)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Non Current	Current	Non Current	Current
<i>Unsecured, considered good</i>				
Deposit	41.85	-	26.91	-
Loans given to Employees	4.47	4.87	10.12	8.75
Total	46.32	4.87	37.03	8.75

5 Other Financial Assets (At Amortized Cost)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Non current	Current	Non current	Current
<i>Unsecured, considered good</i>				
Other Income Receivable	-	1.99	-	1.29
Total	-	1.99	-	1.29

6 Other Non-Financial Assets

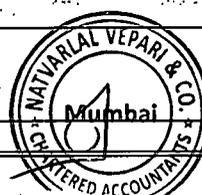
Particulars	As at March 31, 2021		As at March 31, 2020	
	Non current	Current	Non current	Current
<i>Unsecured, considered good</i>				
Duties and taxes refundable	10.94	-	57.91	-
Unutilised Indirect Tax Credit	-	210.53	-	46.99
Prepaid expenses	0.04	17.17	0.09	19.34
Advance to suppliers	-	4.60	-	4.95
Advance given to Employees	-	0.06	-	0.38
Prepaid Taxes net of provision	52.90	-	45.87	-
Capital Advance	94.91	-	42.11	-
<u>Export benefit receivable</u>				
- MEIS Benefit	-	1.55	-	11.09
- Duty Drawback	-	6.00	-	6.00
Payment against disputed demand	85.57	-	-	-
Others	-	0.02	-	0.14
Total	244.36	239.93	145.98	88.89

7 Inventories

Particulars	As at March 31, 2021	As at March 31, 2020
i) Raw materials		
- In hand	774.54	1,131.87
- In transit	86.34	-
ii) Packing materials		
- In hand	15.79	8.49
iii) Work-in-progress	555.19	340.71
iv) Finished goods		
In hand- Own	748.63	186.76
Total	2,180.49	1,667.83

(a) The disclosure of inventories recognised as an expense in accordance with paragraph 36 of Ind AS 2 is as follows:

Particulars	2020-21	2019-20
Amount of inventories recognised as an expense	2,124.44	2,487.59
Amount of write - down of inventories recognised as expenses	-	-
Total	2,124.44	2,487.59



RAMDEV CHEMICALS PRIVATE LIMITED

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Notes to Financial Statements as at and for the year ended March 31, 2021

(All amounts in Indian Rupees in lacs unless otherwise stated)

8 Trade Receivables (At Amortized Cost)

Particulars	As at March 31, 2021	As at March 31, 2020
<i>Unsecured, considered good</i>		
Considered good *	685.20	1,104.47
Less: Allowance for credit loss	(5.40)	(6.60)
Total	679.80	1,097.87

* includes receivables from Related party amounting to Rs. 12.11 lacs (P.Y. Rs. 0.07 lacs).

The Company uses a provision matrix to determine impairment loss on portfolio of its trade receivable. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward- looking estimates. At every reporting date, the historical observed default rates are updated and changes in forward-looking estimates are analysed. The Company estimates the following matrix at the reporting date which is calculated on overdue amounts.

Since the company calculates impairment under the simplified approach the Company does not track the changes in credit risk of trade receivables the impairment amount represents lifetime expected credit loss. Hence the additional disclosures in trade receivables for changes in credit risk and credit impaired trade receivable are not disclosed.

(i) Movement in the expected credit loss allowance

Particulars	As at March 31, 2021	As at March 31, 2020
Balance at the beginning of the period	6.60	9.97
Movement in expected credit loss allowance	(1.20)	(3.37)
Provision at the end of the period	5.40	6.60

9 Cash and Cash Equivalents

Particulars	As at March 31, 2021	As at March 31, 2020
Balances with banks:		
In Current Accounts	74.64	2.90
Cash on hand	0.10	1.04
Total	74.74	3.94

10 Bank Balance Other Than (9) above

Particulars	As at March 31, 2021	As at March 31, 2020
Fixed deposit with bank (Lien)*	34.87	519.26
Total	34.87	519.26

*The above Fixed Deposit with Bank (Lien) is margin kept with IDBI Bank Limited in compliance with the sanction terms or against Guarantees issued

