



PANACHAND K. SHAH & CO.

Panachand K. Shah B.Com., L.L.B., F.C.A., DISA (ICA)

CHARTERED ACCOUNTANTS

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Ref.:

Date :

INDEPENDENT AUDITOR'S REPORT

To the Members of
KREMOINT PHARMA PRIVATE LIMITED.

Opinion

We have audited the standalone financial statements of KREMOINT PHARMA PRIVATE LIMITED (the "Company"), which comprise the Balance Sheet as at March 31, 2019, and the Statement of Profit and Loss, the Cash Flow Statement and the Statement of Changes in Equity and notes to the financials statement, and a summary of significant accounting policies and other explanatory information.

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and its profit, (changes in equity) and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, 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.



Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We summaries below the key audit matters of audit significance based on our professional judgment, in arriving at our audit opinion above, together with our audit procedures to address those matters.

Sr. no.	Key audit matter description	How the scope of our audit addressed the key audit matter
1	<p>Inventory valuation: As described in Note B3 (Accounting policies), the Company carries inventory at the lower of cost and net realizable value using the FIFO basis As at March 31, 2019, the Company held inventories of INR 491.88 Lakhs (PY: INR 499.88) Lakhs.</p> <p>Assessing the valuation of inventory is an area of significant judgement. There is significant management judgement in estimating the net realizable value of items held, as well as assessing which items may be damaged, slow-moving or obsolete.</p> <p>The management's estimates of net realizable value are based on the most reliable evidence available at the time the estimates are made, of the amount the inventories are</p>	<p>We focused on whether the valuation of year-end inventory was in accordance with Ind AS 2 'Inventories' which included challenging judgements of the management regarding estimates of net realizable value We obtained assurance over the appropriateness of management's assumptions used and judgements applied in arriving at net realizable value and the provisions by:</p> <ul style="list-style-type: none"> - understanding and evaluating the design, implementation and operating effectiveness of controls that the management has established for valuation of inventories, - examining the management's inventory provisioning policy. - conducting a physical verification quarterly of sample inventory for ascertaining the existence and condition of inventories throughout the year - checking the values of inventory



	expected to realize.	by performing test of details like comparing the cost to the current selling prices to confirm that the sampled inventory representing the population is measured at lower of cost and net realizable value.
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Management’s Responsibility for the Financial Statements

The Company’s Board of Directors is responsible for the matters stated in Section 134(5) of The Companies Act,2013(“the Act”) with respect to preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act,2013. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of Ind AS financial statements that give a true and fair view and are free from material misstatement whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company’s financial reporting process.

Auditor’s Responsibilities for the Audit of Financial Statements



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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required



to draw attention in our auditor's report to the related disclosures in the 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 financial statements, including the disclosures, and whether the 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 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.

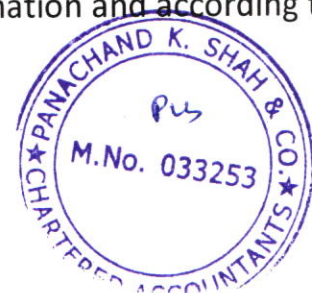
Report on Other Legal and Regulatory Requirements

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



2. As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement & Statement of Changes in Equity dealt with by this Report agree with the books of account.
- (d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014, Companies (Indian Accounting Standards) Rules, 2015, as amended.
- (e) Based on the written representations received from the directors as on March 31, 2019, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019, 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 the financial reporting of the company and operating effectiveness of such controls, refer to our separate report in "Annexure B".
- (g) With respect to the other matter to be included in Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:
In our opinion and to the best of our information and according to the explanations given to us, the Remuneration paid by the company to its directors during the year is in accordance with provisions of Section 197 of the Act.
- (h) With respect to the matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Accounts and Audit) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:



- a. The company has no pending litigation and therefore of the question of its impact on financial statement does not arise.
- b. The company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- c. The company is not required to transfer any amount to Investor Education and Protection Fund.

For Panachand K Shah & Co.
Chartered Accountants

Date:

17 MAY 2019

Place: Mumbai



Panachand K Shah

Panachand K Shah
Proprietor
Membership No: 033253
FR No.107271W

Annexure A to Independent Auditors' Report

(Referred to in of our report of even date to the members of KREMOINT PHARMA PRIVATE LIMITED.)

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

(b) The fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification is reasonable in relation to the size of the Company and the nature of its fixed assets.

(c) According to the information and explanation given to us, the records examined by us and examination of the registered sale deed provided to us, We report that the deed of Land is in the name of the Company. In respect of Immovable Property of Land that have been taken on Lease and Disclosed as Fixed Assets in Standalone Financial Statements, the lease agreements are in the name of the Company

ii. The management has conducted physical verification of the inventories at reasonable intervals during the period and no material discrepancies were noticed on such verification.

iii. As per the records and documents presented to us, the company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Companies Act.

