



## LYKIS LIMITED

Corporate Office: Grandeur Bldg., 4<sup>th</sup> Floor, Veera Desai Road, Opp Gundecha Symphony, Near Country Club, Andheri - West, Mumbai - 400 053.  
Registered Office: 57B, C.R. Avenue, 1<sup>st</sup> Floor, Kolkata - 700 012  
Tel.: (+9122) 4069 4069 website: www.lykis.in  
CIN NO. L74999WB1984PLC038064

August 03, 2021

To,  
The Manager,  
Department of Corporate Services,  
BSE Limited,  
P.J.Towers, Dalal Street,  
Mumbai – 400 001.

Scrip Code: 530689

**Subject: Notice of Annual General Meeting and Annual Report for Financial Year 2020-21**

Pursuant to Regulation 30 and 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 please find enclosed herewith the following for the financial year 2020-21:

1. Notice of the Thirty Seventh Annual General Meeting to be held on Thursday, August 26, 2021 at 11:00 A.M. IST through Video Conferencing or Other Audio Visual Means.
2. Annual Report for the Financial Year 2020-21.

The aforesaid documents are being dispatched to all eligible shareholders and are also available on the website of the company [www.lykis.in](http://www.lykis.in)

Kindly acknowledge and take on record.

Yours Faithfully,

For Lykis Limited

Sucheta Chaturvedi  
Company Secretary & Compliance Officer





# 2020-2021 ANNUAL REPORT





**Lykis Limited** is the fastest growing Home & Personal care Company in India. Lykis has a portfolio of 1000+ SKU product that stretches across the Beauty & Grooming segment, Homecare segment, Food & Beverages segment, Health & Wellbeing segment. These include an enviable portfolio of brand names such as Lykis, Cheers, Britex, Rox, Vogly, etc.

Lykis isn't just a name to us; it is an emotion. Since from its humble beginning with the object of managing tea plantation, manufacturing of quality tea and sale of tea in domestic market, now company has diversified its business and launched multiple products under various brands. For international segment, we have exported our products in more than 45 countries.

Lykis believes on honesty, integrity & fairness in all aspects of its business & expects the same in its relationship. We work to create a better future everyday & help *"People look good, feel good everyday with brands that are good for them"*.



**Lykis**<sup>®</sup>  
 APAIXONE-SE POR SI

coco care



**Lykis**<sup>®</sup>  
 APAIXONE-SE POR SI  
**RELAXER**

ABACATE  
 AVOCADO



## XAMPU



## CONDICIONADOR





# Bonita®

## MOISTURISING BODY MILK



# monami®

CUIDADOS COM O BEBÊ



Lykis®  
APAIXONE-SE POR SI

Herbal



# H&H™

him and her

## PERFUME BODY SPRAY





# Rox<sup>®</sup>

PARA O VERDADEIRO HOMEM



**REVITALIZANTE  
SABONETE  
DESODORIZANTE**

**Lykis**<sup>®</sup>  
APAIXONE-SE POR SI



**PARA MULHERES**  
**Eau De Parfum**



# Special

TOOTHPASTE

kidzz



LEMON  
TOOTHPASTE



GREEN TEA  
NATURAIS

Pasta de dentes protetora de gengiva



Aloë Vera  
Extra Fresh



CHARCOAL  
ACTIVE  
WHITENING





# Bentol

citrus lime

HAND SANITIZER



**INSTANT PROTECTION  
KILLS 99.9 % GERMS**

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



# Aromaa

AMBIENTADOR  
AIR FRESHENER



*Elimina os Odores*  
*Odour Buster*

# Bonita

A RICH, GEL FORMULA THAT WORKS WELL WITH COARSE,  
DRY OR FRAGILE HAIR.

Com  
Extrato de Chá Verde  
e Proteína de Trigo





## Content

1. Board of Directors	2
2. Chairman's Message	3
3. Company Information	4
4. Directors' Report	7
5. Annexures to Directors' Report	
A) AOC-1	15
B) Secretarial Audit Report (Form MR-3)	16
C) AOC 2 - Related Party Disclosure	20
D) Disclosure pursuant to Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]	21
E) Extract of Annual Return (Form MGT-9)	22
6. Management Discussion & Analysis	30
7. Report on Corporate Governance	33
8. Standalone Financial Statements	47
9. Consolidated Financial Statements	104
10. Notice of 37th Annual General meeting	159



## 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 exports 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. Prince Tulsian** (DIN: 02691348)

Mr. Tulsian has joined the Board on 22nd December, 2009. Mr. Prince Tulsian was Managing Director until November 14, 2020. He continues with the Company as the Non Executive Director with effect from November 14, 2020. He has completed his graduation in Bachelors of Commerce. He has more than 20 years vast experience in tea plantation and production of good quality tea.
- 5 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).
- 6 Mrs. Neha Rajan Gada** (DIN: 01642373)

Ms. 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.
- 7 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.

My heart goes out to the families and friends of all those people whose lives have been impacted by the pandemic. I would also like to take this opportunity to show my immense gratitude to all our frontline heroes – police personnel, doctors, health workers and sanitation workers for their efforts in keeping us safe.

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 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.

The COVID 19 had an adverse impact on the working and performance of the company as well. Going ahead there are challenges too and the management is taking steps to meet these challenges by designing effective and strong cost control measures.

I would like to take this opportunity to thank all our shareholders for their continued support and confidence in the company, also thankful to the employees, my colleagues on the Board of Directors and all other stakeholders for their significant contribution to the company.

Warm regards,

**Shafeen Charania**

Non-Executive Director & Chairman

DIN: 07283015

## CORPORATE INFORMATION

### The Board of Directors:

**Mr. Vijay Kedia**

*Chairman and Non-Executive Director  
(Upto October 29, 2020)*

**Mr. Shafeen Charania**

*Chairman and Non-Executive Director  
(W.e.f November 14, 2020)*

**Mr. Nadir Dhrolia**

*Managing Director  
(W.E.F November 14, 2020;  
Non-Executive Director up to November 14, 2020)*

**Mr. Prince Tulsian**

*Non-Executive Director (Managing Director  
Up to November 14, 2020)*

**Mr. Mayank Jhunjhunwala**

*Independent Director  
(Upto October 29, 2020)*

**Ms. Jyoti Budhia**

*Independent Director  
(Upto January 18, 2021)*

**Mr. Rajendra Singh Singhvi**

*Independent Director*

**Mr. Kairav Trivedi**

*Independent Director  
(W.e.f November 14, 2020)*

**Mrs. Neha Gada**

*Independent Director  
(W.e.f February 13, 2021\*)*

**Mr. Rajesh Nambiar**

*Independent Director  
(W.e.f February 13, 2021\*)*

### Executive Officers:

**Mr. Rajesh Tendolkar**

*Chief Executive Officer  
(Upto January 15, 2021)*

**Mr. Sunil Purohit**

*Chief Financial Officer  
(Upto November 14, 2020)*

**Mr. Shrigopal Kandoi**

*Chief Financial Officer (W.e.f November 14, 2020)*

**Ms. Neha Mankame**

*Company Secretary & Compliance Officer  
(Upto June 10, 2020)*

**Mr. Anubhav Shrivastava**

*Company Secretary & Compliance Officer  
(W.e.f June 10, 2020 - Upto February 22, 2021)*

**Ms. Sucheta Chaturvedi**

*Company Secretary & Compliance Officer  
(W.e.f March 17, 2021)*

### Auditors:

M/s. Banshi Jain and Associates  
Chartered Accountants  
5th Floor, La Magasin,  
S V Road, Above Roopkala Store,  
Santacruz West – 400054 (Upto August 03, 2021)

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, Maharashtra 400053  
(W.E.F August 03, 2021\*)

### Bankers:

HDFC Bank  
ICICI Bank

### Registrar and Share Transfer Agent:

M/s. R & D Infotech Pvt. Ltd.  
7A, Beltala Road, 1st Floor, Kolkata- 700 026.  
Phone No.: 033-24192642.

### Registered Office:

CIN: L74999WB1984PLC038064  
57B, C. R. Avenue, 1st Floor,  
Kolkata 700012  
Phone No.: 033-40045265.

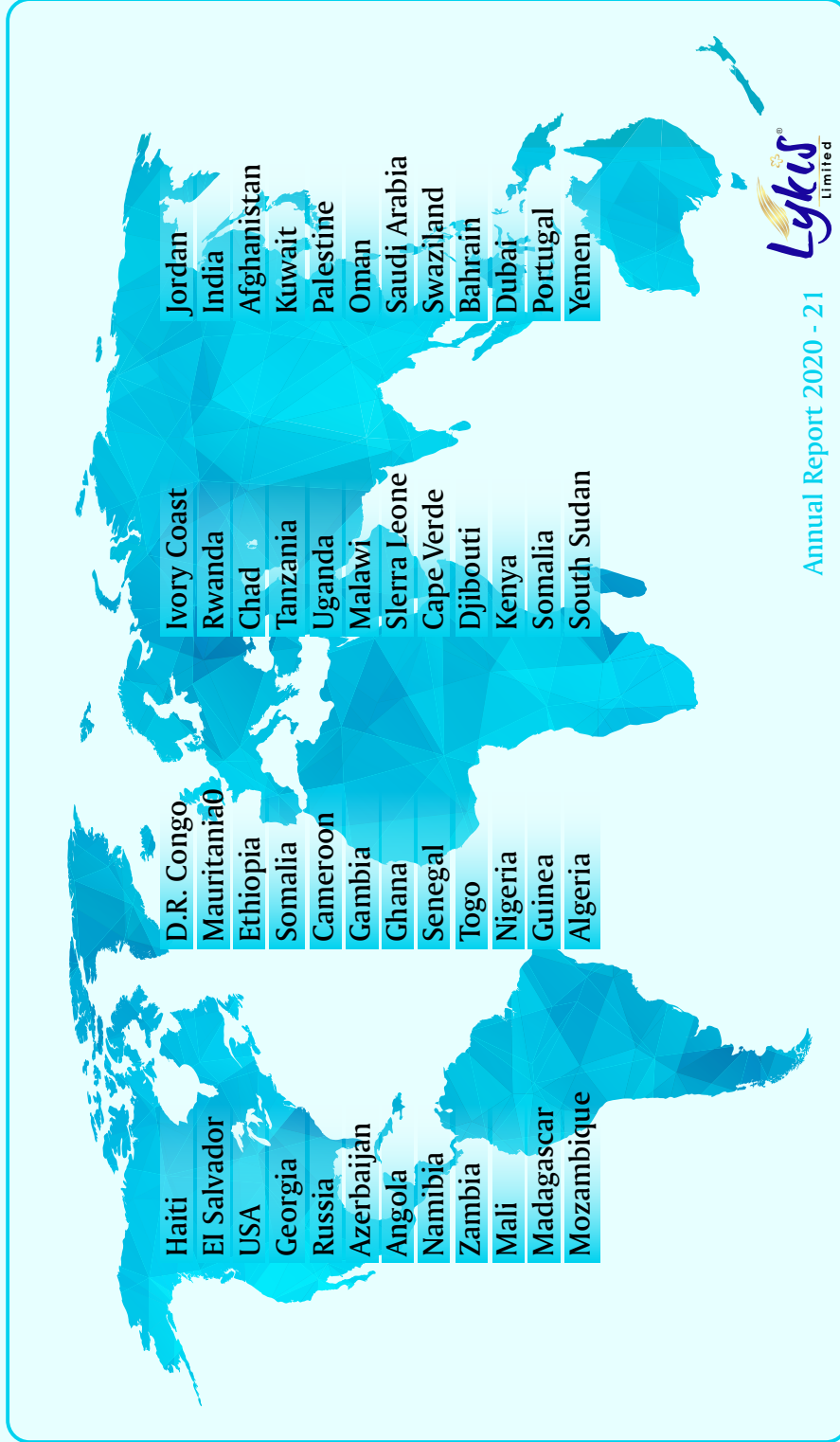
### Corporate Office:

Grandeur Building, 4th Floor, Veera Desai Road, Opp.  
Gundecha Symphony, Near Country Club,  
Andheri (West), Mumbai- 400 053.  
Phone No.: 022-40694069. www.lykis.in  
Email. Id- lykisho@lykisgroup.com/cs@lykis.in

\* Subject to shareholders approval)

# World Presence

International Presence - 48 Countries



Annual Report 2020 - 21





KEPT INTENTIONALLY BLANK

## DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting their Thirty Seventh Annual Report of the Company along with Audited Financial Statement for the year ended March 31, 2021.

### 1. FINANCIAL HIGHLIGHTS:

(₹ In Lakhs)

Particulars	For the year ended on 31.03.2021 (Standalone)	For the year ended on 31.03.2020 (Standalone)	For the year ended on 31.03.2021 (Consolidated)	For the year ended on 31.03.2020 (Consolidated)
<b>Continuing Operations:</b>				
<b>Income</b>				
Revenue from Operation	5,867.56	8,415.96	6,329.39	8,428.42
Other Income	105.10	243.39	110.10	245.08
<b>Total Income</b>	<b>5,972.66</b>	<b>8,659.35</b>	<b>6,439.49</b>	<b>8,673.50</b>
<b>Expenditure</b>				
Less: Operating & Other Expenses	6,788.38	8687.17	6,867.66	8,748.06
<b>Profit Before Depreciation and Tax</b>	<b>(815.72)</b>	<b>(27.82)</b>	<b>(428.17)</b>	<b>(74.56)</b>
Less: Depreciation	78.23	50.18	78.23	50.19
<b>Profit/(Loss) Before Tax from Continuing Operations</b>	<b>(893.95)</b>	<b>(78.00)</b>	<b>(506.40)</b>	<b>(124.75)</b>
Less : Provision for Taxes	10.12	6.91	10.12	6.91
<b>Less :Deferred Tax</b>	<b>(247.67)</b>	<b>(24.54)</b>	<b>(275.59)</b>	<b>(6.97)</b>
<b>Profit/(Loss) for the year from Continuing Operations (A)</b>	<b>(656.41)</b>	<b>(60.37)</b>	<b>(240.93)</b>	<b>(124.69)</b>
<b>Discontinuing Operations:</b>				
Loss from discontinuing operations before tax	(431.50)	(50.41)	(431.50)	(50.41)
Less: Tax from discontinuing operations	(0.83)	2.84	(0.83)	15.30
<b>Loss from Discontinuing Operations (B)</b>	<b>(430.67)</b>	<b>(53.25)</b>	<b>(430.67)</b>	<b>(65.71)</b>
<b>Profit/(Loss) for the year (A+B)</b>	<b>(1,087.08)</b>	<b>(113.62)</b>	<b>(671.60)</b>	<b>(190.40)</b>
<b>Total Comprehensive Income / Loss for the year</b>	<b>(1,058.91)</b>	<b>(141.09)</b>	<b>(643.43)</b>	<b>(217.88)</b>

### 2. COMPANY'S PERFORMANCE

During the year ended March 31, 2021, Operational Revenue including other income on standalone basis was ₹ 5,972.66 lakhs from Continuing operations and ₹ 497.07 lakhs from Discontinued Operation and Profit/(Loss) Before Tax was ₹ (1,325.45) lakhs vs ₹ (128.41) lakhs in previous year while Net Profit/(Loss) for the financial year ended March 31, 2021 was ₹ (1,087.08) lakhs vs ₹ (113.62) lakhs in previous year.

On a consolidated basis the operational revenue including other income was ₹ 6,439.49 lakhs from continuing operations and ₹ 497.07 lakhs from Discontinued Operation and Profit/ (Loss) Before Tax was ₹ (937.90) lakhs vs ₹ (175.16) lakhs last year. The Net Profit/(Loss) for the financial year ended March 31, 2021 was ₹ (671.60) lakhs vs ₹ (190.40) 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 report and outlook for the current year is included in the Management Discussion and Analysis Report forming part of this Annual Report.

### 3. DIVIDEND

Your Directors have not recommended dividend for the financial year March 31, 2021.

### 4. RESERVES

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

### 5. SUBSIDIARY AND ASSOCIATES ENTITIES:

As on March 31, 2021, your company has two subsidiary company and two associate companies, details whereof as under:

#### ➤ SUBSIDIARY ENTITIES

Lykis Marketing is the wholly owned subsidiary of Lykis Limited. The company has main focused 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.in](http://www.lykis.in).

#### ➤ ASSOCIATE ENTITIES

Lykis Packaging Private Limited and Lykon Foods Private Limited are the associate company.

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.

### 6. BOARD OF DIRECTORS

#### i. Appointment

- a) The Board of Directors in their meeting held on November 14, 2020 have approved the re-designation of Mr. Prince Tulsian (DIN: 02691348) from Managing Director to Non-Executive Director of the company. Further consent of the members of the company by passing Ordinary Resolution through Postal Ballot dated February 20, 2021 have re-designation of Mr. Prince Tulsian (DIN: 02691348) as Non-Executive Director of the company. The Board of Directors in their meeting held on November 14, 2020 have appointed Mr. Nadir Umedali Dhrolia (DIN: 03303675) as the Managing Director of the Company for a term of five consecutive years. Further consent of the members of the company by passing Special Resolution through Postal Ballot dated February 20, 2021 have granted for the appointment of Mr. Nadir Umedali Dhrolia (DIN: 03303675) as the Managing Director of the company with effect from November 14, 2020 for a period of five (5) consecutive years. Mr. Shafeen Sadruddin Charania (DIN: 07283015) appointed as Additional Director in the Capacity of Non-Executive Director in the Board Meeting held on November 14, 2020. Further shareholders of the company have appointed him as Non-Executive Director of the Company by passing Ordinary Resolution through Postal Ballot dated February 20, 2021. Mr. Kairav Anil Trivedi (DIN: 07893708) appointed as Additional Director in the Capacity of Independent Director of the company in the Board Meeting held on November 14, 2020. Further shareholders of the company have appointed him as Non-Executive Independent Director of the Company by passing Ordinary Resolution through Postal Ballot dated February 20, 2021.
- b) As per Recommendation of Nomination and Remuneration Committee and pursuant to the provision of section 161 of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 read with rules made thereunder (including statutory modifications or re-enactment thereof) Mr. Rajesh Nambiar (DIN: 09004586) was appointed as Additional Director in the capacity of Independent director with effect from February 13, 2021 who shall hold office upto the date of the ensuing Annual General Meeting of the Company to be held on Thursday, August 26, 2021. The Board recommend his appointment as Non-Executive Independent Director of the Company, for term of 5 (five) consecutive years commencing from the conclusion 37th Annual General Meeting till the conclusion of 42nd Annual General Meeting of the company and whose office shall not be liable to retire by rotation.
- c) As per Recommendation of Nomination and Remuneration Committee and pursuant to the provision of section 161 of the Companies Act, 2013 and other applicable provisions, if any, of the Companies

Act, 2013 read with rules made thereunder (including statutory modifications or re-enactment thereof) Ms. Neha Gada (DIN: 01642373) was appointed as Additional Director in the capacity of Independent director with effect from February 13, 2021 who shall hold office upto the date of the ensuing Annual General Meeting of the Company to be held on Thursday, August 26, 2021. The Board recommend her appointment a Non- Executive Independent Director of the Company, for term of 5 (five) consecutive years commencing from the conclusion 37th Annual General Meeting till the conclusion of 42nd Annual General Meeting of the company and whose office shall not be liable to retire by rotation.

**ii. Re-appointment**

As per Recommendation of Nomination and Remuneration Committee, the Board at its meeting held on June 25, 2021 has approved the re-appointment of Mr. Rajendra Singhvi (DIN: 08322932) as a Non-Executive Independent Director of the Company to hold office for second term of five consecutive years commencing from the conclusion 37th Annual General Meeting till the conclusion of 42nd Annual General Meeting of the company and whose office shall not be liable to retire by rotation subject to the approval of shareholders in the ensuing Annual General Meeting.

**iii. Retire by Rotation**

Mr. Shafeen Charania (DIN: 07283015) shall retire by rotation at the ensuing Annual General Meeting and is eligible for re-appointment. The Board recommends his re-appointment and the same forms part of the Annual General Meeting Notice.

**iv. Resignation of Directors:**

During the year, Mr. Vijay Kedia (DIN: 00230480) ceased to be Director of the Company w.e.f. October 29, 2020. Mr. Mayank Jhunjhunwala (DIN: 02695948) ceased to be Independent Director of the Company w.e.f. October 29, 2020. Ms. Jyoti Deviprasad Budhia (DIN: 00332044) ceased to be Independent Director of the Company with effect from January 18, 2021. The same is in compliance with Schedule V C(j) of SEBI (LODR) Regulations, 2015 in addition to applicable rules and regulations of applicable laws.

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.

## **7. 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 from all Independent Directors of the company confirming that they meet with criteria of Independence as prescribed under Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.

## **8. 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 March 17, 2021, 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.



## 9. 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, 2021, 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.

## 10. MEETINGS OF BOARD OF DIRECTORS

The board met 8 (eight) times during the year. The details about the board meeting and the attendance of the directors are provided in Corporate Governance Report.

## 11. 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

## 12. 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://www.lykis.in/investors>.

## 13. KEY MANAGERIAL PERSONNEL

Pursuant to Section 203 of the Companies Act, 2013, Mr. Prince Tulsian was the Managing Director upto November 14, 2020 and was designated as Non-Executive Director w.e.f. November 14, 2020. Mr. Nadir Dhrolia who was the Non- executive director in the Company, is now appointed as Managing Director w.e.f. November 14, 2020. Mr. Sunil Purohit resigned as the Chief Financial Officer w.e.f. November 14, 2020 and Mr. Shrigopal Kandoi was appointed as the Chief Financial Officer w.e.f. November 14, 2020.

Ms. Neha Mankame resigned from the post of Company Secretary and Compliance Officer of the company with effect from June 10, 2020. The Board of Directors at its Meeting held on June 10, 2020 appointed Mr. Anubhav Shrivastava as Company Secretary and Compliance Officer of the Company in place of Ms. Neha Mankame. Mr. Anubhav Shrivastava resigned from the said post with effect from February 22, 2021. The Board in its meeting held on March 17, 2021 appointed Ms. Sucheta Chaturvedi as the Company Secretary and Compliance Officer in place of Mr. Anubhav Shrivastava.

Mr. Rajesh Ramesh Tendolkar ceased to be Chief Executive Officer of the company with effect from January 15, 2021.

#### 14. EXTRACT OF ANNUAL RETURN

Pursuant to provision of section 92(3) of the Companies Act, 2013 and notification made thereunder, the extract of Annual Return in Form MGT-9 is attached as Annexure E.

#### 15. AUDITORS

##### STATUTORY AUDITOR

M/s Banshi Jain & Associates, Chartered Accountants (Firm Registration No:100990W) were appointed as Statutory Auditors of the Company by the Members at the 35th Annual General Meeting held on 30th September, 2019 to hold office from the conclusion of 35th Annual General Meeting until the conclusion of 40th Annual General Meeting on such remuneration as may be determined by the Board of Directors. However, the firm has shown its unwillingness to continue as the Auditors for the remaining term.

As per recommendation of the Audit Committee of the Company, the Board of Directors of the company have proposed for the appointment of M/s Singrodia & Associates, Chartered Accountant (Firm Registration No. 100990W) 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.100990W) to act as an 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 2020-21.

##### INTERNAL AUDITORS

The Board at its meeting held on June 25, 2021 had appointed M/s Ram Agarwal and Associates (Firm Registration No 140954W) for a period of one year.

##### SECRETARIAL AUDITOR

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, 2021 is appended to this Report as **Annexure B** which is self-explanatory of qualifications, reservations, adverse remark or disclaimers made by the Secretarial Auditors, in their Report.

#### 16. 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.

#### 17. 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 also through appointing professional firm to carry out such tests by way of systematic internal audit programme. Based on the review of the reported evaluations, the directors confirms that the financial statement for the year ended March 31, 2021, are in accordance with the applicable accounting standards.

#### 18. 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.

#### 19. 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"**.

## 20. PARTICULARS OF EMPLOYEE

During the year under report, 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.

## 21. 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.

## 22. DEPOSITS

The company has not accepted any deposits from public except advance received from customers amounting to ₹ 54.09 Lakhs which is still outstanding for more than 365 days and thus falls under the definition of Deemed deposits from the public as per 2 of Companies Acceptance of Deposit Rules, 2014. Detailed information is disclosed in financial statements.

## 23. 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.

## 24. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT

The Company has squared off during the year the unsecured loans outstanding as on 31st March 2020 given to 7 body corporates covered in the register maintained under section 189 of the Companies Act, 2013. The balance outstanding as at end of the year is NIL.

## 25. 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 2020-21, 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

## 26. 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 behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The mechanism provides adequate safeguards against victimisation of persons who use this mechanism. During the financial year 2020-21, 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>.

## 27. 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.

## 28. 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.

## 29. 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:

(₹ in lakhs)		
Particulars	Current Year	Previous Year
Foreign Exchange Outgo	254.12	393.70
Foreign Exchange earned	5,107.49	7,884.91

## 30. MATERIAL CHANGES AND COMMITMENTS

### a) Sale of Tea Division of the Company on Slump Sale Basis

The Board of Directors at its Meeting held on June 10, 2020, approved the Sale of Tea Division of the Company on slump sale basis subject to approval of shareholders. The Shareholders pursuant to sections 108, 110 of Companies Act, 2013 read with Rule 20 and Rule 22 respectively of the Companies (Management and Administration) Rules, 2014 approved the same through Postal Ballot (Remote E-Voting) on July 19, 2020 with requisite majority. Subsequently, the agreement for sale was duly executed..

### b) AUTHORITY TO CHANGE THE REGISTERED OFFICE OF COMPANY FROM ONE STATE TO ANOTHER STATE

The Board of Directors in its meeting held on June 25, 2021 had approved the shifting of Registered office, subject to shareholders approval, for ease of business and in interest 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.

### c) CHANGE IN OBJECT CLAUSE OF THE COMPANY

The Company, in addition to other services mentioned in MOA, is presently engaged in the business of production, manufacturing, distribution, import, export, trading, contract manufacturing, auction, del credere agency and all other business and commercial activity of or related to pharmaceutical products, food products, cosmetic and fast moving consumer goods (FMCG) or any one or more of the activities. In view of prevailing market conditions, the Company intends 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. It also intends 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. In order to enable the Company to undertake business as above, it is proposed to amend the Main Object Clause of MOA of the Company. By virtue of section 13 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rule, 2014; approval of members by way of special resolution is a prerequisite to amend the objects clause of the Company and thus your approval is sought for the same.

**d) VOLUNTARY DELISTING FROM CALCUTTA STOCK EXCHANGE**

The Board in its meeting held on June 25, 2021 had approved the voluntary delisting of shares from Calcutta Stock Exchange (CSE). Pursuant to its notice dated February 17, 2021, the CSE had intimated Companies with limited scrips been listed on the said exchange, have a burden to make all the regulatory compliances within the stipulated time limit and bearing the listing fees every year. In the said letter, CSE had extended time limit of Amnesty Scheme till 31st March, 2021 for suspended listed Companies by complying with all the regulatory compliances for becoming active who are suspended for less than 7 years.

The Company had applied for the said scheme, and on applications and complying with the Calcutta Stock Exchange, the Company has successfully revoked the suspension. Further the Company is in process of listing the capital raised post 2012. Once the listing process is completed, Company would be initiating the process of delisting its shares from the said exchange.

**e) ADOPTION OF NEW SET OF THE MEMORANDUM OF ASSOCIATION**

The Board of Directors in its meeting held on February 13, 2021 and June 25, 2021 had approved the alteration of Object clause and Registered office Clause of Memorandum of Association of Company subject to approval of Shareholders in the ensuing General Meeting 2021, respectively. The Board in its meeting held on June 25, 2021 had approved alongwith the above changes the adoption of the new set of MOA in line with the Companies Act, 2013, to align the existing MOA of the Company with Table A of the Schedule I of the Act and in accordance with Section 4 and 13 of the Act.

**f) CHANGE OF REGISTRAR AND TRANSFER AGENT OF THE COMPANY**

The Company in its Board meeting held on February 13, 2021 had approved the change in registrar and transfer agent of the Company intimating the stock exchange that R&D Infotech Private Limited will continue to act as the RTA of the Company till such time the process of changing RTA is completed including entering into tripartite agreement with "Purva Share Registry (India) Pvt. Ltd.", shifting of database and electronic connectivity to "Purva Share Registry (India) Pvt. Ltd." and receipt of requisite confirmations from National Securities Depositories Limited and Central Depository Services India Limited. The Company will separately notify the effective date of change in Registrar and Share Transfer Agent. The change is still under process.

**g) RECLASSIFICATION OF PROMOTERS**

Open offer was made by Mr. Nadir Dhrolia to the shareholders of Lykis Limited to acquire from them up to 67,81,305 equity shares of ₹10/- each representing 35% of the equity and voting share capital of Lykis @ ₹20/- per fully paid-up equity share, making him the promoter of the Company. The Company has received the request dated October 29, 2020 for reclassification of the shareholding from Promoter Category to Public Category under the provisions of the Regulation 31A of SEBI (Listing Obligation & Disclosure Requirements) Regulation, 2015 from the shareholders Mr. Vijay Kedia & M/s Kedia Securities Private Limited. The Board Meeting of the Company was conducted on November 14, 2020 whereby the Board of Directors have approved the Re-classification of shares held by Mr. Vijay Kedia (No of shares 1807911) & M/s Kedia Securities Private Limited (No of shares 126601). The said re-classification of promoters to public category was approved by the Shareholders through Postal Ballot of the Company held on February 22, 2021. Further the Company has submitted the application for reclassification of promoters to Bombay Stock Exchange (BSE) on March 18, 2021. The Company is yet to receive approval form BSE regarding the same.

**h) POSTAL BALLOT:**

The postal ballot notices passed during the year are mentioned in the Corporate Governance Report which forms part of the Annual Report.

**31. 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

**Nadir Dhrolia**  
Managing Director  
03303675

**Shafeen Charania**  
Non-Executive Director  
07283015

Date: August 03, 2021



# Annexure A and 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 Private Limited (Subsidiary Company)	April to March	NA	NA	20	(1140.67)	234.00	1354.66	0	466.83	(387.55)	0	(387.55)	0	99.95
2	Lykis Packaging Private Limited (Associate Company)	April to March	NA	NA	121.27	(205.03)	30.06	113.83	0	0	(65.71)	0	(65.71)	0	41.22
3.	Lykon Foods Private Limited (Associates and Company)	April to March	NA	NA	20	(22.59)	.54	3.14	0	2.87	2.60	0	2.60	0	36.67

## ANNEXURE B

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

#### FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2021.

[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 2021 ('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, 2020 to 31st March 2021, 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; and **(Not applicable to the Company during the Audit Period)**
- (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. except the following:

1. As per the Regulation of 19(1) & (2) of the SEBI (Listing Obligation & Disclosure Requirements) Regulation, 2015 there was non-compliance with respect to the composition of the Nomination & Remuneration Committee during the period from October 14, 2020 to February 14, 2021
2. As per the Regulation of 18 (1) (a) of the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 there was non-compliance with respect to the composition of Audit Committee. The Composition of Audit Committee Meeting was two members only on November 14, 2020 & on February 13, 2021

**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. The Company has taken approval of shareholders by way of passing special resolution through postal ballot wide Notice dated June 10, 2020) to sell/ transfer /dispose off the whole or substantially the whole of the undertaking of the Company i.e., tea division on slump sale basis for such consideration and on such terms and conditions as the Board of Directors of the Company consider beneficial to the Company.
2. Open offer was made by Mr. Nadir Dhrolia to the shareholders of Lykis Limited to acquire from them up to 67,81,305 equity shares of Rs.10/- each representing 35% of the equity and voting share capital of Lykis @ Rs.20/- per fully paid-up equity share.
3. The Company has received the request dated October 29, 2020 for reclassification of the shareholding from Promoter Category to Public Category under the provisions of the Regulation 31A of SEBI (Listing Obligation & Disclosure Requirements) Regulation, 2015 from the shareholders Mr. Vijay Kedia & M/s Kedia Securities Private Limited. The Board Meeting of the Company was conducted on November 14, 2020 whereby the Board of Directors have approved the Re-classification of shares held by Mr. Vijay Kedia (No of shares 1807911) & M/s Kedia Securities Private Limited (No of shares 126601). The said re-classification of promoters to public category was approved by the Shareholders through Postal Ballot of the Company held on February 22, 2021. Further the Company has submitted the application for reclassification of promoters to Bombay Stock Exchange (BSE) on March 18, 2021. The Company is yet to receive approval form BSE regarding the same.
4. The Company has incorporated a wholly owned subsidiary company "Lykis Exports LLC" in Sharjah, UAE, licensed by Sharjah Media City - Free Zone Authority, (SHAMS), Sharjah, UAE on February 08, 2021
5. Mr. Vijay Kedia (DIN: 00230480) ceased to be Director of the Company w.e.f. October 29, 2020.

