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LYKIS PACKAGING PRIVATE LIMITED

Financial Statements

(Financial Year: 2020 – 2021)

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K T P S & Co.
Chartered Accountants

A-201, Borivali Shopping Center,
New Delite Aprtment, Near BMC Building,
Chandavarkar Road, Borivali (West),
Mumbai - 400 092, Maharashtra, India.
: +91-22-6699 5888
: info@ktps.co.in | www.ktps.co.in

INDEPENDENT AUDITOR'S REPORT

To the Members of

Lykis Packaging Private Limited.

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Lykis Packaging Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (Including other comprehensive income), Statement of Changes in Equity and the Cash Flow Statements for the year then ended, and a summary of significant accounting policies and other explanatory information.

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 SAs 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 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 Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the state of affairs, profit/loss (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 the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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Auditors' Responsibility

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 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 auditors' 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.

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.

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order) issued by the Central Government of India in terms of sub – section (11) of Section 143(3) of the Companies Act, 2013, we give in "Annexure A" a statement on the matters specified in paragraphs 3 & 4 of the order to the extent applicable.

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

   a. We have sought and obtained all the information and explanations which to the best of our Knowledge and belief were necessary for the purposes of our audit.

   b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c. The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the 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 31st March, 2021 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164(2) of the Act.

   f. With respect to the adequacy of the internal financial control 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 unqualified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting.

   g. With respect to the other matters to be included in the Auditor's Report in accordance with 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 does not have any pending litigations which would impact its financial position.

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

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

For **K T P S & Co.**
Chartered Accountant
FRN: 134942W

K T P S & CO
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CA Anurag Khandelia
Partner
Mem. No.: 172909
UDIN - 21172909AAAAAN2394

Place: Mumbai
Date: 26/04/2021

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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 Packaging Private Limited ("the Company") as of March 31, 2021 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". 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting Principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail,

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accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has maintained, 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, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

For **K T P S & Co.**
Chartered Accountant
FRN: 134942W

FRN-134942W
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CA Anurag Khandelia
Partner
Mem. No.: 172909
UDIN - 21172909AAAAAN2394

Place: Mumbai
Date: 26/04/2021

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

With reference to the Annexure A referred to in the Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2021, we report the following:

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

(b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) The title deeds of immovable properties are held in the name of the Company.

(ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.

(iii) According to the information and explanations given to us and on the basis of our examination of the books of account, during the year the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Consequently, the provisions of clauses iii(a) to iii(c) of the order are not applicable to the Company.

(iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and I86 of the Companies Act, 2013 in respect of grant of loans, making investments, providing guarantees and securities, as applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposit during the year and does not have unclaimed deposits as at 31 March, 2021 and therefore reporting under clause 3(v) of the Order is not applicable to the Company.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, and are of the opinion that prima facie, the prescribed account and records have been made and maintained.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of records of the company, amount deducted/accrued in the books of accounts in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service Tax, duty of Customs, duty of Excise, value added tax, Cess and any other statutory dues, to the extent applicable, have not been regularly deposited during the year by the company with the appropriate authorities. According to the information and explanations given to us, no undisputed amount payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service Tax, duty of Customs, duty of Excise, value added tax, Cess and any other statutory dues

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were in arear as at 31st March 2021 for a period of more than six months from the day they become payable.

(b) According to the information and explanations given to us, there is no amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes.

(viii) According to the information and explanations given to us, the company has not defaulted in repayments of loans or borrowing to financial institutions, bank, government and dues to debenture holders, wherever availed.

(ix) Based upon the audit procedures performed and the information and explanations given by the management, there is no term loans raised during the year.

(x) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.

(xi) As Company does not paid any Director Remuneration during the financial year reporting under this clause is not applicable.

(xii) In our opinion, the Company is not a Nidhi Company and therefore reporting under clause 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information & explanation given to us, all the transactions with the related parties are in compliance with section 188 of Companies Act, 2013 and the details have been disclosed in the financial statements as required by the applicable accounting standards. Further the company neither being a listed company nor any class of companies being prescribed as on date. We are of the opinion that provisions of section 177 of companies act are not applicable.

(xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause 3(xiv) of the Order is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

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

For **K T P S & Co.**
Chartered Accountant
FRN: 134942W

K T P S & CO
FRN-134942W
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CA Anurag Khandelia
Partner
Mem. No.: 172909
UDIN - 21172909AAAAAN2394

Place: Mumbai
Date: 26/04/2021

Lykis Packaging Private Limited

BALANCE SHEET AS AT MARCH 31, 2021

(INR in Lakhs)

Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
I ASSETS			
1. Non Current Assets			
(a) Property, Plant and Equipment	5	10.00	50.38
(b) Capital Work-In-Progress		-	17.83
(c) Investment Property			
(d) Intangible Assets			
(e) Intangible Assets Under Development			
(f) Financial Assets			
(g) Income Tax Assets (Net)	6	-	-
(h) Other Non Current Assets			-
		10.00	68.21
2. Current Assets			
(a) Inventories	7	-	16.63
(b) Financial Assets			
(i) Investments			
(ii) Trade Receivables	8	13.78	29.07
(iii) Cash and Cash Equivalents	9	0.71	0.76
(iv) Other Bank Balances other than (iii) above			
(v) Loans	10	-	8.11
(vi) Others	11	-	0.42
(c) Other Current Assets	12	5.58	6.93
		20.06	61.92
Total Assets		30.06	130.14
II EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	13	121.27	121.27
(b) Other Equity	14	(205.03)	(139.33)
		(83.76)	(18.06)
LIABILITIES			
1. Non Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	110.23	114.27
(b) Provisions		-	-
(c) Deferred Tax Liabilities (Net)	16	-	-
		110.23	114.27
2. Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings		-	-
(ii) Trade Payable	17	3.60	30.14
(iii) Other Financial Liabilities	18	-	-
(b) Other Current Liabilities	19	-	1.13
(c) Provisions	20	-	2.65
(d) Current Tax Liabilities (Net)	21	-	-
		3.60	33.93
Total Equity and Liabilities		30.06	130.14

Summary of Significant Accounting Policies 2-4

The notes referred to above are an integral part of the financial statements

As per our report of even date
For K T P S & CO
Chartered Accountants
Firm Registration No. 134942W

CA Anurag Khandelia
Partner
Membership No. 172909
UDIN - 21172909AAAAAN2394

Place: Mumbai
Dated : 26/04/2021

For and on behalf of the Board of Directors

Nadir Dhrolia
Director
DIN- 03303675

Mohan Jain
Director
DIN- 01588365

Lykis Packaging Private Limited

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021

(INR in Lakhs)

	Particulars	Note No.	For the Year ended March 31, 2021	For the Year ended March 31, 2020
I	**Revenue**			
	Revenue from Operations	22	-	36.98
	Other Income	23	-	0.14
	Total Income		-	**37.12**
II	**Expenses**			
	Purchases of Stock in Trade		-	26.40
	Change in Inventories of Finished Goods/Work-in-progress/ Stock in Tra	24	16.63	10.62
	Employee Benefits Expenses	25	-	-
	Finance Costs	26	-	0.04
	Depreciation and Amortization Expenses	27	-	8.09
	Other Expenses	28	49.08	1.46
	Total Expenses		**65.71**	**46.61**
III	**Profit before tax (I- II)**		(65.71)	(9.49)
IV	**Less: Tax Expense:**	21		
	Current Tax			
	MAT Credit Entitlement			
	Deferred Tax			-
	Total Tax Expense		-	-
V	**Profit for the Year (III-IV)**		**(65.71)**	**(9.49)**
VI	**Other Comprehensive Income**			
	Items that will not be reclassified to profit or loss			
	Re-measurement gains/ (losses) on defined benefit obligations			
	Tax Effect on above			
	Other Comprehensive Income for the year, net of tax		-	-
VII	**Total Comprehensive Income for the year (V+VI) (Comprising Profit and Other Comprehensive Income for the year)**		**(65.71)**	**(9.49)**
VIII	**Earnings Per Equity Share (Face Value INR 10 Per Share):**	29		
	Basic and Diluted (INR)		(5.42)	(0.78)
	Summary of Significant Accounting Policies	2-4		

The notes referred to above are an integral part of the financial statements

As per our report of even date
For K T P S & CO
Chartered Accountants
Firm Registration No: 134942W