(a) This clause is not applicable since the company has not granted any loan.

(b) This clause is not applicable since the company has not granted any loan

(c) This clause is not applicable since the company has not granted any loan

iv. In our opinion and according to the information and explanation given to us, the company has complied with the provisions of section 185 and 186 of the Act, with respect to loans and investments.



v. The company has not accepted any deposits covered under provisions of section 73 to 76 of the Act.

vi. The maintenance of the Cost Records has not been specified by the Central Government U/s 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. (a) According to information and explanations given to us and on the basis of our examination of the records of the company, amounts deducted/accrued in the books of accounts in respect of undisputed statutory dues including income tax, sales tax, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with appropriate authorities.

According to the information and explanation given to us, no undisputed amounts payable in respect of income tax, sales tax, value added tax, cess and other material statutory dues which were outstanding as at 31 March, 2019 for a period of more than six months from the date they became payable.

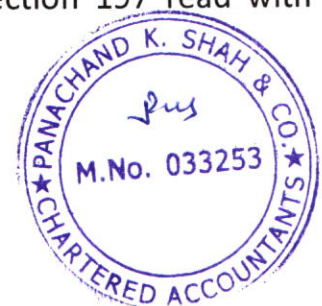
(b) According to the information and explanation given to us, no dues of income tax, sales tax or value added tax are disputed or pending with any forum.

viii. In our opinion and according to the information and explanation given to us, the Company has not defaulted in repayment of dues to Financial Institution, Banks as at Balance Sheet date.

ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly paragraph 3(ix) of the Order is not applicable.

x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

xi. According to the information and explanations given to us, the company has paid managerial remuneration in accordance with the requisite approvals wherever applicable and mandated by the provision of Section 197 read with Schedule V of The Companies Act, 2013.



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, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.

xiv. According to the information and explanations give 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.

xv. According to the information and explanations given to us the Company has not entered into non-cash transactions with directors or persons connected with its directors and hence provision of the Section 192 of The Companies Act,2013 are not applicable.

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

**For Panachand K Shah & Co.
Chartered Accountants**

Date:

17 MAY 2019

Place: Mumbai



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**Panachand K Shah
Proprietor
Membership No
033253
FR No.107271W**

Annexure B to the Independent Auditors' Report

Report on the Internal Financial Controls under clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

We have audited the internal financial controls over financial reporting of KREMOINT PHARMA PRIVATE LIMITED as of 31 March 2019 in conjunction with our audit of financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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



controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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



Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our Opinion, the Company has, in all material respects, an adequate financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 march 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

Date: **17 MAY 2019**

Place: Mumbai



**For Panachand K Shah & Co.
Chartered Accountants**

A handwritten signature in blue ink, appearing to be "Panachand K Shah", with a horizontal line extending to the right.

**Panachand K Shah
Proprietor
Membership No. 033253
FR No. 107271W**

KREMOINT PHARMA PVT LTD
Balance Sheet as at March 31, 2019

Amount in Lakhs

BALANCE SHEET	Note	As at 31.03.2019	As at 31.03.2018
ASSETS			
NON CURRENT ASSETS			
(a) Property, Plant and Equipment	2.1	2,379.29	2,317.30
(b) Capital work-in-progress	2.1	-	-
(c) Investment property	2.2	-	541.30
(d) Other intangible assets	2.3	9.40	7.50
(e) Financial Assets			
(i) Investments	3	78.56	71.60
(ii) Loans	4	15.27	5.07
(iii) Others	5	-	-
(f) Deferred tax asset (net)	19	-	-
(g) Other non-current assets	6	47.25	100.38
		2,529.77	3,043.15
CURRENT ASSETS			
(a) Inventories	7	491.89	499.88
(b) Financial Assets			
(i) Investments	8	-	-
(ii) Trade receivables	9	671.25	135.12
(iii) Cash and cash equivalents	10	8.90	4.48
(iv) Bank balances other than (iii) above	11	1,132.92	606.06
(v) Loans	12	9.40	159.23
(vi) Others	13	145.43	135.26
(c) Current tax assets (Net)		19.01	2.99
(d) Other current assets	14	672.13	270.14
		3,150.93	1,813.16
		5,680.70	4,856.31
TOTAL ASSETS			
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	15	6.00	6.00
(b) Other Equity	16	3,381.20	3,052.78
LIABILITIES			
NON-CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	17	200.99	-
(b) Provisions	18	-	-
(c) Deferred tax liabilities (Net)	19	162.61	147.03
(d) Other non-current liabilities	20	12.78	-
		376.38	147.03
CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	21	426.27	626.20
(ii) Trade payables			
Outstanding dues of micro enterprises and small enterprises			
Outstanding dues of other than micro enterprises and small enterprises	22	458.58	461.04
(iii) Other financial liabilities	23	324.46	537.82
(b) Other current liabilities	24	707.81	25.44
(c) Provisions	25	-	-
(d) Current tax liabilities (Net)			
		1,917.12	1,650.50
TOTAL LIABILITIES		5,680.70	4,856.31