11 Equity Share Capital

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number of Shares	Rs	Number of Shares	Rs
Authorised capital				
Equity shares of Rs. 10 each	5,00,000	50.00	5,00,000	50.00
Issued & subscribed equity Shares of Rs. 10 each	5,00,000	50.00	5,00,000	50.00
Paid up equity shares of Rs. 10 each	5,00,000	50.00	5,00,000	50.00
Total		50.00		50.00



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Notes to Financial Statements as at and for the year ended March 31, 2021

(All amounts in Indian Rupees in lacs unless otherwise stated)

(a) Reconciliation of number of shares outstanding

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number of Shares	Rs	Number of Shares	Rs
As at the beginning of the year	5,00,000	50.00	5,00,000	50.00
Add : Issued during the year	-	-	-	-
As at the end of the year	5,00,000	50.00	5,00,000	50.00

(b) The Company is a 100% subsidiary of Ipca Laboratories Limited.

(c) Details of Shareholding in excess of 5%

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number of Shares	%	Number of Shares	%
Ipca Laboratories Limited*	5,00,000	100.00%	5,00,000	100.00%

* 30 shares are held by nominee of Ipca Laboratories Limited

(d) As per the records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of the shares.

(e) The Company has only one class of shares referred to as equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

(f) The Company has not issued any bonus equity shares to its shareholders since inception. The Company has also not granted any options to its employees under Employee Stock Options Scheme ('ESOP') since inception.

12 Other Equity

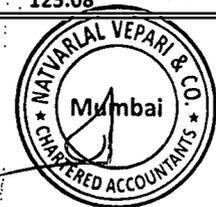
Particulars	As at March 31, 2021	As at March 31, 2020
General Reserve	25.53	25.53
Retained earnings	7,082.09	7,914.67
Total	7,107.62	7,940.20

13 Long-term Borrowings - Secured (At Amortized Cost)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Non-Current	Current Maturities	Non-Current	Current Maturities
	-	-	-	-
Total	-	-	-	-

14 Provisions

Particulars	As at March 31, 2021		As at March 31, 2020	
	Non Current	Current	Non Current	Current
Gratuity	113.26	5.60	113.06	6.29
Provision for leave encashment	13.77	1.53	12.02	1.42
Provision for sales return	-	55.68	-	77.65
Provision for wage arrears	-	22.02	-	-
Total	127.03	84.83	125.08	85.36



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- a Disclosure in accordance with Ind AS – 37 “Provisions, Contingent Liabilities and Contingent Assets”, of the Companies (Indian Accounting Standards) Rules, 2015.

Particulars	2020-21			Closing
	Opening	Addition during the year	Utilised / Reversed during the year	
Provision for wage arrears	-	22.02	-	22.02
Provision for Sales return	77.65	-	21.97	55.68
Particulars				
	2019-20			
Provision for Sales return	140.90	-	63.25	77.65

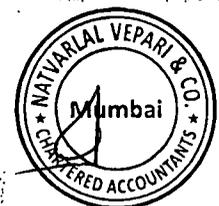
- b Disclosure in accordance with Ind AS – 19 “Employee Benefits”, of the Companies (Indian Accounting Standards) Rules, 2015.
The Company has carried out the actuarial valuation of Gratuity and Leave Encashment liability under actuarial principle, in accordance with Ind AS 19 - Employee Benefits. The total amount of gratuity determined on actuarial method is Rs. 118.86 lacs (P.Y. Rs. 119.35 lacs). The gratuity liability of the company is entirely unfunded.

- (i) The following table summarizes the components of net benefit expense recognized in the statement of profit and loss and the unfunded status and amounts recognized in the balance sheet.

Particulars	As at March 31, 2021	As at March 31, 2020
Expense recognised in Statement of Profit and Loss		
Current service cost	13.05	11.64
Past service cost	-	-
Service cost	13.05	11.64
Net interest on net defined benefit liability / asset	7.89	6.61
Total	20.94	18.24
Expense recognised in Other Comprehensive Income		
Actuarial (gains) / losses	(5.18)	18.66
Net asset / liability recognised in Balance Sheet		
Present value of defined benefit obligation	118.86	119.35
Fair value of plan assets	-	-
	118.86	119.35
Change in obligation during the year		
Present value of defined benefit obligation at the beginning of the year	119.35	86.53
Current service cost	13.05	11.64
Interest cost	7.89	6.61
Benefits paid	(16.26)	(4.08)
Actuarial (gains) / losses	(5.18)	18.66
Present value of defined benefit obligation at the end of the year	118.86	119.35
Current / Non-current Liability		
Current Liability	5.60	6.29
Non current Liability	113.26	113.06

