DIRECTORS' REPORT

To
The Members
Ramdev Chemical Pvt. Ltd.

Your Directors have pleasure in presenting their 21st Annual Report together with the Audited Financial Statements for the year ended 31st March, 2020.

FINANCIAL RESULTS

Particulars	For the year ended 31st March 2020 (Rs. Lacs)	For the year ended 31st March 2019 (Rs. Lacs)
Total Income	4898.03	7533.67
Profit before Finance Cost, Depreciation and Taxation	280.75	882.70
Less: Financial Cost	27.70	41.80
Depreciation	523.04	466.85
Profit/ (Loss) before tax	(269.99)	374.05
Less: Provision for taxation		
Current	-	157.40
Earlier Year Tax	19.07	21.66
Deferred Tax	(156.13)	(18.78)
Profit/ (Loss) for the period	**(132.93)**	**213.77**

OPERATIONS

The total income for the financial year under report was Rs. 4898.03 Lacs (Previous year Rs. 7533.67 Lacs) and the operations have resulted in a net loss of Rs. 132.93 Lacs (Previous year net profit of Rs. 213.77 Lacs). The operations and margins of the Company were impacted due to disruption in the supply of key raw materials as well as increase in the raw material prices during the later part of the financial year, which could not be passed on entirely to the end customers.

COVID –19 PANDEMIC

In the last quarter of the financial year 2020, the coronavirus disease emerged as a global pandemic resulting in many governments declaring lockdowns forcing citizens to stay indoors and disruption of economic activities globally.

Being manufacturers of Active Pharmaceutical Ingredients and Intermediates for pharmaceuticals manufacturing and hence provider of essential services and exempted from lockdown, the manufacturing facility of your Company continued with the manufacturing and marketing operations with initial challenges such as shortage of manpower, availability of raw materials, packing materials and disruptions in the logistics and supply chain.

Your Company is continuously monitoring the situation closely and has taken/continue to take all the measures to comply with the guidelines issued by the local authorities, from time to time, to ensure the safety of its workforce at manufacturing plant and offices.

However, the extent to which the Covid-19 pandemic may impact the Company, its operations and financials will depend on future development in this regard which as on date are uncertain.

MATERIAL CHANGES AND COMMITMENTS AFTER THE END OF THE FINANCIAL YEAR

No material changes or commitments affecting the financial position of the Company have occurred between the end of the financial year to which financial statements in this report relate and the date of this report.

SHARE CAPITAL

The paid-up equity share capital of the Company as at 31st March, 2020 is Rs. 50 lacs. The Company currently has no outstanding shares issued with differential rights, sweat equity or ESOS.

During the year under report, the Company became wholly owned subsidiary of M/s. Ipca Laboratories Ltd. upon acquisition of the entire paid up share capital of the Company by the said company.

SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANIES

The Company does not have any subsidiary, joint venture and associate companies.

DIVIDEND

In view of the losses incurred, your Directors do not recommend any dividend for the financial year ended 31st March, 2020.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. Sevantilal S. Champaneri has resigned as the Managing Director of the Company with effect from 25th April, 2019. However, he continues to be a Non-Wholetime, Non-Executive Director on the Board of the Company. The Board places on record its appreciation for the services rendered by him during his tenure as the Managing Director of the Company.

Mr. Saurav Suman and Mr. Nilesh Mehta have resigned as the Directors from the Board of the Company with effect from 25th April, 2019. The Board places on record its appreciation for the services rendered by them during their tenure as Directors of the Company.

At the meeting of the Board of Directors of the Company held on 25th April, 2019, Mr. Babulal Jain, Mr. Pabitra Kumar Bhattacharyya and Mr. E. J. Babu were appointed as the Additional Directors of the Company and as Directors of the Company by the members at the Annual General Meeting of the Company held on 1st July, 2019.

None of the directors of the Company are debarred from holding the office of Director by virtue of any order by the Ministry of Corporate Affairs or order by any other competent authority.

MEETINGS OF THE BOARD

There were five (5) meetings of the Board of Directors held during the financial year ended 31st March, 2020. The dates of the said meetings are as under:

11th April, 2020	25th April, 2020
5th June, 2019	1st October, 2019
15th January, 2020	

The attendance of each member of the Board in the Board meetings is given below:

Name of the Director	No. of meetings held during financial year 2019-20	No. of meetings attended
Mr. Babulal Jain (appointed w.e.f 25.04.2019)	5	3
Mr. Pabitra Kumar Bhattacharyya (appointed w.e.f 25.04.2019)	5	4
Mr. E. J. Babu (appointed w.e.f 25.04.2019)	5	3

Mr. Sevantilal Champaneri	5	5
Mr. Nilesh Mehta (Director upto 25.04.2019)	5	2
Mr. Saurav Suman (Director upto 25.04.2019)	5	2

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors confirm:

i) that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

ii) that your Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 31st March, 2020 and of the losses incurred of the Company for the year;

iii) that your Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv) that your Directors have prepared the annual accounts on a going concern basis;

v) that your Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;

vi) that your Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

FIXED DEPOSIT

During the year under review, the Company has not accepted any fixed deposits within the meaning of Section 73 of the Companies Act, 2013.

AUDITORS, AUDIT REPORT AND AUDITED ACCOUNTS

M/s. Natvarlal Vepari & Co., Chartered Accountants (Firm Registration No. 106971W) were appointed as the Statutory Auditors at the 20th Annual General Meeting (AGM) of the Company for a term of 5 (Five) years i.e. till the conclusion of 25th AGM and this appointment was ratified by the shareholders of the Company at the 20th Annual General Meeting of the Company held on 1st July, 2019.

The Auditors' Report read with the notes to the accounts referred to therein are self-explanatory and therefore, do not call for any further comments. There are no qualifications, reservations or adverse remarks made by the Auditors.

COST AUDIT

Pursuant to the provisions of Section 148 of the Companies Act, 2013, M/s. ABK & Associates, Cost Accountants (Firm Registration No. 000036) were appointed as the Cost Auditors to conduct audit of cost records of the Company for the financial year 2020-21.

The Company has maintained the cost accounts and cost records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company is committed to good corporate citizenship. As a part of its corporate social responsibility, the Company wish to undertake a range of activities including healthcare and education to improve living conditions of the needy people.

In accordance with the provisions of Section 135 of the Companies Act, 2013, an abstract on Company's CSR activities is furnished as Annexure A to this report.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The Company has not given any loans or guarantees in contravention of the provisions of Section 186 of the Companies Act, 2013.

The details of the investment made by company are given in the notes to the financial statements.

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on arms' length basis and were in the ordinary course of Company's business. The Company has not entered into any contract, arrangement or transaction with any related party which could be considered material. Related party transactions are disclosed in the notes to the financial statements.

PARTICULARS OF EMPLOYEES

The Company had no employees covered under Section 197 of the Companies Act, 2013 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

INTERNAL CONTROL SYSTEMS AND ITS ADEQUACY

The Company has adequate internal control systems including suitable monitoring procedures commensurate with its size and the nature of business.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS

There are no significant or material orders passed by any regulator, tribunal or court that would impact the going concern status of the Company and its future operations.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

In accordance with the requirements of Section 134 of the Companies Act, 2013 read with the rules made there under (including any statutory modification(s) or re-enactment thereof with respect to conservation of energy, technology absorption and foreign exchange earnings and outgo is given in the enclosed "Annexure B".

CONSTITUTION OF COMMITTEE UNDER SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has adopted a policy in line with the requirements of Prevention of Sexual Harassment of Women at the Workplace and a Committee has been set-up to redress sexual harassment complaints received, if any.

EXTRACTS OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as "Annexure C".

COMPLIANCE WITH SECRETARIAL STANDARDS ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA

The Company has complied with the secretarial standards issued by the Institute of Company Secretaries of India.

ACKNOWLEDGEMENTS

Your Directors place on record their profound admiration and sincere appreciation of the continued hard work put in by employees at all levels. Your Directors also place on record their appreciation for the continued co-operation and support extended to the Company by the trade and the customers.

