



**2021-2022**

# **ANNUAL REPORT**



**Lykis**  
cosmetics



# Lykis®

APAIXONE-SE POR SI

## SKIN CARE

### BODY OIL



## SKIN CARE

### FACE WASH | FACE & BODY SCRUB





# Lykis®

APAIXONE-SE POR SI

## SKIN CARE

### CONDITIONER



## SKIN CARE

### SHAMPOO





# Lykis®

APAIXONE-SE POR SI

## SKIN CARE

### SOAP



## SKIN CARE

### NUTRITIVE CARE





# Lykis®

APAIXONE-SE POR SI

## FRAGRANCE

### PERFUME | BODY MIST



## FRAGRANCE

### DEODORANTS | ROLL ON





# Lykis®

APAIXONE-SE POR SI

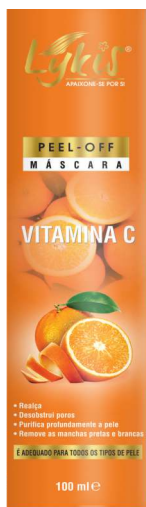
## FRAGRANCE

### PERFUME



## SKIN CARE

### PEEL OF MASK



# Aromaa

AMBIENTADOR  
AIR FRESHENER



Aromaa

AMBIENTADOR

Bouquet Francês

Torne o seu ambiente verdadeiramente fresco como a natureza

*Elimina  
as Odores*



300 ml e

Leia com atenção o rótulo brasileiro  
Read Back Panel Carefully



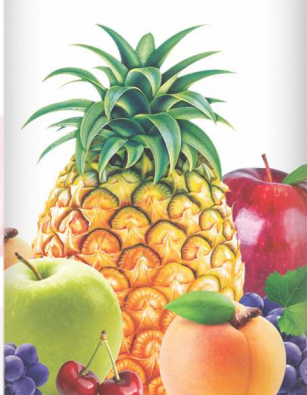
Aromaa

AMBIENTADOR

Ilha das Frutas

Torne o seu ambiente verdadeiramente fresco como a natureza

*Elimina  
as Odores*



300 ml e

Leia com atenção o rótulo brasileiro  
Read Back Panel Carefully



Aromaa

AMBIENTADOR

Aqua Chuvisco

Torne o seu ambiente verdadeiramente fresco como a natureza

*Elimina  
as Odores*



300 ml e

Leia com atenção o rótulo brasileiro  
Read Back Panel Carefully



Aromaa

AMBIENTADOR

Chuvas Ozônicas

Torne o seu ambiente verdadeiramente fresco como a natureza

*Elimina  
as Odores*



300 ml e

Leia com atenção o rótulo brasileiro  
Read Back Panel Carefully

*Elimina as Odores  
Odour Buster*



# Bonita<sup>®</sup>

HAIR CARE

HAIR COLOUR



HAIR CARE

BONITA COLORING SHAMPOO



# Bonita<sup>®</sup>

## SKIN CARE

### MOISTURISING BODY MILK



## SKIN CARE

### SHAMPOO | CONDITIONER | BODY LOTION





# monami®

CUIDADOS COM O BEBÊ

SKIN CARE

CREAM | TALCUM POWDER | BODY LOTION



SKIN CARE

BABY WIPES



HIDRATA E NUTRE A PELE DO BEBÊ



DERMATOLOGICAMENTE TESTADO



O PH É COMPATÍVEL COM A PELE



FÁCIL DE USAR

A ESCOLHA PERFEITA DA MÃE INTELIGENTE



80 Toalhetes

NÃO CONTÉM PARABENOS

EXTRA FRESCO E MACIO

NÃO CONTÉM ALCOOL

NÃO CONTÉM SABÃO



# monami®

CUIDADOS COM O BEBÊ



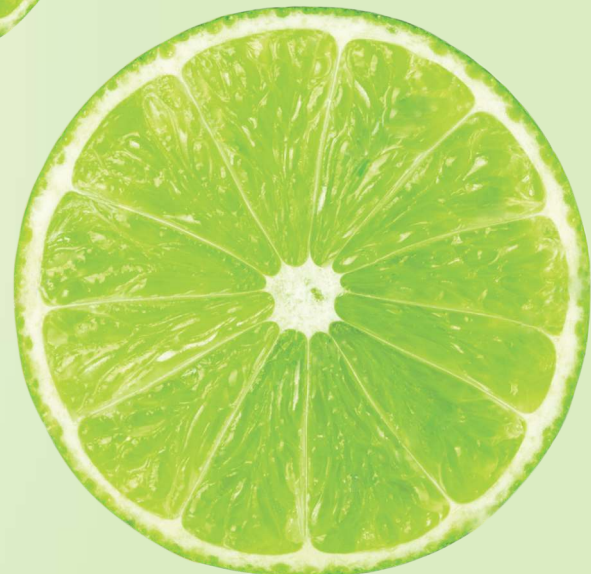
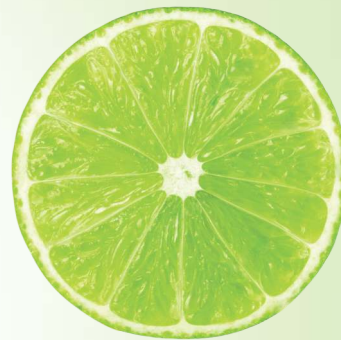
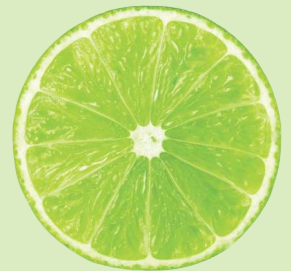
QUALIDADE EXTRA DO ALOÉ VERA E VITAMINA E

Toalhetes Para Bebês

# Bentol

citrus lime

HAND SANITIZER



INSTANT PROTECTION  
KILLS 99.9 % GERMS

Available in 50ml, 125ml, 250ml, 500ml & 5 Litres



FRAGRANCE

PERFUME



FRAGRANCE

PERFUME





SKIN CARE

SHAMPOO | SHOWER GEL



SKIN CARE

SKIN CREAM | BODY LOTION | CONDITIONER





Rox®

FOR MEN

# Rox<sup>®</sup>

ACREDITA EM TI

**ROX RANGE**

**CREME | GEL | BODY LOTION | ROLL ON**



**ROX RANGE**

**HAIR STYLING CREAM**





PERFUME



ROX RANGE

BODY MIST



## ROX RANGE

### PERFUME



## ROX RANGE

### PERFUME



# Rox<sup>®</sup>

ACREDITA EM TI

ROX RANGE

PERFUME



ROX RANGE

DEODORANTS



# Special

## TOOTHPASTE kidzz



## LEMON TOOTHPASTE



## GREEN TEA NATURAIS

Pasta de dentes protetora de gengiva



## Aloe Vera Extra Fresh



## CHARCOAL 3 IN ONE



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## BRIEF PROFILE OF THE DIRECTORS

- 1 Mr. Nadir Umedali Dhrolia** (DIN: 03303675)

Mr. Dhrolia has joined the Board on 05th December, 2011. Mr. Nadir Dhrolia was the Non-Executive, Non-Independent Director until November 14, 2020. Mr. Dhrolia was appointed as the Executive- Managing Director of the Company with effect from November 14, 2020. He has completed his graduation in Bachelors of Commerce. He has more than 21 years of rich experience and expertise in the African markets. His contribution towards export business is of immense importance for the Company to grow in the industry.
- 2 Mr. Shafeen Sadruddin Charania** (DIN: 07283015)

Mr. Charania has joined the Board on November 14, 2020. He possesses in depth knowledge of Export and Trading Industry. He has over twenty years of widespread experience in developing high quality long term and short term business strategies in Export and Trading Business Management.
- 3 Mr. Kairav Anil Trivedi** (DIN: 07893708)

Mr. Trivedi has joined the Board on November 14, 2020. He holds the qualifications of M.com, FCA, FCS, LLB, MBA (JBIMS), FIOD, MCN and Insolvency Professional with over 23 years of experience in senior management in various sectors such as – Pharma, Automobile, Power Plants, Cement, Dredging, Ports, SEZ, Hospital, Infrastructure etc.
- 4 Mr. Rajendra Singh Singhvi** (DIN: 08322932)

Mr. Singhvi has joined the Board on January 08, 2019. He is Chartered Accountant. He has over 30 years of rich & post qualification experience in accounts & finance management, corporate planning (mergers & de-mergers/IPO management), financial restructuring, treasury functions, predominately in auto & telecom sectors. He was appointed as CFO or Head Finance of large Domestic & International organizations like Tata Autocomp (TACO), Automotive Stampings (ASAL), Dish TV India Ltd, Idea Cellular Limited, LG Electronics, Escorts Communications Limited, Usha Martin, Coates of India, JK Tornel (Mexico) & Quality Group (Tanzania).
- 5 Mrs. Neha Rajan Gada** (DIN: 01642373)

Mrs. Gada has joined the Board on February 13, 2021. She is a Chartered Accountant and Insolvency Professional having experience of 20 years. She has been working with oldest Asian Stock Exchange, BSE Ltd for more than 6 years. She also holds the position of Hon Joint Secretary at Chambers of Tax Consultants. She has vast experience in Compliance pertaining to Securities Law, Corporate Law. Specializes in Restructuring, Acquisitions and Mergers, Due Diligence, Takeovers, SEBI Exemption and Consent applications, LODR & ICDR Compliance, Listing matters, Insolvency, NBFC Registrations and Takeovers.
- 6 Mr. Rajesh Nambiar** (DIN: 09004586)

Mr. Nambiar has joined the Board on February 13, 2021. He is an engineer. After working for a few years in India, Mr. Nambiar moved to what was then Zaire (presently DR Congo), joining the biggest group there in the mid-nineties, despite the fact that the country was undergoing and experiencing the worst crisis in its traumatic and often tragic history. He has created one of Africa's largest Yamaha distributors (Prodimpex) from scratch, then engineered a takeover and turnaround of operations abandoned by Unilever (Marsavco) as the CEO. He then moved to Beltexco as a Deputy Managing Director and a member of the board and oversaw a complete re-structuring of the company, bringing it back into profitability. He was also on the board of several companies, vice president of the national cement company (CINAT) for 3 yrs. Mr Nambiar has a huge experience of managing businesses, restructuring operations, setting up greenfield projects all in very challenging and diverse political and economic environments. Currently, he is a consultant taking up projects and assignments that help him leverage his knowledge and experience of African markets, enabling companies to take strategic decisions of expansion, investment, alliances and even exits. He has set up family offices for his clients to manage their companies and personal wealth through strategic investments and enable them to plan their succession strategies and business success continuity.

## CHAIRMAN'S MESSAGE



*Dear Shareholders,*

Let me begin by wishing you good health and safety in these troubled times. I sincerely hope you stay safe and protected. The past year has been full of challenges and hardships for us as a Company. Change is a part of growing and therefore inevitable.

It has been a stable year where all the restructuring we talked about took shape. We have on boarded a new team leading the organization, with good experience and very motivated to instill good corporate governance into the DNA of this Company. We shall soon see the Company we ones envisioned together.

In addition to that, we launched various new products last year and intend to launch some new interesting products this year as well with strong focus on our quality. Your Company is working very hard to create Shareholders wealth.

I would once again like to express my gratitude to all our team members for valiantly fighting through the challenges posed by this unprecedented crisis and extend my sincere gratitude to the Board for its continued guidance and support. I also convey heartfelt appreciation for all our business partners, vendors and other business associates who have firmly stood by your Company amidst adversity. We deeply value the faith guidance and support of all our shareholders and would continue to do so as we attempt to emerge stronger from the challenges and look ahead to brighter times.

Warm regards,

**Shafeen Charania**

Non-Executive Director & Chairman

DIN: 07283015

May 30, 2022

## CORPORATE INFORMATION

### Board of Directors:

**Mr. Shafeen Charania**  
*Chairman and Non-Executive Director*

**Mr. Nadir Dhrolia**  
*Managing Director*

**Mr. Prince Tulsian**  
*Non-Executive Director*  
*(Resigned w.e.f. May 30, 2022)*

**Mr. Rajendra Singh Singhvi**  
*Non-Executive Independent Director*

**Mr. Kairav Trivedi**  
*Non-Executive Independent Director*

**Mrs. Neha Gada**  
*Non-Executive Independent Director*

**Mr. Rajesh Nambiar**  
*Non-Executive Independent Director*

### Chief Financial Officer:

**Mr. Shrigopal Kandoi**

### Company Secretary & Compliance Officer:

**Ms. Sucheta Chaturvedi**  
*(Resigned w.e.f. March 09, 2022)*

**Ms. Darshana Sawant**  
*(with effect from April 02, 2022)*

### Registered Office:

CIN: L74999WB1984PLC038064  
7, Surendra Mohan Ghosh Sarani (Mangoe Lane)  
1<sup>st</sup> Floor, Room No.-105, Kolkata- 700001,  
West Bengal, India.  
Mobile No. -98361392276

### Statutory Auditor:

M/s. Singrodia & Co., LLP  
Chartered Accountants  
Neo Shine House, 101, Off New Link Road,  
opp. Monginis Factory, Veera Desai Industrial Estate,  
Andheri West, Mumbai - 400053  
(with effect from August 03, 2021)

### Secretarial Auditor:

SCP & CO  
Company Secretaries  
A/302, Old Ashok Nagar,  
Vazira Naka, L .T. Road,  
Borivali West,  
Mumbai 400091.

### Bankers:

HDFC Bank  
ICICI Bank

### Registrar and Share Transfer Agent:

M/s. Purva Sharegistry (India) Pvt. Ltd.  
Unit No. 9, Shiv Shakti Ind. Estt.  
J .R. Borich Marg, Lower Parel (E),  
Mumbai - 400 011.  
Phone No. 022-2301 2517 / 8261.  
Website: [support@purvashare.com](mailto:support@purvashare.com)

### Corporate Office:

Grandeur Building, 4<sup>th</sup> Floor,  
Veera Desai Road, Opp. Gundecha Symphony,  
Near Country Club, Andheri (West),  
Mumbai - 400 053.  
Phone No.: 022-40694069.  
Website: [www.lykis.com](http://www.lykis.com)  
Email. Id: [cs@lykis.com](mailto:cs@lykis.com)



## DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting their Thirty Eighth Annual Report of the Company along with Audited Financial Statement for the year ended March 31, 2022.

### 1. FINANCIAL HIGHLIGHTS:

(₹ In Lakhs)

Particulars	For the year ended on 31.03.2022 (Standalone)	For the year ended on 31.03.2021 (Standalone)	For the year ended on 31.03.2022 (Consolidated)	For the year ended on 31.03.2021 (Consolidated)
<b>Continuing Operations:</b>				
<b>Income</b>				
Revenue from Operation	31,736.26	5,867.56	32,887.98	6,329.39
Other Income	620.68	105.10	619.00	110.10
<b>Total Income</b>	<b>32,356.93</b>	<b>5,972.66</b>	<b>33,506.98</b>	<b>6,439.49</b>
<b>Expenditure</b>				
Less: Operating & Other Expenses	32,344.83	6,788.38	33,178.87	6,863.42
<b>Profit Before Depreciation and Tax</b>	<b>12.11</b>	<b>(815.72)</b>	<b>328.12</b>	<b>(428.15)</b>
Less: Depreciation	102.43	78.23	102.43	78.23
<b>Profit/(Loss) Before Tax from Continuing Operations</b>	<b>(90.33)</b>	<b>(893.95)</b>	<b>225.68</b>	<b>(506.39)</b>
Less: Share In profit (Loss) of Associates and JV as per Equity method	0	0	(0.38)	0
<b>Profit/(Loss) Before Tax from Continuing Operations</b>	<b>(90.33)</b>	<b>(893.95)</b>	<b>225.30</b>	<b>(506.39)</b>
Less : Provision for Taxes	24.59	10.12	24.59	10.12
<b>Less : Deferred Tax</b>	<b>(41.11)</b>	<b>(247.67)</b>	<b>(41.11)</b>	<b>(275.59)</b>
<b>Profit / (Loss) for the year from Continuing Operations (A)</b>	<b>(73.81)</b>	<b>(656.41)</b>	<b>241.82</b>	<b>(240.92)</b>
<b>Discontinuing Operations:</b>				
Loss from discontinuing operations before tax	0	(431.50)	0	(431.50)
Less : Tax from discontinuing operations	0	(0.83)	0	(0.83)
<b>Loss from Discontinuing Operations (B)</b>	<b>0</b>	<b>(430.67)</b>	<b>0</b>	<b>(430.67)</b>
<b>Profit/(Loss) for the year (A+B)</b>	<b>(73.81)</b>	<b>(1,087.08)</b>	<b>241.82</b>	<b>(671.59)</b>
<b>Total Comprehensive Income / Loss for the year</b>	<b>(73.90)</b>	<b>(1,058.91)</b>	<b>242.28</b>	<b>(643.42)</b>

### 2. COMPANY'S PERFORMANCE

During the year ended March 31, 2022, Operational Revenue including other income on Standalone basis was ₹ 32,356.93 Lakhs and Profit / (Loss) Before Tax was ₹ (90.33) Lakhs v/s ₹ (1,325.45) Lakhs in previous year while Net Profit / (Loss) for the financial year ended March 31, 2022 was ₹ (73.81) Lakhs v/s ₹ (1,087.08) Lakhs in previous year.

On a consolidated basis the operational revenue including other income was ₹ 33,506.98 Lakhs and Profit/ (Loss) Before Tax was ₹ 225.30 Lakhs v/s ₹ (937.89) Lakhs last year. The Net Profit / (Loss) for the financial year ended March 31, 2022 was ₹ 241.82 Lakhs v/s ₹ (671.59) Lakhs in previous year.

Your Company has taken several remedial steps to meet the challenges viz. measures in saving cost at all front of operations, optimize use of available resources etc.

A detailed analysis on the operations of the Company during the year under review and outlook for the current year is included in the Management Discussion and Analysis Report forming an integral part of this Annual Report.

### 3. DIVIDEND

Your Directors have not recommended dividend for the financial year ended March 31, 2022.

### 4. CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements of the Company have been prepared in accordance with section 129(3) of the Companies Act, 2013 and applicable Indian Accounting Standards, which have been reviewed by the Audit Committee and Board of Directors of the Company. Further, a statement containing the salient features of the financial statement of the Subsidiary in the prescribed format AOC1 is annexed to the Annual Report.

In accordance with Section 136 of the Companies Act, 2013, the audited financial statements, including the consolidated financial statements and related information of the Company and audited accounts of its subsidiary are available on the Company's website [www.lykis.com](http://www.lykis.com). These documents will also be available for inspection during the business hours on every working day at the Registered Office till the date of the Annual General Meeting of the Company.

The Consolidated net profit/loss of the Company amounted to ₹ 241.82 Lakhs for the financial year ended March 31, 2022 as compared to ₹ (671.59) Lakhs for the previous financial year ended March 31, 2021.

In accordance with the provisions of the Companies Act, 2013 ('the Act') and applicable provisions of Indian Accounting Standards on Consolidated Financial Statements, your Directors also provide the Audited Consolidated Financial Statements in the Annual Report.

### 5. RESERVES

There is no amount proposed to be transferred to the General Reserve during the year under review.

### 6. SUBSIDIARY AND ASSOCIATES ENTITIES

As on March 31, 2022, your Company has two Subsidiary Company and two Associate Companies, details whereof as under:

#### ➤ SUBSIDIARY ENTITIES

Lykis Marketing Pvt. Ltd. is the wholly owned subsidiary of Lykis Limited. The Company has main focus on FMCG product, commission agent and Marketing services.

Lykis Exports LLC is the wholly owned subsidiary of Lykis Limited. The Company has the main business of export of FMCG, ENA & Industrial Products.

In accordance with the provision of section 136 of the Companies Act, 2013, the annual report are placed on the company website i.e. [www.lykis.com](http://www.lykis.com).

#### ➤ ASSOCIATE ENTITIES

Lykis Packaging Private Limited, Lykon Foods Private Limited and Lykis Biscuits Pvt. Ltd. are the Associate Companies of Lykis Ltd.

Lykon Foods Private Limited has made an application with Registrar of Companies, Mumbai for strike off. The status of the Company is Strike off with effect from June 22, 2022.

Pursuant to the provisions of Section 129(3) of the Act, a statement containing salient features of the financial statements of the Company's subsidiary and associate company in Form AOC-1 is attached as **Annexure A** to this report.

### 7. BOARD OF DIRECTORS

In accordance with the provisions of Section 152 of the Companies Act, 2013 ('the Act'), and the Company's Articles of Association, Mr. Shafeen Charania retires by rotation and being eligible has offered himself for re-appointment.

Pursuant Section 149(4) of the Companies Act, 2013 on recommendation of the Nomination and Remuneration Committee and the Board, the Members of the Company at its 37th AGM re-appointed Mr. Rajendra Singhvi and

appointed Ms. Neha Gada & Mr. Rajesh Nambiar as Non-Executive Independent Directors on the Board of Directors of the Company with effect from conclusion of 37th AGM till the conclusion of 42nd Annual General Meeting.

The Members of the Company appointed Mr. Kairav Anil Trivedi as Non-Executive Independent Director, Mr. Shafeen Charania, Non-Executive Director and re-designation of Mr. Prince Tulsian as Non-Executive Director of the Company by passing Ordinary Resolution through Postal Ballot dated February 20, 2021.

Mr. Prince Tulsian, Non-Executive Non-Independent Director, resigned from the Company with effect from May 30, 2022. The composition of the Board is in compliance with SEBI (LODR), Regulations, 2015 and Companies Act, 2013, hence the vacancy is not filled by the Company after resignation of Mr. Prince Tulsian.

The necessary resolutions for the appointment /re-appointment of the above mentioned director and their brief profile have been included in the notice convening the ensuing Annual General Meeting. The brief resume of the Director seeking appointment / re-appointment at the ensuing Annual General Meeting, in pursuance of Regulation 36(3) of SEBI (Listing Obligation & Disclosure Requirements) Regulation, 2015 is annexed to the Annual General Meeting Notice.

All the directors of the company have confirmed that they satisfy the fit and proper criteria as prescribed under the applicable regulations and that they are not disqualified from being appointed as directors in terms of section 164(2) of the Companies Act, 2013.

## 8. INDEPENDENT DIRECTORS

Mr. Kairav Trivedi, Mr. Rajendra Singh Singhvi, Ms. Neha Gada and Mr. Rajesh Nambiar are Independent Directors of the Company. The Company has received declaration of Independence from all the Independent Directors as required under Section 149(7) of the Companies Act, 2013 confirming that they meet the criteria of independence under Section 149(6) of the Companies Act, 2013 read with Regulation 16(1) (b) of SEBI (LODR) Regulations, 2015. In the opinion of the Board, the Independent Directors fulfil the said conditions of Independence. The Independent Directors have also confirmed that they have complied with the Company's Code of Business Conduct & Ethics. In terms of requirements of the Listing Regulations, the Board has identified core skills, expertise and competencies of the Directors in the context of the Company's business for effective functioning, which are detailed in the Corporate Governance Report.

The Ministry of Corporate Affairs ('MCA') vide Notification No. G.S.R. 804(E) dated October 22, 2019 and effective from December 01, 2019 has introduced the provision relating to inclusion of names of Independent Directors in the Data Bank maintained by Indian Institute of Corporate Affairs ('IICA'). All Independent Directors of your Company are registered with IICA. In the opinion of the Board, Independent Directors possess the requisite integrity, experience, expertise, proficiency and qualifications.

## 9. BOARD EVALUATION

The Board of Directors have carried out an annual evaluation of its own performance, Board Committee and individual Directors pursuant to provision of the Act and the corporate governance requirement as prescribed by the Securities and Exchange Board of India (Listing Obligation & Disclosure Requirement) Regulation, 2015. The performance of the board was evaluated by the board after taking inputs from all the Directors on the basis of criteria such as the Board Composition and structure, effectiveness of board process, information and functioning, etc. as provided by the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017.

A structured questionnaire was prepared after taking into consideration various aspects of Board's functioning like composition of the Board and its Committees, Board culture, performance of specific duties and obligations keeping in view applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. The evaluation process includes various aspects to determine the performance of Directors of the Company. The basis for this evaluation include fulfillment of independence criteria, qualifications, knowledge, level of engagement and contribution, skills and experience in the respective fields, honesty, integrity, ethical behavior and leadership, independence of judgment, attendance at the meetings, understanding the business, regulatory, competitive and social environment, understanding strategic issues and challenges etc. The Board of Directors expressed their satisfaction over the evaluation process.

In a separate meeting of Independent directors which was held on February 07, 2022, performance of non-independent and the board as whole was evaluated, taking into account the views of executive directors and non-executive directors. Performance evaluation of Independent director was done by the entire board, excluding the independent director being evaluated.

#### **10. DIRECTOR'S RESPONSIBILITY STATEMENT**

Pursuant to section 134(5) of the Companies Act, 2013, the Board, to the best of their knowledge, hereby confirmed that:

- i. In the preparation of Annual Accounts and Financial Statements for the year ended March 31, 2022, the applicable accounting standards have been followed along with proper explanations relating to material departures, if any;
- ii. They have selected such accounting policies and applied them consistently and made judgment 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 and of the profit and loss of the company for that period.
- iii. They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of this act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. They have prepared annual accounts on a going concern basis.
- v. They have laid down internal financial control to be followed by the company and that such internal financial control are adequate and were operating effectively.
- vi. They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

#### **11. MEETINGS OF BOARD OF DIRECTORS**

The Board met 5 (Five) times during the year. The details about the board meeting and the attendance of the directors are provided in Corporate Governance Report.

#### **12. BOARD COMMITTEES**

Details of all the following Committees constituted by the Board along with their composition, terms of references and meetings held during the year are provided in the Report on Corporate Governance which forms part of this Report.

1. Audit Committee
2. Stakeholder Committee
3. Nomination & Remuneration Committee

#### **13. BOARD DIVERSITY**

The Board recognizes the importance of a diverse composition and has adopted a "Board Diversity Policy" which sets out the approach to diversity. The Board Diversity Policy of the Company is available at <https://lykis.com/investor>.

#### **14. KEY MANAGERIAL PERSONNEL**

Pursuant to Section 203 of the Companies Act, 2013, the Company has three Key Managerial Personnel viz. Mr. Nadir Dhrolia, Managing Director, Ms. Sucheta Chaturvedi as Company Secretary & Compliance Officer upto March 09, 2022 and Mr. Shrigopal Kandoi as Chief Financial Officer of the Company.

The Board of Directors at its Meeting held on April 02, 2022 appointed Ms. Darshana Sawant as Company Secretary and Compliance Officer of the Company in place of Ms. Sucheta Chaturvedi w.e.f. April 02, 2022.

#### **15. ANNUAL RETURN**

Pursuant to the provisions of Section 134(3)(a) and Section 92(3) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014 the Annual Return of the Company for the Financial Year ended March 31, 2022 in Form MGT-7 is uploaded on the website of the Company and can be accessed at <https://lykis.com/investor>.

## 16. AUDITORS

### STATUTORY AUDITOR

The Company had appointed M/s Singrodia & Co. LLP, Chartered Accountant (Firm Registration No. W100280) as Statutory Auditor of the Company for term of five consecutive years from the conclusion 37th Annual General Meeting till the conclusion of 42nd Annual General Meeting of the Company. The Company has also received a consent from M/s Singrodia & Associates (Firm Registration No. W100280) to act as a Statutory Auditor of your Company for the period of five years. There are no qualification, reservation or adverse remark or disclaimer made in the audit report for the financial year 2021-22.

### INTERNAL AUDITORS

The Board at its meeting had appointed M/s Ram Agarwal & Associates (Firm Registration No: 140954W) for a period of one year as internal Auditor.

### SECRETARIAL AUDITORS

Pursuant to provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and Regulation 24(A) of the SEBI (Listing Obligation & Disclosure Requirements) Regulation, 2015, the Company has appointed M/s. SCP & Co., Practicing Company Secretary as Secretarial Auditor of the Company.

The Secretarial audit report for the financial year ended March 31, 2022 is annexed to this Report as **Annexure B** which is self-explanatory.

## 17. INDUSTRIAL RELATIONS

The industrial relations remained cordial during the year under review.

## 18. COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has complied with Secretarial Standards on meetings of Board of Directors and on General Meeting issued by the Institute of Company Secretaries of India in terms of Section 118 (10) of the Companies Act, 2013.

## 19. NOMINATION AND REMUNERATION POLICY

The Board of Directors has framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. The Policy broadly lays down the guiding principles, philosophy and the basis for payment of remuneration to Executive and Non-executive Directors (by way of sitting fees and commission), Key Managerial Personnel, Senior Management and other employees. The policy also provides the criteria for determining qualifications, positive attributes and Independence of Director and criteria for appointment of Key Managerial Personnel / Senior Management and performance evaluation which are considered by the Nomination and Remuneration Committee and the Board of Directors while making selection of the candidates. The details of this policy are available on the website of the Company <https://lykis.com/investor>.

## 20. INTERNAL FINANCIAL CONTROL

The Company has put in place adequate policies and procedures to ensure that system of Internal Financial Control is commensurate with the size and nature of the Company's business. The evaluation of these internal financial controls were done through internal audit process, established within the Company and through appointing professional firm to carry out such tests by way of systematic internal audit program. Based on the review of the reported evaluations, the directors confirms that the financial statement for the year ended March 31, 2022, are in accordance with the applicable accounting standards.

## 21. RISK MANAGEMENT

The Company has established a robust Risk Management system to identify & assess the key risks and ensure smooth and efficient operations of the business. Your company is well aware of these risks and challenges and has put in place mechanism to ensure that they are managed and mitigate with adequate timely actions. The audit committee reviews business risk area covering operational, financial, strategic and regulatory risks.

## 22. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

There is no unclaimed dividend lying in terms of section 125(2) of the Companies Act, 2013 and accordingly the provisions of said section do not apply.

### 23. RELATED PARTY TRANSACTIONS

All contracts, arrangements/ transactions entered into during the year by the company with Related Parties were in ordinary course of business and on an arm's length basis. During the year under review, the company had not entered into any contract / arrangement/ transactions with related parties which could be considered as material. The particulars of contracts or arrangements referred to in section 188 (1) of the Companies Act, 2013 with related parties and as mentioned in form AOC-2 is attached as "Annexure C".

### 24. PARTICULARS OF EMPLOYEE

During the year under review, your Company has not employed any person who was in receipt of remuneration in excess of the limits specified under Section 197 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The details required as per Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith as "Annexure D".

However pursuant to provision of section 136(1) of the Act, this report is being sent to the shareholders excluding the information required as per Rule 5 (2) and 5 (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Any shareholder interested in obtaining the said information, may write to the Company Secretary at the Registered Office/ Corporate Office of the Company and the said information is open for inspection at the Registered Office of the Company.

### 25. HUMAN RESOURCES

Your Company considers Great Brand and Great People as its biggest asset. The Company is continued to organize various inbound and outbound training programs, recreation and team building activities to enhance employee skills and motivation. Company also conducted various workshops and events for grooming and upgrading vocational skills of the talent pool in order to meet future talent requirements.

### 26. DEPOSITS

The Company has not accepted any deposits from public during the financial year under review.

### 27. CORPORATE SOCIAL RESPONSIBILITY

In accordance with section 135 of the Companies Act, 2013, the provisions related to Corporate Social Responsibility is not applicable to the company.

### 28. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT

The Company has given loan to a Foreign subsidiary company during the year amounting to ₹ 4.46 Cr. and the outstanding balance as 31st March, 2022 is ₹ 4.66 Cr. (including interest). The company has not given any loan and advances in the nature of loans or stood guarantee, or provided security to any other entity during the year.

### 29. PREVENTION OF SEXUAL HARASSMENT POLICY

Considering gender equality, the Company has zero tolerance for sexual harassment at workplace. The Company has an Anti-Sexual Harassment Policy in line with the requirement of the Sexual Harassment of woman at workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee (ICC) has been set up to redress complaint receive regarding sexual harassment. In Financial Year 2021-22, there were no complaints were received from any of the employee.

- i. Number of Complaints filed during the financial year - NIL
- ii. Number of complaints disposed of during the financial year - NIL
- iii. Number of complaints pending as on end of the financial year - NIL

### 30. WHISTLE BLOWER/ VIGIL MECHANISM

The Company has established a Vigil Mechanism and adopted a whistle blower policy for its Directors and employees, to report concern about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The mechanism provides adequate safeguards against victimization of persons who use this mechanism. During the financial year 2021-22, no cases under this mechanism were reported to the Company and /or to any of its Subsidiaries / Associates. Policy on whistle blower is available at <https://www.lykis.in/investors>.

### 31. CORPORATE GOVERNANCE

The report on Corporate Governance as stipulated under the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 forms an integral part of this report. A certificate from Mr. Swapnil Pande, Practicing Company Secretary regarding compliance on conditions of Corporate Governance as stipulated in the Listing Regulations is also appended to the report on Corporate Governance.

### 32. MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

The Management's Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 of SEBI (Listing Obligation & Disclosure Requirement) Regulation, 2015 is presented in a separate section forming part of the Annual Report.

### 33. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO

#### A. Conservation of Energy:

The Company has initiated to take adequate measures for conservation of energy. The Company shall explore alternative source of energy as and when the necessity arises.

#### B. Technology Absorption:

The Company continues to use the latest technologies for improving the productivity and quality of its services and products.

#### C. Foreign Exchange Earnings and Outgo

Particulars	₹ in Lakhs)	
	Current Year	Previous Year
Foreign Exchange Outgo	912.26	254.12
Foreign Exchange Earned	26,423.51	5,107.49

### 34. MATERIAL CHANGES AND COMMITMENTS

#### a) Delisting Approval:

The Company has received approval for voluntary delisting from Calcutta Stock Exchange vide letter dated March 03, 2022 with effect from March 04, 2022.

#### b) Reclassification Approval:

The Company had made an application on March 19, 2021, seeking reclassification of certain shareholders from "Promoter and Promoter Group Category" to the "Public" Category. The Company has received approval from BSE and CSE for reclassification of following persons from "Promoter and Promoter Group Category" to the "Public" Category in accordance with Regulation 31A of SEBI (LODR) Regulations:

Sr. No.	Name of Outgoing Promoter and Promoter Group
1.	Shri Vijay Kedia
2.	Kedia Securities Private Ltd.

#### c) Associate Company:

During the year, the Company has acquired 50% Equity Shares of Lykis Biscuits Private Limited, hence by virtue of definition as provided under Companies Act, 2013, the said Company becomes an Associate Company of Lykis Limited.

#### d) Change in Registrar & Share Transfer Agent:

The Board of directors in their meeting held on February 13, 2021 had approved the change of Registrar and Transfer Agent of the Company. Purva Share Registry (India) Pvt. Ltd. is appointed as new Registrar and Share Transfer Agent (RTA) of the Company in place of existing Registrar and Share Transfer Agent R&D Infotech Private Limited with effect from December 22, 2021.

**e) Change in Statutory Auditor:**

As per recommendation of the Audit Committee and Board of Directors of the Company, the Members have appointed Singrodia & Co. LLP, Chartered Accountant (Firm Registration No. FRNW100280) as Statutory Auditor of the Company for term of five consecutive years from the conclusion 37th Annual General Meeting till the conclusion of 42nd Annual General Meeting of the company. The Company has also received a consent from Singrodia & Co. LLP, Chartered Accountant (Firm Registration No. FRNW100280) to act as a Statutory Auditor of your company for the period of five years.

**f) Variation in Remuneration to Managing Director:**

The Members of the Company through Special Resolution has approved to pay Mr. Nadir Umedali Dhrolia, Managing Director a remuneration to the extent of ₹ 7,00,000/- (Rupees Seven Lakhs only) per month salary along with other usual allowances and benefits as per the rules of the Company with effect from conclusion of 37th Annual General Meeting.

**g) Change in Registered Office:**

The Company is under process to change its Registered Office from existing 57B, C.R. Avenue, 1st Floor, Kolkata, West Bengal- 700 012 to Grandeur Building, 4th Floor, Opp. Gundecha Symphony, near Country Club, Andheri West, Mumbai, Maharashtra- 400 053. The Company has filled necessary forms with Registrar of Companies.

**36. POSTAL BALLOT:**

During the year, the Company has not passed any resolution through Postal Ballot.

**37. ACKNOWLEDGMENT:**

The Board of Director take this opportunity to thank all its Shareholders, valued Customer, Banks, Government and Statutory Authorities, Investor and Stock Exchange for their continued support to the company. Your Directors wishes to place on record their deep sense of appreciation for the committed services by employees. Your Directors acknowledge with gratitude the encouragement and support extended by our valued Shareholders and the Promoters of the Company.

For and on behalf of the Board of Directors

Place: Mumbai  
Date: May 30, 2022

**Nadir Dhrolia**  
Managing Director  
03303675

**Shafeen Charania**  
Non-Executive Director  
07283015



# Annexure A AOC - 1

## STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARY AND ASSOCIATE COMPANIES

Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of the Companies (Accounts) Rules, 2014

(₹Lakhs)

Sr. No	Name of Subsidiary or Associate Company	Reporting Period	Reporting Currency	Exchange Rate on last day of financial year	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments (excluding investment in subsidiaries)	Turnover	Profit/(Loss) before Taxation	Provision for taxation	Profit/(Loss) after taxation	Proposed Dividend	% of Shareholding
1	Lykis Marketing Pvt. Ltd.*	April to March	INR	NA	20	(819.23)	55.00	854.23	0	367.09	321.21	0	321.21	0	99.95
2	Lykis Export LLC#	April to March	AED	AED 20.6836	AED 100,000	AED (20455)	AED 3282349	AED 3202804	0	AED 4751033	AED (20455)	0	AED (20455)	0	100.00
3	Lykis Packaging Pvt. Ltd.®	April to March	INR	NA	121.27	(204.30)	18.66	101.69	0	0	0.74	0	0.74	0	41.23
4	Lykon Foods Pvt. Ltd.*@	April to March	INR	NA	22.66	(22.66)	0	0	0	0	0.07	0	0.07	0	32.45
5	Lykis Biscuit Pvt. Ltd.®	April to March	INR	NA	1.00	(23.45)	30.80	53.25	0	0	(0.75)	0	(0.75)	0	50.00

# Subsidiary Company of Lykis Ltd.

@ Associate Company of Lykis Ltd.

\* Lykon Foods Pvt. Ltd. is Strike Off w.e.f June 22, 2022.