CA Anurag Khandelia
Partner
Membership No. 172909
UDIN - 21172909AAAAAN2394

Place: Mumbai
Dated : 26/04/2021

For and on behalf of the Board of Directors

Nadir Dhrolia
Director
DIN- 03303675

Mohan Jain
Director
DIN-02157336

LYKIS PACKAGING PRIVATE LIMITED

Cash Flow Statement for the year 2020-21

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
A. Cash Flow from Operating Activities		
Net Profit Before Tax	**(65.71)**	**(9.49)**
Adjustments:		
Depreciation and Amortization of Property, Plant and Equipment	-	8.09
Loss on Sale of property, plant and equipment (net)	58.21	0.14
Dividend Income		
Fees on Guarantee given on behalf of the Subsidiary Company		-
Finance Costs (Including Fair Value Change in Financial Instruments)	-	0.04
Operating cash flows before working capital changes	**(7.50)**	**(1.22)**
Adjustments for Changes in Working Capital		
Decrease/ (Increase) in Inventories	16.63	10.62
Decrease/ (Increase) in Trade receivables	15.29	(0.21)
Decrease/ (Increase) in Current Loans	8.11	(8.11)
Decrease/ (Increase) in Non-Current Financial Assets - Others		
Decrease/ (Increase) in Other Current Financial Assets	0.42	
Decrease/ (Increase) in Other Current Assets	1.36	
Increase/ (Decrease) in Trade Payables	(26.54)	
Increase/ (Decrease) in Current Financial Liabilities - Other		
Increase/ (Decrease) in Other Current Liabilities	(1.13)	2.08
Increase/ (Decrease) in Non-Current Provisions		
Increase/ (Decrease) in Current Provisions	(2.65)	-
Cash generated from operations	3.98	3.16
Income taxes paid		
Net cash flow from operating activities	**3.98**	**3.16**
Less : Finance cost paid	-	(0.04)
Net cash flow(Used In) from operating activities (A)	3.98	3.13
B. Cash Flow from Investing Activities		
Purchase or construction of property, plant and equipment (including capital work-in-progress and capital advances)	-	(5.04)
Net cash flow from/ (used in) investing activities (B)	-	**(5.04)**
C. Cash Flow from Financing Activities		
Increase/(Decrease) Non-Current Financial Liabilities - Borrowings	(4.04)	-
Increase/(Decrease)Bank Overdraft	-	-
Proceeds from public issue of shares	-	-
Proceeds from securities premium (net of QIP expenses)	-	-
Net cash flow from financing activities ©	**(4.04)**	-
Net cash increase/(decrease) in cash and cash equivalents (A+B+C)	**(0.06)**	**(1.91)**
Cash and cash equivalents at the beginning of the year (Refer Note 9)	0.76	2.67
Cash and cash equivalents at the end of the year (Refer Note 9)	0.71	0.76
Net cash increase/(decrease) in cash and cash equivalent	**(0.06)**	**(1.91)**

The notes referred to above are an integral part of the financial statements.

As per our report of even date

For K T P S & CO

Chartered Accountants

Firm Registration No: 134942W

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CA Anurag Khandelia

Partner

Membership No. 172909

UDIN - 21172909AAAAAN2394

Place: Mumbai

Dated : 26/04/2021

LYKIS PACKAGING PRIVATE LIMITED

For and on behalf of the Board of Directors

Nadir Dhrolia
Director
DIN- 03303675

Mohan Jain
Director
DIN- 01588365

Lykis Packaging Private Limited

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2021

A : Equity Share Capital (Equity shares of INR 10 each issued, subscribed and fully paid)

Particulars	Numbers in Lakhs	Amount in Lakhs
Balance at the April 1, 2020	12.13	121.27
Changes in equity share capital during the year 2020-2021	-	-
Balance at the March 31, 2021	**12.13**	**121.27**

B : Other Equity

(INR in Lakhs)

Particulars	Note No.	Reserve and Surplus		Total Other Equity
		General Reserve	Retained Earnings	
Balance at the April 1, 2019		-	(129.84)	(129.84)
Total Comprehensive income for the year				
Profit for the year		-	(9.49)	(9.49)
Other Comprehensive Income		-	-	-
Issue of share capital	14	-	-	-
Share Issue Expenses	14	-	-	-
Items Pertaining to previous year	14	-	-	-
Balance as at March 31, 2020	14	-	(139.33)	(139.33)
Total Comprehensive income for the year				
Profit for the year		-	(65.71)	(65.71)
Other Comprehensive Income		-	-	-
Transfer to Capital Redemption Reserve				
Items Pertaining to previous year	14	-	-	-
Balance as at March 31, 2021	14	-	(205.03)	(205.03)

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Lykis Packaging Private Limited

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

Note 5 : Property, Plant and Equipment

(INR in Lakhs)