Registered Office:
Plot No. 142-AB, Kandivli Industrial Estate
Kandivli (West),
Mumbai – 400 067

Tel: 022-6647 4444
CIN: U24200MH1999PTC120863

Place: Mumbai

Date: 15th June, 2020

By Order of the Board
For Ramdev Chemical Private Limited

Pabitra Bhattacharya
Director
DIN: 07131152

E. J. Babu
Director
DIN : 06759124

ANNEXURE A

FORMAT FOR THE ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD'S REPORT

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

The Company believes that contributing to the overall health and wellness of our world starts with lessening our impact on the environment and we remain committed to the highest ethical standards in everything we do - right from research and development to sales and marketing.

The Company's Corporate Social Responsibility involves initiatives on a micro level to include public health, employee and public safety, nurturing of environment and building sustainable communities. The Company also engages with external stakeholders including healthcare professionals, investors, customers, non-governmental organisations and suppliers in this endeavour.

The Company is committed to operate its business with emphasis on CSR in all areas of its operation. The Company integrates its business values and operations to meet the expectations of its shareholders, customers, employees, regulators, investors, suppliers, the community and take care of environment with best interest.

A definite and well structured Corporate Social Responsibility (CSR) policy has been framed by the Company. The CSR policy forms a part of the Company's corporate vision and defines its approach on key responsibility issues.

2. The Composition of the CSR Committee of the Board

Mr. Babulal Jain (Appointed w.e.f. 25.04.2019)	Chairman of the Committee / Director
Mr. E. J. Babu (Appointed w.e.f. 25.04.2019)	Director
Mr. Pabitra Kumar Bhattachharyya (Appointed w.e.f. 25.04.2019)	Director
Mr. Sevantilal Champaneri (Resigned w.e.f. 25.04.2019)	Director
Mr. Nilesh Mehta (Resigned w.e.f 25.04.2019)	Director

3. Average net profit of the company for last three financial years: Rs. 507.59 lacs.

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

The Company was required to spend an amount of Rs. 10.15 lacs as CSR expenditure for the financial year ended 31st March, 2020, as against which, the Company has spent Rs.25 lacs as the CSR expenses. With this additional CSR spend, the CSR spending shortfall of previous financial year is covered during the financial year under report.

5. Details of CSR spent during the financial year:

a) Total amount to be spent for the financial year: Rs. 10.15 lacs.

Amount spent: Rs. 25 lacs.

b) Amount unspent, if any: There was an additional CSR spent to the extent of Rs. 14.85 lacs during the year.

c) Manner in which the amount spent during the financial year is detailed below:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No	CSR project or activity identified.	Sector in which the Project is covered	Projects or Programs 1. Local area or other 2. Specify the State and district where projects or programs were undertaken	Amount outlay (budget) project or programs wise (Rs.Lacs)	Amount spent on the projects or programs Sub-heads: 1. Direct expenditure on projects or programs 2. Overheads	Cumulative expenditure upto to the reporting period (Rs. Lacs)	Amount spent: Direct or through implementing agency
1.	Health and Education	Health & Education	Maharashtra	15	Expenditure on Project	25	Thru registered trust
	Total			15		25	

*Give details of implementing agency: The CSR Objectives and CSR Policy of the Company is implemented by the CSR Committee of the Board through charitable organisation and trusts.

6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report

The Company has spent an amount of Rs. 25 lacs on CSR during the financial year as against an amount of Rs. 10.15 lacs which was required to be spent on CSR being 2% of the average net profit of the Company for the last three financial years.

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company

The CSR Committee of the Board confirms that it has implemented and monitored the CSR activities in accordance with and in compliance of CSR objectives and CSR Policy of the Company.

For and on behalf of the Board

Date : 15th June, 2020
Place: Mumbai

Babulal Jain
Chairman CSR Committee

Pabitra Bhattacharya
Director

Annexure B

1. CONSERVATION OF ENERGY

(i) The steps taken or impact on conservation of energy :

During the period under review, all possible efforts were made to ensure optimum conservation of electricity and fuel at this manufacturing unit of the Company.

(ii) The steps taken by the Company for utilizing alternate sources of energy :

Presently none.

(iii) The capital investment on energy conservation equipments :

The Company has not spent any material capital investment on energy conservation equipments except some investment on energy conservation consumables.

2. TECHNOLOGY ABSORPTION

Research & Development

(A) Specific areas in which R&D work was carried out by the Company:

The Company has recently started R&D activities at its Tarapur manufacturing unit. The Company is currently in the process of developing and manufacturing processes for Active Pharmaceuticals Ingredients (APIs) and Drug Intermediates.

(B) Benefits derived as a result of the above R&D:

The Company has recently started its R&D activities benefits of which will come in the coming years.

(C) Future Plan of Action :

Development of manufacturing processes for APIs and Drug Intermediates.

(D) Expenditure incurred on R&D:

	2019-20 (Rs. Lacs)	2018-19 (Rs. Lacs)
a) Capital	NIL	NIL
b) Revenue		
c) Total		

(E) Imported technology (imported during last 5 years):

The Company has not imported any technology during the last 5 years.

3. FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars	Amt. (Rs. lacs)
Foreign Exchange Earnings	204.64
Foreign Exchange Expenditure	98.47

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Mumbai – 400 067

Tel: 022-6647 4444
CIN: U24200MH1999PTC120863

By Order of the Board
For Ramdev Chemical Private Limited

Pabitra Bhattacharya
Director
DIN: 07131152

E. J. Babu
Director
DIN : 06759124

Place: Mumbai

Date: 15th June, 2020

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, 2020, 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, 2020, 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.

Other Matter

The comparative financial information of the company for the year ended March 31, 2019 included in these Ind AS financial statements have been audited by the predecessor auditor who had audited the financial statements for the relevant periods.

NATVARLAL VEPARI & CO. ★ Mumbai ★ CHARTERED ACCOUNTANTS

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The previous period comparatives for the period ended March 31, 2019, which were earlier, prepared as per Previous GAAP have been restated by the Management as per Ind AS to make them comparable which restatement has been verified by us. The report of the predecessor auditor on the comparative financial information dated June 05, 2019 expressed an unmodified opinion.

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 in the audit, or 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

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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 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

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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, 2020 ("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.
   e. On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
   f. With respect to the adequacy of the internal financial controls over financial

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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 paid managerial remuneration which is in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the Companies Act 2013.

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

Natvarlal Vepari & Co. Chartered Accountants Mumbai

N. Jayendran
Partner
M. No. – 40441
Mumbai, Dated: June 15, 2020
UDIN : 20040441AAAAAN3235

Natvarlal Vepari & Co. Chartered Accountants Mumbai

Natvarlal Vepari & Co.
CHARTERED ACCOUNTANTS
903-904, 9th Floor, Raheja Chambers, 213, Nariman Point, Mumbai 400 021. Tel. : 6752 7100 Fax : 6752 7101 E-mail : nvc@nvc.in

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 fixed assets.

b. Fixed assets 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 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.

NATVARLAL VEPARI & CO. ★ CHARTERED ACCOUNTANTS Mumbai

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(vii) (a) The Company has been generally 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, 2020 for a period of more than six months from the date they became payable.

(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 managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act, 2013.

(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 sections 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

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Natvarlal Vepari & Co.
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not applicable to the Company.

(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: June 15, 2020
UDIN : 20040441 AAAAA N3235

Natvarlal Vepari & Co.
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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, 2020 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.

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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.