For and on behalf of the Board of Directors

**Shafeen Charania**  
Chairman  
DIN: 07283015

Place: Mumbai  
Date: May 30, 2022

## ANNEXURE B

### FORM NO. MR-3 SECRETARIAL AUDIT REPORT

#### FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2022

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
M/S. LYKIS LIMITED,  
57B, C. R. Avenue,  
1st Floor, Kolkata – 700012

We have conducted the Secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by 'Lykis Limited' (CIN: L74999WB1984PLC038064) (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2022 ('Audit Period'), the Company has, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the audit period 1st April, 2021 to 31st March, 2022, and made available to us, according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent of Regulation 55A;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not Applicable to the Company during the Audit Period)**
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(Not applicable to the Company during the Audit Period)**
  - (e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. (The Listing Regulations).
  - (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the Audit period)**
  - (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

- (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable to the Company during the Audit Period)**

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Stock Exchange i.e. Bombay Stock Exchange Limited

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, standards, etc.

**We further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings/Committee Meetings, agenda and detailed notes on agenda were sent adequately in advance. Decisions at the Board meeting and Committee Meeting as represented by the management were carried out unanimously.

**We further report that** as per the explanations given to me and the representations made by the Management and relied upon, there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the following event(s) occurred during the year which has major bearing on the Company's affairs in pursuance of the laws, rules, regulations, guidelines, standards etc. referred to above.

1. Singrodia & Co. LLP, Chartered Accountant (Firm Registration No. FRNW100280) was appointed as Statutory Auditor of the Company for term of five consecutive years from the conclusion 37th Annual General Meeting held on August 26, 2021 till the conclusion of 42nd Annual General Meeting of the company.
2. At the 37th Annual General Meeting of the company held on August 26, 2021, Ms. Neha Gada was appointed as a Non-Executive Independent Director of the Company for the term of five consecutive years with effect from February 13, 2021.
3. At the 37th Annual General Meeting of the company held on August 26, 2021, Mr. Rajesh Nambiar was appointed as a Non-Executive Independent Director of the Company for the term of five consecutive years with effect from February 13, 2021.
4. Mr. Rajendra Singhvi was re-appointed as an Independent Director for second term of five consecutive years from the conclusion 37th Annual General Meeting held on August 26, 2021 till the conclusion of 42nd Annual General Meeting of the company.
5. The Company has altered the Object Clause of Memorandum of Association of Company in the 37th Annual General Meeting of the Company held on August 26, 2021.

Following insertion of sub clauses iii (b) & (c) after sub clause iii (a) of clause 4 A of the Memorandum of Association of Company:

- b) To carry on the business, in India and abroad, of production, manufacturing, distribution, dealing, contract manufacturing, auctioning, del credere agency, trading including merchant trading, import, export including import and export agents, representatives, contractors, buying and selling agents, brokers, importers, buyers, sellers, exporters and to buy, sell, or otherwise trade and deal in goods, produce, articles and merchandise of all types, on a wholesale cash and carry basis or otherwise, including extra neutral alcohol, machinery, construction materials, fish & fishery products.
- c) To carry on the business of direct selling, re-selling, selling through local merchants, importer, exporter, advertise for sale and to act as agents, merchants, traders, contractors, representatives, distributors, dealers, stockiest and forwarders including freight forwarders in all kind and description of commodities, on a wholesale cash and carry or otherwise, including extra neutral alcohol, machinery, construction materials, fish & fishery products.

6. The Company has passed special resolution in the 37th Annual General Meeting of the Company for shifting its register office of the Company from existing 57B, C.R. Avenue, 1st Floor, Kolkata, West Bengal- 700 012 to Grandeur Building, 4th Floor, Opp. Gundecha Symphony, Near Country Club, Andheri West, Mumbai, Maharashtra - 400 053 for ease of business and in interest of the Company. Company is yet to receive the order from the Regional Director of West Bengal.
7. On December 16, 2021 company has received approval from BSE and CSE for Re-classification of following persons from “Promoter and Promoter Group Category” to the “Public” Category in accordance with Regulation 31A of SEBI (LODR) Regulations:

Sr. No.	Name of Outgoing Promoter and Promoter Group
1	Shri Vijay Kedia
2	Kedia Securities Private Ltd.

8. The Board of Directors in their meeting held on February 13, 2021 have approved the appointment of M/s Purva Share Registry (India) Pvt. Ltd. as new Registrar and Share Transfer Agent (RTA) of the Company in place of existing Registrar and Share Transfer Agent M/s R&D Infotech Private Limited. The tripartite agreement was entered into on December 22, 2021.
9. The Company have received the approval for voluntary delisting from Calcutta Stock Exchange. Hence the Company is now delisted from the official list of said exchange w.e.f. March 04, 2022.
10. Ms. Sucheta Chaturvedi has tendered her resignation from the post of Company Secretary and Compliance Officer of the company due to personal reasons with effect from close of the business hours on March 09, 2022.

For **M/S. SCP & CO.**  
Practicing Company Secretaries

**Swapnil Pande**

M.No A44893 C.P. No.: 21962

Peer Review Certificate No: 1958/2022

UDIN: A044893D000424679

Place: Mumbai  
Date: May 30, 2022

*(Note: This report is to be read with our letter of even date which is annexed as “ANNEXURE A” and forms an integral part of this report.)*

## Annexure A

To,  
The Members,  
M/s LYKIS LIMITED,  
57B, C. R. Avenue,  
1st Floor, Kolkata – 700012.

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Where ever required, we have obtained the Management representation about compliance of laws, rules and regulations and happenings of events etc.
5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **M/S. SCP & CO.**  
Practicing Company Secretaries

**Swapnil Pande**

M.No A44893 C.P. No.: 21962  
Peer Review Certificate No: 1958/2022  
UDIN: A044893D000424679

Place: Mumbai  
Date: May 30, 2022

## ANNEXURE C

### Form AOC-2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the, Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contract/arrangements entered into by the Company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis for the year ended March 31, 2022:

Name of the Related party & Nature of Contract	Nature of Relationship	Duration of Contract	Salient terms	Amount in (₹)
NIL	NIL	NIL	NIL	NIL

2. Details of material contracts or arrangements or transactions at Arm's length basis for the year ended March 31, 2022.

Name of the Related party & Nature of Contract	Nature of Relationship	Duration of Contract	Salient terms	Amount in (₹)
NIL	NIL	NIL	NIL	NIL

For and on behalf of the Board of Directors

Place: Mumbai  
Date: May 30, 2022

**Shafeen Charania**  
Chairman  
DIN: 07283015

## ANNEXURE D

### DISCLOSURE

[Pursuant to Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

Sr. No.	Particulars			Remarks
(i)	the ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2021-2022:			
	Sr. No.	Name of Director / Key Managerial Personnel	Designation	Ratio of remuneration of each Director to the median remuneration of the employees
	1	Mr. Nadir Dhrolia	Managing Director	16.83:1
	2	Mr. Shafeen Charania	Chairman	0:1
	3	Mr. Rajendra Singh Singhvi	Independent Director	0.33:1
	4	Mr. Kairav Trivedi	Independent Director	0.41:1
	5	Mr. Rajesh Nambiar	Independent Director	0.33:1
	6	Mrs. Neha Gada	Independent Director	0.44:1
	7	Mr. Prince Tulsian (upto May 30, 2022)	Non-Executive Director	0:1
	8	Mr. Shrigopal Kandoi	Chief Financial Officer	5.15:1
	9	Ms. Sucheta Chaturvedi (upto March 9, 2022)	Company Secretary	1.57:1
(ii)	the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;			MD: NIL CFO: 20.37% CS: NIL
(iii)	the percentage increase in the median remuneration of employees in the financial year;			21.67%
(iv)	the number of permanent employees on the rolls of Company;			78
(v)	average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration; a) Average % increase in managerial personnel: b) Average % increase in other personnel:			Nil
(vi)	affirmation that the remuneration is as per the remuneration policy of the Company.			Yes

For and on behalf of the Board of Directors

Place: Mumbai  
Date: May 30, 2022

**Shafeen Charania**  
Chairman  
DIN: 07283015

## MANAGEMENT DISCUSSION AND ANALYSIS

This discussion covers the financial results and other developments for the year ended March 31, 2022. Statements in this Management Discussion and Analysis, describing the Company's objectives, projections, estimates and expectations, may constitute 'forward-looking statements' within the meaning of applicable laws and regulations. Although the expectations are based on reasonable assumptions, the actual results might differ on account of various factors such as changes in Government regulations, tax regimes, economic development, exchange rate and interest rate movements, competitive environment, product demand and supply.

Management Discussion & Analysis is structured to comprise:

- Economic Review
- Segment Wise Report
- Outlook
- Internal Control System and Adequacy
- Strengths
- Risk and Concern
- Threats
- Opportunities
- Human Resource

### ECONOMIC REVIEW:

Your Company is strongly focussed in the FMCG, cosmetics and pharma products resulting in the sales turnover of ₹ 31,736 Lakhs. We are deeply committed to advancing technology that can address changing consumer needs. On an ongoing basis, management focuses on a variety of key indicators to monitor business health and performance. These indicators include market share, net sales, gross profit margin, operating profit, net income and earnings per share. The monitoring of these indicators and the Company's Code of Conduct and Corporate Governance practices help to maintain business health and strong internal controls. The financial highlights of the Company are mentioned under the Directors' Report which forms an integral part of this Annual Report.

Your Company believes that the Company's business will continue to grow strongly in the next several years with a strong management team, wide distribution network, innovation and technology capabilities, cost efficiency programs, your Company is well placed to sustain growth and is confident of addressing the evolving situation. There is a significant shift in consumer preferences and behaviours, growth of online business channels and higher demand for FMCG and value products are some of the changes brought about by the pandemic. These trends are likely to strengthen and present new opportunities for FMCG business in near future.

#### ➤ Fast Moving Consumer Goods (FMCG):

Fast moving consumer goods (FMCG) is the fourth-largest sector in the Indian economy. The urban segment contributes to about 55% of the revenue share, while the rural segment accounts for 45%. Rise in rural consumption will drive the FMCG market. FMCG industry in India has seen a remarkable transformation over the last two decades. With a growth rate of 14.7 per cent, the FMCG industry has been projected to grow to a market size of almost \$220 billion by 2025. Here are some of the factors that will be key for the FMCG sector's growth in 2022. Since the outbreak of the COVID-19 pandemic, consumers have rapidly increased their technology adaption and usage. Around 80 per cent of consumers will see the world as all digital in the years to come, with no divide. Increasing smartphone and internet penetration will further help people in rural areas easily access online shopping on various e-commerce websites.

#### Changing Dynamics of the FMCG Sector:

The FMCG landscape is undergoing a drastic change, which is impacting consumer behaviour across the global markets. It is expected that following consumer trend to pick up globally:

- a. Boost consumer focus particularly on preventive healthcare products, with a preference for Ayurveda based solutions that increase immunity power of human body.



- b. Importance to Personal Hygiene with increase in demand for personal cleanliness products such as hand and home sanitizers, soaps etc. expected to grow exponentially.
- c. Spending on luxurious things would be curtailed due to change in priorities from discretionary towards essentials and movement towards financial security.
- d. Advancement of technology would act as a catalyst for convenient, safe and enhanced consumer experiences.

## SEGMENT WISE REPORT

During the year ended 31st March, 2022, Operational Revenue including other income on Standalone basis was ₹ 32,356.93 Lakhs and Profit / (Loss) Before Tax was ₹ (90.33) Lakhs v/s ₹ (1,325.45) Lakhs in previous year while Net Profit / (Loss) for the financial year ended March 31, 2022 was ₹ (73.81) Lakhs v/s ₹ (1,087.08) Lakhs in previous year.

On a consolidated basis the operational revenue including other income was ₹ 33,506.98 Lakhs and Profit / (Loss) Before Tax was ₹ 225.30 Lakhs v/s ₹ (937.89) Lakhs last year. The Net Profit / (Loss) for the financial year ended March 31, 2022 was ₹ 241.82 Lakhs v/s ₹ (671.59) Lakhs in previous year.

Internationally, we have exported our products in more than 40 countries as on date. The Company is striving hard to expand its geographical base by exporting too many more countries in future.

## OUTLOOK

There are some trends which are emerging in the markets. Especially in the developed markets, due to the continuing recessionary trends, the consumer spending is cautious with higher value demands which are giving rise to high competitive intensity in those markets. There is also a continual shift of consumers towards health, wellness and convenience segments. There is also a growing trend for more premium products in some markets. We expect these challenges and trends to remain for some time. We expect the retail environment to be very competitive with aggressive promotions to sustain growth. We also expect the significance of modern trade to increase over traditional trade in the developing markets exacerbating the competitive environment. The Company continues to constantly strive to meet these challenges with a continuous support to brands, category expansion, innovation and cost rationalization.

## INTERNAL CONTROL SYSTEM AND ADEQUACY

With the ever changing conditions on economic and global front, your Company's internal control system is reviewed from time to time keeping in check the internal financial controls, compliances with applicable provisions of laws, policies and statutory compliances. The Company has in place internal control systems in line with the Organization's pace of growth and complexity of operations covering various spheres of activities commensurate with the size of the Company. We have laid down adequate procedures and policies to guide the operations of our business. Unit/Functional Heads are responsible for ensuring compliance with the policies and procedures laid down by the Management. Our internal control systems are periodically reviewed by the Management, Statutory Auditors and Internal Auditors.

## STRENGTHS

Lykis is an existing brand, experienced in operations and management of FMCG products. Operations are handled by a strong experienced management and professional team and also there is a strong technical and development team for support.

## RISK AND CONCERN

Fast expansion in various geographical locations may require more exposure in management and control. Risks are an integral part of any business environment and it is essential that we create structures and processes that are capable of identifying and effectively mitigating them. For us, the risks are multi-dimensional and therefore we look at it in a holistic manner, straddling both, the external environment and the internal processes. These risks can be broadly classified into following categories:

- Strategic Risk
- Compliance and Governance Risk
- Financial Risk
- Operational Risk

We integrate risk management with strategy formulation and business planning processes.

### THREATS

Since it is a growing industry, there is a threat of competition from the other players who might try to create an unhealthy practice of competition by compromising on the quality and pricing. We have an established team of professionals to handle the operations and are in the process of hiring more such kinds of professionals.

### OPPORTUNITIES

Growing awareness, easier access, and changing lifestyles are the key growth drivers for the consumer market. The focus on agriculture, MSME, education, healthcare, infrastructure and employment under the Union Budget is expected to directly impact the FMCG sector. These initiatives are expected to increase the disposable income in the hands of the common people, which will be beneficial for the sector.

### KEY FINANCIAL RATIOS

Ratios	Consolidated		Standalone	
	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21
Interest Coverage Ratio	2.25	(3.29)	1.05	(5.23)
Current Ratio	1.06	1.00	1.13	1.16
Debt Equity Ratio	10.46	5.45	5.82	2.17
Operating Profit Margin	0.14	(0.12)	0.14	(0.19)
Net Profit Margin	0.0067	(0.14)	(0.0028)	(0.20)
Debtors Turnover Ratio	5.47	0.29	4.83	0.37

### MATERIAL DEVELOPMENT IN HUMAN RESOURCE

Employees are the valuable assets and the strength of an organisation in its growth, prosperity and development. Your Company has a team of qualified and dedicated personnel who have contributed to the growth and progress of the Company. Necessary training is being imparted to the employees and various seminars and workshops are being conducted to continuously hone their skills.

For and on behalf of the Board of Directors

**Nadir Dhrolia**  
 Managing Director  
 03303675

**Shafeen Charania**  
 Non-Executive Director  
 07283015

Date: May 30, 2022

# REPORT ON CORPORATE GOVERNANCE

## 1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Your Company considers Good Corporate Governance for the systematic rules, practices and process by which a firm is directed and controlled. Your Company firmly believes that the same could be achieved by maintaining transparency in its dealings, creating robust policies and practices for key processes and systems with clear accountability, integrity, transparent governance practices and the highest standards of regulatory compliances.

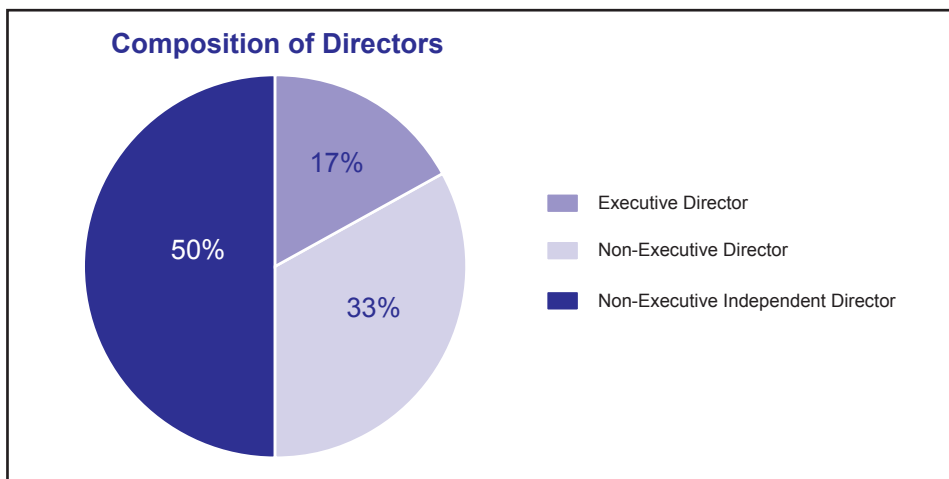
The Company has adopted a Code of Conduct for its Directors, Employees, and has also adopted a Code of Conduct to regulate, monitor and report trading by insider and also fair disclosure code. Some of the most important best practices of Corporate Governance framework are timely and accurate disclosure of information regarding the financial position, performance, ownership and governance of the Company.

The Company complies with the requirements regarding Corporate Governance as stipulated under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## 2. BOARD OF DIRECTORS

### i. Composition

During the year Company maintains optimum combination of Executive, Non-Executive and Independent Directors on the Board of the Company. The Board of Directors as on March 31, 2022, comprises of Seven (7) members out of which one (1) is an Executive Director, two (2) are Non-Executive Directors and four (4) are Non-Executive Independent Directors. The Company has Non-Executive Chairman and the number of Independent Directors is one half of the total number of Directors. The composition of the Board of Directors of the Company is in compliance with Regulation 17(1) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.



The Composition of Board of Directors of the Company as on March 31, 2022 is as below:

Name	Designation	Category	Shareholding as on 31.03.2022
Mr. Shafeen Charania	Chairman	Non-Executive Director	-
Mr. Nadir Dhrolia	Managing Director	Executive Director	13364966
Mr. Prince Tulsian*	Director	Non-Executive Director	2000
Mr. Rajesh Nambiar	Director	Non-Executive Independent Director	-
Mr. Rajendra Singhvi	Director	Non-Executive Independent Director	-
Ms. Neha Gada	Director	Non-Executive Independent Director	-
Mr. Kairav Trivedi	Director	Non-Executive Independent Director	-

\*Mr. Prince Tulsian resigned with effect from May 30, 2022.

- ii. The information relating to the number directorship and committee chairmanship/memberships held by directors in other public companies including this listed entity as on March 31, 2022 is given below as required under the Listing Regulation:

Directors	Board Meeting held during the year	Board Meeting attended during the year	Whether attended last AGM	Directorship of Indian Public Companies	Name of the Listed Entity	Committee Membership or Chairmanship	
						Chairmanship	Membership
Mr. Shafeen Charania	5	4	Yes	1	Lykis Limited – Chairman	-	1
Mr. Nadir Dhrolia	5	5	Yes	2	i. Lykis Limited – Managing Director	-	-
Mr. Prince Tulsian*	5	3	Yes	3	i. Lykis Limited – Non-Executive Director, ii. Cheers Consumers Products Limited – Director, iii. Greenline Tea & Exports Limited- Director	-	-
Mr. Rajendra Singh Singhvi	5	4	Yes	1	i. Lykis Limited – Non-Executive Independent Director	1	2
Ms. Neha Gada	5	5	Yes	5	Lykis Limited – Independent Director; Asian Star Company Limited – Director; Anglo-French Drugs & Industries Limited- Director; Tamboli Capital Limited – Director; Sejal Glass Limited – Independent Director	1	6
Mr. Rajesh Nambiar	5	4	No	1	Lykis Limited – Independent Director	-	1
Mr. Kairav Trivedi	5	5	Yes	2	Lykis Limited – Independent Director, BDH Industries Limited – Independent Director	1	3

\*Mr. Prince Tulsian resigned with effect from May 30, 2022.

- The Other Directorship and Chairmanship / Membership of Committee held in foreign companies, private limited companies, companies incorporated under section 8 of the Companies Act, 2013 are excluded
  - The Chairmanship and Membership of Audit Committee and Stakeholder Relationship Committee are considered.
  - None of the Directors have any inter-se relation among themselves.
- iii. None of the Directors of the Company hold directorships in more than twenty (20) companies including in more than ten (10) public companies. In accordance with the Listing Regulations, none of the Directors of the Company hold directorship in more than eight (8) listed companies and independent directorship in more than seven (7) listed companies. The Managing Director of the Company does not hold directorship as an Independent Director in any other listed company. Also, none of the Directors is serving as a member of more than ten (10) committees or as the Chairman of more than five (5) committees in accordance with the requirements of the Listing Regulations.

**iv. Board Meetings and Board Procedure**

The Board and its Committees meet at regular intervals in accordance with to consider, discuss and approve inter alia, the unaudited and audited standalone and consolidated financial results of the Company, to decide on the business policies and strategies of the company. The Board/Committee meetings are pre-scheduled

and tentative dates of such meetings are informed well in advance to facilitate the Directors to plan their schedule.

The Company Secretary drafts the agenda for each meeting, along with explanatory notes, in consultation with the Chairman and Management and circulate to the Directors as per timelines. In special and exceptional circumstances, additional or supplementary items are permitted to be taken up as any other item with the permission of the Chairman and consent of a majority of the Board Members/ Committee members.

During the year 2021-22, the Board met five times in a year. The meetings were held at the intervals as permitted by the Act and applicable regulations. The required quorum was present at all the below meetings. Dates for the Board Meetings for the ensuing financial year are decided well in advance and communicated to the Directors.

Board Meeting Date	Board Strength	No. of Directors Present
June 25, 2021	7	6
August 03, 2021	7	7
September 06, 2021	7	7
November 01, 2021	7	4
February 07, 2022	7	6

The draft minutes of the Board and Committee meetings are circulated amongst the Directors/Members for their perusal and comments in accordance with Secretarial Standards -1 (SS-1) issued by the Institute of Company Secretaries of India. Suggestions, if any received from the Directors/Members are suitably incorporates in the draft minutes, in consultation with the Chairman of the Board/Committee. Minutes are signed by the Chairman of the Board / Committee at the next meeting.

**v. Separate Meeting of Independent Director**

During the year, the Independent Directors meeting was held on February 07, 2022 to review the performance of the Board as a whole on parameters of effectiveness and to assess the quality, quantity and timeliness of flow of information between the Management and the Board. All the Independent Directors were present at this Meeting. Pursuant to Regulation 17A of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 the Independent Directors do not serve as an Independent Director in more than seven listed entities.

All Independent Directors are Non-Executive Directors as defined under Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 read with Section 149(6) of the Act. All the Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 read with Section 149(6) of the Act. At the time of appointment and thereafter at the beginning of each financial year, the Independent Directors submit a self-declaration confirming their independence and compliance with various eligibility criteria, among other disclosures. All such declarations are placed before the Board for information and noting.

The Independent Directors are given a formal letter of appointment containing the terms of appointment, roles, duties and code of conduct, among other items, as required by Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. The draft letter of the appointment is available on the Company's website at [www.lykis.com](http://www.lykis.com).

The Board, based on the disclosures received from all Independent Directors, confirms that all Independent Directors fulfil the conditions of Independence as specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, and are independent of the management of the Company for the year ended March 31, 2022.

**vi. Board Evaluation**

The Board of Directors have carried out an annual evaluation of its own performance, board committee and individual directors pursuant to provision of the Act and the corporate governance requirement as prescribed by the Securities and Exchange Board of India (Listing Obligation & Disclosure Requirement) Regulation 2015. The performance of the board was evaluated by the board after taking inputs from all the directors on the basis of criteria such as the Board Composition and structure, effectiveness of board process, information

and functioning, etc. as provided by the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017.

In a separate meeting of Independent directors which was held on February 07, 2022. The performance of non-independent and the board as whole was evaluated, taking into account the views of executive directors and non-executive directors. Performance evaluation of Independent Director was done by the entire board, excluding the Independent Director being evaluated.

#### vii. Roles, responsibilities and duties of the Board

The duties of Board of Directors have been enumerated in the Listing Regulations, Section 166 and Schedule IV of the Act (Schedule IV is specifically for Independent Directors). There is a clear demarcation of responsibilities and authority amongst the members of the Board.

#### viii. Re-Appointment of Director retiring by rotation

Details of Directors seeking appointment and re-appointment at the forthcoming Annual General Meeting as required under Regulation 36 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015 is annexed to the Notice convening the Annual General Meeting and forms part of this Annual Report.

#### ix. Key expertise of the Board of Directors

The Board of Directors of your Company comprises of qualified and proficient Members who bring appropriate expertise and competence enabling them to make effective contribution to the Board and its Committee.

Below are the key skills/expertise/competence identified by the Board of Directors as per Schedule V C of SEBI (LODR) Regulations, 2015:

Key skills/expertise/competence	Directors
Manufacturing Industry	Mr. Shafeen Charania and Mr. Prince Tulsian
Finance	Ms. Neha Gada, Mr. Kairav Trivedi, Mr. Rajendra Singhvi
Compliance & Governance	Ms. Neha Gada, Mr. Kairav Trivedi, Mr. Rajendra Singhvi
Global Business	Mr. Shafeen Charania, Mr. Nadir Dhrolia, Mr. Rajesh Nambiar
Industry Knowledge	Mr. Nadir Dhrolia, Mr. Shafeen Charania, Mr. Rajesh Nambiar
Strategic Vision	Mr. Rajesh Nambiar, Mr. Prince Tulsian, Mr. Nadir Dhrolia
Research & Innovations	Mr. Rajesh Nambiar, Mr. Prince Tulsian, Mr. Shafeen Charania

Note: Mr. Prince Tulsian resigned with effect from May 30, 2022.

### 3. COMMITTEES OF THE BOARD

#### I. AUDIT COMMITTEE

The Audit Committee of the Board of Directors meets the criteria laid down under Section 177 of the Companies Act, 2013, read with regulation 18 of SEBI (Listing Obligation Disclosure Requirements) Regulation, 2015. The Audit Committee presently comprises of three directors. All the members of the Audit Committee have accounting and financial management knowledge. Mr. Kairav Trivedi is Chairman of the Audit Committee. He possesses expertise in Financial Management, Insolvency and Bankruptcy Code.

During the year, the committee met four times i.e. June 25, 2021; August 03, 2021; November 01, 2021 and February 07, 2022.

The Composition of the Audit Committee and the attendance of the members at the meeting held are as follows:

Director	Status	Category	No. of Meeting attended
Mr. Kairav Trivedi	Chairman	Non-Executive Independent Director	4
Ms. Neha Gada	Member	Non-Executive Independent Director	4
Mr. Rajendra Singhvi	Member	Non-Executive Independent Director	3

The terms of reference to the Audit Committee inter alia includes:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement are correct, sufficient and credible.
- Recommendation for appointment, remuneration and terms of appointment of auditor's i.e. Statutory and Internal Auditor of the company.
- Approval of transaction of the Company with related parties, including modification thereto.
- Evaluation of internal financial controls and risk management systems.
- Reviewing with the management, the annual financial statement and auditors report thereon and quarterly financial statement before the submission to the board for approval.
- To review Management Discussion and Analysis of financial condition and result of operations.
- To review adequacy of internal control systems and the Company's statement on the same prior to endorsement by the Board, such review to be done in consultation with the management, Statutory and Internal Auditors.
- To review Reports of Internal Audit and discussion with Internal Auditors on any significant findings and follow-up thereon.
- To review the functioning of the Whistle Blower mechanism.

## II. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee of the Board of Directors meets the criteria laid down under Section 178 of the Companies Act, 2013 read with Regulation 19 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015. The Nomination and Remuneration Committee presently comprises of three members. Ms. Neha Gada is chairperson of the committee.

During the year, the committee met two times i.e. June 25, 2021 and February 07, 2022.

The Composition of the Nomination and Remuneration Committee and the attendance of the members at the meeting held are as follows:

Name of Director	Status	Category	No. of Meeting attended
Ms. Neha Gada	Chairperson	Non-Executive Independent Director	2
Mr. Rajesh Nambiar	Member	Non-Executive Independent Director	2
Mr. Shafeen Charania	Member	Non- Executive Director	NIL

The terms of reference to the Nomination and Remuneration Committee inter alia includes:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees.
- Formulation of criteria for evaluation of Independent Directors, Committees of Board and the Board.
- Formulating a policy on Board diversity
- Identifying persons who are qualified to become Director and who may be appointed in Senior Management in accordance with the criteria laid down and recommend to the Board their appointment and removal.
- The Committee will develop and review induction procedures for new appointees to the Board to enable them to become aware of and understand the Company's policies and procedures and to effectively discharge their duties.

### Remuneration Policy

The Nomination and Remuneration Committee has considered the factors laid down under Section 178(4) of the Companies Act, 2013 while formulating the Remuneration Policy.

### Remuneration to Non Executive Directors

The only remuneration paid to the Non-Executive Directors is by way of Sitting Fees. The Non- Executive Directors are paid sitting fees for each meeting of the Board, Audit Committee, Nomination & Remuneration Committee, Stakeholder Relationship Committee and Independent Directors meeting attended by them. The sitting fees paid to the Non-Executive Directors are :

- i) A sitting fee of ₹ 12,000/- for every meeting of the Board of Directors;
- ii) A sitting fee of ₹ 10,000/- for every meeting of the Audit Committee;
- iii) A sitting fee of ₹ 10,000/- for every meeting of the Nomination & Remuneration Committee;
- iv) A sitting fee of ₹ 10,000/- for every meeting of the Stakeholder Relationship Committee;
- v) A sitting fee of ₹ 10,000/- for every meeting of the Independent Directors.

The total amount of sitting fees (excluding tax) paid during the Financial year was ₹ 4,46,000/- (Rupees Four Lakhs Forty Six Thousand only). The Non-Executive Directors/ Independent Directors do not have any material pecuniary relationship or transactions with the Company.

### Remuneration to Executive Directors/ KMP

During the year under review, the Company had one Executive, Mr. Nadir Dhrolia, Managing Director. The appointment and remuneration of Mr. Nadir Dhrolia, is approved and governed by the resolutions passed in the meetings of the Board and Members of the Company. The remuneration paid to other Key Managerial Personnel (KMP) is by way of salary. The remuneration has been devised based on the Company's overall performance, contribution towards growth, developing key areas of market, time management, team building, trends in the industry in order to reward and retain talent in the Company. The increment in the remuneration of the KMPs viz. Company Secretary and the Chief Financial Officer is approved by the Nomination and Remuneration Committee and is effective from 1st April.

### Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 (10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out a formal process of the annual performance evaluation of the Board, Committees and individual Directors based on various criteria. The Board formally assesses its own performance with the aim to improve the effectiveness of the Board and the Committees. The performance was evaluated on parameters such as performance of the board against the performance benchmarks set, overall value addition, participation in deliberations of the Board, qualifications, experience, special contribution, utility etc. A brief questionnaire was prepared covering various aspects including the above areas of competencies. The evaluation of the Chairman, Executive Director and Non Independent Directors was carried out by the Independent Directors. The Directors express their satisfaction with the evaluation process.

The Criteria of making payments to Non-Executive Directors is displayed on the Company's website [www.lykis.com](http://www.lykis.com)

### Details of remuneration paid to the Directors for the year 2021-22:

#### Remuneration of Non-Executive Directors:

All Directors except Mr. Nadir Dhrolia are Non-Executive and therefore no remuneration is paid except sitting fees during the year under review as mentioned below:

Name of Directors	Total Sitting Fees (Amount in ₹)
Mr. Shafeen Charania	-
Mr. Prince Tulsian*	-
Mr. Rajendra Singh Singhvi	98,000
Mr. Kairav Trivedi	1,20,000
Mrs. Neha Gada	1,30,000
Mr. Rajesh Nambiar	98,000

\*Note: Mr. Prince Tulsian resigned with effect from May 30, 2022.



### Remuneration to Managing Director (Executive Director):

The remuneration paid to the Managing Director is by way of approval of the Members through the Special Resolution passed at the 37th Annual General Meeting of the Company held on August 26, 2021. The Term of appointment of the Managing Director is for a period of Five years effective from November 14, 2020. The total remuneration paid to Mr. Nadir Dhrolia, Managing Director during the financial year 2021-22 is shown in detail hereunder:

(Amount in ₹)

Designation	Salary	Perquisites	Bonus	Total
Managing Director	₹ 49,00,000/-	-	-	₹ 49,00,000/-

### III. STAKEHOLDER RELATIONSHIP COMMITTEE:

The Stakeholder and Relationship Committee of the Board of Directors meets the criteria laid down under Section 178 of the Companies Act, 2013 read with Regulation 19 of SEBI (Listing Obligation Disclosure Requirements) Regulation, 2015. The Stakeholder and Relationship Committee presently comprises of three members. Mr. Rajendra Singhvi is Chairman of the committee.

During the year, the committee meeting was conducted on February 07, 2022.

The Composition of the Stakeholder and Relationship Committee and the attendance of the members at the meeting held are as follows:

Name of Director	Status	Category	No. of Meeting attended
Mr. Rajendra Singhvi	Chairman	Non-Executive Independent Director	1
Mr. Kairav Trivedi	Member	Non-Executive Independent Director	1
Mr. Rajesh Nambiar	Member	Non-Executive Independent Director	1

The terms of reference to the Stakeholder Relationship Committee inter alia includes:

- Look into the redressing of shareholders complaints and queries and to focus on the strengthening of investor relations.
- To monitor and review performance and service standards of the Registrar and Share Transfer Agents of the Company and provides continuous guidance to improve the service levels of investors.
- Monitor and review any investor complaints received by the Company and through SEBI, SCORES and ensure its timely and speedy resolution, in consultation with the Company Secretary and Compliance Officer and RTA of the Company.

#### Compliance Officer:

Ms. Darshana Sawant, Company Secretary is the Compliance Officer pursuant to Regulation 6 of the SEBI (LODR) Regulations, 2015 with effect from April 02, 2022.

Note: Ms. Sucheta Chaturvedi, Company Secretary was the Compliance Officer pursuant to Regulation 6 of the SEBI (LODR) Regulations, 2015 till March 09, 2022.

#### Details of complaints received and resolved during the year:

Complaints pending as on April 1, 2021	NIL
Number of Shareholders' complaints received during the year	NIL
Number of complaints resolved during the year	NIL
Number of complaints not solved to the satisfaction of shareholders	NIL
Number of pending complaints as on March 31, 2022	NIL

### IV. FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS:

It is important to familiarize the Directors of the Company with new updates in laws, statutes, business operations/policies from time to time in order to provide them an insight into their roles, rights and responsibilities and

enable them to take well informed decisions. The Company had conducted the Familiarization Program during the year under review for Independent Directors with regards to their roles, rights, responsibilities, nature of the industry in which the entity operates, business model of the listed entity, organizational structure and economic features of the market and competitive environment.

The programmes encompassed suitable exposure in the form of awareness, latest changes in statutes/ laws to acquaint them with the Company and its operations. Further on a regular basis, the Independent Directors are updated on various matters inter-alia covering the Company's policies, subsidiaries businesses and operations, industry and regulatory updates, finance aspect and other relevant matters to discharge their duties to the best of their abilities. The programme focuses on the strategy for the future and covers all parts of the business and functions. The Independent Directors are also exposed to the constitution, Board procedures, matters reserved for the Board and major risks facing the business and mitigation programs. Apart from the above, the Directors are also given an update on the environmental and social impact of the business, corporate governance, regulatory developments and investor relations matters. The Board of Directors of the Company comprises of eminent persons from different fields having vast expertise in their respective fields.

The details of such Familiarization Program for Independent Directors are disclosed on Company website and can be accessed at <https://lykis.com/investor>.

#### 4. GENERAL BODY MEETING

##### i. Details of Annual General Meeting (AGM) held during the last three years and the special resolutions passed thereat are as under:

Financial Year	Date & Time	Venue	Whether Special Resolution passed	Summary of Special Resolution Passed
2020-21	26-08-2021 11.00 A.M.	Through Video Conferencing / Other Audio Visual Means (VC/OAVM)	Yes	<ol style="list-style-type: none"> <li>1. Appointment of Ms. Neha Gada (DIN: 01642373) as a Non-Executive Independent Director.</li> <li>2. Appointment of Mr. Rajesh Nambiar (DIN: 09004586) as a Non-Executive Independent Director.</li> <li>3. Re-appointment of Mr. Rajendra Singhvi as a Non-Executive Independent Director.</li> <li>4. To alter the Object Clause of Memorandum of Association of Company.</li> <li>5. To Shift Registered Office of the Company from one state to another.</li> <li>6. To alter the Registered Office Clause of Memorandum of Association of Company.</li> <li>7. Adoption of New set of Memorandum of Association as per Companies Act, 2013.</li> <li>8. Payment of Remuneration to Managing Director.</li> </ol>
2019-20	30-09-2020 11.30 A.M.	Through Video Conferencing / Other Audio Visual Means (VC/OAVM)	Yes	<ol style="list-style-type: none"> <li>1. Re-appointment of Ms. Jyoti Deviprasad Budhia as a Non-Executive Independent Director</li> </ol>
2018-19	30-09-2019 10:30 A.M.	"SANAI" 181/1, Upen Banerjee Road, Behala Airport More, Kolkata 700060	Yes	<ol style="list-style-type: none"> <li>1. Appointment of Mr. Rajendra Singh Singhvi as a Non-Executive Independent Director</li> <li>2. Re-appointment of Mr. Mayank Jhunjhunwala as a Non-Executive Independent Director</li> </ol>

**ii. Postal Ballot**

No Special Resolution on matters requiring Postal Ballot was passed during the year under review. No Special Resolution is proposed to be conducted through Postal Ballot as on date of this report.

**5. MEANS OF COMMUNICATION**

The Quarterly Financial Results are announced within the timeline approved by BSE as per the SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015. The company provides the information to the stock exchange where shares of the company are listed. The results are also published in one English Newspaper having national circulation and one Bengali Newspaper.