Particulars	Land	Plant and Machinery	Furniture and Fixtures	Office Equipments	Computers	Total	Capital Work-in Progress
Gross Carrying Amount as at April 1, 2018	10.00	187.75	2.06	0.36	0.43	200.60	-
Additions		(92.68)		0.32		(92.36)	
Transfer	-	-	-	-	-		-
Disposals	-	-	-	-	-	-	-
As at March 31, 2019	**10.00**	**95.07**	**2.06**	**0.68**	**0.43**	**108.24**	-
Additions / Transfer		-		-		-	
Disposals						-	-
As at March 31, 2020	**10.00**	**95.07**	**2.06**	**0.68**	**0.43**	**108.24**	-
Accumulated depreciation as at April 1, 2018	-	**30.25**	**0.45**	**0.17**	**0.20**	**31.07**	-
Depreciation charge during the year	-	25.53	0.30	0.17	0.05	26.04	-
Adjustment during the year		5.18	0.03		(0.09)	5.12	
Accumulated depreciation on deletions	-	(13.84)				(13.84)	-
As at March 31, 2019	-	**36.75**	**0.72**	**0.34**	**0.34**	**38.15**	-
Depreciation charge during the year	-	7.98	-	0.09	0.03	8.09	-
Adjustment during the year		11.61				11.61	17.83
Accumulated depreciation on deletions	-						-
As at March 31, 2020	-	**19.59**	-	**0.09**	**0.03**	**19.70**	**17.83**
Depreciation charge during the year	-	-	-	-	-	-	-
Adjustment during the year	-	38.73	1.34	0.25	0.07	40.38	17.83
Accumulated depreciation on deletions	-	-	-	-	-	-	-
As at March 31, 2021	-	**38.73**	**1.34**	**0.25**	**0.07**	**40.38**	**17.83**
Net carrying amount as at March 31, 2021	10.00	-	-	-	-	10.00	-
Net carrying amount as at March 31, 2020	10.00	38.73	1.34	0.25	0.07	50.38	17.83

1. **Capitalised Borrowing Cost**
   Nil amount of borrowing is capitalised during the year 2020-2021.

2. **Property, Plant and Equipments pledged/ mortgaged as security**
   All Property, Plant and Equipment are subject to a first charge/ collateral to secure the loans taken by the Company.

3. Gross carrying amount of Land includes certain plots having gross block value of INR 10 lakhs (March 31, 2020: INR 10 lakhs; April 1, 2019: INR 10 lakhs) situated at different locations, which are in the name of the Directors of the Company and are yet to be transferred in the name of the Company.

Lykis Packaging Private Limited

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

Note 6 : Income Tax Assets (Net):

(INR in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Income tax assets	-	-
Less: Provision for Tax	-	-
Total	-	-

Note 7 - Inventories

(INR in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Stock In Trade	-	16.63
Total	-	16.63

Note 8 - Current Financial Assets - Trade Receivables

(INR in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured		
Considered Good	13.78	29.07
Considered doubtful		
	13.78	29.07
Less: Allowances for credit losses		
Total	13.78	29.07

Note 9 - Current Financial Assets - Cash and Cash Equivalents

(INR in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Bank Balances		
- In current accounts	0.71	0.76
- In fixed deposits with maturity of less		
Cash on Hand	-	0.00
Total	0.71	0.76

LYKIS PACKAGING PRIVATE LIMITED

KTPS & CO FRN-134042W MUMBAI CHARTERED ACCOUNTANTS

Lykis Packaging Private Limited

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

Note 10 - Current Financial Assets - Loans and Advances

(INR in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good		
Advances to Employees	-	-
Others	-	8.11
Total	-	8.11

Note 11 - Current Financial Assets - Others

(INR in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good		
Security Deposits	-	0.42
Foreign currency forward and options (Financial assets carried at fair value through Profit or Loss)		
Others		
Total	-	0.42

Note 12 : Other Current Assets

(INR in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Accrued Income		
Advances other than Capital Advances:		
Advance Payment to Vendors	0.75	2.00
Balance with Government Authorities:		
- GST Credit Receivables	4.83	4.93
Prepaid Expenses		
Preliminary Expenses		
Total	5.58	6.93

Note 13 - Share Capital

(INR in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Authorised Capital 1320000 (March 31, 2020: 13,20,000) Equity Shares of INR 10 each	132.00	132.00
	132.00	132.00
Issued, Subscribed and Paid up Capital 1212662 (March 31, 2020: 12,12,662) Equity Shares of INR 10 each fully paid up	121.27	121.27
Total	121.27	121.27

LYKIS PACKAGING PRIVATE LIMITED

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MUMBAI
CHARTERED ACCOUNTANTS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

(a) **Terms / rights attached to:**

Equity Shares

The Company has one class of equity shares having a par value of INR 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity share holders are eligible to receive the remaining assets of the company after distribution of all preferential amounts in proportion to their share holding.