- (ii) The principal assumptions used in determining the gratuity obligations are as follows :

Financial assumptions		
Discount rate	6.96%	6.79%
Salary escalation rate	5.50%	5.50%



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Demographic assumptions

	1%	1%
	Ind Assured Lives	Ind Assured Lives
	Mortality (2012-	Mortality (2012-
	14) Ult	14) Ult
Withdrawal rate		
Mortality rate		

(iii) Sensitivity analysis

Discount rate

Effect on defined benefit obligation due to 1% increase in discount rate	(106.12)	(106.28)
Effect on defined benefit obligation due to 1% decrease in discount rate	134.14	135.08

Salary escalation

Effect on defined benefit obligation due to 1% increase in salary escalation rate	134.21	135.12
Effect on defined benefit obligation due to 1% decrease in salary escalation rate	(105.85)	(106.02)

(iv) Description of Risk Exposures

Gratuity is a defined benefit plan and company is exposed to the Following Risks:

- (a) **Interest risk** : The defined benefit obligation calculated uses a discount rate based on government bonds. If bonds yields fall, the defined benefit obligation will tend to increase.
- (b) **Salary inflation risk** : Higher then expected increases in salary will increase the defined benefit obligation.
- (c) **Demographic risk** : This is the risk of variability of results due to unsystematic nature of decrements that include mortality withdrawal , disability of retirement. The effect of theses decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. it is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

15 Deferred Tax Liabilities (Net)

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred Tax Liability		
Property, Plant and Equipment	1,029.80	1,087.90
Deferred Tax Asset		
Employee benefits	(34.56)	(31.81)
Expected Credit loss	(1.36)	(1.66)
Remeasurement gain/(loss) on defined benefit plans	(6.99)	(8.29)
Unabsorbed Tax losses	(279.68)	(30.55)
Total	707.21	1,015.59

16 Short term Borrowings - Secured (At Amortizedd Cost)

Particulars	As at March 31, 2021	As at March 31, 2020
Working capital loan from banks (Refer Note 9A)	-	167.67
ICD from Holding Company	1,900.00	100.00
Total	1,900.00	267.67

Inter Corporate deposit is taken from Holding Company at interest rate of 10% p.a. which is to be repaid within a period of six months.



RAMDEV CHEMICALS PRIVATE LIMITED

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Notes to Financial Statements as at and for the year ended March 31, 2021

(All amounts in Indian Rupees in lacs unless otherwise stated)

(a) Disclosure as per INDAS 7 " Statement of Cash Flow " - Movement arising from financing Activity

Particulars	Long term borrowings	Short term borrowings	Current maturities	Total
Closing balance as on March 31, 2019	5.75	324.02	6.12	335.89
Changes from financing cash flows	(5.75)	(56.35)	(6.12)	(68.22)
Non cash changes (amortization of borrowing cost)	-	-	-	-
Other changes (transfer within categories)	-	0	-	-
Closing balance as on March 31, 2020	-	267.67	-	267.67
Changes from financing cash flows	-	1,632.33	-	1,632.33
Non cash changes (amortization of borrowing cost)	-	-	-	-
Other changes (transfer within categories)	-	-	-	-
Closing balance as on March 31, 2021	-	1,900.00	-	1,900.00

17 Trade Payables (At Amortized Cost)

Particulars	As at March 31, 2021	As at March 31, 2020
a) Trade payables for goods and services:		
- Total outstanding dues of Micro and small enterprises	37.66	-
- Others *	981.71	1,674.95
Total	1,019.37	1,674.95

* Refer Annexure A for Details of Related party

(a) Disclosure in accordance with Section 22 of Micro Small and Medium Enterprises Development Act 2006.