**6. RECONCILIATION OF SHARE CAPITAL AUDIT REPORT**

In keeping with the requirements of SEBI and the Stock Exchanges, a Secretarial Audit by a practicing Company Secretary is carried out to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The said audit confirms that the total issued / paid-up capital tallies with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

**7. MANAGEMENT DISCUSSION AND ANALYSIS**

Management Discussion and Analysis is given as a Separate Section in Annual Report.

**8. CODE OF CONDUCT FOR ALL BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL**

The Company has adopted the Code of Conduct for all Board members and Senior Management personnel of the Company in compliance with Regulation 26(3) of the SEBI (Listing Obligation & Disclosure Requirements) regulation 2015 and the Companies Act, 2013. All Board members and Senior Management personnel have confirmed compliance to the code of conduct. A declaration signed by the Managing Director of the Company to this effect is annexed and form part of this report. This code is available on the Company's website at [www.lykis.com](http://www.lykis.com)

**9. CEO & CFO CERTIFICATION**

Company's CEO & CFO have issued certificate pursuant to the provision of Regulation 17(8) of SEBI LODR, 2015, certifying inter-alia, that the financial statement do not contain any material untrue statement and these statement represent true and fair view of the Company's affairs. The said certificate is annexed and forms part of this Annual Report.

**10. CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE**

As required under Schedule V (E) of the SEBI (Listing Obligation & Disclosure Requirements) Regulation, 2015 the Corporate Governance Compliance Certificate from M/s SCP & Co., Company Secretaries is annexed and forms part of this Annual Report.

**11. CERTIFICATE FROM PRACTICING COMPANY SECRETARY**

As required under the SEBI Listing Regulation (Amendment) 2018, Schedule V Part C (10)(i), the certificate from a Company Secretary in practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or to continue as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority. The said certificate is annexed and forms part of this Annual Report.

**12. REGISTRAR AND SHARE TRANSFER AGENTS**

M/s Purva Sharegistry (India) Private Limited acted as the Registrar and Share Transfer Agent of the Company with effect from December 22, 2021, for handling all share transfer and related process.

M/s Purva Sharegistry (India) Private Limited  
 9 Shiv Shakti Industrial Estate, J R Boricha Marg.  
 Opp. Lodha Excelus, Lower Parel (East),  
 Mumbai - 400 011.  
 E-mail Id: [support@purvashare.com](mailto:support@purvashare.com)  
 Website: [www.purvashare.com](http://www.purvashare.com)  
 Contact No: 022-2301 6761/8261

### 13. SHARE TRANSFER SYSTEM

Share transfers received by the Company are registered within stipulated time from the date of receipt in most of the cases, provided the documents are complete and valid in all respects. A summary of the transfer / transmission so approved is placed at every Board Meeting. The Board has delegated the authority for approving transfer, transmission, etc. of the Company's Equity shares to a Stakeholders Relationship Committee. The Registrar and Share Transfer Agent, Purva Sharegistry (India) Private Limited is authorized by the Board for processing of share transfers which are approved by the Company's Stakeholders Relationship Committee.

### 14. NOMINATION

Individual shareholders holding shares singly or jointly in physical form can nominate a person in whose name the shares shall be transferable in case of death of the registered shareholder(s). Nomination helps nominees to get the shares transmitted in their favour without any hassles. Investors should get the nomination registered with the Registrar and Share Transfer Agent of Company. Nomination facility in respect of shares held in electronic form is also available with the Depository Participants as per the bye-laws and business rules applicable to NSDL and CDSL. Nomination forms can be obtained from the Company's Registrar and Share Transfer Agent.

### 15. DEAL ONLY WITH SEBI REGISTERED INTERMEDIARIES

Investors should deal only with the SEBI registered intermediaries so that in case of deficiency of services, investor may take up the matter with SEBI.

### 16. DEMATERIALIZATION OF SHARES

97.66% of total equity share capital of the Company is held in dematerialized form with National Securities Depository Limited and Central Depository Services (India) Limited as on March 31, 2022. The face Value of Share is ₹ 10/- per share.

### 17. COMPLIANCE

The Board reviews periodically compliance reports of all Laws applicable to the Company as well as steps taken by the Company to rectify instances of non-compliances, if any.

### 18. SERVICE OF DOCUMENTS THROUGH ELECTRONIC MODE

As a part of Green Initiative, the members who wish to receive the notices/documents through e-mail, may kindly update their e-mail addresses with the Company's Registrar and Share Transfer Agent, Purva Sharegistry (I) Pvt. Ltd., by sending a request to [support@purvashare.com](mailto:support@purvashare.com)

### 19. SUBSIDIARY COMPANY

The minutes of the meetings of the Board of Directors and the Financial Statements for the year ended March 31, 2022 of subsidiary of the Company were placed before the Board and the Audit Committee for their information and review.

### 20. OUTSTANDING GDRS/ ADRS/ WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY

As on March 31, 2022, the company did not have any outstanding GDRs/ADRs/Warrants or any Convertible instruments.

### 21. INVESTOR SERVICES

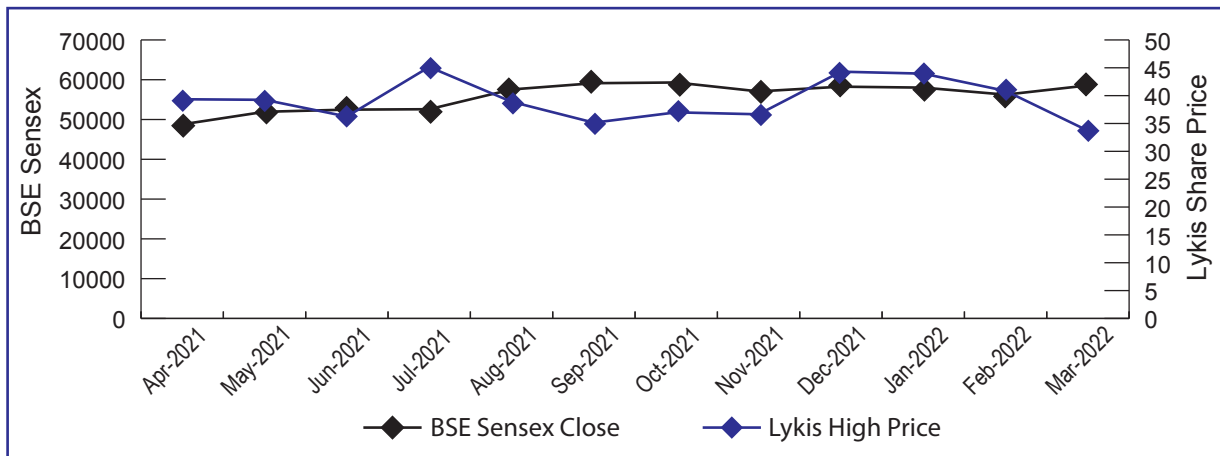
Shareholders may correspond with the Registrar and Transfer Agent, for the entire range of services with regard to share transfer, change of address, change of mandate, dividend, etc. at the address mentioned here in above. Members may contact Ms. Darshana Sawant, Company Secretary and Compliance Officer for all investor related matters at the Registered Office of the Company at the following address:

Lykis Limited  
7, Surendra Mohan Ghosh Sarani (Mangoe Lane) 1<sup>st</sup> Floor,  
Room No.-105, Kolkata- 700001,  
West Bengal, India.

## 22. MARKET PRICE DATA FOR FY 2021-2022

The Company's shares are regularly traded on BSE Limited. The monthly high/low and volume of shares of the company from April 01, 2021 to March 31, 2022 is given below:

Month	BSE		
	High	Low	Close
April – 2021	39.35	22.85	32.55
May – 2021	39.25	29.00	35.20
June – 2021	36.25	27.50	30.95
July – 2021	45.15	29.15	40.90
August – 2021	38.90	31.75	31.75
September – 2021	35.15	28.55	33.95
October – 2021	37.00	30.65	33.50
November – 2021	36.65	29.50	32.75
December – 2021	44.30	32.05	39.00
January – 2022	43.95	35.55	37.50
February – 2022	40.85	27.20	29.70
March – 2022	33.70	28.10	29.25



## 23. SHAREHOLDING AS ON MARCH 31, 2022

### i. Shareholding Pattern as on March 31, 2022:

Sr. No.	Name of Shareholder	No. of Shares	% of holding
1	PROMOTER & PROMOTER GROUP	13364966	68.98
2	OTHER DIRECTOR'S & RELATIVE'S	2000	0.01
3	RESIDENT INDIVIDUALS	4894805	25.26
4	LLP	27001	0.14
5	BODIES CORPORATE	454681	2.35
6	CLEARING MEMBERS	26994	0.14
7	N.R.I. (NON-REPAT & REPAT)	85472	0.44
8	HINDU UNDIVIDED FAMILY	519236	2.68
	<b>TOTAL</b>	<b>19375155</b>	<b>100</b>

**ii. Distribution of Shareholding by value of shares:**

Shareholding of Nominal Value	No. of Shareholders	No. of Shares	Percentage (%) to shareholders	% to Paid Up Equity Capital
Upto to 5000	4659	663594	80.73	3.42
5001 - 10000	560	473078	9.70	2.44
10001 - 20000	275	413762	4.77	2.14
20001 - 30000	90	232606	1.56	1.20
30001 - 40000	41	148511	0.71	0.77
40001 - 50000	41	191512	0.71	0.99
50001 - 100000	53	399189	0.92	2.06
100001 & ABOVE	52	16852903	0.90	86.98
<b>Total</b>	<b>5771</b>	<b>19375155</b>	<b>100</b>	<b>100</b>

**iii. Dematerialization of shares and liquidity:**

The total shareholding of the Company held in the electronic form as on 31/03/2022 is 18923049 with NSDL and CDSL which amounts to 97.66% of the total paid up capital of the Company. The market lot of the Equity Share of your Company is 1 (One) Share, as the trading in the Equity shares of your Company is permitted only in the dematerialized format.

Total number of shares demated and physical holding as on 31.03.2022:-

Particulars	No. of Shareholders	No of Shares	% of Paid Up Capital
NSDL	1557	3203379	16.53
CDSL	3514	15719670	81.13
Physical	812	452106	2.33
<b>Total</b>	<b>5883</b>	<b>19375155</b>	<b>100</b>

**24. GENERAL SHAREHOLDER INFORMATION**

1.	Annual General Meeting Date, Time & Venue	August 11, 2022 at 11:00 A.M. through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM")
2.	Dates of Book Closure	August 05, 2022 to August 11, 2022 (both days inclusive)
3.	Financial Calendar (Tentative)	2022-2023
	Quarter Ending June 30, 2022	On or before August 15, 2022
	Half year ending September 30, 2022	On or before November 14, 2022
	Quarter Ending December 31, 2022	On or before February 14, 2023
	Year Ending March 31, 2023	On or before May 30, 2023
4.	Listing on Stock Exchanges	Bombay Stock Exchange Limited (BSE) The Calcutta Stock Exchange Association Ltd (CSE) The Ahmedabad Stock Exchange (ASE)
5.	Stock Code	BSE – 530689 CSE – 17061 ASE – 19707
6.	Payment of Annual Listing Fees	Listing fees for the Financial year 2021-22 has been paid to the exchange.
7.	Corporate Identification Number (CIN)	L74999WB1984PLC038064

**Note:** The Company's equity shares are regularly traded on BSE. The Company has voluntarily delisted its Equity Shares from CSE with effect from March 04, 2022. Ahmedabad Stock Exchange Ltd have been granted exit by SEBI vide orders dated April 02, 2018.

**25. AFFIRMATIONS AND DISCLOSURES:**

Related Party Transaction: The transactions between the Company and the Directors and Companies in which the Directors are interested have been disclosed in notes to the Annual Accounts in compliance with the Accounting

Standard relating to “Related Party Disclosures”. There is no materially significant Related Party Transaction that may have potential conflict with the interests of the Company.

Details of non-compliance by the Company, penalties and strictures imposed on the Company by the stock Exchange or SEBI or any other statutory authority, on any matter related to capital markets during the last three years: During the last Financial year i.e. April 2020 - March 2021, BSE had imposed a fine of ₹ 1,13,280 for Non-compliance with provisions of Regulation 19 of SEBI (LODR) regulations, 2015 on February 13, 2021 and CSE had imposed a fine of ₹ 5,96,773 for continuous non-compliance since 2012 on March 24, 2021.

Disclosure of Accounting Treatment: The financial statements have been prepared in accordance with the accounting standards and policies generally accepted in India.

Compliance with Mandatory Requirement: The Company has complied with all mandatory requirements laid down under the provision of SEBI (Listing Obligation & Disclosure Requirements) Regulation, 2015.

Policy on determining Material Subsidiary: The Company has no material subsidiary.

Vigil Mechanism / Whistle Blower Policy Pursuant to Section 177(9) and (10) of the Companies Act, 2013, and Regulation 22 of the Listing Regulations, the Company has formulated Whistle Blower Policy for vigil mechanism of Directors and Employees to report to the Management about the unethical behavior, fraud or violation of Company’s code of conduct. The mechanism provides for adequate safeguards against victimization of Employees and Directors who use such mechanism and makes provision for direct access to the Chairman of the Audit Committee in exceptional cases. None of the personnel of the Company have been denied access to the Audit Committee.

Risk Management - Business risk evaluation and management is an ongoing process within the Company. The assessment is periodically examined by the Board.

Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A): Not Applicable.

A certificate from a Company Secretary in Practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority: The Certificate of Company Secretary in practice is annexed herewith as a part of the report.

Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year: Not Applicable.

Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part.

Details relating to fees paid to the Statutory Auditors are given in the Standalone Financial Statements and the Consolidated Financial Statements.

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

No complaints filed / received by the Internal Complaints Committee / Company during the year.

Non-mandatory requirements

Adoption of non-mandatory requirements of the Listing Regulations is being reviewed by the Board from time-to-time.

#### **DETAILS OF ADOPTION OF NON-MANDATORY (DISCRETIONARY) REQUIREMENTS**

Non-mandatory (discretionary) requirements under Regulation 27 of the Listing Regulations. The status of compliance with the non-mandatory requirements of the Listing Regulations is provided below:

##### ➤ Shareholders rights

The Company has not adopted the practice of sending out half-yearly declaration of financial performance to shareholders. Quarterly / Half yearly / Annual Financial results as approved by the Board are disseminated to Stock Exchanges and updated on the Website of the Company.

➤ Modified opinion(s) in audit report

There are no modified opinions in audit report.

➤ Reporting of Internal Auditor

In accordance with the provisions of Section 138 of the Companies Act, 2013, the Company has appointed an Internal Auditor who reports to the Audit Committee.

**Mandatory / Non-Mandatory compliances:**

The Company has been complying with all mandatory legislations including but not restricted to Indian Accounting Standards, Secretarial Standards, Internal Financial Controls, Code of Conduct, Code of Practices and Procedures for Fair Disclosures of Unpublished Price Sensitive Information etc.

The Company does not have any shares lying in the demat suspense account/ unclaimed suspense account.

The disclosures of the Compliance with Corporate Governance requirements specified in Regulation 17 to 27 and Regulation 46(2) of SEBI (Listing Obligations Disclosure Requirements) 2015

Sr. No.	Particulars	Regulations	Brief Descriptions of the Regulations	Compliance Status (Yes/No/N.A.)
1.	Independent Director(s)	16(1)(b) & 25(6)	Independent director(s) have been appointed in terms of specified criteria of 'independence' and/or 'eligibility'	Yes
2.	Board of Directors	17(1)	Composition of Board	Yes
		17(2)	Meeting of Board of Directors	Yes
		17(3)	Review of Compliance Reports	Yes
		17(4)	Plans for orderly succession for appointments	Yes, as and when applicable
		17(5)	Code of Conduct	Yes
		17(6)	Fees / Compensation	Yes
		17(7)	Minimum Information to be placed before the Board	Yes
		17(8)	Compliance Certificate	Yes
		17(9)	Risk Assessment and Management	Yes
		17(10)	Performance Evaluation	Yes
		17(11)	Recommendation of the Board	Yes
3.	Maximum number of Directorship	17A	Directorship in listed entities	Yes
4.	Audit Committee	18(1)	Composition of Audit Committee & Presence of the Chairman of the Committee at the Annual General Meeting	Yes
		18(2)	Meeting of Audit Committee	Yes
		18(3)	Role of the Committee and Review of Information by the Committee	Yes
5.	Nomination and Remuneration Committee	19(1) & (2)	Composition of Nomination and Remuneration Committee	Yes
		19 (2A)	Quorum of Nomination and Remuneration Committee	Yes
		19(3)	Presence of the Chairman of the Committee at the Annual General Meeting	Yes
		19 (3A)	Meeting of Nomination and Remuneration Committee	Yes
		19(4)	Role of the Committee	Yes



Sr. No.	Particulars	Regulations	Brief Descriptions of the Regulations	Compliance Status (Yes/No/N.A.)
6.	Stakeholders Relationship Committee	20(1) & (2)	Composition of Stakeholder Relationship Committee	Yes
		20 (2A)	Quorum of Stakeholders Relationship Committee	Yes
		20 (3) & (3A)	Meeting of Stakeholders Relationship Committee	Yes
		20(4)	Role of the Committee	Yes
7.	Risk Management Committee	21(1), (2) & (3)	Composition of Risk Management Committee	NA (Since not in top 1000 listed Companies / high value debt listed entity.)
		21(3A)	Meeting of Risk Management Committee	NA (Since not in top 1000 listed Companies / high value debt listed entity.)
		21(4)	Role of the Committee	NA (Since not in top 1000 listed Companies / high value debt listed entity.)
8.	Vigil Mechanism	22	Formulation of Vigil Mechanism for Directors and Employees	Yes
9.	Related Party Transactions	23(1) (1A), (5), (6), (7) & (8)	Policy for Related Party Transactions	Yes
		23(2)&(3)	Approval including prior or omnibus approval of Audit Committee for all Related Party Transactions and review of transactions by the Committee	Yes
		23(4)	Approval for Material Related Party Transactions	NA (since none)
		23(9)	Disclosure of Related Party Transactions on consolidated basis	Yes
10.	Subsidiaries of the Company	24(1)	Composition of Board of Directors of Unlisted Material Subsidiary	NA (since none)
		24(2), (3), (4), (5) & (6)	Other Corporate Governance requirements with respect to Subsidiary including Material Subsidiary of listed entity	Yes
11.	Secretarial Compliance Report	24A	Secretarial Compliance Report	Yes
12.	Obligations with respect to Independent Directors	25(1)&(2)	Maximum Directorship & Tenure	Yes
		25(3)	Meeting of Independent Directors	Yes
		25(4)	Review of Performance by the Independent Directors	Yes
		25(7)	Familiarization of Independent Directors	Yes
		25 (8) & (9)	Declarations from Independent Directors	Yes
		25 (10)	D & O Insurance for Independent Directors	NA (since not in top 1000 listed Companies)

Sr. No.	Particulars	Regulations	Brief Descriptions of the Regulations	Compliance Status (Yes/No/N.A.)
13.	Obligations with respect to Directors and Senior Management	26(1)&(2)	Memberships & Chairmanship in Committees	Yes
		26(3)	Affirmation with compliance to code of conduct from members of Board of Directors and Senior Management Personnel	Yes
		26(4)	Disclosure of Shareholding by Non-Executive Directors	Yes
		26(5)	Disclosures by Senior Management about potential conflicts of Interest	Yes
14.	Other Corporate Governance Requirements	27(1)	Compliance of Discretionary Requirements	Yes
		27(2)	Filing of Quarterly Compliance Report on Corporate Governance	Yes
15.	Disclosures on Website of the Company	46(2)(b)	Terms and conditions of appointment of Independent Directors	Yes
		46(2)(c)	Composition of various committees of Board of Directors	Yes
		46(2)(d)	Code of Conduct of Board of Directors and Senior Management Personnel	Yes
		46(2)(e)	Details of establishment of Vigil Mechanism/ Whistle Blower policy	Yes
		46(2)(f)	Criteria of making payments to Non-Executive Directors	Yes
		46(2)(g)	Policy on dealing with Related Party Transactions	Yes
		46(2)(h)	Policy for determining Material Subsidiaries	Yes
		46(2)(i)	Details of familiarization programs imparted to Independent Directors	Yes

## Declaration on Compliance with the Code of Conduct

In accordance with Clause D of Schedule V of the SEBI (Listing Obligation & Disclosure Requirements) Regulation, 2015, I, Nadir Dhrolia, Managing Director of the Company, hereby declare that the Members of the Board of Director and Senior Management Personnel have affirmed compliance with the Code of Conduct for Board Members and Senior Management for the year ended March 31, 2022.

For **Lykis Limited**

Date: May 30, 2022  
Place: Mumbai

**Nadir Dhrolia**  
Managing Director  
03303675

## Chief Executive Officer & Chief Financial Officer Certification

### **The Board of Directors, Lykis Limited**

We, Nadir Dhrolia (Managing Director) and Shrigopal Kandoi (Chief Financial Officer), hereby certify that:

- A. We have reviewed the financial statement and the cash flow statements for the year ending March 31, 2022 and to the best of our knowledge and belief:
  1. These statements do not contain any materially untrue statements or omit any material fact or contain statement that might be misleading.
  2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulation.
- B. There are, to the best of our knowledge and belief, no transaction entered into by the company during the period ending March 31, 2022 which are fraudulent, illegal or violation of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee those deficiencies, of which we are aware, in the design or operation of the internal controls and that we have taken the required steps to rectify these deficiencies.
- D. We have indicated the Auditors and Audit Committee that:
  1. There have been no significant changes in the internal control over financial reporting during the year.
  2. There have been no significant changes in the accounting policies except Ind-As adoption this year and that the same have been disclosed in the notes to the financial statements.
  3. There have been no instances of significant fraud of which we have become aware and involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For **Lykis Limited**

**Mr. Nadir Dhrolia**  
Managing Director

Date: May 30, 2022  
Place: Mumbai

For **Lykis Limited**

**Mr. Shrigopal Kandoi**  
Chief Financial Officer

## Independent Auditor's Certificate on Compliance with the Corporate Governance Requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,  
M/s LYKIS LIMITED,  
57B, C. R. Avenue,  
1st Floor, Kolkata – 700012.

We have examined the compliance of conditions of Corporate Governance by Lykis Limited (“the company”) for the year ended March 31, 2022, as specified in Regulation 17 to 27, 46(2)(b) to (i) and Para C, D and E of Schedule V of Chapter IV of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examinations have been limited to a review of the procedure and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of the opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us, and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations for the year ended 31st March, 2022.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **M/S. SCP & CO.**  
Practising Company Secretaries

**Swapnil Pande**

M. No.: A44893 C.P. No.: 21962  
Peer Review Certificate: 1958/2022  
UDIN: A044893D000425526

Place: Mumbai  
Date: 01/06/2022

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

**(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015**

To,  
M/s LYKIS LIMITED,  
57B, C. R. Avenue,  
1st Floor, Kolkata – 700012.

We have examined the relevant register, records, forms, return and disclosures received from the Directors of 'Lykis Limited' having CIN: L74999WB1984PLC038064 and having registered office at 57B, C. R. Avenue, 1st Floor, Kolkata – 700012 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this certificate in accordance with Regulation 34(3) read with Schedule V Para- C sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligation & Disclosure Requirements) Regulation, 2015.

In our opinion and to the best of our information and according to the verification (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as consider necessary and explanation furnished to us by the Company & its officers. We hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on March 31, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry Corporate Affairs.

Sr. No.	Name of Director	DIN	Date of Appointment
1.	Mr. Nadir Umedali Dhrolia	03303675	05/12/2011
2.	Mr. Shafeen Sadruddin Charania	07283015	14/11/2020
3.	Mr. Prince Tulsian	02691348	22/12/2009
4.	Mr. Rajendra Singh Singhvi	08322932	08/01/2019
5.	Mr. Rajesh Vasudevan Nambiar	09004586	13/02/2021
6.	Mr. Kairav Anil Trivedi	07893708	14/11/2020
7.	Ms. Neha Rajen Gada	01642373	13/02/2021

For **M/S. SCP & CO.**  
Practising Company Secretaries

**Swapnil Pande**

M. No.: A44893 C.P. No.: 21962  
Peer Review Certificate: 1958/2022  
UDIN: A044893D000425504

Place: Mumbai  
Date: 01/06/2022

# INDEPENDENT AUDITOR'S REPORT

## TO THE MEMBERS OF LYKIS LIMITED

### REPORT ON THE AUDIT OF THE STANDALONE IND AS FINANCIAL STATEMENTS

#### Opinion

We have audited the accompanying standalone financial statements of **Lykis Limited** (the "Company"), which comprise the standalone balance sheet as at March 31, 2022, and the standalone statement of Profit and Loss (including other comprehensive income), and the standalone statement of changes in equity and the standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "Standalone Financials Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, 2022, and its loss and 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 Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	<p><b>Sundry Balances Written Off &amp; Provision made towards doubtful debts &amp; advances</b></p> <p>During the year FY 21-22, the Company has written off ₹ 203.56/- Lakhs for advances and receivables which are not recoverable and has made provision for doubtful debts and advances amounting to ₹ 127.90/- Lakhs</p> <p>Refer Note No. 34</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>➤ We gained an understanding of the process undertaken by the company for recoverability of such amount.</li> <li>➤ We have assessed the management's forecast and communication with parties.</li> <li>➤ We have verified that the company has taken requisite approval from the appropriate authorities and checked proper presentation and disclosure of the same in the financial statements.</li> </ul>
2	<p><b>Recoverability of Other Advances</b></p> <p>As at March 31, 2022, Other current assets include INR 3,367.95/- Lakhs in respect of Advances to vendors and are pending to be adjusted/settled.</p> <p>Management exercises significant judgment when determining whether to record any impairment loss on advances. As the carrying amount of</p>	<p>Our audit procedures involve the following activities:</p> <ul style="list-style-type: none"> <li>➤ Assessing and updating our understanding of internal controls over financial reporting with respect to advances given;</li> <li>➤ Assessment of the Company's procurement policy outlining authority for approving and responsibility to manage vendor advances;</li> </ul>

Sr. No.	Key Audit Matter	Auditor's Response
	<p>Other Advances accounts for a relatively high proportion of assets, there would be a material impact on the financial statements if such advances cannot be settled on schedule or fail to be recovered /settled. Therefore, we consider the recoverability of Other Advances as a key audit matter.</p> <p>Refer Note 15 to the Standalone Financial Statements.</p>	<ul style="list-style-type: none"> <li>➤ Inquiries with management in order to understand and assess governance and follow-up/monitoring of key vendors;</li> <li>➤ Obtain balance confirmations from selected parties to ensure existence thereof;</li> <li>➤ Review of Purchase orders and/or agreements for selected parties and enquire management regarding reasons for unsettled advances as on date.</li> </ul>
3	<p><b>Recoverability and Contingencies relating to tax matter</b></p> <p>As at March 31,2022, the company has exposures towards litigations relating to various matters as set out in the below mentioned note. Significant management judgement is required to assess such matters to determine the probability of occurrence of material outflow of economic resources and whether a provision should be recognized or disclosure should be made. The management judgement is also supported with legal advice in certain cases as considered appropriate. As the ultimate outcome of the matters are uncertain and the positions taken by the management are based on the applications of their best judgement, related legal advice including those relating to interpretation of laws/regulation, it is considered to be a key audit matter.</p> <p>Refer Note 36 to the standalone financial statements.</p>	<p>We performed the following substantive procedures:</p> <ul style="list-style-type: none"> <li>➤ Understanding the process of estimation, recording and reassessing tax provisions and contingencies.</li> <li>➤ Involving tax specialists to assist in analyzing the judgements used to determine provisions for tax matters.</li> <li>➤ We have involved our internal experts to review the nature of the amounts recoverable, the sustainability and the likelihood of recoverability upon final resolution.</li> <li>➤ Review of the correspondence with tax authorities.</li> <li>➤ Review of reports on open tax assessments prepared by the Company and other appropriate documentation considered necessary to understand the position and conclusions made by the Company.</li> </ul>
4	<p><b>Recoverability of Deferred Tax Assets</b></p> <p>We identified the recoverability of deferred tax assets as a key audit matter due to the recognition of these assets involving judgement by management as to the likelihood of the realization of these deferred tax assets, which is based on a number of factors including whether there will be sufficient taxable profits in future periods to support recognition.</p>	<p>Our procedures in relation to management's assessment about the recoverability of deferred tax assets included:</p> <ul style="list-style-type: none"> <li>➤ Evaluating management's assessment on the sufficiency of future taxable profits in support of the recognition of deferred tax assets by comparing management's forecasts of future profits to historical results and evaluating the assumptions used in those forecasts;</li> <li>➤ The management has concluded that the deferred tax assets will be recoverable using the estimated future taxable income based on the approved business plans and budgets.</li> </ul>

### Information other than the Financials Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information 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, 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.

### **Management's Responsibilities for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the management and the Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements.

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

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



- Materiality is the magnitude of misstatement in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone 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 misstatement in the Standalone financial statements.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matter

The Financials Statements of the Company for the year ended 31st March, 2021, were audited by another auditor who expressed an unmodified opinion on those statements.

### 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 Act, we give in the "**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 standalone Balance Sheet, the standalone Statement of Profit and Loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act;
  - (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
  - (g) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act, in our opinion, according to the information and explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 read with Schedule V of the Act; and
  - (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 as at March 31, 2022 on its standalone financial statements – Refer Note No. 36 to the standalone financial statements.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv.
  - (a) The management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”), or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (b) The management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (c) Based on audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.
- v. The Company has neither declared nor paid any dividend during the year.

For **SINGRODIA & CO. LLP**  
Chartered Accountants  
Firm Registration No.: W100280

**Shyamratan Singrodia**  
Partner  
Membership No. 049006  
UDIN:22049006AJWNNL1074

Place: Mumbai  
Date: May 30, 2022

## “Annexure A” to the Independent Auditors’ Report

**(Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ of our report to the members of Lykis Limited of even date)**

To the best of our information and according to the explanations provided to us by the company and the books of accounts and record examined by us in the normal course of audit, we state that:

- i.
  - a.
    - A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-to-use assets.
    - B) The Company has maintained proper records showing full particulars of intangible assets.
  - b. All the property, plant and equipment were physically verified during the year by the management in accordance with a regular programme of verification at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - c. The Company does not have immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee). Accordingly, reporting under clause 3(i) (c) of the Order is not applicable.
  - d. The Company has not revalued its Property, Plant and Equipment (including Right-of-Use assets) and intangible assets during the year.
  - e. No proceedings initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii.
  - a. The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. According to information and explanations given to us and on the basis of our examination of the records of the Company, no discrepancies were noticed on verification between the physical stocks and book records that were more than 10% in the aggregate of each class of inventory.
  - b. The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. According to information and explanations given to us and on the basis of our examination of the records of the Company, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.
- iii. The Company has made investments in the companies and granted unsecured loan to other parties, during the year, in respect of which:
  - a. The Company has given loan to a Foreign subsidiary company during the year amounting to ₹ 4.46 Cr. and the outstanding balance as 31st March, 2022 is ₹ 4.66 Cr. (including interest). The Company has not given any loan and advances in the nature of loans or stood guarantee, or provided security to any other entity during the year.
  - b. In our opinion, the investments made and loan given to subsidiary company are, prima-facie, not prejudicial to the interest of the company.
  - c. In respect of loans given by the Company, the repayment of principal and payment of interest has been stipulated and the repayments or receipts of principal amount and interest have been regular. Further, the Company has not given any advance in the nature of loan to any party during the year.
  - d. In respect of loans granted, there is no overdue amounts for more than ninety days in respect of the loans given by the Company.
  - e. There is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.
  - f. The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment. Hence reporting under clause 3(iii)(f) is not applicable to the company.

The Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnership or any other partnership.

- iv. The Company has complied with the provisions of section 185 and 186 of the Act, in respect of the loan granted, investments made and guarantees and securities provided, as applicable.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, reporting under clause 3(v) of the Order is not applicable.
- vi. The Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013 for the business activities carried out by the company. Accordingly, reporting under clause 3(vi) of the Order is not applicable.

- vii. a. The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues applicable to it.

There were no undisputed amount payable in respect of Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues in arrears as at 31st March, 2022 for a period of more than six months from the date they become payable.

- b. Details of statutory dues referred to in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute are as follows:

Name of the Statute	Nature of the Dues	Amount (₹)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Income Tax Act, 1961	Income tax and interest	85,90,524	AY 2015-16	CIT (Appeals)	
Income Tax Act, 1961	Income tax and penalty	39,26,255	AY 2018-19	CIT (Appeals)	

- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year, in the tax assessment under the Income Tax Act, 1961 (43 of 1961).

- ix. a. The Company has not defaulted in repayment of loans and borrowings or in the payment of interest thereon to the lenders during the year.
- b. The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- c. The Company has not obtained any term loans during the year. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable.
- d. On an overall examination of the financial statements of the Company, we report that, prima-facie, no funds raised on short-term basis have been used for long-term purposes by the Company.
- e. We report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- f. We report that the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x. a. The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, reporting under clause 3(x) (a) of the Order is not applicable.
- b. The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, reporting under clause 3(x) (b) of the Order is not applicable.
- xi. a. We report that no fraud by the Company or any fraud on the Company has been noticed or reported during the year.

- b. No report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government during the year and upto the date of this report.
- c. There are no whistle blower complaints received by the Company during the year.
- xii. The Company is not a Nidhi Company. Accordingly, reporting under clause 3(xii) of the Order is not applicable.
- xiii. In our opinion, the transactions entered with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and details have been disclosed in the standalone financial statements as required by the applicable Indian Accounting Standards.
- xiv. a. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- b. We have considered the internal audit reports of the Company issued till date, for the year under audit.
- xv. In our opinion, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. a. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence reporting under clause 3 (xvi)(a) (b) and (c) of the order is not applicable.
- b. In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3 (xvi) (d) of the order is not applicable.
- xvii. On an overall examination of the financial statements of the Company, the Company has not incurred cash losses in the current financial year. However in the immediately preceding financial year company has incurred cash losses amounting ₹ 1,008.83 Lakhs.
- xviii. There has been resignation of the statutory auditors during the year, and as per the communication shared by the outgoing auditors, they have not raised any issues, objections or concerns.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. The requirements as stipulated by the provisions of Section 135 of the Companies Act, 2013 are not applicable to the Company. Accordingly, reporting under clause 3(xx)(a) and (b) of the Order are not applicable.

For **SINGRODIA & CO. LLP**  
Chartered Accountants  
Firm Registration No.: W100280

**Shyamratan Singrodia**  
Partner  
Membership No. 049006  
UDIN:22049006AJWNNL1074

Place: Mumbai  
Date: May 30, 2022

## “Annexure-B” to the Independent Auditors’ Report

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of Lykis Limited (the “Company”) as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

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

#### **Auditors’ Responsibility**

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

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

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

#### **Meaning of Internal Financial Controls over Financial Reporting**

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

#### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and

not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **SINGRODIA & CO. LLP**  
Chartered Accountants  
Firm Registration No.: W100280

**Shyamratan Singrodia**  
Partner  
Membership No. 049006  
UDIN:22049006AJWNNL1074

Place: Mumbai  
Date: May 30, 2022

# Standalone Balance Sheet as at March 31, 2022

(INR in Lakhs)

Particulars	Notes	(INR in Lakhs)	
		As at March 31, 2022	As at March 31, 2021
<b>I. ASSETS (A)</b>			
<b>1. Non Current Assets</b>			
(a) Property, Plant and Equipment	3	19.04	39.42
(b) Right-of-use-assets	4	358.09	282.67
(c) Other Intangible Assets	5	39.97	-
(d) Financial Assets			
(i) Investments	6	176.91	97.21
(e) Deferred Tax Assets (Net)	7	299.40	258.31
<b>Sub-Total</b>		<b>893.41</b>	<b>677.61</b>
<b>2. Current Assets</b>			
(a) Inventories	8	1,353.37	1,254.92
(b) Financial Assets			
(i) Trade Receivables	9	6,574.72	2,390.07
(ii) Cash and Cash Equivalents	10	222.97	394.14
(iii) Other Bank Balance	11	8.64	46.14
(iv) Loans	12	475.87	15.42
(v) Other Financial Assets	13	453.39	102.06
(c) Current Tax Assets	14	17.14	103.93
(d) Other Current Assets	15	4,101.11	2,756.00
<b>Sub-Total</b>		<b>13,207.21</b>	<b>7,062.67</b>
Assets Classified as held for sale		-	1,524.81
<b>TOTAL</b>		<b>14,100.61</b>	<b>9,265.10</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	16	1,992.70	1,992.70
(b) Other Equity	17	73.59	147.49
<b>Sub-Total</b>		<b>2,066.29</b>	<b>2,140.19</b>
<b>Liability</b>			
<b>1. Non Current Liabilities</b>			
(a) Financial Liabilities			
(i) Lease Liabilities	18	274.87	243.01
(b) Provisions	19	35.46	30.42
<b>Sub-Total</b>		<b>310.33</b>	<b>273.44</b>
<b>2. Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	20	10,607.27	4,248.33
(ii) Lease Liabilities	21	108.08	42.49
(iii) Trade Payable			
Total Outstanding due to Micro and Small Enterprises	22	492.55	383.16
Total Outstanding due to creditors other than Micro and small Enterprises		346.85	450.68
(iv) Other Financial Liabilities	23	87.54	64.93
(b) Other Current Liabilities	24	72.02	992.65
(c) Provisions	25	9.69	6.74
(d) Current Tax Liabilities	26	-	26.44
<b>Sub-Total</b>		<b>11,723.99</b>	<b>6,215.42</b>
Liabilities directly associated with assets held for sale		-	636.06
<b>TOTAL</b>		<b>14,100.61</b>	<b>9,265.10</b>
Summary of Significant Accounting Policies	1 to 52		

The accompanying notes are an integral parts of financial statements.