6. Mr. Mayank Jhunjhunwala (DIN: 02695948) ceased to be Independent Director of the Company w.e.f. October 29, 2020.
7. Mr. Shafeen Sadruddin Charania (DIN: 07283015) appointed as Additional Director in the Capacity of Non-Executive Director in the Board Meeting held on November 14, 2020. Further shareholders of the company have appointed him as Non-Executive Director of the Company by passing Ordinary Resolution through Postal Ballot dated February 20, 2021.
8. Mr. Kairav Anil Trivedi (DIN: 07893708) appointed as Additional Director in the Capacity of Independent Director of the company in the Board Meeting held on November 14, 2020. Further shareholders of the company have appointed him as Non-Executive Independent Director of the Company by passing Ordinary Resolution through Postal Ballot dated February 20, 2021.
9. The Board of Directors in their meeting held on November 14, 2020 have approved the re-designation of Mr. Prince Tulsian (DIN: 02691348) from Managing Director to Non-Executive Director of the company. Further consent of the members of the company by passing Ordinary Resolution through Postal Ballot dated February 20, 2021 have re-designation of Mr. Prince Tulsian (DIN: 02691348) as Non-Executive Director of the company.
10. The Board of Directors in their meeting held on November 14, 2020 have appointed Mr. Nadir Umedali Dhrolia (DIN: 03303675) as the Managing Director of the Company for a term of five consecutive years. Further consent of the members of the company by passing Special Resolution through Postal Ballot dated February 20, 2021 have granted for the appointment of Mr. Nadir Umedali Dhrolia (DIN: 03303675) as the Managing Director of the company with effect from November 14, 2020 for a period of five (5) consecutive years.
11. Mr. Rajesh Vasudevan Nambiar (DIN: 09004586) appointed as Additional Director in the capacity of Independent Director of the company in the Board Meeting held on February 13, 2021.
12. Ms. Neha Rajen Gada (DIN: 01642373) appointed as Additional Director in the capacity of Independent Director of the company in the Board Meeting held on February 13, 2021.
13. Ms. Jyoti Deviprasad Budhia (DIN: 00332044) ceased to be Independent Director of the Company with effect from January 18, 2021.
14. Mr. Rajesh Ramesh Tendolkar ceased to be chief Executive Officer of the company with effect from January 15, 2021.
15. Mr. Shrigopal Kandoi appointed as Chief Financial Officer of the Company in the place of Mr. Sunil Purohit with effect from November 14, 2020.
16. Appointment of Mr. Anubhav Shrivastava as the Company Secretary & Compliance Officer of the Company in the place of Ms. Neha Mankame, w.e.f. June 10, 2020. Further Ms. Sucheta Chaturvedi appointed as the Company Secretary & Compliance Officer of the Company in the place of Mr. Anubhav Shrivastava w.e.f. March 17, 2021.

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

**Swapnil Pande**

M. No.: A44893 C.P. No.: 21962  
UDIN: A044893C000684290

Place: Mumbai  
Date: 26/07/2021

*(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.**  
Practising Company Secretaries

Place: Mumbai  
Date: 26/07/2021

**Swapnil Pande**  
M. No.: A44893 C.P. No.: 21962  
UDIN: A044893C000684290



## ANNEXURE C

### Related Party Transaction during the Financial Year 2020-21.

Sr. No.	Name of the Related Party	Nature of Relationship	Nature of Transaction	Trasnaction Value (₹ in Lakhs)
1	Dharamnagar Tea Estate Pvt. Ltd.	Enterprises over which key Managerial personnel are able to exercise significant influence	Purchase	60.66
2	Prince Tulsian	Director	Remuneration	7.20
3	Sunil Chandraprakash Purohit	Key Managerial Personnel	Remuneration	11.30
4	Shrigopal Kandoi	Key Managerial Personnel	Remuneration	4.48
5	Rajesh Tendolkar	Key Managerial Personnel	Remuneration	17.60
6	Swati Tendolkar	Relative of Key Managerial Personnel	Professional fees	9.10
7	Monika Kandoi	Relative of Key Managerial Personnel	Professional fees	4.25
8	Spectra International	Enterprises over which Key Managerial Personnel are able to exercise significant influence	Rent	59.20
9	Vishal Agrifood Ventures Pvt. Ltd.	Enterprises over which Key Managerial Personnel are able to exercise significant influence	Other Expenses	0.11
10	Lykis Herbals Pvt. Ltd.	Managerial personnel are able to exercise significant influence	Other Expenses	32.88
11	Bywell Confectioners Private Limited (Formerly known as Lykis Confectioners Pvt. Ltd)	Managerial personnel are able to exercise significant influence	Other Expenses	0.04
12	Lykis Export LLC	Subsidiary	Other Expenses	7.88
13	Lykis Packaging Pvt. Ltd.	Associates	Other Expenses	0.08
14	Dhrolia LLP	Managerial personnel are able to exercise significant influence	Sale of Investment	2.00
15	Lykis Export LLC	Subsidiary	Purchase of Investment	19.85
16	Dharamnagar Tea Estate Pvt. Ltd.	Managerial personnel are able to exercise significant influence	Reimbursement of Expenses	6.35
17	Dharamnagar Tea Estate Pvt. Ltd.	Managerial personnel are able to exercise significant influence	Reimbursement of Income	1.46
18	Lykis Packaging Pvt. Ltd.	Associates	Loan Repaid	83.33
19	Lykis Biscuits Pvt. Ltd.	Managerial personnel are able to exercise significant influence	Loan Repaid	53.25
20	Pragati Aerolos Pvt. Ltd.	Managerial personnel are able to exercise significant influence	Loan Repaid	150.55
21	Lykis Herbal Pvt. Ltd.	Managerial personnel are able to exercise significant influence	Loan Repaid	107.50
22	Vijay Kedia	Key Managerial Personnel	Borrowings Taken	434.37
23	Vijay Kedia	Key Managerial Personnel	Borrowings Repaid	25.00

## 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:			
	Sr. No.	Name of Director / Key Managerial Personnel	Designation	Ratio of remuneration of each Director to the median remuneration of the employees
	1.	Mr. Prince Tulsian (upto November 14, 2020)	Managing Director	3:1
	2.	Mr. Rajesh Tendolkar (upto January 15, 2021)	Chief Executive Officer	7.35:1
	3.	Mr. Sunil Purohit (upto November 14, 2020)	Chief Financial Officer	4.72:1
	4.	Ms. Neha Mankame (upto June 10, 2020)	Company Secretary	0.39:1
	5.	Ms Jyoti Budhia (upto January 18, 2020)		0.16:1
	6.	Mr. Rajendra Singh Singhvi (w.e.f. January 08, 2019)	Non-Executive Independent Director	0.2:1
	7.	Mr. Kairav Trivedi (w.e.f. November 14, 2020)	Non-Executive Independent Director	0.1:1
	8.	Mr. Nadir Dhrolia (w.e.f. November 14, 2020)	Managing Director	0:1
	9.	Mr. Shrigopal Kandoi (w.e.f. November 14, 2020)	Chief Financial Officer	1.87:1
	10.	Mr. Anubhav Shrivastava (appointed w.e.f. June 10, 2020 upto February 22, 2021)	Company Secretary	1.33:1
	11.	Ms. Sucheta Chaturvedi (Appointed w.e.f. March 17, 2021)	Company Secretary	0.08:1
(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;			Nil
(iii)	the percentage increase in the median remuneration of employees in the financial year;			Nil
(iv)	the number of permanent employees on the rolls of Company;			89
(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

## ANNEXURE E

### FORM NO. MGT 9 EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2021

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

#### I. REGISTRATION & OTHER DETAILS

1.	CIN	L74999WB1984PLC038064
2.	Registration Date	15/10/1984
3.	Name of the Company	Lykis Limited
4.	Category/Sub-category of the Company	Company limited by shares / Indian Non-Government Company
5.	Address of the Registered office & contact details	57.B, C.R. Avenue 1 <sup>st</sup> Floor, Kolkata 700012
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s R&D Infotech Pvt. Ltd. 7A, Beltala Road, 1 <sup>st</sup> Floor, Kolkata-700 026

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10% or more of the total turnover of the company shall be stated)

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1.	Perfumes, Soap, Oral & Dental Hygiene, Cosmetics & Toiletries, Confectionery, Tea	20231, 20234, 20235, 20236, 20237, 10712, 10791	100

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name of the Company	Address of the Company	CIN	Holding/ Subsidiary/ Associate Company	% of shares held	Applicable section under Companies Act, 2013
1.	<b>Lykis Marketing Pvt. Ltd.</b>	Grandeur Building, 4 <sup>th</sup> Floor, Opp. Gundecha Symphony, Andheri West, Mumbai-400053.	U71420MH2012PTC230365	Wholly Owned Subsidiary	99.95%	2(87)
2.	<b>Lykis Exports LLC</b>	Sharjah Media City, Sharjah, UAE	Foreign Company	Wholly Owned Subsidiary	100%	2(87)
3.	<b>Lykis Packaging Pvt. Ltd.</b>	Grandeur Building, 4 <sup>th</sup> Floor, Gundecha Symphony, Andheri West, Mumbai-400 053.	U74900MH2012PTC230784	Associate Company	41.23%	2(6)
4.	<b>Lykon Foods Private Ltd.</b>	Grandeur Building, 4 <sup>th</sup> Floor, Gundecha Symphony, Andheri West, Mumbai-400 053.	U15122MH2016PTC274568	Associate Company	36.67%	2(6)

#### IV SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

##### A. Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year [As on March 31, 2021]				No. of Shares held at the end of the year [As on March 31, 2021]				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	4184383	-	4184383	21.60%	15172877	-	15172877	78.31	56.71
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	2479435	-	2479435	12.80%	126601	0	126601	0.65	12.14
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
<b>Sub-Total (A) (1)</b>	<b>6663818</b>	<b>-</b>	<b>6663818</b>	<b>34.39%</b>	<b>15299478</b>	<b>0</b>	<b>15299478</b>	<b>78.96</b>	<b>44.57</b>
<b>(2) Foreign</b>									
a) Individual (NRIs/Foreign Individuals)	-	-	-	-	-	-	-	-	-
b) Bodies Corporate	-	-	-	-	-	-	-	-	-
c) Institutions	-	-	-	-	-	-	-	-	-
d) Others	-	-	-	-	-	-	-	-	-
<b>Sub-Total (A) (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total shareholding of Promoter (A)</b>	<b>6663818</b>	<b>-</b>	<b>6663818</b>	<b>34.39%</b>	<b>15299478</b>	<b>0</b>	<b>15299478</b>	<b>78.96</b>	<b>44.57</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	250095	7500	257595	1.33%	293872	7500	301372	1.56%	0.00%
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakhs	228086	435706	663792	3.43%	2133511	71000	2204511	11.38%	7.95%
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakhs	8351859	2487170	10839029	55.94%	1075495	401906	1477401	7.63%	-48.32%
c) Director Relation	-	-	-	-	-	-	-	-	-
c) Others (specify)									
NRI's	950921	-	950921	4.91%	67393	25000	92393	0.48%	-4.43%
<b>Sub-total (B)(2):-</b>	<b>9780961</b>	<b>2930376</b>	<b>12711337</b>	<b>65.61%</b>	<b>3570271</b>	<b>505406</b>	<b>4075677</b>	<b>21.04%</b>	<b>-40.37%</b>
<b>Total Public Shareholding (B)=(B) (1)+ (B)(2)</b>	<b>9780961</b>	<b>2930376</b>	<b>12711337</b>	<b>65.61%</b>	<b>3570271</b>	<b>505406</b>	<b>4075677</b>	<b>21.04%</b>	<b>-40.37%</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>									
<b>Grand Total (A+B+C)</b>	<b>16444779</b>	<b>2930376</b>	<b>19375155</b>	<b>100.00%</b>	<b>18869749</b>	<b>505406</b>	<b>19375155</b>	<b>100.00%</b>	<b>4.21%</b>

**B. Shareholding of Promoter-**

Shareholder's Name	Shareholding at the beginning of the period			Shareholding at the end of the period			% change in shareholding during the year
	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
Mr. Vijay Kishanlal Kedia*	4184383	21.60%	Nil	1807911	9.33%	Nil	Nil
Kedia Securities Pvt. Ltd*	2479435	12.80%	Nil	126601	0.65%	Nil	Nil
Mr. Nadir Umedali Dhrolia	-	-	-	13364966	68.98%	Nil	Nil

\*Mr. Vijay Kedia and Kedia Securities Private Limited were promoters of the Company. However on request received from them and after all Compliances, the request for reclassification of promoters was approved by shareholders of the Company on February 22, 2021 through postal ballot results. The same is pending for approval from BSE. Also, Mr. Nadir Umedali Dhrolia had undergone Open Offer during the year and hence is now a promoter and his shareholding is disclosed under promoter category.

**C. Change in Promoters' Shareholding (please specify, if there is no change)**

Mr. Vijay Kedia and Kedia Securities Private Limited were promoters of the Company. However on request received from them and after all Compliances, the request for reclassification of promoters was approved by shareholders of the Company on February 22, 2021 through postal ballot results. The same is pending for approval from BSE. Also, Mr. Nadir Umedali Dhrolia had undergone Open Offer and hence is now a promoter and his shareholding is disclosed under promoter category.

**D. Shareholding Pattern of top ten Shareholders:**

(Other than Directors, Promoters and Holders of GDRs and ADRs)

For Each of the Top 10 Shareholders		Shareholding at the beginning of the year, i.e. 01.04.2020		Shareholding at the end of the year, i.e. 31.03.2021	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1					
ANIRUDH ANIL GAGGAR		948834	4.90	948834	4.90
<b>Date</b>	<b>Reason</b>				
15-05-2020	BUY	5423	0.03	954257	4.93
19-06-2020	SELL	480832	2.48	473425	2.44
<b>Closing Balance:</b>				473425	2.44
2					
ADITYA ANIL GAGGAR		0	0.00	0	0.00
<b>Date:</b>	<b>Reason</b>				
19-Jun-20	BUY	473958	2.45	473958	2.45
18-Sep-21	SELL	1500	0.01	472458	2.44
<b>Closing Balance:</b>				472458	2.44
3					
UTTAM BHARAT BAGRI		218621	1.13	218621	1.13
<b>Date</b>	<b>Reason</b>				
12-Feb-21	SELL	25000	0.13	193621	1.00
<b>Closing Balance:</b>				193621	1.00
4					



For Each of the Top 10 Shareholders		Shareholding at the beginning of the year, i.e. 01.04.2020		Shareholding at the end of the year, i.e. 31.03.2021	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
VINOD FOJMALJI KOTHARI HUF.		0	0.00	0	0.00
<b>Date</b>	<b>Reason</b>				
14-08-2020	BUY	60000	0.31	60000	0.31
21-08-2020	BUY	25010	0.13	85010	0.44
28-08-2020	BUY	2259	0.01	87269	0.45
04-09-2020	BUY	10000	0.05	97269	0.50
25-09-2020	BUY	2927	0.02	100196	0.52
09-10-2020	BUY	50426	0.26	150622	0.78
04-12-2020	BUY	1000	0.01	151622	0.78
08-02-2021	BUY	2929	0.02	154551	0.80
19-02-2021	BUY	28433	0.15	182984	0.94
26-02-2021	BUY	6666	0.03	189650	0.98
12-03-2021	BUY	891	0.00	190541	0.98
26-03-2021	BUY	1306	0.01	191847	0.99
		<b>Closing Balance:</b>		<b>191847</b>	<b>0.99</b>
5					
VISHAL VINOD KOTHARI		0	0.00	0	0.00
<b>Date</b>	<b>Reason</b>				
24-07-2020	BUY	10000	0.05	10000	0.05
14-Aug-20	BUY	40528	0.21	50528	0.26
28-Aug-20	BUY	41897	0.22	92425	0.48
25-Sep-20	BUY	300	0.00	92725	0.48
9-Oct-20	BUY	1776	0.01	94501	0.49
5-Feb-21	BUY	500	0.00	95001	0.49
26-Feb-21	BUY	5550	0.03	100551	0.52
5-Mar-21	BUY	17254	0.09	117805	0.61
12-Mar-21	BUY	4065	0.02	121870	0.63
19-Mar-21	BUY	2066	0.01	123936	0.64
26-Mar-21	BUY	3131	0.02	127067	0.66
31-Mar-21	BUY	301	0.00	127368	0.66
		<b>Closing Balance:</b>		<b>127368</b>	<b>0.66</b>
6					
VIGHNHAR HOLDINGS PRIVATE LIMITED		103000	0.53	103000	0.53
<b>Date</b>	<b>Reason</b>				
		<b>Closing Balance:</b>		<b>103000</b>	<b>0.53</b>
<b>NO CHANGE DURING THE PERIOD</b>					
7					
ANKITA UTTAM BAGRI		63448	0.33	63448	0.33
<b>Date</b>	<b>Reason</b>				
		<b>Closing Balance:</b>		<b>63448</b>	<b>0.33</b>
<b>NO CHANGE DURING THE PERIOD</b>					
8					

For Each of the Top 10 Shareholders		Shareholding at the beginning of the year, i.e. 01.04.2020		Shareholding at the end of the year, i.e. 31.03.2021	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
BHARAT BAGRI		62000	0.32	62000	0.32
<b>Date</b>	<b>Reason</b>				
		<b>Closing Balance:</b>		<b>62000</b>	<b>0.32</b>
<b>NO CHANGE DURING THE PERIOD</b>					
9					
MANJULA VINOD KOTHARI		0	0.00	0	0.00
<b>Date</b>	<b>Reason</b>				
2-Oct-20	BUY	500	0.00	500	0.00
9-Oct-20	BUY	682	0.00	1182	0.01
16-Oct-20	BUY	17456	0.09	18638	0.10
23-Oct-20	BUY	41962	0.22	60600	0.31
		<b>Closing Balance:</b>		<b>60600</b>	<b>0.31</b>
10					
ARC MARITIME PRIVATE LIMITED		51751	0.27	51751	0.27
<b>Date</b>	<b>Reason</b>				
		<b>Closing Balance:</b>		<b>51751</b>	<b>0.27</b>
<b>NO CHANGE DURING THE PERIOD</b>					

**E. Shareholding of Directors and Key Managerial Personnel:**

Sr. No.	Name	Shareholding at the beginning of the year		Date-wise Increase/Decrease in Shareholding during the year			Cumulative Shareholding during the year	
		No. of Shares	% of Total shares of the company	Date	Reason	No. of Shares	No. of Shares	% of Total Shares of the company
1.	Mr. Vijay Kedia	4184383	21.60	04-09-2020	SELL	2376472	1807911	9.33%
2.	Mr. Nadir Umedali Dhrolia (Director)	2359370	12.18	04-09-2020	BUY	11005596	4659370	68.98%
3.	Mr. Prince Tulsian	2000	0.01	NO CHANGE DURING THE YEAR			2000	0.01

\*Mr. Vijay Kedia was a director and promoter of the Company. He Ceased to be director during the year. However on request received from him and after all Compliances, the request for reclassification of promoters was approved by shareholders of the Company on February 22, 2021 through postal ballot results. The same is pending for approval from BSE. Also, Mr. Nadir Umedali Dhrolia had undergone Open Offer and hence he is now a promoter and his shareholding is disclosed under promoter category.

## V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(₹ in Lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year (01-04-2020)</b>				
i) Principal Amount	45.88	3658.32	-	3703.8
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>45.88</b>	<b>3658.32</b>	<b>-</b>	<b>3703.8</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition				
* Reduction				
<b>Net Change</b>				
<b>Indebtedness at the end of the financial year (31-03-2021)</b>				
i) Principal Amount	-	5236.67	-	5236.67
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>-</b>	<b>5236.67</b>	<b>-</b>	<b>5236.67</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No.	Particulars of Remuneration	Prince Tulsian (Managing Director)*	Nadir Dhrolia (Managing Director)**	Total Amount
1	Gross salary	7,20,000	-	7,20,000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0		0
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0		0
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0		0
2	Stock Option	0		0
3	Sweat Equity	0		0
4	Commission - as % of profit - others, specify	0		0
5	Others, please specify	0		0
	<b>Total (A)</b>	<b>7,20,000</b>		<b>7,20,000</b>

\*Managing Director till November 14, 2020

\*\* Managing Director w.e.f. November 14, 2021

**B. Remuneration to other Directors**

Sl. No.	Particulars of Remuneration	Name of Directors								Total Amount		
		Mr. Vijay Kedia*	Mr. Nadir Dhroli**	Mr. Mayank Jhunjunwala*	Ms. Jyoti Budhia***	Mr. Rajendra Singh Singhvi	Mr. Rajesh Nambiar#	Mr. Kairav Trivedi##	Mrs. Neha Gada##		Mr. Prince Tulsian###	
1.	Independent Directors	-	-	-	-	-	-	-	-	-	-	-
	Fee for attending board committee meetings	-	-	-	40,000	50,000	25,000	-	-	-	-	1,15,000
	Commission	-	-	-	-	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-	-	-	-	-
	<b>Total (1)</b>	-	-	-	-	-	-	-	-	-	-	-
2.	Other Non-Executive Directors	-	-	-	-	-	-	-	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-	-	-	-	-	-	-	-
	Commission	-	-	-	-	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-	-	-	-	-
	<b>Total (2)</b>	-	-	-	-	-	-	-	-	-	-	-
	<b>Total (B) = (1 + 2)</b>	-	-	-	40,000	50,000	25,000	-	-	-	-	1,15,000
	<b>Total Remuneration</b>	-	-	-	40,000	50,000	25,000	-	-	-	-	1,15,000

\* Director upto October 29, 2020;

\*\* Non-Executive Director upto November 14, 2020;

\*\*\* Independent Director upto January 18, 2021;

# Independent Director w.e.f. February 13, 2021;

## Independent Director w.e.f. November 14, 2020;

### Non Executive Director w.e.f. November 14, 2020.

**C. Remuneration to Key Managerial Personnel Other Than Managing Director**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel						Total
		Mr. Rajesh Tendolkar (Chief Executive Officer)*	Mr. Sunil Purohit (Chief Financial Officer)**	Ms. Neha Mankame (Company Secretary)***	Mr. Shrigopal Kandoi (Chief Financial Officer)**	Mr. Anubhav Shrivastava (Company Secretary)****	Ms. Sucheta Chaturvedi (Company Secretary)#	
1	Gross salary							
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	17,60,000	11,30,000	95,578	4,48,447	3,18,623	20,500	37,73,148
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-	-	-	-
2	Stock Option	-	-	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-	-	-
4	Commission	-	-	-	-	-	-	-
	- as % of profit	-	-	-	-	-	-	-
	others, specify...	-	-	-	-	-	-	-
5	Others, please specify	-	-	-	-	-	-	-
	<b>Total</b>	<b>17,60,000</b>	<b>11,30,000</b>	<b>95,578</b>	<b>4,48,447</b>	<b>3,18,623</b>	<b>20,500</b>	<b>37,73,148</b>

\* CEO upto January 15, 2021;

\*\* Mr. Sunil Purohit resigned and Mr. Shrigopal Kandoi was appointed w.e.f. November 14, 2020;

\*\*\* CS upto June 10, 2020;

\*\*\*\* CS appointed w.e.f. June 10, 2020 and resigned w.e.f. February 22, 2021;

# CS appointed w.e.f. March 17, 2021.

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty	--	-	-	-	-
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty	-	-	-	-	-
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	-	-	-	-	-
Punishment					
Compounding					



## MANAGEMENT DISCUSSION AND ANALYSIS

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.

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, pharma products (tea industry before the execution of slum sale), resulting in the sales turnover of 61.80 cr. We are also 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 part of this Annual Report.

The current pandemic, conditional lockdown and competitive situation, had a major impact on shopper and consumer behaviour and has affected trade and retail operations. The global economy is projected to contract sharply by 6% in 2021. Despite this, Your Company believes that the Company's business will continue to grow strongly in the next several years on the back of its experience in operating in a challenging environment and its continued focus on capturing significant growth opportunities. During the year, India retains the 63rd position globally in the 'Ease of Doing Business' rankings on the back of reforms in areas such as starting a business, dealing with construction permits, trading across borders and resolving insolvency. The successful implementation of further structural initiatives identified by the Government towards improving the ease of doing business and fostering greater levels of value addition within the country would be crucial to boost the performance of the Indian economy and realise its full potential.

#### ➤ **Fast Moving Consumer Generation (FMCG):**

The Indian FMCG industry grew 9.4% in the January-March quarter of 2021, supported by consumption-led growth and value expansion from higher product prices, particularly for staples. According to Nielson report, the rural market registered an increase of 14.6% in the same quarter and metro markets recorded positive growth after two quarters. Indian online grocery market is estimated to exceed sales of about ₹ 22,500 crore (US\$ 3.19 billion) in 2020, a significant jump of 76% over the previous year. FMCG companies are looking to invest in energy efficient plants to benefit the society and lower cost in the long term. Growing awareness, easier access, and changing lifestyle are the key growth drivers for the consumer market. The focus on agriculture, MSMEs, education, healthcare, infrastructure and tax rebate under Union Budget 2019-20 was expected to directly impact the FMCG sector. Initiatives undertaken to increase the disposable income in the hands of common man, especially from rural areas, will be beneficial for the sector.

#### **Changing Dynamics of the FMCG Sector:**

The FMCG landscape is undergoing a sea change with the emergence of COVID-19, which is also impacting consumer behaviour across markets and geographies. We expect the following consumer trends to pick up in the post-COVID world:

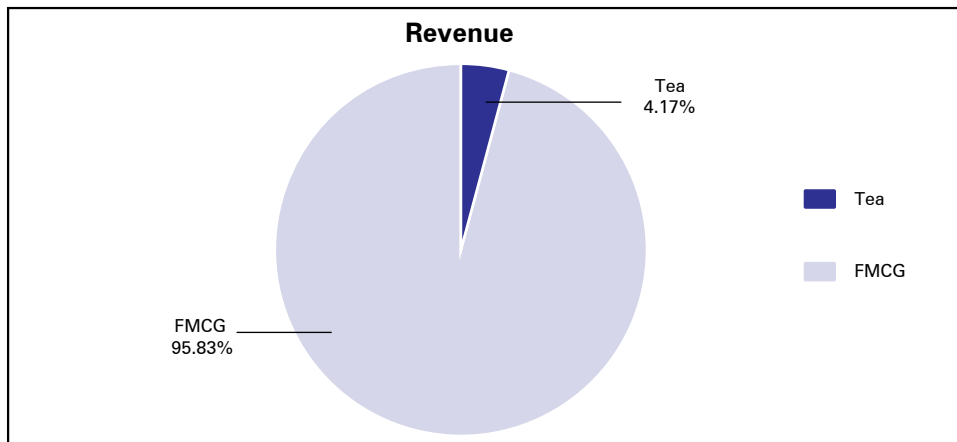
1. Increased consumer focus on healthcare, particularly preventive healthcare, with a preference for Ayurveda based solutions that boost immunity.
2. Greater focus on Personal Hygiene with demand for hand and home sanitisers expected to grow exponentially.
3. Discretionary spending would be curtailed due to shift of priorities towards essentials.
4. Movement towards financial security to gain momentum.
5. Technology to act as a catalyst for convenient, safe and enhanced consumer experiences.

### SEGMENT WISE REPORT

During the year ended March 31, 2021, Operational Revenue including other income on standalone basis was ₹ 5,972.66 lakhs. Profit/ (Loss) Before Tax was ₹ (1,325.45) lakhs vs ₹ (128.41) lakhs in previous year while Net Profit/(Loss) for the financial year ended March 31, 2021 was ₹ (1,087.08) lakhs vs ₹ (113.62) lakhs in previous year.

On a consolidated basis the operational revenue including other income was ₹ 6,439.49 lakhs and Profit/ (Loss) Before Tax was ₹ (937.90) lakhs vs ₹ (175.17) lakhs last year. The Net Profit/(Loss) for the financial year ended March 31, 2021 was ₹ (671.60) lakhs vs ₹ (190.42) lakhs in previous year.

Financial year 2020-21, our segment wise revenue stood as under:



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

The FMCG landscape is undergoing a sea change with the emergence of COVID-19, which is also impacting consumer behaviour across markets and geographies. We expect the following consumer trends to pick up in the post-COVID world:

1. Increased consumer focus on healthcare, particularly preventive healthcare, with a preference for Ayurveda based solutions that boost immunity.
2. Greater focus on Personal Hygiene with demand for hand and home sanitisers expected to grow exponentially.
3. Discretionary spending would be curtailed due to shift of priorities towards essentials.
4. Movement towards financial security to gain momentum.
5. Technology to act as a catalyst for convenient, safe and enhanced consumer experiences.

### INTERNAL CONTROL SYSTEM AND ADEQUACY

The company has proper and adequate system of Internal Controls which is commensurate with the size and the nature of business, to ensure that all assets are safeguarded and protected against loss from unauthorised use or disposal and commercial transactions are authorised, recorded and reported correctly. The internal control is supplemented by an extensive program of internal and external audits. The company accords greatest importance to the security

of its information assets and has the requisite security controls and checks. Adequate storage and back-up system is maintained to ensure security and availability of data at all times.

### 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.

### 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. Apart from that, changing preference of consumers, commodity prices and currency volatility as well as concentration of retailers in developed markets. The current COVID-19 crisis provides opportunities with likely increase in the in-home consumption.

### OPPORTUNITIES

Growing awareness, easier access, and changing lifestyles are the key growth drivers for the consumer market. The focus on agriculture, MSMEs, 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 2020-21	FY 2019-20	FY 2020-21	FY 2019-20
Interest Coverage Ratio	(3.29)	0.52	(5.23)	0.74
Current Ratio	1.00	1.04	1.16	1.30
Debt Equity Ratio	5.45	2.29	2.17	1.15
Operating Profit Margin	(0.12)	(0.04)	(0.19)	(0.04)
Net Profit Margin	(0.14)	(0.01)	(0.20)	(0.01)
Debtors Turnover Ratio	0.29	0.10	0.37	0.30

### 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: August 03, 2021

## 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.

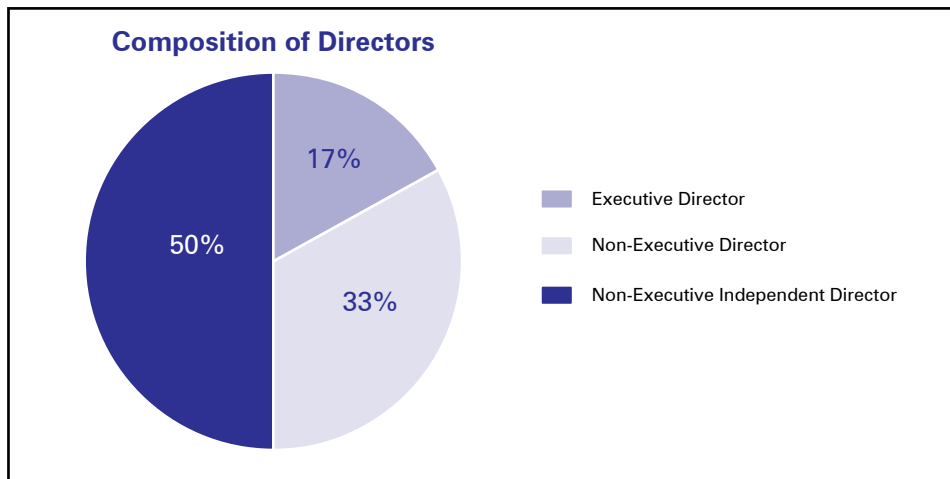
The company has adopted a Code of Conduct for its Directors, Employees, and has also adopted a Code of Conduct to regulate, monitor and report trading by insider and also fair disclosure code. Some of the most important best practices of Corporate Governance framework are timely and accurate disclosure 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 Regulation 27 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### 2. BOARD OF DIRECTORS

#### i. COMPOSITION

The Company maintains optimum combination of Executive, Non-Executive and Independent Directors on the Board of the Company. The Board of Directors 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 Promoter 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, 2021 is given below:

Name	Designation	Category	Shareholding as on 31.03.2021
Mr. Nadir Dhrolia	Managing Director	Executive Director	13364966
Mr. Prince Tulsian	Director	Non-Executive Director	2000
Mr. Shafeen Charania	Director	Non-Executive Director	-
Mr. Rajesh Nambiar	Director	Non-Executive Independent Director	-
Mr. Rajendra Singh Singhvi	Director	Non-Executive Independent Director	-
Ms. Neha Gada	Director	Non-Executive Independent Director	-
Mr. Kairav Trivedi	Director	Non-Executive Independent Director	-

- 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, 2021 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. Vijay Kedia*	8	5	Yes	3	i. Lykis Limited – Chairman ii. Atul Auto Limited - Non-Executive Non Independent Director, iii. Cheers Consumer Products Limited - Director	-	-
Mr. Prince Tulsian	8	8	Yes	3	i. Lykis Limited – Non-Executive Director, ii. Cheers Consumers Products Limited - Director, iii. Greenline Tea & Exports Limited - Director	-	-
Mr. Nadir Dhrolia	8	8	Yes	2	i. Lykis Limited–Executive Director	-	-
Mr. Mayank Jhunjhunwala*	8	5	Yes	1	i. Lykis Limited – Non-Executive Independent Director	2	2
Mr. Rajendra Singh Singhvi	8	8	Yes	1	i. Lykis Limited – Non-Executive Independent Director	1	2
Mrs. Jyoti Budhia**	8	5	No	2	i. Lykis Limited – Non-Executive Independent Director ii. Yash Trading And Finance Limited - Non-Executive Independent Director	1	3
Ms. Neha Gada #	8	2	NA	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	-	6
Mr. Rajesh Nambiar #	8	1	NA	-	Lykis Limited- Independent Director	-	1
Mr. Kairav Trivedi ##	8	2	NA	3	Lykis Limited - Independent Director, BDH Industries Limited - Independent Director	1	3
Mr. Shafeen Charania##	8	3	NA	1	Lykis Limited- Chairman	-	1

\* Resigned with effect from October 29, 2020;

\*\* Resigned with effect from January 18, 2021;

# Appointed with effect from February 13, 2021;

## Appointed with effect from November 14, 2020.

- 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 alone 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 the 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 2020-21, the Board met eight times in a year. The meetings were held at the intervals as permitted by the MCA vide its circulars amidst COVID situation. 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 10, 2020	6	6
July 31, 2020	6	6
August 31, 2020	6	6
September 15, 2020	6	6
November 14, 2020	4	4
February 13, 2021	5	5
February 15, 2021	7	6
March 17, 2021	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 March 17, 2021 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 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.in](http://www.lykis.in)

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, 2021.