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

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controls system with reference to Financial Statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2020, 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

Mumbai

N. Jayendran
Partner
M. No. – 40441
Mumbai, Dated: June 15, 2020
UDIN : 20040441AAAAAN3235

RAMDEV CHEMICAL PRIVATE LIMITED
CIN No : U24200MH1999PTC120863
Balance Sheet as at March 31, 2020
(All amounts in Indian Rupees in lacs unless otherwise stated)

	Particulars	Note Ref.	As at Mar 31, 2020	As at Mar 31, 2019	As at April 01, 2018
	ASSETS				
1.	**Non-current assets**				
	(a) Property, plant & equipment	3A	7,549.00	7,737.68	7,420.78
	(b) Capital work-in-progress	3C	103.02	-	-
	(c) Other intangible assets	3B	66.33	3.75	5.00
	(d) Financial assets		-		
	(i) Loans	4	37.03	48.90	71.00
	(ii) Others	5	-	-	-
	(e) Deffered tax assets (net)		-	-	-
	(f) Other non-current assets	6	145.98	94.11	116.70
	Total Non-current assets		7,901.36	7,884.44	7,613.48
2.	**Current assets**				
	(a) Inventories	7	1,667.83	1,076.43	1,648.38
	(b) Financial assets				
	(i) Loans		8.75	14.66	63.86
	(ii) Trade receivables	8	1,097.87	1,830.38	1,628.66
	(iii) Cash and cash equivalents	9	3.94	30.03	182.50
	(iv) Bank Balance Other than Cash & Cash Equivale	10	520.36	501.00	791.10
	(v) Others	5	0.57	50.72	-
	(c) Current tax assets (net)		-	-	-
	(d) Other current assets	6	88.51	107.35	219.62
	Total Current assets		**3,387.83**	**3,610.57**	**4,534.12**
	Total Assets		**11,289.19**	**11,495.01**	**12,147.60**
	EQUITY & LIABILITIES				
	Equity				
	(a) Equity share capital	11	50.00	50.00	50.00
	(b) Other equity	12	7,940.20	8,087.09	7,879.15
	Total Equity		7,990.20	8,137.09	7,929.15
	Liabilities				
1.	**Non-current liabilities**				
	(a) Financial liabilities				
	(i) Borrowings	13	-	5.75	-
	(b) Provisions	14	125.08	94.63	71.16
	(c) Deferred tax liabilities (net)	15	1,015.59	1,176.42	1,197.45
	(d) Other non-current liabilities	20	-	-	-
	Total Non-current liabilities		1,140.67	1,276.80	1,268.61
2.	**Current liabilities**				
	(a) Financial liabilities				
	(i) Borrowings	16	267.67	324.02	478.24
	(ii) Trade payables:	17			
	Total dues of Micro & small enterprises		-	-	-
	Total dues of Others	13	1,677.13	1,454.27	2,044.53
	(iii) Other financial liabilities	18	104.38	141.65	280.39
	(b) Current tax liabilities (net)	19	-	-	7.73
	(c) Provisions	14	85.36	144.44	130.35
	(d) Other current liabilities	20	23.78	16.74	8.60
	Total Current liabilities		2,158.32	2,081.12	2,949.84
	Total Equity and Liabilities		**11,289.19**	**11,495.01**	**12,147.60**

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

Natvarlal Vepari & Co. Chartered Accountants Mumbai

N. Jayendran
Partner
M.No. 40441
Place : Mumbai
Date : June 15, 2020

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

Babu Jaicob Edakklathur
Director
DIN: 06759124
Place : Mumbai
Date :

Pabitrakumar Kalipada Bhattacharyya
Director
DIN: 07131152

RAMDEV CHEMICAL PRIVATE LIMITED
CIN No : U24200MH1999PTC120863
Statement of Profit & Loss for year ended March 31, 2020
(All amounts in Indian Rupees in lacs unless otherwise stated)

	Particulars	Note	2019-20	2018-19
I.	Revenue from operations	21	4,826.72	7,489.26
II.	Other income	22	71.31	44.41
III.	**Total income (I + II)**		4,898.03	7,533.67
IV.	**Expenses:**			
	Cost of materials consumed	23	2,146.75	4,069.98
	Purchase of stock-in-trade	24	161.36	-
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	25	179.48	399.00
	Employee benefit expenses	26	771.97	912.09
	Finance cost	27	27.70	41.80
	Depreciation & amortisation	28	523.04	466.85
	Other expenses	29	1,357.72	1,269.90
	Total expenses (IV)		5,168.02	7,159.62
V.	**Profit before exceptional items and tax (III-IV)**		(269.99)	374.05
VI.	Exceptional items		-	-
VII.	**Profit before tax (V-VI)**		(269.99)	374.05
VIII.	Tax expense	30	(137.06)	160.28
	1. Current tax		-	157.40
	2. Short / (excess) provision of taxes for earlier years		19.07	21.66
	3. Deferred tax liability / (asset) incl. MAT credit		(156.13)	(18.78)
IX.	**Profit for the period (VII-VIII)**		(132.93)	213.77
X.	**Other comprehensive income**			
	Items that will not be reclassified to profit or loss			
	Actuarial gain and (loss)		(18.66)	(8.08)
	Tax effects thereon		4.70	2.25
	Other comprehensive income for the year, net of tax		(13.96)	(5.83)
XI.	**Total comprehensive income for the year (IX+X)**		(146.89)	207.94
XII.	Earnings per equity share (Face value of Rs. 10/- each) :	31		
	Basic (in Rs.)		(26.59)	42.75
	Diluted (in Rs.)		(26.59)	42.75

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 : June 15, 2020

NATVARLAL VEPARI & CO. Mumbai CHARTERED ACCOUNTANTS

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, 2020
(All amounts in Indian Rupees in lacs unless otherwise stated)

	2019-20 (Rs. in lacs)	2018-19 (Rs. in lacs)
Cash flow from operating activities:		
Profit for the period	(269.99)	374.05
Add : Adjustments		
Depreciation and amortization expense	523.04	466.85
Interest and borrowing costs	18.55	41.80
Interest on income tax	9.15	-
Interest received	(40.28)	(44.41)
Loss on Sale of assets	4.67	-
Provisions for expected credit loss	(3.37)	0.11
Exchange (gain) / loss	(6.76)	65.50
Sales return provision	(63.25)	12.96
Provisions and other write backs	-	-
	441.75	**542.81**
Working capital changes		
(Increase) / decrease in trade receivables	735.88	(201.83)
(Increase) / decrease in loans and other financial assets and other assets	89.08	165.63
(Increase) / decrease in inventories	(591.40)	571.95
Increase / (decrease) in trade payables	229.62	(655.76)
Increase / (decrease) in other financial liabilities and other liabilities and provisions	(8.15)	(120.20)
Cash generated from operations	**626.79**	**676.65**
Income tax paid	(63.90)	(196.98)
Net cash flows from operating activities	**562.89**	**479.67**
Cash flow from investing activities		
Proceeds from sale of property, plant and equipment	11.12	-
Purchase of property, plant and equipment and CWIP	(492.13)	(782.50)
Capital advance	(42.11)	-
Movement in Other Bank Balances	(19.36)	290.10
Interest received	40.28	44.41
Net cash flows from / (used in) investing activities	**(502.20)**	**(447.99)**
Cash flow from financing activities		
Proceeds from non-current borrowings	(11.87)	11.87
Repayment of current borrowings	(156.35)	(154.22)
Inter Corporate Deposit received	100.00	-
Interest paid	(18.55)	(41.80)
Net cash flow from / (used in) financing activities	**(86.78)**	**(184.15)**
Net increase /(decrease) in cash and cash equivalents	**(26.09)**	**(152.47)**

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	2019-20	2018-19
	(Rs. in lacs)	(Rs. in lacs)
Changes in cash and Cash Equivalents		
Cash and cash equivalents at the beginning of the year	30.03	182.50
Cash and cash equivalents at the end of the year	3.94	30.03
	(26.09)	**(152.47)**

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

Natvarlal Vepari & Co. Chartered Accountants Mumbai

N. Jayendran
Partner
M.No. 40441
Place : Mumbai
Date : June 15, 2020

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

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, 2020 Number of Shares	Rs	March 31, 2019 Number of Shares	Rs	April 1, 2018 Number of Shares	Rs
Subscribed and Fully Paid up Capital						
Equity shares of INR 10 each						
Opening Balance	500,000	50.00	500,000	50.00	500,000	50.00
Changes in equity share capital during the year	-	-	-	-	-	-
Closing Balance	**500,000**	**50.00**	**500,000**	**50.00**	**500,000**	**50.00**

B Other equity

Particulars	General Reserve	Retained Earnings	Total
Balance as on April 01, 2018	**25.53**	**7,853.62**	**7,879.15**
Profit for the Year 2018-19	-	213.77	213.77
Actuarial (gains) / losses		(5.83)	(5.83)
Balance as on March 31, 2019	**25.53**	**8,061.56**	**8,087.09**
Profit for the Year 2019-20		(132.93)	(132.93)
Actuarial (gains) / losses		(13.96)	(13.96)
Balance as on March 31, 2020	**25.53**	**7,914.67**	**7,940.20**

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

NATVARLAL VEPARI & CO. Mumbai CHARTERED ACCOUNTANTS

N. Jayendran
Partner
M.No. 40441
Place : Mumbai
Date : June 15, 2020

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

Babu Jaicob Edakklathur
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, 2020.