As per our report of even date
For PANACHAND K SHAH & CO.
CHARTERED ACCOUNTANTS



[Signature]

PANACHAND K SHAH
PROPRIETOR
MEMBERSHIP NO:033253
F R NO:107271W
Place : Mumbai
Date : 07/05/2019

For & on behalf of the Board

[Signature]

BHADRESH THAKKAR
DIRECTOR
(DIN:00774787)

[Signature]
NARSIMHA SHIBROOR KAMATH
DIRECTOR
(DIN:00140593)

KREMOINT PHARMA PVT LTD

Statement of Profit and Loss Account for the period ended year March 31, 2019

Amount in Lakhs

	Note	For the Year ended 31.03.2019	For the Year ended 31.03.2018
PROFIT AND LOSS			
INCOME			
Revenue from Operations (Net)	26	3,858.47	3,198.60
Other Income	27	161.97	120.00
Total Revenue		4,020.44	3,318.60
EXPENSES			
Cost of material consumed	28a	1,980.77	1,622.83
Purchases of Stock-in-Trade		169.22	24.21
Changes in inventories of finished goods, work-in-progress and stock-in-Trade	28b	(19.83)	6.64
Employee benefits expense	29	460.93	378.73
Finance costs	30	61.07	38.64
Depreciation/Impairment		115.72	111.11
Other Expenses	31	755.56	665.12
Total Expenses		3,523.44	2,847.28
Profit before exceptional items		497.00	471.32
Exceptional Items		-	-
Profit before tax		497.00	471.32
Tax Expense			
(1) Current tax		130.66	134.00
(2) Deferred tax		15.58	(29.47)
(3) Taxation adjustment of earlier years Excess(-)/Short(+)		0.64	(0.44)
		146.88	104.08
Profit/(Loss) from continuing operations(after tax)		350.12	367.23
Profit/(Loss) from discontinuing operations(after tax)			
Profit/(Loss) for the year from discontinuing operations		-	-
Tax Expense of discontinuing operations		-	-
Profit/ (loss) for the period		350.12	367.23
(A)(i)Item that will not be re-classified to profit and loss			
(a) Remeasurement of defined benefit plan		-	-
(ii) Deferred tax relating to items that will not be reclassified to profit or loss		-	-
B (i)Items that will be re-classified to profit and loss			
Total Comprehensive Income for the period		350.13	367.23
Earnings per equity share of ₹ 100/- each			
Earnings per share (Basic)		5,835.42	6,120.99

As per our report of even date
For PANACHAND K SHAH & CO.
CHARTERED ACCOUNTANTS

For & on behalf of the Board

B.K. Thakkar

BHADRESH THAKKAR
DIRECTOR
(DIN:00774787)

Om

PANACHAND K SHAH
PROPRIETOR
MEMBERSHIP NO:033253
F R NO:107271W
Place : Mumbai
Date : 07/05/2019



S. S. Kamath

NARSIMHA SHIBROOR KAMATH
DIRECTOR
(DIN:00140593)

KREMOINT PHARMA PVT LTD

Statement of Changes in Equity as at March 31, 2019

Amount Rs in Lakhs

Equity Share Capital	Number of Shares	Amount	
Equity Share Capital of Rs 100/- As at 1st April 2018	6,000	6.00	
Changes during the year			
Equity Share Capital of Rs 100/- As at 31st March 2019	6,000	6.00	
Other Equity	Retained Earnings	General Reserves	Total Other Equity
Opening Balance 1.04.2018	2,886.78	166.00	3,052.78
Transfer during the Year			
Profit for the Year	350.13		350.13
Other Comprehensive Income for the Year			
Total Comprehensive Income for the Year			
Transaction during the year			
Add:			
- Others			
Less:			
- Dividend, Div Distribution tax	21.70		21.70
Closing Balance 31.03.2019	3,215.22	166.00	3,381.20

As per our report of even date
For PANACHAND K SHAH & CO.
CHARTERED ACCOUNTANTS


For & on behalf of the Board



PANACHAND K SHAH
PROPRIETOR
MEMBERSHIP NO:033253
F R NO:107271W
Place : Mumbai
Date : 07/05/2019