The Board at its meeting held on February 13, 2021 has approved the appointment of Ms. Neha Gada (DIN: 01642373) and Mr. Rajesh Nambiar (DIN: 09004586) as Non-Executive Independent Director for term of five consecutive years commencing from the conclusion of 37<sup>th</sup> Annual General Meeting till the conclusion of 42<sup>nd</sup> Annual General Meeting of the company and whose office shall not be liable to retire by rotation subject to the approval of shareholder in the ensuing Annual General Meeting. The Board in its meeting held on June 25, 2021 has approved the re-appointment of Mr. Rajendra Singhvi (DIN: 08322932) as Non-Executive Independent Director for term of five consecutive years commencing from the conclusion of 37<sup>th</sup> Annual General Meeting till the conclusion of 42<sup>nd</sup> Annual General Meeting of the company and whose office shall not be liable to retire by rotation subject to the approval of shareholder in the ensuing Annual General Meeting.

#### 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 March 17, 2021, 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. 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.

#### viii. 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	Shafeen Charania and Prince Tulsian
Finance	Neha Gada, Kairav Trivedi, Rajendra Singhvi
Compliance & Governance	Neha Gada, Kairav Trivedi, Rajendra Singhvi
Global Business	Shafeen Charania, Nadir Dhrolia, Rajesh Nambiar
Industry Knowledge	Nadir Dhrolia, Shafeen Charania, Rajesh Nambiar
Strategic Vision	Rajesh Nambiar, Prince Tulsian, Nadir Dhrolia
Research & Innovations	Rajesh Nambiar, Prince Tulsian, Shafeen Charania

### 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 five times i.e. June 10, 2020; July 31, 2020; September 15, 2020, November 14, 2020 and February 13, 2021.

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. Mayank Jhunjunwala*	Chairman	Non-Executive Independent Director	3
Ms. Jyoti Budhia**	Member	Non-Executive Independent Director	4
Mr. Prince Tulsian <sup>§</sup>	Member	Executive Director	3
Mr. Kairav Trivedi <sup>#</sup>	Chairman	Non-Executive Independent Director	1
Ms. Neha Gada <sup>##</sup>	Member	Non-Executive Independent Director	Nil
Mr. Rajendra Singhvi <sup>#</sup>	Member	Non-Executive Independent Director	1

\*Resigned with effect from October 29, 2020;

\*\*Resigned with effect from January 18, 2021;

<sup>#</sup> Appointed with effect from November 14, 2020;

<sup>##</sup> Appointed with effect from February 13, 2021;

<sup>§</sup> Resigned with effect from November 14, 2020.

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 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 four times i.e. June 10, 2020, November 14, 2020, February 13, 2021 and March 17, 2021.

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

Director	Status	Category	No. of Meeting attended
Mr. Mayank Jhunjunwala*	Chairman	Non-Executive Independent Director	2
Ms. Jyoti Budhia**	Member	Non-Executive Independent Director	2
Mr. Vijay Kedia*	Member	Non-Executive Director	2

Director	Status	Category	No. of Meeting attended
Mr. Nadir Dhrolia***	Member	Non-Executive Director <sup>§</sup>	3
Mr. Kairav Trivedi #	Member	Non-Executive Independent Director	1
Ms. Neha Gada ##	Chairperson	Non-Executive Independent Director	1
Mr. Rajesh Nambiar ##	Member	Non-Executive Independent Director	-
Mr. Shafeen Charania ###	Member	Non-Executive Director	1

\*Resigned with effect from October 29, 2020;

\*\*Resigned with effect from January 18, 2021;

\*\*\*Resigned with effect from February 15, 2021;

# Appointed with effect from November 14, 2020 and resigned with effect from February 13, 2021;

## Appointed with effect from February 13, 2021;

### Appointed with effect from November 14, 2020;

§ Appointed as Executive Director with effect from November 14, 2020.

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.

### 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 November 14, 2020.

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

Director	Status	Category	No. of Meeting attended
Mr. Mayank Jhunjunwala*	Chairman	Non-Executive Independent Director	-
Ms. Jyoti Budhia**	Member	Non-Executive Independent Director	1
Mr. Prince Tulsian##	Member	Executive Director	1
Mr. Kairav Trivedi***	Member	Non-Executive Independent Director	-
Mr. Rajendra Singhvi***	Chairman	Non-Executive Independent Director	-
Mr. Rajesh Nambiar#	Member	Non-Executive Independent Director	-

\*Resigned with effect from October 29, 2020;

\*\*Resigned with effect from January 18, 2021;

\*\*\*Appointed with effect from November 14, 2020;

# Appointed with effect from February 13, 2021;

## Resigned with effect from November 14, 2020.

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.

During the financial year, the Company / Company's Registrar and Share Transfer Agent received Nil complaints.

#### 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
2019-20	30-09-2020 11.30 A.M.	Through Video Conferencing / Other Audio Visual Means (Vc/Oavm)	Yes	1. Re-appointment of Ms. Jyoti Deviprasad Budhia as a Non-Executive Independent Director
2018-19	30-09-2019 10:30 A.M.	"SANAI" 181/1, Upen Banerjee Road, Behala Airport More, Kolkata 700060	Yes	1. Appointment of Mr. Rajendra Singh Singhvi as a Non-Executive Independent Director 2. Re-appointment of Mr. Mayank Jhunjhunwala as a Non-Executive Independent Director
2017-18	24-09-2018 10:30 A.M	Sujata Devi Smriti Sadan, 7 Hazra Road, Kolkata 700026	No	1. No Special Resolution has been passed.

##### ii. Postal Ballot

During the year Company passed following resolutions through Postal Ballot:

Date of Results	Resolutions
July 21, 2020	1. To Confirm and Approve the Sale of Tea Division on Slump Sale Basis
February 22, 2021	1. Reclassification of Promoters; 2. Appointment of Mr. Shafeen Charania as Non- Executive Director; 3. Appointment of Mr. Kairav Trivedi as Independent Director; 4. Change in Designation of Mr. Prince Tulsian from Managing Director to Non-Executive Director; 5. Appointment of Mr. Nadir Dhrolia as Managing Director.

#### 5. MEANS OF COMMUNICATION

The un-audited Quarterly Results are announced within the timeline approved and amended under covid guidelines vide circulars and notifications issued 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, 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.in](http://www.lykis.in)

## **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 R & D Infotech Private Limited acted as the Registrar and Share Transfer Agent of the Company for handling all share transfer and related process.

M/s R & D Infotech Private Limited  
7A, Beltala Road, 1<sup>st</sup> Floor,  
Kolkata 700026

E-mail Id: [rd.infotech@gmail.com](mailto:rd.infotech@gmail.com)

Web Site: [rdinfotech@gmail.com](http://rdinfotech@gmail.com)

Contact No: (033) 24192642, (033) 24192641

## **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, R & D Infotech Private Limited is authorized by the Board for processing of share transfers which are approved by the Company's Stakeholders Relationship Committee.

## **14. DEMATERIALIZATION OF SHARES**

97.39% 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, 2021. The face Value of Share is ₹ 10/- per share.

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

As on March 31, 2021, the company did not have any outstanding GDRs/ADRs/Warrants or any Convertible instruments.

**16. 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. Sucheta Chaturvedi, Company Secretary and Compliance Officer for all investor related matters at the registered office of the company at the following address:

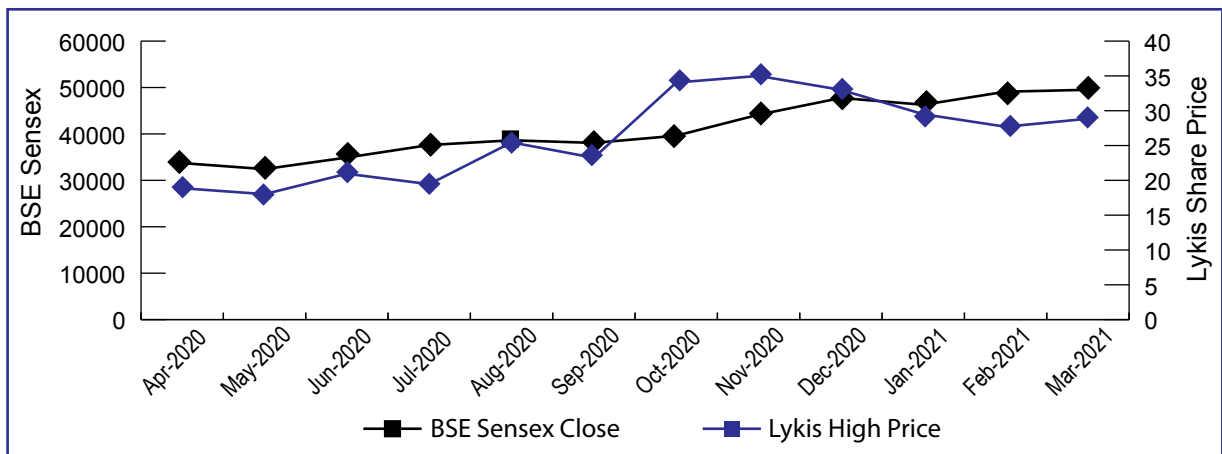
Lykis Limited  
57B, C. R. Avenue,  
1st Floor, Kolkata 700012

**17. MARKET PRICE DATA FOR FY 2021:**

The Company’s shares are regularly traded on BSE Limited. The monthly high/low and volume of shares of the company from April 01, 2020 to March 31, 2021 is given below:

Month	BSE		
	High	Low	Close
April – 2020	18.87	12.00	13.89
May- 2020	18.02	11.50	17.70
June – 2020	20.95	15.50	18.80
July – 2020	19.45	18.00	19.10
August – 2020	25.45	18.60	21.50
September – 2020	23.25	18.60	22.15
October – 2020	34.05	20.20	27.85
November – 2020	35.00	26.50	30.20
December – 2020	33.00	27.55	28.65
January -2021	29.50	23.60	24.95
February – 2021	27.70	23.10	26.15
March – 2021	28.85	24.25	26.30

**Lykis and BSE Sensex Share price movement from April 01, 2020 to March 31, 2021**



## 18. SHAREHOLDING AS ON MARCH 31, 2021

### i. Categories of Shareholders as on March 31, 2021

Sr. No.	Name of Shareholder	No. of Shares	% of holding
1	<b>PROMOTER &amp; PROMOTER GROUP</b>		
	Nadir Umedali Dhrolia	13364966	68.98
	Vijay Kishanlal Kedia*	1807911	9.33
	Kedia Securities Pvt Ltd*	126601	0.65
	<b>Total</b>	<b>15299478</b>	<b>78.96</b>
	<b>PUBLIC CATEGORY</b>		
2	DIRECTOR & DIRECTOR RELATIVE	2000	0.01
3	BODY CORPORATE	292282	1.51
4	OTHERS	3781395	19.52
	<b>Total</b>	<b>4075677</b>	<b>21.04</b>
	<b>Total</b>	<b>19375155</b>	<b>100</b>

\*Reclassification subject to BSE approval.

### 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 500	2863	488077	78.675%	2.52%
501 to 1000	423	347804	11.624%	1.80%
1001 to 2000	184	280260	5.056%	1.45%
2001 to 3000	45	116004	1.237%	0.60%
3001 to 4000	26	92759	0.714%	0.48%
4001 to 5000	30	142633	0.824%	0.74%
5001 to 10000	23	170958	0.632%	0.88%
10001 to 50000	30	637664	0.824%	3.29%
50001 to 100000	4	237799	0.110%	1.23%
100001 and Above	11	16861197	0.302%	87.02%
<b>TOTAL</b>	<b>3639</b>	<b>19375155</b>	<b>100.00%</b>	

## 19. GENERAL SHAREHOLDER INFORMATION

1.	Annual General Meeting Date, Time & Venue	August 26, 2021 at 11:00 A.M. through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM")
2.	Dates of Book Closure	August 20, 2021 to August 26, 2021 (both days inclusive)
3.	Financial Calendar (Tentative)	2021-2022
	Quarter Ending June 30, 2021	On or before August 15, 2021
	Half year ending September 30, 2021	On or before November 14, 2020
	Quarter Ending December 31, 2021	On or before February 14, 2021
	Year Ending March 31, 2021	On or before May 31, 2021
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 2020-21 has been paid to the exchange.
7.	Corporate Identification Number (CIN)	L74999WB1984PLC038064

\*The Company's equity shares are regularly traded on BSE. The Equity Shares are under suspension in ASE and in process of voluntary delisting from CSE.

## 20. DISCLOSURES:

### i. 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.

### ii. Statutory Compliance

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 : 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.

CSE had imposed a fine of ₹ 5,96,773 for continuous non-compliance since 2012 on March 24, 2021.

### iii. Disclosure of Accounting Treatment:

The financial statements have been prepared in accordance with the accounting standards and policies generally accepted in India.

### iv. 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.

### v. Policy on determining Material Subsidiary

The Company has no material subsidiary

## 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, Mr. Nadir Dhroliya, 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, 2021.

For **Lykis Limited**

Date: August 03, 2021  
Place: Mumbai

**Nadir Dhroliya**  
Managing Director  
03303675

**Shafeen Charania**  
Non-Executive Director  
07283015

## Chief Executive Officer & Chief Financial Officer Certification

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

We, Mr. Nadir Dhroliya (Managing Director) and Mr. 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, 2021 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, 2021 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 Dhroliya**  
Chief Executive Officer

Date: June 25, 2021  
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, 2021, 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 2021 except the following:

1. As per the Regulation of 19(1) & (2) of the SEBI (Listing Obligation & Disclosure Requirements) Regulation, 2015 there was non-compliance with respect to the composition of the Nomination & Remuneration Committee during the period from October 14, 2020 to February 14, 2021
2. As per the Regulation of 18 (1) (a) of the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 there was non-compliance with respect to the composition of Audit Committee. The Composition of Audit Committee Meeting was two members only on November 14, 2020 & on February 13, 2021.

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

Place: Mumbai  
Date: 26/07/2021

**Swapnil Pande**  
M. No.: A44893 C.P. No.: 21962  
UDIN: A044893C000684312



## 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 – 00012 (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, 2021 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  
UDIN: A044893C000684301

Place: Mumbai  
Date: 26/07/2021

# INDEPENDENT AUDITOR'S REPORT

## TO THE MEMBERS OF LYKIS LIMITED

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

#### Opinion

We have audited the accompanying standalone financial statements of LYKIS LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of changes in Equity and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (herein after referred to as "the Standalone financial 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 Standard under section 133 of the Act read with the Companies (Indian Accounting Standard) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2021, the loss and total 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 Standalone financial statements 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 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 provision of Act and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Standalone financial statements.

#### Key Audit Matters

Key audit matters ('KAM') 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 matters	How the matter was addressed in our audit
1	<p><b>Sundry Balances Written Off</b></p> <p>During the FY 2020-21, the Company has written off ₹ 172.06 lakhs for advances, receivables and loans which are not recoverable.</p> <p>Refer note no. 37</p>	<ul style="list-style-type: none"> <li>➤ Our audit procedures included the following:                             <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 the 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 financial statements.</li> </ul> </li> </ul>

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance Report, and Shareholder Information, but does not include the 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 during the course of our 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 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 of these Standalone financial statements that give a true and fair view of the state of affairs, profit/ loss (including other comprehensive income), Statement of 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) specifies 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, 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.

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

### **Auditors' 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 system 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 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.

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.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, 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 purpose of our audit.
  - b) In our opinion proper books of account as required by law have been kept by the company so far as it appears from our examination of those books.
  - c) The Balance Sheet, statement of Profit and Loss Account including Other Comprehensive Income, Statement of changes in Equity and the statement of Cash Flow dealt with by this Report is in agreement with the relevant books of account.
  - d) In our opinion 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 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 controls over financial reporting with reference to these Standalone financial statements of the company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
- B. With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended 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 31st March 2021 on its financial position in its Standalone financial statements – Refer Note 39 to the Standalone financial statements;
  - ii. The Company has made provision, as required under the applicable laws or Indian accounting standards for material foreseeable losses, if any, on derivative contracts;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

C. With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For **BANSHI JAIN & ASSOCIATES**  
Chartered Accountants  
FRN: 0100990W

**R. B. Golecha**  
Partner

Place: Mumbai  
Date: 25/06/2021

Membership No.: 035348  
UDIN: 21035348AAAAFQ7729

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

The Annexure referred to in our Independent Auditors’ Report to the members of the Company on the Standalone financial statements for the year ended on 31st March 2021. We report that:

- i. In respect of its fixed assets:
  - a. The company is in process of maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
  - b. The fixed assets of the company have been physically verified by the management during the year and no material discrepancies between the book records and the physical inventory have been noticed. In our opinion, the frequency of verification is reasonable.
  - c. In respect of land and building held by the company, the title deeds were not made available to us for verification and thus we are unable to comment whether all the title deeds of land and building are held in the name of the company. The total value of land and building as per the financial statements is ₹ 682.07 lakhs.
- ii. In respect of its inventories:

As explained to us, the physical verification of inventory is conducted on reasonable intervals by the company. In our opinion, the frequency of verification is reasonable. It has been certified by the management that no material discrepancies were noticed on physical verification of inventories when compared with book records. Wherever the discrepancies were noticed, the same are dealt with in the books of accounts after due reconciliation, confirmation and the approval of the proper authority.
- iii. According to the information and explanations given to us, the company has squared off during the year the unsecured loans outstanding as on 31st March 2020 given to 7 body corporates covered in the register maintained under section 189 of the Companies Act, 2013. The balance outstanding as at the end of the year was ₹ NIL.

In our opinion and according to the information and explanations given to us:

  - a. The terms and conditions of the grant of aforesaid loans are not prejudicial to the company’s interest.
  - b. In respect of the aforesaid loans, the parties are repaying the principal amounts as stipulated and no interest has been charged on loan given to these parties.
  - c. There are no amounts of loan granted to the company listed in the register maintained under section 189 of the Act, which were overdue for more than ninety days.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans given, investments made, guarantees given and securities provided except the following:
  - a. The company has squared off the loans given to the entities in which directors are interested during the year. The loans given to the entities in which directors are interested was not in line with the provisions of section 185 of Companies Act, 2013. The outstanding amount as on 31st March 2021 is ₹ NIL.
  - b. The company has squared off during the year the inter corporate loan as on 31st March 2020, in respect of which the company has not charged interest as per the provisions of section 186 of the Companies Act, 2013. The outstanding amount as on 31st March 2021 is ₹ NIL.
- v. The Company has not accepted any deposits except advance received from customers amounting to ₹ 54.09 lakhs which is still outstanding for more than 365 days and thus falls under the definition of Deemed Deposit from the public as per Rule 2 of Companies Acceptance of Deposit Rules, 2014. In respect of the deemed deposits the Company has not fulfilled with directives issued by the Reserve Bank of India, provisions of Sections 73 to 76 of the Act, any other relevant provisions of the Act and the relevant rules framed there under.
- vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.



vii. In respect of statutory dues:

- a. According to the information and explanations given to us and according to the books and records as produced and examined by us, in our opinion, the company is generally regular in depositing the undisputed statutory dues during the year including provident fund, employees' state insurance, income-tax, goods and service tax, cess and any other statutory dues as applicable with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, duty of customs, goods and service tax, and cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable except the following statutory liabilities.

(₹ in lakhs)

<b>Nature of Statutory Liability</b>	<b>Amount</b>
Liability for Tea Cess	19.82
Liability for Land Revenue	5.16
Liability for Gram Panchayat Tax	0.41
Value Added Tax	2.95

- b. According to the information and explanations given to us, there are no material dues of duty of customs and cess which have not been deposited with the appropriate authorities on account of any dispute. However, according to the information and explanations given to us, the particulars of dues of excise duty, Income tax as at 31st March, 2021 which have not been deposited on account of any dispute, are as follows:

(₹ in lakhs)

<b>Nature of the Statute</b>	<b>Nature of Dues</b>	<b>Forum where dispute is pending</b>	<b>Period to which the</b>	<b>Amount (₹)</b>
The Income Tax Act, 1961	Income Tax	CIT Appeal Kolkata	A.Y. 2015-16	73.72

- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks and financial institutions. The Company does not have any outstanding loans or borrowings from the government and has not issued any debentures during the year.
- ix. In our opinion and according to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) or term loans during the year. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- x. During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanation given to us, we have neither come across any instance of fraud done by the company or any fraud done on the company by its officers or employees, noticed or reported during the year, nor have we been informed of such case by the management.
- xi. According to the information and explanations provided by the management, the managerial remuneration has been paid/provided in accordance with the provision of section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable, and the requisite details have been disclosed in the notes to Standalone financial statements, as required by the applicable Ind AS.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, Paragraph 3(xiv) of the Order is not applicable to the Company.

- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934.

For **BANSHI JAIN & ASSOCIATES**  
Chartered Accountants  
FRN: 0100990W

**R. B. Golecha**  
Partner

Membership No.: 035348  
UDIN: 21035348AAAAFQ7729

Place: Mumbai  
Date: 25/06/2021

## “Annexure-B” to the Independent Auditors’ 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 with reference to Standalone financial statements of **LYKIS LIMITED** (“the Company”) as of 31st March, 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 with reference to Standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Notes”) issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation and maintenance of internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to Standalone financial statements based on our audit. We conducted our audit in accordance with 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 are applicable to an audit of Internal Financial Controls and, both issued by the ICAI. 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 internal financial controls with reference to Standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to Standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone financial statements included obtaining an understanding of internal financial controls with reference to Standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, 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 with reference to Standalone financial statements.

### **Meaning of Internal Financial Controls over financial statement**

A company’s internal financial control over Standalone financial statements 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 with reference to Standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of 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 Standalone financial statements**

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

### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an internal financial controls system with reference to Standalone financial statements and such internal financial controls with reference to Standalone financial statements were operating effectively as at 31st March, 2021, based on the internal control with reference to Standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **BANSHI JAIN & ASSOCIATES**

Chartered Accountants

FRN: 0100990W

**R. B. Golecha**

Partner

Membership No.: 035348

UDIN: 21035348AAAAFQ7729

Place: Mumbai

Date: 25/06/2021

# Standalone Balance Sheet as at March 31, 2021

(INR in Lakhs)

Particulars	Notes	(INR in Lakhs)	
		As at March 31, 2021	As at March 31, 2020
<b>I. ASSETS (A)</b>			
<b>1. Non Current Assets</b>			
(a) Property, Plant and Equipment	3	39.42	1,268.32
(b) Right to Use	4	282.67	207.12
(c) Capital Work-In-Progress	3	-	147.12
(d) Intangible Assets	5	-	0.26
(e) Financial Assets			
(i) Investments	6	97.21	74.94
<b>Sub-Total</b>		<b>419.30</b>	<b>1,697.76</b>
<b>2. Current Assets</b>			
(a) Inventories	7	1,254.92	89.47
(b) Financial Assets			
(i) Trade Receivables	8	2,390.07	2,599.59
(ii) Cash and Cash Equivalents	9	394.14	362.38
(iii) Other Bank Balance	10	46.14	996.19
(iv) Loans	11	15.42	638.67
(v) Other financial assets	12	102.06	152.02
(c) Current Tax Assets	13	103.93	182.18
(d) Other Current Assets	14	2,756.00	2,510.23
<b>Sub-Total</b>		<b>7,062.68</b>	<b>7,530.73</b>
Assets Classified as held for sale		1,524.81	-
<b>TOTAL</b>		<b>9,006.79</b>	<b>9,228.49</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	15	1,992.70	1,992.70
(b) Other Equity	16	147.49	1,217.08
<b>Sub-Total</b>		<b>2,140.19</b>	<b>3,209.78</b>
<b>Liability (B)</b>			
<b>1. Non Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	17	-	1.13
(ii) Lease Liability	18	243.01	172.87
(b) Deferred Tax (Assets)/Liabilities (Net)	19	(267.13)	(9.73)
(c) Other Non Current Liabilities	20	-	38.36
(d) Provisions	21	30.42	14.37
<b>Sub-Total</b>		<b>6.31</b>	<b>216.99</b>
<b>2. Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	22	4,248.33	3,701.67
(ii) Lease Liability	23	42.49	38.21
(iii) Trade Payable	24		
Total Outstanding due to Micro and Small Enterprises		49.17	7.39
Total Outstanding due to creditors other than Micro and small Enterprises		784.67	499.63
(iv) Other Financial Liabilities	25	51.02	1,110.49
(b) Other Current Liabilities	26	992.65	276.84
(c) Provisions	27	20.65	24.56
(d) Current Tax Liabilities	28	26.44	142.93
<b>Sub-Total</b>		<b>6,215.42</b>	<b>5,801.72</b>
Liabilities directly associated with assets held for sale		644.88	-
<b>TOTAL</b>		<b>9,006.79</b>	<b>9,228.49</b>
Summary of Significant Accounting Policies	2 to 48		

The accompanying notes are an integral parts of financial statements.

 As Per Our Report Of Even Date  
 For **BANSI JAIN & ASSOCIATES**  
 Chartered Accountants  
 Firm Regn.No.0100990W

For and on behalf of Board of Directors

**R. B. GOLECHA**  
 Partner  
 Mem.No.035348

**MR. NADIR DHROLIA**  
 Managing Director  
 DIN: 03303675

**MR. PRINCE TULSIAN**  
 Non Executive Director  
 DIN: 02691348

 Place: Mumbai  
 Dated: 25th June 2021

**SHRIGOPAL KANDOI**  
 Chief Financial Officer

**SUCHETA CHATURVEDI**  
 Company Secretary

## Standalone Profit & Loss Statement for the year ended March 31, 2021

(INR in Lakhs)

Particulars	Notes	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>INCOME</b>			
Revenue form Operations	29	5,867.56	8,415.96
Other Income	30	105.10	243.39
<b>Total Revenue</b>		<b>5,972.66</b>	<b>8,659.35</b>
<b>EXPENDITURE</b>			
Cost of Material Consumed	31	-	-
Purchases of Stock in Trade	32	6,924.05	7,089.88
Change in Inventories of Finished Goods	33	(1,230.34)	251.50
Employee Benefit Expenses	34	339.89	282.75
Finance Cost	35	206.42	223.31
Depreciation & Amortization Expense	36	78.23	50.18
Other Expenses	37	548.36	839.72
<b>Total Expenses</b>		<b>6,866.61</b>	<b>8,737.35</b>
<b>PROFIT/(LOSS) BEFORE TAXATION FROM CONTINUING OPERATION</b>		<b>(893.95)</b>	<b>(78.00)</b>
<b>LESS: Tax Expenses</b>			
- Current Tax			
- Taxes for Earlier Period		10.12	6.91
- Deferred Tax		(247.67)	(24.54)
<b>PROFIT/(LOSS) FOR THE YEAR FROM CONTINUING OPERATION (A)</b>		<b>(656.41)</b>	<b>(60.37)</b>
<b>DISCONTINUED OPERATIONS</b>			
Loss from discontinuing operation before tax		(431.50)	(50.41)
Less : Tax on discontinuing operation		(0.83)	2.84
<b>LOSS FROM DISCONTINUING OPERATION AFTER TAX (B)</b>		<b>(430.67)</b>	<b>(53.25)</b>
<b>PROFIT/(LOSS) FOR THE YEAR (A+B)</b>		<b>(1,087.08)</b>	<b>(113.62)</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
a) (i) Items that will not be reclassified to profit or loss-Continuing Operations			
- Acturial Gain/loss on Gratuity Valuation		1.76	-
(ii) Income tax relating to items that will not be reclassified to profit or loss			
b) (i) Items that will not be reclassified to profit or loss-discontinued Operations			
- Acturial Gain/loss on Gratuity Valuation		(2.06)	(3.68)
(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	(23.80)
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
<b>TOTAL OTHER COMPREHENSIVE INCOME</b>		<b>28.17</b>	<b>(27.48)</b>
<b>Total Comprehensive Income for the year</b>		<b>(1,058.91)</b>	<b>(141.09)</b>
<b>Earnings per Equity Share</b>			
Basic & Diluted Earnings Per Share - Continuing Operations	38	(3.39)	(0.31)
Basic & Diluted Earnings Per Share - Discontinued Operations	38	(2.22)	(0.27)
Basic & Diluted Earnings Per Share - (Continuing & Discontinued Operations)	38	(5.61)	(0.59)
Summary of Significant Accounting Policies	2 to 48		

The accompanying notes are an integral parts of financial statements.

As Per Our Report Of Even Date  
For **BANSI JAIN & ASSOCIATES**  
Chartered Accountants  
Firm Regn.No.0100990W

For and on behalf of Board of Directors

**R. B. GOLECHA**  
Partner  
Mem.No.035348

**MR. NADIR DHROLIA**  
Managing Director  
DIN: 03303675

**MR. PRINCE TULSIAN**  
Non Executive Director  
DIN: 02691348

Place: Mumbai  
Dated: 25th June 2021

**SHRIGOPAL KANDOI**  
Chief Financial Officer

**SUCHETA CHATURVEDI**  
Company Secretary



## Standalone Cash Flow Statement for the year ended March 31, 2021

(INR in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>A. Cash flow from Operating Activities</b>		
<b>Net Profit Before Tax From Continuing operations</b>	<b>(893.95)</b>	<b>(78.00)</b>
<b>Net Profit Before Tax From Discontinued operations</b>	<b>(431.50)</b>	<b>(50.41)</b>
Adjustments:		
Depreciation and Amortization of Property, Plant and Equipment	78.23	74.46
Loss on Sale of property, plant and equipment (net)	0.02	1.30
Remeasurement of Fixed assets	459.13	-
Income Taxes of earlier period	-	(6.91)
Assets written off	5.58	-
Sundry Balances written off	172.07	117.90
Finance Costs (Including Fair Value Change in Financial Instruments)	207.55	226.70
Interest Income	-	(69.42)
<b>Operating cash flows before working capital changes</b>	<b>(402.87)</b>	<b>215.63</b>
Adjustments for Changes in Working Capital		
Decrease/ (Increase) in Inventories	(1,223.17)	318.11
Decrease/ (Increase) in Trade receivables	21.05	883.18
Decrease/ (Increase) in Current Loans advances	611.39	95.12
Decrease/ (Increase) in Income Tax Asset	-	16.43
Decrease/ (Increase) in Non-Current Financial Assets - Others	-	1.47
Decrease/ (Increase) in Financial Assets - Other	42.61	352.73
Decrease/ (Increase) in Other Current Assets	(719.80)	633.73
Increase/ (Decrease) in Trade Payables	358.16	(1,026.81)
Increase/ (Decrease) in Current Financial Liabilities - Other	(983.88)	1,032.06
Increase/ (Decrease) in Lease Liability	74.42	-
Increase/ (Decrease) in Other Current Liabilities	772.20	(1,540.13)
Increase/ (Decrease) in Non-Current Provisions	17.86	(22.83)
Increase/ (Decrease) in Right to Use	(122.84)	-
Increase/ (Decrease) in Current Provisions	(0.34)	(30.43)
<b>Cash generated from operations</b>	<b>(1,555.20)</b>	<b>928.27</b>
Income taxes paid -	(6.83)	(10.00)
<b>Net cash flow (Used in) from operating activities (A)</b>	<b>(1,562.03)</b>	<b>938.27</b>
<b>B. Cash Flow from Investing Activities</b>		
Purchase or construction of property, plant and equipment (including capital work-in-progress and capital advances)	(48.83)	(269.39)
Proceeds from/ (Investment in) fixed deposits (net)	948.58	(45.84)
Purchase of Investments	(27.18)	-
Proceeds from sale of property, plant and equipment	0.13	2.80
Proceeds from Sale of Investments	2.00	11.89
Interest Received	-	69.42
<b>Net cash flow from/ (used in) investing activities (B)</b>	<b>874.70</b>	<b>(231.12)</b>

## Standalone Cash Flow Statement for the year ended March 31, 2021 (Contd.)

(INR in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>C. Cash Flow from Financing Activities</b>		
Proceeds from Government Grant		
Proceeds from/ (Repayment of) Non-Current Borrowings (net)	(1.13)	(829.26)
Increase / (Decrease) in Current Borrowings	934.00	460.39
Proceed from subsidy received from Government	0.70	-
Finance Costs	(207.55)	(226.70)
<b>Net cash flow from financing activities (C)</b>	<b>726.02</b>	<b>(595.57)</b>
<b>Net cash Increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>38.68</b>	<b>111.58</b>
Cash and cash equivalents at the beginning of the year (Refer Note 12)	362.38	250.80
Cash and cash equivalents at the end of the year (Refer Note 12)	401.06	362.38
<b>Net cash Increase/(decrease) in cash and cash equivalent</b>	<b>38.68</b>	<b>111.58</b>

### NOTES:

- 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.