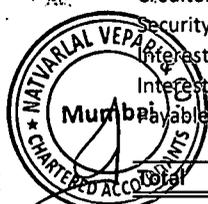
The amount due to Micro and Small Enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosures relating to Micro and Small Enterprises are as under:

Particulars	As at March 31, 2021	As at March 31, 2020
Principal amount due	37.66	-
Interest due on above	0.93	-
Amount of interest paid in terms of Sec 16 of the Micro, Small and Medium Enterprise Development Act, 2006	-	-
- Principal amount paid beyond appointed day	-	-
- Interest paid thereon	-	-
Amount of interest due and payable for the period of delay	-	-
Amount of interest accrued and remaining unpaid as at year end	2.65	-
Amount of further interest remaining due and payable in the succeeding year	-	-

Under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act"), which came into force from October 2, 2006, certain disclosures are required to be made relating to Micro, Small and Medium Enterprises. On the basis of the information and records available with the Company's management, dues to Micro, Small and Medium Enterprises have been determined to the extent such parties have been identified on the basis of information collected till the reporting date and has been relied upon by the statutory auditors.

18 Other Financial Liabilities (At Amortized Cost)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Non current	Current	Non current	Current
Creditors for Capital Goods	-	7.68	-	21.26
Security Deposit	-	0.25	-	-
Interest Accrued (Related Party)	-	37.93	-	2.19
Interest Accrued (Others)	-	2.65	-	-
Payable to Employees	-	96.74	-	83.12
Total	-	145.25	-	106.57



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Notes to Financial Statements as at and for the year ended March 31, 2021
(All amounts in Indian Rupees in lacs unless otherwise stated)

19 Current Tax Liabilities (Net)

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for taxation (Net of Prepaid Tax)	-	-
Total	-	-

20 Other Non-Financial Liabilities

Particulars	As at March 31, 2021		As at March 31, 2020	
	Non current	Current	Non current	Current
Advance from customer	-	15.81	-	0.97
Duties and taxes payable	-	16.02	-	16.26
Other Statutory Dues	-	7.22	-	6.55
Total	-	39.05	-	23.78

21 Revenue from Operations (Net)

Particulars	2020-21	2019-20
Sale of products	3,888.47	4,710.98
Sale of Services	-	97.42
Other Operating Revenue		
Scrap Sale	2.41	1.09
Export incentives	1.54	17.23
Total	3,892.42	4,826.72

a) Disclosure relating to disaggregation of revenue in terms of Ind AS 115

Particulars	2020-21		2019-20	
	Domestic	Export	Domestic	Export
Sale of API's	3,587.50	300.97	4,506.34	204.64
Sale of Services	-	-	97.42	-
Total	3,587.50	300.97	4,603.76	204.64

b) There are four parties which each individually account for more that 10% of sales of the company.

c) Details of Contract Liabilities

	2020-21	2019-20
Advances from Customers	15.81	0.97

22 Other Income

Particulars	2020-21	2019-20
Interest income	26.68	40.28
Interest on Income tax refund	0.97	-
Miscellaneous Income	1.38	18.25
Miscellaneous Balance Written Back	8.40	2.65
Foreign exchange (gain)/loss (net)	3.35	6.76
Excess provision reversal	1.20	3.37
Bad debt recovered account	0.79	-
Total	42.77	71.31



RAMDEV CHEMICALS PRIVATE LIMITED

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Notes to Financial Statements as at and for the year ended March 31, 2021

(All amounts in Indian Rupees in lacs unless otherwise stated)

23 Cost of Materials Consumed

Particulars	2020-21		2019-20	
Raw materials consumed				
Opening stock	1,131.87		367.91	
Add : Purchases (net of discount)	2,572.03		2,885.00	
Less : Closing stock	(860.88)	2,843.02	(1,131.87)	2,121.04
Packing materials consumed				
Opening stock	8.49		1.57	
Add : Purchases (net of discount)	36.22		35.45	
Less : Closing stock	(15.79)	28.92	(8.49)	28.53
Neutralisation of duties and Taxes on inputs on exports - Drawback benefits	(3.73)	(3.73)	(2.82)	(2.82)
Total		2,868.21		2,146.75

24 Purchase of Traded Goods

Particulars	2020-21		2019-20	
Purchase of API		32.58		161.36
Total		32.58		161.36

25 Changes in inventories of Finished Goods(FG) and Work-in-progress(WIP)

Particulars	2020-21		2019-20	
Inventory adjustments - WIP				
Stock at commencement	340.71		441.18	
Less: - Stock at closing	(555.19)	(214.48)	(340.71)	100.47
Inventory adjustments - FG				
Stock at commencement	186.76		265.77	
Less : Stock at closing	(748.63)	(561.87)	(186.76)	79.01
Total		(776.35)		179.48