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 amanufacturing units 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 June 15, 2020.

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, 2015are 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.

   Accordingly 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.

   For all periods upto and including the year ended March 31, 2019 the Company prepared its financial statements in accordance with Accounting Standards contained in Companies (Accounting Standards) Rules 2006, notified under the section 133 of the Companies Act, 2013 read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP).

   The financial statements for the year ended March 31, 2020 are the first period for which the Company has prepared in accordance with Ind AS. The previous period comparatives for the twelve months period ended March 31, 2019 which were earlier prepared as per Previous GAAP have been restated as per Ind AS to make them comparable. The date of transition to Ind AS is therefore April 1, 2018 for which the Opening Balance Sheet is prepared.

   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,

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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

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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

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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.

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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.

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viii. Impairmentof 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 following is the summary of the new and/or revised significant accounting policies related to Leases.

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:

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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.
Stores and Spares	Stores and spare parts are valued at lower of cost computed on First-in-First- out method 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

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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.

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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 contingentconsideration recognized in a business combination which is subsequently measured at fair value through profitand loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amountsapproximate 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 atamortised cost. The impairment methodology applied depends on whether there has been a significant increase incredit risk. Note 7 details how the entity determines whether there has been a significant increase in credit risk. Fortrade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial

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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 obligationto 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 risksand rewards of ownership of the financial asset. In such cases, the financial asset is de-recognised. Where the entityhas 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 ofthe 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 ofcontinuing 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 theobligation 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 itsforeign currency risks, interest rate risks, respectively.

Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract isentered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fairvalue 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 ofprofit 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

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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. MATcredit

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.

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RAMDEV CHEMICAL PVT. LTD.

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

3A PROPERTY, PLANT & EQUIPMENT

Particulars	Land under Lease	Building	Plant & Equipments	Office & Other Equipment	Eff. Treatment Plant	Fur. & Fix.	Vehicles	Total
GROSS BLOCK								
As on 01/04/2018 *	1,377.00	1,739.98	3,960.86	22.19	300.00	15.00	5.75	**7,420.78**
Additions	-	291.73	504.60	3.04	-	5.10	19.08	**823.55**
Disposals/Adjustments	-	-	(41.05)	-	-	-	-	**(41.05)**
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**
ACCUMULATED DEPRECIATION								
As on 01/04/2018	-	-	-	-	-	-	-	-
Charge for the year	18.71	74.51	341.08	5.97	18.99	2.55	3.79	**465.60**
Disposals/Adjustments	-	-	-	-	-	-	-	-
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**	**503.68**
NET BLOCK AS ON 01/04/2018	**1,377.00**	**1,739.98**	**3,960.86**	**22.19**	**300.00**	**15.00**	**5.75**	**7,420.78**
NET BLOCK AS ON 31/03/2019	**1,358.29**	**1,957.20**	**4,083.33**	**19.26**	**281.01**	**17.55**	**21.04**	**7,737.68**
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**

3B OTHER INTANGIBLE ASSETS

	Software	Know-How	Total
GROSS BLOCK			-
As on 01/04/2018	-	**5.00**	**5.00**
Additions	-	-	-
Disposals/Adjustments	-	-	-
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**
ACCUMULATED DPR/AMORT.			
As on 01/04/2018	-	-	-
Charge for the year	-	**1.25**	**1.25**
Disposals/Adjustments	-	-	-
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**
NET BLOCK AS ON 01/04/2018	-	**5.00**	**5.00**
NET BLOCK AS ON 31/03/2019	-	**3.75**	**3.75**
NET BLOCK AS ON 31/03/2020	63.83	**2.50**	**66.33**

RAMDEV CHEMICAL PVT. LTD.

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

3C CAPITAL WORK IN PROGRESS

Particulars	Plant & Equipments	Eff. Treatment Plant	Total
As at 1st April 2018	-	-	-
Additions	-	-	-
Capitalization	-	-	-
As at 31st March 2019	-	-	-
Additions	97.91	5.11	103.02
Capitalization	-	-	-
As at 31st March 2020	**97.91**	**5.11**	**103.02**

i) * The Company has elected to fair value its certain leasehold land and other property, plant & equipments and use that fair value in its Opening Ind AS balance sheet (as at 1st April, 2018) as deemed cost. Accordingly, these are carried at a fair value of Rs. 7,425.78 lacs, carrying amount reported under previous GAAP was Rs.2,886.03 lacs. Difference between the fair value and carrying amount reported under previous GAAP of Rs.4,539.75 lacs has been credited to retained earnings as at 1st April, 2018 (transition date).

Particulars	Land under Lease	Building	Plant & Equipments	Office & Other Equipment	Eff. Treatment Plant	Fur. & Fix.	Vehicles	Know-How	Total
Gross Amount as on April 1, 2018	678.62	1,785.48	2,130.89	28.87	152.00	14.03	24.67	18.51	4,833.07
Accumulated depreciation as on April 1, 2018	99.88	487.79	1,156.88	21.55	129.96	10.78	21.79	18.41	1,947.04
Carrying amount as on April 1, 2018	578.74	1,297.69	974.01	7.32	22.04	3.25	2.88	0.10	2,886.03
Revaluation	798.26	442.29	2,986.85	14.87	277.96	11.75	2.87	4.90	4,539.75
Gross Amount as on April 1, 2018	**1,377.00**	**1,739.98**	**3,960.86**	**22.19**	**300.00**	**15.00**	**5.75**	**5.00**	**7,425.78**

ii) 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.

iii) Effective April 1, 2018 the Company has adopted its method of computing depreciation from WDV methods to the straight-line method. A change in accounting estimate affected by a change in accounting principle is to be applied prospectively. The change is considered preferable because the straight-line method will more accurately reflect the pattern of usage and the expected benefits of such assets and provide greater consistency with the depreciation methods used by the Holding Company.

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RAMDEV CHEMICALS PRIVATE LIMITED
CIN No : U24200MH1999PTC120863
Notes to Financial Statements as at and for the year ended March 31, 2020
(All amounts in Indian Rupees in lacs unless otherwise stated)

FINANCIAL ASSETS

4 Loans (At Amortized Cost)

Particulars	As at March 31, 2020		As at March 31, 2019		As at April 01, 2018	
	Non Current	Current	Non Current	Current	Non Current	Current
Unsecured, considered good						
Deposit	26.91	-	31.49	-	71.00	-
Loans given to Employees	10.12	8.75	17.41	14.66	-	63.86
Total	37.03	8.75	48.90	14.66	71.00	63.86

5 Other Financial Assets (At Amortized Cost)

Particulars	As at March 31, 2020		As at March 31, 2019		As at April 01, 2018	
	Non current	Current	Non current	Current	Non Current	Current
Unsecured, considered good						
Advance given to Employees	-	0.38	-	5.67	-	-
Others	-	0.19	-	45.05	-	-
Total	-	0.57	-	50.72	-	-