The accompanying notes are an integral parts of financial statements.

As Per Our Report Of Even Date  
For **BANSI JAIN & ASSOCIATES**  
Chartered Accountants  
Firm Regn.No.0100990W

For and on behalf of Board of Directors

**R. B. GOLECHA**  
Partner  
Mem.No.035348

**MR. NADIR DHROLIA**  
Managing Director  
DIN: 03303675

**MR. PRINCE TULSIAN**  
Non Executive Director  
DIN: 02691348

Place: Mumbai  
Dated: 25th June 2021

**SHRIGOPAL KANDOI**  
Chief Financial Officer

**SUCHETA CHATURVEDI**  
Company Secretary

# Standalone Statement of Changes in Equity as at March 31, 2021

## Equity Share Capital

Particulars	(INR in Lakhs)	
	No. of shares	Amount
<b>As at 1st April, 2019</b>	<b>19,375,155.00</b>	<b>1,937.52</b>
Equity Share Capital issued during the year	-	-
<b>As at 31st March, 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>

## Other Equity

Description	(INR in Lakhs)						Other Income	Total
	General Reserve	Development Rebate Reserve	Revaluation Reserve	Investment Allowance Utilised Reserve	Securities Premium Reserve	Retained Earnings		
<b>Balance as at April 1, 2019</b>	<b>1.76</b>	<b>0.13</b>	<b>10.76</b>	<b>48.58</b>	<b>1,171.06</b>	<b>125.96</b>	-	<b>1,358.25</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>10.76</b>	<b>48.58</b>	<b>1,171.06</b>	<b>125.96</b>	-	<b>1,358.25</b>
Profit for the year	-	-	-	-	-	(113.61)	-	(113.61)
Other Comprehensive Income for the year	-	-	-	-	-	-	(27.48)	(27.48)
<b>Total Comprehensive Income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(113.61)</b>	<b>(27.48)</b>	<b>(141.09)</b>
Movement for the year	-	-	-	-	-	-	-	-
<b>Balance as at March 31, 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>(27.48)</b>	<b>1,217.16</b>
<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>(27.48)</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>(27.48)</b>	<b>1,206.40</b>
Profit for the year	-	-	-	-	-	(1,087.08)	-	(1,087.08)
Other Comprehensive Income for the year	-	-	-	-	-	-	28.17	28.1685
<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>	<b>(1,058.91)</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>(1,074.73)</b>	<b>0.69</b>	<b>147.49</b>

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

For **BANSI JAIN & ASSOCIATES**  
 Chartered Accountants  
 Firm Regn.No.0100990W

**R. B. GOLECHA**  
 Partner  
 Mem.No.035348

Place: Mumbai  
 Dated: 25th June 2021

For and on behalf of Board of Directors

**MR. NADIR DHROLIA**  
 Managing Director  
 DIN: 03303675

**SHRIGOPAL KANDOI**  
 Chief Financial Officer

**MR. PRINCE TULSIAN**  
 Non Executive Director  
 DIN: 02691348

**SUCHETA CHATURVEDI**  
 Company Secretary

## Notes to the Financial Statements for the year ended March 31, 2021

### 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 57B, C. R. Avenue, 1st floor, Kolkata 700012.

### 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

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 nonmonetary 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

PPE 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.

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-Moulds	5
2	Plant and Machinery-Cylinder	3
3	Motor Cycle	5
4	Electrical Installation	15

Depreciation is provided using the straight line method or 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	Roads and Bridges	10
2	Plant and Machinery	5 to 15
3	Computers and Printers	3 to 5
4	Furniture and Fittings	10
5	Motor Vehicles	5 to 10
6	Buildings and Fencing	5 to 60

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	Trademarks	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.

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. 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. 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 Valuation of Biological Assets

As required by Ind AS 41 - "Agriculture", management estimates the fair value of plucked (harvested tea leaf) and unplucked tea leaves (biological assets as at the balance sheet date) through the use of valuation models and recent transaction prices. Significant judgement is required for key assumptions used in determining average prevalent selling prices of the tea leaf, average quality of the tea leaf and quantity of unplucked leaf. The company has no unplucked leaf as on 31.03.2021.

## 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.

### **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**

##### **(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) 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) 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 noncurrent 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.

Additional disclosures are provided in Note 48 All other notes to the financial statements mainly include amounts for continuing operations, unless otherwise mentioned.

## 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 the Financial Statements for the year ended March 31, 2021

### 3 Property, Plant & Equipment

Particulars	(INR in Lakhs)										
	Land	Building	Roads & Bridges	Plant and Machinery	Computer	Furniture and Fixtures	Vehicles	Office Equipments	Electrical Installations	Total	Capital Work-in Progress
<b>Gross Carrying Amount as at April 1, 2019</b>	<b>1,005.19</b>	<b>162.94</b>	<b>22.79</b>	<b>457.13</b>	<b>52.18</b>	<b>0.85</b>	<b>50.21</b>	<b>20.46</b>	<b>52.99</b>	<b>1,824.74</b>	<b>131.87</b>
Additions	-	5.21	-	12.73	8.98	0.06	-	1.24	-	28.22	31.46
Transfer	-	-	-	-	-	-	-	0.49	-	0.49	16.21
Disposals	-	-	-	7.67	-	-	-	0.16	-	7.83	-
<b>As at March 31, 2020</b>	<b>1,005.19</b>	<b>168.15</b>	<b>22.79</b>	<b>462.19</b>	<b>61.16</b>	<b>0.91</b>	<b>50.21</b>	<b>21.05</b>	<b>52.99</b>	<b>1,844.64</b>	<b>147.12</b>
Additions	-	-	-	14.61	5.92	-	-	1.55	-	22.07	-
Additions - Discontinued Operations	-	-	-	0.21	0.02	-	-	0.17	0.02	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	235.18	3.08	0.75	50.21	3.02	53.02	1,156.12	173.46
<b>As at March 31, 2021</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>149.48</b>	<b>58.20</b>	<b>0.16</b>	<b>-</b>	<b>16.88</b>	<b>-</b>	<b>224.72</b>	<b>-</b>
<b>Accumulated Depreciation as at April 1, 2019</b>	<b>-</b>	<b>101.70</b>	<b>19.94</b>	<b>282.33</b>	<b>43.54</b>	<b>0.67</b>	<b>34.70</b>	<b>15.90</b>	<b>26.62</b>	<b>525.40</b>	<b>-</b>
Depreciation charge during the year	-	4.30	-	34.61	7.25	0.05	4.11	1.87	2.95	55.14	-
Accumulated depreciation on deletions	-	-	-	3.98	-	-	-	0.23	-	4.21	-
Adjustment made during the year	-	-	-	-	-	-	-	-	-	-	-
<b>As at March 31, 2020</b>	<b>-</b>	<b>106.00</b>	<b>19.94</b>	<b>312.96</b>	<b>50.79</b>	<b>0.72</b>	<b>38.81</b>	<b>17.54</b>	<b>29.57</b>	<b>576.33</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	211.01	2.75	0.59	38.81	2.36	29.57	411.04	-
<b>As at March 31, 2021</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>120.91</b>	<b>49.97</b>	<b>0.14</b>	<b>-</b>	<b>14.28</b>	<b>-</b>	<b>185.30</b>	<b>-</b>
<b>Net carrying amount as at March 31, 2021</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>28.57</b>	<b>8.22</b>	<b>0.03</b>	<b>-</b>	<b>2.60</b>	<b>-</b>	<b>39.42</b>	<b>-</b>
<b>Net carrying amount as at March 31, 2020</b>	<b>1,005.19</b>	<b>62.15</b>	<b>2.85</b>	<b>149.23</b>	<b>10.37</b>	<b>0.19</b>	<b>11.40</b>	<b>3.51</b>	<b>23.42</b>	<b>1,268.32</b>	<b>147.12</b>

#### 1. Land

The company does not bifurcate the value between land and bearer plants since the company is unable to estimate the useful life of bearer plants and therefore no depreciation is charged on the same.

## Notes to the Financial Statements for the year ended March 31, 2021

### 4. Right to Use

Particulars	(INR in Lakhs)	
		Building
<b>Gross carrying amount as at April 1, 2019</b>		
Additions		225.91
Disposals		-
<b>As at March 31, 2020</b>		<b>225.91</b>
<b>Accumulated amortisation and impairment as at April 1, 2019</b>		
Amortisation charge during the year		18.80
Disposals		-
<b>As at March 31, 2020</b>		<b>18.80</b>
<b>Net carrying amount as at March 31, 2020</b>		207.12
<b>Gross carrying amount as at April 1, 2020</b>		<b>207.12</b>
Additions		292.11
Deletion		207.12
<b>As at March 31, 2021</b>		<b>292.11</b>
<b>Accumulated amortisation and impairment as at April 1, 2020</b>		<b>18.80</b>
Amortisation charge during the year		47.28
Deletion		56.63
<b>As at March 31, 2021</b>		<b>9.44</b>
<b>Net carrying amount as at March 31, 2021</b>		<b>282.67</b>
<b>Net carrying amount as at March 31, 2020</b>		<b>207.12</b>

### 5 Intangible Assets

Particulars	(INR in Lakhs)	
		Trademark
<b>Gross carrying amount as at April 1, 2019</b>		<b>2.54</b>
Additions		-
Deletion		-
<b>As at March 31, 2020</b>		<b>2.54</b>
Additions		-
Deletion		-
<b>As at March 31, 2021</b>		<b>2.54</b>
<b>Accumulated amortisation and impairment as at April 1, 2019</b>		<b>1.75</b>
Amortisation charge during the year		0.53
Deletion		-
<b>As at March 31, 2020</b>		<b>2.28</b>
Amortisation charge during the year		0.26
Deletion		-
<b>As at March 31, 2021</b>		<b>2.54</b>
<b>Net carrying amount as at March 31, 2021</b>		-
<b>Net carrying amount as at March 31, 2020</b>		<b>0.26</b>

**Note:**

Intangible assets in case of trademarks are amortised on straight-line basis over a period of 5 years, based on management's estimate. The amortisation period and the amortisation method are reviewed at the end of each financial year.

## Notes to the Financial Statements for the year ended March 31, 2021

### 6 Investments

Particulars	(INR in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
<b>In Equity Shares of Subsidiary Companies - Unquoted, carried at cost</b>		
1,99,900 (1,99,900) shares of Lykis Marketing Pvt. Ltd.	19.99	19.99
100 (100) shares of Lykis Export LCC	19.85	
<b>In Equity Shares of Associate Companies - Unquoted, carried at cost</b>		
5,00,000 (5,00,000) shares of Lykis Packaging Pvt. Ltd.	50.04	50.00
73,339 (73,339) shares of Lykon Foods Pvt. Ltd.*	7.33	-
<b>In Equity Shares of Unquoted, carried at fair value through Profit &amp; Loss</b>		
10,000 (10,000) shares of Nakamichi Securities Ltd.*	-	2.95
<b>In Partnership firm-Carried at cost</b>		
Dhrolia LLP (Capital)	-	2.00
<b>Total Non-Current Investments</b>	<b>97.21</b>	<b>74.94</b>
Aggregate amount of quoted Investments	-	-
Market Value of quoted Investments	-	-
Aggregate amount of unquoted Investments	97.21	74.94
Aggregate amount of provision for diminution in value of investment	-	-

\*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 Inventories

Particulars	(INR in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
<b>Raw Material (At cost or net realizable value whichever is less)</b>		
- Greenleaf	-	0.42
- Nursery Plants	-	39.03
<b>Stock in trade (At cost or net realizable value whichever is less)</b>		
- FMCG & Others product	938.10	24.58
- Stock in Transit	316.82	
<b>Finished Goods (At cost or net realizable value whichever is less)</b>		
- Tea	-	4.76
<b>Stores &amp; Spares (At cost)</b>		
	-	20.68
	<b>1,254.92</b>	<b>89.47</b>

## Notes to the Financial Statements for the year ended March 31, 2021

### 8 Trade Receivables

Particulars	(INR in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
<b>Unsecured</b>		
Considered Good	2,415.30	2,623.83
Considered Doubtful	-	-
Less: Allowances for Credit Loss	(25.23)	(24.24)
	<b>2,390.07</b>	<b>2,599.59</b>

There are no debts due by directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member (Refer Related Party Note No. 46).

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.

### 9 Cash & Cash Equivalents

Particulars	(INR in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Balances with Banks		
- In Current Accounts	389.39	359.58
Cash in Hand	4.75	2.80
	<b>394.14</b>	<b>362.38</b>

### 10 Other Bank Balance

Particulars	(INR in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Fixed Deposits having original maturities more than 12 months but current maturities less than 12 months	-	1.47
Fixed Deposits having original maturities more than 3 months but less than 12 months	46.14	994.72
	<b>46.14</b>	<b>996.19</b>

### 11 Loans and Advances

Particulars	(INR in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
<b>Unsecured - Considered good</b>		
Loans to related parties (Note 2)	-	397.95
Others		
- Advances to employees	15.42	42.79
- Others (Note 3)	-	197.93
	<b>15.42</b>	<b>638.67</b>

## Notes to the Financial Statements for the year ended March 31, 2021

**Note 1:** There are no Loans including Installment and Interest outstanding from the directors.

**Note 2:** The company has given loans amounting to NIL/- (As at March 31, 2020 of ₹ 397.94 lakhs) to entities in which directors are interested.

**Note 3:** The company has given interest free inter corporate loans amounting to ₹ NIL (As at March 31, 2020 of ₹ 197.93 lakhs).

### 12 Other Financial Assets

Particulars	(INR in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Security deposits*	3.89	14.53
Interest accrued but not due on Term Deposit	0.33	9.62
Export Incentives & Subvention Interest receivable	93.16	127.87
Fair Value of derivative assets	4.67	-
	<b>102.06</b>	<b>152.02</b>

\*Security deposit represents and relates to leased warehouse premises, container deposit and utilities like electricity supplies, telephone supplies etc.

### 13 Income Tax

Particulars	(INR in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Income Tax Assets	103.93	182.18
	<b>103.93</b>	<b>182.18</b>

### 14 Other Current Assets

Particulars	(INR in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Advance Payment to Vendors	2,300.37	2,273.06
Balance with Government Authorities		
- GST Receivables	447.75	191.50
- Others	-	19.00
Other Receivables	0.63	3.73
Prepaid Expenses	7.25	22.94
	<b>2,756.00</b>	<b>2,510.23</b>



## Notes to the Financial Statements for the year ended March 31, 2021

### 15 Share Capital

Particulars	(INR in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
<b>Authorised</b>		
200,00,000 (PY 200,00,000) Equity Shares of ₹ 10/- each	<b>2,000.00</b>	<b>2,000.00</b>
<b>Issued, Subscribed and Paid up</b>		
- 1,93,75,155 (PY 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 of the above

- i. (a) 45,000 Equity shares of ₹ 10/- each issued as fully paid up for consideration other than Cash.
- (b) 12,75,340 Equity shares of ₹ 10/- each issued as fully paid up bonus shares through capitalisation of Reserve & Surplus.
- (c) The above (a) and (b) were not issued within the period of five years immediately preceding the date as at 31st March 2021.
- (d) 22,07,350 Equity Shares of ₹ 10/- each are forfeited shares.

#### ii. 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.

#### iii. 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, 2021		As at March 31, 2020	
	Number of shares	Amount	Number of shares	Amount
Balance as at the Beginning of the year	19,375,155	1,937.52	19,375,155	1,937.52
Add: Shares issued during the year	-	-	-	-
<b>Balance as at the end of the year</b>	<b>19,375,155</b>	<b>1,937.52</b>	<b>19,375,155</b>	<b>1,937.52</b>

## Notes to the Financial Statements for the year ended March 31, 2021

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

	(INR in Lakhs)			
	As at March 31, 2021		As at March 31, 2020	
	Nos.	% holding in the class	Nos.	% holding in the class
Equity Shares of ₹ 10/- each fully paid up				
Vijay Kishanlal Kedia	1,807,911	9.30	4,184,383	21.60
Anwarli Budhwani	-	-	1,569,288	8.10
Zarin Nazimbhai Charania	-	-	2,126,703	10.98
Nadir Umedali Dhrolia	13,364,966	69.00	2,359,370	12.18
Kedia Securities Pvt. Ltd.	-	-	2,479,435	12.80

As per records of the company, including its register of shareholders / members, the above shareholding represents both legal and beneficial ownerships of shares.

### 16 Reserves & Surplus

Particulars	(INR in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
<b>Securities Premium Account</b>		
Balance as per Last Account	1,171.06	1,171.06
Add : During the Year	-	-
	1,171.06	1,171.06
<b>General Reserve</b>		
Balance as per Last Account	1.76	1.76
Add : During the Year	-	-
	1.76	1.76
<b>Development Rebate Reserve</b>		
Balance as per Last Account	0.13	0.13
Add : During the Year	-	-
	0.13	0.13
<b>Investment Allowance Utilised Reserve</b>		
Balance as per Last Account	48.58	48.58
Add : During the Year	-	-
	48.58	48.58
<b>Revaluation Reserve</b>		
Balance as per Last Account	10.76	10.76
Less : Transferred to Profit & Loss Account	10.76	-
	-	10.76
<b>Other Comprehensive Income</b>		
Balance as per Last Account	(27.48)	-
Add : During the Year	28.17	(27.48)
	0.69	(27.48)
<b>Sub-Total (A)</b>	<b>1,222.23</b>	<b>1,204.81</b>

## Notes to the Financial Statements for the year ended March 31, 2021

Particulars	(INR in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
<b>Surplus / (Deficit) in the statement of Profit &amp; Loss</b>		
Balances as per last Financial Statements	12.35	125.97
Add : Profit / (Loss) during the year	(1,087.08)	(113.62)
<b>Sub-Total (B)</b>	<b>(1,074.73)</b>	<b>12.35</b>
<b>Total (A+B)</b>	<b>147.49</b>	<b>1,217.16</b>

### 17 Non-Current Borrowings

Particulars	(INR in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
<b>Secured</b>		
<b>Term Loans</b>		
- From Banks (Note 1)	-	0.33
- From Others		
Plantation Finance Loan from Tea Board (Note 2)	-	0.80
	<b>-</b>	<b>1.13</b>

\*Net of Current maturities of long-term debts and Interest accrued, which are included in Note 25.

**Note 1:** Term loan of INR 0.46 lakhs (F.Y. 2019-20 INR 1.64 lakhs) taken from Indian Bank is secured against hypothecation of motor car loan. The loan carries interest rate at 8.5% p.a. and balance is repayable 14 equal instalments (2020 - 14 equal instalments) and is disclosed under discontinued operation. (Refer Note 48)

**Note 2:** Term loan of INR 3.44 lakhs (F.Y. 2019-20 INR 7.14 lakhs) taken from Tea Board of India is secured against the hypothecation of land and building. The loan carries interest free and repayable in 60 monthly instalments starting from 30th September 2016 and is disclosed under discontinued operation. (Refer Note 48).

### 18 Lease Liability

Particulars	(INR in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Lease Liability	243.01	172.87
	<b>243.01</b>	<b>172.87</b>

## Notes to the Financial Statements for the year ended March 31, 2021

### 19 Deferred Tax Liability

Particulars	(INR in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
<b>Deferred Tax liability</b>		
On account of carrying value of property, plant and equipment	-	12.42
On account of Right to Use	71.14	53.85
	<b>(A)</b>	<b>66.27</b>
<b>Deferred Tax asset</b>		
On account of carrying value of property, plant and equipment	7.13	-
On account of expected credit loss on trade receivables	6.35	6.30
On account of provision for gratuity	8.22	4.13
On account of loss on revaluation	1.63	3.09
On account of lease liability	71.86	54.88
On account of Provision for Bonus	1.13	1.53
On account of Business Loss	241.95	6.06
	<b>(B)</b>	<b>76.00</b>
<b>Net Deferred Tax Liability</b>	<b>(A-B)</b>	<b>(9.73)</b>

### 20 Other Non-Current Liabilities

Particulars	(INR in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Deferred government grant	-	38.36
	-	<b>38.36</b>

### 21 Provisions

Particulars	(INR in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Provision for Gratuity	30.42	14.37
	<b>30.42</b>	<b>14.37</b>

### 22 Borrowings

Particulars	(INR in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
<b>Secured (Repayable on demand)</b>		
Working capital loan from bank (Note No. 1)	-	44.35
<b>Unsecured (Repayable on demand)</b>		
From Banks		
- Export Packing Credit INR Loan (Note No. 2)	3,804.43	3,235.45
From Others		
- Cheers Consumer Products Ltd.	-	4.94
- Directors	443.90	416.93
	<b>4,248.33</b>	<b>3,701.67</b>

## Notes to the Financial Statements for the year ended March 31, 2021

**Note No. 1:** These facilities are secured against the following charge on various assets of the Company:

- (a) Primary : Hypothecation charge on the entire current assets of the Company, both present & future.
- (b) Collateral : Fixed deposits of the company.

**Note No. 2:** Working Capital Loan from HDFC Bank amounting to INR NIL (FY 2019-20 : INR 2,315.45 lakhs) & ICICI Bank Limited INR 3,804.42 lakhs (FY 2019-20 : INR 920 Lakhs) is repayable on demand and is secured against fixed deposits of third party.

### 23 Lease Liability

Particulars	(INR in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Lease Liability	42.49	38.21
	<b>42.49</b>	<b>38.21</b>

### 24 Trade Payables

Particulars	(INR in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Total Outstanding due to Micro and Small Enterprises*	49.17	7.39
Total Outstanding due to other than Micro and Small Enterprises	784.67	499.63
	<b>833.84</b>	<b>507.02</b>

\*Details of dues to Micro and Small Enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006)

Particulars	(INR in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Principal amount due to suppliers under MSMED Act, 2006	47.72	7.27
Interest accrued and due to suppliers under MSMED Act, on the above amount	1.32	0.12
Payment made to suppliers (other than interest) beyond the appointed day, during the year	-	-
Interest paid to suppliers under MSMED Act (other than Section 16)	-	-
Interest paid to suppliers under MSMED Act (Section 16)	-	-
Interest due and payable to suppliers under MSMED Act, for payment already made	0.13	-
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>

## Notes to the Financial Statements for the year ended March 31, 2021

### 25 Other Financial Liabilities

Particulars	(INR in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Current maturities of long term debts	-	1,001.98
Employee Benefits payable	38.99	77.12
Fair Value of derivative liability	-	23.80
Others	12.03	7.60
	<b>51.02</b>	<b>1,110.49</b>

### 26 Others Current Liabilities

Particulars	(INR in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Advance from Customers*	983.77	199.16
Payable to Government Authorities	8.88	71.37
Deferred Government Grant	-	6.31
	<b>992.65</b>	<b>276.84</b>

\*Advance received from customers amounting to ₹ 54.09 lakhs is outstanding for more than 365 days as on date and thus falls under the definition of Deemed Deposit from the public within the meaning of the directives issued by the Reserve Bank of India, provisions of Sections 73 to 76 of the Act, any other relevant provisions of the Act and the relevant rules framed there under.

### 27 Provisions

Particulars	(INR in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Provision for Expenses	13.91	17.84
Provision for Gratuity	2.24	0.82
Provision for Bonus	4.50	5.90
	<b>20.65</b>	<b>24.56</b>

### 28 Current Tax Liabilities

Particulars	(INR in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Provision for tax	26.44	142.93
	<b>26.44</b>	<b>142.93</b>

## Notes to the Financial Statements for the year ended March 31, 2021

### 29 Revenue From Operations

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Sales of Goods</b>		
Traded Goods		
- Domestic	487.34	403.80
- Export	5,206.37	7,295.88
	5,693.71	7,699.68
<b>Other Operating Revenue</b>		
Export Benefits	173.85	716.28
	<b>5,867.56</b>	<b>8,415.96</b>

### 30 Other Non-Operating Income

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Interest Income</b>		
On bank deposits	26.60	66.00
Interest on IT Refund	0.84	-
<b>Other Non-Operating Income</b>		
Foreign Exchange Fluctuation Gain	67.44	136.80
Miscellaneous Income	10.22	40.59
	<b>105.10</b>	<b>243.39</b>

### 31 Cost of Material Consumed

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Opening Inventories	39.45	67.18
Less: Transferred to Capital WIP	39.03	-
Add: Purchase	60.66	19.54
Less : Closing Inventories	-	39.45
Less : Discontinued Operations	61.08	47.27
	-	-

### 32 Purchase of Traded Goods

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
FMCG & other products	6,924.05	7,089.88
	<b>6,924.05</b>	<b>7,089.88</b>



## Notes to the Financial Statements for the year ended March 31, 2021

### 33 Change in Inventories of Finished Goods, Work-in-Progress & Traded Goods

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Inventories at the end of the year	970.33	29.33
Add : Stock in transit	316.82	-
Less: Inventories at the beginning of the year	29.33	305.37
Less: Discontinued Operations	(27.47)	24.54
(Increase)/Decrease in Inventories	<b>(1,230.34)</b>	<b>251.50</b>

### 34 Employee Benefit Expenses

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Salary, Wages and Bonus	298.24	255.13
Employers' Contribution to PF & ESI	17.94	13.28
Gratuity Expenses	5.80	0.29
Employees' Welfare Expenses	17.90	14.05
	<b>339.89</b>	<b>282.75</b>

### 35 Finance Costs

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest		
- On Secured Loan	69.75	99.71
- On EPC	107.09	107.74
- Lease Liability	21.01	9.17
- On MSME creditors	1.33	0.12
Bank Charges and Commission	7.24	6.57
	<b>206.42</b>	<b>223.31</b>

### 36 Depreciation & Amortization Expense

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Depreciation on tangible assets	30.69	30.86
Amortization of intangible assets	0.26	0.53
Amortization of right to use	47.28	18.80
	<b>78.23</b>	<b>50.18</b>

## Notes to the Financial Statements for the year ended March 31, 2021

### 37 Other Expenses

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Auditor's Remuneration*	6.80	5.40
Clearing & Forwarding Expenses	54.11	194.86
Commission Charges paid	4.30	11.33
Discount Allowed	4.23	1.02
Freight & Shipment Charges	77.45	34.70
Impairment loss on financial instrument	25.23	23.97
Insurance Expense	5.59	-
Interest & Penalty on Statutory Payments	12.52	46.41
Legal, Professional & Consultancy Fees	104.19	95.65
License Expenses	0.22	8.82
Loss on sale of property, plant and equipment	0.02	1.30
Loss on Forward Contract Cancellation	1.30	18.82
Miscellaneous Expenses	7.32	28.24
Packing & Development Expenses	3.50	11.84
Postage & Telegram	2.94	6.59
Loss on sale of Export Scheme Licence	1.12	-
Printing & Stationery	6.71	10.21
Products Testing Expenses	-	3.15
Remeasurement of Financial Instrument	(7.33)	13.83
Rent Rates and Taxes	34.16	108.76
Repairs and Maintenance	0.88	0.46
Sales Promotion & Advertisement Expenses	40.76	27.70
Stock Exchange Expenses	9.02	5.00
Sundry Debit Balance Written off	129.22	138.78
Assets Written off	5.58	-
Telephone & Internet Expenses	2.79	3.06
Travelling & Conveyance Expenses	15.74	39.79
	<b>548.36</b>	<b>839.72</b>
<b>*Auditors Remuneration</b>		
Statutory audit fees	4.50	3.50
Tax audit fees	1.00	1.00
Audit fees for limited review	1.20	0.80
Certification Charges	0.10	0.10
	<b>6.80</b>	<b>5.40</b>

## Notes to the Financial Statements for the year ended March 31, 2021

### 38 Earnings Per Share (EPS)

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>(A) For Continuing Operations</b>		
<b>Profit / (Loss) as per Profit &amp; Loss Account (INR)</b>	<b>(656.41)</b>	<b>(60.37)</b>
Weighted average number of Equity Shares (Nos.)	193.75	193.75
Face Value per Equity Share (INR)	10.00	10.00
<b>Basic &amp; Diluted Earnings per Share (INR)</b>	<b>(3.39)</b>	<b>(0.31)</b>
<b>(B) For Discontinued Operations</b>		
<b>Profit / (Loss) as per Profit &amp; Loss Account (INR)</b>	<b>(430.67)</b>	<b>(53.25)</b>
Weighted average number of Equity Shares (Nos.)	193.75	193.75
Face Value per Equity Share (INR)	10.00	10.00
<b>Basic &amp; Diluted Earnings per Share (INR)</b>	<b>(2.22)</b>	<b>(0.27)</b>
<b>(B) For Continuing &amp; Discontinued Operations</b>		
<b>Profit / (Loss) as per Profit &amp; Loss Account (INR)</b>	<b>(1,087.08)</b>	<b>(113.62)</b>
Weighted average number of Equity Shares (Nos.)	193.75	193.75
Face Value per Equity Share (INR)	10.00	10.00
<b>Basic &amp; Diluted Earnings per Share (INR)</b>	<b>(5.61)</b>	<b>(0.59)</b>

### 39 Contingent Liability

(a) Particulars	(INR in Lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Disputed Liabilities under Income Tax, 1961 for AY 2015-16**	73.72	73.72
<b>Total</b>	<b>73.72</b>	<b>73.72</b>

(b) \*\*Income tax department had passed a assessment order dated 26.12.2017 under which a tax liability of ₹ 95.05 lakhs is payable, The company has filed for the appeal by depositing 20% of demand which is amounting to ₹ 19.00 lakhs. Matter still pending before authority as on 31st March 2021.

(c) The company has given a comfort letter to it's subsidiary Lykis Marketing, whereby the company has agreed to invest additional funds incase difficulties arises to continue as a going concern. Also comfort provided on adoption of necessary resolution by the company which will ensure net worth of Lykis marketing will be enough to meets its liabilities.

### 40 Employees Benefit Obligation

#### a) Gratuity

The company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. 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.

The gratuity plan is a unfunded plan.