 As Per Our Report Of Even Date  
 For **SINGRODIA & CO LLP**  
 Chartered Accountants  
 Firm Registration No. W100280

**SHYAMRATAN SINGRODIA**  
 Partner  
 Membership No. 49006

 Place: Mumbai  
 Dated: 30th May 2022

 For and on behalf of Board of Directors of  
**LYKIS LIMITED**
**NADIR DHROLIA**  
 Managing Director  
 DIN: 03303675

**SHRIGOPAL KANDOI**  
 Chief Financial Officer

**SHAFEEEN SADRUDDIN CHARANIA**  
 Non Executive Director  
 DIN: 07283015

**DARSHANA SAWANT**  
 Company Secretary



## Standalone Profit & Loss Statement for the year ended March 31, 2022

(INR in Lakhs)

Particulars	Notes	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>INCOME</b>			
Revenue from Operations	27	31,736.26	5,867.56
Other Income	28	620.68	105.10
<b>Total Income</b>		<b>32,356.93</b>	<b>5,972.66</b>
<b>EXPENSES</b>			
Purchases of Stock-in-Trade	29	27,496.66	6,924.05
Change in Inventories of Stock-in-Trade	30	(98.45)	(1,230.34)
Employee Benefits Expenses	31	638.33	339.89
Finance Costs	32	294.93	206.42
Depreciation & Amortization Expenses	33	102.43	78.23
Other Expenses	34	4,013.35	548.36
<b>Total Expenses</b>		<b>32,447.26</b>	<b>6,866.61</b>
<b>PROFIT / (LOSS) BEFORE TAX</b>		<b>(90.33)</b>	<b>(893.95)</b>
<b>LESS: Tax Expenses</b>			
- Current Tax		-	-
- Taxes for Earlier Period		24.59	10.12
- Deferred Tax		(41.11)	(247.67)
<b>PROFIT / (LOSS) FOR THE YEAR FROM CONTINUING OPERATION (A)</b>		<b>(73.81)</b>	<b>(656.40)</b>
<b>PROFIT / (LOSS) FROM 'DISCONTINUED OPERATIONS</b>		-	(431.50)
Less : Tax on discontinuing operation		-	(0.83)
<b>PROFIT/(LOSS) FROM DISCONTINUING OPERATION AFTER TAX (B)</b>		-	<b>(430.67)</b>
<b>PROFIT / (LOSS) FOR THE YEAR (A+B)</b>		<b>(73.81)</b>	<b>(1,087.07)</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
a) (i) Items that will not be reclassified to profit or loss - Continuing Operations			
- Actuarial Gain/loss on Gratuity Valuation		(0.07)	1.76
(ii) Income tax relating to items that will not be reclassified to profit or loss		(0.02)	-
b) (i) Items that will not be reclassified to profit or loss - Discontinued Operations			
- Actuarial Gain/loss on Gratuity Valuation		-	(2.06)
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
c) (i) Items that will be reclassified to profit or loss			
- Fair value of derivative liability		-	28.47
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
<b>TOTAL OTHER COMPREHENSIVE INCOME (C)</b>		<b>(0.09)</b>	<b>28.17</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR (A + B + C)</b>		<b>(73.90)</b>	<b>(1,058.90)</b>
<b>Earnings per Equity Share</b>			
Basic & Diluted Earnings Per Share - Continuing Operations	35	(0.38)	(3.29)
Basic & Diluted Earnings Per Share - Discontinued Operations		-	(2.16)
Basic & Diluted Earnings Per Share - (Continuing & Discontinued Operations)		(0.38)	(5.46)
Summary of Significant Accounting Policies	1 to 52		

The accompanying notes are an integral parts of financial statements.

As Per Our Report Of Even Date  
For SINGRODIA & CO LLP  
Chartered Accountants  
Firm Registration No. W100280

SHYAMRATAN SINGRODIA  
Partner  
Membership No. 49006

Place: Mumbai  
Dated: 30th May 2022

For and on behalf of Board of Directors of  
LYKIS LIMITED

NADIR DHROLIA  
Managing Director  
DIN: 03303675

SHRIGOPAL KANDOI  
Chief Financial Officer

SHAFEEEN SADRUDDIN CHARANIA  
Non Executive Director  
DIN: 07283015

DARSHANA SAWANT  
Company Secretary

## Standalone Cash Flow Statement for the year ended March 31, 2022

(INR in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>A. Cash flow from Operating Activities</b>		
Net Profit before prior period items & taxation from Continuing Operations	<b>(90.33)</b>	<b>(893.95)</b>
Net Profit before prior period items & taxation from Discontinued Operations	-	<b>(431.50)</b>
<b>Adjustments for:</b>		
Depreciation and amortization on Property, Plant and Equipment	21.62	78.23
Loss on Sale of Property, Plant and Equipment (Net)	0.26	0.02
Remeasurement of Defined Benefit Obligations	(0.07)	-
Remeasurement of Fixed Assets	-	459.13
Provision for Doubtful Debts and Advances	127.90	5.58
Profit on Slump Sale	(121.75)	
Sundry Balances Written Back	(63.78)	-
Interest Income	(12.12)	-
Sundry Balances written off	200.29	172.07
Finance Costs (Including Fair Value Change in Financial Instruments)	294.93	207.55
<b>Operating profit before working capital changes</b>	<b>356.94</b>	<b>(402.87)</b>
<b>Adjustments for :</b>		
(Increase) / Decrease in Inventories	(98.45)	(1,223.17)
(Increase) / Decrease in Trade Receivables	(4,408.39)	21.05
(Increase) / Decrease in Current Loans and Advances	(460.45)	611.39
(Increase) / Decrease in Financial Assets - Others	(351.33)	42.61
(Increase) / Decrease in Other Current Assets	(1,394.05)	(719.80)
Increase/(Decrease) in Trade Payables	69.34	358.16
Increase/(Decrease) in Current Financial Liabilities - Others	22.61	(983.88)
Increase/(Decrease) in Lease Liabilities	97.44	74.42
Increase/(Decrease) in Other Current Liabilities	(948.55)	772.20
Increase/(Decrease) in Non Current Provisions	4.95	17.86
Increase/(Decrease) in Right-to-Use	(75.41)	(122.84)
Increase/(Decrease) in Current Provisions	2.95	(0.34)
<b>Cash generated from operations</b>	<b>(7,182.00)</b>	<b>(1,555.00)</b>
Prior Period Expense	-	-
Direct taxes paid	(29.25)	(6.83)
<b>Net cash flow from operating activities</b>	<b>(7,211.00)</b>	<b>(1,562.00)</b>
<b>B. Cash Flow from Investing Activities</b>		
Purchase or Construction of Property, Plant and Equipment	(9.07)	(48.83)
Purchase of Intangible Assets	(39.97)	-
Proceeds from/(investments in) Fixed Deposits (Net)	37.50	948.58
Purchase of Investments	(79.70)	(27.18)
Proceeds from Sale of Property, Plant and Equipment	7.57	0.13
Proceeds from Slump Sale	1,041.00	-
Proceeds from Sale of Investments	-	2.00
Interest received	12.12	-
<b>Net Cash inflow from/ (outflow) from Investing activities</b>	<b>969.00</b>	<b>874.00</b>

## Standalone Cash Flow Statement for the year ended March 31, 2022 (Contd.)

(INR in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>C. Cash Flow from Financing Activities</b>		
Proceeds from / (Repayment of) Non-Current Borrowings (net)	-	(1.13)
Increase / (Decrease) in Current Borrowings	6,358.94	934.00
Proceed from subsidy received from Government	-	0.70
Finance Costs	(294.93)	(207.55)
<b>Net Cash inflow from/ (outflow) from Financing activities</b>	<b>6,064.01</b>	<b>726.02</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(178.09)</b>	<b>38.68</b>
Cash and cash equivalents at the beginning of the year	401.06	362.38
Cash and cash equivalents at the end of the year	222.97	401.06
<b>Net cash Increase/(decrease) in cash and cash equivalent</b>	<b>(178.09)</b>	<b>38.68</b>

### NOTES:

The Accompanying notes form an integral part of financial statements

- Cash Flow statement has been prepared under "Indirect Method", set out in Ind AS 7, notified under the Companies (Indian Accounting Standard) Rules, 2015.
- Cash and cash Equivalents Represent cash and cash deposit with bank which are considered to be highly liquid.
- Previous year's figures have been regrouped and rearranged wherever necessary in order to conform to current year's figures.

The accompanying notes are an integral parts of financial statements.

As Per Our Report Of Even Date

For SINGRODIA & CO LLP

Chartered Accountants

Firm Registration No. W100280

SHYAMRATAN SINGRODIA

Partner

Membership No. 49006

Place: Mumbai

Dated: 30th May 2022

For and on behalf of Board of Directors of

LYKIS LIMITED

NADIR DHROLIA

Managing Director

DIN: 03303675

SHRIGOPAL KANDOI

Chief Financial Officer

SHAFEEEN SADRUDDIN CHARANIA

Non Executive Director

DIN: 07283015

DARSHANA SAWANT

Company Secretary

# Standalone Statement of Changes in Equity as at March 31, 2022

## Equity Share Capital

Particulars	(INR in Lakhs)	
	No. of shares	Amount
<b>As at 1st April, 2020</b>	<b>1,93,75,155</b>	<b>1,937.52</b>
Equity Share Capital issued during the year	-	-
<b>As at 31st March, 2021</b>	<b>1,93,75,155</b>	<b>1,937.52</b>
Equity Share Capital issued during the year	-	-
<b>As at 31st March, 2022</b>	<b>1,93,75,155</b>	<b>1,937.52</b>

## Other Equity

Description	(INR in Lakhs)						Total
	General Reserve	Development Rebate Reserve	Revaluation Reserve	Investment Allowance Utilised Reserve	Securities Premium Reserve	Retained Earnings	
<b>Balance as at April 1, 2020</b>	<b>1.76</b>	<b>0.13</b>	<b>10.76</b>	<b>48.58</b>	<b>1,171.06</b>	<b>12.35</b>	<b>1,217.16</b>
Changes in accounting policy/prior period errors	-	-	(10.76)	-	-	-	(10.76)
<b>Restated balance at the beginning of the reporting period</b>	<b>1.76</b>	<b>0.13</b>	<b>-</b>	<b>48.58</b>	<b>1,171.06</b>	<b>12.35</b>	<b>1,206.40</b>
Profit for the year	-	-	-	-	-	(1,087.08)	(1,087.08)
Other Comprehensive Income for the year	-	-	-	-	-	28.17	28.17
<b>Total Comprehensive Income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,087.08)</b>	<b>28.17</b>
Movement for the year	-	-	-	-	-	-	-
<b>Balance as at March 31, 2021</b>	<b>1.76</b>	<b>0.13</b>	<b>-</b>	<b>48.58</b>	<b>1,171.06</b>	<b>0.69</b>	<b>147.50</b>
<b>Balance as at April 1, 2021</b>	<b>1.76</b>	<b>0.13</b>	<b>-</b>	<b>48.58</b>	<b>1,171.06</b>	<b>0.69</b>	<b>147.50</b>
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-
<b>Restated balance at the beginning of the reporting period</b>	<b>1.76</b>	<b>0.13</b>	<b>-</b>	<b>48.58</b>	<b>1,171.06</b>	<b>0.69</b>	<b>147.50</b>
Profit for the year	-	-	-	-	-	(73.81)	(73.81)
Other Comprehensive Income for the year	-	-	-	-	-	(0.09)	(0.09)
<b>Total Comprehensive Income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(73.81)</b>	<b>(73.90)</b>
Movement for the year	-	-	-	-	-	-	-
<b>Balance as at March 31, 2022</b>	<b>1.76</b>	<b>0.13</b>	<b>-</b>	<b>48.58</b>	<b>1,171.06</b>	<b>0.60</b>	<b>73.60</b>

This is the Statement of Changes in Equity referred to in our report of even date

As Per Our Report Of Even Date

For SINGRODIA & CO LLP

Chartered Accountants

Firm Registration No. W100280

SHYAMRATAN SINGRODIA

Partner

Membership No. 49006

Place: Mumbai

Dated: 30th May 2022

For and on behalf of Board of Directors of  
LYKIS LIMITED

NADIR DHROLIA

Managing Director

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SHAFEEEN SADRUDDIN CHARANIA

Non Executive Director

DIN:07283015

SHRIGOPAL KANDOI

Chief Financial Officer

DARSHANA SAWANT

Company Secretary

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

## 1. Corporate information

Lykis Limited is incorporate on October 15, 1984. The Company is limited by shares and its shares are listed on Bombay Stock Exchange. The Company is engaged in trading of FMCG and Tea. The Company's registered office is situated at 7, Surendra Mohan Ghosh Sarani (Mangoe Lane) 1<sup>st</sup> Floor, Room No.-105, Kolkata - 700001, West Bengal, India.

## 2. Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of the financial statements. These policies have been consistently applied in all material respect for all the years presented, unless otherwise started.

### 2.1 Basis of Preparation of financial statements

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (INDAS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended). The financial statements have been prepared on a historical cost basis, except for certain financial instruments which are measured at fair values. The Company follows the accrual basis of accounting.

These financial statements include the Balance Sheet, the Statement of Changes in Equity, the Statement of Profit and Loss, the Statement of Cash flows and Notes, comprising a summary of significant accounting policies and other explanatory information and comparative information in respect of the preceding period.

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.

The Ind AS financial statements are presented in INR and all values are rounded to the nearest lakhs (INR 00,000), except when otherwise indicated. Earnings per share data are presented in Indian Rupees up to two decimal places.

### 2.2 Use of estimates

The preparation of financial statements requires management of the Company to make estimates and assumptions that effect the reported assets and liabilities, revenue and expenses and disclosures relating to contingent liabilities. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Examples of such estimates include estimation of useful lives of tangible and intangible assets, valuation of inventories, sales return, employee costs, assessments of recoverable amounts of deferred tax assets and cash generating units, provisions against litigations and contingencies. Estimates and underlying assumptions are reviewed by management at each reporting date. Actual results could differ from these estimates. Any revision of these estimates is recognised prospectively in the current and future periods.

### 2.3 Current versus non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

### 2.4 Foreign Currency Transaction and Translation

#### i. Functional and Presentation Currency

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

#### ii. Transactions and Balances

- a. In preparing the financial statements transactions in currencies other than the entity's functional currency foreign currencies are recognised at the rates of exchange prevailing at the dates of the transactions.
- b. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date.
- c. Non-monetary items are measured at historical cost. Exchange differences on monetary items are recognised in the statement of profit and loss in the period in which they arise except when deferred in other comprehensive income as qualifying cash flow hedges.

- d. Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in the statement of profit and loss for the period. Exchange differences arising on retranslation on non-monetary items carried at fair value are included in statement of profit and loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in other comprehensive income.

## 2.5 Property, Plant and Equipment

Property, Plant and Equipment is recognised 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. PPE is stated at original cost, net of tax/duty credits availed, if any, less accumulated depreciation and cumulative impairment. Cost comprises the purchase price and any attributable costs of bringing the asset to its working condition for its intended use as estimated by the management. Any trade discounts and rebates are deducted in arriving at the purchase price.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement, if the recognition criteria are satisfied. The carrying values of Property, Plant and Equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

PPE not ready for the intended use, on the date of the Balance Sheet are disclosed as "Capital Work-in-Progress".

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets.

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

Biological assets are classified as bearer biological assets and consumable biological assets. Consumable biological assets are those that are to be harvested as agricultural produce. Bearer biological assets which are held to bear agricultural produce are classified as Bearer plants. The Company recognises tea bushes as bearer assets which are shown as land and plantation in the financial statement, with further classification as mature bearer assets and immature bearer assets. Mature bearer plants are those that have attained harvestable stage. Bearer assets are carried at historical cost of acquisition. Subsequent expenditure on bearer assets are added to its book value only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. Cost incurred for new plantations and immature areas are capitalised. The cost of immature areas coming into bearing is transferred to mature plantations. The company does not bifurcate the value between land and bearer plants. The company is unable to estimate the useful life of bearer plants and therefore no depreciation is charged on the same.

Borrowing cost relating to acquisition/construction of fixed assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Depreciation is calculated on WDV basis over the estimated useful life of the assets as prescribed under Part C of Schedule II of the Companies Act, 2013. The identified component of fixed assets are depreciated over the useful lives and the remaining components are depreciated over the life of the principal assets.

Subsequent expenditures relating to PPE is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost can be measured reliably.

Depreciation is provided using the written down value as per the following useful life as per Schedule II of the Companies Act, 2013:

Sr. No.	Nature of Asset	Estimated Useful Life (In Years)
	<b>Tangible Assets</b>	
1	Plant and Machinery	15
2	Computers and Printers	3 to 5
3	Office Equipment	5
4	Furniture and Fittings	10

Repairs & maintenance costs are recognised in the statement of Profit and Loss. Assets costing 5,000 or less are fully depreciated in the year of purchase.

## 2.6 Intangible assets

Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortisation and cumulative impairment. Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably.

Intangible assets with finite lives are amortised over the useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expenses on intangible assets with finite lives is recognised in the Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset.

Amortization is provided using the Straight Line Method as per the following useful life as per Schedule II of the Companies Act, 2013:

Sr. No.	Nature of Asset	Estimated Useful Life (In Years)
	<b>Intangible Assets</b>	
1	Software	5

## 2.7 Leases

### The Company as a lessee

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification. The effective date of the modification is the date when both the parties agree to the lease modification and is accounted for in that point in time.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right-of-use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

## 2.8 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

General borrowing costs are capitalised at the weighted average of such borrowings outstanding during the year.

## 2.9 Inventories

**Inventories are valued as under:**

### **Traded Goods:**

Valued at lower of cost or net realizable value and for this purpose cost is determined on weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

## 2.10 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the Statement of Cash Flows, cash and cash equivalents consist of cash and short-term deposits.

## 2.11 Cash flow statement

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

## 2.12 Impairment of financial assets & non-financial assets

### **a. Financial assets**

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECL (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in the Statement of Profit and Loss.

### **b. Non-financial assets**

Intangible assets and Property, Plant and Equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-



inuse) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior year.

Intangible assets with indefinite useful lives are tested for impairment annually as at year end at the CGU level, as appropriate and when circumstances indicate that the carrying value may be impaired.

### 2.13 Government Grants

Company is in entitled to several government grants in form of subsidy under various schemes like North East Industrial & Investment Promotion Policy, Special Purpose Tea Fund Scheme, Tea Development & Promotion Scheme etc. towards fulfilment of certain conditions. The entity gets entitled to these subsidies upon undertaking various activities ranging from irrigation & civil work to replanting, replacement planting, rejuvenation pruning etc. Once entitled the sanctioned amount of subsidy has to be claimed over a period of maximum seven years. Owing to the nature, size & scalability of business its impractical to assess the life of plantations put together so the management estimates the maturity of the plantation as the life cycle which is estimated to seven years & accordingly the amount subsidy received is charged to profit & loss account over a period of seven years as deferred revenue.

### 2.14 Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services. Revenue is measured at the amount of consideration which the company expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and a receivable is recognised when it becomes unconditional.

The specific recognition criteria described below must also be met before revenue is recognised.

#### Sale of goods

Revenue from sale of goods is recognized when the Company transfers the control of goods to the customer as per the terms of contract. The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price, the Company considers the effects of variable consideration, the existence of significant financing component, non-cash considerations and consideration payable to the customer (if any).

#### Export Incentives

##### A. Duty Drawback and MEIS:

Exports entitlements are recognised when the right to receive credit as per the terms of the schemes is established in respect of the exports made by the Company and when there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

##### B. Duty Free Import Authorisation Scheme :

Revenue from sale of DFIA license is recognised in the books after the fulfillment of all the pre-conditions of obtaining licenses and upon reasonable assurance & certainty of realization of money. There is no reasonable basis for allocating DFIA License revenues to the specific financial period. Thus management has decided that revenues pertaining to the same shall be recognised after the fulfillment of following conditions:

- 1) All the conditions which entitles the entity to obtain the license from DGFT are complied with.
- 2) Buyer has been identified & the revenue can be reliably measured.
- 3) There exists a reasonable certainty that the monies will be received.

#### **C. RODTEP**

Revenue arising due to export sales is recognised on accrual basis.

##### **Interest income**

Interest income is accrued on time proportion basis, by reference to the principal outstanding and effective interest rate applicable.

##### **Other Income**

Other income is recognised when no significant uncertainty as to its determination or realisation exists.

##### **Dividend**

Dividend income is recognised when to right to receive payment has been established.

#### **2.15 Employee Benefit Expenses**

All employee benefits payable within a period of twelve months of rendering service are classified as short term employee benefits. Benefits such as salaries, allowances, advances and similar payments paid to the employees of the Company are recognized during the period in which the employee renders such related services.

##### **Defined Contribution plans**

**Provident Fund:** The Company is a member of the Government Provident Fund which is operated by the office of the Regional Provident Fund Commissioner (RPFC) and the contribution thereof is paid /provided for during the period in which the employee renders the related service.

##### **Defined Benefits plans**

**Gratuity:** In accordance with the Payment of Gratuity Act, 1972, the Company provides for gratuity, covering eligible employees. Employees who are in continuous service for a period of five years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied by number of years of service.

Gratuity is provided as per actuarial valuation as at the Balance Sheet date, carried out by an independent actuary. The present value of the obligation under such defined benefit plans is determined based on actuarial valuation using the Projected Unit Credit Method.

The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans, is based on the market yield on government securities of a maturity period equivalent to the weighted average maturity profile of the related obligations at the Balance Sheet date.

Re-measurement, comprising actuarial gains and losses, the return on plan Assets (excluding net interest) and any change in the effect of asset ceiling (if applicable) are recognised in other comprehensive income and is reflected immediately in retained earnings and is reclassified to Profit and Loss.

#### **2.16 Taxes**

Tax expenses comprise of current and deferred tax.

##### **Current income tax**

- a. Current tax is measured at the amount expected to be paid on the basis of reliefs and deductions available in accordance with the provisions of the Income Tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.
- b. Current tax items are recognised in correlation to the underlying transaction either in P&L, OCI or directly in equity.

### Deferred tax

- a. Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.
- b. Deferred tax liabilities are recognised for all taxable temporary differences.
- c. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carry forward of unused tax credits and unused tax losses can be utilized.
- d. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.
- e. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates [and tax laws] that have been enacted or substantively enacted at the reporting date.
- f. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.
- g. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities.

## 2.17 Earnings Per Share (EPS)

### Basic Earnings per Share

Basic earnings per share is calculated by dividing: the profit attributable to owners of the Company by the weighted average number of equity shares outstanding during the financial year.

### Diluted Earnings per Share

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

The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and

The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

## 2.18 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Company has present obligation (legal or constructive) as a result of past events, for which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made for the amount of the obligation.

Contingent Liabilities are disclosed by way of notes to Financial Statements. Contingent assets are not recognised in the financial statements but are disclosed in the notes to the financial statements where an inflow of economic benefits is probable. Provisions and contingent liabilities are reviewed at each Balance Sheet date.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability.

## 2.19 Financial instruments

### A. Financial Assets

The Company recognizes a financial asset in its balance sheet when it becomes party to the contractual provisions of the instrument. All financial assets are recognized initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction cost that are attributable to the acquisition of the financial asset.

Where the fair value of a financial asset at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognized as a gain or loss in the Statement of Profit and Loss.

However trade receivables that do not contain a significant financing component are measured at transaction price.

#### **Investments and other financial assets**

##### **(i) Classification and Measurement**

At initial recognition, the Company measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through the Profit and Loss are expensed in the Statement of Profit and Loss.

##### **Financial Assets:**

Subsequent measurement of financial assets depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. The Company classifies its financial assets into following categories:

##### **1. Amortised cost:**

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method.

##### **2. Fair value through other comprehensive Income:**

##### **Financial assets with a business model:**

- (A) whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding and
- (B) where the Company has exercised the option to classify the investment as at fair value through other comprehensive income, all fair value changes on the assets are recognised in OCI.

The accumulated gains or losses recognised in OCI are reclassified to retained earnings on sale of such investments.

##### **3. Fair value through Profit and Loss:**

Financial assets which are not classified in any of the categories above are fair value through profit or loss.

##### **Equity instruments:**

The Company measures its equity investment other than in subsidiaries, joint ventures and associates at fair value through profit and loss. The investment in subsidiaries, associates and joint ventures are measured at cost.

##### **(ii) Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized (i.e. removed from the Company's balance sheet) when any of the following occurs:

- i. The contractual rights to cash flows from the financial asset expires;
- ii. The Company transfers its contractual rights to received cash flows of the financial assets and has substantially transferred all the risk and rewards of ownership of the financial assets;
- iii. The Company retains the contractual rights to receive cash flows but assumes a contractual obligations to pay the cash flows without material delay to one or more recipients under a 'pass-

through' arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial asset);

- iv. The Company neither transfers nor retains substantially all risk and rewards of ownership and does not retain control over the financial asset.

**B. Financial liabilities:**

**(i) Measurement**

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss. Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

**(ii) De-recognition**

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

**Derivative financial Instrument**

A derivative is a financial instrument which changes in value in response to changes in an underlying asset and is settled at a future date. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Company designates certain derivatives as either:

- (a) Hedges of the fair value of recognised assets or liabilities (fair value hedge); or
- (b) Hedges of a particular risk associated with a firm commitment or a highly probable forecast transaction (cash flow hedge).

The Company documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The Company also documents its assessment, both at hedge inception and on an on-going basis, of whether the derivatives that are used in hedging transactions are effective in offsetting changes in cash flows of hedged items. Movements in the hedging reserve are accounted in other comprehensive income and are shown within the statement of changes in equity. The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of hedged item is more than 12 months, and as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as a current asset or liability.

**(i) Fair value hedge**

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the Statement of Profit and Loss, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The Company only applies fair value hedge accounting for hedging foreign exchange risk on recognised assets and liabilities.

**(ii) Cash Flow Hedge**

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income. The ineffective portion of changes in the fair value of the derivative is recognised in the Statement of Profit and Loss. Gains or losses accumulated in equity are reclassified to the statement of profit and loss in the periods when the hedged item affects the Statement of Profit and Loss.

When a hedging instrument expires or is swapped or unwound, or when a hedge no longer meets the criteria for hedge accounting, any accumulated gain or loss in other equity remains there and is reclassified to Statement of Profit and Loss when the forecasted cash flows affect profit or loss. When a forecasted transaction is no longer expected to occur, the cumulative gains/losses that were reported in equity are immediately transferred to the Statement of Profit and Loss.

## 2.20 Fair value measurement

The Company measures financial instruments, such as, derivatives and investments at fair value as per IND AS 113 at each balance sheet date. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in level 1.

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

Level 3 — If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities and investment in private equity funds, real estate funds.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

## 2.21 Non-current assets held for sale/distribution to owners and discontinued operations

The Company classifies non-current assets and disposal groups as held for sale/distribution if their carrying amounts will be recovered principally through a sale/distribution rather than through continuing use. Actions required to complete the sale/distribution should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management expects that the sale/distribution will be completed within one year from the date of classification.

The criteria for held for sale/distribution classification is regarded met only when the assets or disposal group is available for immediate sale/distribution in its present condition, subject only to terms that are usual and customary for sales/distribution of such assets (or disposal groups), its sale/distribution is highly probable; and it will genuinely be sold, not abandoned.

Non-current assets held for sale/for distribution to owners and disposal groups are measured at the lower of their carrying amount and the fair value less costs to sell/distribute. Assets and liabilities classified as held for sale/distribution are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale/distribution are not depreciated or amortised.

A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss.

## 2.22 Key Accounting Estimates And Judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on ongoing basis. Any changes to accounting estimates are recognized prospectively. Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect on the amounts recognised in the financial statements are included in the following notes:

### (i) 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.

### (ii) Impairment of non-financial assets

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

### (iii) Provision for Contingent Liabilities

On an ongoing basis, Company reviews pending cases, claims by third parties and other contingencies. For contingent losses that are considered probable, an estimated loss is recorded as an accrual in financial statements. Loss Contingencies that are considered possible are not provided for but disclosed as Contingent liabilities in the financial statements. Contingencies the likelihood of which is remote are not disclosed in the financial statements. Gain contingencies are not recognized until the contingency has been resolved and amounts are received or receivable.

### (iv) Valuation of deferred tax assets

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

### (v) Defined benefit plans

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

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

### 3. Property, Plant & Equipment

Particulars	(INR in Lakhs)										
	Land	Building	Roads & Bridges	Vehicles	Electrical Installation	Plant and Equipment	Computer	Furniture & Fixtures	Office Equipment	Total	Capital Work-in Progress
<b>Gross Carrying Amount as at April 1, 2020</b>	<b>1,005.19</b>	<b>168.15</b>	<b>22.79</b>	<b>50.21</b>	<b>52.99</b>	<b>462.19</b>	<b>61.16</b>	<b>0.91</b>	<b>21.05</b>	<b>1,844.64</b>	<b>147.12</b>
Additions	-	-	-	-	-	14.61	5.92	-	1.55	22.07	-
Additions-Discontinued Operations	-	-	-	-	0.02	0.21	0.02	-	0.17	0.42	73.50
Disposals/Written off	-	-	-	-	-	7.73	5.81	-	2.86	16.41	-
Adjustment made during the year-Discontinued Operations	(422.34)	37.07	-	-	-	(84.62)	-	-	-	(469.89)	(47.16)
Assets of Discontinued Operations	582.85	205.22	22.79	50.21	53.02	235.18	3.08	0.75	3.02	1,156.12	173.46
<b>As at March 31, 2021</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>149.48</b>	<b>58.20</b>	<b>0.16</b>	<b>16.88</b>	<b>224.72</b>	<b>-</b>
Additions	-	-	-	-	-	2.62	3.23	0.07	3.15	9.07	-
Transfer	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	64.52	0.42	-	0.09	65.03	-
<b>As at March 31, 2022</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>87.58</b>	<b>61.00</b>	<b>0.24</b>	<b>19.94</b>	<b>168.76</b>	<b>-</b>
<b>Accumulated Depreciation as at April 1, 2020</b>	<b>-</b>	<b>106.00</b>	<b>19.94</b>	<b>38.81</b>	<b>29.57</b>	<b>312.96</b>	<b>50.79</b>	<b>0.72</b>	<b>17.54</b>	<b>382.00</b>	<b>-</b>
Depreciation charge during the year	-	-	-	-	-	25.19	4.09	0.01	1.40	30.69	-
Depreciation-Discontinued Operations	-	-	-	-	-	-	-	-	-	-	-
Accumulated depreciation on deletions/Written off	-	-	-	-	-	6.23	2.15	-	2.29	10.68	-
Accumulated depreciation-Discontinued Operations	-	106.00	19.94	38.81	29.57	211.01	2.75	0.59	2.36	216.71	-
<b>Accumulated Depreciation as at April 1, 2021</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>120.91</b>	<b>49.97</b>	<b>0.14</b>	<b>14.28</b>	<b>185.30</b>	<b>-</b>
Depreciation charge during the year	-	-	-	-	-	14.89	5.12	0.02	1.58	21.62	-
Accumulated depreciation on deletions	-	-	-	-	-	56.76	0.38	-	0.07	57.20	-
Adjustment made during the year	-	-	-	-	-	-	-	-	-	-	-
<b>As at March 31, 2022</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>79.05</b>	<b>54.72</b>	<b>0.15</b>	<b>15.80</b>	<b>149.72</b>	<b>-</b>
<b>Net carrying amount as at March 31, 2022</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8.54</b>	<b>6.28</b>	<b>0.08</b>	<b>4.14</b>	<b>19.04</b>	<b>-</b>
<b>Net carrying amount as at March 31, 2021</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>28.57</b>	<b>8.22</b>	<b>0.03</b>	<b>2.60</b>	<b>39.42</b>	<b>-</b>



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

### 4. Right-of- use -assets

Particulars	(INR in Lakhs)	
	Building	Total
<b>Gross Carrying Amount as at April 1, 2020</b>	<b>207.12</b>	<b>207.12</b>
Additions	292.11	292.11
Deletion	(207.12)	(207.12)
<b>As at March 31, 2021</b>	<b>292.11</b>	<b>292.11</b>
<b>Accumulated amortisation and impairment as at April 1, 2020</b>	<b>18.80</b>	<b>18.80</b>
Amortisation charge during the year	47.28	47.28
Deletion	(56.63)	(56.63)
<b>As at March 31, 2021</b>	<b>9.44</b>	<b>9.44</b>
<b>Net carrying amount as at March 31, 2021</b>	<b>282.67</b>	<b>282.67</b>
<b>Gross Carrying Amount as at April 1, 2021</b>	<b>292.11</b>	<b>292.11</b>
Additions	161.90	161.90
Deletion	(7.89)	(7.89)
<b>As at March 31, 2022</b>	<b>446.12</b>	<b>446.12</b>
<b>Accumulated amortisation and impairment as at April 1, 2021</b>	<b>9.44</b>	<b>9.44</b>
Amortisation charge during the year	80.79	80.79
Deletion	(2.20)	(2.20)
<b>As at March 31, 2022</b>	<b>88.04</b>	<b>88.04</b>
<b>Net carrying amount as at March 31, 2022</b>	<b>358.09</b>	<b>358.09</b>
<b>Net carrying amount as at March 31, 2021</b>	<b>282.67</b>	<b>282.67</b>

### 5. Other Intangible Assets

Particulars	(INR in Lakhs)	
	Software	Total
<b>Gross Carrying Amount as at April 1, 2020</b>	<b>2.54</b>	<b>2.54</b>
Additions	-	-
Transfer	-	-
Disposals	-	-
<b>As at March 31, 2021</b>	<b>2.54</b>	<b>2.54</b>
<b>Accumulated Depreciation as at April 1, 2020</b>	<b>2.28</b>	<b>2.28</b>
Depreciation charge during the year	0.26	0.26
Accumulated depreciation on deletions	-	-
Adjustment made during the year	-	-
<b>As at March 31, 2022</b>	<b>2.54</b>	<b>2.54</b>
<b>Net carrying amount as at March 31, 2021</b>	<b>-</b>	<b>-</b>
<b>Gross Carrying Amount as at April 1, 2021</b>	<b>-</b>	<b>-</b>
Additions	39.99	39.99
Transfer	-	-
Disposals	-	-
<b>As at March 31, 2022</b>	<b>39.99</b>	<b>39.99</b>
<b>Accumulated Depreciation as at April 1, 2021</b>	<b>-</b>	<b>-</b>
Depreciation charge during the year	0.02	0.02
Accumulated depreciation on deletions	-	-
Adjustment made during the year	-	-
<b>As at March 31, 2022</b>	<b>0.02</b>	<b>0.02</b>
<b>Net carrying amount as at March 31, 2022</b>	<b>39.97</b>	<b>39.97</b>
<b>Net carrying amount as at March 31, 2021</b>	<b>-</b>	<b>-</b>

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

### 6. Investments

Particulars	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
<b>In Equity Shares of Subsidiary Companies - Unquoted, carried at cost</b>		
1,99,900 (1,99,900) equity shares of Lykis Marketing Private Limited of ₹ 10/- each fully paid up	19.99	19.99
<b>In Equity Shares of Foreign Subsidiary Companies - Unquoted, carried at cost</b>		
100 (100) equity shares of Lykis Export LLC -Dubai of AED 100/- each fully paid up	20.29	19.85
<b>In Equity Shares of Associate Companies - Unquoted, carried at cost</b>		
5,00,000 (5,00,000) equity shares of Lykis Packaging Pvt. Ltd. of ₹ 10/- each fully paid up	50.00	50.04
73,339 (73,339) equity shares of Lykon Foods Pvt. Ltd. of ₹ 10/- each fully paid up	7.33	7.33
5,000 (Nil) equity shares of Lykis Biscuits Pvt. Ltd. of ₹ 10/- each fully paid up	86.63	-
Less : Provision for diminution in the Investment	(7.33)	-
<b>Total</b>	<b>176.91</b>	<b>97.21</b>
Aggregate Amount of quoted Investments	-	-
Market Value of quoted Investments	-	-
Aggregate Amount of unquoted Investments	176.91	97.21
Aggregate Amount of provision for diminution in value of investment	(7.33)	-

\*Fair value of Lykon Foods Pvt. Ltd as on 31.03.2020 is ₹(3.26) per share, Fair value of Lykis Herbal Pvt. Ltd. is ₹(61.82) per share and Fair value of Nakamichi Securities Ltd. is ₹ 29.45 per share.

### 7. Deferred Tax Assets (Net)

Particulars	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
<b>Deferred Tax Assets arising due to temporary differences pertaining to</b>		
Excess of net block of assets as per tax purpose over net block as per books of accounts	4.57	(1.70)
Allowance for Doubtful receivables and other Assets	37.84	6.35
Provision for Employee Benefits	11.35	9.35
Right-of-use Assets and Lease Liability differences	6.26	0.71
On account of Business Loss	238.66	241.95
On Others	0.73	1.63
<b>Total</b>	<b>299.40</b>	<b>258.31</b>

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

### Movement in Deferred Tax Assets/(Liabilities)

Particulars	(INR in Lakhs)						
	Property, Plant and Equipment	Financial Assets	Employee Benefits	Right to Use and Lease Liability Differences	Business Loss	Others	Total
<b>At March 31, 2020</b>	<b>(12.42)</b>	<b>6.30</b>	<b>5.66</b>	<b>1.03</b>	<b>6.06</b>	<b>3.09</b>	<b>9.73</b>
- To Statement of Profit and Loss	10.73	0.05	3.69	(0.32)	235.89	(1.46)	248.58
- To Other Comprehensive Income	-	-	-	-	-	-	-
<b>At March 31, 2021</b>	<b>(1.70)</b>	<b>6.35</b>	<b>9.35</b>	<b>0.71</b>	<b>241.95</b>	<b>1.63</b>	<b>258.31</b>
- To Statement of Profit and Loss	6.26	31.49	2.01	5.54	(3.29)	(0.90)	41.11
- To Other Comprehensive Income	-	-	(0.02)	-	-	-	(0.02)
<b>At March 31, 2022</b>	<b>4.57</b>	<b>37.84</b>	<b>11.35</b>	<b>6.26</b>	<b>238.66</b>	<b>0.73</b>	<b>299.40</b>

### 8. Inventories

Particulars	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
<b>(At Cost or Net Realizable Value whichever is less)</b>		
Stock in trade (including in Transit ₹ 511.68 Lakhs (PY ₹ 316.82 Lakhs))	1,353.37	1,254.92
<b>Total</b>	<b>1,353.37</b>	<b>1,254.92</b>

### 9. Trade Receivables

Particulars	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Trade Receivable considered good-Unsecured*	6,597.15	2,415.30
Less: Allowance for Expected Credit Loss	(22.43)	(25.23)
Trade Receivable considered good - Unsecured	<b>6,574.72</b>	<b>2,390.07</b>
Trade Receivable credit impaired - Unsecured	26.26	-
Less: Allowance for credit impairment	(26.26)	-
Trade Receivable credit impaired - Unsecured	-	-
<b>Total</b>	<b>6,574.72</b>	<b>2,390.07</b>

\*Includes dues from subsidiary companies amounting to ₹ 559.83 Lakhs (PY ₹ 632.82 Lakhs).