(b) **Reconciliation of number of shares outstanding at the beginning and at the end of the reporting year**

Equity Shares:

Particulars	Year Ended March 31, 2021		Year Ended March 31, 2020	
	Number of shares (in Lakhs)	Amount (INR in Lakhs)	Number of shares (in Lakhs)	Amount (INR in Lakhs)
Balance as at the Beginning of the year	12.13	121.30	12.13	121.30
Add: Shares allotted as bonus shares			-	-
Add: Shares issued in QIP (QIP)	-	-		
Balance as at the end of the year	**12.13**	**121.30**	**12.13**	**121.30**

(c) **Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company:**

Equity Shares

Shares held by	As at March 31, 2021		As at March 31, 2020	
	Number of Shares (in Lakhs)	%	Number of Shares (in Lakhs)	%
Lykis Ltd	5.00	41.22%	5.00	41.22%
Siddharth Shah	3.75	30.92%	3.75	30.92%
Jaya Jain	3.38	27.86%	3.38	27.86%

Note 14 - Other Equity

(INR in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Retained Earnings	(205.03)	(139.33)
Total	(205.03)	(139.33)

(iv) Retained Earnings:

(INR in Lakhs)

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
Balance as at the beginning of the year	(139.33)	(129.84)
Add: Profit for the year	(65.71)	(9.49)
Add: Items of Other Comprehensive Income recognised directly in Retained Earnings		
Re-measurement gains/ (losses) on defined benefit obligations (net of tax)		-
Less: Transfer to Capital Redemption Reserve		
Add: Items pertaining to previous years		-
Balance as at the end of the year	**(205.03)**	**(139.33)**

LYKIS PACKAGING PRIVATE LIMITED

KTPS & CO
MUMBAI
CHARTERED ACCOUNTANTS

Lykis Packaging Private Limited

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

Note 15 - Non-Current Financial Liabilities - Borrowings

(INR in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Secured Term Loans* (Refer Note (a) below)		
Rupee Term Loans from Banks		
Foreign Currency Term Loans from Banks		
Rupee Term Loans from Others		
Unsecured Loans (Refer Note (b) below)		
Loans from Related Parties	83.33	-
Loans from Others	26.90	114.27
Preference Share (Unsecured) (Refer Note (c) below)		
23,00,000 (March 31, 2017: 23,00,000;		
Total Non-Current Borrowings	**110.23**	**114.27**

* Net of Current maturities of long-term debts and Interest accrued, which are included in Note 28

Note:

(a) Details and terms of repayment for Unsecured Borrowings :

Particulars	Terms of Repayment

Lykis Packaging Private Limited

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

Note 16- Current Financial Liabilities - Borrowings

(INR in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Secured Loans (Repayable on demand)		
Working Capital Loans from Banks (Refer Note (a) below)	-	-
Unsecured Loans (Repayable on demand)		
Working Capital Loans from Banks (Refer Note (b) below)	-	-
Bank Overdraft		-
Total	-	-

Note:

(a) These facilities are secured against the following charge on various assets of the Company :

1. Primary : Hypothecation charge on the entire current assets of the Company, both present & future.
2. Collateral :

Note 17- Current Financial Liabilities - Trade Payables

(INR in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Trade Payable		
Dues to Micro and Small Enterprises	-	-
Others	3.60	30.14
Total	3.60	30.14

LYKIS PACKAGING PRIVATE LIMITED

KTPS & CO
MUMBAI
CHARTERED ACCOUNTANTS

Lykis Packaging Private Limited

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

Note 18 - Current Financial Liabilities - Others

(INR in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Current Maturities of Long-Term Debt:		
Rupee Term Loans from Banks (Refer Note 23 above)	-	-
Foreign Currency Term Loans from Banks (Refer Note 23 above)	-	-
Rupee Term Loans from Others (Refer Note 23 above)	-	-
Interest Accrued		
Foreign Currency Forward and Interest Rate Swap Contracts	-	-
Liability for Corporate Guarantee	-	-
Provision for Directors Sitting Fees	-	-
Provision for QIP Expenses	-	-
Liabilities for Acquisition of Property, Plant and Equipment	-	-
Application Money Refundable (Refer Note Below)	-	-
Other Payables	-	
Total	-	-

Note 19 - Other Current Liabilities

(INR in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Statutory Tax Payable (Including Provident Fund, Tax Deducted at Source and other indirect taxes)	-	1.13
Employee Related Liabilities	-	-
Total	-	1.13

Note 20 : Current Provisions:

(INR in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for Audit fees	-	0.25
Provision for Employee benefits:	-	2.40
Provision for Gratuity [Refer Note 50]	-	-
Provision for Leave Obligation [Refer Note 50]	-	-
Other Provisions	-	-
Total	-	2.65

Note 21 : Current Tax Liabilities (Net):