## Notes to the Financial Statements for the year ended March 31, 2021

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)	
	Presentation Value of Obligation	
<b>As at April 1, 2019</b>	<b>10.32</b>	
Current service cost	0.74	
Interest expense/(income)	4.02	
<b>Total amount recognised in profit or loss</b>	<b>4.76</b>	
Remeasurements		
(Gain)/Loss from change in financial assumptions	0.88	
Experience (gains)/losses	2.80	
<b>Total amount recognised in other comprehensive income</b>	<b>3.68</b>	
Less: Benefit payments	(3.58)	
<b>As at March 31, 2020</b>	<b>15.19</b>	
Current service cost	4.83	
Interest expense/(income)	0.98	
<b>Total amount recognised in profit or loss</b>	<b>5.80</b>	
Liability Transferred in/Acquisitions	14.54	
Liability Transferred out/Disinvestments	(0.25)	
<b>Total Liability</b>	<b>14.30</b>	
Remeasurements		
(Gain)/Loss from change in financial assumptions	0.41	
Experience (gains)/losses	(0.11)	
<b>Total amount recognised in other comprehensive income</b>	<b>0.30</b>	
Less: Benefit payments	(0.87)	
Less : Transferred to Discontinued Operations	(2.06)	
<b>As at March 31, 2021</b>	<b>32.66</b>	

Amount Recognized in the Balance Sheet	(INR in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
(Present Value of Benefit Obligation at the end of the period)	(34.72)	(15.18)
Funded Status (Surplus/Deficit)	<b>(34.72)</b>	<b>(15.18)</b>
Less: Transferred to Discontinued Operations	2.06	-
<b>Net (Liability)/Assets Recognized in the Balance Sheet</b>	<b>(32.66)</b>	<b>(15.18)</b>

Expenses Recognized in the Statement of Profit or Loss for Current Period	(INR in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Current Service Cost	4.83	4.02
Net Interest Cost	0.98	0.74
<b>Net Effect of Changes in Foreign Exchange Rates</b>	<b>5.80</b>	<b>4.76</b>

## Notes to the Financial Statements for the year ended March 31, 2021

(INR in Lakhs)		
<b>Expenses Recognized in the Other Comprehensive Income (OCI) for current period</b>	As at March 31, 2021	As at March 31, 2020
Actuarial (Gain)/Losses on Obligation for the period	0.30	3.68
Less : Remeasurement Gain /loss of Discontinued Operations	(2.06)	-
<b>Net (Income)/Expenses for the period Recognized in OCI</b>	<b>(1.76)</b>	<b>3.68</b>

(INR in Lakhs)		
<b>Balance Sheet Reconciliation</b>	As at March 31, 2021	As at March 31, 2020
Opening Net Liability	15.18	10.32
Expenses Recognized in Statement of Profit and Loss	5.80	4.76
Expenses Recognized in OCI	0.30	3.68
Net liability /(Asset) Transfer In	14.54	-
Net liability /(Asset) Transfer Out (Benefit Paid Directly by the Employer )	(0.25) (0.87)	- (3.58)
Less : Transferred to Discontinued Operations	(2.06)	-
<b>Net Liability/(Asset) Recognized in the Balance Sheet</b>	<b>32.66</b>	<b>15.18</b>

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

(INR in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
Interest/Discount rate	6.26% p.a	6.43% p.a
Rate of increase in compensation	10.64% p.a	10.64% p.a
Expected average remaining service	6 years	6 years
Retirement Age	58 years	60 years
Employee Attrition Rate	14.58% p.a	14.58% p.a

**c) A quantitative sensitivity analysis for significant assumption as at March 31, 2021 is shown below:**

(INR in Lakhs)				
Assumption	Discount Rate		Salary Growth Rate	
	1% increase	1% decrease	1% increase	1% decrease
<b>Sensitivity Level</b>				
<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%
<b>March 31, 2020</b>				
Impact on defined benefit obligation	(1.10)	1.27	1.20	(1.07)
% Impact	-3.38%	3.87%	3.68%	-3.29%

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, 2021

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

Particulars	(INR in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Expected Payout Year one	2.49	0.82
Expected Payout Year two	2.95	0.84
Expected Payout Year three	3.49	1.27
Expected Payout Year four	3.60	1.65
Expected Payout Year five	3.63	1.66
Expected Payout Year six to ten	15.00	7.35
<b>Total expected payments</b>	<b>31.17</b>	<b>13.60</b>

### 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:

**The carrying value and fair value of financial instruments by categories as of 31 March 2020 are as follows:**

Particular	Carrying Amount				Fair Value				
	March 31, 2020	FVPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>FINANCIAL ASSETS</b>									
Investments	2.95	-	71.99	74.94	-	2.95	71.99	-	74.94
Security Deposits	-	-	14.53	14.53	-	-	-	-	14.53
Trade Receivables	-	-	2,599.59	2,599.59	-	-	-	-	2,599.59
Cash and Cash Equivalents	-	-	362.38	362.38	-	-	-	-	362.38
Other Bank Balances	-	-	996.19	996.19	-	-	-	-	996.19
Loans and Advances	-	-	638.67	638.67	-	-	-	-	638.67
Other Financial Assets	-	-	137.49	137.49	-	-	-	-	137.49
<b>Total financial assets</b>	<b>2.95</b>	<b>-</b>	<b>4,820.84</b>	<b>4,823.78</b>	<b>-</b>	<b>2.95</b>	<b>71.99</b>	<b>-</b>	<b>4,823.78</b>
<b>FINANCIAL LIABILITIES</b>									
Borrowings	-	-	3,702.80	3,702.80	-	-	-	-	3,702.80
Lease Liability	-	-	211.08	211.08	-	-	-	-	211.08
Trade payables	-	-	507.02	507.02	-	-	-	-	507.02
Other financial liabilities	-	-	1,110.49	1,110.49	-	-	-	-	1,110.49
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>5,531.39</b>	<b>5,531.39</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,531.39</b>

## Notes to the Financial Statements for the year ended March 31, 2021

The carrying value and fair value of financial instruments by categories as of 31 March 2021 are as follows:

(INR in Lakhs)

Particular	Carrying Amount			Fair Value					
	March 31, 2021	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>3,045.04</b>	<b>3,045.04</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>5,418.69</b>	<b>5,418.69</b>	-	-	-	-	<b>5,418.69</b>

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.



## Notes to the Financial Statements for the year ended March 31, 2021

### 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, 2021	As at March 31, 2020
<b>A) Debts</b>		
Borrowings (Current and Non-Current)	4,639.57	4,704.78
<b>Debt (A)</b>	<b>4,639.57</b>	<b>4,704.78</b>
<b>B) Equity</b>		
Equity Share Capital	1,992.70	1,992.70
Other Equity	147.49	1,217.08
<b>Total Equity (B)</b>	<b>2,140.19</b>	<b>3,209.78</b>
<b>Gearing Ratio (Debt / Capital) i.e. (A/B)</b>	<b>217%</b>	<b>147%</b>

### 43 Lease

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 under

- Finance Cost' in Note no. 36. Interest on Lease Liability of ₹ 21.01 lakhs.
- Depreciation and Amortization expense' in Note no. 37. Amortization of Lease Liability of ₹ 47.28 lakhs.
- The total outstanding cash outflow for lease as per the agreement is ₹ 360.12 lakhs.
- There has been addition to right of use asset in the current period of ₹ 292.11 Lakhs
- The carrying amount of Right of use asset as on 31st March, 2021 is ₹ 282.67 lakhs classified under 'Note no. 4. 'Right to use'.

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, 2019	Addition	Deletion/ Amortization	31st March, 2020	As at 1st April, 2020	Addition	Deletion/ Amortization	As at March 31, 2021
Right of Use Asset	-	225.91	18.80	207.12	207.12	292.11	216.56	282.68

## Notes to the Financial Statements for the year ended March 31, 2021

- 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, 2021	As at March 31, 2020
Lease Liability as at balance sheet date	285.50	211.08
Add: Interest on above*	74.62	52.92
<b>Minimum Lease Payment</b>	<b>360.12</b>	<b>264.00</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:

Particulars	As at March 31, 2021	As at March 31, 2020
Not later than 1 year	68	58
Later than 1 year but not later than 5 year	292	206
<b>Total</b>	<b>360</b>	<b>264</b>

Rental expenses recorded for short term lease was ₹ 2.63 lakhs during the year ended 31st March, 2021.

#### 44 Financial Risk Management

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

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

Covid 19 has been declared as Global Pandemic and it has led to an impact on the routine business of the company. The Company continued to supply their goods in the relevant market. As the Company's major revenue comes from export of FMCG products in global market, the extended lockdown have caused adverse impact on sales due to disruption in market opening. The impact on the business of the company is very uncertain and will depend on the future developments in the country.

##### (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.

Impact of Covid 19 pandemic - The pandemic can cause continuing volatility in the currency market and this risk would be mitigated through effective hedging policies. Further, the Company basis the recent trends believe that the probability of the non-occurrence of forecasted transactions is minimal. The Company also does not expect any material deterioration in both counterparty credit risk and own credit risk. Accordingly, the Group continues to believe that there is no impact on effectiveness of its hedges.

## Notes to the Financial Statements for the year ended March 31, 2021

Future outlook would depend on how the pandemic develops and the resultant impact on businesses.

### (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, 2021	As at March 31, 2020
<b>Financials Assets</b>		
Trade Receivables	1,839.77	956.83
Advance to Parties	7.26	-
Cash & Cash Equivalent	37.65	8.18
Other Financial Assets	4.67	-
<b>Net Exposure to Foreign Currency Risk Assets</b>	<b>1,884.67</b>	<b>965.01</b>
<b>Financials Liabilities</b>		
Trade Advance	558.28	108.56
Trade Payable	172.94	-
Other Financial Liabilities	11.97	23.80
<b>Net Exposure to Foreign Currency Risk Liabilities</b>	<b>743.19</b>	<b>132.36</b>
<b>Foreign Currency Sensitivity</b>	<b>1,141.48</b>	<b>832.65</b>

### (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 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.

## Notes to the Financial Statements for the year ended March 31, 2021

An impairment analysis is performed at each re-equipmenting 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-equipmenting date is the carrying value of each class of financial assets disclosed in Note 8.

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, 2021	As at March 31, 2020
Opening Balance	24.24	6.70
Add: Impairment Loss recognized	25.19	17.54
Less: Utilized during the year	23.97	-
Less: Discontinued Operations	0.27	-
<b>Closing Balance</b>	<b>25.20</b>	<b>24.24</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.

### (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.

## Notes to the Financial Statements for the year ended March 31, 2021

<b>Contractual maturities of financial liabilities</b>				(INR in Lakhs)
<b>Particular</b>	<b>Less than 1 year</b>	<b>1 to 5 years</b>	<b>More than 5 years</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>	
<b>As at March 31, 2020</b>				
Borrowings	3,701.67	1.13	-	
Trade payables	507.02	-	-	
Other financial liabilities	1,110.49	-	-	
Lease liabilities	38.21	172.87	-	
<b>Total Financial Liabilities</b>	<b>5,357.39</b>	<b>174.00</b>	<b>-</b>	

#### 45 Information About Primary Business Segment

The Company has identified business segments as its primary segment. The Company is engaged in Trading of FMCG Goods & related activities during the year, consequently the Company have separate reportable business segment for the year ended March 31, 2021.

				(INR in Lakhs)
<b>Year ended March 31, 2021</b>	<b>Tea</b>	<b>FMCG</b>	<b>Total</b>	
Revenue	497.07	5,867.56	6,364.63	
Expenses	921.71	6,857.29	7,779.00	
Other Income	1.04	105.10	106.14	
<b>Segment Profit</b>	<b>(423.59)</b>	<b>(884.63)</b>	<b>(1,308.22)</b>	
Less: Unallocable Expenses			18.07	
Add: Unallocable Income			0.84	
Profit Before Tax			(1,325.45)	
Tax Expenses			(238.38)	
<b>Profit After Tax</b>			<b>(1,087.08)</b>	
<b>Year ended March 31, 2020</b>				
Revenue	367.29	8,434.04	8,801.33	
Expenses	412.16	8,747.72	9,159.88	
Other Income	3.42	243.39	246.81	
<b>Segment Profit</b>	<b>(41.46)</b>	<b>(70.29)</b>	<b>(111.75)</b>	
Less: Unallocable Expenses			16.66	
Profit Before Tax			(128.41)	
Tax Expenses			(14.79)	
<b>Profit After Tax</b>			<b>(113.62)</b>	

## Notes to the Financial Statements for the year ended March 31, 2021

### 46 Related Party Disclosure

#### i) Relationship

Description of relationship	Names of Related Parties
Subsidiary Company	Lykis Marketing Pvt. Ltd. Lykis Export LLC
Associate Company	Lykis Packaging Pvt. Ltd. Lykon Foods Pvt. Ltd.
Entity with Common Director	Spectra International Ltd. Pragati Aerosols Pvt. Ltd. Dhrolia LLP Lykis Herbals Pvt. Ltd. Lykis Biscuit Pvt. Ltd. Cheers Consumers Pvt. Ltd. Sanzi Exporters & Importers Lykis Soaps Pvt. Ltd. Dharamnagar Tea Estate
Chairman	Mr. Shafeen Charania w.e.f 14.11.2020 Mr. Vijay Kishanlal Kedia upto 29.10.2020
Key Managerial Personnel	Mr. Prince Tulsian (Managing Director upto 14.11.2020) Mr. Nadir Dhrolia (Managing Director w.e.f 14.11.2020) Mr. Rajesh Tendulkar (CEO upto 15.01.2021) Mr. Sunil Chadraprakash Purohit (Chief Financial Officer upto 14.11.2020) Mr. Gopal Kandoi (Chief Financial Officer w.e.f 14.11.2020) Mr. Anubhav Shrivastava (Company Secretary upto 22.02.2021) Ms. Sucheta Chaturvedi (Company Secretary w.e.f 17.03.2021)
Director	Mr. Prince Tulsian (Non-Executive Director w.e.f 14.11.2020) Mr. Rajendra Singh Singhvi (Non-Executive Independent Director w.e.f 08.01.2019) Mr. Kairav Trivedi (Non-Executive Independent Director w.e.f 14.11.2020) Ms. Neha Gada (Additional Independent Director w.e.f 13.02.2021) Mr. Rajesh Vasudevan Nambiar (Non-Executive Independent Director w.e.f 13.02.2021)
Relative of Key Managerial Person	Mrs. Swati Tendulkar (upto 15.01.2021) Ms. Anushka Tendulkar (upto 15.01.2021) Mr. Pratik Kedia (upto 8.01.2019) Mrs. Monika Kandoi (w.e.f 14.11.2020)
Relative of Director	Mrs. Priyanka Tulsian (upto 15.01.2021) Ms. Sonam Tulsian (upto 15.01.2021)

#### Notes

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

## Notes to the Financial Statements for the year ended March 31, 2021

## ii) Transaction with Related party during the Year and balance as at year end

Particulars	Subsidiary		Associate		Key Managerial Personnel		Relative of Key Managerial Personnel		Companies/ Firms/ controlled by Key Managerial Personnel/ Relatives		Total	
	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year
<b>Purchase of goods and services</b>												
Dharamnagar Tea Estate Pvt. Ltd.	-	-	-	-	-	-	-	-	60.66	19.54	60.66	19.54
<b>Sale of goods and services</b>												
Spectra International Ltd.	-	-	-	-	-	-	-	-	-	7.99	-	7.99
<b>Remuneration paid</b>												
Prince Tulsian	-	-	-	-	7.20	7.20	-	-	-	-	7.20	7.20
Sunil Chadraprakash Purohit	-	-	-	-	11.30	16.41	-	-	-	-	11.30	16.41
Gopal Kandoi	-	-	-	-	4.48	-	-	-	-	-	4.48	-
Rajesh Tendolkar	-	-	-	-	17.60	17.43	-	-	-	-	17.60	17.43
Pratik Kedia	-	-	-	-	-	-	-	18.10	-	-	-	18.10
Swati Tendolkar	-	-	-	-	-	-	9.10	12.00	-	-	9.10	12.00
Monika Kandoi	-	-	-	-	-	-	4.25	-	-	-	4.25	-
Others	-	-	-	-	-	4.15	-	8.27	-	-	-	12.42
<b>Rent Paid</b>												
Spectra International Ltd.	-	-	-	-	-	-	-	-	59.20	67.02	59.20	67.02
<b>Other Expenses</b>												
Lykis Herbals Pvt. Ltd.	-	-	-	-	-	-	-	-	-	43.68	-	43.68
Vishal Agrifood Ventures Pvt. Ltd.	-	-	-	-	-	-	-	-	0.11	-	0.11	-
Lykis Herbals Pvt. Ltd.	-	-	-	-	-	-	-	-	32.88	-	32.88	-
Lykis Confectionary Pvt. Ltd.	-	-	-	-	-	-	-	-	0.04	-	0.04	-
Lykis Export LLC	-	-	-	-	-	-	-	-	7.88	-	7.88	-
Lykis Packaging Pvt. Ltd.	-	-	-	-	-	-	-	-	0.08	-	0.08	-
<b>Sale of Investment</b>												
Dhrolia LLP	-	-	-	-	-	-	-	-	2.00	-	2.00	-
<b>Purchase of Investment</b>												
Lykis Export LLC	19.85	-	-	-	-	-	-	-	-	-	-	-



## Notes to the Financial Statements for the year ended March 31, 2021

Particulars	Subsidiary		Associate		Key Managerial Personnel		Relative of Key Managerial Personnel		Companies/ Firms/ controlled by Key Managerial Personnel/ Relatives		Total	
	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year
<b>Reimbursement of expenses</b>												
Dharamnagar Tea Estate Pvt. Ltd.	-	-	-	-	-	-	-	-	6.35	2.83	6.35	2.83
Others	-	-	-	-	-	-	-	-	0.20	0.25	0.20	0.25
<b>Reimbursement of incomes</b>												
Dharamnagar Tea Estate Pvt. Ltd.	-	-	-	-	-	-	-	-	1.46	3.74	1.46	3.74
<b>Loans &amp; Advances Given</b>												
Lykis Packaging Pvt. Ltd.	-	-	-	2.03	-	-	-	-	-	-	-	2.03
Others	-	-	-	-	-	-	-	-	-	0.12	-	0.12
<b>Payment during the year</b>												
Dharamnagar Tea Estate Pvt. Ltd.	-	-	-	-	-	-	-	-	116.19	-	116.19	-
<b>Receipt During the year</b>												
Dharamnagar Tea Estate Pvt. Ltd.	-	-	-	-	-	-	-	-	59.49	-	59.49	-
<b>Loans &amp; Advances Received Back</b>												
Lykis Packaging Pvt. Ltd.	-	-	83.33	-	-	-	-	-	-	-	83.33	-
Lykis Biscuits Pvt. Ltd.	-	-	-	-	-	-	-	-	53.25	-	53.25	-
Pragati Aerolos Pvt. Ltd.	-	-	-	-	-	-	-	-	150.55	-	150.55	-
Lykis Herbals	-	-	-	-	-	-	-	-	107.50	-	107.50	-
<b>Borrowings Taken</b>												
Vijay Kedia	-	-	-	-	434.37	-	8.00	-	-	-	434.37	8.00
Cheers consumer	-	-	-	-	-	-	-	-	-	0.23	-	0.23
<b>Borrowings Repaid</b>												
Vijay Kedia	-	-	-	-	25.00	-	410.67	-	-	-	25.00	410.67
<b>Outstanding balance at the end of the year</b>												
<b>Loans &amp; Advances</b>												
Lykis Packaging Pvt. Ltd.	-	-	-	83.25	-	-	-	-	-	-	-	83.25
Cheers Consumer Products Limited	-	-	-	-	-	-	-	-	-	0.11	-	0.11
Lykis Biscuits Pvt. Ltd.	-	-	-	-	-	-	-	-	-	53.25	-	53.25
Lykis Herbals Pvt. Ltd.	-	-	-	-	-	-	-	-	-	107.50	-	107.50
Lykis Soaps Pvt. Ltd.	-	-	-	-	-	-	-	-	-	0.19	-	0.19

## Notes to the Financial Statements for the year ended March 31, 2021

Particulars	Subsidiary		Associate		Key Managerial Personnel		Relative of Key Managerial Personnel		Companies/ Firms/ controlled by Key Managerial Personnel/ Relatives		Total	
	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year
	year	year	year	year	year	year	year	year	year	year	year	year
Lykon Foods Pvt. Ltd.	-	-	-	3.11	-	-	-	-	-	-	-	3.11
Pragati Aerolos Pvt. Ltd.	-	-	-	-	-	-	-	-	-	150.55	-	150.55
<b>Borrowings</b>												
Vijay Kedia	-	-	-	-	826.30	416.93	-	-	-	-	-	416.93
Cheers Consumers Pvt. Ltd.	-	-	-	-	-	-	-	-	4.94	5.17	-	5.17
<b>Trade Advances</b>												
Lykis Herbals Pvt. Ltd.	-	-	-	-	-	-	-	-	136.03	168.88	-	168.88
Dharamnagar Tea Estate Pvt. Ltd.	-	-	-	-	-	-	-	-	463.22	472.06	-	472.06
Spectra International Ltd.	-	-	-	-	-	-	-	-	8.30	2.38	-	2.38
<b>Trade Receivables</b>												
Lykis Marketing Pvt. Ltd.	641.35	1,600.97	-	-	-	-	-	-	-	-	641.35	1,600.97
Lykis Biscuits Pvt. Ltd.	-	-	-	-	-	-	-	-	-	3.73	-	3.73
Lykis Confectionary Pvt. Ltd.	-	-	-	-	-	-	-	-	-	1.56	-	1.56
Sanzi Group Imp. & Exp.	-	-	-	-	-	-	-	-	242.64	-	242.64	-
<b>Other Payables</b>												
Lykis Export LLC	11.97	-	-	-	-	-	-	-	-	-	-	11.97

## Notes to the Financial Statements for the year ended March 31, 2021

### 47 Other Notes

- i) Lykis Limited is a well-established listed company engaged primarily in the business of marketing and adding of fast moving consumer goods (FMCG), and also engaged in the business of tea plantation and processing in its tea garden, Iringmara Tea Estate, situated at Silchar, Assam. Company is intend to sell/ transfer /dispose off its tea division. Thus the Board of Directors ("Board" which expression for the purposes of this resolution shall include any Committee of Directors constituted by the Board) proposed to the member of the Company to sell/ transfer/discard off the whole or substantially the whole of the undertaking of the Company i.e. tea division for such consideration and on such terms and conditions as the Board of Directors of the Company consider beneficial to the Company. A resolution has been passed through Postal Ballot (Remote E Voting ) by the shareholders on 19th June 2020, authorising the board on behalf of the company for undertaking the sale of tea division on slump sale basis and to do all such acts , deeds and things. The Valuer-Singrodia & Co LLP has duly valued the tea division.
- ii) The rapid outbreak of the coronavirus (COVID-19) presents an alarming health crisis that the world is grappling with. The impacts of the COVID-19 pandemic are unfolding in real time. The company is continuously monitoring the impact of COVID-19 on its financial position. COVID-19 continuous to effect economic activity in India and international market and as a result it may impact the industries in which the company operates.  
  
The financial reporting impacts of the COVID -19 outbreak will depend on facts and circumstances, including the degree to which a company's operations are exposed to the impacts of the outbreak.  
  
On the basis is of the company monitoring its has identify that there is no material impact of COVID-19 impact on its financial position.
- (iii) Sundry debtors, creditors, Loans & Advances are subject to confirmation & reconciliation, if any. In the opinion of the Board, the Current Assets, Loans & Advances are approximately of the value stated, if realised in ordinary course of business. The Provision for depreciation & all known liabilities are adequate & not in excess of amounts reasonably necessary.
- iv) Previous years Figures are regrouped and restated wherever required.

### 48 Discontinued Operations

Lykis Limited is a well-established listed company engaged primarily in the business of marketing and adding of fast moving consumer goods (FMCG), and also engaged in the business of tea plantation and processing in its tea garden, Iringmara Tea Estate, situated at Silchar, Assam. Company is intend to sell/ transfer /dispose off its tea division. Thus the Board of Directors ("Board" which expression for the purposes of this resolution shall include any Committee of Directors constituted by the Board) proposed to the member of the Company to sell/ transfer/discard off the whole or substantially the whole of the undertaking of the Company i.e. tea division for such consideration and on such terms and conditions as the Board of Directors of the Company consider beneficial to the Company. A resolution has been passed through Postal Ballot (Remote E Voting ) by the shareholders on 19th June 2020, authorising the board on behalf of the company for undertaking the sale of tea division on slump sale basis and to do all such acts deeds and things. The Valuer-Singrodia & Co LLP has duly valued the tea division. Accordingly the Assets and Liabilities of tea Division are classified as assets held for sale and the results of the operations have been classified as Discontinued Operations.

## Notes to the Financial Statements for the year ended March 31, 2021

The results of tea division for the year are presented below:

Particulars	(INR in Lakhs)	
	For the year ended 31st March 2021	For the year ended 31st March 2020
Revenue including other income	498.12	370.71
Expenses	459.73	421.12
Impairment Loss recognized on the measurement to fair value less costs to sell	469.89	-
<b>Profit before income tax</b>	<b>(431.50)</b>	<b>(50.41)</b>
Income tax (expense)/credit	(0.83)	2.84
Profit/(Loss) after income tax	<b>(430.67)</b>	<b>(53.25)</b>

The major class of assets and liabilities of Tea Division classified as held for distribution to equity holders of the company as at 31st March 21 are as follows:

Particulars	(INR in Lakhs)	
	For the year ended 31st March 2021	
<b>Assets</b>		
Property, Plant and Equipment	745.08	
Capital Work-In-Progress	173.46	
Intangible Assets		
Financial Assets		
- Investments	2.95	
Deferred Tax Assets (Net)	0.00	
<b>Sub-Total</b>	<b>921.49</b>	
Current Assets		
Inventories	57.72	
Financial Assets		
- Trade Receivables	18.37	
- Cash and Cash Equivalents	6.92	
- Other Bank Balance	1.47	
- Loans	9.89	
- Other financial assets	12.03	
Current Tax Assets	22.90	
Other Current Assets	474.03	
<b>Sub-Total</b>	<b>603.33</b>	
<b>Assets Classified as held for Sale</b>	<b>1,524.81</b>	
<b>Liabilities</b>		
Non-Current Liabilities		
Financial Liabilities		
- Deferred tax (Assets)/Liabilities (Net)	8.82	
- Other Non-Current Liabilities	34.90	
Provisions	1.81	
<b>Sub-Total</b>	<b>45.53</b>	

## Notes to the Financial Statements for the year ended March 31, 2021

Particulars	(INR in Lakhs)
	For the year ended 31st March 2021
<b>Current Liabilities</b>	
Financial Liabilities	
- Borrowings*	387.34
- Trade Payable	
Total Outstanding due to Micro and Small Enterprises	-
Total Outstanding due to creditors other than Micro and Small Enterprises	31.34
- Other Financial Liabilities	51.79
- Other Current Liabilities	60.55
- Provisions	3.57
Current Tax Liabilities	64.76
<b>Sub-Total</b>	<b>599.35</b>
<b>Liabilities Classified as held for Sale</b>	<b>644.88</b>
<b>Net Assets directly associated with Disposal units</b>	<b>879.94</b>
<b>Amount included in accumulated OCI:</b>	
Remeasurements of the defined benefit liabilities /(assets)	(2.06)

\*Borrowings

**Note 1:** Term loan of INR 0.46 lakhs (FY 2019-20 INR 1.64 lakhs) taken from Indian Bank is secured against the hypothecation of motor car loan. The loan carries interest rate at 8.5% p.a. and balance is repayable 14 equal instalments (2020 - 14 equal instalments).

**Note 2:** Term loan of INR 3.44 lakhs (FY 2019-20 INR 7.14 lakhs) taken from Tea Board of India is secured against the hypothecation of land and building. The loan carries interest free and repayable in 60 monthly instalments starting from 30th September 2016.

The accompanying notes are an integral parts of financial statements.

As Per Our Report Of Even Date  
For **BANSI JAIN & ASSOCIATES**  
Chartered Accountants  
Firm Regn.No.0100990W

**R. B. GOLECHA**  
Partner  
Mem.No.035348

Place: Mumbai  
Dated: 25th June 2021

For and on behalf of Board of Directors

**MR. NADIR DHROLIA**  
Managing Director  
DIN: 03303675

**SHRIGOPAL KANDOI**  
Chief Financial Officer

**MR. PRINCE TULSIAN**  
Non Executive Director  
DIN: 02691348

**SUCHETA CHATURVEDI**  
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 holding Company") and **LYKIS MARKETING PRIVATE LIMITED & LYKIS EXPORT LLC** ("the Subsidiary Company") and **LYKIS PACKAGING PRIVATE LIMITED & LYKON FOODS PRIVATE LIMITED** ("the Associate Company"), together referred to as 'the Group', which comprise of the Consolidated Balance Sheet as at 31st March, 2021, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of changes in Equity and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (herein after referred to as "the Consolidated financial 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 Standard under section 133 of the Act read with the Companies (Indian Accounting Standard) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Company as at 31st March, 2021, the consolidated loss and total consolidated comprehensive income, consolidated changes in equity and its consolidated 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 SAs are further described in the *Auditor's Responsibilities for the audit of Consolidated 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 Consolidated financial statements under provision of Act and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

#### Key Audit Matters

Key audit matters ('KAM') 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 matters	How the matter was addressed in our audit
2	<p><b>Sundry Balances Written Off</b></p> <p>During the FY 2020-21, the Company has written off ₹ 172.06 lakhs for advances and receivables which are not recoverable.</p> <p>Refer note no. 37</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 the 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 financial statements.</li> </ul>

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

The Holding 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 Report, and Shareholder Information, but does not include the consolidated 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 during the course of our 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 Responsibility for the consolidated financial statements**

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Consolidated financial statements that give a true and fair view of the state of affairs, consolidated loss (including other comprehensive income), consolidated statement of changes in Equity and consolidated 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. The respective Board of Directors of the companies included in the Group and of its Associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and its associates 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 respective Board of Directors of the companies included in the Group 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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates are also responsible for overseeing the financial reporting process of the Group and its associates.

### **Auditors' 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 system 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 Group'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 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.

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 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 Matter**

The consolidated financial Statement includes financial statements of one subsidiary and two associates, whose financial statements/financial information reflect total assets of ₹ 234 lakhs and ₹ 30.30 Lakhs as at March 31, 2021, total net revenue of ₹ 466.83 lakhs and ₹ 2.87 lakhs and total net gain after tax of ₹ 387.55 lakhs and net loss after tax of ₹ 63.11 lakhs for the year ended March 31, 2021 respectively as considered in the consolidated financial statements, which have been audited by the independent Auditors. The independent auditors' reports on financial statements/financial information of these entities have been furnished to us and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the report of such auditors and the procedures performed by us are as stated in paragraph above.

The consolidated financial statements include unaudited financial statement of 1 subsidiary company whose financial statement/financial information reflect total assets of ₹ 19.85 lakhs as at March 31, 2021, total net revenue of ₹ NIL and total net gain after tax of ₹ NIL for the year ended March 31, 2021 as considered in the consolidated financial statements, which have been certified by management. This unaudited Financial Statement/financial information 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 this subsidiary is based solely on such unaudited Financial Statements/financial information. In our opinion and according to the information and explanations given to us by the Board of Directors, this Financial Statements/financial information are not material to the Group.

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 and the financial statements certified by the Board of Directors.

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

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 purpose of our audit.
- b) In our opinion proper books of account as required by law have been kept by the company so far as it appears from our examination of those books.
- c) The Consolidated Balance Sheet, Consolidated statement of Profit and Loss Account including Other Comprehensive Income, Consolidated Statement of changes in Equity and the Consolidated statement of Cash Flow dealt with by this Report is in agreement with the relevant books of account.
- d) In our opinion consolidated financial statements comply with the specified under section 133 of the Act.

- e) On the basis of the written representations received from the directors as on 31st March, 2021 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 controls over financial reporting with reference to these Consolidated financial statements of the company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure A"**.
- B. With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended 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 31st March 2021 on its financial position in its Consolidated financial statements – Refer Note 39 to the Consolidated financial statements;
  - ii. The Company has made provision, as required under the applicable laws or Indian accounting standards for material foreseeable losses, if any, on derivative contracts;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- C. With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act:
- In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For **BANSHI JAIN & ASSOCIATES**  
Chartered Accountants  
FRN: 0100990W

Place: Mumbai  
Date: 25/06/2021

**R. B. Golecha**  
Partner  
Membership No: 035348  
UDIN : 21035348AAAAFP3035

## “Annexure-A” to the Independent Auditors’ 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”)**

In conjunction with our audit of Consolidated financial statements of LYKIS LIMITED as of and for the year ended 31st March 2021, we have audited the internal financial controls over financial reporting of LYKIS LIMITED. (hereinafter referred to as the “Holding Company”) its subsidiary company and its associate companies, which are companies incorporated in India, as of that date.

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

The respective Board of Directors of the Holding Company, its subsidiary company and its associate company, which are companies incorporated in India, is responsible for establishing and maintaining internal financial controls based on the internal control with reference to Consolidated financial statements criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Notes”) issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation and maintenance of internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective 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 Holding Company’s internal financial controls with reference to Consolidated financial statements based on our audit. We conducted our audit in accordance with 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 are applicable to an audit of Internal Financial Controls and, both issued by the ICAI. 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 internal financial controls with reference to Consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to Consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to Consolidated financial statements included obtaining an understanding of internal financial controls with reference to Consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, 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 is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system with reference to Consolidated financial statements.

### **Meaning of Internal Financial Controls over financial statement**

A company’s internal financial control over Consolidated financial statements 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 with reference to Consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of 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 Consolidated financial statements**

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

### **Opinion**

In our opinion, to the best of our information and according to the explanation given to us, the Holding Company, its subsidiary company and its associate company has, in all material respects, an internal financial controls system with reference to Consolidated financial statements and such internal financial controls with reference to Consolidated financial statements were operating effectively as at 31st March, 2021, based on the internal control with reference to Consolidated financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

### **Other Matter**

Our report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial control with reference to these consolidated financial statements of the Holding Company, in so far as it relates separate financial statements of one subsidiary and two associate companies which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiary and associates incorporated in India.