26 Employee Benefits Expenses

Particulars	2020-21		2019-20	
Salaries , bonus , perquisites , etc.		879.59		684.71
Contribution to provident and other funds		42.27		38.10
COVID Relief Ex-Gratia		30.28		-
Leave encashment		3.86		2.38
Gratuity Expenses		20.94		18.24
Recruitment & Training		2.66		1.72
Staff welfare expenses		30.10		26.82
Total		1,009.70		771.97

27 Finance Cost

Particulars	2020-21		2019-20	
Interest expense		113.10		18.55
Interest on Income tax		0.09		9.15
Total		113.19		27.70

28 Depreciation & Amortisation

Particulars	2020-21		2019-20	
Depreciation on tangible assets		518.59		506.96
Amortisation on intangible assets		21.30		16.08
Total		539.89		523.04



RAMDEV CHEMICALS PRIVATE LIMITED
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Notes to Financial Statements as at and for the year ended March 31, 2021
(All amounts in Indian Rupees in lacs unless otherwise stated)

29 Other Expenses

Particulars	2020-21	2019-20
Consumption of stores and spares	140.03	135.98
Power and fuel	341.33	296.78
Water charges	12.88	10.25
Insurance	32.06	35.13
Outside Manufacturing charges	261.12	328.56
Repairs and maintenance - Building	29.20	53.11
Repairs and maintenance - machinery	235.67	203.08
Repairs and maintenance - others	2.96	4.06
Rent	4.13	11.38
Rates and taxes	4.63	16.78
Commission on Sales	8.55	3.34
Commission -Others	-	14.76
Communication expenses	3.09	4.07
Freight, forwarding and transportation	45.84	36.04
Laboratory expenses and analytical charges	110.72	101.97
Printing and stationery	13.73	9.05
Professional charges	27.46	27.46
<u>Remuneration to auditors</u>		
- Audit fees including tax audit fees	4.00	5.50
- Taxation matters	0.90	-
Sales and marketing expenses	0.01	0.70
Travelling expenses	0.88	17.53
Bad debts and other balance w/off	32.17	0.01
CSR Expenses	5.00	25.00
Bank Charges	0.93	2.10
GST Expenses	0.13	6.63
Books, subscription and software	0.03	0.10
Loss on Sale of Assets	-	4.67
Miscellaneous expenses (none of which individually forms more than 1% of the operating revenue)	5.21	3.68
Total	1,322.66	1,357.72

30 Tax Expense

Particulars	As at March 31, 2021	As at March 31, 2020
Current tax	-	-
Short / (excess) provision of taxes for earlier years	(28.55)	19.07
Deferred tax	(308.39)	(160.82)
Total	(336.94)	(141.75)

(i) Reconciliation of current rate of tax and effective rate of tax:

Particulars	Year ended March	
	31, 2021	31, 2020
Profit / (loss) before Income taxes	(1,174.69)	(269.99)
Enacted tax rates in India (%)	27.82%	27.82%
Computed expected tax expenses	-	-
Depreciation Differential	-	-
Effect of deductible expenses	-	-
Effect of non- deductible expenses	-	-
Others	-	-
Income tax expenses - Net.....A	-	-



RAMDEV CHEMICALS PRIVATE LIMITED

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Notes to Financial Statements as at and for the year ended March 31, 2021

(All amounts in Indian Rupees in lacs unless otherwise stated)

Tax liability as per Minimum Alternate Tax on book profits

Minimum Alternate Tax rate	16.69%	16.69%
Computed tax liability on book profits	(196.06)	(45.06)
Tax effect on adjustments:		
1/5th of Opening Ind AS Adjustments	-	
Minimum Alternate Tax on book ProfitB	-	-
Higher of A or B	-	-

(ii) Reconciliation of Deferred Tax

Deferred tax (assets) / liabilities in relation to:

Particulars	Opening	Recognized in P & L	Recognized in OCI	Closing
Property, Plant and Equipment	1,211.26	(123.36)	-	1,087.90
Employee benefits	(28.48)	(3.33)	-	(31.81)
Expected credit loss	(2.77)	1.11	-	(1.66)
	(3.60)	-	(4.70)	(8.29)
Remeasurement (gain)/loss on defined benefit plans				
Unabsorbed losses	-	(30.55)	-	(30.55)
As at March 31, 2020	1,176.42	(156.13)	(4.70)	1,015.59
Property, Plant and Equipment	1,087.90	(58.10)	-	1,029.80
Employee benefits	(31.81)	(2.75)	-	(34.56)
Expected credit loss	(1.66)	0.30	-	(1.36)
Remeasurement (gain)/loss on defined benefit plans	(8.29)	-	1.30	(6.99)
Unabsorbed losses	(30.55)	(249.13)	-	(279.68)
As at March 31, 2021	1,015.60	(309.69)	1.30	707.21

31 Disclosure as required by Accounting Standard – Ind AS 33 “Earning Per Share” of the Companies (Indian Accounting Standards) Rules 2015.