6 Other Non-Financial Assets

Particulars	As at March 31, 2020		As at March 31, 2019		As at April 01, 2018	
	Non current	Current	Non current	Current	Non Current	Current
Unsecured, considered good						
Duties and taxes refundable	57.91	-	83.92	-	116.70	-
Unutilised Indirect Tax Credit	-	46.99	-	31.99	-	140.22
Prepaid expenses	0.09	19.34	-	38.63	-	32.88
Advance to suppliers	-	4.95	-	4.59	-	17.72
Prepaid Taxes net of provision	45.87	-	10.19	-		-
Capital Advance	42.11	-	-	-	-	-
Export benefit receivable						
- MEIS Benefit	-	11.09	-	-	-	-
- Duty Drawback	-	6.00	-	32.14	-	28.80
Others	-	0.14	-	-	-	-
Total	145.98	88.51	94.11	107.35	116.70	219.62

7 Inventories

	Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
i)	Raw materials			
	- In hand	1,131.87	367.91	482.13
	- In transit	-	-	60.04
ii)	Packing materials	-	-	-
	- In hand	8.49	1.57	0.26
iii)	Work-in-progress	340.71	441.18	876.61
iv)	Finished goods	-	-	-
	In hand- Own	186.76	265.77	229.34
	Total	1,667.83	1,076.43	1,648.38

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

Particulars	2019-20	2018-19
Amount of inventories recognised as an expense	2,487.59	4,468.98
Amount of write - down of inventories recognised as expenses	-	-
Total	2,487.59	4,468.98

8 Trade Receivables (At Amortized Cost)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Unsecured, considered good			
Considered good	1,104.47	1,840.35	1,638.52
Less: Allowance for credit loss	(6.60)	(9.97)	(9.86)
Total	1,097.87	1,830.38	1,628.66

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.

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

(i) Default Rate

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Default rate	0.60%	0.54%	0.60%

(ii) Movement in the expected credit loss allowance

Particulars	As at March 31, 2020	As at March 31, 2019
Balance at the beginning of the period	9.97	9.86
Movement in expected credit loss allowance	(3.37)	0.11
Provision at the end of the period	**6.60**	**9.97**

9 Cash and Cash Equivalents

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Balances with banks:			
In Current Accounts	2.90	5.27	9.82
	-	24.31	164.32
Deposit with original maturity of less than three months			
Cash on hand	1.04	0.45	8.36
Total	**3.94**	**30.03**	**182.50**

10 Bank Balance Other Than (9) above

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Fixed deposit with bank (Lien)*	520.36	501.00	791.10
Total	**520.36**	**501.00**	**791.10**

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

11 Equity Share Capital

Particulars	As at March 31, 2020		As at March 31, 2019		As at April 01, 2018	
	Number of	Rs	Number of	Rs	Number of	Rs
Authorised capital						
Equity shares of Rs. 10 each	500,000	50.00	500,000	50.00	500,000	50.00
Issued & subscribed equity Shares of Rs. 10 each	500,000	50.00	500,000	50.00	500,000	50.00
Paid up equity shares of Rs. 10 each	500,000	50.00	500,000	50.00	500,000	50.00
Total		**50.00**		**50.00**		**50.00**

(a) Reconciliation of number of shares outstanding

Particulars	As at March 31, 2020		As at March 31, 2019		As at April 01, 2018	
	Number of Shares	Rs	Number of Shares	Rs	Number of Shares	Rs
As at the beginning of the year	500,000	50.00	500,000	50.00	500,000	50.00
Add : Issued during the year	-	-	-	-	-	-
As at the end of the year	**500,000**	**50.00**	**500,000**	**50.00**	**500,000**	**50.00**

(b) Details of Shareholding in excess of 5%

Particulars	As at March 31, 2020		As at March 31, 2019		As at April 01, 2018	
	Number of Shares	%	Number of Shares	%	Number of Shares	%
Seventialal S Champaneri	-	-	245,000	49.00%	245,000	49.00%
M J Pharmaceuticals Ltd	-	-	42,820	8.56%	42,820	8.56%
Deeparadhana Invest & Fin P. I.	-	-		0.00%	37,275	7.46%
Sanghvi Finance Ltd	-	-	207,180	41.44%	169,905	33.98%
Ipca Laboratories Limited	499,970	99.99%	-	-	-	-

(c) 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.

(d) 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.

(e) 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.

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12 Other Equity

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
General Reserve	25.53	25.53	25.53
Retained earnings	7,914.67	8,061.56	7,853.62
Total	**7,940.20**	**8,087.09**	**7,879.15**

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

Particulars	As at March 31, 2020		As at March 31, 2019		As at April 01, 2018	
	Non-Current	Current Maturities	Non-Current	Current Maturities	Non-Current	Current Maturities
Kotak Mahindra Bank - Vehicle Loan	-	-	5.75	6.12	-	-
Total	**-**	**-**	**5.75**	**6.12**	**-**	**-**

The Vehicle loan from Kotak Bank had been hypothecated against the vehicle. However, the charge has not been created. The same had been repaid in the current year.

14 Provisions

Particulars	As at March 31, 2020		As at March 31, 2019		As at April 01, 2018	
	Non Current	Current	Non Current	Current	Non Current	Current
Gratuity	113.06	6.29	83.99	2.54	63.29	1.82
Provision for leave encashment	12.02	1.42	10.64	1.00	7.87	0.59
Provision for Sales return	-	77.65	-	140.90	-	127.94
Total	**125.08**	**85.36**	**94.63**	**144.44**	**71.16**	**130.35**

a) 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. 119.35 lacs (P.Y. Rs. 86.53 lacs).

(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, 2020	As at March 31, 2019
Expense recognised in Statement of Profit and Loss		
Current service cost	11.64	10.10
Past service cost	-	-
Service cost	**11.64**	**10.10**
Net interest on net defined benefit liability / asset	6.61	5.05
Total	**18.25**	**15.15**
Expense recognised in Other Comprehensive Income		
Actuarial (gains) / losses	18.66	8.08
Net asset / liability recognised in Balance Sheet		
Present value of defined benefit obligation	119.37	86.54
Fair value of plan assets	-	-
	119.37	**86.54**
Change in obligation during the year		
Present value of defined benefit obligation at the beginning of the year	86.54	65.11
Current service cost	11.64	10.10
Interest cost	6.61	5.05
Benefits paid	(4.08)	(1.80)
Actuarial (gains) / losses	18.66	8.08
Present value of defined benefit obligation at the end of the year	**119.37**	**86.54**
Current / Non-current Liability		
Current Liability	6.31	2.56
Non current Liability	113.06	83.99

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

Particulars	As at March 31, 2020	As at March 31, 2019
Financial assumptions		
Discount rate	6.79%	7.75%
Salary escalation rate	5.50%	5.50%
Demographic assumptions		
Withdrawal rate	1%	1%
Mortality rate	Ind Assured Lives Mortality (2012-14) Ult	Ind Assured Lives Mortality (2006-08) Ult

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(iii) Sensitivity analysis

Discount rate		
Effect on defined benefit obligation due to 1% increase in discount rate	(106.28)	(76.95)
Effect on defined benefit obligation due to 1% decrease in discount rate	135.08	98.07
Salary escalation		
Effect on defined benefit obligation due to 1% increase in salary escalation rate	135.12	98.21
Effect on defined benefit obligation due to 1% decrease in salary escalation rate	(106.02)	(76.68)

(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.

b) The disclosure of provisions movement as required by Ind AS 37 is as follows

Provision for Sales Return

Particulars	2019-20	2018-19
Balance at the beginning of the year	140.9	127.94
Provision made during the year	(63.25)	12.96
Utilization during the year	-	-
Balance at the end of the year	**77.65**	**140.90**

15 Deferred Tax Liabilities (Net)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Deferred Tax Liability			
Property, plant & Equipment	1,087.90	1,211.26	1,225.43
Deferred Tax Asset			
Expected Credit loss	(1.66)	(2.77)	(2.75)
Employee benefits	(31.81)	(28.48)	(23.89)
Remeasurement gain/(loss) on defined benefit plans	(8.29)	(3.59)	(1.34)
Unabsorbed losses	(30.55)	-	-
Total	**1,015.59**	**1,176.42**	**1,197.45**

16 Short term Borrowings - Secured (At Amortizedd Cost)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Working capital loan from banks (Refer Note 9A)	167.67	324.02	478.24
ICD from Holding Company	100.00	-	-
Total	**267.67**	**324.02**	**478.24**

Inter Corporate deposit is taken from Holding Company at interest rate of 10% p.a. which will be repaid within three months from the date of acceptance i.e. Jan 02, 2020.