For **BANSHI JAIN & ASSOCIATES**

Chartered Accountants

FRN: 0100990W

**R. B. Golecha**

Partner

Membership No: 035348

UDIN : 21035348AAAAFP3035

Place: Mumbai

Date: 25/06/2021

# Consolidated Balance Sheet as at March 31, 2021

(INR in Lakhs)

Particulars	Notes	(INR in Lakhs)	
		As at March 31, 2021	As at March 31, 2020
<b>I. ASSETS (A)</b>			
<b>1. Non Current Assets</b>			
(a) Property, Plant and Equipment	3	39.42	1,268.32
(b) Right to Use	4	282.67	207.12
(c) Capital Work-In-Progress	3	-	147.12
(d) Intangible Assets	5	-	0.26
(e) Financial Assets			
(i) Investments	5	-	4.95
<b>Sub-Total</b>		<b>322.09</b>	<b>1,627.77</b>
<b>2. Current Assets</b>			
(a) Inventories	6	1,254.92	89.47
(b) Financial Assets			
(i) Trade Receivables	7	1,976.46	917.22
(ii) Cash and Cash Equivalents	8	396.10	391.01
(iii) Other Bank Balance	9	46.14	996.73
(iv) Loans	10	15.42	638.67
(v) Other financial assets	11	108.72	158.21
(c) Current Tax Assets	12	125.93	182.18
(d) Other Current Assets	13	2,756.00	2,573.04
<b>Sub-Total</b>		<b>6,679.69</b>	<b>5,946.53</b>
Assets Classified as held for sale		1,524.81	-
<b>TOTAL</b>		<b>8,526.59</b>	<b>7,574.30</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	14	1,992.70	1,992.70
(b) Other Equity	15	(1,031.40)	(376.50)
(c) Non Controlling Interest		(0.95)	(0.75)
<b>Sub-Total</b>		<b>960.35</b>	<b>1,615.45</b>
<b>Liability (B)</b>			
<b>1. Non Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	16	-	1.13
(ii) Lease Liability	17	243.01	172.87
(b) Deferred Tax (Assets)/Liabilities (Net)	18	(267.13)	20.25
(c) Other Non Current Liabilities	19	-	38.35
(d) Provisions	20	32.62	14.37
<b>Sub-Total</b>		<b>8.50</b>	<b>246.97</b>
<b>2. Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	21	4,849.33	3,702.67
(ii) Lease Liability	22	42.49	38.21
(iii) Trade Payable	23		
Total Outstanding due to Micro and Small Enterprises		49.17	7.39
Total Outstanding due to creditors other than Micro and small enterprises		827.17	448.55
(iv) Other Financial Liabilities	24	38.99	1,110.49
(b) Other Current Liabilities	25	1,058.10	235.84
(c) Provisions	26	21.17	25.80
(d) Current Tax Liabilities	27	26.44	142.93
<b>Sub-Total</b>		<b>6,912.86</b>	<b>5,711.88</b>
Liabilities directly associated with assets held for sale		644.88	-
<b>TOTAL (A+B)</b>		<b>8,526.59</b>	<b>7,574.30</b>
Summary of Significant Accounting Policies	2 to 49		

The accompanying notes are an integral parts of financial statements.

 As Per Our Report Of Even Date  
 For **BANSI JAIN & ASSOCIATES**  
 Chartered Accountants  
 Firm Regn.No.0100990W

For and on behalf of Board of Directors

**R. B. GOLECHA**  
 Partner  
 Mem.No.035348

**MR. NADIR DHROLIA**  
 Managing Director  
 DIN: 03303675

**MR. PRINCE TULSIAN**  
 Non-Executive Director  
 DIN: 02691348

 Place: Mumbai  
 Dated: 25th June 2021

**SHRIGOPAL KANDOI**  
 Chief Financial Officer

**SUCHETA CHATURVEDI**  
 Company Secretary

## Consolidated Profit & Loss Statement for the year ended March 31, 2021

(INR in Lakhs)

Particulars	Notes	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>INCOME</b>			
Revenue from Operations	29	6,329.39	8,428.42
Other Income	30	110.10	245.08
<b>Total Revenue</b>		<b>6,439.49</b>	<b>8,673.50</b>
<b>EXPENDITURE</b>			
Cost of Material Consumed	31	-	-
Purchases of Stock-in-Trade	32	6,924.05	7,090.85
Change in Inventories of Finished Goods,	33	(1,230.34)	316.40
Employee Benefit Expenses	34	352.39	288.45
Finance Cost	35	206.44	223.34
Depreciation & Amortization Expense	36	78.23	50.19
Other Expenses	37	615.11	829.01
<b>Total Expenses</b>		<b>6,945.89</b>	<b>8,798.25</b>
<b>PROFIT/(LOSS) BEFORE TAXATION FROM CONTINUING OPERATION</b>		<b>(506.40)</b>	<b>(124.75)</b>
<b>LESS: Tax Expenses</b>			
- Current Tax			
- Taxes for Earlier Period		10.12	6.91
- Deferred Tax		(275.59)	(6.97)
<b>PROFIT/(LOSS) FOR THE YEAR FROM CONTINUING OPERATION (A)</b>		<b>(240.93)</b>	<b>(124.69)</b>
<b>DISCONTINUED OPERATIONS</b>			
Loss from discontinuing operation before tax		(431.50)	(50.41)
Less : Tax on discontinuing operation		(0.83)	15.30
<b>LOSS FROM DISCONTINUING OPERATION AFTER TAX (B)</b>		<b>(430.67)</b>	<b>(65.71)</b>
<b>PROFIT / (LOSS) FOR THE YEAR (A+B)</b>		<b>(671.60)</b>	<b>(190.40)</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		1.76	-
(ii) Income tax relating to items that will not be reclassified to profit or loss			
b) (i) Items that will not be reclassified to profit or loss- Discontinued Operations			
- Actuarial Gain/loss on Gratuity Valuation		(2.06)	(3.68)
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	(23.80)
(ii) Income tax relating to items that will be reclassified to profit or loss			
<b>Total Other Comprehensive Income</b>		<b>28.17</b>	<b>(27.48)</b>
<b>Total Comprehensive Income for the year</b>		<b>(643.43)</b>	<b>(217.88)</b>
<b>Earnings per Equity Share</b>			
Basic & Diluted Earnings Per Share - Continuing Operations	38	(1.24)	(0.64)
Basic & Diluted Earnings Per Share - Discontinued Operations	38	(2.22)	(0.34)
Basic & Diluted Earnings Per Share -(Continuing & Discontinued Operations)	38	(3.47)	(0.98)
Summary of Significant Accounting Policies	2 to 48		

The accompanying notes are an integral parts of financial statements.

As Per Our Report Of Even Date  
For **BANSI JAIN & ASSOCIATES**  
Chartered Accountants  
Firm Regn.No.0100990W

For and on behalf of Board of Directors

**R. B. GOLECHA**  
Partner  
Mem.No.035348

**MR. NADIR DHROLIA**  
Managing Director  
DIN: 03303675

**MR. PRINCE TULSIAN**  
Non-Executive Director  
DIN: 02691348

Place: Mumbai  
Dated: 25th June 2021

**SHRIGOPAL KANDOI**  
Chief Financial Officer

**SUCHETA CHATURVEDI**  
Company Secretary

## Consolidated Cash Flow Statement for the year ended March 31, 2021

(INR in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>A. Cash flow from Operating Activities</b>		
<b>Net Profit Before Tax From Continuing operations</b>	<b>(506.40)</b>	<b>(124.75)</b>
<b>Net Profit Before Tax From Discontinued operations</b>	<b>(431.50)</b>	<b>(50.41)</b>
Adjustments:		
Depreciation and Amortization of Property, Plant and Equipment	78.23	74.46
Loss on Sale of Property, Plant and Equipment (net)	0.02	1.30
Remeasurement of Fixed assets	459.13	-
Assets Written off	5.58	-
Sundry Balances Written off	172.07	2.83
Finance Costs (Including Fair Value Change in Financial Instruments)	207.57	226.73
Interest Income	-	(69.42)
Exchange Fluctuation (Gain)/ Loss	-	(117.98)
Remeasurement of Financial Instrument	-	(7.33)
Provision/ (Reversal of Provision) for Loss Allowance on Trade Receivables	-	(1.86)
Interest on Lease Liability	-	9.17
Lease Rent Paid	-	<b>(24.00)</b>
<b>Operating cash flows before working capital changes</b>	<b>(15.30)</b>	<b>(81.26)</b>
Adjustments for Changes in Working Capital		
Decrease/ (Increase) in Inventories	(1,223.17)	386.25
Decrease/ (Increase) in Trade receivables	(187.41)	866.42
Decrease/ (Increase) in Current Loans advances	611.39	95.12
Decrease/ (Increase) in Income Tax Asset	-	29.52
Decrease/ (Increase) in Non-Current Financial Assets - Others	-	(1.41)
Decrease/ (Increase) in Financial Assets - Other	47.64	352.73
Decrease/ (Increase) in Other Current Assets	(679.87)	636.12
Increase/ (Decrease) in Trade Payables	(552.65)	(913.76)
Increase/ (Decrease) in Current Financial Liabilities - Other	(989.29)	1,037.47
Increase/ (Decrease) in Lease Liability	74.42	-
Increase/ (Decrease) in Other Current Liabilities	836.19	(1,548.43)
Increase/ (Decrease) in Non-Current Provisions	19.55	(14.43)
Increase/ (Decrease) in Right to Use	(122.84)	-
Increase/ (Decrease) in Current Provisions	(1.06)	(34.09)
<b>Cash generated from operations</b>	<b>(2,182.39)</b>	<b>810.24</b>
Income taxes paid	(6.83)	-10.00
<b>Net cash flow from operating activities</b>	<b>(2,189.22)</b>	<b>800.24</b>
Add : Unrealised foreign Exchange (Gain) / Losses (Net)	-	<b>117.98</b>
<b>Net cash flow(Used in) from operating activities (A)</b>	<b>(2,189.22)</b>	<b>918.22</b>

## Standalone Cash Flow Statement for the year ended March 31, 2021 (Contd.)

(INR in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>B. Cash Flow from Investing Activities</b>		
Purchase or construction of property, plant and equipment (including capital work-in-progress and capital advances)	(48.83)	(43.48)
Proceeds from/ (Investment in) fixed deposits (net)	-	-
Purchase of Investments	948.58	(45.84)
Proceeds from sale of property, plant and equipment	(27.18)	-
Proceeds from Sale of Investments	0.13	2.80
Interest Received	2.00	11.89
	-	69.42
<b>Net cash flow from/ (used in) investing activities (B)</b>	<b>874.70</b>	<b>(5.21)</b>
<b>C. Cash Flow from Financing Activities</b>		
Proceeds from Government Grant		
Proceeds from/ (Repayment of) Non-Current Borrowings (net)	598.87	(579.95)
Increase / (Decrease) in Current Borrowings	934.00	-
Proceed from subsidy received from Government	0.70	-
Finance Costs	(207.57)	(226.73)
<b>Net cash flow from financing activities (C)</b>	<b>1,326.00</b>	<b>(806.68)</b>
<b>Net cash Increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>11.48</b>	<b>106.34</b>
Cash and cash equivalents at the beginning of the year (Refer Note 12)	391.54	285.21
Cash and cash equivalents at the end of the year (Refer Note 12)	403.02	391.54
<b>Net cash Increase/(decrease) in cash and cash equivalent</b>	<b>11.48</b>	<b>106.33</b>

### NOTES:

- 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.

The accompanying notes are an integral parts of financial statements.

As Per Our Report Of Even Date  
For **BANSI JAIN & ASSOCIATES**  
Chartered Accountants  
Firm Regn.No.0100990W

**R. B. GOLECHA**  
Partner  
Mem.No.035348

Place: Mumbai  
Dated: 25th June 2021

For and on behalf of Board of Directors

**MR. NADIR DHROLIA**  
Managing Director  
DIN: 03303675

**SHRIGOPAL KANDOI**  
Chief Financial Officer

**MR. PRINCE TULSIAN**  
Non-Executive Director  
DIN: 02691348

**SUCHETA CHATURVEDI**  
Company Secretary



# Consolidated Statement of Changes in Equity as at March 31, 2021

## Equity Share Capital

Particulars	(INR in Lakhs)	
	No. of shares	Amount
<b>As at 1st April, 2019</b>	<b>19,375,155.00</b>	<b>1,937.52</b>
Equity Share Capital issued during the year	-	-
<b>As at 31st March, 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>

## Other Equity

Description	(INR in Lakhs)									
	General Reserve	Development Rebate Reserve	Revaluation Reserve	Investment Allowance Utilised Reserve	Securities Premium Reserve	Retained Earnings	Other Comprehensive Income	Total Equity	Other controlling Interest	Non-Interest
<b>Balance as at April 1, 2019</b>	1.76	0.13	10.76	48.58	1,171.06	(1,390.94)	-	(158.65)	-	(0.72)
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>(1,390.94)</b>	<b>-</b>	<b>(158.65)</b>	<b>-</b>	<b>(0.72)</b>
Profit for the year	-	-	-	-	-	(190.38)	-	(190.38)	-	(0.04)
Other Comprehensive Income for the year	-	-	-	-	-	-	(27.48)	(27.48)	-	-
<b>Total Comprehensive Income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(190.38)</b>	<b>(27.48)</b>	<b>(27.48)</b>	<b>-</b>	<b>(0.04)</b>
Movement for the year	-	-	-	-	-	-	-	-	-	-
<b>Balance as at March 31, 2020</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>(376.51)</b>	<b>-</b>	<b>(0.76)</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>10.76</b>	<b>48.58</b>	<b>1,171.06</b>	<b>(1,581.32)</b>	<b>(27.48)</b>	<b>(376.51)</b>	<b>-</b>	<b>(0.76)</b>
Profit for the year	-	-	(10.76)	-	-	(671.79)	27.65	(654.90)	-	(0.19)
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>(654.90)</b>	<b>-</b>	<b>(0.19)</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>(2,253.11)</b>	<b>0.17</b>	<b>(1,031.40)</b>	<b>-</b>	<b>(0.95)</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 **BANSI JAIN & ASSOCIATES**  
Chartered Accountants  
Firm Regn.No.0100990W

**R. B. GOLECHA**  
Partner  
Mem.No.035348

Place: Mumbai  
Dated: 25th June 2021

For and on behalf of Board of Directors

**MR. NADIR DHROLIA**  
Managing Director  
DIN: 03303675

**SHRIGOPAL KANDOI**  
Chief Financial Officer

**MR. PRINCE TULSIAN**  
Non-Executive Director  
DIN: 02691348

**SUCHETA CHATURVEDI**  
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 57B, C. R. Avenue, 1st floor, Kolkata 700012.

### 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 stake holders.

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 of 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

PPE 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.

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-Moulds	5
2	Plant and Machinery-Cylinder	3
3	Motor Cycle	5
4	Electrical Installation	15

Depreciation is provided using the straight line method or 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	Roads and Bridges	10
2	Plant and Machinery	5 to 15
3	Computers and Printers	3 to 5
4	Furniture and Fittings	10
5	Motor Vehicles	5 to 10
6	Buildings and Fencing	5 to 60

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	Trademarks	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.

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. 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. 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 Valuation of Biological Assets

As required by Ind AS 41 - "Agriculture", management estimates the fair value of plucked (harvested tea leaf) and unplucked tea leaves (biological assets as at the balance sheet date) through the use of valuation models and recent transaction prices. Significant judgement is required for key assumptions used in determining average prevalent selling prices of the tea leaf, average quality of the tea leaf and quantity of unplucked leaf. The company has no unplucked leaf as on 31.03.2021.

## 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.

**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**

**Defined Benefits plans**

**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) 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 noncurrent 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.

Additional disclosures are provided in **Note 48** All other notes to the financial statements mainly include amounts for continuing operations, unless otherwise mentioned.

## 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, 2021

### 3 PROPERTY, PLANT & EQUIPMENT

Particulars	(INR in Lakhs)										
	Land	Building	Roads & Bridges	Plant and Machinery	Computer	Furniture and Fixtures	Vehicles	Office Equipments	Electrical Installations	Total	Capital Work-in Progress
<b>Gross Carrying Amount as at April 1, 2019</b>	1,005.19	162.94	22.79	457.13	54.15	0.85	50.21	21.03	52.99	1,827.28	131.87
Additions	-	5.21	-	12.73	8.98	0.06	-	1.24	-	28.22	31.46
Transfer	-	-	-	-	-	-	-	0.49	-	0.49	16.21
Disposals	-	-	-	7.67	-	-	-	0.16	-	7.83	-
<b>As at March 31, 2020</b>	1,005.19	168.15	22.79	462.19	63.13	0.91	50.21	21.62	52.99	1,847.18	147.12
Additions	-	-	-	14.61	5.92	-	-	1.55	-	22.07	-
Additions - Discontinued Operations	-	-	-	0.21	0.02	-	-	0.17	0.02	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	235.18	3.08	0.75	50.21	3.02	53.02	1,156.12	173.46
<b>As at March 31, 2021</b>	-	-	-	149.48	60.17	0.16	-	17.45	-	227.26	-
<b>Accumulated Depreciation as at April 1, 2019</b>	-	101.70	19.94	282.33	45.51	0.67	34.70	16.47	26.62	527.94	-
Depreciation charge during the year	-	4.30	-	34.61	7.25	0.05	4.11	1.87	2.95	55.14	-
Accumulated depreciation on deletions	-	-	-	3.98	-	-	-	0.23	-	4.21	-
Adjustment made during the year	-	-	-	-	-	-	-	-	-	-	-
<b>As at March 31, 2020</b>	-	106.00	19.94	312.96	52.76	0.72	38.81	18.11	29.57	578.87	-
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	211.01	2.75	0.59	38.81	2.36	29.57	411.04	-
<b>As at March 31, 2021</b>	-	-	-	120.91	51.94	0.14	-	14.85	-	187.84	-
<b>Net carrying amount as at March 31, 2021</b>	-	-	-	28.57	8.22	0.03	-	2.60	-	39.42	-
<b>Net carrying amount as at March 31, 2020</b>	1,005.19	62.15	2.85	149.23	10.37	0.19	11.40	3.51	23.42	1,268.32	147.12

#### 1. Land

The company does not bifurcate the value between land and bearer plants since the company is unable to estimate the useful life of bearer plants and therefore no depreciation is charged on the same.

## Notes to Consolidated Financial Statements for the year ended March 31, 2021

### 4 Right to Use

Particulars	(INR in Lakhs)
	Building
<b>Gross carrying amount as at April 1, 2019</b>	
Additions	225.91
Disposals	-
<b>As at March 31, 2020</b>	<b>225.91</b>
<b>Accumulated amortisation and impairment as at April 1, 2019</b>	
Amortisation charge during the year	18.80
Disposals	-
<b>As at March 31, 2020</b>	<b>18.80</b>
<b>Gross carrying amount as at April 1, 2020</b>	<b>207.12</b>
Additions	292.11
Deletion	207.12
<b>As at March 31, 2021</b>	<b>292.11</b>
<b>Accumulated amortisation and impairment as at April 1, 2020</b>	<b>18.80</b>
Amortisation charge during the year	47.28
Deletion	56.63
<b>As at March 31, 2021</b>	<b>9.44</b>
<b>Net carrying amount as at March 31, 2021</b>	<b>282.67</b>
<b>Net carrying amount as at March 31, 2020</b>	<b>207.12</b>

### 5 Intangible Assets

Particulars	(INR in Lakhs)
	Trademark
<b>Gross carrying amount as at April 1, 2019</b>	<b>2.54</b>
Additions	-
Deletion	-
<b>As at March 31, 2020</b>	<b>2.54</b>
Additions	-
Deletion	-
<b>As at March 31, 2021</b>	<b>2.54</b>
<b>Accumulated amortisation and impairment as at April 1, 2019</b>	<b>1.75</b>
Amortisation charge during the year	0.53
Deletion	-
<b>As at March 31, 2020</b>	<b>2.28</b>
Amortisation charge during the year	0.26
Deletion	-
<b>As at March 31, 2021</b>	<b>2.54</b>
<b>Net carrying amount as at March 31, 2021</b>	<b>-</b>
<b>Net carrying amount as at March 31, 2020</b>	<b>0.26</b>

**Note:**

Intangible assets in case of trademarks are amortised on straight-line basis over a period of 5 years, based on management's estimate. The amortisation period and the amortisation method are reviewed at the end of each financial year.

## Notes to Consolidated Financial Statements for the year ended March 31, 2021

### 6 Investments

Particulars	(INR in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
<b>In Equity Shares - Unquoted, carried at fair value through Profit &amp; Loss</b>		
10,000 (10,000) shares of Nakamichi Securities Ltd*	-	2.95
<b>In Partnership firm-Carried at cost</b>		
Dhrolia LLP (Capital)	-	2.00
<b>Total Non-Current Investments</b>	<b>-</b>	<b>4.95</b>
Aggregate amount of quoted Investments	-	-
Market value of quoted Investments	-	-
Aggregate amount of unquoted Investments	-	4.95
Aggregate amount of provision for diminution in value of investment	-	-

\* Fair value of Nakamichi Securities Ltd is ₹ 29.45 per share.

### 7 Inventories

Particulars	(INR in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
<b>Raw Material (At cost or net realizable value whichever is less)</b>		
- Greenleaf	-	0.42
- Nursery Plants	-	39.03
<b>Stock in trade (At cost or net realizable value whichever is less)</b>		
- FMCG & Others product	938.10	24.58
- Stock in Transit	316.82	-
<b>Finished Goods (At cost or net realizable value whichever is less)</b>		
- Tea	-	4.76
<b>Stores &amp; Spares (At cost)</b>	-	20.68
	<b>1,254.92</b>	<b>89.47</b>

### 8 Trade Receivables

Particulars	(INR in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
<b>Unsecured</b>		
Considered Good	1,983.50	922.07
Considered Doubtfull	-	1.21
Less: Allowances for Credit Loss	(7.04)	(6.05)
	<b>1,976.46</b>	<b>917.22</b>

There are no debts due by directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member (Refer Related Party Note No 46).

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.



## Notes to Consolidated Financial Statements for the year ended March 31, 2021

### 9 Cash & Cash Equivalents

Particulars	(INR in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Balances with Banks		
- In Current Accounts	391.03	369.86
Cash in Hand	5.07	21.15
	<b>396.10</b>	<b>391.01</b>

### 10 Other Bank Balance

Particulars	(INR in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Fixed Deposits having original maturities more than 12 months but current maturities less than 12 months	-	2.01
Fixed Deposits having original maturities more than 3 months but less than 12 months	46.14	994.72
	<b>46.14</b>	<b>996.73</b>

### 11 Loans and Advances

Particulars	(INR in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
<b>Unsecured-Considred good</b>		
Loans to related parties (Note 2 )	-	397.95
Others		
- Advances to employees	15.42	42.79
- Others (Note 3)	-	197.93
	<b>15.42</b>	<b>638.67</b>

**Note 1:** There are no Loans including Installment and Interest outstanding from the directors.

**Note 2:** The company has given loans amounting to NIL (As at March 31, 2020 of ₹ 397.95 lakhs) to entities in which directors are interested.

**Note 3:** The company has given interest free inter corporate loans amounting to ₹ NIL (As at March 31, 2020 of ₹ 197.93 lakhs).

### 12 Other Financial Assets

Particulars	(INR in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Security deposits*	3.89	16.74
Interest accrued but not due on Term Deposit	0.33	9.62
Export Incentives & Subvention Interest receivable	93.16	127.87
Fair Value of derivative assets	4.67	3.98
Other	6.66	0.00
	<b>108.72</b>	<b>158.21</b>

\* Security deposit represents and relates to leased warehouse premises, container deposit and utilities like electricity supplies, telephone supplies etc.

## Notes to Consolidated Financial Statements for the year ended March 31, 2021

### 13 Income Tax

Particulars	(INR in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Income Tax Assets	125.93	182.18
	<b>125.93</b>	<b>182.18</b>

### 14 Other Current Assets

Particulars	(INR in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Advance Payment to Vendors	2,300.37	2,273.06
Balance with Government Authorities		
- GST Receivables	447.75	202.25
- Others	-	71.07
Other Receivables	0.63	3.72
Prepaid Expenses	7.25	22.94
	<b>2,756.00</b>	<b>2,573.04</b>

### 15 Share Capital

Particulars	(INR in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
<b>Authorised</b>		
200,00,000 (PY 200,00,000) Equity Shares of ₹ 10/- each	<b>2,000.00</b>	<b>2,000.00</b>
<b>Issued, Subscribed and Paid up</b>		
- 1,93,75,155 (PY 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 of the above

- i. (a) 45,000 Equity shares of ₹ 10/- each issued as fully paid up for consideration other than Cash.
- (b) 12,75,340 Equity shares of ₹ 10/- each issued as fully paid up bonus shares through capitalisation of Reserve & Surplus.
- (c) The above (a) and (b) were not issued within the period of five years immediately preceding the date as at 31st March 2021
- (d) 22,07,350 Equity Shares of ₹ 10/- each are forfeited shares.

#### ii. 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, 2021

### iii. 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, 2021		As at March 31, 2020	
	Number of shares	Amount	Number of shares	Amount
Balance as at the beginning of the year	19,375,155	1,937.52	19,375,155	1,937.52
Add: Shares issued during the year	-	-	-	-
<b>Balance as at the end of the year</b>	<b>19,375,155</b>	<b>1,937.52</b>	<b>19,375,155</b>	<b>1,937.52</b>

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

Particulars	(INR in Lakhs)			
	As at March 31, 2021		As at March 31, 2020	
	Nos.	% holding in the class	Nos.	% holding in the class
Equity Shares of ₹10/- each fully paid up				
Vijay Kishanlal Kedia	1,807,911	9.30	4,184,383	21.60
Anwarli Budhwani	-	-	1,569,288	8.10
Zarin Nazimbhai Charania	-	-	2,126,703	10.98
Nadir Umedali Dhrolia	13,364,966	69.00	2,359,370	12.18
Kedia Securities Pvt. Ltd.	-	-	2,479,435	12.80

As per records of the company, including its register of shareholders / members, the above shareholding represents both legal and beneficial ownerships of shares.

## 16 Reserves & Surplus

Particulars	(INR in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
<b>Securities Premium Account</b>		
Balance as per Last Account	<b>1,171.06</b>	<b>1,171.06</b>
Add: During the Year	-	-
	1,171.06	1,171.06
<b>General Reserve</b>		
Balance as per Last Account	<b>1.76</b>	<b>1.76</b>
Add: During the Year	-	-
	1.76	1.76
<b>Development Rebate Reserve</b>		
Balance as per Last Account	<b>0.13</b>	<b>0.13</b>
Add: During the Year	-	-
	0.13	0.13
<b>Investment Allowance Utilised Reserve</b>		
Balance as per Last Account	<b>48.58</b>	<b>48.58</b>
Add: During the Year	-	-
	48.58	48.58
<b>Revaluation Reserve</b>		
Balance as per Last Account	<b>10.76</b>	<b>10.76</b>
Less: Transferred to Profit & Loss Account	10.76	-
	-	10.76

## Notes to Consolidated Financial Statements for the year ended March 31, 2021

Particulars	(INR in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
<b>Other Comprehensive Income</b>		
Balance as per Last Account	(27.48)	-
Add : During the Year	27.65	(27.48)
	0.17	(27.48)
<b>Sub-Total (A)</b>	<b>1,221.71</b>	<b>1,204.81</b>
<b>Surplus / (Deficit) in the statement of Profit &amp; Loss</b>		
Balances as per last Financial Statements	(1,581.32)	(1,390.94)
Add : Profit / (Loss) during the year	(671.60)	(190.42)
Less: Non Controlling Interest	0.19	0.04
<b>Sub-Total (B)</b>	<b>(2,253.11)</b>	<b>(1,581.32)</b>
<b>(A+B)</b>	<b>(1,031.40)</b>	<b>(376.50)</b>

### 17 Non-Current Borrowings

Particulars	(INR in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
<b>Secured</b>		
<b>Term Loans</b>		
- From Banks (Note 1)	-	0.33
- From Others	-	-
Plantation Finance Loan from Tea Board (Note 2)	-	0.80
	-	<b>1.13</b>

\*Net of Current maturities of long-term debts and Interest accrued, which are included in Note 25

**Note 1** : Term loan of INR 0.46 lakhs (FY 2019-20 INR 1.64 lakhs) taken from Indian Bank is secured against the hypothecation of motor car loan. The loan carries interest rate at 8.5% pa and balance is repayable 14 equal instalments (2020 - 14 equal instalments) and is disclosed under discontinued operation. (Refer Note 48)

**Note 2** : Term loan of INR 3.44 lakhs (FY 2019-20 INR 7.14 lakhs) taken from Tea Board of India is secured against the hypothecation of land and building . The loan carries interest free and repayable in 60 monthly instalments starting from 30th September 2016 and is disclosed under discontinued operation. (Refer Note 48).

### 18 Lease Liability

Particulars	(INR in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Lease Liability	243.01	172.87
	<b>243.01</b>	<b>172.87</b>

## Notes to Consolidated Financial Statements for the year ended March 31, 2021

### 19 Deferred Tax Liability

Particulars	(INR in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
<b>Deferred Tax liability</b>		
On account of carrying value of property, plant and equipment	-	12.44
On account of Right to use	71.14	53.85
On account of Business Loss	-	23.90
<b>(A)</b>	<b>71.14</b>	<b>90.19</b>
<b>Deferred Tax asset</b>		
On account of carrying value of property, plant and equipment	7.13	-
On account of expected credit loss on trade receivables	6.35	6.30
On account of provision for gratuity	8.22	4.13
On account of loss on revaluation	1.63	3.09
On account of lease liability	71.86	54.88
On account of Provision for Bonus	1.13	1.53
On account of Business Loss	241.95	-
<b>(B)</b>	<b>338.27</b>	<b>69.94</b>
<b>Net Deferred Tax Liability</b>	<b>(A-B)</b>	<b>20.25</b>
	<b>(267.13)</b>	<b>20.25</b>

### 20 Other Non-Current Liabilities

Particulars	(INR in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Deferred government grant	-	38.35
	-	<b>38.35</b>

### 21 Provisions

Particulars	(INR in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Provision for Gratuity	32.62	14.37
	<b>32.62</b>	<b>14.37</b>

### 22 Borrowings

Particulars	(INR in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
<b>Secured</b>		
<b>Demand Loans</b>		
Working capital loan from bank (Note No. 1)	-	44.35
<b>Unsecured (Repayable on demand)</b>		
From Banks		
- Export Packing Credit INR Loan (Note No. 2)	3,804.43	3,235.45
From Others		
- Cheers Consumer Products Ltd.	-	4.94
- Directors	1,044.90	417.93
	<b>4,849.33</b>	<b>3,702.67</b>

## Notes to Consolidated Financial Statements for the year ended March 31, 2021

**Note No. 1 :** These facilities are secured against the following charge on various assets of the Company:

- (a) Primary : Hypothecation charge on the entire current assets of the Company, both present & future.
- (b) Collateral : Fixed deposits of the company.

**Note No. 2 :** Working Capital Loan from HDFC Bank amounting to INR - NIL (FY 2019-20 : INR 2,315.45 lakhs) & ICICI Bank Limited INR 3,804.42 lakhs (FY 2019-20 : 920 Lakhs) is repayable on demand and is secured against fixed deposits of third party.

### 23 Lease Liability

Particulars	(INR in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Lease Liability	42.49	38.21
	<b>42.49</b>	<b>38.21</b>

### 24 Trade Payables

Particulars	(INR in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Total Outstanding due to Micro and Small Enterprises *	49.17	7.39
Total Outstanding due to other than Micro and Small Enterprises	827.17	448.55
	<b>876.34</b>	<b>455.94</b>

\* Details of Dues to Micro and Small Enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006)

Particulars	(INR in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Principal amount due to suppliers under MSMED Act, 2006	47.72	7.27
Interest accrued and due to suppliers under MSMED Act, on the above amount	1.32	0.12
Payment made to suppliers (other than interest) beyond the appointed day, during the year	-	0.00
Interest paid to suppliers under MSMED Act, (other than Section 16)	-	0.00
Interest paid to suppliers under MSMED Act (Section 16)	-	0.00
Interest due and payable to suppliers under MSMED Act, for payment already made	0.13	0.00
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>

## Notes to Consolidated Financial Statements for the year ended March 31, 2021

### 25 Other Financial Liabilities

Particulars	(INR in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Current maturities of long term debts	-	1,001.98
Employee Benefits payable	38.99	77.12
Fair Value of derivative liability	-	23.80
Others	-	7.60
	<b>38.99</b>	<b>1,110.49</b>

### 26 Others Current Liabilities

Particulars	(INR in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Advance from Customers*	983.77	155.80
Payable to Government Authorities	74.33	73.72
Deferred Government Grant	-	6.31
	<b>1,058.10</b>	<b>235.84</b>

\* Advance received from customers amounting to ₹ 54.09 lakhs is outstanding for more than 365 days as on date and thus falls under the definition of Deemed Deposit from the public within the meaning of the directives issued by the Reserve Bank of India, provisions of Sections 73 to 76 of the Act, any other relevant provisions of the Act and the relevant rules framed there under.