#### Trade Receivables ageing schedule

As at March 31, 2022

Particulars	(INR in Lakhs)						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 year	2-3 year	More than 3 year	
Undisputed Trade Receivables – considered good	-	5,733.38	301.79	-	28.41	559.83	6,623.40
Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-	-
Disputed Trade receivable – considered good	-	-	-	-	-	-	-
Disputed Trade receivable – considered doubtful	-	-	-	-	-	-	-
Unbilled dues	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>5,733.38</b>	<b>301.79</b>	<b>-</b>	<b>28.41</b>	<b>559.83</b>	<b>6,623.40</b>

\*Includes dues from subsidiary companies amounting to ₹ 559.83 Lakhs.

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

The Company applies the Ind AS 109 simplified approach to measuring expected credit losses (ECLs) for trade receivables on the basis of ECL matrix. The ECLs are calculated on outstanding balances of trade receivables as at the year end.

### As at March 31, 2021

Particulars	(INR in Lakhs)						Total
	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months - 1 year	1-2 year	2-3 year	More than 3 year	
Undisputed Trade Receivables – considered good	-	1,549.12	28.75	-	-	837.43	2,415.30
Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-	-
Disputed Trade receivable – considered good	-	-	-	-	-	-	-
Disputed Trade receivable – considered doubtful	-	-	-	-	-	-	-
Unbilled dues	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>1,549</b>	<b>28.75</b>	<b>-</b>	<b>-</b>	<b>837.43</b>	<b>2,415.30</b>

\*Includes dues from subsidiary companies amounting to ₹ 632.82 Lakhs

### 10. Cash & Cash Equivalents

Particulars	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Balance With Bank		
- Current Account	219.51	389.39
Cash in hand	3.46	4.75
<b>Total</b>	<b>222.97</b>	<b>394.14</b>

### 11. Other Bank Balance

Particulars	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Fixed Deposits having original maturities more than 3 months but less than 12 months	8.64	46.14
<b>Total</b>	<b>8.64</b>	<b>46.14</b>

### 12. Loans

Particulars	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
<b>Unsecured - Considered good</b>		
Loans to foreign Subsidiary company	466.18	-
Advances to employees	9.69	15.42
<b>Total</b>	<b>475.87</b>	<b>15.42</b>

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

### 13. Other Financial Assets

Particulars	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Security deposits	3.08	3.89
Interest accrued but not due on Term Deposit	0.11	0.33
Export Incentives & Subvention Interest receivable	448.44	93.16
Fair Value of derivative assets	1.76	4.67
<b>Total</b>	<b>453.39</b>	<b>102.06</b>

### 14. Current Tax Assets

Particulars	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Income Tax Assets	17.14	103.93
<b>Total</b>	<b>17.14</b>	<b>103.93</b>

\*The Company has paid ₹ 19 Lakhs under protest and has preferred an appeal.

### 15. Other Current Assets

Particulars	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Advances Recoverable in Cash or Kind		
- Considered Good*	3,367.95	2,300.37
- Considered Doubtful	104.45	-
	3,472.40	2,300.37
Less: Provision for doubtful advances	(104.45)	-
	3,367.95	2,300.37
Balance with Government Authorities		
- GST Receivables	691.31	447.75
Other Receivables	13.62	0.63
Prepaid Expenses	28.23	7.25
<b>Total</b>	<b>4,101.11</b>	<b>2,756.00</b>

\*Includes advances provided to companies in which directors are interested amounting to ₹ 37.44 Lakhs (PY Nil).

### 16. Equity Share Capital

#### A. Details of authorised, issued and subscribed share capital

Particulars	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
<b>Authorised</b>		
2,00,00,000 (PY 200,00,000) Equity Shares of ₹ 10/- each	2,000.00	2,000.00
	<b>2,000.00</b>	<b>2,000.00</b>
<b>Issued, Subscribed and Paid up</b>		
- 1,93,75,155 (1,93,75,155) Equity Shares of ₹ 10 each	1,937.52	1,937.52
- Add : Forfeited Equity Shares	55.18	55.18
	<b>1,992.70</b>	<b>1,992.70</b>

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

### B. Terms & Conditions

#### Above shares include

- (a) 45,000 Equity shares of ₹ 10 each issued as fully paid up for consideration other than Cash.  
 (b) 22,07,350 Equity Shares of ₹ 10 each are forfeited shares.

#### Terms / rights attached to equity shares

The company has only one class of equity shares having par value of ₹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 equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

### C. Reconciliation of number of shares outstanding at the beginning and at the end of the reporting year

#### Equity Shares:

Particulars	(INR in Lakhs)			
	As at March 31, 2022		As at March 31, 2021	
	Number of shares	Amount	Number of shares	Amount
Shares outstanding at the beginning of the year	1,93,75,155	1,937.52	1,93,75,155	1,937.52
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	<b>1,93,75,155</b>	<b>1,937.52</b>	<b>1,93,75,155</b>	<b>1,937.52</b>

### D. Details of shareholders holding more than 5% shares in the Company

Particulars	(INR in Lakhs)			
	As at March 31, 2022		As at March 31, 2021	
	Nos.	% holding in the class	Nos.	% holding in the class
Equity Shares of ₹ 10/- each fully paid up				
Nadir Umedali Dhrolia	1,33,64,966	68.98	1,33,64,966	69.00
Vijay Kishanlal Kedia	18,07,911	9.33	18,07,911	9.30

### E. Details of shares held by promoters

#### As at March 31, 2022

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Equity shares of ₹100 each fully paid up					
Nadir Umedali Dhrolia	1,33,64,966	-	1,33,64,966	68.98%	0%
Mr. Vijay Kishanlal Kedia*	18,07,911	(18,07,911)	-	0.00%	-100%
Kedia Securities Private Limited	1,26,601	(1,26,601)	-	0.00%	-100%
<b>Total</b>	<b>1,52,99,478</b>	<b>(19,34,512)</b>	<b>1,33,64,966</b>	<b>68.98%</b>	<b>0%</b>

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

### As at March 31, 2021

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Equity shares of ₹ 100 each fully paid up					
Nadir Umedali Dhrolia	-	1,33,64,966	1,33,64,966	68.98%	100%
Mr Vijay Kishanlal Kedia*	41,84,383	(23,76,472)	18,07,911	9.33%	-57%
Kedia Securities Private Limited	-	1,26,601	1,26,601	0.65%	100%
<b>Total</b>	<b>41,84,383</b>	<b>1,11,15,095</b>	<b>1,52,99,478</b>	<b>78.96%</b>	<b>0%</b>

\*The above promoter holding has been reclassified as non promoter holding in current year.

### 17. Other Equity

Particulars	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
<b>Other Reserves</b>		
General Reserve	1.76	1.76
Development Rebate Reserve	0.13	0.13
Investment allowance utilised Reserve	48.58	48.58
Securities Premium Reserve	1,171.06	1,171.06
(A)	<b>1,221.54</b>	<b>1,221.54</b>
Retained Earnings	(1,148.54)	(1,074.73)
Remeasurement on defined benefit plans	0.59	0.69
(B)	<b>(1,147.95)</b>	<b>(1,074.04)</b>
<b>Total (A+B)</b>	<b>73.59</b>	<b>147.49</b>

### 18. Lease Liabilities

Particulars	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Lease Liabilities	274.87	243.01
<b>Total</b>	<b>274.87</b>	<b>243.01</b>

### 19. Provisions

Particulars	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Provision for Gratuity	35.46	30.42
<b>Total</b>	<b>35.46</b>	<b>30.42</b>

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

### 20. Borrowings

Particulars	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
<b>Secured (Repayable on demand)</b>		
<b>From Banks</b>		
- Preshipment Credit in Foreign Currency (USD)	9,507.25	-
<b>Unsecured (Repayable on demand)</b>		
<b>From Banks</b>		
- Export Packing Credit Loan in Rupees	-	3,804.43
- Preshipment Credit in Foreign Currency (USD)	1,100.02	-
<b>From Others</b>		
-Directors	-	443.90
<b>Total</b>	<b>10,607.27</b>	<b>4,248.33</b>

#### Preshipment Credit includes

- Preshipment credit taken from HDFC Bank in foreign currency amounting to ₹ 9,507.25 Lakhs (PY: Nil) which is primarily secured against hypothecation of stocks and book debts and collaterally secured by pledge of Fixed Deposits held in the name of third parties
- Preshipment credit taken from ICICI Bank in the foreign currency amounting to ₹ 1,100.02 (PY Nil) Lakhs and in Indian Currency amounting ₹ Nil (PY ₹ 3,804.43) Lakhs which is secured against Fixed Deposit held in the name of third party.

### 21. Lease Liability

Particulars	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Lease Liability	108.08	42.49
<b>Total</b>	<b>108.08</b>	<b>42.49</b>

### 22. Trade Payables

Particulars	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Total Outstanding due to Micro & Small Enterprises	492.55	383.16
Total Outstanding due to creditors other than Micro & Small Enterprises	346.85	450.68
	<b>839.39</b>	<b>833.84</b>

Note: \*Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006.

The Management has identified enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006. Accordingly, the disclosure in respect of amounts payable to such enterprises as at March 31, 2022 has been made based on the information available with the Company.



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

(INR in Lakhs)

Particulars	As at	
	March 31, 2022	March 31, 2021
a) The principal amount remaining unpaid to any supplier as at the end of each accounting year.	492.55	383.16
b) The interest due thereon remaining unpaid to any supplier as at the end of each accounting year.	4.81	1.45
c) The amount of interest paid by the buyer in terms of section 16 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
e) The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	-	-
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act, 2006	1.45	0.12
	<b>49.17</b>	<b>7.39</b>

### Trade Payables Ageing Schedule

As at March 31, 2022

(INR in Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 year	2-3 year	More than 3 year	
Dues to micro enterprises and small enterprises	-	487.46	5.08	-	-	492.55
Dues to other than micro enterprises and small enterprises	-	346.67	0.18	-	-	346.85
Disputed dues to micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues to other than micro enterprises and small enterprises	-	-	-	-	-	-
Unbilled dues	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>834.13</b>	<b>5.26</b>	<b>-</b>	<b>-</b>	<b>839.39</b>

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

### As at March 31, 2021

Particulars	(INR in Lakhs)					Total
	Outstanding for following periods from due date of payment					
	Not Due	Less than 1 year	1-2 year	2-3 year	More than 3 year	
Dues to micro enterprises and small enterprises	-	371.02	3.75	8.39	-	383.16
Dues to other than micro enterprises and small enterprises	-	439.11	4.71	6.16	0.70	450.68
Disputed dues to micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues to other than micro enterprises and small enterprises	-	-	-	-	-	-
Unbilled dues	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>810.13</b>	<b>8.46</b>	<b>14.55</b>	<b>0.70</b>	<b>833.84</b>

### 23. Other Financial Liabilities

Particulars	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Expenses Payable	75.99	52.90
Others	11.55	12.03
<b>Total</b>	<b>87.54</b>	<b>64.93</b>

### 24. Others Current Liabilities

Particulars	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Advance from Customers	45.03	983.77
Payable to Government Authorities	26.98	8.88
<b>Total</b>	<b>72.02</b>	<b>992.65</b>

### 25. Provisions

Particulars	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Provision for Gratuity	6.17	2.24
Provision for Bonus	3.52	4.50
<b>Total</b>	<b>9.69</b>	<b>6.74</b>

### 26. Current Tax Liabilities

Particulars	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Provision for tax	-	26.44
<b>Total</b>	<b>-</b>	<b>26.44</b>

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

### 27. Revenue From Operations

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Sales of Products	31,156.11	5,693.71
Other Operating Revenue*	580.14	173.85
<b>Total</b>	<b>31,736.26</b>	<b>5,867.56</b>

\*Other operating revenue includes sale of DFIA License, Incentive in the form of drawback and Rodteq.

### 28. Other Income

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Interest Income</b>		
On bank deposits	0.57	26.60
On Others	11.56	0.84
<b>Other Non Operating Income</b>		
Net gain on foreign currency transactions and translations	480.93	67.44
Gain on Slump Sale (Refer Note no. 38)	121.75	-
Miscellaneous Income	5.88	10.22
<b>Total</b>	<b>620.68</b>	<b>105.10</b>

### 29. Purchases of Stock in Trade

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
FMCG & Other Products	27,496.66	6,924.05
<b>Total</b>	<b>27,496.66</b>	<b>6,924.05</b>

### 30. Change in Inventories of Stock-in-Trade

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Inventories at the beginning of the year (includes stock in transit)	1,254.92	29.33
Less: Discontinued Operations	-	(4.76)
	1,254.92	24.57
Less: Inventories at the end of the year (includes stock in transit)	(1,353.37)	(1,254.92)
<b>(Increase)/Decrease in Inventories</b>	<b>(98.45)</b>	<b>(1,230.34)</b>

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

### 31. Employee Benefit Expenses

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Salary, Wages and Bonus	549.67	298.24
Employers' Contribution to PF & ESIC	23.84	17.94
Gratuity Expenses	12.94	5.80
Staff Welfare Expenses	51.88	17.90
<b>Total</b>	<b>638.33</b>	<b>339.89</b>

### 32. Finance Costs

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest Expenses	228.45	176.84
Bank Charges	27.95	7.24
Interest Charged on Lease Accounting	35.03	21.01
Others	3.51	1.33
<b>Total</b>	<b>294.93</b>	<b>206.42</b>

### 33. Depreciation & Amortization Expenses

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Depreciation on tangible assets	21.62	30.69
Amortization of intangible assets	0.02	0.26
Amortization of right-to-use	80.79	47.28
<b>Total</b>	<b>102.43</b>	<b>78.23</b>

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

### 34. Other Expenses

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Clearing & Forwarding Expenses	3,043.89	131.56
Commission Charges paid	5.32	4.30
Provision for Doubtful debts and advances	127.90	25.23
Insurance Expense	18.75	5.59
Legal, Professional & Consultancy Fees	143.42	113.20
Loss on Pre Utilization of Forward Contract	21.68	1.30
Packing & Development Expenses	294.17	3.50
Postage & Telegram	13.32	2.94
Printing & Stationery	7.11	6.71
Remuneration to Auditor	10.89	6.80
Rent, Rates and Taxes	13.88	46.68
Repairs and Maintenance		
- Others	12.16	0.88
Sales Promotion & Advertisement Expenses	65.68	40.76
Sundry Balance Written off (Net of written Back ₹ 63.78 Lakhs)	139.78	129.22
Provision for Diminution in Value of Investments	7.33	(7.33)
Telephone & Internet Expenses	4.10	2.79
Travelling & Conveyance Expenses	57.12	19.97
Miscellaneous Expenses	26.86	14.26
<b>Total</b>	<b>4,013.35</b>	<b>548.36</b>
<b>Auditors Remuneration</b>		
As Auditor	7.66	5.70
For Taxation Matters	2.65	1.00
For Other Services	0.58	0.10
<b>Total</b>	<b>10.89</b>	<b>6.80</b>

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

### 35. Earnings Per Share (EPS)

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>A) For Continuing Operations</b>		
<b>Profit/(Loss) as per profit and Loss account</b>	<b>(73.81)</b>	<b>(656.40)</b>
Weighted Average Number of Shares for Basic & Diluted EPS	193.75	199.27
Face value per Share	10	10
<b>Basic/Diluted Earnings Per Share</b>	<b>(0.38)</b>	<b>(3.29)</b>
<b>B) For Discontinued Operations</b>		
<b>Profit/(Loss) as per profit and Loss account</b>	-	<b>(430.67)</b>
Weighted Average Number of Shares for Basic & Diluted EPS	-	199.27
Face value per Share	-	10
<b>Basic/Diluted Earnings Per Share</b>	-	<b>(2.16)</b>
<b>C) For Continuing and Discontinued Operations</b>		
<b>Profit/(Loss) as per profit and Loss account</b>	<b>(73.81)</b>	<b>(1,087.07)</b>
Weighted Average Number of Shares for Basic & Diluted EPS	193.75	199.27
Face value per Share	10	10
<b>Basic/Diluted Earnings Per Share</b>	<b>(0.38)</b>	<b>(5.46)</b>

\*EPS have been derived by dividing profit for the year with outstanding ordinary shares (excluding forfeited shares)

### 36. Contingent Liabilities & Commitments

(a) Particulars	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Contingent Liability in respect of Income Tax Act	110.34	73.72
Contingent Liability in respect of Sales Tax	2.62	-
Contingent Liability in respect of Goods and Service Tax	179.55	-

#### b) Commitments

The company has given a comfort letter to subsidiary company Lykis Marketing Private Limited, whereby the company has given a commitment to invest additional funds incase subsidiary company is unable to meets its liabilities and fulfill other commitments.

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

### 37. Disclosure Pursuant to Indian Accounting Standard 19 - Employee Benefits

#### a) Gratuity

- i) The amount recognised in the balance sheet and the movement in the net defined benefit obligation over the period are as follows:

Particulars	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
<b>Present Value of Obligation at the beginning of the year</b>	32.66	15.19
Current service cost	8.71	4.83
Interest expense/(income)	2.17	0.98
Expenses of Discontinued operations taken over	2.06	
<b>Total amount recognised in profit or loss</b>	<b>12.94</b>	<b>5.80</b>
Liability Transferred in/Acquisitions	-	14.54
Liability Transferred out/Disinvestments)	-	(0.25)
<b>Total Liability</b>	<b>-</b>	<b>14.30</b>
Remeasurements		
(Gain)/Loss from change in financial assumptions	(2.00)	0.41
(Gain)/Loss from change in financial assumptions	(0.40)	-
Experience (gains)/losses	2.46	(0.11)
<b>Total amount recognised in other comprehensive income</b>	<b>0.07</b>	<b>0.30</b>
Less: Benefit paid	(4.03)	(0.87)
Less : Transferred to Discontinued Operations	-	(2.06)
<b>As at March 31, 2022</b>	<b>41.64</b>	<b>32.66</b>

- ii) Amount Recognized in the Balance Sheet are as follows:

Particulars	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
(Present Value of Benefit Obligation at the end of the period)	(41.64)	(34.72)
Funded Status (Surplus/Deficit)	(41.64)	(34.72)
Less : Transferred to Discontinued Operations	-	2.06
<b>Net (Liability)/Assets Recognized in the Balance Sheet</b>	<b>(41.64)</b>	<b>(32.66)</b>

- iii) Expenses Recognized in the Statement of Profit or Loss for Current Period

Particulars	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Current Service Cost	8.71	4.83
Net Interest Cost	2.17	0.97
Expenses of Discontinued operations taken over	2.06	-
<b>Net Effect of Changes</b>	<b>12.94</b>	<b>5.80</b>

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

### iv) Expenses Recognized in the Other Comprehensive Income (OCI) for current period

Particulars	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Actuarial (Gain)/Losses on Obligation for the period	0.07	0.30
Less: Remeasurement Gain /loss of Discontinued Operations	-	(2.06)
<b>Net (Income)/Expenses for the Period Recognized in OCI</b>	<b>0.07</b>	<b>(1.76)</b>

### v) Balance Sheet Reconciliation

Particulars	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Opening Net Liability	32.66	15.18
Expenses Recognized in Statement of Profit and Loss	12.94	5.80
Expenses Recognized in OCI	0.07	0.30
Net Liability /(Asset) Transfer In	-	14.54
Net Liability /(Asset) Transfer Out (Benefit Paid Directly by the Employer)	(4.03)	(0.87)
Less: Transferred to Discontinued Operations	-	(2.06)
<b>Net Liability/(Asset) Recognized in the Balance Sheet</b>	<b>41.64</b>	<b>32.66</b>

### b) The significant actuarial assumptions were as follows:

Particulars	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Interest/Discount rate	6.41% p.a	6.26% p.a
Rate of increase in compensation	10.00% p.a	10.64% p.a
Expected average remaining service	5 years	6 years
Retirement Age	58 years	58 years
Employee Attrition Rate	15.00% p.a	14.58% p.a

### c) A quantitative sensitivity analysis for significant assumption as at March 31, 2022 is shown below:

Assumption	(INR in Lakhs)			
	Discount Rate		Salary Growth Rate	
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease
<b>March 31, 2022</b>				
Impact on defined benefit obligation	(2.35)	2.64	2.53	(2.29)
% Impact	-5.64%	6.35%	6.08%	-5.51%
<b>March 31, 2021</b>				
Impact on defined benefit obligation	(2.31)	2.63	2.49	(2.24)
% Impact	-7.06%	8.05%	7.64%	-6.86%

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.



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

**d) The following payments are expected contributions to the defined benefit plan in future years:**

Particulars	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Expected Payout Year one	6.17	2.49
Expected Payout Year two	3.88	2.95
Expected Payout Year three	4.20	3.49
Expected Payout Year four	4.04	3.60
Expected Payout Year five	4.49	3.63
Expected Payout Year six to ten	16.54	15.00
Expected Payout Year eleven and above	27.52	-
<b>Total expected payments</b>	<b>66.84</b>	<b>31.17</b>

### 38. Slump Sale

The Company has Sold its Tea business along with all rights, title and interest relating there to as a going concern on slump sale basis w.e.f. June 25, 2021 to Greenline Tea and Exports Limited for fixed consideration of ₹ 1,041 Lakhs under the slump sale agreement. The consideration has been settled by the Company in cash. The value has been allocated to the net assets as below:

Particulars	(INR in Lakhs)	
		As at March 31, 2022
<b>Assets</b>		
Property, Plant and Equipment		918.31
<b>Current Assets</b>		
a) Inventories		57.72
b) Financial Assets		-
i) Trade Receivables		18.34
ii) Loans		9.89
iii) Other Financial Assets		12.03
c) Other Current Assets		474.03
	(A)	<b>1,490.32</b>
<b>Less: Liabilities</b>		
a) Financial Liabilities		462.65
b) Other Financial Liabilities		51.79
c) Other Current Liabilities		51.24
d) Provisions		5.38
	(B)	<b>571.07</b>
Net Assets	(A-B)	919.25
Sale Consideration		1,041.00
Gain on Slump Sale		121.75

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

### 39. Income Taxes

The Major Components for Income Tax Expenses for the year ended 31st March, 2022.

#### A) Components of Tax Expenses/(Income) includes the following:

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Current Income Tax</b>		
Current Income Tax charge	-	-
<b>Deferred Tax:</b>		
Relating to original and reversal of temporary differences	(41.11)	(247.67)
Short/(Excess) Provision for earlier years	24.59	10.12
<b>Income Tax Expenses reported in the statement of profit and loss</b>	<b>(16.52)</b>	<b>(237.55)</b>

#### B) Income Tax Relating to Other Comprehensive Income

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Net Loss/(gain) on remeasurement of Defined Benefit Plans	(0.02)	-
<b>Income Tax Expenses charged to other comprehensive Income</b>	<b>(0.02)</b>	<b>-</b>

#### C) Reconciliation of Tax Expense and the accounting profit multiplied by india's domestic tax rate for year ended 31st March, 2022.

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Accounting Profit/(Loss) Before Income Tax	(90.33)	(893.95)
India's statutory Income Tax Rate	25.17%	25.17%
<b>Computed Tax Expenses</b>	<b>(22.74)</b>	<b>(225.01)</b>
Adjustments recognised in current year in relation to the current tax of prior years	24.59	10.12
Effect of Expenses/allowances that are not deductible in determining taxable profit	(32.59)	(13.83)
Other Adjustments	(8.52)	(233.84)
<b>Income Tax Expenses Reported in Profit and Loss</b>	<b>(16.52)</b>	<b>(237.55)</b>
<b>Effective Income Tax Rate</b>	<b>18.29%</b>	<b>26.57%</b>

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

### 40. Related Party Transactions

#### a) Relationship

Description of Relationship	Names of Related Parties
Key Managerial Personnels	Mr. Nadir Dhrolia (Managing Director w.e.f 14.11.2020) Mr. Gopal Kandoi (Chief Financial Officer w.e.f 14.11.2020) Sunil Chadraprakash Purohit (Chief Financial Officer till 14.11.2020) Mr. Anubhav Shrivastava (Company Secretary upto 22.02.2021) Mr. Rajesh Tendolkar (CEO upto 15.01.2021) Mr. Vijay Kedia (Director till 29.10.2020) Ms. Sucheta Chaturvedi (Company Secretary w.e.f 17.03.2021 till 09.03.2022) Ms. Darshana Sawant (Company Secretary w.e.f 02.04.2022)
Subsidiary Companies	Lykis Marketing Private Limited Lykis Export LLC
Associate Companies	Lykis Packaging Private Limited Lykon Foods Private Limited Lykis Biscuits Private Limited
Entity where KMP/Relative of KMP exercise significant influence	Pragati Aerosols Pvt. Ltd. Dhrolia Holding LLP Spectra International Limited Bywell Confectioners Private Limited Lykis Herbals Private Limited Cheers Consumer Private Limited Vishal Agrifood Ventures Private Limited Dharamnagar Tea Estate Private Limited
Relative of KMP with whom transactions have taken place	Mrs. Monika Kandoi (w.e.f 14.11.2020) Ms. Swati Tendulkar (upto 15.01.2021)

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

### b) Transaction with Related parties

		(INR in Lakhs)	
Name of Party	Nature of Transaction	For the year ended March 31, 2022	For the year ended March 31, 2021
Bywell Confectioners Private Limited	Other Expenses	-	0.04
	Purchase of goods	306.56	-
Nadir Dhrollia	Remuneration Paid	49.00	-
	Loan Received	300.00	-
	Loan Repaid	300.00	-
Shri Gopal Kandoi	Salary	15.01	4.48
Lykis Export LLC	Sale of Goods	239.12	-
	Investment	-	19.85
	Loans Provided	445.74	-
	Interest Income	11.20	-
	Other Expenses	-	7.88
Lykis Biscuits Private Limited	Investment	86.63	-
Lykis Herbal Private Limited	Purchase of Goods	67.61	-
	Other Expenses	-	32.88
Spectra International Limited	Rent	89.94	59.20
	Purchase of Software	19.82	-
	Purchase of Goods	6.81	-
Monika Kandoi	Professional Fees	12.15	4.25
Prince Tulsian	Remuneration Paid	-	7.20
Rajesh Tendolkar	Remuneration Paid	-	17.60
Sucheta Chaturvedi	Salary	4.59	-
Sunil Chadraprakash Purohit	Remuneration Paid	-	11.30
Swati Tendulkar	Remuneration Paid	-	9.10
Dhrolia Holding LLP	Sale of Investment	-	2.00
Lykis Packaging Private Limited	Other Expenses	-	0.08
Vishal Agrifood Ventures Private Limited	Other Expenses	-	0.11
Dharamnagar Tea Estate Private Limited	Reimbursement of expenses	-	6.35
	Reimbursement of incomes	-	1.46
	Purchase of Goods	-	<b>60.66</b>

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

### c) Balances Outstanding of Related parties

		(INR in Lakhs)	
Name of Party	Nature of Transaction	As at March 31, 2022	As at March 31, 2021
Sucheta Chaturvedi	Payable	0.45	-
Lykis Marketing Private Limited	Receivable	559.83	632.83
Nadir Dhrolia	Payable	4.80	-
Bywell Confectioners Private Limited	Trade Advances	37.44	-
Dharamnagar Tea Estate Private Limited	Trade Advances	-	463.22
Cheers Consumer Private Limited	Loan Payable	-	4.94
Lykis Export LLC	Loan Receivable	466.18	-
Lykis Herbal Private Limited	Payable	-	136.03
Monika Kandoi	Payable	0.65	-
Spectra International Limited	Payable	0.60	-
	Trade Advances	-	<b>8.30</b>

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

## 41. Ratio Analysis and its element

Ratio	Numerator	Denominator	As at March 31, 2022	As at March 31, 2021	% change	Reason for variance (where the change in the ratio is more than 25% as compared to the preceding year)
Current Ratio	Current Assets	Current Liabilities	1.127	1.136	0.86	Due to increase in current borrowings
Debt-Equity Ratio	Total Debt	Shareholder's Equity	5.32	2.13	-149.68	Increase in Ratio due to increase in sales resulting in increase in packing credit
Debt Service Coverage Ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	0.76	-3.43	122.18	Resulting from decrease in Losses
Return on Equity Ratio	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	-0.04	-0.55	93.21	Resulting from decrease in Losses
Inventory Turnover Ratio	Cost of goods sold	Average Inventory	21.01	8.47	-148.03	Due to reduction of inventory level and increase in cost of goods sold
Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	6.61	2.28	-189.43	Increase in ratio due to Increase in sales
Trade Payable Turnover Ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	1.60	10.33	84.54	Decrease in ratio due to faster churning of inventory and decrease in trade payable compared to purchases
Net Capital Turnover Ratio	Net sales = Total sales - Sales return	Working capital = Current assets – Current liabilities	21.01	6.72	-212.58	Due to increase in sales and increase in current borrowings
Net Profit Ratio	Net Profit	Net sales = Total sales - sales return	-0.00	-0.19	98.76	Resulting from decrease in Losses
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	0.05	-1.43	103.72	Resulting from decrease in Losses

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

### 42. Leases

In current year, the Company has recognised Interest on Lease Liability and Amortization of Right-of-use Asset as per IndAS 116 'Lease' in the statement of Profit and Loss as under:

- Finance Cost' in Note no. 32. Interest on Lease Liability of ₹ 35.03 Lakhs (PY ₹ 21.01 Lakhs).
- Depreciation and Amortization expense' in Note no. 33. Amortization of Lease Liability of ₹ 80.79 Lakhs (PY ₹ 47.28 Lakhs).
- The total outstanding cash outflow for lease as per the agreement is ₹ 464.55 lakhs (PY ₹ 360.12 Lakhs).
- There has been addition to right-of-use asset in the current period of ₹ 161.90 Lakhs (PY ₹ 292.11 Lakhs).
- There has been deletion to right-of-use asset in the current period of ₹ 5.70 Lakhs (PY ₹ 282.67 Lakhs).

The Company has taken premises under leave and license agreement, the rent and escalation depends upon the lease by the Company. The Company has entered into an lease agreement for the period of 5 years, with escalation clause.

The disclosure requirement and maturity analysis of lease liability and asset as per IndAS 107 'Financial Instrument: Disclosures' are as follows:

#### a) The net carrying amount of Right-of-use asset :

(INR in Lakhs)

Particulars	1st April, 2021	Addition	Deletion/ Amortization	As at March 31, 2022	As at 1st April, 2021	Addition	Deletion/ Amortization	As at March 31, 2022
Right-of-Use Asset	207.12	292.11	(216.48)	282.67	282.67	161.90	86.49	358.09

#### b) A reconciliation between the total minimum lease payment as on 31st March, 2022 and their present value:

(INR in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Lease Liability as at balance sheet date	382.95	285.50
Add: Interest on above*	81.61	74.62
<b>Minimum Lease Payment</b>	<b>464.55</b>	<b>360.12</b>

\*The rate of interest taken is on the basis of rate of loan liabilities of the Company.

#### c) Maturity Analysis of the Minimum lease payment for the following years are as follow:

(INR in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Not later than 1 year	108.08	67.76
Later than 1 year but not later than 5 year	356.48	292.36
<b>Total</b>	<b>464.55</b>	<b>360.12</b>

### 43. Fair Value Management

#### i. Accounting classification and fair values

The following table shows the carrying amount and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy:

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

- i) The carrying value and fair value of financial instruments by categories as of March 31, 2021 are as follows:  
 (INR in Lakhs)

Particular	Carrying Amount				Fair Value			
	FVPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>FINANCIAL ASSETS</b>								
Investments	-	-	97.21	97.21	-	-	97.21	97.21
Security Deposits	-	-	3.89	3.89	-	-	-	3.89
Trade Receivables	-	-	2,390.07	2,390.07	-	-	-	2,390.07
Cash and Cash Equivalents	-	-	394.14	394.14	-	-	-	394.14
Other Bank Balances	-	-	46.14	46.14	-	-	-	46.14
Loans and Advances	-	-	15.42	15.42	-	-	-	15.42
Other Financial Assets	-	-	98.16	98.16	-	-	-	98.16
<b>Total financial assets</b>	<b>-</b>	<b>-</b>	<b>3,045.04</b>	<b>3,045.04</b>	<b>-</b>	<b>-</b>	<b>97.21</b>	<b>3,045.04</b>
<b>FINANCIAL LIABILITIES</b>								
Borrowings	-	-	4,248.33	4,248.33	-	-	-	4,248.33
Lease Liability	-	-	285.50	285.50	-	-	-	285.50
Trade payables	-	-	833.84	833.84	-	-	-	833.84
Other financial liabilities	-	-	51.02	51.02	-	-	-	51.02
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>5,418.69</b>	<b>5,418.69</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,418.69</b>

- ii) The carrying value and fair value of financial instruments by categories as of March 31, 2022 are as follows:  
 (INR in Lakhs)

Particular	Carrying Amount				Fair Value			
	FVPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>FINANCIAL ASSETS</b>								
Investments	-	-	176.91	176.91	-	-	176.91	176.91
Security Deposits	-	-	3.08	3.08	-	-	-	3.08
Trade Receivables	-	-	6,574.72	6,574.72	-	-	-	6,574.72
Cash and Cash Equivalents	-	-	222.97	222.97	-	-	-	222.97
Other Bank Balances	-	-	8.64	8.64	-	-	-	8.64
Loans and Advances	-	-	475.87	475.87	-	-	-	475.87
Other Financial Assets	1.76	-	451.63	453.39	-	-	-	453.39
<b>Total financial assets</b>	<b>1.76</b>	<b>-</b>	<b>7,913.82</b>	<b>7,915.58</b>	<b>-</b>	<b>-</b>	<b>176.91</b>	<b>7,915.58</b>
<b>FINANCIAL LIABILITIES</b>								
Borrowings	-	-	10,607.27	10,607.27	-	-	-	10,607.27
Lease Liability	-	-	108.08	108.08	-	-	-	108.08
Trade payables	-	-	839.39	839.39	-	-	-	839.39
Other financial liabilities	-	-	87.54	87.54	-	-	-	87.54
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>11,642.28</b>	<b>11,642.28</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11,642.28</b>



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

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

**Level 1:** The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in level 1.

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

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities and investment in private equity funds, real estate funds.

### ii. Valuation technique used to determine fair value

**Specific Valuation techniques used to value financial instruments include:**

- the use of quoted market prices or dealer quotes for similar instruments.
- the fair value of unquoted equity instruments has been measured on the basis of their networth and valuation of their shares.
- the fair value of equity shares of group companies are measured at cost.
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

### iii. Valuation processes

The finance department of the company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values.

## 44. Capital Management

For the purpose of the Company's capital management, capital includes issued equity share capital, securities premium and all other reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the value of the share and to reduce the cost of capital.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company can adjust the dividend payment to shareholders, issue new shares, etc. The Company monitors capital using a gearing ratio, which is net debt divided by total equity. The Company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents.

Particulars	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
<b>A) Debts</b>		
Borrowings (Current and Non-Current)	10,607	4,639.57
<b>Debt (A)</b>	<b>10,607</b>	<b>4,639.57</b>
<b>B) Equity</b>		
Equity Share Capital	1,993	1,992.70
Other Equity	74	147.49
<b>Total Equity (B)</b>	<b>2,066</b>	<b>2,140.19</b>
<b>Gearing Ratio (Debt / Capital) i.e. (A/B)</b>	<b>513%</b>	<b>217%</b>

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

### 45. Financial Risk Management

The Company has exposure to the following risks arising from financial instruments:

- Market Risk;
- Credit Risk; and
- Liquidity Risk

#### (A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in market prices. Market risk comprises three types of risk: foreign currency risk, interest rate risk and other price risk such as equity price risk and commodity/real estate risk.

##### (i) Foreign currency risk

The Company operates across various geographies and is exposed to foreign exchange risk on its various currency exposures. The risk of changes in foreign exchange rates relates primarily to the Company's operating activities and translation risk, which arises from recognition of foreign currency assets and liabilities.

##### Foreign currency Risk Management

In respect of the foreign currency transactions, the company has designated certain foreign exchange forward contracts as cash flow hedges to mitigate the risk of foreign currency exposure on highly probable forecasted transactions.

##### (ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The interest rate risk can also impact the provision for retiral benefits. The Company generally utilises fixed rate borrowings and therefore not subject to interest rate risk, since neither the carrying amount nor the future cash flows will fluctuate because of change in the market interest rates.

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

##### Foreign Currency Fluctuation Risk

The Company exposure to Foreign Currency risk at the end of reporting period is as follows:

Particulars	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
<b>Financials Assets</b>		
Trade Receivables	6,035.55	1,839.77
Advance to Suppliers	1.25	7.26
Loans	466.18	-
Cash & Cash Equivalent	0.24	37.65
Other Financial Assets	1.76	4.67
<b>Net Exposure to Foreign Currency Risk Assets</b>	<b>6,505</b>	<b>1,889</b>
<b>Financials Liabilities</b>		
Trade Advance	35.03	558.28
Borrowings	10,607.27	-
Trade Payable	-	172.94
Other Financial Liabilities	-	11.97
<b>Net Exposure to Foreign Currency Risk Liabilities</b>	<b>10,642.30</b>	<b>743.19</b>
<b>Foreign Currency Sensitivity</b>	<b>(4,137.31)</b>	<b>1,146.15</b>

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

### (iii) Equity price risk

The Company is exposed to equity price risk, which arises from FVTPL and FVOCI investments. The Company's unlisted equity securities are of subsidiary and deemed cost of the same are taken as per the valuation report. The value of the financial instruments is not material and accordingly any change in the value of these investments will not affect materially the profit or loss of the Company.

### (B) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and other financial instruments.

#### Trade Receivable

Customer credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. The Company is in the business of trading of FMCG Products. Credit quality of a customer is assessed by the management on regular basis with market information and individual credit limits are defined accordingly. Outstanding customer receivables are regularly monitored and any further services to major customers are approved by the senior management.

An impairment analysis is performed at each re-equipmting date on an individual basis for major customers. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the re-equipmting date is the carrying value of each class of financial assets disclosed in Note 9.

On account of adoption of Ind-AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors and the Company's historical experience for customers. The movement of allowance for impairments of trade receivables are as follows:

Particulars	(INR in Lakhs)	
	<b>Carrying Amount</b>	
	As at March 31, 2022	As at March 31, 2021
Opening Balance	25.20	24.24
Add: Impairment Loss recognized	(2.77)	25.19
Less: Utilized During the year	-	23.97
Less: Discontinued Operations	-	0.27
<b>Closing Balance</b>	<b>22.43</b>	<b>25.20</b>

#### Financial Instrument and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's finance department in accordance with the Company's policy. Investments of surplus funds are made generally in the fixed deposits and for funding to subsidiary company. The investment limits are set to minimise the concentration of risks and therefore mitigate financial loss to make payments for vendors.

The Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2022 and March 31, 2021 is the carrying amounts as stated in balance sheet except for balances of subsidiary company. The Company's maximum exposure relating to financial guarantees and financial derivative instruments is noted in the liquidity table below.

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

### (C) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Company's finance team is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows.

The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. In the table below, borrowings include both interest and principal cash flows.

<b>Contractual maturities of financial liabilities</b>		(INR in Lakhs)		
Particular	Less than 1 year	1 to 5 years	More than 5 years	
<b>As at March 31, 2022</b>				
Borrowings	10,607.27	-	-	
Trade payables	839.39	-	-	
Other financial liabilities	72.02	-	-	
Lease liabilities	108.08	274.87	-	
<b>Total Financial Liabilities</b>	<b>11,626.76</b>	<b>274.87</b>	<b>-</b>	
<b>As at March 31, 2021</b>				
Borrowings	4,248.33	-	-	
Trade payables	833.84	-	-	
Other financial liabilities	51.02	-	-	
Lease liabilities	243.01	42.49	-	
<b>Total Financial Liabilities</b>	<b>5,376.21</b>	<b>42.49</b>	<b>-</b>	

### 46. Other Statutory Information

- i. The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- ii. The Company do not have any charges or satisfaction which is yet to be registered with Registrar of Companies ('ROC') beyond the statutory period.
- iii. The Company has not been declared as wilful defaulter by any bank or financial institutions or other lenders.
- iv. During the year, the Company has not revalued its Property, Plant and Equipments.
- v. The Company have not traded or invested in Crypto Currency or Virtual Currency during the financial year.
- vi. The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries); or
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- vii. The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

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

- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- viii The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- ix Based on the information available with the Company, the Company do not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956, except as disclosed below:

Name of struck-off Company	Nature of transactions with struck-off Company	Balance outstanding	Relationship with the struck-off company, if any, to be disclosed
Aditya Inkjet Technologies Private Limited	Purchases	-	Not Applicable

### 47. Disclosure as required by Clause 32 of Listing Agreement

(INR in Lakhs)

Particulars	Balance As on		Maximum Amount Outstanding during the period	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
<b>a) Loans and Advances in the Nature of Loans:</b>				
i) To Subsidiary Company - Lykis Exports LLC	466.18		466.18	-
ii) To Associates	-	-	-	-
iii) Where there is:	-	-	-	-
- No repayment schedule or repayment beyond 7 years	-	-	-	-
- No Interest or Interests below section 186 of the Companies Act, 2013	-	-	-	-
iv) To Firm/Companies in which Directors are interested	-	-	-	-
<b>b) Investment by Loanee in the shares of its subsidiary Companies:</b>	40.28	39.84	40.28	39.84

### 48. Disclosures with regard to Section 186 of the Companies Act, 2013

During the previous year, the Company has granted Unsecured loan to the following parties for General Corporate Purposes, details as stated below :

Name of Party	During the Year	Closing Balance	Interest Rate
Lykis Exports LLC	445.74	466.18	5%

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

### 49. Details of unhedged foreign currency outstanding

Nature of Payment	Currency	Foreign Currency	Exchange Rate	As at March 31, 2022
Loans - Receivable	USD	614958.91	75.8071	466.18
Advance provided to supplier-receivable	USD	1650.65	75.8071	1.25

\*In the above details packing credit has not been considered as it is a natural hedge against trade receivables of the company

- 50.** Based on the guiding principles given in Ind-AS - 108 Operating Segment prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and other accounting principles accepted in India, the Company's and its subsidiary company's primary business consist of; "Trading in FMCG and other related activities'. As the Company's business actually falls within a single primary business segment, the disclosure requirements of Ind-AS – 108 in this regard are not applicable.
- 51.** In the opinion of the Board the Current Assets, Loans & Advances are realisable in the ordinary course of business atleast equal to the amount at which they are stated in the Balance Sheet. The provision for all known liabilities is adequate and not in excess of amount reasonably necessary.
- 52.** The financial statements for the year ended 31st March, 2021 were audited by another firm of Chartered Accountants and the same has been reclassified, wherever considered necessary, to conform with the current year's presentation. Figures wherever not available/ furnished in last year's financial statements have not been given and hence are not comparable.

In terms of our report of even date

For SINGRODIA & CO LLP

Chartered Accountants

Firm Registration No. W100280

SHYAMRATAN SINGRODIA

Partner

Membership No. 49006

Place: Mumbai

Dated: 30th May 2022

For and on behalf of Board of Directors of

LYKIS LIMITED

NADIR DHROLIA

Managing Director

DIN:03303675

SHRIGOPAL KANDOI

Chief Financial Officer

SHAFEEEN SADRUDDIN CHARANIA

Non Executive Director

DIN:07283015

DARSHANA SAWANT

Company Secretary

# INDEPENDENT AUDITOR'S REPORT

## TO THE MEMBERS OF LYKIS LIMITED

### REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

#### Opinion

We have audited the accompanying Consolidated financial statements of **Lykis Limited** (the "Company"), its subsidiaries and associate (the company and its subsidiaries together referred to as the "Group") which comprise the Consolidated balance sheet as at March 31, 2022, and the Consolidated statement of Profit and Loss (including other comprehensive income), and the Consolidated statement of changes in equity and the Consolidated statement of cash flows for the year then ended, and notes to the Consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "Consolidated Financials Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated 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 Group as at March 31, 2022, and its Profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

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

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated financial statements of the current period. These matters were addressed in the context of our audit of the Consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1.	<p><b>Sundry Balances Written Off &amp; Provision made towards doubtful debts &amp; advances</b></p> <p>During the year FY 21-22, the Company has written off ₹ 203.56 Lakhs for advances and receivables which are not recoverable and has made provision for doubtful debts and advances amounting to ₹ 127.90 Lakhs.</p> <p>Refer Note No. 35</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>➤ We gained an understanding of the process undertaken by the company for recoverability of such amount.</li> <li>➤ We have assessed the management's forecast and communication with parties.</li> <li>➤ We have verified that the company has taken requisite approval from the appropriate authorities and checked proper presentation and disclosure of the same in the financial statements.</li> </ul>
2.	<p><b>Recoverability of Other Advances</b></p> <p>As at March 31, 2022, Other current assets include INR 3,367.97 Lakhs in respect of Advances to vendors and are pending to be adjusted/settled.</p>	<p>Our audit procedures involve the following activities:</p> <ul style="list-style-type: none"> <li>➤ Assessing and updating our understanding of internal controls over financial reporting with respect to advances given;</li> </ul>

Sr. No.	Key Audit Matter	Auditor's Response
	<p>Management exercises significant judgment when determining whether to record any impairment loss on advances. As the carrying amount of Other Advances accounts for a relatively high proportion of assets, there would be a material impact on the financial statements if such advances cannot be settled on schedule or fail to be recovered/settled. Therefore, we regard the recoverability of Other Advances as a key audit matter.</p> <p>Refer Note No. 16 to the Consolidated Financial Statements</p>	<ul style="list-style-type: none"> <li>➤ Assessment of the Company's procurement policy outlining authority for approving and responsibility to manage vendor advances;</li> <li>➤ Inquiries with management in order to understand and assess governance and follow-up/monitoring of key vendors;</li> <li>➤ Obtain balance confirmations from selected parties to ensure existence thereof;</li> <li>➤ Review of Purchase orders and/or agreements for selected parties and enquire management regarding reasons for unsettled advances as on date.</li> </ul>
3.	<p><b>Recoverability and Contingencies relating to tax matters</b></p> <p>As at March 31, 2022, the company has exposures towards litigations relating to various matters as set out in the aforesaid notes. Significant management judgement is required to assess such matters to determine the probability of occurrence of material outflow of economic resources and whether a provision should be recognized or disclosure should be made. The management judgement is also supported with legal advice in certain cases as considered appropriate. As the ultimate outcome of the matters are uncertain and the positions taken by the management are based on the applications of their best judgement, related legal advice including those relating to interpretation of laws/regulation, it is considered to be a key audit matter.</p> <p>Refer Note No. 37 to the Standalone Financial Statements</p>	<p>We performed the following substantive procedures:</p> <ul style="list-style-type: none"> <li>➤ Understanding the process of estimation, recording and reassessing tax provisions and contingencies.</li> <li>➤ Involving tax specialists to assist in analyzing the judgements used to determine provisions for tax matters.</li> <li>➤ We have involved our internal experts to review the nature of the amounts recoverable, the sustainability and the likelihood of recoverability upon final resolution.</li> <li>➤ Inspection the correspondence with tax authorities.</li> <li>➤ Inspecting reports on open tax assessments prepared by the Company and other appropriate documentation considered necessary to understand the position and conclusions made by the Company.</li> </ul>
	<p><b>Recoverability of Deferred Tax Assets</b></p> <p>We identified the recoverability of deferred tax assets as a key audit matter due to the recognition of these assets involving judgement by management as to the likelihood of the realization of these deferred tax assets, which is based on a number of factors including whether there will be sufficient taxable profits in future periods to support recognition.</p>	<p>Our procedures in relation to management's assessment about the recoverability of deferred tax assets included:</p> <p>Evaluating management's assessment on the sufficiency of future taxable profits in support of the recognition of deferred tax assets by comparing management's forecasts of future profits to historical results and evaluating the assumptions used in those forecasts;</p> <p>The management has concluded that the deferred tax assets will be recoverable using the estimated future taxable income based on the approved business plans and budgets.</p>

### Information other than the Financials Statements and Auditor's Report Thereon

The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements, Standalone financial statements and our auditor's report thereon.

Our opinion on the Consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated financial



statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, 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.

### **Management's Responsibilities for the Consolidated Financial Statements**

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Consolidated financial statements that give a true and fair view of the Consolidated financial position, Consolidated financial performance, including other comprehensive income, changes in equity and cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group 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 Consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated financial statements, the management and the Board of Directors of the companies included in the Group are responsible for assessing the entity ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies are also responsible for overseeing the company's financial reporting process of the Group.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Consolidated 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 Consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the Consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the 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 Group and its associate 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 Consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated financial statements, including the disclosures, and whether the Consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Materiality is the magnitude of misstatement in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated

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 misstatement in the Consolidated financial statements.

We communicate with those charged with governance of the company and such other entities included in the consolidated financial statement of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Other Matters:**

1. We did not audit the financial statements of a subsidiary (namely 'Lykis Marketing Private Limited') included in the consolidated financial statements, whose financial statements include total assets of ₹ 55 Lakhs at March 31, 2022, total revenues of ₹ 376.61 Lakhs, total net profit after tax of ₹ 321.21 Lakhs for the year ended March 31, 2022, total comprehensive income of ₹ 321.21 Lakhs for the year ended March 31, 2022 as considered in the Consolidated financial statements which have been audited by their respective independent auditors. The independent auditor's report on the financial statements of these entity have been furnished to us by the Management and our opinion on the Consolidated financial statements in so far as it relates to the amounts and disclosures included in respect of these subsidiary is based solely on the reports of such auditors. Our opinion on the Consolidated financial statements is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.
2. The consolidated financial statements includes financial statements, audited upto 31st December, 2021 of 1 subsidiary company (namely 'Lykis Exports LLC'), whose financial statements include total assets of ₹ 468.91 Lakhs at March 31, 2022, total revenues of ₹ 1,023.01 Lakhs, total net loss after tax of ₹ 13.23 Lakhs for the year ended March 31, 2022, total comprehensive income of ₹ 13.23 lakhs for the year ended March 31, 2022 as considered in the Consolidated financial statements, which have been certified by management. These financial statements have been prepared in accordance with accounting principles generally accepted in such country and the company's management has converted the financial statements of such subsidiary located outside India from accounting principles generally accepted in that country to accounting principles generally accepted in India. The financial statements of these entity have been furnished to us by the Board of Directors and our opinion on the Consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary is based solely on such financial statements.
3. Three associates, whose financial statements include Group's share of net loss of ₹ 0.37 Lakhs for the year ended March 31, 2022 as considered in the statement whose financial statements, other financial information have been audited by another auditor.
4. The Consolidated Financials Statements of the Company for the year ended March 31, 2021, were audited by another auditor who expressed an unmodified opinion on those statements.

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

1. 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 of the aforesaid financial statements;
  - (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 Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated statement of changes in equity and the Consolidated statement of cash flows dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid Consolidated financial statements comply with the Ind AS specified under Section 133 of the Act;

- (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors of the company, and report of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of Group is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy and the operating effectiveness of the internal financial controls with reference to these Consolidated Financial Statements of the Holding company and its subsidiary and associates, incorporated in India refer to our separate Report in "Annexure A". 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 matter to be included in the Auditor's Report under Section 197(16) of the Act, in our opinion, according to the information and explanation give to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 read with Schedule V of the Act; and
- (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 and based on the consideration of the report of the other auditors on separate financial statements as also the financial information of the subsidiaries and associates, incorporated in India as noted in other Matters Paragraph:
  - i. The Group has disclosed the impact of pending litigations as at March 31, 2022 on its Consolidated financial statements – Refer Note No. 36 to the Consolidated financial statements.
  - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company and its subsidiaries company incorporated in India.
  - iv. (a) The respective management of the company and its subsidiaries which are companies incorporated India, whose financial statement have been audited under this act, have represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries from any person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company("Ultimate Beneficiaries"), or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (b) The respective management of the company and its subsidiaries which are companies incorporated India, whose financial statement have been audited under this act, have represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (c) Based on audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.
- v. The Company has neither declared nor paid any dividend during the year.

For **SINGRODIA & CO. LLP**  
Chartered Accountants  
Firm Registration No: W100280

**Shyamratan Singrodia**  
Partner

Membership No.: 049006  
UDIN: 22049006AJWNIA1212

Place: Mumbai  
Date: 30th May, 2022

## “Annexure-A” to the Independent Auditors’ Report

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of Lykis Limited (the “Company”) and its subsidiaries company, which are companies incorporated in India as of March 31, 2022 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

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

#### **Auditors’ Responsibility**

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by other auditors of subsidiary companies incorporated in India is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent, its subsidiary and associate companies incorporated in India.

#### **Meaning of Internal Financial Controls over Financial Reporting**

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

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

### **Opinion**

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the other matters paragraph below, the Parent, its subsidiary companies and associate companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

### **Other Matters**

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements of the holding company insofar as it relates to separate financial statements of subsidiaries, which is company incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

For **SINGRODIA & CO. LLP**  
Chartered Accountants  
Firm Registration No.: W100280

**Shyamratan Singrodia**  
Partner  
Membership No. 049006  
UDIN: 22049006AJWNIA1212

Place: Mumbai  
Date: 30th May, 2022

# Consolidated Balance Sheet as at March 31, 2022

(INR in Lakhs)

Particulars	Notes		
		As at March 31, 2022	As at March 31, 2021
<b>I. ASSETS (A)</b>			
<b>1. Non Current Assets</b>			
(a) Property, Plant and Equipment	3	19.04	39.42
(b) Right to Use	4	358.09	282.67
(c) Intangible Assets	5	39.97	-
(d) Financial Assets		-	-
(i) Investments	6	86.26	-
(ii) Loans	7	-	-
(e) Deferred Tax Assets (Net)	8	299.40	258.31
<b>Sub-Total</b>		<b>802.77</b>	<b>580.40</b>
<b>2. Current Assets</b>			
(a) Inventories	9	1,353.37	1,254.92
(b) Financial Assets			
(i) Trade Receivables	10	6,014.89	1,976.46
(ii) Cash and Cash Equivalents	11	706.32	396.10
(iii) Other Bank Balance	12	8.64	46.14
(iv) Loans	13	9.69	15.42
(v) Other Financial Assets	14	453.39	108.72
(c) Current Tax Assets	15	57.69	125.93
(d) Other Current Assets	16	4,101.13	2,756.00
<b>Sub-Total</b>		<b>12,705.12</b>	<b>6,679.69</b>
Assets Classified as held for sale		-	1,524.81
<b>TOTAL</b>		<b>13,507.87</b>	<b>8,784.91</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	17	1,992.70	1,992.70
(b) Other Equity	18	(812.77)	(1,031.41)
(c) Non Controlling Interest		(0.79)	(0.95)
<b>Sub-Total</b>		<b>1,179.14</b>	<b>960.35</b>
<b>Liability (B)</b>			
<b>1. Non Current Liabilities</b>			
(a) Financial Liabilities			
(i) Lease Liability	19	274.87	243.01
(b) Provisions	20	38.32	32.62
<b>Sub-Total</b>		<b>313.19</b>	<b>275.63</b>
<b>2. Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	21	10,880.27	4,849.33
(ii) Lease Liability	22	108.08	42.49
(iii) Trade Payable		-	-
Total Outstanding due to Micro, Small and Medium Enterprises	23	492.55	49.17
Total Outstanding due to creditors other than Micro, Small and Medium Enterprises		346.85	827.17
(iv) Other Financial Liabilities	24	89.10	38.99
(b) Other Current Liabilities	25	88.59	1,058.10
(c) Provisions	26	10.10	21.16
(d) Current Tax Liabilities	27	-	26.44
<b>Sub-Total</b>		<b>12,015.54</b>	<b>6,912.85</b>
Liabilities directly associated with assets held for sale		-	636.06
<b>TOTAL (A+B)</b>		<b>13,507.87</b>	<b>8,784.91</b>

The accompanying notes are an integral part of the financial statements 1 to 52

In terms of our compilation report of even date  
For SINGRODIA & CO LLP  
Chartered Accountants  
Firm Registration No. W100280

SHYAMRATAN SINGRODIA  
Partner  
Membership No. 49006

Place: Mumbai  
Dated: 30th May, 2022

For and on behalf of Board of Directors of  
LYKIS LIMITED

NADIR DHROLIA  
Managing Director  
DIN: 03303675

SHRIGOPAL KANDOI  
Chief Financial Officer

SHAFEEEN SADRUDDIN CHARANIA  
Non-Executive Director  
DIN: 07283015

DARSHANA SAWANT  
Company Secretary

## Consolidated Profit & Loss Statement for the year ended March 31, 2022

(INR in Lakhs)

Particulars	Notes	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>INCOME</b>			
Revenue from Operations	28	32,887.98	6,325.16
Other Income	29	619.00	110.10
<b>Total Revenue</b>		<b>33,506.98</b>	<b>6,435.26</b>
<b>EXPENDITURE</b>			
Purchases of Stock-in-Trade	30	28,254.03	6,924.05
Change in Inventories of Finished Goods & Traded Goods	31	(98.45)	(1,230.34)
Employee Benefit Expenses	32	655.28	352.39
Finance Cost	33	296.03	206.44
Depreciation & Amortization Expense	34	102.43	78.23
Other Expenses	35	4,071.98	610.88
<b>Total Expenses</b>		<b>33,281.30</b>	<b>6,941.65</b>
<b>PROFIT/(LOSS) BEFORE TAXATION FROM CONTINUING OPERATION</b>		<b>225.68</b>	<b>(506.39)</b>
Share in Profit and (Loss) of Associates/Joint venture as per Equity method		(0.38)	-
<b>PROFIT / (LOSS) BEFORE TAXATION FROM CONTINUING OPERATION</b>		<b>225.30</b>	<b>(506.39)</b>
<b>LESS: Tax Expenses</b>			
- Current Tax			
- Taxes for Earlier Period		24.59	10.12
- Deferred Tax		(41.11)	(275.59)
<b>PROFIT/(LOSS) FOR THE YEAR FROM CONTINUING OPERATION (A)</b>		<b>241.82</b>	<b>(240.92)</b>
<b>DISCONTINUED OPERATIONS</b>			
Loss from discontinuing operation before tax		-	(431.50)
Less : Tax on discontinuing operation		-	(0.83)
<b>LOSS FROM DISCONTINUING OPERATION AFTER TAX (B)</b>		<b>-</b>	<b>(430.67)</b>
<b>PROFIT / (LOSS) BEFORE MINORITY INTEREST (A+B)</b>		<b>241.82</b>	<b>(671.59)</b>
Add : Non Controlling Interest		(0.16)	-
<b>PROFIT / (LOSS) FOR THE YEAR</b>		<b>241.66</b>	<b>(671.59)</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
a) (i) Items that will not be reclassified to profit or loss-Continuing Operations			
- Actuarial Gain/loss on Gratuity Valuation		(0.07)	1.76
(ii) Income tax relating to items that will not be reclassified to profit or loss		(0.02)	-
b) (i) Items that will not be reclassified to profit or loss-Discontinued Operations		-	-
- Actuarial Gain/loss on Gratuity Valuation		-	(2.06)
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
c) (i) Items that will be reclassified to profit or loss			
- Fair value of Derivative Liability		-	28.47
- Exchange difference in translating the financial statements of foreign operations		0.71	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
<b>TOTAL OTHER COMPREHENSIVE INCOME</b>		<b>0.62</b>	<b>28.17</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>242.28</b>	<b>(643.42)</b>
<b>Earnings per Equity Share</b>			
Basic & Diluted Earnings Per Share - Continuing Operations	36	1.25	(1.21)
Basic & Diluted Earnings Per Share - Discontinued Operations		-	(2.16)
Basic & Diluted Earnings Per Share - (Continuing & Discontinued Operations)		1.25	(3.37)
The accompanying notes are an integral part of the financial statements	1 to 52		

In terms of our compilation report of even date  
For SINGRODIA & CO LLP  
Chartered Accountants  
Firm Registration No. W100280

SHYAMRATAN SINGRODIA  
Partner  
Membership No. 49006

Place: Mumbai  
Dated: 30th May, 2022

For and on behalf of Board of Directors of  
LYKIS LIMITED

NADIR DHROLIA  
Managing Director  
DIN: 03303675

SHRIGOPAL KANDOI  
Chief Financial Officer

SHAFEEEN SADRUDDIN CHARANIA  
Non-Executive Director  
DIN: 07283015

DARSHANA SAWANT  
Company Secretary

## Consolidated Cash Flow Statement for the year ended March 31, 2022

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>A. Cash flow from Operating Activities</b>		
Net Profit before prior period items & taxation from Continuing Operations	225.30	(506.40)
Net Profit before prior period items & taxation from Discontinued Operations	-	(431.50)
<b>Adjustments for:</b>		
Depreciation and amortization on Property, Plant and Equipment	21.62	78.23
Loss on Sale of Property, Plant and Equipment (Net)	0.26	0.02
Interest Income	(12.12)	-
Remeasurement of Defined Benefit Obligation	(0.07)	-
Remeasurement of Foreign Currency Balances	0.71	-
Provision for Doubtful debts and Advances	127.90	-
Remeasurement of Fixed Assets	-	459.13
Profit on Slump Sale	(121.75)	-
Assets Written off	-	5.58
Sundry Balances Written back	(63.78)	-
Sundry Balances Written off	200.29	172.07
Finance Costs (Including Fair Value Change in Financial Instruments)	<b>294.93</b>	<b>207.55</b>
<b>Operating cash flows before working capital changes</b>	<b>673.28</b>	<b>(15.32)</b>
<b>Adjustments for :</b>		
(Increase) / Decrease in Inventories	(98.45)	(1,223.17)
(Increase) / Decrease in trade Receivables	(4,366.63)	(187.41)
(Increase) / Decrease in Current Loans and Advances	5.73	611.39
(Increase) / Decrease in Financial Assets - Others	(344.67)	47.64
(Increase) / Decrease in Other Current Assets	(1,354.75)	(679.87)
Increase/(Decrease) in Trade Payables	26.84	(552.65)
Increase/(Decrease) in Current Financial Liabilities-Others	50.11	(989.29)
Increase/(Decrease) in Lease Liabilities	97.44	74.42
Increase/(Decrease) in Other Current Liabilities	(974.15)	836.19
Increase/(Decrease) in Non Current Provisions	5.69	19.55
Increase/(Decrease) in Right to Use	(75.41)	(122.84)
Increase/(Decrease) in Current Provisions	(11.06)	(1.06)
<b>Cash generated from operations</b>	<b>(6,366.00)</b>	<b>(2,182.00)</b>
Prior Period Expense	-	
Direct taxes paid	(30.29)	(6.83)
<b>Net cash flow from operating activities</b>	<b>(6,396.00)</b>	<b>(2,189.00)</b>



## Standalone Cash Flow Statement for the year ended March 31, 2022 (Contd.)

(INR in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>B. Cash Flow from Investing Activities</b>		
Purchase or Construction of Property, Plant and Equipment	(9.07)	(48.83)
Purchase or Intangible Assets	(39.97)	-
Proceeds from/(investments in) Fixed Deposits (Net)	37.50	948.58
Purchase of Investments	(86.26)	(27.18)
Proceeds from Sale of Property, Plant and Equipment	7.57	0.13
Proceeds from Slump Sale	1,041.00	-
Proceeds from Sale of Investments	-	2.00
Interest received	12.12	-
<b>Net Cash inflow from/ (outflow) from Investing activities</b>	<b>963.00</b>	<b>874.00</b>
<b>C. Cash Flow from Financing Activities</b>		
Proceeds from / (Repayment of) Non-Current Borrowings (net)	-	598.87
Increase / (Decrease) in Current Borrowings	6,031.23	934.00
Proceed from subsidy received from Government	-	0.70
Finance Costs	(294.93)	(207.55)
<b>Net Cash inflow from/ (outflow) from Financing activities</b>	<b>5,736.30</b>	<b>1,326.02</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>303.30</b>	<b>11.00</b>
Cash and cash equivalents at the beginning of the year (Refer Note 12)	403.02	391.54
Cash and cash equivalents at the end of the year (Refer Note 12)	706.32	403.02
<b>Net cash Increase/(decrease) in cash and cash equivalent</b>	<b>303.30</b>	<b>11.48</b>

### NOTES:

The accompanying notes form an Integral part of Financial Statements

- Cash Flow Statements has been prepared under "Indirect Method", set out in IND AS 7, notified under the companies (Indian Accounting Standard) Rules, 2015.
- Cash and Cash Equivalents represent cash and cash deposit with bank which are considered to be highly liquid.
- Previous year's figures have been regrouped and rearranged wherever necessary in order to confirm to current year's figures.

In terms of our compilation report of even date

For SINGRODIA & CO LLP  
Chartered Accountants  
Firm Registration No. W100280

SHYAMRATAN SINGRODIA  
Partner  
Membership No. 49006

Place: Mumbai  
Dated: 30th May, 2022

For and on behalf of Board of Directors of  
LYKIS LIMITED

NADIR DHROLIA  
Managing Director  
DIN: 03303675

SHRIGOPAL KANDOI  
Chief Financial Officer

SHAFEEEN SADRUDDIN CHARANIA  
Non-Executive Director  
DIN: 07283015

DARSHANA SAWANT  
Company Secretary

# Consolidated Statement of Changes in Equity as at March 31, 2022

## A. Equity Share Capital

Particulars	(INR in Lakhs)	
	No. of shares	Amount
<b>As at 1st April, 2020</b>	<b>19,375,155.00</b>	<b>1,937.52</b>
Equity Share Capital issued during the year	-	-
<b>As at 31st March, 2021</b>	<b>19,375,155.00</b>	<b>1,937.52</b>
Equity Share Capital issued during the year	-	-
<b>As at 31st March, 2022</b>	<b>19,375,155.00</b>	<b>1,937.52</b>

## B. Other Equity

Description	(INR in Lakhs)									
	Reserves and Surplus					Other Comprehensive Income			Non-controlling Interest	Total Other Equity
	General Reserve	Development Rebate Reserve	Revaluation Reserve	Investment Allowance Utilised Reserve	Securities Premium Reserve	Retained Earnings	Remasurement (Losses) on defined benefit Plans	Foreign Currency translation Reserve		
<b>Balance as at April 1, 2020</b>	1.76	0.13	10.76	48.58	1,171.06	(1,581.32)	(27.48)	-	-0.76	(376.51)
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-	-	-
<b>Restated balance at the beginning of the reporting period</b>	<b>1.76</b>	<b>0.13</b>	<b>10.76</b>	<b>48.58</b>	<b>1,171.06</b>	<b>(1,581.32)</b>	<b>(27.48)</b>	<b>-</b>	<b>-0.76</b>	<b>(376.51)</b>
Profit for the year	-	-	(10.76)	-	-	(671.79)	27.65	-	-0.19	(654.90)
Other Comprehensive Income for the year	-	-	-	-	-	-	-	-	-	-
<b>Total Comprehensive Income for the year</b>	<b>-</b>	<b>-</b>	<b>(10.76)</b>	<b>-</b>	<b>-</b>	<b>(671.79)</b>	<b>27.65</b>	<b>-</b>	<b>-0.19</b>	<b>(654.90)</b>
Movement for the year	-	-	-	-	-	-	-	-	-	-
<b>Balance as at March 31, 2021</b>	<b>1.76</b>	<b>0.13</b>	<b>(0.00)</b>	<b>48.58</b>	<b>1,171.06</b>	<b>(2,253.11)</b>	<b>0.17</b>	<b>-</b>	<b>-0.95</b>	<b>(1,031.41)</b>
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-	-	-
<b>Restated balance at the beginning of the reporting period</b>	<b>1.76</b>	<b>0.13</b>	<b>(0.00)</b>	<b>48.58</b>	<b>1,171.06</b>	<b>(2,253.11)</b>	<b>0.17</b>	<b>-</b>	<b>-0.95</b>	<b>(1,031.41)</b>
Profit for the year	-	-	(0.00)	-	-	218.01	(0.09)	0.71	0.16	218.64
Other Comprehensive Income for the year	-	-	-	-	-	-	-	-	-	-
<b>Total Comprehensive Income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>218.01</b>	<b>(0.09)</b>	<b>0.71</b>	<b>0.16</b>	<b>218.64</b>
Movement for the year	-	-	-	-	-	-	-	-	-	-
<b>Balance as at March 31, 2022</b>	<b>1.76</b>	<b>0.13</b>	<b>(0.00)</b>	<b>48.58</b>	<b>1,171.06</b>	<b>(2,035.10)</b>	<b>0.08</b>	<b>0.71</b>	<b>-0.79</b>	<b>(812.77)</b>

This is the Statement of Changes in Equity referred to in our report of even date

As Per Our Report Of Even Date  
For SINGRODIA & CO LLP  
Chartered Accountants  
Firm Registration No. W100280

SHYAMRATAN SINGRODIA  
Partner  
Membership No. 49006

Place: Mumbai  
Dated: 30th May, 2022

For and on behalf of Board of Directors of  
LYKIS LIMITED

NADIR DHROLIA  
Managing Director  
DIN: 03303675

SHRIGOPAL KANDOI  
Chief Financial Officer

SHAFEEEN SADRUDDIN CHARANIA  
Non-Executive Director  
DIN: 07283015

DARSHANA SAWANT  
Company Secretary

# SIGNIFICANT ACCOUNTING POLICY & NOTES TO ACCOUNTS

## 1. Corporate information

Lykis Limited is incorporate on October 15, 1984. The Company is limited by shares and its shares are listed on Bombay Stock Exchange. The Company is engaged in trading of FMCG and Tea. The Company's registered office is situated at 7, Surendra Mohan Ghosh Sarani (Mangoe Lane) 1<sup>st</sup> Floor, Room No.-105, Kolkata - 700001, West Bengal, India.

## 2. Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of the financial statements. These policies have been consistently applied in all material respect for all the years presented, unless otherwise started.

### 2.1 A) Basis of Preparation of financial statements

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (IND AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended). The financial statements have been prepared on a historical cost basis, except for certain financial instruments which are measured at fair values. The Company follows the accrual basis of accounting.

These financial statements include the Balance Sheet, the Statement of Changes in Equity, the Statement of Profit and Loss, the Statement of Cash Flows and Notes, comprising a summary of significant accounting policies and other explanatory information and comparative information in respect of the preceding period.

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.

The Ind AS financial statements are presented in INR and all values are rounded to the nearest lakhs (INR 00,000), except when otherwise indicated. Earnings per share data are presented in Indian Rupees up to two decimal places.

### B) Basis of Consolidation

The consolidated financial statements have been prepared on the following basis:

Subsidiary is an entity over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its/ power over the entity. Subsidiary is fully consolidated from the date on which control is transferred to the Group and ceases to be consolidated when the Group loses control of the subsidiary. Fully consolidated means recognition of like items of assets, liabilities, equity, income and expense. Thereafter the portion of net profit or loss and equity is segregated between the Group's share and share of non-controlling stakeholders.

Inter-company transactions, balances and unrealised gains on transactions between the Group companies are eliminated. Unrealised losses are also eliminated if there is a profit on ultimate sale of goods. When necessary, amounts reported by subsidiaries have been adjusted to conform to the Group's accounting policies.

#### Investment in Associate Company

Associate is an entities where the Group has the power to exercise a significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control of those policies.

The Group's investment in associate are accounted using the equity method. Under equity method of accounting, the investments are initially recorded at cost and adjusted thereafter to recognise the Group's share of post-acquisition profit and loss, and the Group's share of other comprehensive income. Dividend received from associates are recognised as a reduction in the carrying amount of the investments. Unrealised

gains on transactions between the Group and its associate are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated if there is a profit on ultimate sale of goods.

## 2.2 Use of estimates

The preparation of financial statements requires management of the Company to make estimates and assumptions that effect the reported assets and liabilities, revenue and expenses and disclosures relating to contingent liabilities. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Examples of such estimates include estimation of useful lives of tangible and intangible assets, valuation of inventories, sales return, employee costs, assessments of recoverable amounts of deferred tax assets and cash generating units, provisions against litigations and contingencies. Estimates and underlying assumptions are reviewed by management at each reporting date. Actual results could differ from these estimates. Any revision of these estimates is recognised prospectively in the current and future periods.

## 2.3 Current versus non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

## 2.4 Foreign Currency Transaction and Translation

### i. Functional and Presentation Currency

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

### ii. Transactions and Balances

In preparing the financial statements transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items are measured at historical cost. Exchange differences on monetary items are recognised in the statement of profit and loss in the period in which they arise except when deferred in other comprehensive income as qualifying cash flow hedges. Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in the statement of profit and loss for the period. Exchange differences arising on retranslation on non-monetary items carried at fair value are included in statement of profit and loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in other comprehensive income.

## 2.5 Property, Plant and Equipment

Property, Plant and Equipment is recognised 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. PPE is stated at original cost, net of tax/duty credits availed, if any, less accumulated depreciation and cumulative impairment. Cost comprises the purchase price and any attributable costs of bringing the asset to its working condition for its intended use as estimated by the management. Any trade discounts and rebates are deducted in arriving at the purchase price.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement, if the recognition criteria are satisfied. The carrying values of Property, Plant and Equipment are reviewed for impairment when events or changes in circumstances indicate that carrying value may not be recoverable.

PPE not ready for the intended use, on the date of the Balance Sheet are disclosed as "Capital Work-in-Progress".

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets.

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

Biological assets are classified as bearer biological assets and consumable biological assets. Consumable biological assets are those that are to be harvested as agricultural produce. Bearer biological assets which are held to bear agricultural produce are classified as Bearer plants. The Company recognises tea bushes as bearer assets which are shown as land and plantation in the financial statement, with further classification as mature bearer assets and immature bearer assets. Mature bearer plants are those that have attained harvestable stage. Bearer assets are carried at historical cost of acquisition. Subsequent expenditure on bearer assets are added to its book value only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. Cost incurred for new plantations and immature areas are capitalised. The cost of immature areas coming into bearing is transferred to mature plantations. The company does not bifurcate the value between land and bearer plants. The company is unable to estimate the useful life of bearer plants and therefore no depreciation is charged on the same.

Borrowing cost relating to acquisition/construction of fixed assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Depreciation is calculated on WDV basis in FMCG division and Straight Line basis on Property, Plant and Equipment other than land in tea division over the estimated useful life of the assets as prescribed under Part C of Schedule II of the Companies Act, 2013. The identified component of fixed assets are depreciated over the useful lives and the remaining components are depreciated over the life of the principal assets. Depreciation for additions to/ deductions from, owned Assets is calculated on pro rata basis.

Subsequent expenditures relating to PPE is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost can be measured reliably.

Depreciation charged for impaired assets is adjusted in future periods in such a manner that the revised carrying amount of the asset is allocated over its remaining useful life.

Further, the Company evaluated the useful life of certain assets, in respect of the following assets, useful lives different from Schedule II have been considered on the basis of technical evaluation, as under:-

Sr. No.	Nature of Asset	Estimated Useful Life (In Years)
	<b>Tangible Assets</b>	
1	Plant and Machinery	15
2	Computers and Printers	3 to 5
3	Office Equipment	5
4	Furniture and Fixtures	15

Repairs & maintenance costs are recognised in the statement of Profit and Loss. Assets costing ₹ 5,000 or less are fully depreciated in the year of purchase.

## 2.6 Intangible assets

Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortisation and cumulative impairment. Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the

expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expenses on intangible assets with finite lives is recognised in the Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis. Gains or losses arising from de recognition 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.

Amortization is provided using the Straight Line Method as per the following useful life as per Schedule II of the Companies Act, 2013:

Sr. No.	Nature of Asset	Estimated Useful Life (In Years)
	<b>Intangible Assets</b>	
1	Software	5

The Company has elected to regard previous GAAP carrying value of Intangible Assets as deemed cost at the date of transition to Ind AS.

## 2.7 Leases

### The Company as a lessee

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification. The effective date of the modification is the date when both the parties agree to the lease modification and is accounted for in that point in time.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right-of-use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

## 2.8 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

General borrowing costs are capitalised at the weighted average of such borrowings outstanding during the year.

## 2.9 Inventories

**Inventories are valued as under:**

### a. Traded Goods:

Valued at lower of cost or net realizable value and for this purpose cost is determined on weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

## 2.11 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the Statement of Cash Flows, cash and cash equivalents consist of cash and short-term deposits.

## 2.12 Cash flow statement

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

## 2.13 Impairment of financial assets & non-financial assets

### a. Financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECL (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in the Statement of Profit and Loss.

### b. Non-financial assets

Intangible assets and Property, Plant and Equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount

that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior year.

Intangible assets with indefinite useful lives are tested for impairment annually as at year end at the CGU level, as appropriate and when circumstances indicate that the carrying value may be impaired.