The earning per share is calculated by dividing the profit after tax by weighted average number of shares outstanding for basic & diluted EPS.

The Company has not issued any potential diluted equity shares and therefore the basic and diluted earnings per share will be the same. The earnings per share is calculated by dividing the profit after tax by weighted average no. of shares outstanding.

Particulars	2020-21	2019-20
Profit after tax (Rs. in lacs)	(836.45)	(132.93)
Total number of equity shares outstanding (Nos.)	5,00,000	5,00,000
Weighted average no. of shares outstanding (Nos.)	5,00,000	5,00,000
Nominal value of equity share (Rs.)	10.00	10.00
Earnings per share (Rs.)	(167.29)	(26.59)

Reconciliation of weighted average no. of shares

Particulars	2020-21	2019-20
Nominal value of equity share (Rs.)	10	10
For Basic & Dilutive EPS		
Total number of equity shares outstanding at the beginning	5,00,000	5,00,000
Add: Issue of shares	-	-
Weighted average number of equity shares outstanding	-	-
Total number of equity shares outstanding at the end of year	5,00,000	5,00,000
Weighted average number of equity shares at the end of the year	5,00,000	5,00,000



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32 Segment Reporting

Disclosure as required by Ind AS 108 "Operating Segment", of the Companies (Indian Accounting Standards) Rules, 2015.

Based on the "management approach" as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the Company's performance in accordance with Ind AS "Operating Segment", the Company operates the Company has only one reportable operating segment i.e. Pharmaceuticals.

- a There are four parties which each individually account for more that 10% of sales of the company.
b Exports sales details

Particulars	2020-21	2019-20
U.S.A	222.43	91.55
Others	78.54	113.09

33 Disclosure in accordance with Ind AS - 24 "Related Party Disclosures", of the Companies (Indian Accounting Standards) Rules, 2015

Refer Annexure A

34 CSR expenditure:

- a. Gross amount required to be spent by the Company during the year ₹ 5 lacs (previous year ₹ 10 lacs).
b. i) Amount spent by the Company during the year is as follows:

Particulars	Paid in cash	Yet to be paid in cash	Total
Promoting Education	5.00	-	5.00

ii) Amount spent by the Company during the previous year is as follows:

Particulars	Paid in cash	Yet to be paid in cash	Total
Promoting Education	25.00	-	25.00

35 Contingent liabilities and Commitments

Particulars	As at March 31, 2021	As at March 31, 2020
	(Rs. in lacs)	(Rs. in lacs)
Capital commitment for acquisition of Property, plant and equipment	117.90	192.77
NGT Penalty under dispute	285.23	-
Bank Guarantee to MPCB	33.87	10.00

The Hon'ble Supreme Court of India ("SC") by their order dated February 28, 2019 has held that provident fund contributions are payable on basic wage, dearness allowances and all other monthly allowances, which are universally, necessarily and ordinarily paid to all the employees in the establishment across the board. There are numerous interpretative issues relating to the judgement. As such, the Company has, based on legal advice and as a matter of caution, made provision for an estimated amount on a prospective basis without considering any probable obligations for past periods. The Company will continue to monitor and evaluate its position and act, as clarity emerges.