(INR in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for Income Tax		
Less: Income Tax Assets		
Total	-	-

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2021 and March 2020:

(INR in Lakhs)

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
Accounting profit before tax from continuing operations	-	20.69
Tax at income tax at the rate of 33.06%		
Adjustments of tax effect of allowable and non-allowable income and expenses:		
Difference in Depreciation and Amortisation		
Corporate Guarantee Income		
Corporate Social Responsibility Expenditure		
Provisions for Retirement Benefits		
Premium on Forward Contract		
Loss on Sale of Property, Plant and Equipments		
Gain on Sale of Investments		
Additional Finance cost as calculated by using effective interest rate		
Other Items		
Deduction available as per section 10A of the Income Tax Act, 1961		
Provision for Interest on Income Tax and Adjustments for Current Tax of Prior Periods	-	(20.69)
Deferred Tax Expenses for the year	-	(0.00)

Lykis Packaging Private Limited

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

Note 22 : Revenue from Operations

(INR in lakhs)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Sale of Goods:		
Finished Goods sales	-	36.98
Other Operating Revenue		
Total	-	36.98

Note 23 : Other Income

(INR in lakhs)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Interest Income:		
From Fixed Deposits with Banks	-	-
From Loans to Related Party (Refer Note 51)	-	-
Miscellaneous Income	-	0.14
Total	-	0.14

Note 24 : Change in Inventories of Finished Goods/Work-in-progress/ Stock in Trade

(INR in lakhs)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Stock at the beginning of the year	16.63	27.25
Finished Goods		
Stock-In-Trade		
Work-In-Progress		
Total		
Stock at the end of the year	-	16.63
Finished Goods		
Stock-In-Trade		
Work-In-Progress		
Total		
Changes in Inventories of Finished Goods, Stock-In-Trade & Work-	16.63	10.62

Note 25 : Employee Benefits Expenses

(INR in lakhs)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Salaries, Wages and Bonus	-	-
Staff Welfare Expenses	-	-
Total	-	-

LYKIS PACKAGING PRIVATE LIMITED

KTPS & CO
FRN-124042W
MUMBAI
CHARTERED ACCOUNTANTS

Lykis Packaging Private Limited

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

Note 26 : Finance Costs

(INR in lakhs)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Interest on Unsecured Loans	-	-
Interest on Others	-	-
Bank Charges and Commission	-	0.04
Total	-	0.04

Note 27 : Depreciation and Amortisation Expense

(INR in lakhs)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Depreciation on tangible assets (Refer Note 5)	-	8.09
Amortisation of intangible assets (Refer Note 7)	-	-
Total	-	8.09

Note 28 : Other Expenses

(INR in lakhs)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Audit Fees	-	0.25
Legal and Professional Fees	0.05	0.92
Rates and Taxes	0.03	0.15
Transport Expenses	-	0.11
Miscellaneous Expenses	-	0.04
Sundry Balances written off	49.01	-
Total	49.08	1.46

Note 29 : Earnings Per Equity Share

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Net Profit attributable to Equity Shareholders (INR in Lakhs)	(65.71)	(9.49)
Weighted Average Number of Equity Shares (Nos. in Lakhs)	12.13	12.13
Basic and Diluted Earnings Per Share (INR)	(5.42)	(0.78)
Face value per Share (INR)	10.00	10.00

LYKIS PACKAGING PRIVATE LIMITED

KTPS & CO FRN-13[illegible]2W MUMBAI CHARTERED ACCOUNTANTS

Lykis Packaging Private Limited

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

Note 30:- Financial Assets at Amortised Cost Method

The carrying value of the following financial assets recognised at amortised cost:

(INR in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Non-Current Financial Assets		
Loans	-	-
Others	-	-
Current Financial Assets		
Trade receivables	13.78	29.07
Cash and Cash Equivalnets	0.71	0.76
Other bank balances	-	-
Loans	-	8.11
Others	-	0.42
Total	14.48	38.36

Note: The fair value of the above financial assets are approximately equivalent to carrying values as recognised above.

Note 31:- Financial Liabilities at Amortised Cost Method

The carrying value of the following financial liabilities recognised at amortised cost:

(INR in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Non-Current Financial Liabilities		
Borrowings	110.23	114.27
Current Financial Liabilities		
Borrowings	-	-
Trade Payable	3.60	30.14
Other Financial Liabilities	-	-
Total	113.83	144.40

Note: The fair value of the above financial liabilities are approximately equivalent to carrying values as recognised above.