BHADRESH THAKKAR -
DIRECTOR
(DIN:00774787)



NARSIMHA SHIBROOR KAMATH
DIRECTOR
(DIN:00140593)

KREMOINT PHARMA PVT LTD
Cashflow for the year ended March 31, 2019

Amount Rs.in Lakhs

Particulars	For the Year ended 31.03.2019	For the Year ended 31.03.2018
A. Cash Flow from Operating Activities		
Profit before Tax	497.00	471.32
Adjustments for:		
Depreciation and Amortisation Expense	115.72	111.11
Loss / (Profit) on sale / write-off of Property, Plant and Equipment (net)	-10.68	-
Finance Costs	61.07	38.64
Interest on Deposits with Banks	(127.88)	(71.39)
Dividend on Non-current Investment	-0.45	-
Income on Financial Guarantee Obligation	-3.46	-
Other non cash item	-0.30	-
Operating Cash flows before Working Capital Changes	531.02	549.68
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Non-Current Loans	-10.20	-0.47
Other Non-Current Assets	53.13	161.49
Inventories	7.99	-56.83
Trade Receivables	-536.13	669.17
Current Loans	-0.27	0.67
Other Current Financial Assets	-10.17	-24.08
Other Current Assets	-401.99	-78.01
Adjustments for increase / (decrease) in operating liabilities:		
Other Non Current liabilities	12.78	-
Current Trade Payables	-2.46	-15.07
Other Current Financial liabilities	-213.36	352.34
Other Current liabilities	682.37	-464.36
Cash Generated from Operations	112.71	1094.53
Net Income tax paid	-135	-132.57
Net Cash Flow generated / (used in) from Operating Activities	-22.29	961.96
B. Cash Flow from Investing Activities		
Capital expenditure on Property, Plant and Equipment, including capital advances	-184.38	-514.13
Net Proceeds from sale of Property, Plant and Equipment	541.3	3.91
Purchase of Non-Current Investments	-	-69.9
Loan to subsidiary	150.1	-150.1
Interest on Deposits with Banks	127.88	47.18
Dividend on Non-current Investments	0.45	-
Net Cash used in Investing Activities	635.35	-683.04
C. Cash flow from financing activities		
Long term & Short term loan	1.06	-68.48
Interest paid	(61.07)	(38.64)
Payment of Dividend including DDT	-21.77	-21.77
Net Cash used in Financing Activities	-81.78	-278.99
Net (decrease)/ increase in cash and cash equivalent	531.28	-0.07
Cash and cash equivalent at the beginning of the period	610.54	610.61
Cash and cash equivalent at End of the period	1,141.82	610.54

As per our report of even date
For PANACHAND K SHAH & CO.
CHARTERED ACCOUNTANTS

For & on behalf of the Board

B.K. Thakkar

BHADRESH THAKKAR
DIRECTOR
(DIN:00774787)

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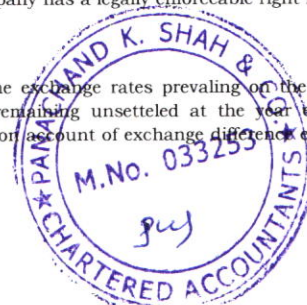
PANACHAND K SHAH
PROPRIETOR
MEMBERSHIP NO:033253
F R NO:107271W
Place : Mumbai
Date : 07/05/2019



N.S. Shivroor Kamath

NARSIMHA SHIBROOR KAMATH
DIRECTOR
(DIN:00140593)