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37 Financial Instruments

The carrying value and fair value of financial instruments by categorywise is as follows:

Particulars	As at March 31, 2021		As at March 31, 2020	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets				
Amortised Cost				
Loans	51.19	51.19	45.78	45.78
Others	1.99	1.99	1.29	1.29
Trade receivables	679.80	679.80	1,097.87	1,097.87
Cash and cash equivalents	74.74	74.74	3.94	3.94
Other Bank Balance	34.87	34.87	519.26	519.26
Total Financial Assets	842.59	842.59	1,668.14	1,668.14
Financial Liabilities				
Amortised Cost				
Borrowings	1,900.00	1,900.00	267.67	267.67
Trade payables	1,019.37	1,019.37	1,674.95	1,674.95
Others	145.25	145.25	106.57	106.57
Total Financial Liabilities	3,064.62	3,064.62	2,049.19	2,049.19

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

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

38 Fair Value Hierarchy

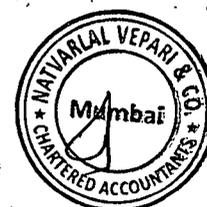
This section explains the judgments and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

There is no Financial Instrument carried at Fair value as at March 31, 2021, March 31, 2020.



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39 Financial Risk Factors

The Company's business activities are exposed to a variety of financial risks: market/business risk, credit risk, exchange risk, etc. The Company's focus is to foresee the unpredictability of financial and business risks and seek to minimize potential adverse effects of these risks on its business and financial performance.

i. Business/Market Risk

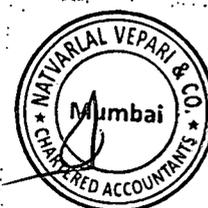
The primary business/market risk to the Company is the price risk and its ability to pass on the same to its customers. The Company's operations exist only in India and its products pricing competitiveness is a primary factor for the acceptability of Company's products in the markets. The Company has a robust procurement process, which ensures that its pricing power is not adversely affected by price changes in the market place for its raw materials. The backward integration into manufacturing of several APIs for its own use in the formulations manufacturing also works as a mitigating strategy for price risk faced by the Company.

The other business risk is regulatory risk and regulatory audits of its manufacturing facilities by the regulators to ensure that the manufacturing facilities meet the current Good Manufacturing Practices (cGMP) requirements. While the stringent regulatory requirements and audits work as a business risk, the successful audit of its facilities by regulators coupled with price competitiveness results in higher business and margins for the Company.

The Company, however, has a reduced risk from dependence on any single customer as no single customer or customer group accounts for more than 10% of Company's annual revenue. The Company also continuously forays into different markets to reduce its dependence on any particular customer group.

ii. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. This exposure is principally from the Company's receivables from customers. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The company has established norms for stage wise payments to lower the exposure.



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Notes to Financial Statements as at and for the year ended March 31, 2021
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iii. Interest risk

The Company's borrowings are limited to working capital and therefore the company's direct exposure to interest rate risk is limited to short term borrowings made by the Company. The company may also have limited exposure to market risk arising out of all round interest rate risks to industry affecting the trade and commerce.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of short term borrowings affected. With all other variables held constant, the Companies profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Increase/ Decrease in basis points	Effects on Profit
March 31, 2021	+100	-19.00
	-100	19.00
March 31, 2020	+100	-2.68
	-100	2.68

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

iv. Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. However the Company operates mainly in the domestic market. The Company's risk exposure to foreign exchange is limited to its sourcing the Raw Material internationally and selling the API's to few of the customers. Such foreign currency exposures are not hedged by the Company.

Foreign currency sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities.

v. The unhedged foreign currency

(in Lacs)

Particulars	As at March 31, 2021		As at March 31, 2020	
	FCY	Rs	FCY	Rs
Unhedged foreign exchange liability				
Trade payables - USD	0.14	10.38	-	-
Unhedged receivables in foreign currency				
Trade receivables - USD	0.42	30.85	1.19	90.04

Sensitivity analysis of unhedged foreign currency exposure is as follows:

Particulars	Change in Rate %	FC Payable / (receivable) (Rs. in lacs)	Effect on Profit before tax (Rs. in lacs)
31-Mar-21	5%	-0.42	-0.02
	-5%		0.02
31-Mar-21	5%	0.14	0.01
	-5%		-0.01
31-Mar-20	5%	-1.19	-0.06
	-5%		0.06



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Notes to Financial Statements as at and for the year ended March 31, 2021
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v. Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed condition, without incurring unacceptable losses or risking damage to the Company's reputation. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of surplus funds, bank overdrafts, bank loans, debentures and inter-corporate loans.