### 27 Provisions

Particulars	(INR in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Provision for Expenses	14.16	19.08
Provision for Gratuity	2.51	0.82
Provision for Bonus	4.50	5.90
	<b>21.17</b>	<b>25.80</b>

### 28 Current Tax Liabilities

Particulars	(INR in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Provision for tax	26.44	142.93
	<b>26.44</b>	<b>142.93</b>

## Notes to Consolidated Financial Statements for the year ended March 31, 2021

### 29 Revenue From Operations

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Sales of Goods</b>		
Traded Goods		
- Domestic	487.34	416.27
- Export	5,206.37	7,295.88
	5,693.71	7,712.15
<b>Other Operating Revenue</b>		
Export Benefits	635.68	716.28
	<b>6,329.39</b>	<b>8,428.42</b>

### 30 Other Non Operating Income

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Interest Income</b>		
On bank deposits	26.65	66.00
Interest on IT Refund	0.84	-
<b>Other Non Operating Income</b>		
Foreign Exchange Fluctuation Gain	67.44	136.80
Miscellaneous Income	4.95	42.28
Gain on Lease Modification	10.22	-
	<b>110.10</b>	<b>245.08</b>

### 31 Cost of Material Consumed

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Opening Inventories	39.45	67.18
Less: Capital WIP	39.03	-
Add : Purchase	60.66	19.54
Less : Closing inventories	-	39.45
Less : Discontinued Operations	61.08	47.27
	-	-

### 32 Purchase of Traded Goods

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
FMCG & other products	6,924.05	7,090.85
	<b>6,924.05</b>	<b>7,090.85</b>



## Notes to Consolidated Financial Statements for the year ended March 31, 2021

### 33 Change in Inventories of Finished Goods, Work in Progress & Traded Goods

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Inventories at the end of the year	970.33	29.33
Add : Stock in transit	316.82	-
Less : Inventories at the beginning of the year	29.33	370.27
Less : Discontinued Operations	(27.47)	24.54
(Increase)/Decrease in Inventories	<b>(1,230.34)</b>	<b>316.40</b>

### 34 Employee Benefit Expenses

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Salary, Wages and Bonus	309.24	260.83
Employers' Contribution to PF & ESI	17.94	13.28
Gratuity Expenses	5.80	0.29
Employees' Welfare Expenses	19.40	14.05
	<b>352.39</b>	<b>288.45</b>

### 35 Finance Costs

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest		
- On Secured Loan	69.75	99.71
- On EPC	107.09	107.74
- Lease Liability	21.01	9.17
- On MSME creditors	1.33	0.12
Bank Charges and Commission	7.26	6.60
	<b>206.44</b>	<b>223.34</b>

### 36 Depreciation & Amortization Expense

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Depreciation on tangible assets	78.23	30.86
Amortization of intangible assets	0.00	0.53
Amortization of right to use	0.00	18.80
	<b>78.23</b>	<b>50.19</b>

## Notes to Consolidated Financial Statements for the year ended March 31, 2021

### 37 Other Expenses

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Auditor's Remuneration*	6.80	5.65
Clearing & Forwarding Expenses	54.11	194.86
Collie & Cartage Charges	-	0.87
Commission Charges paid	48.46	11.33
Discount Allowed	4.23	1.02
Freight & Shipment Charges	77.45	34.70
Impairment loss on Financial Instrument	25.23	5.79
Insurance Expense	5.59	-
Interest & Penalty on Statutory Payments	12.52	46.41
Legal, Professional & Consultancy Fees	104.83	98.90
License Expenses	0.22	8.82
Loss on sale of Property Plant and Equipment	0.02	1.30
Loss on Forward Contract Cancellation	1.30	18.82
Miscellaneous Expenses	9.73	28.71
Packing & Development Expenses	3.50	11.84
Postage & Telegram	4.07	6.59
Loss on Sale of Export Scheme License	1.12	-
Printing & Stationery	7.82	10.28
Products Testing Expenses	-	3.15
Remeasurement of Financial Instrument	(7.33)	6.50
Rent Rates and Taxes	42.83	117.97
Repairs and Maintenance	0.88	0.46
Sales Promotion & Advertisement Expenses	41.96	27.70
Stock Exchange Expenses	9.02	5.00
Sundry Debit Balance Written off	134.26	138.78
Assets Written off	5.58	-
Telephone & Internet Expenses	2.79	3.06
Travelling & Conveyance Expenses	18.14	40.48
	<b>615.11</b>	<b>829.01</b>
<b>*Auditors Remuneration</b>		
Statutory audit fees	4.50	3.75
Tax audit fees	1.00	1.00
Audit fees for limited review	1.20	0.80
Certification Charges	0.10	0.10
	<b>6.80</b>	<b>5.65</b>

## Notes to Consolidated Financial Statements for the year ended March 31, 2021

### 38 Earnings Per Share (EPS)

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>(A) For Continuing Operations</b>		
<b>Profit / (Loss) as per Profit &amp; Loss Account (INR)</b>	<b>(240.93)</b>	<b>(124.69)</b>
Weighted average number of Equity Shares (Nos.)	193.75	193.75
Face Value per Equity Share (INR)	10.00	10.00
Basic & Diluted Earnings per Share (INR)	<b>(1.24)</b>	<b>(0.64)</b>
<b>(B) For Discontinued Operations</b>		
<b>Profit / (Loss) as per Profit &amp; Loss Account (INR)</b>	<b>(430.67)</b>	<b>(65.71)</b>
Weighted average number of Equity Shares (Nos.)	193.75	193.75
Face Value per Equity Share (INR)	10.00	10.00
Basic & Diluted Earnings per Share (INR)	<b>(2.22)</b>	<b>(0.34)</b>
<b>(C) For Continuing &amp; Discontinued Operations</b>		
<b>Profit / (Loss) as per Profit &amp; Loss Account (INR)</b>	<b>(671.60)</b>	<b>(190.40)</b>
Weighted average number of Equity Shares (Nos.)	193.75	193.75
Face Value per Equity Share (INR)	10.00	10.00
Basic & Diluted Earnings per Share (INR)	<b>(3.47)</b>	<b>(0.98)</b>

### 39 Contingent Liabilities

(a) Particulars	(INR in Lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Disputed Liabilities under Income Tax, 1961 for AY 2015-16**	73.72	73.72
<b>Total</b>	<b>73.72</b>	<b>73.72</b>

(b) \*\*Income tax department had passed a assessment order dt 26.12.2017 under which a tax liability of ₹ 95.05 lakhs is payable, The company has filed for the appeal by depositing 20% of demand which is amounting to ₹ 19.00 lakhs. Matter still pending before authority as on 31st March 2021.

(c) The company has given a comfort letter to its subsidiary Lykis Marketing, whereby the company has agreed to invest additional funds in case difficulties arises to continue as a going concern. Also comfort provided on adoption of necessary resolution by the company which will ensure net worth of Lykis marketing will be enough to meets its liabilities.

### 40 Employees Benefit Obligation

#### a) Gratuity

The company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. 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.

## Notes to Consolidated Financial Statements for the year ended March 31, 2021

The gratuity plan is a unfunded plan.

**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)
	Presentation Value of Obligation
<b>As at April 1, 2019</b>	<b>10.32</b>
Current service cost	0.74
Interest expense/(income)	4.02
<b>Total amount recognised in profit or loss</b>	<b>4.76</b>
Remeasurements	
(Gain)/Loss from change in financial assumptions	0.88
Experience (gains)/losses	2.80
<b>Total amount recognised in other comprehensive income</b>	<b>3.68</b>
Less: Benefit payments	(3.58)
<b>As at March 31, 2020</b>	<b>15.19</b>
Current service cost	4.83
Interest expense/(income)	0.98
<b>Total amount recognised in profit or loss</b>	<b>5.80</b>
Liability Transferred in/Acquisitions	14.54
Liability Transferred out/Disinvestments	(0.25)
<b>Total Liability</b>	<b>14.30</b>
Remeasurements	
(Gain)/Loss from change in financial assumptions	0.41
Experience (gains)/losses	(0.11)
<b>Total amount recognised in other comprehensive income</b>	<b>0.30</b>
Less: Benefit payments	(0.87)
Less : Transferred to Discontinue Operations	(2.06)
<b>As at March 31, 2021</b>	<b>32.66</b>

	(INR in Lakhs)	
Amount Recognized in the Balance Sheet	As at March 31, 2021	As at March 31, 2020
Present Value of Benefit Obligation at the end of the period	(34.72)	(15.18)
Funded Status (Surplus/Deficit)	(34.72)	(15.18)
Less : Transferred to Discontinue Operations	2.06	-
<b>Net (Liability)/Assets Recognized in the Balance Sheet</b>	<b>(32.66)</b>	<b>(15.18)</b>

	(INR in Lakhs)	
Expenses Recognized in the Statement of Profit or Loss for Current Period	As at March 31, 2021	As at March 31, 2020
Current Service Cost	4.83	4.02
Net Interest Cost	0.98	0.74
<b>Net Effect of Changes in Foreign Exchange Rates</b>	<b>5.80</b>	<b>4.76</b>

## Notes to Consolidated Financial Statements for the year ended March 31, 2021

(INR in Lakhs)		
<b>Expenses recognized in the Other Comprehensive Income (OCI) for current period</b>	As at March 31, 2021	As at March 31, 2020
Actuarial (Gain)/Losses on Obligation for the period	0.30	3.68
Less : Remeasurement Gain /loss of Discontinued Operations	(2.06)	-
<b>Net (Income )/Expenses For the Period Recognized in OCI</b>	<b>(1.76)</b>	<b>3.68</b>

(INR in Lakhs)		
<b>Balance Sheet Reconciliation</b>	As at March 31, 2021	As at March 31, 2020
Opening Net Liability	15.18	10.32
Expenses Recognized in Statement of Profit and Loss	5.80	4.76
Expenses Recognized in OCI	0.30	3.68
Net liability /(Asset) Transfer In	14.54	-
Net liability /(Asset) Transfer Out (Benefit Paid Directly by the Employer )	(0.25) (0.87)	- (3.58)
Less : Transferred to Discontinued Operations	(2.06)	-
<b>Net Liability/(Asset) Recognized in the Balance Sheet</b>	<b>32.66</b>	<b>15.18</b>

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

(INR in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
Interest/Discount rate	6.26% p.a	6.43% p.a
Rate of increase in compensation	10.64% p.a	10.64% p.a
Expected average remaining service	6 years	6 years
Retirement Age	58 years	60 years
Employee Attrition Rate	14.58% p.a	14.58% p.a

**c) A quantitative sensitivity analysis for significant assumption as at March 31, 2020 is shown below:**

(INR in Lakhs)				
Assumption	Discount Rate		Salary Growth Rate	
	1% increase	1% decrease	1% increase	1% decrease
<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%
<b>March 31, 2020</b>				
Impact on defined benefit obligation	(1.10)	1.27	1.20	(1.07)
% Impact	-3.38%	3.87%	3.68%	-3.29%

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, 2021

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

Particulars	(INR in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Expected Payout Year one	2.49	0.82
Expected Payout Year two	2.95	0.84
Expected Payout Year three	3.49	1.27
Expected Payout Year four	3.60	1.65
Expected Payout Year five	3.63	1.66
Expected Payout Year six to ten	15.00	7.35
<b>Total expected payments</b>	<b>31.17</b>	<b>13.60</b>

### 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:

**The carrying value and fair value of financial instruments by categories as of 31 March 2020 are as follows:**

Particular	Carrying Amount				Fair Value				
	March 31, 2020	FVPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>FINANCIAL ASSETS</b>									
Investments	4.95	-	-	4.95	4.95	-	4.95	-	4.95
Security Deposits	-	-	16.74	16.74	16.74	-	-	-	16.74
Trade Receivables	-	-	917.22	917.22	917.22	-	-	-	917.22
Cash and Cash Equivalents	-	-	391.01	391.01	391.01	-	-	-	391.01
Other Bank Balances	-	-	996.73	996.73	996.73	-	-	-	996.73
Loans and Advances	-	-	638.67	638.67	638.67	-	-	-	638.67
Other Financial Assets	-	-	141.47	141.47	141.47	-	-	-	141.47
<b>Total financial assets</b>	<b>4.95</b>	<b>0.00</b>	<b>3,101.83</b>	<b>3,106.78</b>	<b>3,106.78</b>	<b>0.00</b>	<b>4.95</b>	<b>0.00</b>	<b>3,106.78</b>
<b>FINANCIAL LIABILITIES</b>									
Borrowings	-	-	3,703.80	3,703.80	3,703.80	-	-	-	3,703.80
Lease Liability	-	-	211.08	211.08	211.08	-	-	-	211.08
Trade payables	-	-	455.95	455.95	455.95	-	-	-	455.95
Other financial liabilities	-	-	1,110.49	1,110.49	1,110.49	-	-	-	1,110.49
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>5,481.32</b>	<b>5,481.32</b>	<b>5,481.32</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,481.32</b>

## Notes to Consolidated Financial Statements for the year ended March 31, 2021

The carrying value and fair value of financial instruments by categories as of 31 March 2021 are as follows:

(INR in Lakhs)

Particular	Carrying Amount				Fair Value				
	March 31, 2021	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>2,542.83</b>	<b>2,542.83</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>6,050.16</b>	<b>6,050.16</b>	-	-	-	-	<b>6,050.16</b>

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.

## Notes to Consolidated Financial Statements for the year ended March 31, 2021

### 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, 2021	As at March 31, 2020
<b>A) Debts</b>		
Borrowings (Current and Non-Current)	391.29	4,704.78
<b>Debt (A)</b>	<b>391.29</b>	<b>4,704.78</b>
<b>B) Equity</b>		
Equity Share Capital	1,992.70	1,992.70
Other Equity	(1,031.40)	1,217.08
<b>Total Equity (B)</b>	<b>961.30</b>	<b>3,209.78</b>
<b>Gearing Ratio (Debt / Capital) i.e. (A/B)</b>	<b>41%</b>	<b>147%</b>

### 43 Lease

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 under

- Finance Cost' in Note no. 36. Interest on Lease Liability of ₹ 21.01 lakhs.
- Depreciation and Amortization expense in Note no. 37. Amortization of Lease Liability of ₹ 47.28 lakhs.
- The total outstanding cash outflow for lease as per the agreement is ₹ 360.12 lakhs.
- There has been addition to right of use asset in the current period of ₹ 292.11 Lakhs
- The carrying amount of Right of use asset as on 31st March, 2021 is ₹ 282.67 lakhs classified under 'Note no. 4. 'Right to use'.

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, 2019	Addition	Deletion/ Amortization	31st March, 2020	As at 1st April, 2020	Addition	Deletion/ Amortization	As at March 31, 2021
Right of Use Asset	-	225.91	18.80	207.12	207.12	292.11	216.56	282.68



## Notes to Consolidated Financial Statements for the year ended March 31, 2021

b) A reconciliation between the total minimum lease payment as on 31st March, 2021 and their present value:

Particulars	(INR in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Lease Liability as at balance sheet date	285.50	211.08
Add: Interest on above*	74.62	52.92
<b>Minimum Lease Payment</b>	<b>360.12</b>	<b>264.00</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:

Particulars	(INR in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Not later than 1 year	68	58
Later than 1 year but not later than 5 year	292	206
<b>Total</b>	<b>360</b>	<b>264</b>

Rental expenses recorded for short term lease was ₹ 2.63 lakhs during the year ended 31st March, 2021

#### 44 Financial Risk Management

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

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

Covid 19 has been declared as Global Pandemic and it has led to an impact on the routine business of the company. The Company continued to supply their goods in the relevant market. As the Company's major revenue comes from export of FMCG products in global market, the extended lockdown have caused adverse impact on sales due to disruption in market opening. The impact on the business of the company is very uncertain and will depend on the future developments in the country.

##### (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.

Impact of Covid 19 pandemic- The pandemic can cause continuing volatility in the currency market and this risk would be mitigated through effective hedging policies. Further, the Company basis the recent trends believe that the probability of the non-occurrence of forecasted transactions is minimal. The Company also does not expect any material deterioration in both counterparty credit risk and own credit

## Notes to Consolidated Financial Statements for the year ended March 31, 2021

risk. Accordingly, the Group continues to believe that there is no impact on effectiveness of its hedges. Future outlook would depend on how the pandemic develops and the resultant impact on businesses.

### (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, 2021	As at March 31, 2020
<b>Financials Assets</b>		
Trade Receivables	1,839.77	956.83
Advance to Parties	7.26	-
Cash & Cash Equivalent	37.65	8.18
Other Financial Assets	-	-
<b>Net Exposure to Foreign Currency Risk Assets</b>	<b>1,884.67</b>	<b>965.01</b>
<b>Financials Liabilities</b>		
Trade Advance	558.28	108.56
Trade Payable	172.94	-
Other Financial Liabilities	-	23.80
<b>Net Exposure to Foreign Currency Risk Liabilities</b>	<b>731.22</b>	<b>132.36</b>
<b>Foreign Currency Sensitivity</b>	<b>1,153.45</b>	<b>832.65</b>

### (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 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.

## Notes to Consolidated Financial Statements for the year ended March 31, 2021

An impairment analysis is performed at each re-equipmenting 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-equipmenting date is the carrying value of each class of financial assets disclosed in Note 8.

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, 2021	As at March 31, 2020
Opening Balance	6.05	31.70
Add: Impairment Loss recognized	25.23	(25.65)
Less: Utilized During the year	23.97	-
Less: Discontinued Operations	0.27	-
<b>Closing Balance</b>	<b>7.04</b>	<b>6.05</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.

### (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.

Particular	(INR in Lakhs)		
	Less than 1 year	1 to 5 years	More than 5 years
<b>As at March 31st, 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, 2021

<b>Contractual maturities of financial liabilities</b> (INR in Lakhs)			
<b>Particular</b>	<b>Less than 1 year</b>	<b>1 to 5 years</b>	<b>More than 5 years</b>
<b>As at March 31st, 2020</b>			
Borrowings	3,702.67	1.13	-
Trade payables	455.95	-	-
Other financial liabilities	1,110.49	-	-
Lease liabilities	<b>38.21</b>	<b>172.87</b>	-
<b>Total Financial Liabilities</b>	<b>5,307.32</b>	<b>174.00</b>	-

### 45 Information About Primary Business Segment

The Company has identified business segments as its primary segment. The Company is engaged in Trading of FMCG Goods & related activities during the year, consequently the Company have separate reportable business segment for the year ended March 31, 2021.

<b>Year ended March 31, 2021</b> (INR in Lakhs)			
	<b>Tea</b>	<b>FMCG</b>	<b>Total</b>
Revenue	497.07	6,329.39	6,826.46
Expenses	921.71	6,936.56	7,858.28
Other Income	1.04	110.10	111.15
<b>Segment Profit</b>	<b>(423.59)</b>	<b>(497.07)</b>	<b>(920.67)</b>
Less: Unallocable Expenses			18.07
Add: Unallocable Income			0.84
Profit Before Tax			(937.90)
Tax Expenses			(266.30)
<b>Profit After Tax</b>			<b>(671.60)</b>
<b>Year ended March 31, 2020</b>			
Revenue	367.29	8,446.51	8,813.80
Expenses	412.16	8,808.64	9,220.80
Other Income	3.42	245.08	248.50
<b>Segment Profit</b>	<b>(41.46)</b>	<b>(117.05)</b>	<b>(158.51)</b>
Less : Unallocable Expenses			16.66
Profit Before Tax			(175.17)
Tax Expenses			15.25
<b>Profit After Tax</b>			<b>(190.42)</b>

## Notes to Consolidated Financial Statements for the year ended March 31, 2021

### 46 Related Party Disclosure

#### i) Relationship

Description of relationship	Names of Related Parties
Subsidiary Company	Lykis Marketing Pvt. Ltd. Lykis Export LLC
Associate Company	Lykis Packaging Pvt. Ltd. Lykon Foods Pvt. Ltd.
Entity with Common Director	Spectra International Ltd. Pragati Aerosols Pvt. Ltd. Dhrolia LLP Lykis Herbals Pvt. Ltd. Lykis Biscuit Pvt. Ltd. Cheers Consumers Pvt Ltd Sanzi Exporters & Importers Lykis Soaps Pvt Ltd Dharamnagar Tea Estate
Chairman	Mr. Shafeen Charania w.e.f 14.11.2020 Mr. Vijay Kishanlal Kedia upto 29.10.2020
Key Managerial Personnel	Mr. Prince Tulsian (Managing Director upto 14.11.2020) Mr Nadir Dhrolia (Managing Director w.e.f 14.11.2020) Mr. Rajesh Tendulkar (CEO upto 15.01.2021) Mr. Sunil Chadraprakash Purohit (Chief Financial Officer upto 14.11.2020) Mr Gopal Kandoi (Chief Fianancial Officer w.e.f 14.11.2020) Mr. Anubhav Shrivastava (Company Secretary upto 22.02.2021) Ms Sucheta Chaturvedi (Company Secretary w.e.f 17.03.2021)
Director	Mr. Prince Tulsian (Non-Executive Director w.e.f 14.11.2020) Mr. Rajendra Singh Singhvi (Non-Executive Independent Director w.e.f 08.01.2019) Mr. Kairav Trivedi (Non-Executive Independent Director w.e.f 14.11.2020) Ms. Neha Gada (Additional Independent Director w.e.f 13.02.2021) Mr. Rajesh Vasudevan Nambiar (Non-Executive Independent Director w.e.f 13.02.2021)
Relative of Key Managerial Person	Mrs. Swati Tendulkar (Upto 15.01.2021) Ms. Anushka Tendulkar (upto 15.01.2021) Mr. Pratik Kedia (upto 8.01.2019) Mrs. Monika Kandoi (w.e.f 14.11.2020)
Relative of Director	Mrs. Priyanka Tulsian (Upto 15.01.2021) Ms. Sonam Tulsian (Upto 15.01.2021)

#### Notes

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

## Notes to Consolidated Financial Statements for the year ended March 31, 2021

### ii) Transaction with Related party during the Year and balance as at year end

Particulars	Subsidiary		Associate		Key Managerial Personnels		Relative of Key Managerial Personnels		Companies/ Firms/ controlled by Key Managerial Personnels/ Relatives		Total	
	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year
<b>Purchase of goods and services</b>												
Dharamnagar Tea Estate Pvt. Ltd.	-	-	-	-	-	-	-	-	60.66	19.54	60.66	19.54
<b>Sale of goods and services</b>												
Spectra International Ltd.	-	-	-	-	-	-	-	-	-	7.99	-	7.99
<b>Remuneration paid</b>												
Prince Tulsian	-	-	-	-	7.20	7.20	-	-	-	-	7.20	7.20
Sunil Chadraprakash Purohit	-	-	-	-	11.30	16.41	-	-	-	-	11.30	16.41
Gopal Kandoi	-	-	-	-	4.48	-	-	-	-	-	4.48	-
Rajesh Tendolkar	-	-	-	-	17.60	17.43	-	-	-	-	17.60	17.43
Pratik Kedia	-	-	-	-	-	-	-	18.10	-	-	-	18.10
Swati Tendolkar	-	-	-	-	-	-	9.10	12.00	-	-	9.10	12.00
Monika Kandoi	-	-	-	-	-	-	4.25	-	-	-	4.25	-
Others	-	-	-	-	-	4.15	-	8.27	-	-	-	12.42
<b>Rent Paid</b>												
Spectra International Ltd.	-	-	-	-	-	-	-	-	59.20	67.02	59.20	67.02
<b>Other Expenses</b>												
Lykis Herbals Pvt. Ltd.	-	-	-	-	-	-	-	-	-	43.68	-	43.68
Vishal Agrifood Ventures Pvt. Ltd.	-	-	-	-	-	-	-	-	0.11	-	0.11	-
Lykis Herbals Pvt. Ltd.	-	-	-	-	-	-	-	-	32.88	-	32.88	-
Lykis Confectionary Pvt. Ltd.	-	-	-	-	-	-	-	-	0.04	-	0.04	-
Lykis Export LLC	-	-	-	-	-	-	-	-	7.88	-	7.88	-
Lykis Packaging Pvt. Ltd.	-	-	-	-	-	-	-	-	0.08	-	0.08	-
<b>Sale of investment</b>												
Dhrolia LLP	-	-	-	-	-	-	-	-	2.00	-	2.00	-
<b>Purchase of Investment</b>												
Lykis Export LLC	19.85	-	-	-	-	-	-	-	-	-	-	-

## Notes to Consolidated Financial Statements for the year ended March 31, 2021

Particulars	Subsidiary		Associate		Key Managerial Personnels		Relative of Key Managerial Personnels		Companies/ Firms/ controlled by Key Managerial Personnels/ Relatives				Total	
	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year
	year	year	year	year	year	year	year	year	year	year	year	year	year	year
<b>Reimbursement of expenses</b>														
Dharamnagar Tea Estate Pvt. Ltd.	-	-	-	-	-	-	-	-	-	-	6.35	2.83	6.35	2.83
Others	-	-	-	-	-	-	-	-	-	-	0.20	0.25	0.20	0.25
<b>Reimbursement of incomes</b>														
Dharamnagar Tea Estate Pvt. Ltd.	-	-	-	-	-	-	-	-	-	-	1.46	3.74	1.46	3.74
<b>Loans &amp; Advances Given</b>														
Lykis Packaging Pvt. Ltd.	-	-	-	2.03	-	-	-	-	-	-	-	-	-	2.03
Others	-	-	-	-	-	-	-	-	-	-	-	0.12	-	0.12
<b>Payment during the year</b>														
Dharamnagar Tea Estate Pvt. Ltd.	-	-	-	-	-	-	-	-	-	-	116.19	-	116.19	-
<b>Receipt During the year</b>														
Dharamnagar Tea Estate Pvt. Ltd.	-	-	-	-	-	-	-	-	-	-	59.49	-	59.49	-
<b>Loans &amp; Advances Received Back</b>														
Lykis Packaging Pvt. Ltd.	-	-	83.33	-	-	-	-	-	-	-	-	-	83.33	-
Lykis Biscuits Pvt. Ltd.	-	-	-	-	-	-	-	-	-	-	53.25	-	53.25	-
Pragati Aerolos Pvt. Ltd.	-	-	-	-	-	-	-	-	-	-	150.55	-	150.55	-
Lykis Herbals	-	-	-	-	-	-	-	-	-	-	107.50	-	107.50	-
<b>Borrowings Taken</b>														
Vijay Kedia	-	-	-	-	434.37	-	-	-	-	-	-	-	434.37	8.00
Cheers consumer	-	-	-	-	-	-	-	-	-	-	-	0.23	-	0.23
<b>Borrowings Repaid</b>														
Vijay Kedia	-	-	-	-	25.00	410.67	-	-	-	-	-	-	25.00	410.67
<b>Outstanding balance at the end of the year</b>														
<b>Loans &amp; Advances</b>														
Lykis Packaging Pvt. Ltd.	-	-	-	83.25	-	-	-	-	-	-	-	-	-	83.25
Cheers Consumer Products Limited	-	-	-	-	-	-	-	-	-	-	-	0.11	-	0.11
Lykis Biscuits Pvt. Ltd.	-	-	-	-	-	-	-	-	-	-	53.25	-	-	53.25
Lykis Herbals Pvt. Ltd.	-	-	-	-	-	-	-	-	-	-	107.50	-	-	107.50

## Notes to Consolidated Financial Statements for the year ended March 31, 2021

Particulars	Subsidiary	Associate		Key Managerial Personnels		Relative of Key Managerial Personnels		Companies/ Firms/ controlled by Key Managerial Personnels/ Relatives				Total	
		Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year
		year	year	year	year	year	year	year	year	year	year	year	year
Lykis Soaps Pvt. Ltd.	-	-	-	-	-	-	-	-	-	0.19	-	-	0.19
Lykon Foods Pvt. Ltd.	-	-	3.11	-	-	-	-	-	-	-	-	-	3.11
Pragati Aerolos Pvt. Ltd.	-	-	-	-	-	-	-	-	-	150.55	-	-	150.55
<b>Borrowings</b>													
Vijay Kedia	-	-	-	826.30	416.93	-	-	-	-	-	-	826.30	416.93
Cheers Consumers Private Ltd	-	-	-	-	-	-	-	4.94	5.17	-	-	4.94	5.17
<b>Trade Advances</b>													
Lykis Herbals Pvt. Ltd.	-	-	-	-	-	-	-	136.03	168.88	-	-	136.03	168.88
Dharamnagar Tea Estate Pvt. Ltd.	-	-	-	-	-	-	-	463.22	472.06	-	-	463.22	472.06
Spectra International Ltd.	-	-	-	-	-	-	-	8.30	2.38	-	-	8.30	2.38
<b>Trade Receivables</b>													
Lykis Biscuits Pvt. Ltd.	-	-	-	-	-	-	-	-	-	-	-	-	3.73
Lykis Confectionary Pvt. Ltd.	-	-	-	-	-	-	-	-	-	-	-	-	1.56
Sanzi Group imp & exp	-	-	-	-	-	-	-	242.64	-	-	-	242.64	-
<b>Other Payables</b>													
Lykis Export LLC	11.97	-	-	-	-	-	-	-	-	-	-	-	11.97



## Notes to Consolidated Financial Statements for the year ended March 31, 2021

### 47 Other Notes

- i) Lykis Limited is a well-established listed company engaged primarily in the business of marketing and adding of fast moving consumer goods (FMCG), and also engaged in the business of tea plantation and processing in its tea garden, Iringmara Tea Estate, situated at Silchar, Assam. Company is intend to sell/ transfer /dispose off its tea division. Thus the Board of Directors ("Board" which expression for the purposes of this resolution shall include any Committee of Directors constituted by the Board) proposed to the member of the Company to sell/ transfer/discard off the whole or substantially the whole of the undertaking of the Company i.e. tea division for such consideration and on such terms and conditions as the Board of Directors of the Company consider beneficial to the Company. A resolution has been passed through Postal Ballot (Remote E Voting ) by the shareholders on 19th June 2020, authorising the board on behalf of the company for undertaking the sale of tea division on slump sale basis and to do all such acts, deeds and things. The Valuer-Singrodia & Co LLP has duly valued the tea division.
- ii) The rapid outbreak of the coronavirus (COVID-19) presents an alarming health crisis that the world is grappling with. The impacts of the COVID-19 pandemic are unfolding in real time. The company is continuously monitoring the impact of COVID-19 on its financial position. COVID-19 continuous to effect economic activity in India and international market and as a result it may impact the industries in which the company operates. The financial reporting impacts of the COVID-19 outbreak will depend on facts and circumstances, including the degree to which a company's operations are exposed to the impacts of the outbreak. On the basis of the company monitoring its has identify that there is no material impact of COVID-19 impact on its financial position.
- iii) Sundry debtors, creditors, Loans & Advances are subject to confirmation & reconciliation,if any. In the opinion of the Board, the Current Assets, Loans & Advances are approximately of the value stated,if realised in ordinary course of business. The Provision for depreciation & all known liabilities are adequate & not in excess of amounts reasonably necessary.
- iv) Previous years Figures are regrouped and restated wherever required.

### 48 Discontinued Operations

Lykis Limited is a well-established listed company engaged primarily in the business of marketing and adding of fast moving consumer goods (FMCG), and also engaged in the business of tea plantation and processing in its tea garden, Iringmara Tea Estate, situated at Silchar, Assam. Company is intend to sell/ transfer /dispose off its tea division. Thus the Board of Directors ("Board" which expression for the purposes of this resolution shall include any Committee of Directors constituted by the Board) proposed to the member of the Company to sell/ transfer/ dispose off the whole or substantially the whole of the undertaking of the Company i.e. tea division for such consideration and on such terms and conditions as the Board of Directors of the Company consider beneficial to the Company. A resolution has been passed through Postal Ballot (Remote E Voting ) by the shareholders on 19th June 2020, authorising the board on behalf of the company for undertaking the sale of tea division on slump sale basis and to do all such acts , deeds and things. The Valuer-Singrodia & Co LLP has duly valued the tea division Accordingly the assets and Liabilities of tea Division are classified as assets held for sale and the results of the operations have been classified as Discontinued Operations.

## Notes to Consolidated Financial Statements for the year ended March 31, 2021

The Results of Kolkata Division for the year are presented below :

	(INR in Lakhs)	
	Year Ended 31st March 2021	Year Ended 31st March 2020
Revenue including other income	498.12	370.71
Expenses	459.73	421.12
Impairment Loss recognized on the measurement to fair value less costs to sell	469.89	-
<b>Profit before income tax</b>	<b>(431.50)</b>	<b>(50.41)</b>
Income tax(expense)/credit	(0.83)	2.84
Profit /(Loss) after income tax	<b>(430.67)</b>	<b>(53.25)</b>

The major class of assets and liabilities of Kolkata Division classified as held for distribution to equity holders of the company as at 31st March 21 are as follows:

	(INR in Lakhs)
Particulars	Year Ended 31st March 2021
<b>Assets</b>	
Property, Plant and Equipment	745.08
Right to Use	173.46
Financial Assets	
- Investments	2.95
Deferred Tax Assets (Net)	0.00
<b>Sub-Total</b>	<b>921.49</b>
Current Assets	
Inventories	57.72
Financial Assets	
- Trade Receivables	18.37
- Cash and Cash Equivalents	6.92
- Other Bank Balance	1.47
- Loans	9.89
- Other Financial Assets	12.03
Current Tax Assets	22.90
Other Current Assets	474.03
<b>Sub-Total</b>	<b>603.33</b>
<b>Assets Classified as held for Sale</b>	<b>1,524.81</b>
<b>Liabilities</b>	
Non-Current Liabilities	
Financial Liabilities	
- Deferred Tax (Assets)/Liabilities (Net)	8.82
- Other Non Current Liabilities	34.90
Provisions	1.81
<b>Sub-Total</b>	<b>45.53</b>

## Notes to Consolidated Financial Statements for the year ended March 31, 2021

Particulars	(INR in Lakhs)
	Year Ended 31st March 2021
<b>Current Liabilities</b>	
Financial Liabilities	
- Borrowings*	387.34
- Trade Payable	
Total Outstanding due to Micro and Small Enterprises	-
Total Outstanding due to creditors other than Micro and Small Enterprises	31.34
- Other Financial Liabilities	51.79
- Other Current Liabilities	60.55
- Provisions	3.57
Current Tax Liabilities	64.76
<b>Sub-Total</b>	<b>599.35</b>
<b>Liabilities Classified as held for Sale</b>	<b>644.88</b>
<b>Net Assets directly associated with Disposal units</b>	<b>879.94</b>
<b>Amount included in accumulated OCI:</b>	
Remeasurements of the defined benefit liabilities /(assets)	(2.06)

\*Borrowings

Note 1 : Term loan of INR 0.46 lakhs (FY 2019-20 INR 1.64 lakhs) taken from Indian Bank is secured against hypothecation of motor car loan. The loan carries interest rate at 8.5% pa and balance is repayable 14 equal instalments (FY 2020 - 14 equal instalments).