NOTE 1:	
A	CORPORATE INFORMATION Kremoint Pharma Private Limited is a private limited company domiciled in India and incorporated under the provisions of the Companies Act, 2013(Earlier Companies Act 2013. The company is engaged in manufacturing of Pharmaceutical formulations
B	SIGNIFICANT ACCOUNTING POLICIES
1	Basis of accounting and preparation of financial statements The financial statements of the Company have been prepared in compliance with all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with relevant Rules and other relevant provisions of the Act. The financial statements up to year ended 31st March, 2017 were prepared in accordance with the accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (hereinafter referred to as 'GAAP'). These financial statements are the first financial statements of the Company under Ind AS. As per the principal of Ind AS 101 the date of transition to Ind AS is April 1, 2016 and hence the comparatives for the previous year ended 31st March, 2017 and balance as on 1st April, 2016 have been restated as per principles of Ind AS Refer Note 38 for the details of significant exemptions availed by the Company on first-time adoption of Ind AS and for an explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows. Accounting policies have been applied consistently to all periods presented in these financial statements.
2	Use of estimates The preparation of financial statements in conformity with Indian Accounting Standards (Ind AS) requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosure of contingent liabilities at the date of the financial statements. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Difference between the actual results and estimates are recognised in the period in which the results are known/materialised.
3	Inventories Raw material, Stores and spares are valued at cost(net of cenvat & VAT set off) determined on FIFO Basis. Work in process and finished goods are valued at lower of cost and net realisable value. Cost is determined on the basis of direct cost comprising of raw material, direct labour and an appropriate portion of direct production overheads.
4	Depreciation and amortisation Depreciation on Fixed assets has been provided to the extent of depreciable amount on the Straight Line method. Depreciation is provided based on the useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.
5	Revenue recognition Revenue is measured based on a consideration specified in a contract with a customer, and excludes any sales incentives and amounts collected on behalf of third parties. The Company recognizes revenue when it satisfies a performance obligation by transferring control over a product or service to a customer. Sales exclude central sales tax and value added tax, Goods and Service Tax.
6	Other income Interest ,Commission, Incentives and Export Incentives accounted on accrual basis.
7	Property Plant and Equipments Fixed assets are carried at cost and include amounts added on revaluation less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date. When an asset is scrapped or otherwise disposed of, the cost and related depreciation are removed from the books of account and resultant profit (including capital profit) or loss, if any, is reflected in the Statement of Profit and Loss. The company depreciates the asset on straight line method on the basis of their useful life
8	Intangible Assets All Intangible Assets are measured at cost and amortized so as to reflect the pattern in which the assets economic benefits are consumed. Software capitalised is amortised over useful life of ten years equally commencing from the year in which, the software is put to use.
9	Retirements benefits Liability for Gratuity at the year end is provided on the basis of actual valuation and funded with group gratuity policy of life insurance corporation of India
10	Borrowing costs Borrowing costs include interest, amortisation of ancillary costs incurred.
11	Earnings per share Basic earnings per share is computed by dividing the profit after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year.
12	Taxes on income Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off.
13	Foreign Exchange Transactions Transactions in Foreign Currency are recorded in the reporting currency by applying the exchange rates prevailing on the date of transaction. Monetary Assets and Liabilities related to Foreign Currency Transaction, remaining unsettled at the year end, are retranslated at the exchange rate prevailing at the reporting date. Any income or expense on account of exchange difference either on settlement or on transaction is recognised in the Profit and Loss Statement.
14	Provisions and contingencies



KREMOINT PHARMA PRIVATE LIMITED
Notes to Standalone financial statement

	A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.
15 Investments	
	Non Current investments are stated at cost. Provision for diminution in the value of Non Current Investment is made only if such a decline is other than temporary
16 Subsidiary Companies	
	Kremoint Pharma Private Limited is holding 70 % of the equity shares in its subsidiary Eipii Exports Private Limited and also holding 60% of the equity shares in its another subsidiary Eco Rich Cosmetic India Private Limited.
17	Previous year figures are regrouped wherever necessary.



KREMOINT PHARMA PVT LTD
Balance Sheet notes as at March 31, 2019

Amount Rs.in Lakhs

Note 2.1 Property, Plant and equipment As at 31 Mar 2019

	Land	Building	Plant & equipment	Vehicles	Furniture & fixtures	Office equipment	Computers	Total	Capital work in progress
Gross Block									
Opening Balance as at 31.03.2018	695.34	1,012.00	678.72	27.97	61.27	21.14	17.11	2,513.54	
Additions		16.09	38.84	7.54	101.33	6.65	8.36	178.81	
Disposals/Transfers		3.50				3.82		7.32	
Closing Balance 31.03.2019	695.34	1,024.59	717.56	35.51	152.60	23.97	25.47	2,635.04	
Accumulated Depreciation									
Opening Balance		65.97	95.97	6.88	14.21	7.06	6.15	196.24	
Additions		40.40	55.94	3.39	8.23	3.61	0.52	112.09	
Disposals/Transfers			0.03			2.55		2.58	
Closing Balance 31.03.2019		106.37	151.88	10.27	22.44	8.12	6.67	305.75	
Net Block	695.34	918.22	565.68	25.24	140.16	15.85	18.80	2,379.29	

(Amount in Lakhs)

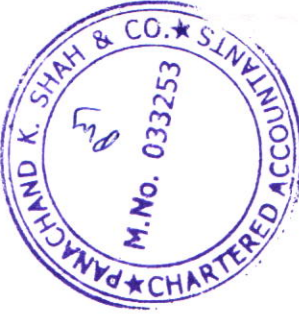
Note 2.2 Investment Property

	Land	Total
Gross Block		
Opening Balance as at 31.03.2018	541.30	541.30
Additions	33.70	33.70
Disposals/Transfers	575.00	575.00
Closing Balance 31.03.2019		