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

Particulars	Long term borrowings	Short term borrowings	Current maturities	Total
Balance as on April 1, 2018	-	478.24	-	478.24
Changes from financing cash flows	11.87	(154.22)		(142.35)
Non cash changes (amortization of borrowing cost)				-
Other changes (transfer within categories)	(6.12)		6.12	-
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	-			-
Closing balance as on March 31, 2020	-	**267.67**	-	**267.67**

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17 Trade Payables (At Amortized Cost)

	Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
a)	Trade payables for goods and services:			
	- Total outstanding dues of Micro and small enterprises	-	-	-
	- Others	1,677.13	1,454.27	2,044.53
	Total	**1,677.13**	**1,454.27**	**2,044.53**

(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, 2020	As at March 31, 2019	As at April1, 2019
Principal amount due	-	-	-
Interest due on above	-	-	-
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	-	-	-
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, 2020		As at March 31, 2019		As at April 01, 2018	
	Non current	Current	Non current	Current	Non Current	Current
Current maturities of long term debt	-	-	-	6.12	-	-
Creditors for Capital Goods	-	21.26		-		-
Other Payable	-	83.12	-	135.53	-	280.39
Total	-	**104.38**	-	**141.65**	-	**280.39**

19 Current Tax Liabilities (Net)

Particulars	As at March 31, 2020		As at March 31, 2019		As at April 01, 2018
Provision for taxation (Net of Prepaid Tax)		-		-	7.73
Total		-	-	-	**7.73**

20 Other Non-Financial Liabilities

Particulars	As at March 31, 2020		As at March 31, 2019		As at April 01, 2018	
	Non current	Current	Non current	Current	Non Current	Current
Advance from customer	-	0.97	-	5.25	-	1.00
Duties & taxes payable	-	16.26	-	5.03	-	2.53
Other Payable	-	6.55	-	6.46	-	5.07
Total	-	**23.78**	-	**16.74**	-	**8.60**

21 Revenue from Operations (Net)

Particulars	2019-20	2018-19
Sale of products	4,710.98	7,332.20
Sale of Services	97.42	139.96
Other Operating Revenue	-	-
Scrap Sale	1.09	-
Export incentives	17.23	17.10
Total	**4,826.72**	**7,489.26**

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

Particulars	2019-20		2018-19	
	Domestic	Export	Domestic	Export
Sale of API's	4,506.34	204.64	7,019.38	312.82
Sale of Services	97.42	-	139.96	-
Total	**4,603.76**	**204.64**	**7,159.34**	**312.82**

b) No single customer represents 10% or more of the company's total revenue during the year ended March 31,2020 and March 31, 2019.

c) Movement of Contract Assets and Liabilities which is expected to settle within one year is not disclosed.

22 Other Income

Particulars	2019-20	2018-19
Interest income	40.28	44.41
Miscellaneous Income	18.25	-
Miscellaneous Balance Written Back	2.65	-
Foreign exchange (gain)/loss (net)	6.76	-
Excess provision reversal	3.37	-
Total	**71.31**	**44.41**

23 Cost of Materials Consumed

Particulars	2019-20		2018-19	
Raw materials consumed				
Opening stock	367.91		542.18	
Add : Purchases (net of discount)	2,885.00		3,852.58	
Less : Closing stock	(1,131.87)	2,121.04	(367.91)	4,026.85
Packing materials consumed				
Opening stock	1.57		0.26	
Add : Purchases (net of discount)	35.45		48.78	
Less : Closing stock	(8.49)	28.53	(1.57)	47.47
Neutrilisation of duties and Taxes on inputs on exports - Drawback benefits	(2.82)	(2.82)	(4.34)	(4.34)
Total		**2,146.75**		**4,069.98**

24 Purchase of Traded Goods

Particulars	2019-20	2018-19
Purchase of API drugs	161.36	-
Total	**161.36**	-

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

Particulars	2019-20		2018-19	
Inventory adjustments - WIP				
Stock at commencement	441.18		876.61	
Less: - Stock at closing	(340.71)	100.47	(441.18)	435.43
Inventory adjustments - FG				
Stock at commencement	265.77		229.34	
Less : Stock at closing	(186.76)	79.01	(265.77)	(36.43)
Total		**179.48**		**399.00**

26 Employee Benefits Expenses

Particulars	2019-20	2018-19
Salaries , bonus , perquisites , etc.	684.71	819.42
Contribution to provident and other funds	38.10	32.52
Leave encashment	2.38	3.18
Gratuity Expenses	18.24	15.15
Recruitment & Training	1.72	-
Staff welfare expenses	26.82	41.82
Total	**771.97**	**912.09**

27 Finance Cost

Particulars	2019-20	2018-19
Interest expense	18.55	41.80
Interest on Income tax	9.15	-
Total	**27.70**	**41.80**

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28 Depreciation & Amortisation

Particulars	2019-20	2018-19
Depreciation on tangible assets	506.96	465.60
Amortisation on intangible assets	16.08	1.25
Total	523.04	466.85

29 Other Expenses

Particulars	2019-20	2018-19
Consumption of stores and spares	135.98	59.52
Power and fuel	296.78	303.64
Water charges	10.25	11.38
Insurance	35.13	29.82
Outside Manufacturing charges	328.56	385.78
Repairs and maintenance - Building	53.11	31.51
Repairs and maintenance - machinery	203.08	45.32
Repairs and maintenance - others	4.06	-
Rent	11.38	19.73
Rates and taxes	16.78	17.48
Commission on Sales	3.34	5.36
Commission -Others	14.76	-
Communication expenses	4.07	6.66
Freight, forwarding and transportation	36.04	62.08
Laboratory expenses and analytical charges	101.97	84.77
Printing and stationery	9.05	8.66
Professional charges	27.46	62.99
Remuneration to auditors	5.50	4.00
Sales and marketing expenses	0.70	3.09
Travelling expenses	17.53	3.46
Foreign exchange (gain)/loss (net)	-	65.50
Provision for Expected Credit Loss	-	0.11
Bad debts and other balance w/off	0.01	19.36
CSR Expenses	25.00	1.00
Bank Charges	2.10	9.80
GST Expenses	6.63	-
Books, subscription and software	0.10	0.27
Loss on Sale of Assets	4.67	-
Miscellaneous expenses (none of which individually forms more than 1% of the operating revenue)	3.68	28.61
Total	1,357.72	1,269.90

30 Tax Expense

Particulars	As at March 31, 2019	As at March 31, 2018
Current tax	-	157.40
Tax expense of previous year	19.07	21.66
Deferred tax	(160.82)	(21.03)
Total	(141.75)	158.03

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

Particulars	**Year ended March 31, 2020**	**Year ended March 31, 2019**
Profit before income taxes	(269.99)	374.05
Enacted tax rates in India (%)	27.82%	27.82%
Computed expected tax expenses	(75.11)	104.06
Depreciation Differential	23.97	13.00
Effect of deductible expenses	(0.94)	36.35
Effect of non- deductible expenses	18.78	3.98
Others		
Income tax expenses - Net............................A	**(33.30)**	**157.39**
Tax liability as per Minimum Alternate Tax on book profits		
Minimum Alternate Tax rate	16.69%	16.69%
Computed tax liability on book profits	(45.06)	62.43
Tax effect on adjustments:		
1/5th of Opening Ind AS Adjustments	(206.69)	
Minimum Alternate Tax on book Profit ....B	-	62.43
Higher of A or B	-	157.39