LYKIS PACKAGING PRIVATE LIMITED

KTPS & CO
FRN-134942W
MUMBAI
CHARTERED ACCOUNTANTS

Note 32 : Financial Risk Management Objectives and Policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables, and financial guarantee contracts. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations directly or indirectly. The Company's principal financial assets include investments, loans, trade and other receivables, cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The below note explains the sources of risk which the entity is exposed to and how the entity manages the risk :

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash and cash equivalents, trade receivables, derivative financial instruments, financial assets measured at amortised cost.	Aging analysis and Credit ratings	Diversification of bank deposits and credit limits
Liquidity Risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market Risk - interest rate	Long-Term borrowings at variable rates	Sensitivity analysis	Interest rate swaps

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 receivables
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 Shop activities. 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 reEquipmenting 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 reEquipmenting date is the carrying value of each class of financial assets disclosed in Note 15.

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.

Financial instruments 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.

Liquidity Risk
The Company monitors its risk of a shortage of funds using a liquidity planning tool.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank loans, preference shares and unsecured loans. The Company has access to a sufficient variety of sources of funding which can be rolled over with existing lenders. The Company believes that the working capital is sufficient to meet its current requirements.

LYKIS PACKAGING PRIVATE LIMITED

KTPS & CO
FRN-124942W
MUMBAI
CHARTERED ACCOUNTANTS

The table below provides details regarding the maturities of significant financial liabilities as of March 31, 2021 and March 31, 2020:

(INR in Lakhs)

Particulars	Less than 3 Months	3 to 12 months	1 to 5 years	> 5 years	Total
Year ended March 31, 2021					
Secured Loans	-	-	110.23	-	110.23
Unsecured Loans	-	-	-	-	-
Preference Share	-	-	3.60	-	3.60
Trade Payables	-	-	-	-	-
Others		-			
Year ended March 31, 2020					
Secured Loans	-	-	114.27	-	114.27
Unsecured Loans	-	-	-	-	-
Preference Share	-	-	30.14	-	30.14
Trade Payables	-	-		-	-
Others		-			

Market Risk

Market risk comprises two types of risk: interest rate risk and currency risk. Financial instruments affected by market risk include loans and borrowings, deposits and derivative financial instruments.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company manages its interest rate risk by having a balanced Equipmentfolio of fixed and variable rate loans and borrowings. The Company's policy is to keep balance between its borrowings at fixed rates of interest. To manage this, the Company enters into interest rate swaps, in which it agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that Equipmention of loans and borrowings affected, after the impact of hedge accounting. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Equity price risk

The Company's unlisted equity securities are of subsidiary and deemed cost of the same are taken as previous GAAP carrying value (i.e. cost of acquisition). 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.

Note 33 : 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.

(INR in Lakhs)

Particulars		March 31, 2021	March 31, 2020
A) Net Debt			
Borrowings (Current and Non-Current)		110.23	114.27
	Net Debt (A)	**110.23**	**114.27**
B) Equity			
Equity share capital		121.27	121.27
Other Equity		(205.03)	(139.33)
	Total Equity (B)	**(83.76)**	**(18.06)**
Gearing Ratio (Net Debt / Capital) i.e. (A / B)		-131.59%	-632.87%

LYKIS PACKAGING PRIVATE LIMITED

KTPS & CO

CHARTERED ACCOUNTANTS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

Note 34 : Segment Information:

Information about Primary Business Segment

The Company has identified business segments as its primary segment and geographic segments as its secondary segment. The Company is engaged in Shop Operations and related activities during the year, consequently the Company does not have separate reportable business segment for the year ended March 31, 2021.

Information about Secondary Geographical Segment

The Company is engaged in manufacturing of plastic bottles and caps and supply this in India, consequently the Company does not have separate reportable geographical segment for the year ended March 31, 2021.

Note 35 : Related Party Disclosure:

i) Relationship

Description of relationship	Names of Related Parties
Parent Company	N.A.
Entity exercising significant influence	Lykis Ltd
Chairman	N.A.
Key Managerial Personel	Mohan Rajpal Jain Nadir Dhroliya Pratik Kedia resign w.e.f.15/10/2020
Relative of Key Managerial Person	Jaya Jain Siddharth Shah Vijay Gosar

Notes:

1. The list of related parties above has been limited to entities with which transactions have taken place.
2. Related party transactions have been disclosed till the time the relationship existed.