(Amount in Lakhs)

Note 2.3 Intangible Assets

	Software	Total
Gross Block		
Opening Balance as at 31.03.2018	8.39	8.39
Additions	5.57	5.57
Disposals/Transfers		
Closing Balance 31.03.2019	13.96	13.96
Accumulated Amortisation		
Opening Balance	0.90	0.89
Amortisation charge for the year	3.66	3.66
Disposals/ Transfers		
Closing Balance 31.03.2019	4.56	4.56
Net Block	9.40	9.40



KREMOINT PHARMA PVT LTD
Balance Sheet notes as at March 31, 2019

Amount in Lakhs
As at 31.03.2019 As at 31.03.2018

Note 3. Financial Assets- Non Current Investments
Investments in Equity Instruments:

	As at 31.03.2019	As at 31.03.2018
Subsidiaries		
-700(Previous year 700)Eipii Exports Pvt. Ltd.	0.70	0.70
Eco Rich Cosmetic India Private Limited	76.86	69.90
Others (Non-trade, Unquoted and fully paid-up unless otherwise specified)		
Bharat Co-op. Bank Ltd. (At Cost)	1.00	1.00
Total	78.56	71.60

Amount in Lakhs
As at 31.03.2019 As at 31.03.2018

Note 4. Financial Assets- Non Current Loans

Unsecured -considered good unless otherwise stated		
Security Deposits	15.27	5.07
Total	15.27	5.07

Amount in Lakhs
As at 31.03.2019 As at 31.03.2018

Note 6. Other Non Current Assets

Unsecured Considered Good		
Other Advances (Advances recoverable in cash or kind)		
With Government Authorities (VAT/CENVAT/Service Tax Credit Receivable)	47.25	100.38
Total	47.25	100.38

Amount in Lakhs
As at 31.03.2019 As at 31.03.2018

Note 7. Inventories

Raw Material		
Others	169.72	167.64
	169.72	167.64
Work in Progress	48.19	22.06
Packing Material		
Others	245.24	275.14
	245.24	275.14
Finished Goods	28.74	35.04
Others	28.74	35.04
Total	491.89	499.88

Amount in Lakhs
As at 31.03.2019 As at 31.03.2018

Note 9. Financial Assets- Trade Receivables

Unsecured-considered good	671.25	135.12
Total	671.25	135.12



	Amount in Lakhs	
	As at 31.03.2019	As at 31.03.2018
Note 10. Financial Assets- Cash and Cash Equivalents		
Balances with Bank	6.67	0.83
Cash on hand	2.23	3.65
Total	8.90	4.48

	Amount in Lakhs	
	As at 31.03.2019	As at 31.03.2018
Note 11. Financial Assets- Other Bank Balances		
Margin money deposit	500.00	100.00
FD with bank maturity more than 3 months but less than 12 months	632.92	506.06
Total	1,132.92	606.06

	Amount in Lakhs	
	As at 31.03.2019	As at 31.03.2018
Note 12. Financial Assets- Current Loans		
Unsecured Considered good		
Loans to Related Parties	-	150.10
Others		
Loans- Employees- Unsecured Considered Good	9.40	9.13
	9.40	9.13
Total	9.40	159.23

	Amount in Lakhs	
	As at 31.03.2019	As at 31.03.2018
Note 13. Financial Assets- Other Current assets		
Export Benefit Receivable and Others	20.17	45.56
Interest Accrued on Fixed Deposits and Advances	64.47	-
Export Benefit Receivable	60.79	89.70
Total	145.43	135.26

	Amount in Lakhs	
	As at 31.03.2019	As at 31.03.2018
Note 14. Non Financial Assets- Other Current assets		
Advances other than capital advances		
Other Advances (Advances recoverable in cash or kind)		
GST Receivable	200.79	255.48
Advance to Suppliers	446.09	-
Advance Income Tax (Net of Provision)	6.82	3.05
Total Advances	653.70	258.53
Others		
(Unsecured-Considered Good, unless Otherwise Stated)		
Prepaid Expenses	18.43	11.61
	18.43	11.61
Total	672.13	270.14



KREMOINT PHARMA PVT LTD
Balance Sheet notes as at March 31, 2019

Amount in Lakhs
As at 31.03.2019 As at 31.03.2018

Note 15. Share Capital

	As at 31.03.2019	As at 31.03.2018
a) Authorized		
24,000 Equity Share of Rs.100/- each	24.00	24.00
1,000 Preference Share of Rs.100/- each	1.00	1.00
Total	25.00	25.00
b) Issued, Subscribed and paid up		
6000 Equity Shares of Re. 100/ each, fully paid	6.00	6.00
Total	6.00	6.00