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(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	1,225.43	(14.17)	-	1,211.26
Employee benefits	(23.89)	(4.59)	-	(28.48)
Expected credit loss	(2.75)	(0.02)	-	(2.77)
Remeasurement gain/(loss) on defined benefit plans	(1.34)	-	(2.25)	(3.59)
As at March 31, 2019	**1,197.45**	**(18.78)**	**(2.25)**	**1,176.42**
Property, Plant and Equipment	1,211.26	(123.36)	-	1,087.90
Employee benefits	(28.48)	(3.32)	-	(31.81)
Expected credit loss	(2.77)	1.11	-	(1.66)
Remeasurement gain/(loss) on defined benefit plans	(3.59)	-	(4.70)	(8.29)
Unabsorbed losses	-	(30.55)	-	(30.55)
As at March 31, 2020	**1,176.42**	**(156.12)**	**(4.70)**	**1,015.59**

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	2019-20	2018-19
Profit after tax (Rs. in lacs)	(132.93)	213.77
Total number of equity shares outstanding (Nos.)	500,000	500,000
Weighted average no. of shares outstanding (Nos.)	500,000	500,000
Nominal value of equity share (Rs.)	10.00	10.00
Earnings per share (Rs.)	(26.59)	42.75

Reconciliation of weighted average no. of shares

Particulars	2019-20	2018-19
Nominal value of equity share (Rs.)	10	10
For Basic & Dilutive EPS		
Total number of equity shares outstanding at the beginning	500,000	500,000
Add: Issue of shares	-	-
Weighted average number of equity shares outstanding	-	-
Total number of equity shares outstanding at the end of	500,000	500,000
Weighted average number of equity shares at the end of the	500,000	500,000

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.

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

Refer Annexure A

34 CSR expenditure:

a. Gross amount required to be spent by the Company during the year ₹ 10 lacs (previous year ₹ 12.62 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	25.00	-	25.00

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	1.00	-	1.00

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35 Contingent liabilities and Commitments

Particulars	As at March 31, 2020 (Rs. in lacs)	As at March 31, 2019 (Rs. in lacs)
Contingent Liabilities *	-	-
Commitment for acquisition of Property, plant and equipment	192.77	-

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.

36 First-time adoption of Ind AS

These financial statements, for the year ended March 31, 2020, are the first the Company has prepared in accordance with Ind AS. For twelve months periods up to and including the year ended 31 March 2019, the Company prepared its financial statements in accordance with accounting standards Companies (Accounting Standard) Rules,2006 notified under section 133 of the Companies Act, 2013 read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on March 31, 2020 together with the comparative period data as at and for the period ended March 31, 2019, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at April 1, 2018, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its previous GAAP financial statements, including;

- Profit reconciliation for the period ended March 31, 2019 ,
- Equity Reconciliation as at April 1, 2018 and March 31, 2019,
- Notes explaining the changes from previous GAAP to Ind AS ,
- Exemption availed by the Company on first time adoption of Ind AS.

Details of the same is given vide Annexure B- First Time Adoption

37 Financial Instruments

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

Particulars	As at March 31, 2020		As at March 31, 2019		As at April 01, 2018	
	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets						
Amortised Cost						
Loans	45.78	45.78	63.56	63.56	134.86	134.86
Others	0.57	0.57	50.72	50.72	-	-
Trade receivables	1,097.87	1,097.87	1,830.38	1,830.38	1,628.66	1,628.66
Cash and cash equivalents	3.94	3.94	30.03	30.03	182.50	182.50
Other Bank Balance	520.36	520.36	501.00	501.00	791.10	791.10
Total Financial Assets	**1,668.52**	**1,668.52**	**2,475.69**	**2,475.69**	**2,737.12**	**2,737.12**
Financial Liabilities						
Amortised Cost						
Borrowings	267.67	267.67	329.77	329.77	478.24	478.24
Trade payables	1,677.13	1,677.13	1,454.27	1,454.27	2,044.53	2,044.53
Others	104.38	104.38	141.65	141.65	280.39	280.39
Total Financial Liabilities	**2,049.18**	**2,049.18**	**1,925.69**	**1,925.69**	**2,803.16**	**2,803.16**

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, 2020, March 31, 2019 and April 1, 2018.

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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 exists 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 API's 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 works 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.

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, 2020	+100	-2.68
	-100	2.68
March 31, 2019	+100	-3.24
	-100	3.24

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.

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v. The unhedged foreign currency

(in Lacs)

Particulars	Currency	As at March 31, 2020		As at March 31, 2018	
		FCY	Rs	FCY	Rs
Unhedged foreign exchange liability					
Trade payables	USD	-	-	2.27	157.33
Unhedged receivables in foreign currency					
Trade receivables	USD	1.19	90.04	1.10	76.25

The unhedged foreign currency exposure is as follows:

Particulars	Change in Rate	FC Payable / (receivale)	Effect on Profit before tax
	%	(Rs. in lacs)	(Rs. in lacs)
31-Mar-20	5%	-1.19	4.50
	-5%		(4.50)
31-Mar-19	5%	1.17	(4.05)
	-5%		4.05

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 :

The working capital position of the company is given below:

Particulars	March 31, 2020	March 31, 2019
Cash and cash equivalent	3.94	30.03
Bank balance	520.36	501.00
Loans	8.75	14.66
Current financial assets	0.57	50.72
Inventory	1,667.83	1,076.43
Trade receivables	1,097.87	1,830.38
Other Assets	88.51	107.35
Total	**3,387.83**	**3,610.57**
Less:		
Short term borrowings	267.67	324.02
Trade payables	1,677.13	1,454.27
Current financial liabilities	104.38	141.65
Other Liabilities	23.78	16.74
Total	**2,072.96**	**1,936.68**
Total	**1,314.87**	**1,673.89**

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, 2020			
Borrowings	267.67	-	267.67
Trade payables	1,677.13	-	1,677.13
Other financial labilities	104.38	-	104.38
Other liabilities	23.78	-	23.78
Total	**2,072.96**	-	**2,072.96**
As at March 31, 2019			
Borrowings	324.02	-	324.02
Trade and other payables	1,454.27	-	1,454.27
Other financial labilities	141.65	-	141.65
Other liabilities	16.74	-	16.74
Total	**1,936.68**	-	**1,936.68**

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RAMDEV CHEMICALS PRIVATE LIMITED
CIN No : U24200MH1999PTC120863
Notes to Financial Statements as at and for the year ended March 31, 2020
(All amounts in Indian Rupees in lacs unless otherwise stated)

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, 2020	March 31, 2019
Gross Debt	267.67	324.02
Trade payables	1,677.13	1,454.27
Other payables	128.16	158.39
Less: Cash and cash Equivalents (C&CE)	(3.94)	(30.03)
Less: Bank balance	(520.36)	(501.00)
Net debt	**1,548.66**	**1,405.65**
Total Equity	**7,990.20**	**8,137.09**
Capital and net debt gearing ratio	**0.19**	**0.17**

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, 2020 and March 31, 2019.

41 In the last quarter of the financial year 2020, the coronavirus disease emerged as a global pandemic resulting in many governments declaring lockdowns in the last fortnight of March 2020 forcing citizens to stay indoors and disruption of economic activities globally. Being manufacturers and marketers of Active Pharmaceutical Ingredients and Drug Intermediates and hence provider of essential services and exempted from lockdown, the manufacturing facility activities of the Company continued with limited manpower and with initial challenges such as availability of raw materials, packing materials and disruptions in the logistics and supply chain. Management also believes that it has taken into account all the possible impact of known events arising from Covid-19 pandemic in the preparation of standalone 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, 2020.