LYKIS PACKAGING PRIVATE

KTPS & CO
CHARTERED ACCOUNTANTS
MUMBAI

Lykis Packaging Private Limited

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

ii) Transaction with Related Parties during the year

(INR in lakhs)

Particulars	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Revenue from Operations		
Lykis Ltd		76.70
	-	**76.70**
Loan Taken		
Lykis Ltd	0.59	13.78
	0.59	**13.78**
Loan Repaid		
Lykis Ltd	83.83	140.36
	83.83	**140.36**

LYKIS PACKAGING PRIVATE LIMITED

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MUMBAI
CHARTERED ACCOUNTANTS

Lykis Packaging Private Limited

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

iii) Balance with Related Parties :

(INR in lakhs)

Particulars	Balances as at March 31, 2021	Balances as at March 31, 2020
Loans and Advances		
Lykis Ltd	-	83.24
	-	83.24

LYKIS PACKAGING PRIVATE LIMITED

KTPS & CO CHARTERED ACCOUNTANTS MUMBAI

BASIS OF PREPARATION OF FINANCIAL STATEMENTS:

Note 2. General Corporate Information

Lykis Packaging Private Limited is incorporate on 09.05.2012. The Company is limited by shares and The company's registered office is situated at 4TH Floor Lotus Grandeur Building, Veera Desai Road Andheri west Mumbai 400053.

The financial statements of the company were approved by the Board of Directors of the company on 26/04/2021.

Note 3:

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.

(i) Compliance with Ind-AS

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.

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

(ii) 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.

3.1 Revenue recognition

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

As the recovery of excise duty flows to the Company on its own account, revenue includes excise duty.

However, Goods and Service Tax (GST)/ value added tax (VAT) is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

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

LYKIS PACKAGING PRIVATE LIMITED

KTPS & CO FRN 124942W MUMBAI CHARTERED ACCOUNTANTS

- **Sale of goods**

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.
Excise duty paid for captive consumption of goods, where CENVAT credit is not available, is shown as excise expense.

- **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.

3.2 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.

LYKIS PACKAGING PRIVATE LIMITED

KTPS & CO CHARTERED ACCOUNTANTS MUMBAI

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.
h. The Company recognizes tax credits in the nature of MAT credit as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which tax credit is allowed to be carried forward. In the year in which the Company recognizes tax credits as an asset, the said asset is created by way of tax credit to the Statement of Profit and Loss.

3.3 Property, Plant and Equipment
Under the previous GAAP (Indian GAAP), fixed assets (including Capital work in progress) are stated at cost net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises the purchase price, borrowing costs, if capitalisation criteria are met, directly attributable cost of bringing the asset to its working condition for the intended use. The Company has elected to regard previous GAAP carrying values of property as deemed cost at the date of transition to IND AS.
Capital Work in progress included in PPE is stated at cost, net accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term constructions projects if the recognition criteria is met. 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. All other repair and maintenance costs are recognised in profit or loss as incurred.

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 except for the assets mentioned below for which useful lives estimated by the management. 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.

The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.
Further, the Company evaluated the useful life of certain components of Plant and Machinery, the impact of which is not material. Assets costing ` 5,000 or less are fully depreciated in the year of purchase.

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CHARTERED ACCOUNTANTS

3.4 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit and loss in the period in which the expenditure is incurred.

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.

The Company has elected to regard previous GAAP carrying value of Intangible Assets as deemed cost at the date of transition to IND AS.

3.5 Leases

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

For arrangements entered into prior to 1st April, 2015, the Company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

Company as a Lessee. A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the Statement of Profit and Loss, unless they are directly attributable

PACKAGING PRIVATE LIMITED

KTPS & CO
MUMBAI
CHARTERED ACCOUNTANTS

to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term except the case where incremental lease reflects inflationary effect and lease expense is accounted in such case by actual rent for the period.

3.6 Inventories

Inventories are valued as under:

a. Raw Materials, Packing Materials And Stores & Spares:

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

b. Finished Goods & Work In Progress:

At cost or net realizable value, whichever is lower. Cost is determined on absorption basis. Due provision for obsolescence is made.

c. Stock-In-Trade:

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.

3.7 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.

3.7 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

LYKIS PACKAGING PRIVATE LIMITED

K P S & CO
FRN-134942W
MUMBAI
CHARTERED ACCOUNTANTS

Estimation of current tax expenses - (Refer Note)

4.3 Fair value measurement

The Company measures financial instruments, such as, derivatives 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 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

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.

As per our report of even date

For K T P S & CO
Chartered Accountants
Firm Registration No: 134942W

FRN-134942W MUMBAI

CA Anurag Khandelia
Partner
Membership No. 172909
UDIN – 21172909AAAAAN2394

Place: Mumbai

Dated : 26/04/2021

For and on behalf of the Board of Directors
Of Lykis Packaging Private Limited

Nadir Dhrolia	**Mohan Jain**
Director	Director