Note 2 : Term loan of INR 3.44 lakhs (FY 2019-20 INR 7.14 lakhs) taken from Tea Board of India is secured against the hypothecation of land and building. The loan carries interest free and repayable in 60 monthly instalments starting from 30th September 2016.

### Note 49 : Details of Subsidiary and Associates

Sr. No.	Particulars	Relation	Percentage of Holding
1	Lykis Marketing Private Limited	Subsidiary	99.95%
2	Lykon Foods Private Limited	Associate	36.67%
3	Lykis Packaging Private Limited	Associate	41.22%
4	Lykis Export LLC	Subsidiary	100.00%

## Notes to Consolidated Financial Statements for the year ended March 31, 2021

Sr. No.	Name of Entity	Net Assets		Share in Profit or Loss		Share in Other Comprehensive Income (OCI)		Share in total Comprehensive Income (TCI)	
		Total Assets minus total Liabilities		Year Ended March 31, 2020		Year Ended March 31, 2020		Year Ended March 31, 2020	
		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>As at March 31, 2020</b>									
1	Lykis Limited	193.24%	3,123.16	62.89%	(119.75)	100.00%	(27.48)	64.79%	(147.23)
2	Lykis Marketing Pvt. Ltd.	-93.24%	(1,506.95)	37.11%	(70.67)	-	-	32.43%	(70.67)
3	Lykis Packaging Pvt. Ltd.	-	-	-	-	-	-	-	-
4	Lykis Lykon Foods Pvt. Ltd.	-	-	-	-	-	-	-	-
<b>TOTAL</b>		<b>100.00%</b>	<b>1,616.20</b>	<b>100.00%</b>	<b>(190.42)</b>	<b>100.00%</b>	<b>(27.48)</b>	<b>100.00%</b>	<b>(217.90)</b>
Sr. No.	Name of Entity	Net Assets		Share in Profit or Loss		Share in Other Comprehensive Income (OCI)		Share in total Comprehensive Income (TCI)	
		Total Assets minus total Liabilities		Year Ended March 31, 2021		Year Ended March 31, 2021		Year Ended March 31, 2021	
		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>As at March 31, 2021</b>									
1	Lykis Limited	214.42%	2,061.17	157.71%	(1,059.15)	100.00%	28.17	160.23%	(1,030.98)
2	Lykis Marketing Pvt. Ltd.	-116.48%	(1,119.72)	-57.71%	387.55	-	-	-60.23%	387.55
3	Lykis Packaging Pvt. Ltd.	-	-	-	-	-	-	-	-
4	Lykis Lykon Foods Pvt. Ltd.	-	-	-	-	-	-	-	-
5	Lykis Export LLC	2.06%	19.85	-	-	-	-	-	-
<b>TOTAL</b>		<b>100.00%</b>	<b>961.30</b>	<b>100.00%</b>	<b>(671.60)</b>	<b>100.00%</b>	<b>28.17</b>	<b>100.00%</b>	<b>(643.43)</b>

## Notes to Consolidated Financial Statements for the year ended March 31, 2021

The accompanying notes are an integral parts of financial statements.

As Per Our Report Of Even Date  
For **BANSI JAIN & ASSOCIATES**  
Chartered Accountants  
Firm Regn.No.0100990W

**R. B. GOLECHA**  
Partner  
Mem.No.035348

Place: Mumbai  
Dated: 25th June 2021

For and on behalf of Board of Directors

**MR. NADIR DHROLIA**  
Managing Director  
DIN: 03303675

**SHRIGOPAL KANDOI**  
Chief Financial Officer

**MR. PRINCE TULSIAN**  
Non-Executive Director  
DIN: 02691348

**SUCHETA CHATURVEDI**  
Company Secretary

## LYKIS LIMITED

CIN: L74999WB1984PLC038064

Registered Office: 57B, C. R. Avenue, 1st floor, Kolkata, WB - 700012

### NOTICE OF THIRTY SEVENTH ANNUAL GENERAL MEETING

**NOTICE** is hereby given that the Thirty Seventh Annual General Meeting (AGM) of the Members of Lykis Limited will be held on Thursday, August 26, 2021 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, 2021 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, 2021 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. Appointment of Statutory Auditor**

To consider and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution

"RESOLVED THAT pursuant to the provision of sections 139,141,142 and other applicable provisions, if any of the Companies Act, 2013 and Rules issued thereunder (including any statutory modification(s) or re-enactment thereof), and pursuant to the recommendation of the Audit Committee and the Board of Directors in their meeting held on August 03, 2021. M/s Singrodia & Co, LLP (FRN W100280) be and are hereby appointed as Statutory Auditor of the company in place of M/s Banshi Jain & Associates Chartered Accountants (FRN 100990W) for term of five consecutive years from the conclusion 37th Annual General Meeting till the conclusion of 42nd Annual General Meeting of the company and that the Board of Directors be and are hereby authorised to fix such remuneration as may be determined by the audit committee in consultation with the Auditors, in addition to reimbursement of all out-of-pocket expenses as may be incurred in connection with the audit of the accounts of the company."

#### SPECIAL BUSINESS:

**5. Appointment of Ms. Neha Gada (DIN: 01642373) as a Non-Executive Independent Director**

To consider and if though fit, to pass with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 ("Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Ms. Neha Gada (DIN: 01642373), who was appointed as an Additional Director pursuant to provision of section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and holds office up to the date of this Annual General Meeting and has submitted a declaration that she meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, be and is hereby appointed as a Non-Executive Independent Director of the Company, for term of 5 (five) consecutive years commencing from the conclusion 37th Annual General Meeting till the conclusion of 42nd Annual General Meeting of the company and whose office shall not be liable to retire by rotation.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to delegate all or any of its powers to any of its committee(s) or any director or officer or person and to do all such acts, deeds, matters and things for giving effect to this resolution.

## 6. Appointment of Mr. Rajesh Nambiar (DIN: 09004586) as a Non-Executive Independent Director

To consider and if though fit, to pass with or without modification(s), the following resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Rajesh Nambiar (DIN: 09004586), who was appointed as an Additional Director pursuant to provision of section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and holds office up to the date of this Annual General Meeting and has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, be and is hereby appointed as a Non-Executive Independent Director of the Company, for term of 5 (five) consecutive years commencing from the conclusion 37th Annual General Meeting till the conclusion of 42nd Annual General Meeting of the company and whose office shall not be liable to retire by rotation.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to delegate all or any of its powers to any of its committee(s) or any director or officer or person and to do all such acts, deeds, matters and things for giving effect to this resolution.”

## 7. Re-appointment of Mr. Rajendra Singhvi as a Non-Executive Independent Director

To consider and if though fit, to pass with or without modification(s), the following resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Rajendra Singhvi (DIN: 08322932), Non-Executive Independent Director of the Company who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and who is eligible for reappointment, be and is hereby re-appointed as a Non-Executive Independent Director of the Company to hold office for second term of five consecutive years commencing from the conclusion 37th Annual General Meeting till the conclusion of 42nd Annual General Meeting of the company and whose office shall not be liable to retire by rotation.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to delegate all or any of its powers to any of its committee(s) or any director or officer or person and to do all such acts, deeds, matters and things for giving effect to this resolution.”

## 8. To alter the Object Clause of Memorandum of Association of Company

To consider and if though fit, to pass with or without modification(s), the following resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of section 13 of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 read with rules made thereunder (including statutory modifications or re-enactment thereof for the time being in force), consent of the Shareholders be and is hereby accorded, to insert following 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.

**RESOLVED FURTHER THAT** any of the Directors of the Company be and are hereby jointly or severally authorised to file necessary forms with Registrar of Companies and to do all such acts, deeds and things as may be considered necessary to give effect to the above said resolution."

**9. 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** 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 and/or Mr. Shafeen Charania and/or Mr. Prince Tulsian, directors of the Company be and are hereby 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.

**RESOLVED FURTHER THAT** Singrodia & Co., LLP (FRN W100280) be and is hereby authorized to represent before the Regional Director, Kolkata, under section 12(5) of the Companies Act, 2013, for shifting the Registered Office of the company from the State of West Bengal, Kolkata to Maharashtra, Mumbai.

**10. To alter the Registered Office Clause of Memorandum of Association of Company:**

To consider and if thought fit, to pass with or without modification the following resolution as a Special Resolution:

**RESOLVED THAT**, pursuant to Sections 13 of Companies Act 2013 and Rules made there under, Registered Office Clause of Memorandum of Association of the Company, be and is hereby altered by substituting the word "the State of Maharashtra" for the word "the State of West Bengal".

To Authorize Singrodia & Co, LLP (FRN W100280) to File Application to Regional Director.

**RESOLVED FURTHER THAT**, Singrodia & Co, LLP (FRN W100280) be and is hereby authorize to make an application to Central Government and to make Advertisement in newspaper in Form No. INC-26 and to send notice to Registrar of Companies and to creditors of the Company and to do such acts, deeds, things as may be necessary to give effect to this Resolution.

**11. Adoption of New set of Memorandum of Association as per Companies Act, 2013:**

To consider and if thought fit, to pass with or without modification the following resolution as a Special Resolution:

**"RESOLVED THAT** pursuant to Sections 13, 15 and other applicable provisions, if any, of the Companies Act, 2013 including any statutory modification or re-enactment thereof for the time being in force, and Rules made thereunder and subject to necessary statutory approvals and modifications if any, be and is hereby accorded to adopt the new Memorandum of Association in place of the existing Memorandum of Association with no change in existing Clause 4 A containing the Main Objects sub-clause no. i to xiii.

**RESOLVED FURTHER THAT** the title of existing Clause 4 B and C containing the "Objects Incidental or Ancillary to the attainment of Main Objects" and "Other Objects" be and is hereby stands deleted and replaced by New Clause title as "Matters which are necessary for furtherance of the Objects specified in Clause III(B) which includes existing matters under" III (B) and (C).

**RESOLVED FURTHER THAT** consent of shareholders of the Company be and is hereby accorded to approve and adopt the aforesaid changes in the Memorandum of Association of the Company and that any Director be and are hereby severally authorised to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient, including filing the requisite forms with Ministry of Corporate Affairs or submission of documents with any other authority, for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto."



## 12. Payment of Remuneration to Managing Director

To consider and if though fit, to pass with or without modification(s), the following resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197 and 203 (including any statutory modification(s) or re-enactment thereof for the time being in force), and other applicable provisions, if any, of the Companies Act, 2013 including Schedule V of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended up-to-date and in supersession with the earlier passed resolutions, if any, Mr. Nadir Dhrolia (DIN: 03303675) whose limit of remuneration was Nil per month be revised but in no case will exceed limits specified under Schedule V Part II mentioning about remuneration payable by companies having no profit or inadequate profit without Central Government approval as amended from time to time.

**RESOLVED FURTHER THAT** in the event of inadequacy of profits for any financial year during the tenure of Mr. Nadir Dhrolia, remuneration to be paid in accordance with the provisions prescribed under Section 197 read with Schedule V to the Companies Act, 2013 and rules framed thereunder and any other applicable provisions of the Act or any statutory modification or re-enactment thereof.

**RESOLVED FURTHER THAT** subject to the provisions of the Companies Act, 2013 and the rules, circulars, orders and notifications issued there under (including any statutory modification or re-enactment thereof for the time being in force), read with Schedule V of the Companies Act, 2013 and/or guidelines for managerial remuneration issued by the Government of India or other appropriate authority in that behalf as in force and as amended from time to time, the Board be and is hereby authorized to vary and alter the terms and conditions of the said appointment for increase or vary the remuneration to be paid and provided from time to time to Mr. Nadir Dhrolia.

**RESOLVED FURTHER THAT** the Board of Directors or the Company Secretary of the Company be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the resolution hereof.”

By Order of the Board of Directors  
For **Lykis Limited**

**Sucheta Chaturvedi**  
Company Secretary & Compliance Officer

Mumbai, August 03, 2021

CIN: L74999WB1984PLC038064

Registered office:

57B, C. R. Avenue, 1st Floor,  
Kolkata 700012

### NOTES:

1. In view of the prevailing COVID-19 pandemic, the Ministry of Corporate Affairs (the “MCA”) vide its General Circulars No. 14/2020, No. 17/2020 and No. 20/2020 dated April 8, 2020, April 13, 2020 and May 5, 2020 respectively (hereinafter, collectively referred as the “MCA Circulars”) read with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, and circular dated January 15, 2021 has allowed companies to conduct their annual general meetings through Video Conferencing (“VC”) or Other Audio Visual Means (“OAVM”), thereby, dispensing with the requirement of physical attendance of the members at their AGM and accordingly the 37th Annual General Meeting (AGM) of Lykis Limited (the “company”) will be held through video conferencing (VC) or other audio visual means (OAVM) in compliance with the said circulars and the relevant provisions of the Companies Act, 2013 (as amended) (the “Act”) and Rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (the “Listing Regulations”). Members attending the AGM through VC or OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
2. IN TERMS OF THE MCA CIRCULARS AND SEBI CIRCULAR NO. SEBI/HO/CFD/CMD1/CIR/P/2020/79 DATED MAY 12, 2020, THE REQUIREMENT OF SENDING PROXY FORMS TO HOLDERS OF SECURITIES AS PER PROVISIONS OF SECTION 105 OF THE ACT READ WITH REGULATION 44(4) OF THE LISTING REGULATIONS, HAS BEEN DISPENSED WITH. THEREFORE, THE FACILITY TO APPOINT PROXY BY THE MEMBERS WILL NOT BE AVAILABLE AND CONSEQUENTLY, THE PROXY FORM AND ATTENDANCE SLIP ARE NOT ANNEXED TO THIS NOTICE

CONVENING THE 37TH AGM OF THE COMPANY (THE "NOTICE").

However, in pursuance of Section 113 of the Act and Rules framed thereunder, the corporate members are entitled to appoint authorized representatives for the purpose of voting through remote e-Voting or for the participation and e-Voting during the AGM, through VC or OAVM. Institutional Shareholders (i.e., other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF / JPG Format) of the relevant Board Resolution / Power of Attorney/ appropriate Authorization Letter together with attested specimen signature(s) of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail at corporateissues1991@gmail.com with a copy marked to evoting@nsdl.co.in 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.

3. 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.
4. Since the AGM will be held through VC or OAVM, no Route Map is being provided with the Notice.

**5. Dispatch of Annual Report through E-mail**

In accordance with the MCA Circulars and the said SEBI Circular dated May 12, 2020, and January 15, 2021 the Notice along with the Annual Report of the Company for the financial year ended March 31, 2021, 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. R & D Infotech Private Limited or the Depository Participant(s). The Notice and the Annual Report for the financial year ended March 31, 2021 shall be available on the websites of the Company viz., www.lykis.in and of the Stock Exchanges 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

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.in. The Notice can also be accessed from the websites of the Stock Exchange i.e. BSE Limited at 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.
7. 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.
8. The Register of Members and Share Transfer Books of the Company will remain closed from August 20, 2021 to August 26, 2021 (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.
9. 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. R & D Infotech Pvt. Ltd. All members are requested to intimate changes, if any, in their registered address, immediately to the Registrar & Transfer Agents, M/s R & D Infotech Private Limited or to their depository participants in case shares are held in depository form.
10. 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.
11. All documents referred to in the notice are open for inspection at the registered office of the company during office hours.
12. 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.

13. 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.
14. 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 atleast 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, not later than 48 hours 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.
15. The Results declared along with the Report of the Scrutinizer shall be placed on the Company's website (www.lykis.in) and on the e-Voting website of NSDL (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.
16. The Resolutions shall be deemed to be passed on the date of the Meeting, i.e. August 26, 2021 subject to receipt of the requisite number of votes in favour of the Resolutions.
17. 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. Thursday, August 19, 2021.
18. 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.
19. An Explanatory Statement pursuant to Section 102 of the Act and Rules framed thereunder, in respect of the Special Business is annexed hereto.

#### **THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER**

**The remote e-voting period begins on Monday, August 23, 2021 at 10:00 A.M. and ends on Wednesday, August 25, 2021 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter.**

#### **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: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>**

**Step 2: Cast your vote electronically on NSDL e-Voting system.**

**Details on Step 1 is mentioned below:**

#### **How to Log-in to NSDL e-Voting website?**

- i. 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.
- ii. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
- iii. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.
- a. 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.

iv. 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***

v. Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) 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.
- c) How to retrieve your 'initial password'?
  - (i) 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'.
  - (ii) If your email ID is not registered, please follow steps mentioned below under "Instructions for Members whose email ids are not registered".

vi. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- a) 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).
- b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- c) 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.
- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

vii. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

viii. Now, you will have to click on "Login" button.

ix. After you click on the "Login" button, Home page of e-Voting will open.

**Details on Step 2 is given below:**

**How to cast your vote electronically on NSDL e-Voting system?**

- i. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
- ii. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.

- iii. Select EVEN of “LYKIS LIMITED”.
- iv. Now you are ready for e-Voting as the Voting page opens.
- v. 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.
- vi. Upon confirmation, the message “Vote cast successfully” will be displayed.
- vii. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- viii. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

#### **General Guidelines for shareholders**

- i. 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](mailto:corporateissues1991@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
- ii. 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.
- iii. 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.: 1800-222-990 or send a request to (Name of NSDL Official) 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:**

- i. 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 [cs@lykis.in](mailto:cs@lykis.in).
- ii. 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 [cs@lykis.in](mailto:cs@lykis.in).
- iii. Alternatively member may send an e-mail request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for obtaining User ID and Password by proving the details mentioned in Point (1) or (2) as the case may be.

#### **THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:**

- i. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
- ii. 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.
- iii. 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.
- iv. 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:**

- i. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members 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. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.

- ii. Members are encouraged to join the Meeting through Laptops for better experience.
- iii. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- iv. 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.
- v. 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 [www.lykis.in](http://www.lykis.in).
- vi. 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 (company email id). The same will be replied by the company suitably.
- vii. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

By Order of the Board of Directors  
For **Lykis Limited**

**Sucheta Chaturvedi**  
*Company Secretary & Compliance Officer*

Mumbai, August 03, 2021

CIN: L74999WB1984PLC038064  
Registered office:  
57B, C. R. Avenue, 1st Floor,  
Kolkata 700012



## Explanatory Statement

(Pursuant to provision of Section 102 of the Companies Act, 2013)

### Item No: 4

#### Appointment of Statutory Auditor

As per recommendation of the Audit Committee of the Company, the Board of Directors of the company have proposed for the appointment of M/s Singrodia & Associates, Chartered Accountant (Firm Registration No. 100990W) 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.100990W) to act as an Statutory Auditor of your company for the period of five years and have confirmed that the said appointment, if made, will be in accordance with the conditions prescribed under Sections 139 and 141 of the Act at a remuneration of ₹ 8,10,000/- (Rupees Eight lakh Ten Thousand) per annum plus transfer audit fees, if applicable and excluding the out of pocket expenses. The Committee considered various parameters like capability to serve a diverse and complex business landscape as that of the Company, audit experience in the Company's operating segments, market standing of the firm, clientele served, technical knowledge etc., and found them to be best suited to handle the scale, diversity and complexity associated with the audit of the financial statements of the Company. Singrodia & Co. LLP, Chartered Accountants is a firm registered with the Institute of Chartered Accountants of India vide FRNW100280 having its date of constitution as 14th August 1978. Our team comprises of dedicated professionals who possess special skills across arrange for business requirements. The firm has a rich experience to serve Large Corporates, Small and Medium Enterprises (SMEs) and Owner Managed Businesses. At presently, the firm has 5 partners and has its head office at Andheri. The firm has been peer reviewed by ICAI and holds a valid Peer Review Certificate. The firm offers a host of services ranging in the spectrum of Audit and Assurance, Domestic and International Tax, Transfer Pricing, Indirect Taxes, Mergers & Acquisition, FEMA, Due Diligence & Business & Transaction Advisory.

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.

### Item No: 5

#### Appointment of Ms. Neha Gada (DIN: 01642373) as a Non-Executive Independent Director

The Board of Directors of the Company at the meeting held on February 13, 2021, on the recommendation of the Nomination & Remuneration Committee, appointed in terms of Section 161 of the Companies Act, 2013, Ms. Neha Gada (DIN: 01642373) as an Additional Director in the capacity of Independent Director.

Pursuant to the provision of section 161 of the Companies Act, 2013, Ms. Neha Gada will vacate office at ensuing Annual General Meeting. The Board at the meeting held on February 13, 2021 and on recommendation of Nomination & Remuneration Committee, recommended for the approval of the Members, the appointment of Ms. Neha Gada as Non-Executive Independent Director for the term of five years. The Company has received a declaration from Ms. Neha Gada that she meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. She has also given her consent to act as Director of the Company, if so appointed by the members.

In the opinion of the Board, Ms. Neha Gada fulfils the conditions specified under Section 149 (6) of the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for her appointment as an Independent Non-Executive Director of the Company and is independent of the management. Copy of the draft letter for appointment of Ms. Neha Gada as an Independent Non-Executive Director setting out terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours (9:00 am to 5:00 pm) on any working days upto and including the date of AGM of the Company.

Additional information in respect of Ms. Neha Gada pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015 is annexed to this notice.

Except Ms. Neha Gada being an appointee and her relatives, none of the other Directors and Key Managerial Personnel of the Company, or their relatives, is interested in this Resolution. Ms. Neha Gada is not related to any of the Directors or Key Managerial Personnel of the Company.

### Item No 6

#### Appointment of Mr. Rajesh Nambiar (DIN: 09004586) as a Non-Executive Independent Director

The Board of Directors of the Company at the meeting held on February 13, 2021, on the recommendation of the Nomination & Remuneration Committee, appointed in terms of Section 161 of the Companies Act, 2013, Mr. Rajesh Nambiar (DIN: 09004586) as an Additional Director in the capacity of Independent Director.

Pursuant to the provision of section 161 of the Companies Act, 2013, Mr. Rajesh Nambiar will vacate office at ensuing Annual General Meeting. The Board at the meeting held on February 13, 2021 and on recommendation of Nomination & Remuneration Committee, recommended for the approval of the Members, the appointment of Mr. Rajesh Nambiar as Non-Executive Independent Director for the term of five years. The Company has received a declaration from Mr. Rajesh Nambiar that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. He has also given her consent to act as Director of the Company, if so appointed by the members.

In the opinion of the Board, Mr. Rajesh Nambiar fulfils the conditions specified under Section 149 (6) of the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for her appointment as an Independent Non-Executive Director of the Company and is independent of the management. Copy of the draft letter for appointment of Mr. Rajesh Nambiar as an Independent Non-Executive Director setting out terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours (9:00 am to 5:00 pm) on any working days upto and including the date of AGM of the Company.

Additional information in respect of Mr. Rajesh Nambiar pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015 is annexed to this notice.

Except Mr. Rajesh Nambiar being an appointee and his relatives, none of the other Directors and Key Managerial Personnel of the Company, or their relatives, is interested in this Resolution. Mr. Rajesh Nambiar is not related to any of the Directors or Key Managerial Personnel of the Company.

#### **Item No. 7**

##### **Re-appointment of Mr. Rajendra Singhvi as a Non-Executive Independent Director**

Mr. Rajendra Singhvi was appointed as an Independent Non-Executive Director of the company by the members at the 35th Annual General Meeting held on September 30, 2019 for a period of two years. As per section 149 (10) of the Act, an Independent Director shall hold office for a term of up to five consecutive years on the Board of a company, but shall be eligible for re-appointment on passing special resolution by the company for another term up to five consecutive years on the Board of the Company.

Based on recommendation of Nomination & Remuneration Committee and in terms of the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Rajendra Singhvi, being eligible for re-appointment as an Independent Director and offering himself for re-appointment, is proposed to be re-appointed as an Independent Director for second term of five consecutive years from the conclusion 37th Annual General Meeting till the conclusion of 42nd Annual General Meeting of the company and whose office shall not be liable to retire by rotation.

The Company has received declaration from him stating that he meets the criteria of Independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. He has also given his consent to continue to act as Independent Director of the Company, if so appointed by the members.

In the opinion of the Board, Mr. Rajendra Singhvi fulfils the conditions specified under Section 149 (6) of the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for his re-appointment as an Independent Non-Executive Director of the Company and is independent of the management. Copy of the draft letter for appointment of Mr. Rajendra Singhvi as an Independent Non-Executive Director setting out terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours (9:00 am to 5:00 pm) on any working days upto and including the date of AGM of the Company.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Rajendra Singhvi as an Independent Director.

Accordingly, the Board recommends passing of the Special Resolution in relation to re-appointment of Mr. Rajendra Singhvi as an Independent Director for another term of five consecutive years from the conclusion 37th Annual General Meeting till the conclusion of 42nd Annual General Meeting of the company and whose office shall not be liable to retire by rotation.



Additional information in respect of Mr. Rajendra Singhvi pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015 is annexed to this notice.

Except Mr. Rajendra Singhvi being an appointee and his relatives, none of the other Directors and Key Managerial Personnel of the Company, or their relatives, is interested in this Resolution. Mr. Rajendra Singhvi is not related to any of the Directors or Key Managerial Personnel of the Company.

#### **Item No. 8**

##### **To alter the Object Clause of Memorandum of Association of Company**

The Company, in addition to other services mentioned in MOA, is presently engaged in the business of production, manufacturing, distribution, import, export, trading, contract manufacturing, auction, del credere agency and all other business and commercial activity of or related to pharmaceutical products, food products, cosmetic and fast moving consumer goods (FMCG) or any one or more of the activities.

In view of prevailing market conditions, the Company intends 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. It also intends 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.

In order to enable the Company to undertake business as above, it was approved in the Board meeting held on February 13, 2021 and proposed to amend the Main Object Clause of MOA of the Company. By virtue of section 13 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rule, 2014; approval of members by way of special resolution is a prerequisite to amend the objects clause of the Company and thus your approval is sought for the same.

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.

#### **Item No. 9**

##### **To Shift Registered Office of the Company from one state to another:**

The Board in its meeting held on June 25, 2021 had discussed, considered and approved that for ease of business and in interest of the Company, it will be beneficial for the Company to shift 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. Pursuant to same, the Company hereby appoints Singrodia & Co. LLP to represent before the Regional Director, West Bengal under section 12(5) of the Companies Act, 2013, for shifting the Registered Office of the company from the State of West Bengal, Kolkata to Maharashtra, Mumbai."

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.

#### **Item No 10.**

##### **To alter the Registered Office Clause of Memorandum of Association of Company:**

The Board in its meeting held on June 25, 2021 had discussed, considered and approved that for ease of business and in interest of the Company, it will be beneficial for the Company to shift 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. Pursuant to same, the Company hereby appoints Singrodia & Co. LLP to represent before the Regional Director, West Bengal under section 12(5) of the Companies Act, 2013, for shifting the Registered Office of the company from the State of West Bengal, Kolkata to Maharashtra, Mumbai." In accordance with same, the Company would be required to amend its registered office clause of its Memorandum of Association.

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.

**Item No. 11**

**Adoption of new set of Memorandum of Association:**

The Companies Act, 2013, has prescribed a new format of Memorandum of Association (“MOA”). Accordingly, with a view to align the existing MOA of the Company with Table A of the Schedule I of the Act and in accordance with Section 4 and 13 of the Act, it is proposed to alter the MOA of the Company by merging and retaining the Objects under Clause 4 (C) – “The Other Objects are” with Clause 4 (B) – “The Objects Incidental or Ancillary to the attainment of the Main Objects are” to the extent possible and also to rename and renumber the Clause III (A) and III (B) of the Object Clause. The Board at its meeting held on February 13, 2021 and June 25, 2021 respectively has approved alteration of the MOA of the Company and recommends the Special Resolution set forth in Item No. 8, 9 and 10 of the Notice for approval of the Members. Further, a copy of the proposed MOA of the Company would be available for inspection for the Members at the Registered Office/Corporate Office of the Company during the office hours on any working day, except Sundays and public holidays, between 11.00 a.m. to 5.00 p.m. till the date of AGM. The aforesaid documents are also available for inspection at the AGM. None of the Directors of the Company including their relatives is interested or concerned in the resolution except to the extent of their shareholding, if any, in the Company. The Board of Directors recommends the resolution mention in Item No. 11 of the Notice for the approval by the Members as Special Resolution.

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.

**Item No. 12**

**Payment of Remuneration to Managing Director**

The Company appreciates the sincere efforts put in by Mr. Nadir Umedali Dhrolia, Managing Director of the Company in promoting the business of the Company and for the better management of the Company’s day to day activities. The Company proposes to pay Mr. Nadir Umedali Dhrolia a remuneration upto the extent of ₹ 7,00,000/- (Rupees Seven lakh only) per month salary along with other usual allowances and benefits as per the rules of the Company for continuing to hold an office or place of profit with effect from conclusion of 37th Annual General Meeting.

Since, Mr. Nadir Umedali Dhrolia is a Managing Director of the Company, such payment would come within the purview of Sections 196, 197 and 203 and other applicable provisions, if any, of the Companies Act, 2013 including Schedule V of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended up-to-date. It is therefore, proposed to obtain approval from the shareholders of the Company in this behalf by means of a special resolution.

The Board considers that having regard to his past performance and long experience, remuneration of Mr. Nadir Umedali Dhrolia is justified. Members are, therefore, requested to approve the special resolution as set out above.

The Managing Director of the Company Mr. Nadir Umedali Dhrolia is concerned or interested in the resolution. None of the other directors are related or interested in the resolution.

By Order of the Board of Directors  
For **Lykis Limited**

Place: Mumbai  
Date: August 03, 2021

**Sucheta Chaturvedi**  
Company Secretary & Compliance Officer

CIN:L74999WB1984PLC038064  
Registered Office:  
57B, C. R. Avenue, 1st Floor,  
Kolkata 700012  
Telefax: 033-40045265,  
E-mail: [cs@lykis.in](mailto:cs@lykis.in),  
Website: [www.lykis.in](http://www.lykis.in)

**Details of Directors Seeking Appointment/Re-appointment at the 37th 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>	<b>Neha Gada</b>	<b>Rajesh Nambiar</b>	<b>Rajendra Singhvi</b>
<b>DIN</b>	07283015	01642373	09004586	08322932
<b>Date of Birth</b>	March 6, 1978	March 22, 1976	March 14, 1969	December 21, 1958
<b>Date of Appointment</b>	November 14, 2020	February 13, 2021	February 13, 2021	September 30, 2019
<b>Qualification</b>	Export and Trading Business Management	Chartered Accountant	Engineer	Chartered Accountant
<b>Directorship in other Company</b>	Cementry Constructions Private Limited	Asian Star Company Limited; Anglo-French Drugs & Industries Limited; Tamboli Capital Limited; Dhhanish Advisors Private Limited; Sejal Glass Limited	Nil	Nil
<b>Memberships/ Chairmanships of Committees of other Public Companies (includes only Audit Committees and Shareholders/ Investors' Grievance Committee)</b>	NA	Tamboli Capital Limited: Audit Committee and Stakeholders Committee- Member, Anglo-French Drugs & Industries Limited- Audit Committee- Member; Sejal Glass Limited- Audit Committee and Stakeholders Committee- Member.	Nil	Nil
<b>Number of shares held in the company</b>	-	-	-	-
<b>Relationship between directors inter-se</b>	NA	NA	NA	NA





**LYKIS LIMITED** is a **TWO STAR MERCHANT EXPORTER**, having its clientele presence across 14+countries & spreading across the world.

It was incorporated in the year 2010 and today has diversified product range including Household Utensils, Indian made Foreign Liquors, Confectionery, Copier's Papers & Nail Polish. It has completed major projects including Whisky factory, Cosmetic Factory, Rolling Mill, Snacks Factory, CSD Factory, Detergent Factory, Biscuit Factory & Corrugated Carton Factory among others.

**LYKIS** today has 85+happy team members.

The company led by dynamic leader who started business as proprietorship with a team of only 5 members which has now been converted into public limited company.

Now he is Role model for team members suppliers, buyers and other stakeholders as living proof that "Anything is possible."



**LOLLIPOP | CANDIES | TOFFEES | BISCUITS**

**COOKIES | CANNED FOOD | SUGAR & RICE | OTHER PRODUCTS**

# LOLLIPOP, CANDY & TOFFEES



# BISCUITS & COOKIES





# CANNED FOODS



# OTHER PRODUCTS



# OTHER PRODUCTS



# PHARMA PRODUCTS







57B, C. R. Avenue, 1st floor, Kolkata 700012,