#### **2.14 Government Grants**

Company is entitled to several government grants in form of subsidy under various schemes like North East Industrial & Investment Promotion Policy, Special Purpose Tea Fund Scheme, Tea Development & Promotion Scheme etc. towards fulfilment of certain conditions. The entity gets entitled to these subsidies upon undertaking various activities ranging from irrigation & civil work to replanting, replacement planting, rejuvenation pruning etc. Once entitled the sanctioned amount of subsidy has to be claimed over a period of maximum seven years. Owing to the nature, size & scalability of business its impractical to assess the life of plantations put together so the management estimates the maturity of the plantation as the life cycle which is estimated to seven years & accordingly the amount subsidy received is charged to profit & loss account over a period of seven years as deferred revenue.

#### **2.15 Revenue recognition**

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services. Revenue is measured at the amount of consideration which the company expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and a receivable is recognised when it becomes unconditional.

The specific recognition criteria described below must also be met before revenue is recognised.

##### **Sale of goods**

Revenue from sale of goods is recognized when the Company transfers the control of goods to the customer as per the terms of contract. The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price, the Company considers the effects of variable consideration, the existence of significant financing component, non-cash considerations and consideration payable to the customer (if any).

##### **Export Incentives**

###### **A. Duty Drawback and MEIS:**

Exports entitlements are recognised when the right to receive credit as per the terms of the schemes is established in respect of the exports made by the Company and when there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

###### **B. Duty Free Import Authorisation Scheme:**

Revenue from sale of DFIA license is recognised in the books after the fulfillment of all the pre-conditions of obtaining licenses and upon reasonable assurance & certainty of realization of money. There is no reasonable basis for allocating DFIA License revenues to the specific financial period; Thus management has decided that revenues pertaining to the same shall be recognised after the fulfillment of following conditions

- 1) All the conditions which entitles the entity to obtain the license from DGFT are complied with.
- 2) Buyer has been identified & the revenue can be reliably measured.
- 3) There exists a reasonable certainty that the monies will be received.

###### **C. RODTEP**

Revenue arising due to export sales is recognised on accrual basis.



### **Interest income**

Interest income is accrued on time proportion basis, by reference to the principal outstanding and effective interest rate applicable.

### **Other Income**

Other income is recognised when no significant uncertainty as to its determination or realisation exists.

### **Dividend**

Dividend income is recognised when to right to receive payment has been established.

## **2.16 Employee Benefit Expenses**

All employee benefits payable within a period of twelve months of rendering service are classified as short term employee benefits. Benefits such as salaries, allowances, advances and similar payments paid to the employees of the Company are recognized during the period in which the employee renders such related services.

### **Defined Contribution plans**

**Provident Fund:** The Company is a member of the Government Provident Fund which is operated by the office of the Regional Provident Fund Commissioner (RPFC) and the contribution thereof is paid/provided for during the period in which the employee renders the related service.

### **Defined Benefits plans**

**Gratuity:** In accordance with the Payment of Gratuity Act, 1972, the Company provides for gratuity, covering eligible employees. Employees who are in continuous service for a period of five years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied by number of years of service.

Gratuity is provided as per actuarial valuation as at the Balance Sheet date, carried out by an independent actuary. The present value of the obligation under such defined benefit plans is determined based on actuarial valuation using the Projected Unit Credit Method.

The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans, is based on the market yield on government securities of a maturity period equivalent to the weighted average maturity profile of the related obligations at the Balance Sheet date.

Re-measurement, comprising actuarial gains and losses, the return on plan Assets (excluding net interest) and any change in the effect of asset ceiling (if applicable) are recognised in other comprehensive income and is reflected immediately in retained earnings and is reclassified to Profit and Loss.

## **2.17 Taxes**

Tax expenses comprise of current and deferred tax.

### **Current income tax**

- a. Current tax is measured at the amount expected to be paid on the basis of reliefs and deductions available in accordance with the provisions of the Income Tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.
- b. Current tax items are recognised in correlation to the underlying transaction either in P&L, OCI or directly in equity.

### **Deferred tax**

- a. Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

- b. Deferred tax liabilities are recognised for all taxable temporary differences.
- c. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carry forward of unused tax credits and unused tax losses can be utilized.
- d. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.
- e. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates [and tax laws] that have been enacted or substantively enacted at the reporting date.
- f. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.
- g. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities.

## 2.18 Earnings Per Share (EPS)

### Basic Earnings per Share

Basic earnings per share is calculated by dividing: the profit attributable to owners of the Company by the weighted average number of equity shares outstanding during the financial year.

### Diluted Earnings per Share

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

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

## 2.19 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Company has present obligation (legal or constructive) as a result of past events, for which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made for the amount of the obligation.

Contingent Liabilities are disclosed by way of notes to Financial Statements. Contingent assets are not recognised in the financial statements but are disclosed in the notes to the financial statements where an inflow of economic benefits is probable. Provisions and contingent liabilities are reviewed at each Balance Sheet date.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability.

## 2.20 Financial instruments

### A. Financial Assets

The Company recognizes a financial asset in its balance sheet when it becomes party to the contractual provisions of the instrument. All financial assets are recognized initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction cost that are attributable to the acquisition of the financial asset.

Where the fair value of a financial asset at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognized as a gain or loss in the Statement of Profit and Loss.

However trade receivables that do not contain a significant financing component are measured at transaction price.

## Investments and other financial assets

### (ii) Classification and Measurement

At initial recognition, the Company measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through the Profit and Loss are expensed in the Statement of Profit and Loss.

#### Financial Assets:

Subsequent measurement of financial assets depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. The Company classifies its financial assets into following categories:

#### 1. Amortised cost:

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method.

#### 2. Fair value through other comprehensive Income:

Financial assets with a business model:

- (A) Whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding and
- (B) Where the Company has exercised the option to classify the investment as at fair value through other comprehensive income, all fair value changes on the assets are recognised in OCI.

The accumulated gains or losses recognised in OCI are reclassified to retained earnings on sale of such investments."

#### 3. Fair value through Profit and Loss:

Financial assets which are not classified in any of the categories above are fair value through profit or loss.

#### Equity instruments:

The Company measures its equity investment other than in subsidiaries, joint ventures and associates at fair value through profit and loss. The investment in subsidiaries, associates and joint ventures are measured at cost.

### (iii) De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized (i.e. removed from the Company's balance sheet) when any of the following occurs:

- i. The contractual rights to cash flows from the financial asset expires;
- ii. The Company transfers its contractual rights to received cash flows of the financial assets and has substantially transferred all the risk and rewards of ownership of the financial assets;
- iii. The Company retains the contractual rights to receive cash flows but assumes a contractual obligations to pay the cash flows without material delay to one or more recipients under a 'pass-through' arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial asset);

- iv. The Company neither transfers nor retains substantially all risk and rewards of ownership and does not retain control over the financial asset.

**B. Financial liabilities:****(i) Measurement**

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss. Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

**(ii) Derecognition**

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

**Derivative financial Instrument**

A derivative is a financial instrument which changes in value in response to changes in an underlying asset and is settled at a future date. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Company designates certain derivatives as either:

- (a) Hedges of the fair value of recognised assets or liabilities (fair value hedge); or
- (b) Hedges of a particular risk associated with a firm commitment or a highly probable forecast transaction (cash flow hedge).

The Company documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The Company also documents its assessment, both at hedge inception and on an on-going basis, of whether the derivatives that are used in hedging transactions are effective in offsetting changes in cash flows of hedged items. Movements in the hedging reserve are accounted in other comprehensive income and are shown within the statement of changes in equity. The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of hedged item is more than 12 months, and as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as a current asset or liability.

**(i) Fair value hedge**

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the Statement of Profit and Loss, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The Company only applies fair value hedge accounting for hedging foreign exchange risk on recognised assets and liabilities.

**(ii) Cash Flow Hedge**

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income. The ineffective portion of changes in the fair value of the derivative is recognised in the Statement of Profit and Loss. Gains or losses accumulated in equity are reclassified to the statement of profit and loss in the periods when the hedged item affects the Statement of Profit and Loss.

When a hedging instrument expires or is swapped or unwound, or when a hedge no longer meets the criteria for hedge accounting, any accumulated gain or loss in other equity remains there and is reclassified to Statement of Profit and Loss when the forecasted cash flows affect profit or loss. When a forecasted transaction is no longer expected to occur, the cumulative gains/losses that were reported in equity are immediately transferred to the Statement of Profit and Loss.

### 2.21 Fair value measurement

The Company measures financial instruments, such as, derivatives and investments at fair value as per Ind AS 113 at each balance sheet date. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in level 1.

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

Level 3 – If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities and investment in private equity funds, real estate funds.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

### 2.22 Non-current assets held for sale/distribution to owners and discontinued operations

The Company classifies non-current assets and disposal groups as held for sale/distribution if their carrying amounts will be recovered principally through a sale/distribution rather than through continuing use. Actions required to complete the sale/distribution should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management expects that the sale/distribution will be completed within one year from the date of classification.

The criteria for held for sale/distribution classification is regarded met only when the assets or disposal group is available for immediate sale/distribution in its present condition, subject only to terms that are usual and customary for sales/distribution of such assets (or disposal groups), its sale/distribution is highly probable; and it will genuinely be sold, not abandoned.

Non-current assets held for sale/for distribution to owners and disposal groups are measured at the lower of their carrying amount and the fair value less costs to sell/distribute. Assets and liabilities classified as held for sale/distribution are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale/distribution are not depreciated or amortised.

A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss.

### 2.23 Key Accounting Estimates And Judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses.

Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on ongoing basis. Any changes to accounting estimates are recognized prospectively. Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect on the amounts recognised in the financial statements are included in the following notes:

**(i) 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.

**(ii) Impairment of non - financial assets**

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

**(iii) Provision for Contingent Liabilities**

On an ongoing basis, Company reviews pending cases, claims by third parties and other contingencies. For contingent losses that are considered probable, an estimated loss is recorded as an accrual in financial statements. Loss Contingencies that are considered possible are not provided for but disclosed as Contingent liabilities in the financial statements. Contingencies the likelihood of which is remote are not disclosed in the financial statements. Gain contingencies are not recognized until the contingency has been resolved and amounts are received or receivable.

**(iv) Valuation of deferred tax assets**

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

**(v) Defined benefit plans**

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

## Notes to Consolidated Financial Statements for the year ended March 31, 2022

### 3. PROPERTY, PLANT & EQUIPMENT

Particulars	(INR in Lakhs)										
	Land	Building	Roads and Bridges	Vehicles	Electrical Installations	Plant & Equipments	Computer	Furniture and Fixtures	Office Equipments	Total	Capital Work In Progress
<b>Gross Carrying Amount as at April 1, 2020</b>	1,005.19	168.15	22.79	50.21	52.99	462.19	61.16	0.91	21.05	1,844.64	147.12
Additions	-	-	-	-	-	14.61	5.92	-	1.55	22.07	-
Additions-Discontinued Operations	-	-	-	-	0.02	0.21	0.02	-	0.17	0.42	73.50
Disposals/Written off	-	-	-	-	-	7.73	5.81	-	2.86	16.41	-
Adjustment made during the year- Discontinued Operations	(422.34)	37.07	-	-	-	(84.62)	-	-	-	(469.89)	(47.16)
Assets of Discontinued Operations	582.85	205.22	22.79	50.21	53.02	235.18	3.08	0.75	3.02	1,156.12	173.46
<b>As at March 31, 2021</b>	-	-	-	-	-	149.48	58.20	0.16	16.88	224.72	-
Additions	-	-	-	-	-	2.62	3.23	0.07	3.15	9.07	-
Transfer	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	64.52	0.42	-	0.09	65.03	-
<b>As at March 31, 2022</b>	-	-	-	-	-	87.58	61.00	0.24	19.94	168.76	-
<b>Accumulated Depreciation as at April 1, 2020</b>	-	106.00	19.94	38.81	29.57	312.96	50.79	0.72	17.54	382.00	-
Depreciation charge during the year	-	-	-	-	-	25.19	4.09	0.01	1.40	30.69	-
Depreciation-Discontinued Operations	-	-	-	-	-	-	-	-	-	-	-
Accumulated depreciation on deletions/ Written off	-	-	-	-	-	6.23	2.15	-	2.29	10.68	-
Accumulated depreciation - Discontinued Operations	-	106.00	19.94	38.81	29.57	211.01	2.75	0.59	2.36	216.71	-
<b>Accumulated Depreciation as at April 1, 2021</b>	-	-	-	-	-	120.91	49.97	0.14	14.28	185.30	-
Depreciation charge during the year	-	-	-	-	-	14.89	5.12	0.02	1.58	21.62	-
Accumulated depreciation on deletions	-	-	-	-	-	56.76	0.38	-	0.07	57.20	-
Adjustment made during the year	-	-	-	-	-	-	-	-	-	-	-
<b>As at March 31, 2022</b>	-	-	-	-	-	79.05	54.72	0.15	15.80	149.72	-
<b>Net carrying amount as at March 31, 2022</b>	-	-	-	-	-	8.54	6.28	0.08	4.14	19.04	-
<b>Net carrying amount as at March 31, 2021</b>	-	-	-	-	-	28.57	8.22	0.03	2.60	39.42	-

## Notes to Consolidated Financial Statements for the year ended March 31, 2022

### 4. Right-of-use

Particulars	(INR in Lakhs)	
	Building	Total
<b>Gross Carrying Amount as at April 1, 2020</b>	<b>207.12</b>	<b>207.12</b>
Additions	292.11	292.11
Deletion	(207.12)	(207.12)
<b>As at March 31, 2021</b>	<b>292.11</b>	<b>292.11</b>
<b>Accumulated amortisation and impairment as at April 1, 2020</b>	<b>18.80</b>	<b>18.80</b>
Amortisation charge during the year	47.28	47.28
Deletion	(56.63)	(56.63)
<b>As at March 31, 2021</b>	<b>9.44</b>	<b>9.44</b>
<b>Net carrying amount as at March 31, 2021</b>	<b>282.67</b>	<b>282.67</b>
<b>Gross carrying amount as at April 1, 2021</b>	<b>292.11</b>	<b>292.11</b>
Additions	161.90	161.90
Deletion	(7.89)	(7.89)
<b>As at March 31, 2022</b>	<b>446.12</b>	<b>446.12</b>
<b>Accumulated amortisation and impairment as at April 1, 2021</b>	<b>9.44</b>	<b>9.44</b>
Amortisation charge during the year	80.79	80.79
Deletion	(2.20)	(2.20)
<b>As at March 31, 2022</b>	<b>88.04</b>	<b>88.04</b>
<b>Net carrying amount as at March 31, 2022</b>	<b>358.09</b>	<b>358.09</b>
<b>Net carrying amount as at March 31, 2021</b>	<b>282.67</b>	<b>282.67</b>

### 5. Other Intangible Assets

Particulars	(INR in Lakhs)	
	Software	Total
<b>Gross Carrying Amount as at April 1, 2020</b>	<b>2.54</b>	<b>2.54</b>
Additions	-	-
Transfer	-	-
Disposals	-	-
<b>As at March 31, 2021</b>	<b>2.54</b>	<b>2.54</b>
<b>Accumulated Depreciation as at April 1, 2020</b>	<b>2.28</b>	<b>2.28</b>
Depreciation charge during the year	0.26	0.26
Accumulated depreciation on deletions	-	-
Adjustment made during the year	-	-
<b>As at March 31, 2021</b>	<b>2.54</b>	<b>2.54</b>
<b>Net carrying amount as at March 31, 2021</b>	<b>-</b>	<b>-</b>
<b>Gross carrying amount as at April 1, 2021</b>	<b>-</b>	<b>-</b>
Additions	39.99	39.99
Transfer	-	-
Disposals	-	-
<b>As at March 31, 2022</b>	<b>39.99</b>	<b>39.99</b>
<b>Accumulated Depreciation as at April 1, 2021</b>	<b>-</b>	<b>-</b>
Depreciation charge during the year	0.02	0.02
Accumulated depreciation on deletions	-	-
Adjustment made during the year	-	-
<b>As at March 31, 2022</b>	<b>0.02</b>	<b>0.02</b>
<b>Net carrying amount as at March 31, 2022</b>	<b>39.97</b>	<b>39.97</b>
<b>Net carrying amount as at March 31, 2021</b>	<b>-</b>	<b>-</b>



## Notes to Consolidated Financial Statements for the year ended March 31, 2022

### 6. Investments

Particulars	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
<b>In Equity Shares of Associate Companies - Unquoted, carried at cost</b>		
5,00,000 (5,00,000) equity shares of Lykis Packaging Pvt. Ltd. of ₹ 10/- each fully paid up	50.00	50.04
Add: Share of profit/(loss)	(50.00)	(50.04)
73,339 (73,339) equity shares of Lykon Foods Pvt. Ltd. of ₹ 10/- each fully paid up	7.33	7.33
Add: Share of profit/(loss)	(7.33)	(7.33)
5000 (Nil) shares of Lykis Biscuits Pvt. Ltd.	86.63	-
Add: Share of profit/(loss)	(0.38)	-
<b>Total</b>	<b>86.26</b>	<b>-</b>
Aggregate Amount of quoted Investments	-	-
Market Value of quoted Investments	-	-
Aggregate Amount of unquoted Investments	86.26	-
Aggregate Amount of provision for diminition in value of investment	-	-

### 8. Deferred Tax Assets (Net)

Particulars	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
<b>Deferred Tax Assets arising due to temporary differences pertaining to</b>		
Excess of net block of assets as per tax purpose over net block as per books of accounts	4.57	(1.70)
Allowance for Doubtful receivables and other Assets	37.84	6.35
Provision for Employee Benefits	11.35	9.35
Right of use Assets and Lease Liability differences	6.26	0.71
On Others	0.73	1.63
On account of Business Loss	238.66	241.95
<b>Total</b>	<b>299.40</b>	<b>258.31</b>

#### Movement in Deferred Tax Assets/(Liabilities)

Particulars	(INR in Lakhs)						
	Property, Plant and Equipment	Financial Assets	Employee Benefits	Right to Use and Lease Liability Differences	Business Loss	Others	Total
<b>At March 31, 2020</b>	<b>(12.42)</b>	<b>6.30</b>	<b>5.66</b>	<b>1.03</b>	<b>6.06</b>	<b>3.09</b>	<b>9.73</b>
- To Statement of Profit and Loss	10.73	0.05	3.69	(0.32)	235.89	(1.46)	248.58
- To Other Comprehensive Income	-	-	-	-	-	-	-
<b>At March 31, 2021</b>	<b>(1.70)</b>	<b>6.35</b>	<b>9.35</b>	<b>0.71</b>	<b>241.95</b>	<b>1.63</b>	<b>258.31</b>
- To Statement of Profit and Loss	6.26	31.49	2.01	5.54	(3.29)	(0.90)	41.11
- To Other Comprehensive Income	-	-	(0.02)	-	-	-	(0.02)
<b>At March 31, 2022</b>	<b>4.57</b>	<b>37.84</b>	<b>11.35</b>	<b>6.26</b>	<b>238.66</b>	<b>0.73</b>	<b>299.40</b>

## Notes to Consolidated Financial Statements for the year ended March 31, 2022

### 9. Inventories

Particulars	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
<b>(At Cost or Net Realizable Value whichever is less)</b>		
- Stock in trade (including in Transit ₹ 511.68 Lakhs (PY 316.82 Lakhs))	1,353.37	1,254.92
<b>Total</b>	<b>1,353.37</b>	<b>1,254.92</b>

### 10. Trade Receivables

Particulars	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Trade Receivable considered good - Unsecured	6,037.32	1,983.50
Less: Allowance for Expected Credit Loss	(22.43)	(7.04)
Trade Receivable considered good - Unsecured	<b>6,014.89</b>	<b>1,976.46</b>
Trade Receivable credit impaired - Unsecured	26.26	-
Less: Allowance for credit impairment	(26.26)	-
Trade Receivable credit impaired - Unsecured	-	-
<b>Total</b>	<b>6,014.89</b>	<b>1,976.46</b>

The Company applies the Ind AS 109 simplified approach to measuring expected credit losses (ECLs) for trade receivables on the basis of ECL matrix. The ECLs are calculated on outstanding balances of trade receivables as at the year end.

#### Trade Receivables ageing schedule

Particulars	(INR in Lakhs)						Total
	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months - 1 year	1-2 year	2-3 year	More than 3 year	
As at March 31, 2022							
Undisputed Trade Receivables – considered good	-	5,733	302	-	28	-	6,063.58
Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-	-
Disputed Trade receivable – considered good	-	-	-	-	-	-	-
Disputed Trade receivable – considered doubtful	-	-	-	-	-	-	-
Unbilled dues	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>5,733.38</b>	<b>301.79</b>	<b>-</b>	<b>28.41</b>	<b>-</b>	<b>6,063.58</b>

Particulars	(INR in Lakhs)						Total
	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months - 1 year	1-2 year	2-3 year	More than 3 year	
As at March 31, 2021							
Undisputed Trade Receivables – considered good	-	1,946.91	28.75	-	-	7.84	1,983.50
Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-	-
Disputed Trade receivable – considered good	-	-	-	-	-	-	-
Disputed Trade receivable – considered doubtful	-	-	-	-	-	-	-
Unbilled dues	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>1,946.91</b>	<b>28.75</b>	<b>-</b>	<b>-</b>	<b>7.84</b>	<b>1,983.50</b>

## Notes to Consolidated Financial Statements for the year ended March 31, 2022

### 11. Cash & Cash Equivalents

Particulars	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
<b>Balance With Bank</b>		
- Current Account	702.68	391.03
Cash in hand	3.63	5.07
<b>Total</b>	<b>706.32</b>	<b>396.10</b>

### 12. Other Bank Balance

Particulars	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Fixed Deposits having original maturities more than 3 months but less than 12 months	8.64	46.14
<b>Total</b>	<b>8.64</b>	<b>46.14</b>

### 13. Loans

Particulars	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
<b>Unsecured - Considered good</b>		
Advances to employees	9.69	15.42
<b>Total</b>	<b>9.69</b>	<b>15.42</b>

### 14. Other Financial Assets

Particulars	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Security deposits*	3.08	3.89
Interest accrued but not due on Term Deposit	0.11	0.33
Export Incentives & Subvention Interest receivable	448.44	93.16
Fair Value of derivative assets	1.76	4.67
Others	-	6.66
<b>Total</b>	<b>453.39</b>	<b>108.72</b>

\*Security deposit represents and relates to leased warehouse premises, container deposit and utilities like electricity supplies, telephone supplies etc.

### 15. Current Tax Assets

Particulars	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Income Tax Assets	57.69	125.93
<b>Total</b>	<b>57.69</b>	<b>125.93</b>

\*The Company has paid ₹ 19 Lakhs under protest and has preferred an appeal.

## Notes to Consolidated Financial Statements for the year ended March 31, 2022

### 16. Other Current Assets

Particulars	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Advance Payment to Vendors		
- Considered Good	3,367.97	2,300.37
- Considered Doubtful	104.45	-
	3,472.42	2,300.37
Less: Provision for doubtful advances	(104.45)	-
	3,367.97	2,300.37
Balance with Government Authorities		
- GST Receivables	691.31	447.75
Other Receivables	13.62	0.63
Prepaid Expenses	28.23	7.25
<b>Total</b>	<b>4,101.13</b>	<b>2,756.00</b>

### 17. Equity Share Capital

#### A. Details of authorised, issued and subscribed share capital

Particulars	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
<b>Authorised</b>		
20,000,000 (PY 20,000,000) Equity Shares of ₹ 10/- each	2,000.00	2,000.00
	<b>2,000.00</b>	<b>2,000.00</b>
<b>Issued, Subscribed and Paid up</b>		
- 19,375,155 (19,375,155) Equity Shares of 10/- each	1,937.52	1,937.52
- Add : Forfeited Equity Shares	55.18	55.18
	<b>1,992.70</b>	<b>1,992.70</b>

#### B. Terms & Conditions

##### Above shares include

- 45,000 Equity shares of ₹ 10/- each issued as fully paid up for consideration other than Cash.
- 2,207,350 Equity Shares of ₹ 10/-each are forfeited shares.

##### Terms / rights attached to equity shares

The company has only one class of equity shares having par value of ₹ 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 equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

## Notes to Consolidated Financial Statements for the year ended March 31, 2022

### C. Reconciliation of number of shares outstanding at the beginning and at the end of the reporting year

#### Equity Shares:

(INR in Lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of shares	Amount	Number of shares	Amount
Shares outstanding at the beginning of the year	19,375,155.00	193,751,550.00	19,375,155.00	193,751,550.00
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	<b>19,375,155.00</b>	<b>193,751,550.00</b>	<b>19,375,155.00</b>	<b>193,751,550.00</b>

### D. Details of shareholders holding more than 5% shares in the Company

(INR in Lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Nos.	% holding in the class	Nos.	% holding in the class
Equity Shares of ₹ 10/- each fully paid up				
Nadir Umedali Dhrolia	13,364,966.00	68.98	13,364,966.00	69.00
Vijay Kishanlal Kedia	1,807,911.00	9.33	1,807,911.00	9.30

### E. Details of shares held by promoters

#### As at March 31, 2022

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
<b>Equity shares of ₹ 100 each fully paid up</b>					
Nadir Umedali Dhrolia	13,364,966.00	-	13,364,966.00	68.98%	0%
Mr Vijay Kishanlal Kedia*	1,807,911.00	(1,807,911.00)	-	0.00%	-100%
Kedia Securities Private Limited	126,601.00	(126,601.00)	-	0.00%	-100%
<b>Total</b>	<b>15,299,478.00</b>	<b>(1,934,512.00)</b>	<b>13,364,966.00</b>	<b>68.98%</b>	<b>0%</b>

#### As at March 31, 2021

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
<b>Equity shares of ₹ 100 each fully paid up</b>					
Nadir Umedali Dhrolia		13,364,966.00	13,364,966.00	68.98%	100%
Mr Vijay Kishanlal Kedia*	4,184,383.00	(2,376,472.00)	1,807,911.00	9.33%	-57%
Kedia Securities Private Limited		126,601.00	126,601.00	0.65%	100%
<b>Total</b>	<b>4,184,383.00</b>	<b>11,115,095.00</b>	<b>15,299,478.00</b>	<b>78.96%</b>	<b>0%</b>

\*The above promoter holding has been reclassified as non promoter holding in current year.

## Notes to Consolidated Financial Statements for the year ended March 31, 2022

### 18. Other Equity

Particulars	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
<b>Other Reserves</b>		
General Reserve	1.76	1.76
Development Rebate Reserve	0.13	0.13
Investment allowance utilised Reserve	48.58	48.58
Securities Premium Reserve	1,171.06	1,171.06
(A)	<b>1,221.54</b>	<b>1,221.54</b>
<b>Retained Earnings</b>		
Remeasurement on defined benefit plans	(2,035.10)	(2,253.11)
Foreign Currency translation reserve	0.08	0.17
(B)	<b>(2,034.30)</b>	<b>(2,252.94)</b>
<b>Total (A+B)</b>	<b>(812.77)</b>	<b>(1,031.41)</b>

### 19. Lease Liabilities

Particulars	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Lease Liabilities	274.87	243.01
<b>Total</b>	<b>274.87</b>	<b>243.01</b>

### 20. Provisions

Particulars	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Provision for Gratuity	38.32	32.62
<b>Total</b>	<b>38.32</b>	<b>32.62</b>

### 21. Borrowings

Particulars	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
<b>Secured (Repayable on demand)</b>		
<b>From Banks</b>		
- Export Packing Credit INR Loan	9,507.25	3,804.43
<b>Unsecured Loans (Repayable on demand)</b>		
<b>From Banks</b>		
- Export Packing Credit Loan in Rupees	-	-
- Preshipment Credit in Foreign Currency (USD)	1,100.02	-
<b>From Others</b>		
- Directors	273.00	1,044.90
<b>Total</b>	<b>10,880.27</b>	<b>4,849.33</b>

## Notes to Consolidated Financial Statements for the year ended March 31, 2022

### Preshipment Credit includes

- Preshipment credit taken from HDFC Bank in foreign currency amounting to ₹ 9507.25 Lakhs (PY: Nil) which is primarily secured against hypothecation of stocks and book debts and collaterally secured by pledge of Fixed Deposits held in the name of third parties.
- Preshipment credit taken from ICICI Bank in the foreign currency amounting to ₹ 1100.02 Lakhs (PY Nil) and in Indian Currency amounting ₹ Nil (PY ₹ 3804.43 Lakhs) which is secured against Fixed Deposit held in the name of third party.

### 22. Lease Liability

Particulars	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Lease Liability	108.08	42.49
<b>Total</b>	<b>108.08</b>	<b>42.49</b>

### 23. Trade Payables

Particulars	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Total Outstanding due to Micro, Small and Medium Enterprises	492.55	49.17
Total Outstanding due to creditors other than Micro, Small and Medium Enterprises	346.85	827.17
	<b>839.39</b>	<b>876.34</b>

Note: \*Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

The Management has identified enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006. Accordingly, the disclosure in respect of amounts payable to such enterprises as at March 31, 2021 has been made based on the information available with the Company.

Particulars	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
a) The principal amount remaining unpaid to any supplier as at the end of each accounting year	492.55	49.17
b) The interest due thereon remaining unpaid to any supplier as at the end of each accounting year	4.81	1.45
c) The amount of interest paid by the buyer in terms of section 16 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
e) The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	-	-

## Notes to Consolidated Financial Statements for the year ended March 31, 2022

### Trade Payables Ageing Schedule

As at March 31, 2022

(INR in Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 year	2-3 year	More than 3 year	
Dues to micro enterprises and small enterprises	-	487.46	5.08	-	-	492.55
Dues to other than micro enterprises and small enterprises	-	346.67	0.18	-	-	346.85
Disputed dues to micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues to other than micro enterprises and small enterprises	-	-	-	-	-	-
Unbilled dues	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>834.13</b>	<b>5.26</b>	<b>-</b>	<b>-</b>	<b>839.39</b>

As at March 31, 2021

(INR in Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 year	2-3 year	More than 3 year	
Dues to micro enterprises and small enterprises	-	49.17	-	-	-	49.17
Dues to other than micro enterprises and small enterprises	-	803.46	8.46	14.55	0.70	827.17
Disputed dues to micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues to other than micro enterprises and small enterprises	-	-	-	-	-	-
Unbilled dues	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>852.64</b>	<b>8.46</b>	<b>14.55</b>	<b>0.70</b>	<b>876.34</b>

### 24. Other Financial Liabilities

(INR in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Expenses Payable	77.56	38.99
Others	11.54	-
<b>Total</b>	<b>89.10</b>	<b>38.99</b>

### 25. Others Current Liabilities

(INR in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Advance from Customers	49.41	983.77
Payable to Government Authorities	39.18	74.33
<b>Total</b>	<b>88.59</b>	<b>1,058.10</b>



## Notes to Consolidated Financial Statements for the year ended March 31, 2022

### 26. Provisions

Particulars	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Provision for Gratuity	6.58	2.51
Provision for Bonus	3.52	4.50
Provision for Expenses	-	14.16
<b>Total</b>	<b>10.10</b>	<b>21.16</b>

### 27. Current Tax Liabilities

Particulars	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Provision for tax	-	26.44
<b>Total</b>	<b>-</b>	<b>26.44</b>

### 28. Revenue From Operations

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Revenue from Operations	32,307.84	5,689.48
Other Operating Revenue	580.14	635.68
<b>Total</b>	<b>32,887.98</b>	<b>6,325.16</b>

\*Other operating revenue includes sale of DFIA License, Incentive in the form of drawback and Rodtep.

### 29. Other Income

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Interest Income</b>		
On bank deposits	0.57	26.65
Interest on IT Refund	-	0.84
On Others	0.36	-
<b>Other Non Operating Income</b>		
Foreign Exchange Fluctuation Gain	480.93	67.44
Gain on Slump Sale (Refer Note No. 39)	121.75	-
Miscellaneous Income	15.40	15.17
<b>Total</b>	<b>619.00</b>	<b>110.10</b>

### 30. Purchases of Stock-in-Trade

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
FMCG & Other Products	28,254.03	6,924.05
<b>Total</b>	<b>28,254.03</b>	<b>6,924.05</b>

## Notes to Consolidated Financial Statements for the year ended March 31, 2022

### 31. Change in Inventories of Finished Goods & Traded Goods

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Inventories at the beginning of the year	1,254.92	29.33
Less: Discontinued Operations	-	(4.76)
	1,254.92	24.57
Less: Inventories at the end of the year (includes stock in transit)	(1,353.37)	(1,254.92)
<b>(Increase)/Decrease in Inventories</b>	<b>(98.45)</b>	<b>(1,230.34)</b>

### 32. Employee Benefit Expenses

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Salary, Wages and Bonus	566.11	309.24
Employers' Contribution to PF & ESI	23.84	17.94
Gratuity Expenses	13.45	5.80
Employees' Welfare Expenses	51.88	19.40
<b>Total</b>	<b>655.28</b>	<b>352.39</b>

### 33. Finance Costs

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest	228.45	176.84
Bank Charges	29.05	7.26
Interest Charged on Lease Accounting	35.03	21.01
Others	3.51	1.33
<b>Total</b>	<b>296.03</b>	<b>206.44</b>

### 34. Depreciation & Amortization Expenses

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Depreciation on tangible assets	21.62	78.23
Amortization of intangible assets	0.02	0.00
Amortization of right-to-use	80.79	0.00
<b>Total</b>	<b>102.43</b>	<b>78.23</b>

## Notes to Consolidated Financial Statements for the year ended March 31, 2022

### 35. Other Expenses

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Clearing & Forwarding Expenses	3,051.99	131.56
Commission Charges paid	8.32	48.46
Interest Expenses - Lykis LLC	-	-
Impairment Loss on Financial Instrument	127.90	25.23
Insurance Expense	18.75	5.59
Legal, Professional & Consultancy Fees	189.79	104.83
Loss on Pre Utilization of Forward Contract	21.68	1.30
Miscellaneous Expenses	30.52	20.10
Packing & Development Expenses	294.17	3.50
Postage & Telegram	13.32	4.07
Preliminary Expenses	1.64	-
Printing & Stationery	7.23	7.82
Remuneration to Auditor	11.14	6.80
Remeasurement of Financial Instrument	-	(7.33)
Rent, Rates and Taxes	16.33	55.35
Repairs and Maintenance	12.16	0.88
Sales Promotion & Advertisement Expenses	65.68	41.96
Sundry Balances Written off (Net of written back ₹ 63.78 Lakhs)	140.15	139.84
Telephone & Internet Expenses	4.10	2.79
Travelling & Conveyance Expenses	57.12	18.14
<b>Total</b>	<b>4,071.98</b>	<b>610.88</b>
<b>Auditors Remuneration</b>		
As Auditor	7.91	5.70
For Taxation Matters	2.65	1.00
For Other Services	0.58	0.10
<b>Total</b>	<b>11.14</b>	<b>6.80</b>

## Notes to Consolidated Financial Statements for the year ended March 31, 2022

### 36. Earnings Per Share (EPS)

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>A) For Continuing Operations</b>		
<b>Profit/(Loss) as per profit and Loss account</b>	<b>241.82</b>	<b>(240.92)</b>
Weighted Average Number of Shares for Basic & Diluted EPS	193.75	199.27
Face value per Share	10.00	10.00
<b>Basic/Diluted Earnings Per Share</b>	<b>1.25</b>	<b>(1.21)</b>
<b>B) For Discontinued Operations</b>		
<b>Profit/(Loss) as per profit and Loss account</b>	<b>-</b>	<b>(430.67)</b>
Weighted Average Number of Shares for Basic & Diluted EPS	-	199.27
Face value per Share	-	10.00
<b>Basic/Diluted Earnings Per Share</b>	<b>-</b>	<b>(2.16)</b>
<b>C) For Continuing and Discontinued Operations</b>		
<b>Profit/(Loss) as per profit and Loss account</b>	<b>241.82</b>	<b>(671.59)</b>
Weighted Average Number of Shares for Basic & Diluted EPS	193.75	199.27
Face value per Share	10.00	10.00
<b>Basic/Diluted Earnings Per Share</b>	<b>1.25</b>	<b>(3.37)</b>

\*EPS have been derived by dividing profit for the year with outstanding ordinary shares(excluding forfeited shares)

### 37. Contingent Liability

Particulars	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Contingent Liability in respect of Income Tax Act	110.34	73.72
Contingent Liability in respect of Sales Tax	2.62	-
Contingent Liability in respect of Goods and Service Tax	179.55	-

## Notes to Consolidated Financial Statements for the year ended March 31, 2022

### 38. Disclosure Pursuant to Indian Accounting Standard 19 - Employee Benefits

#### a) Gratuity

- i) The amount recognised in the balance sheet and the movement in the net defined benefit obligation over the period are as follows:

Particulars	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
<b>Present Value of Obligation at the beginning of the year</b>	32.66	15.19
Current service cost	8.71	4.83
Interest expense/(income)	2.17	0.98
Expenses of Discontinued operations taken over	2.06	
<b>Total amount recognised in profit or loss</b>	<b>12.94</b>	<b>5.80</b>
Liability Transferred in/Acquisitions	-	14.54
Liability Transferred out/Disinvestments)	-	(0.25)
<b>Total Liability</b>	<b>-</b>	<b>14.30</b>
Remeasurements		
(Gain)/Loss from change in financial assumptions	(2.00)	0.41
(Gain)/Loss from change in financial assumptions	(0.40)	-
Experience (gains)/losses	2.46	(0.11)
<b>Total amount recognised in other comprehensive income</b>	<b>0.07</b>	<b>0.30</b>
Less: Benefit payments	(4.03)	(0.87)
Less: Transferred to Discontinued Operations	-	(2.06)
<b>As at March 31, 2022</b>	<b>41.64</b>	<b>32.66</b>

- ii) Amount Recognized in the Balance Sheet are as follows:

Particulars	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Present Value of Benefit Obligation at the end of the period	(41.64)	(34.72)
Funded Status (Surplus/Deficit)	(41.64)	(34.72)
Less: Transferred to Discontinued Operations	-	2.06
<b>Net (Liability)/Assets Recognized in the Balance Sheet</b>	<b>(41.64)</b>	<b>(32.66)</b>

- iii) Expenses Recognized in the Statement of Profit or Loss for Current Period

Particulars	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Current Service Cost	8.71	4.83
Net Interest Cost	2.17	0.97
Expenses of Discontinued Operations taken over	2.06	-
<b>Net Effect of Changes</b>	<b>12.94</b>	<b>5.80</b>

## Notes to Consolidated Financial Statements for the year ended March 31, 2022

### iv) Expenses Recognized in the Other Comprehensive Income (OCI) for current period

Particulars	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Actuarial (Gain)/Losses on Obligation for the period	0.07	0.30
Less : Remeasurement Gain /loss of Discontinued Operations	-	(2.06)
<b>Net (Income)/Expenses for the Period Recognized in OCI</b>	<b>0.07</b>	<b>(1.76)</b>