(Amount in Lakhs)

C) Reconciliation of share capital

	As at 31.03.2019	As at 31.03.2019	As at 31.03.2018	
	No of shares	Amount	No of shares	Amount
Reconciliation of opening and closing equity share capital				
Opening Balance	6,000.00	6.00	6,000.00	6.00
Closing Balance	6,000.00	6.00	6,000.00	6.00

D) Details of shareholders

	As at 31.03.2019	As at 31.03.2019	As at 31-Mar-2018	
	No of shares held	% Holding	No of shares held	% Holding
Details of shareholders holding more than 5% shares in the Company				
Bhadresh K Thakkar	1,190.00	19.83	1,190.00	19.83
Hema B Thakkar	610.00	10.17	610.00	10.17
Bliss GVS Pharama Ltd.	4,200.00	70.00	4,200.00	70.00

The Company has only one class of Equity Shares having a par value of Rs. 100/- per share. Each Shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is Rs.300/- per share subject to the approval of the shareholders in the ensuing Annual General Meeting. In the unlikely event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, in proportion to the number of equity shares held by the shareholders.

Amount in Lakhs
As at 31.03.2019 As at 31.03.2018

Note 16. Reserves and Surplus

General reserve		
At the beginning of the year	166.00	166.00
Balance as per last Balance Sheet	166.00	166.00
At the end of the year	166.00	166.00
Closing Balance	166.00	166.00
Surplus in statement of profit and loss		
Balance as per last Balance Sheet (P&L)	2,886.78	2,541.31
Add : Profit for the year	350.12	367.24
Net profit available for appropriation	3,236.90	2,908.55
Less: allocations and appropriations		
- Dividend on equity shares	17.99	18.01
- Tax on dividend on equity shares	3.71	3.77
Total Dividend net of taxes	21.69	21.78
	21.70	21.77
Closing Balance Surplus	3,215.20	2,886.78
Closing Balance Surplus	3,215.20	2,886.78
Closing Balance Surplus	3,215.20	2,886.78
Other Comprehensive Income		
TOTAL	3,381.20	3,052.78



KREMOINT PHARMA PVT LTD
Balance Sheet notes as at March 31, 2019

Amount in Lakhs
As at 31.03.2019 As at 31.03.2018

Note 17. Financial Liabilities- Borrowings

Borrowings

Term Loan from Banks	200.99	-
Total	200.99	-

Term Loan from Bank

Includes loan for Vikhroli office of Rs. 258.85 Lakhs including current maturities of Rs.57.86 Lakhs for Vikhroli office and is secured by the said Office thereon, which is repayable from June'2018 in 60 equal monthly installments.

Amount in Lakhs
As at 31.03.2019 As at 31.03.2018

Note 19. Financial Liabilities-Deferred Tax Liabilities (Net)

Deferred Tax Liability

Depreciation / Impairment	162.61	147.03
Total	162.61	147.03

Deferred Tax Asset

Net Deferred tax Asset / (Liability)	(162.61)	(147.03)
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Amount in Lakhs
As at 31.03.2019 As at 31.03.2018

Note 20. Other Non Current Liabilities

Others

Capital Grants	12.78	-
Total	12.78	-

Amount in Lakhs
As at 31.03.2019 As at 31.03.2018

Note 21. Current Financial Liabilities- Borrowings

Secured:

From Banks:

Export Bill Discounting

Export Bill Discounting Pre-Shipment	49.97	163.98
Cash Credit from banks	316.30	348.27
Packing credit limit	-	53.94

Unsecured:

From Others:

Loans from Related Parties	60.00	60.01
Total	60.00	60.01

Total	426.27	626.20
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* The Cash Credit of Banks carries interest @ of 11% and Packing Credit Carries interest @ of 10% and is secured against hypothecation of Stock In Trade and Charge over Book Debts and Continuation of Equitable mortgage of Plot No B-8 and Building on that plot.