The table below provides details regarding the contractual maturities of significant financial liabilities :

Payment due by years	<1 year	1-5 Years	Total
As at March 31, 2021			
Borrowings	1,900.00	-	1,900.00
Trade payables	1,019.37	-	1,019.37
Other financial liabilities	145.25	-	145.25
Other liabilities	39.05	-	39.05
Total	3,103.67	-	3,103.67
As at March 31, 2020			
Borrowings	267.67	-	267.67
Trade and other payables	1,674.95	-	1,674.95
Other financial liabilities	106.57	-	106.57
Other liabilities	23.78	-	23.78
Total	2,072.97	-	2,072.97

40 Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, convertible preference shares, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt.

Particulars	March 31, 2021	March 31, 2020
Gross Debt	1,900.00	267.67
Less: Cash and cash Equivalents (C&CE)	(74.74)	(3.94)
Less: Bank balance	-	(519.26)
Net debt	1,825.26	263.73
Total Equity	7,157.62	7,990.20
Capital and net debt gearing ratio	0.26	0.03

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

No changes were made in the objectives, policies or processes for managing the capital during the years ended March 31, 2021 and March 31, 2020.



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Notes to Financial Statements as at and for the year ended March 31, 2021
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- 41 The spread of Covid-19 has severely impacted business around the globe. In many countries including India, there has been severe disruption to regular business operations due to lock down, disruption in transportation, supply chain, travel bans, quarantines, social distancing and other emergency measures. Based on detailed assessment of the impact of COVID-19 on the operations of the Company and ongoing discussions with vendors and service providers, the Management is confident of obtaining regular supply of raw materials and logistics services after restarting of the plant. Management believes that it has taken into account all the possible impact of known events arising from Covid-19 pandemic in the preparation of financial statements. However, the impact assessment of Covid-19 is a continuing process given the uncertainties associated with its nature and duration. The Company will continue to monitor any material changes to future economic conditions.
- 42 Figures for the previous year have been regrouped / reclassified / reinstated, wherever considered necessary.
- 43 The balance sheet, statement of profit and loss, cash flow statement, statement of changes in equity, statement of significant accounting policies and the other explanatory notes forms an integral part of the financial statements of the Company for the year ended March 31, 2021.

As per our report of even date attached
For Natvarlal Vepari & Co.
Chartered Accountants
Firm Registration No. : 106971W


N. Jayendra
Partner
M.No. 40441
Place : Mumbai
Date : May 26, 2021



For and on behalf of the Board of Directors of
Ramdev Chemical Private Limited


Babu Jacob Edakkathur
Director
DIN: 06759124


Pabitra Kumar Kalipada Bhattacharyya
Director
DIN: 07131152

Annexure 1**Related Party Transactions****a) Names of the Related Parties and Related Party relationships****Related parties where control exists :****Holding Company**

Ipca Laboratories Limited (w.e.f April 23, 2019)

Key Managerial person

Sevantilal S. Champaneri

Babu Lal Jain (w.e.f April 25, 2019)

Babu Jaicob Edakklathur (w.e.f April 25, 2019)

Pabitrakumar Kalipada Bhattacharya (w.e.f April 25, 2019)

b) Related party transactions

Transactions	Year ended 31-Mar-21	Year ended 31-Mar-20
Purchases & labour charges :		
Ipca Laboratories Private Limited	175.79	495.64
Sales :		
Ipca Laboratories Private Limited	58.10	0.07
Inter corporate deposit taken :		
Ipca Laboratories Private Limited	1,800.00	100.00
Interest on ICD :		
Ipca Laboratories Private Limited	85.90	2.44
Rent Expenses		
Ipca Laboratories Private Limited	1.20	1.18
Managerial Remuneration		
Sevantilal S. Champaneri	-	15.33
Directors Sitting Fees		
Sevantilal S. Champaneri	-	0.30
Babulal Jain	0.45	0.25
Babu Jaicob Edakklathur	0.45	0.40
Pabitrakumar Kalipada Bhattacharya	0.45	0.40
Outstanding balances at the end of the year	Year ended 31-Mar-21	Year ended 31-Mar-20
Salary payable to :		
Sevantilal S. Champaneri	-	-
Inter corporate deposit taken :		
Ipca Laboratories Private Limited	1,900.00	100.00
Interest payable :		
Ipca Laboratories Private Limited	37.93	2.19
Outstanding balance receivable		
Ipca Laboratories Private Limited	12.11	0.07
Outstanding balance payable		
Ipca Laboratories Private Limited	12.91	367.11