### v) Balance Sheet Reconciliation

Particulars	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Opening Net Liability	32.66	15.18
Expenses Recognized in Statement of Profit and Loss	12.94	5.80
Expenses Recognized in OCI	0.07	0.30
Net Liability /(Asset) Transfer In	-	14.54
Net Liability /(Asset) Transfer Out (Benefit Paid Directly by the Employer)	(4.03)	(0.87)
Less: Transferred to Discontinued Operations	-	(2.06)
<b>Net Liability/(Asset) Recognized in the Balance Sheet</b>	<b>41.64</b>	<b>32.66</b>

### b) The significant actuarial assumptions were as follows:

Particulars	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Interest/Discount rate	6.41% p.a	6.26% p.a
Rate of increase in compensation	10.00% p.a	10.64% p.a
Expected average remaining service	5 years	6 years
Retirement Age	58 years	58 years
Employee Attrition Rate	15.00% p.a	14.58% p.a

### c) A quantitative sensitivity analysis for significant assumption as at March 31, 2022 is shown below:

Assumption	(INR in Lakhs)			
	Discount Rate		Salary Growth Rate	
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease
<b>March 31, 2022</b>				
Impact on defined benefit obligation	(2.35)	2.64	2.53	(2.29)
% Impact	-5.64%	6.35%	6.08%	-5.51%
<b>March 31, 2021</b>				
Impact on defined benefit obligation	(2.31)	2.63	2.49	(2.24)
% Impact	-7.06%	8.05%	7.64%	-6.86%

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

## Notes to Consolidated Financial Statements for the year ended March 31, 2022

d) The following payments are expected contributions to the defined benefit plan in future years:

Particulars	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Expected Payout Year one	6.17	2.49
Expected Payout Year two	3.88	2.95
Expected Payout Year three	4.20	3.49
Expected Payout Year four	4.04	3.60
Expected Payout Year five	4.49	3.63
Expected Payout Year six to ten	16.54	15.00
Expected Payout Year eleven and above	27.52	-
<b>Total expected payments</b>	<b>66.84</b>	<b>31.17</b>

### 39. Slump Sale

The Company has sold its tea business along with all rights, title and interest relating there to as a going concern on slump sale basis w.e.f. June 25, 2021 to Greenline Tea and Exports Limited for fixed consideration of ₹ 1,041 Lakhs under the slump sale agreement. The consideration has been settled by the Company in cash. The value has been allocated to the net assets as below:-

Particulars	(INR in Lakhs)	
		As at March 31, 2022
<b>Assets</b>		
Property, Plant and Equipment		918.31
<b>Current Assets</b>		
a) Inventories		57.72
b) Financial Assets		-
i) Trade Receivables		18.34
ii) Loans		9.89
iii) Other Financial Assets		12.03
c) Other Current Assets		474.03
	(A)	<b>1,490.32</b>
<b>Less: Liabilities</b>		
a) Financial Liabilities		462.65
b) Other Financial Liabilities		51.79
c) Other Current Liabilities		51.24
d) Provisions		5.38
	(B)	<b>571.07</b>
Net Assets	(A-B)	919.25
Sale Consideration		1,041.00
Gain on Slump Sale		121.75

## Notes to Consolidated Financial Statements for the year ended March 31, 2022

### 40. Related Party Transactions

#### a) List of related parties

Nature of Relationship	Party Name
Key Managerial Personnel	Mr. Nadir Dhrolia (Managing Director w.e.f 14.11.2020)
	Mr. Gopal Kandoi (Chief Financial Officer w.e.f 14.11.2020)
	Sunil Chadraprakash Purohit (Chief Financial Officer till 14/11/2020)
	Mr. Anubhav Shrivastava (Company Secretary upto 22.02.2021)
	Mr. Rajesh Tendolkar (CEO upto 15.01.2021)
	Mr. Vijay Kedia (Director till 29/10/2020)
	Ms. Sucheta Chaturvedi (Company Secretary w.e.f 17.03.2021 till 09.03.2022)
	Ms. Darshana Sawant (Company Secretary w.e.f 02.04.2022)
Associate Company	Lykis Packaging Private Limited
	Lykon Foods Private Limited
	Lykis Biscuits Private Limited
Entity where KMP/Relative of KMP exercise significant influence	Pragati Aerosols Pvt. Ltd.
	Dhrolia Holding LLP
	Spectra International Limited
	Bywell Confectioners Private Limited
	Lykis Herbals Private Limited
	Cheers Consumer Private Limited
	Vishal Agrifood Ventures Pvt. Ltd.
	Dharamnagar Tea Estate Private Limited
Relative of KMP with whom transactions have taken place	Mrs. Monika Kandoi (w.e.f 14.11.2020)
	Ms. Swati Tendulkar (upto 15.01.2021)



## Notes to Consolidated Financial Statements for the year ended March 31, 2022

### b) Transaction with Related parties

		(INR in Lakhs)	
Name of Party	Nature of Transaction	For the year ended March 31, 2022	For the year ended March 31, 2021
Bywell Confectioners Private Limited	Other Expenses	-	0.04
	Purchase of goods	306.56	
Nadir Dhrolia	Remuneration Paid	49.00	-
	Loan Received	300.00	-
	Loan Repaid	300.00	-
Shri Gopal Kandoi	Salary	15.01	4.48
Lykis Packaging Private Limited	Other Expenses	-	0.08
Lykis Biscuits Private Limited	Investment	86.63	-
Lykis Herbal Pvt. Ltd.	Purchase of goods	67.61	-
	Other Expenses	-	32.88
Spectra International Ltd.	Rent	89.94	59.20
	Purchase of Software	19.82	
	Purchase of Goods	6.81	-
Monika Kandoi	Professional Fees	12.15	4.25
Prince Tulsian	Remuneration Paid	-	7.20
Rajesh Tendolkar	Remuneration Paid	-	17.60
Sucheta Chaturvedi	Salary	4.59	-
Sunil Chadraprakash Purohit	Remuneration Paid	-	11.30
Swati Tendulkar	Remuneration Paid	-	9.10
Dhrolia Holding LLP	Sale of Investment	-	2.00
Vishal Agrifood Ventures Pvt. Ltd.	Other Expenses	-	0.11
Dharamnagar Tea Estate Pvt. Ltd.	Reimbursement of expenses	-	6.35
	Reimbursement of incomes	-	1.46
	Purchase of goods	-	<b>60.66</b>

### c) Balances Outstanding of Related parties

		(INR in Lakhs)	
Name of Party	Nature of Transaction	As at March 31, 2022	As at March 31, 2021
Sucheta Chaturvedi	Payable	0.45	-
Nadir Dhrolia	Payable	4.80	-
Bywell Confectioners Pvt. Ltd.	Trade Advances	37.44	-
Dharamnagar Tea Estate Pvt. Ltd.	Trade Advances	-	463.22
Cheers Consumer Private Limited	Loan Payable	-	4.94
Lykis Herbal Private Limited	Payable	-	136.03
Monika Kandoi	Payable	0.65	-
Spectra International Ltd.	Payable	2.10	-
	Trade Advances	-	<b>8.30</b>

## Notes to Consolidated Financial Statements for the year ended March 31, 2022

### 41. Fair Value Management

#### i. Accounting classification and fair values

The following table shows the carrying amount and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy:

i) **The carrying value and fair value of financial instruments by categories as of March 31, 2021 are as follows:**  
 (INR in Lakhs)

Particular	Carrying Amount				Fair Value			
	FVPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>FINANCIAL ASSETS</b>								
Security Deposits	-	-	3.89	3.89	-	-	-	3.89
Trade Receivables	-	-	1,976.46	1,976.46	-	-	-	1,976.46
Cash and Cash Equivalents	-	-	396.10	396.10	-	-	-	396.10
Other Bank Balances	-	-	46.14	46.14	-	-	-	46.14
Loans and Advances	-	-	15.42	15.42	-	-	-	15.42
Other Financial Assets	-	-	104.83	104.83	-	-	-	104.83
<b>Total financial assets</b>	<b>-</b>	<b>-</b>	<b>2,542.83</b>	<b>2,542.83</b>	<b>-</b>	<b>-</b>	<b>0.00</b>	<b>2,542.83</b>
<b>FINANCIAL LIABILITIES</b>								
Borrowings	-	-	4,849.33	4,849.33	-	-	-	4,849.33
Lease Liability	-	-	285.50	285.50	-	-	-	285.50
Trade payables	-	-	876.34	876.34	-	-	-	876.34
Other financial liabilities	-	-	38.99	38.99	-	-	-	38.99
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>6,050.16</b>	<b>6,050.16</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,050.16</b>

ii) **The carrying value and fair value of financial instruments by categories as of March 31, 2022 are as follows:**  
 (INR in Lakhs)

Particular	Carrying Amount				Fair Value			
	FVPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>FINANCIAL ASSETS</b>								
Investments	-	-	86.26	86.26	-	-	86.26	86.26
Security Deposits	-	-	3.08	3.08	-	-	-	3.08
Trade Receivables	-	-	6,014.89	6,014.89	-	-	-	6,014.89
Cash and Cash Equivalents	-	-	706.32	706.32	-	-	-	706.32
Other Bank Balances	-	-	8.64	8.64	-	-	-	8.64
Loans and Advances	-	-	9.69	9.69	-	-	-	9.69
Other Financial Assets	1.76	-	451.63	453.39	-	-	-	453.39
<b>Total financial assets</b>	<b>1.76</b>	<b>-</b>	<b>7,280.50</b>	<b>7,282.26</b>	<b>-</b>	<b>-</b>	<b>86.26</b>	<b>7,282.26</b>
<b>FINANCIAL LIABILITIES</b>								
Borrowings	-	-	10,880.27	10,880.27	-	-	-	10,880.27
Lease Liability	-	-	108.08	108.08	-	-	-	108.08
Trade payables	-	-	839.39	839.39	-	-	-	839.39
Other financial liabilities	-	-	89.10	89.10	-	-	-	89.10
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>11,916.84</b>	<b>11,916.84</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11,916.84</b>

## Notes to Consolidated Financial Statements for the year ended March 31, 2022

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

**Level 1:** The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in level 1.

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

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities and investment in private equity funds, real estate funds.

### ii. Valuation technique used to determine fair value

#### Specific Valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of unquoted equity instruments has been measured on the basis of their networth and valuation of their shares.
- the fair value of equity shares of group companies are measured at cost.
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis

### iii. Valuation processes

The finance department of the company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values.

## 42. Capital Management

For the purpose of the Company's capital management, capital includes issued equity share capital, securities premium and all other reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the value of the share and to reduce the cost of capital.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company can adjust the dividend payment to shareholders, issue new shares, etc. The Company monitors capital using a gearing ratio, which is net debt divided by total equity. The Company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents.

Particulars	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
<b>A) Debts</b>		
Borrowings (Current and Non-Current)	10,880.00	391.29
<b>Debt (A)</b>	<b>10,880.00</b>	<b>391.29</b>
<b>B) Equity</b>		
Equity Share Capital	1,993.00	1,992.70
Other Equity	(813.00)	(1,031.40)
<b>Total Equity (B)</b>	<b>1,180.00</b>	<b>961.30</b>
<b>Gearing Ratio (Debt / Capital) i.e. (A/B)</b>	<b>922%</b>	<b>41%</b>

## Notes to Consolidated Financial Statements for the year ended March 31, 2022

### 43. Leases

In current year, the Company has recognised Interest on Lease Liability and Amortization of Right-of-use Asset as per Ind AS 116 'Lease' in the statement of Profit and Loss as under:

- Finance Cost' in Note no. 33. Interest on Lease Liability of ₹ 35.03 Lakhs (PY ₹ 21.01 Lakhs).
- Depreciation and Amortization expense' in Note no. 34. Amortization of Lease Liability of ₹ 80.79 Lakhs (PY ₹ 47.28 Lakhs).
- The total outstanding cash outflow for lease as per the agreement is ₹ 464.55 Lakhs (PY ₹ 360.12 Lakhs).
- There has been addition to right-of-use asset in the current period of ₹ 161.90 Lakhs (PY ₹ 292.11 Lakhs).
- There has been deletion to right-of-use asset in the current period of ₹ 5.70 Lakhs (PY ₹ 282,67 Lakhs)

The Company has taken premises under leave and license agreement, the rent and escalation depends upon the lease by the Company. The Company has entered into an lease agreement for the period of 5 years, with escalation clause.

The disclosure requirement and maturity analysis of lease liability and asset as per Ind AS 107 'Financial Instrument: Disclosures' are as follows:

#### a) The net carrying amount of Right-of-use asset :

(INR in Lakhs)

Particulars	1st April, 2021	Addition	Deletion/ Amortization	As at March 31, 2022	As at 1st April, 2021	Addition	Deletion/ Amortization	As at March 31, 2022
Right-of-Use Asset	207.12	292.11	(216.48)	282.67	282.67	161.90	86.49	358.09

#### b) A reconciliation between the total minimum lease payment as on 31st March, 2021 and their present value:

(INR in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Lease Liability as at balance sheet date	382.95	285.50
Add: Interest on above*	81.61	74.62
<b>Minimum Lease Payment</b>	<b>464.55</b>	<b>360.12</b>

\*The rate of interest taken is on the basis of rate of loan liabilities of the Company.

#### c) Maturity Analysis of the Minimum lease payment for the following years are as follow:

(INR in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Not later than 1 year	108.08	67.76
Later than 1 year but not later than 5 year	356.48	292.36
<b>Total</b>	<b>464.55</b>	<b>360.12</b>

## Notes to Consolidated Financial Statements for the year ended March 31, 2022

### 44. Financial Risk Management

The Company has exposure to the following risks arising from financial instruments:

- Market Risk;
- Credit Risk; and
- Liquidity Risk

#### (A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in market prices. Market risk comprises three types of risk: foreign currency risk, interest rate risk and other price risk such as equity price risk and commodity/real estate risk.

##### (i) Foreign currency risk

The Company operates across various geographies and is exposed to foreign exchange risk on its various currency exposures. The risk of changes in foreign exchange rates relates primarily to the Company's operating activities and translation risk, which arises from recognition of foreign currency assets and liabilities.

##### Foreign Currency Risk Management

In respect of the foreign currency transactions, the company has designated certain foreign exchange forward contracts as cash flow hedges to mitigate the risk of foreign currency exposure on highly probable forecasted transactions.

##### (ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The interest rate risk can also impact the provision for retiral benefits. The Company generally utilises fixed rate borrowings and therefore not subject to interest rate risk, since neither the carrying amount nor the future cash flows will fluctuate because of change in the market interest rates.

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

##### Foreign Currency Fluctuation Risk

The Company exposure to Foreign Currency risk at the end of reporting period is as follows:

Particulars	(INR in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
<b>Financials Assets</b>		
Trade Receivables	5,994.23	1,839.77
Advance to Suppliers	1.25	7.26
Cash & Cash Equivalent	0.24	37.65
Other Financial Assets	1.76	-
<b>Net Exposure to Foreign Currency Risk Assets</b>	<b>5,997.49</b>	<b>1,884.67</b>
<b>Financials Liabilities</b>		
Trade Advance	35.03	558.28
Borrowings	10,607.27	
Trade Payable	-	173
Other Financial Liabilities	-	-
<b>Net Exposure to Foreign Currency Risk Liabilities</b>	<b>10,642.30</b>	<b>731.22</b>
<b>Foreign Currency Sensitivity</b>	<b>(4,644.82)</b>	<b>1,153.45</b>

## Notes to Consolidated Financial Statements for the year ended March 31, 2022

### (iii) Equity price risk

The Company is exposed to equity price risk, which arises from FVTPL and FVOCI investments. The Company's unlisted equity securities are of subsidiary and deemed cost of the same are taken as per the valuation report. The value of the financial instruments is not material and accordingly any change in the value of these investments will not affect materially the profit or loss of the Company.

### (B) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and other financial instruments.

#### Trade Receivable

Customer credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. The Company is in the business of trading of FMCG products. Credit quality of a customer is assessed by the management on regular basis with market information and individual credit limits are defined accordingly. Outstanding customer receivables are regularly monitored and any further services to major customers are approved by the senior management.

An impairment analysis is performed at each re-equipmting date on an individual basis for major customers. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the re-equipmting date is the carrying value of each class of financial assets disclosed in Note 10.

On account of adoption of Ind-AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors and the Company's historical experience for customers. The movement of allowance for impairments of trade receivables are as follows.

Particulars	(INR in Lakhs)	
	<b>Carrying Amount</b>	
	As at March 31, 2022	As at March 31, 2021
Opening Balance	7.04	6.05
Add: Impairment Loss recognized	(29.47)	25.23
Less: Utilized During the year	-	23.97
Less: Discontinued Operations	-	0.27
<b>Closing Balance</b>	<b>(22.43)</b>	<b>7.04</b>

#### Financial Instrument and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's finance department in accordance with the Company's policy. Investments of surplus funds are made generally in the fixed deposits and for funding to subsidiary company. The investment limits are set to minimise the concentration of risks and therefore mitigate financial loss to make payments for vendors.

The Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2021 and March 31, 2020 is the carrying amounts as stated in balance sheet except for balances of subsidiary company. The Company's maximum exposure relating to financial guarantees and financial derivative instruments is noted in the liquidity table below.

## Notes to Consolidated Financial Statements for the year ended March 31, 2022

### (C) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Company's finance team is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows.

The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. In the table below, borrowings include both interest and principal cash flows.

#### Contractual maturities of financial liabilities (INR in Lakhs)

Particular	Less than 1 year	1 to 5 years	More than 5 years
<b>As at March 31, 2022</b>			
Borrowings	10,880.27	-	-
Trade payables	839.39	-	-
Other financial liabilities	89.10	-	-
Lease liabilities	108.08	274.87	-
<b>Total Financial Liabilities</b>	<b>11,916.84</b>	<b>274.87</b>	-
<b>As at March 31, 2021</b>			
Borrowings	4,849.33	-	-
Trade payables	876.34	-	-
Other financial liabilities	38.99	-	-
Lease liabilities	243.01	42.49	-
<b>Total Financial Liabilities</b>	<b>6,007.67</b>	<b>42.49</b>	-

## Notes to Consolidated Financial Statements for the year ended March 31, 2022

## 45. Ratio Analysis and its element

Ratio	Numerator	Denominator	As at March 31, 2022	As at March 31, 2021	% change	Reason for variance (where the change in the ratio is more than 25% as compared to the preceding year)
Current Ratio	Current Assets	Current Liabilities	1.057	0.966	(9.43)	Due to increase in Trade receivables
Debt-Equity Ratio	Total Debt	Shareholder's Equity	5.46	2.43	(124.37)	Increase in Ratio due to increase in sales resulting in increase in packing credit
Debt Service Coverage Ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	1.57	(1.61)	197.35	Resulting from decrease in Losses
Return on Equity Ratio	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	0.12	(0.34)	135.98	Resulting from decrease in Losses
Inventory Turnover Ratio	Cost of goods sold	Average Inventory	21.59	8.47	(154.88)	Due to reduction of inventory level and increase in cost of goods sold
Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	7.43	3.93	(89.06)	Increase in ratio due to Increase in sales
Trade Payable Turnover Ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	32.94	10.40	(216.79)	Decrease in ratio due to faster churning of inventory and decrease in trade payable compared to purchases
Net Capital Turnover Ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	46.85	(24.40)	292.00	Due to increase in sales and increase in current borrowings
Net Profit Ratio	Net Profit	Net sales = Total sales - sales return	0.01	(0.12)	106.34	Resulting from decrease in Losses
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	0.44	(0.31)	241.56	Resulting from decrease in Losses



## Notes to Consolidated Financial Statements for the year ended March 31, 2022

### 46. Companies and Firm considered in the consolidated financial statement are:

Name of the Company	% Voting power held as on 31.03.2022
Lykis Exports LLC	100.00%
Lykis Marketing Private Limited	99.95%

### 47. Additional Information as required under Schedule III to the Companies Act, 2013 of companies consolidated as subsidiary companies:

(INR in Lakhs)

Name of the Enterprises	Net Assets Total Assets minus total liabilities		Share in Profit or Loss		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income (TCI)	
	As a % of Consolidated Net Assets	Amount	As a % of Consolidated Profit	Amount	As a % of Consolidated Net Assets	Amount	As a % of Consolidated Net Assets	Amount
	<b>Parent</b>							
Lykis Limited	168%	1,977.37	(0.27)	(65.78)	1.00	0.62	-	(65.16)
<b>Subsidiaries</b>								
Lykis Marketing Private Limited	-67.78%	(799.23)	1.33	321.21	-	-	-	321.21
Lykis Exports LLC	0.15%	1.78	(0.05)	(13.23)	-	-	-	(13.23)
Minority Interest		(0.79)		(0.16060515)	-	-	-	(0.16)
<b>Associates</b>								
Lykis Biscuit Private Limited	-	-	(0.00)	(0.3759)	-	-	-	(0.3759)
Lykis Packaging Private Limited	-	-	-	-	-	-	-	-
<b>TOTAL</b>		<b>1,179.13</b>	<b>1.00</b>	<b>241.66</b>	<b>-</b>	<b>0.62</b>	<b>-</b>	<b>242.29</b>

### 48. Other Statutory Information

- i. The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- ii. The Company do not have any charges or satisfaction which is yet to be registered with Registrar of Companies ('ROC') beyond the statutory period.
- iii. The Company has not been declared as wilful defaulter by any bank or financial institutions or other lenders.
- iv. During the year, the Company has not revalued its Property, Plant and Equipments.
- v. The Company have not traded or invested in Crypto Currency or Virtual Currency during the financial year.
- vi. The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries); or
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- vii. The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

## Notes to Consolidated Financial Statements for the year ended March 31, 2022

- viii. The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- ix. Based on the information available with the Company, the Company do not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956, except as disclosed below:

Name of struck-off Company	Nature of transactions with struck-off Company	Balance outstanding	Relationship with the struck-off company, if any, to be disclosed
Aditya Inkjet Technologies Private Limited	Purchases	-	Not Applicable

### 49. Details of unhedged foreign currency outstanding

Nature of Payment	Currency	Foreign Currency	Exchange Rate	As at March 31, 2022
Advance provided to supplier-receivable	USD	1650.65	75.8071	1.2513085

\*In the above details packing credit has not been considered as it is a natural hedge against trade receivables of the company.

50. Based on the guiding principles given in Ind-AS - 108 Operating Segment prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and other accounting principles accepted in India, the Company's and its subsidiary company's primary business consist of; "Trading in FMCG and other related activities'. As the Company and its subsidiary Company's business actually falls within a single primary business segment, the disclosure requirements of Ind AS – 108 in this regard are not applicable.
51. In the opinion of the Board the Current Assets, Loans & Advances are realisable in the ordinary course of business atleast equal to the amount at which they are stated in the Balance Sheet. The provision for all known liabilities is adequate and not in excess of amount reasonably necessary.
52. The financial statements for the year ended 31st March, 2021 were audited by another firm of Chartered Accountants and the same has been reclassified, wherever considered necessary, to conform with the current year's presentation. Figures wherever not available/ furnished in last year's financial statements have not been given and hence are not comparable.

For SINGRODIA & CO LLP  
 Chartered Accountants  
 Firm Registration No. W100280

SHYAMRATAN SINGRODIA  
 Partner  
 Membership No. 49006

Place: Mumbai  
 Dated: 30th May, 2022

For and on behalf of Board of Directors of  
 LYKIS LIMITED

NADIR DHROLIA  
 Managing Director  
 DIN: 03303675

SHRIGOPAL KANDOI  
 Chief Financial Officer

SHAFEEN SADRUDDIN CHARANIA  
 Non-Executive Director  
 DIN: 07283015

DARSHANA SAWANT  
 Company Secretary

## LYKIS LIMITED

CIN: L74999WB1984PLC038064

Registered Office: 7, Surendra Mohan Ghosh Sarani (Mangoe Lane) 1st Floor,  
Room No.-105, Kolkata - 700001, West Bengal, India.

### NOTICE OF THIRTY-EIGHT ANNUAL GENERAL MEETING

**NOTICE** is hereby given that the Thirty-Eight Annual General Meeting (AGM) of the Members of Lykis Limited will be held on Thursday, August 11, 2022 at 11.00 am IST through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following businesses:

#### ORDINARY BUSINESS:

**1. Adoption of Financial Statement**

To consider and adopt the Financial Statement of the Company for the financial year ended March 31, 2022 and the Reports of the Board of Directors and Auditors thereon.

**2. Adoption of Consolidated Financial Statement**

To consider and adopt the Consolidated Financial Statements of the Company for the financial year ended March 31, 2022 and the Report of the Auditors thereon.

**3. Re-appointment of Mr. Shafeen Charania (DIN: 07283015)**

To appoint a Director in place Mr. Shafeen Charania (DIN: 07283015), who retires by rotation and being eligible, offer himself for re-appointment.

**4. To Shift Registered office of the Company from one state to another:**

To consider and if thought fit, to pass with or without modification the following resolution as a Special Resolution:

**"RESOLVED THAT** in continuation to the earlier resolution passed by the Shareholders of the Company in the Annual General Meeting held on August 26, 2021 and pursuant to the provisions of section 13 read with section 12 and other applicable provisions, if any, of the Companies Act, 2013, subject to the confirmation of Regional Director, or any other Government Authority, consent of shareholders of the company is hereby accorded to shift the registered office of the Company from the State of West Bengal, Kolkata to Maharashtra, Mumbai.

**RESOLVED FURTHER THAT** pursuant to Section 13 of Companies Act, 2013 and Rules made there under, the registered office clause of Memorandum of Association of the Company, be and is hereby altered.

**RESOLVED FURTHER THAT** Mr. Nadir Dhrolia, Managing Director, Mr. Shafeen Charania, Non – Executive Director, and Ms. Darshana Sawant, Company Secretary and Compliance Officer of the Company be and are hereby severally authorized to make Applications and to execute all other necessary documentation, formalities and to do all such acts, deeds, matters, things and sign necessary e-forms as may be required to give effect to above resolution."

By Order of the Board of Directors  
For **Lykis Limited**

**Darshana Sawant**  
Company Secretary & Compliance Officer

Mumbai, May 30, 2022

CIN: L74999WB1984PLC038064

Registered Office:

7, Surendra Mohan Ghosh Sarani (Mangoe Lane)

1<sup>st</sup> Floor, Room No.-105, Kolkata - 700001,

West Bengal, India.

#### NOTES:

1. In view of the COVID-19 pandemic, the Ministry of Corporate Affairs ('MCA') has vide its General Circular No. 20/2020 dated May 5, 2020 in relation to clarification on holding of Annual General Meeting ('AGM') through video conferencing ('VC') or other audio visual means ('OAVM') read with General Circulars Nos. 14/2020 dated April

8, 2020, 17/2020 dated April 13, 2020, 22/2020 dated June 15, 2020, 33/2020 dated September 28, 2020, 39/2020 dated December 31, 2020, 10/2021 dated June 23, 2021, 19/2021 dated December 8, 2021 and Circular No. 2/2022 dated May 5, 2022 in relation to 'Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by COVID-19' and General Circular No.02/2021 dated January 13, 2021 (collectively referred to as 'MCA Circulars') and the Securities and Exchange Board of India ('SEBI') vide its circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 in relation to 'Additional relaxation in relation to compliance with certain provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015-COVID-19 pandemic' and Circular Nos. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 (collectively referred to as 'SEBI Circulars') permitted the holding of the Annual General Meeting ('AGM'/'the Meeting') through VC/OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ('Act'), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') and MCA Circulars, the 38th AGM of the Company is being held through VC/OAVM on Thursday, August 11, 2022 at 11:00 a.m. IST.

2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.lykis.com](http://www.lykis.com). The Notice can also be accessed from the websites of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
7. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.
8. Since the AGM will be held through VC or OAVM, no Route Map is being provided with the Notice.

#### 1. Dispatch of Annual Report through E-mail

In accordance with the MCA Circulars and the said SEBI Circular dated May 12, 2020, January 15, 2021 and May 05, 2022 the Notice along with the Annual Report of the Company for the financial year ended March 31, 2022, will be sent only through e-mail, to those Members whose e-mail addresses are registered with the Company or the Registrar and Share Transfer Agent (the "RTA"), i.e., M/s. Purva Sharegistry India Private Limited or the Depository Participant(s). The Notice and the Annual Report for the financial year ended March 31, 2022 shall be available on the websites of the Company viz., [www.lykis.com](http://www.lykis.com) and of the Stock Exchange where Equity Shares of the Company are listed. The Notice shall also be available on the e-Voting website of the agency engaged for providing e-Voting facility, i.e., National Securities Depository Limited (NSDL), viz., [www.evoting.nsdl.com](http://www.evoting.nsdl.com)

2. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.lykis.com](http://www.lykis.com). The Notice can also be accessed from the websites of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
3. Pursuant to regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended hereinafter referred to as 'Listing Regulations' and Secretarial Standards on General Meetings issued by The Institute of Company Secretaries of India, details of Directors who are proposed to be appointed, forms a part of notice.
4. The Register of Members and Share Transfer Books of the Company will remain closed from August 5, 2022 to August 11, 2022 (Both days inclusive) in terms of the provisions of Section 91 of the Companies Act, 2013 and the applicable regulation of the Listing Regulation entered into with the Stock Exchanges.
5. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to M/s. Purva Shareregistry India Pvt. Ltd. All members are requested to intimate changes, if any, in their registered address, immediately to the Registrar & Transfer Agents, M/s Purva Shareregistry India Private Limited or to their depository participants in case shares are held in depository form.
6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. All documents referred to in the notice are open for inspection at the registered office of the Company during office hours.
8. Members desires of making a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013 may send the same to the office of the Registrar and Transfer Agent of the Company.
9. The Board of Directors has appointed Mr. Swapnil Pande, Proprietor, M/s. SCP & Co. (ACS : 44893/C.P. No.: 21962), as the Scrutinizer for scrutinizing the process of remote e-Voting and also e-Voting during the Meeting in a fair and transparent manner.
10. The Scrutinizer shall, immediately after the conclusion of the Meeting, count the votes cast at the Meeting and thereafter, unblock the votes cast through remote e-Voting in presence of two witnesses not in employment of the Company and submit a Consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, within 2 working days after the conclusion of the Meeting. Thereafter, the Results of e-Voting shall be declared forthwith by the Chairman or by any other director/person duly authorised in this regard.
11. The Results declared along with the Report of the Scrutinizer shall be placed on the Company's website ([www.lykis.com](http://www.lykis.com)) and on the e-Voting website of NSDL ([www.evoting.nsdl.com](http://www.evoting.nsdl.com)) immediately after the results are declared and shall simultaneously be communicated to the Stock Exchanges where the equity shares of the Company are listed. The results declared along with the said Report shall also be made available for atleast 3 days on the Notice Boards of the Company at its Registered Office in Kolkata and at the Corporate Office in Mumbai.
12. The Resolutions shall be deemed to be passed on the date of the Meeting, i.e. August 11, 2022 subject to receipt of the requisite number of votes in favour of the Resolutions.
13. The voting rights of Members shall be in proportion to their share of the paid up equity share capital of the Company as on the cutoff date i.e. day, August 04, 2022.

**THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-**

**The remote e-voting period begins on Monday, August 08, 2022 at 09:00 A.M. and ends on Wednesday, August 10, 2022 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. August 04, 2022, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being August 04, 2022.**

**How do I vote electronically using NSDL e-Voting system?**





The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

**Step 1: Access to NSDL e-Voting system**

**A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>Existing <b>IDEAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “<b>Beneficial Owner</b>” icon under “<b>Login</b>” which is available under ‘<b>IDEAS</b>’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “<b>Access to e-Voting</b>” under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider</b> i.e. <b>NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>If you are not registered for IDEAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “<b>Register Online for IDEAS Portal</b>” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> </ol>
	<ol style="list-style-type: none"> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <p style="text-align: center;"><b>NSDL Mobile App is available on</b></p> <div style="display: flex; justify-content: center; gap: 20px;"> <div style="text-align: center;">  </div> <div style="text-align: center;">  </div> </div> <div style="display: flex; justify-content: center; gap: 20px; margin-top: 10px;">   </div>

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider</b> i.e. NSDL. Click on <b>NSDL</b> to cast your vote.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 or 022-23058542-43

**B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
- A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - How to retrieve your 'initial password'?
    - If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
- Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - "**Physical User Reset Password?**" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

## Step 2: Cast your vote electronically and join Meeting on NSDL e-Voting system.

### How to cast your vote electronically and join Meeting on NSDL e-Voting system?

After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.



Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".

Now you are ready for e-Voting as the Voting page opens.

Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

Upon confirmation, the message "Vote cast successfully" will be displayed.

You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### General Guidelines for shareholders

Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to corporateissues1991@gmail.com with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "**Upload Board Resolution / Authority Letter**" displayed under "**e-Voting**" tab in their login.

Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is sent through e-mail and holding shares as of the cut-off date i.e. August 04, 2022, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or Issuer/ RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no. **1800 1020 990** and **1800 22 44 30**. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. August 04, 2022 may follow steps mentioned in the Notice of the AGM under Step 1 : "Access to NSDL e-Voting system"(Above).

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.

In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Pallavi Mhatre, Manager at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

### Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [support@purvashare.com](mailto:support@purvashare.com).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [support@purvashare.com](mailto:support@purvashare.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step **1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**.
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER:**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "**Join meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker may send their request mentioning their name, demat account number/folio number, email id, mobile number at [cs@lykis.com](mailto:cs@lykis.com) latest by 3:00 p.m. (IST) on Wednesday, 27th day of July, 2022.
6. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at [cs@lykis.com](mailto:cs@lykis.com) latest by 3:00 p.m. (IST) on Wednesday, 27th day of July, 2022. The same will be replied by the company suitably.
7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
8. When a pre-registered speaker is invited to speak at the meeting but he / she does not respond, the next speaker will be invited to speak. Accordingly, all speakers are requested to get connected to a device with a video/ camera along with good internet speed.
9. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, for smooth conduct of the AGM.
10. Members who need assistance before or during the AGM, can contact Ms. Pallavi Mhatre, Manager, NSDL at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or call 1800 1020 990 / 1800 22 44 30.

By Order of the Board of Directors  
For **Lykis Limited**

**Darshana Sawant**  
Company Secretary & Compliance Officer

Mumbai, May 30, 2022

**Registered Office:**

7, Surendra Mohan Ghosh Sarani (Mangoe Lane)  
1<sup>st</sup> Floor, Room No.-105, Kolkata - 700001, West Bengal, India.  
Mobile No. -98361392276  
E-mail: [cs@lykis.com](mailto:cs@lykis.com),  
Website: [www.lykis.com](http://www.lykis.com)  
CIN:L74999WB1984PLC038064

**Explanatory Statement**  
(Pursuant to provision of Section 102 of the Companies Act, 2013)

**Item No. 4**

**To Shift Registered Office of the Company from one state to another:**

The Members of the Company has approved change of registered office from existing 57B, C.R. Avenue, 1st Floor, Kolkata, West Bengal- 700 012 to Grandeur Building, 4th Floor, Opp. Gundecha Symphony, near Country Club, Andheri west, Mumbai, Maharashtra- 400 053 by passing a Special Resolution in the Annual General Meeting held on August 26, 2021.

The Company is under process of shifting registered office and has filed necessary forms with Registrar of Companies. The process involved in the matter is time consuming hence the Company requires fresh approval form the Shareholder to continue the procedure of shifting the registered office from one State to another.

The Directors recommend the Resolution in the best interest of the Company for your approval.

None of the Directors and their relatives is deemed to be concerned or interested in the aforesaid Resolution.

**Details of Directors Seeking Appointment/Re-appointment at the 38th Annual General Meeting of the Company. (In pursuance of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015):**

<b>Name of Director</b>	<b>Shafeen Charania</b>
DIN	07283015
Date of Birth	March 06, 1978
Date of Appointment	November 14, 2020
Qualification	Export and Trading Business Management
Directorship in other Company	Cementry Constructions Private Limited
Memberships/Chairmanships of Committees of other Public Companies (includes only Audit Committees and Shareholders / Investors' Grievance Committee)	NA
Attendance at Board Meeting in FY 2021-22	4
Number of shares held in the company	NIL
Relationship between directors inter-se	NA



**Lykis**  
Limited

**LOLLIPOPS**



**WINKY POP  
ASSORTED LOLLIPOP**



**MILK LOLLIPOP**



**ECLAIRS POP LOLLIPOP**



**Yogofru**  
Lollipop



**YOGOFRU LOLLIPOP  
5 FLAVOURS**



**JOLLY POP  
BUCKET**



**JOLLY POP  
POUCH & JAR**

**Lykis**  
Limited

**CANDIES &  
TOFFEES**



**YOGO TWIST ASSORTED CANDY**



**ECLAIRS TOFFEES**



**PHIZ CANDY ASSORTED**



**Yogo  
TWIST**



**YOGO TWIST CANDY 5 FLAVOURS**



**MILK TREAT TOFFEES**



**SWEET BUTTER TOFFEES**



**PREMIUM TOFFEES**



**CARAMEL ASSORTED TOFFEES**



**SWEET ENERGY TOFFEES**

**Lykis**  
Limited

# BISCUITS



**MARIE CRISP BISCUITS**



**GLUCOSE BISCUITS**



**SNACKS BISCUITS**



**FLVOURED CREAM BISCUITS**



*Butter Cookies*



**BUTTER COOKIES IN TIN BOX**



**BOMDIA CORN FLAKES**



**BUTTER COOKIES**

**Lykis**  
Limited

**FOODS**

**Nouveau**  
**Bon Appétit**



**BON APPETIT SARDINE**



**POLO STAR SARDINE**

**BLUE FINS**



**BLUE FINS SARDINE**



**PEANUT BUTTER CREAMY, CHOCOLATE & CRUNCHY**



**SWEET CORN**



**GREEN PEAS**



**COFFEE**



**LIQUORS**



**LABEL 9 WHISKY**



**HAVELOCK GIN 750 ml**



**INDICA MALT WHISKY**



**INDICA RED & BLACK WHISKY**



**SIROCCO AGED WHISKY**



**LIQUOR 50 ML POUCH**



**ESCAPE VODKA 5 FLAVOURS**



**BROWN SUGAR**



**SPICES**



**SUGAR**



**WHITE RICE 25 kg**



**EXTRA NEUTRAL  
ALCOHOL**



**THAI WHITE RICE**