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 : June 15, 2020

NATVARLAL VEPARI & CO. Mumbai CHARTERED ACCOUNTANTS

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

Babu Jaicob Edakklathur
Director
DIN: 06759124

Pabitrakumar 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)

Relative of key managerial person
Ujala S. Soni
Royal Pharma
(Proprietor- Nilesh V. Mehta)
Macrotech Polychem Private Limited
(Director- Nilesh V. Mehta)

b) Related party transactions

Transactions	Year ended 31-Mar-20	Year ended 31-Mar-19
Purchases & labour charges :		
Ipca Laboratories Private Limited	495.64	-
Royal Pharma	-	254.43
Macrotech Polychem Private Limited	-	48.42
Sales :		
Ipca Laboratories Private Limited	0.07	-
Inter corporate deposit taken :		
Ipca Laboratories Private Limited	100.00	-
Interest on ICD :		
Ipca Laboratories Private Limited	2.44	-
Rent Expenses		
Ipca Laboratories Private Limited	1.18	-
Managerial Remuneration		
Sevantilal S. Champaneri	15.33	240.00
Directors Sitting Fees		
Sevantilal S. Champaneri	0.30	-
Babu Lal Jain	0.25	-
Babu Jaicob Edakklathur	0.40	-
Pabitrakumar Kalipada Bhattacharya	0.40	-
Office Rent		
Ujala S. Soni	-	1.80

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CHARTERED ACCOUNTANTS

Outstanding balances at the end of the year	Year ended 31-Mar-20	Year ended 31-Mar-19
Salary payable to :		
Sevantilal S. Champaneri	-	78.35
Inter corporate deposit taken :		
Ipca Laboratories Private Limited	100.00	-
Interest payable :		
Ipca Laboratories Private Limited	2.19	-
Outstanding balance receivable		
Ipca Laboratories Private Limited	0.07	-
Outstanding balance payable		
Ipca Laboratories Private Limited	367.11	-
Royal Pharma	-	35.86
Macrotech Polychem	-	19.00

The Company's related party transactions during the year ended March 31, 2020 and March 31, 2019 and outstanding balances as at March 31, 2020 and March 31, 2019 are with its Fellow Subsidiary Companies which are at arms length and in the ordinary course of business

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CHARTERED ACCOUNTANTS

RAMDEV CHEMICALS PRIVATE LIMITED

Notes to financial statements as at and for the year ended March 31, 2020

Reconciliations to First time adoption

A Effect of IND AS adoption on the Statement of Profit and Loss for the year ended March 31, 2019

Particulars	Notes	Previous GAAP	Effect of Transition to IND AS	IND AS
(I) **Income**				
Revenue from operations	iii)	7,502.29	(13.03)	7,489.26
Other income		44.41	-	44.41
Total income		**7,546.70**	**(13.03)**	**7,533.67**
(II) **Expenses**				
Cost of materials consumed		4,069.98	-	4,069.98
Purchases of stock in trade		-	-	-
Change in inventories of work-in-progress, stock-in-trade and finished goods		399.00	-	399.00
Employee benefit expense	iv) , v)	893.74	18.35	912.09
Finance costs		41.80	-	41.80
Depreciation and amortisation expense	i)	458.90	7.95	466.85
Other expenses	ii)	1,269.79	0.11	1,269.90
Total expenses		**7,133.21**	**26.41**	**7,159.62**
Profit before exceptional items and tax		**413.50**	**(39.44)**	**374.05**
Exceptional items		-	-	-
Profit before tax from continuing operations		**413.50**	**(39.44)**	**374.05**
Income tax expense				
- Current tax		157.40	-	157.40
- Short / (excess) provision of taxes for earlier years		21.66	-	21.66
- Deferred tax		(12.96)	(5.82)	(18.78)
Total tax expense		**166.10**	**(5.82)**	**160.28**
Profit from continuing operations		**247.40**	**(33.62)**	**213.77**
Profit from discontinued operation		-	-	-
Profit for the year		**247.40**	**(33.62)**	**213.77**
Actuarial gain and (loss)		-	(8.08)	(8.08)
Tax effects thereon		-	2.25	2.25
Total comprehensive income		**247.40**	**(39.45)**	**207.94**

** The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.*

B Reconciliation of total Equity as at 31 March 2019 and 1 April 2018

	Notes to first time adoption	31-Mar-19	01-Apr-18
Total equity (shareholder's funds) as per previous GAAP		5,013.83	4,766.44
Adjustments:			
Fair value of PPE & Intangibles as deemed cost (Ind AS 101)	(i)	4,539.75	4,539.75
Depreciation and amortisation on revalued amount (Ind AS 101)	(i)	(7.95)	-
Provision for expected credit loss (Ind AS 109)	(ii)	(9.97)	(9.86)
Provision for sales return (Ind AS 37)	(iii)	(140.98)	(127.94)
Provision for Bonus (Ind AS 37)	(iv)	(20.90)	(17.12)
Provision for Gratuity (Ind AS 15)	(v)	-	32.78
Provision for leave encashment (Ind AS 37)	(iv)	1.69	(8.45)
Tax effects of adjustments (Ind AS 12)	(vi)	(1,238.38)	(1,246.44)
Total adjustments		**3,123.26**	**3,162.71**
Total equity as per Ind AS		**8,137.09**	**7,929.15**

NATVARLAL ... & CO. ★ Mumbai ★ CHARTERED ACCOUNTANTS

RAMDEV CHEMICALS PRIVATE LIMITED
Notes to financial statements as at and for the year ended March 31, 2020

D Notes to effect of first time adoption

i) Property , Plant and Equipment

Fair Value as deemed cost - Property Plant and Equipment

Under Ind AS, the Company has adopted para D5 of IND AS 101- "First time Adoption" and fair value its property, plant and equipments and carried fair value in its opening Ind AS Balance Sheet as at 1 April, 2018 as deemed cost. Accordingly, difference between the fair value and carrying amount reported under previous GAAP has been credited to retained earnings Rs.4,539.75 lacs. Similarly, profit of March 31, 2019 is reduced by Rs. 7.95 lacs due to impact of depreciation on revalued figure.

ii) Trade Receivables

On Application of Ind AS 109, the Company has provided expected credit loss on trade receivable using simplified approach and debited the said allowance to profit and loss account. As a result, the allowance for expected credit loss is Rs. 0.11 lacs as at March 31, 2019 and Rs. 9.86 lacs as at April 01, 2018.

iii) Provisions for Sales returns

The Company has estimated probable returns based on past trends and has made provision thereon as required by Ind AS 37. On account of this change, the retained earnings as at April 01, 2018 has been decreased by Rs. 127.94 lacs with consequent increase in provision. The impact for the year ended March 31, 2019 is Rs. 13.03 lacs on the profit for the year with corresponding effect on the balance of provisions.

iv) Provisions for Bonus & Leave encashment

On Application of para 10 of INDAS 101 - First time Adoption , the Company has made provision for bonus & leave encashment to employees in IND AS financials. The retained earnings as at April 01, 2018 has been decreased by Rs. 25.57 lacs with consequent increase in provision. The profit for the year ended March 31, 2019 is increased by Rs. 6.36 lacs with corresponding effect on the balance of provisions.

v) Defined benefit liabilities

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Accordingly Rs. 4.80 lacs net of tax thereon has been adjusted in other comprehensive income from retained earnings as at April 01, 2018. The adjustment for the year ended March 31, 2019 is Rs.8.07 lacs net of the tax effect thereon. As a result of this change, the retained earnings as at April 01, 2018 and profit for the year ended March 31, 2019 has been adjusted. Retained earnings of April 01, 2018 increased by Rs. 32.78 lacs with decrease in provision and profit for the year ended March 31, 2019 decreased by Rs. 24.71 lacs with increase in provision.

vi) Deferred tax

Consequent impact on deferred tax arising out of various adjustments under Ind AS has been given in accordance with Ind AS 12 "Income Taxes". On the date of transition the net impact of deferred tax is Rs. 1,246.44 lacs which is adjusted agianst retained earnings. For the year ended March 31, 2019 the impact on profit arising out of deferred tax changes is Rs. 8.07 lacs

vii) Statement of cash flows

The transition from Indian GAAP to Ind AS has not had a material impact on the statement of cash flows.

viii) Retained earning

Retained earnings as at April 1, 2018 has been adjusted consequent to the above Ind AS transition adjustments.

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