Amount in Lakhs
As at 31.03.2019 As at 31.03.2018

Note 22. Current Financial Liabilities-Trade Payable

(A) Outstanding dues of micro enterprises and small enterprises	-	-
(B) Outstanding dues of creditors other than micro enterprises and small enterprises	458.58	461.04
Total	<u>458.58</u>	<u>461.04</u>

Amount in Lakhs
As at 31.03.2019 As at 31.03.2018

Note 23. Other Current Financial Liabilities

Current maturities of long term debt	59.03	7.76
Employee benefits	30.43	-
Other Payables	235.00	530.06
Total	<u>324.46</u>	<u>537.82</u>

Amount in Lakhs
As at 31.03.2019 As at 31.03.2018

Note 24. Other Current Liabilities

Advance from Customer	704.30	-
Statutory Dues:		
Other taxes	-	25.44
Other Liabilities:		
Financial Guarantee Obligation	3.51	-
	3.51	-
Total	<u>707.81</u>	<u>25.44</u>



KREMOINT PHARMA PVT LTD

Profit & Loss notes for the year ended March 31, 2019

Amount in Lakhs

	For the Year ended 31.03.2019	For the Year ended 31.03.2018
Note 26. Revenue from Operations		
Sale of goods including trading sales	3,713.78	3,084.32
Sale of services	2.25	1.89
Other operating revenues		
- Export Incentives	142.44	112.39
	142.44	112.39
TOTAL	3,858.47	3,198.60

Amount in Lakhs

	For the Year ended 31.03.2019	For the Year ended 31.03.2018
Note 27. Other Income		
Interest income:		
-On Bank FD	127.88	71.39
Dividend on Non current Investment	0.45	
Other non-operating income, net:		
-Gain on foreign exchange translation (net)	12.09	48.47
-Gain on sale of assets (net)	10.68	-
-Others	7.41	0.14
-On Financial Guarantee Commission	3.46	
TOTAL	161.97	120.00

Amount in Lakhs

	For the Year ended 31.03.2019	For the Year ended 31.03.2018
Note 28 a. Cost of Raw Materials Consumed		
-Raw Materials	167.64	109.69
-Packing Materials	275.14	269.62
Opening Stocks - Total	442.78	379.31
Add : Purchase	1,952.95	1,686.30
	2,395.73	2,065.61
-Raw Materials	169.72	167.64
-Packing Materials	245.24	275.14
Closing Stock RM + Packing + Others	414.96	442.78
TOTAL	1,980.77	1,622.83
Inventory Change (WIP and FG)	(19.83)	6.64
Pur of RM + SIT	2,122.17	1,710.51



KREMOINT PHARMA PVT LTD

Profit & Loss notes for the year ended March 31, 2019

Amount in Lakhs

For the Year ended 31.03.2019 **For the Year ended 31.03.2018**

Note 28 b. Changes in Inventories of Finished Goods/WIP/Stock-in-Trade

Opening Stock of

-Work in Progress	22.07	46.00
-Finished Products Produced	35.03	17.74
	57.10	63.74

Less: Closing Stock of

-Work in Progress	48.19	22.06
-Finished Products Produced	28.74	35.04
	76.93	57.10

Decrease/(Increase) in Stock

	(19.83)	6.64
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Amount in Lakhs

For the Year ended 31.03.2019 **For the Year ended 31.03.2018**

Note 29. Employee Benefit Expenses

Salaries and wages	402.42	331.32
Contribution to Provident & other funds	31.94	25.78
Staff welfare Expenses	26.57	21.63
TOTAL	460.93	378.73

Amount in Lakhs

For the Year ended 31.03.2019 **For the Year ended 31.03.2018**

Note 30. Finance Cost

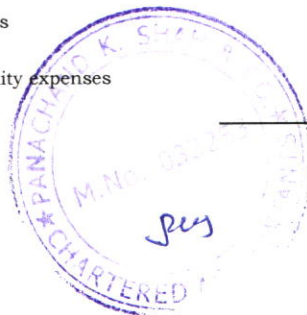
Interest on other loans	61.07	38.64
TOTAL	61.07	38.64

Amount in Lakhs

For the Year ended 31.03.2019 **For the Year ended 31.03.2018**

Note 31. Other Expenses

Power and fuel	99.29	74.04
Rent (including lease rentals)	15.00	-
Rates and taxes	-	1.11
Insurance	11.35	9.93
Repairs and maintenance		
- Machinery	38.57	16.85
- Others	30.27	13.75
Postage, Telephone and Communication	11.82	11.02
Legal and Professional Charges	29.32	27.12
Advertisement	5.94	3.23
Freight outward	123.85	102.77
Sales promotion expenses	157.85	143.73
Travelling & Conveyance Expenses	72.38	64.77
Auditors' remuneration	4.50	4.00
Donations and contributions	0.01	0.82
Bad Debts	0.23	1.81
Corporate social responsibility expenses	-	17.70
Miscellaneous expenses	155.18	172.47
TOTAL	755.56	665.12



KREMOINT PHARMA PVT. LTD.

NOTES TO ACCOUNTS

32. Fair Value Measurements

Financial Instrument by Category

Amount Rs. In Lakhs

Sr No	Particulars	As at 31st March 2019			As at 31st March 2018		
		FVOCI	FVTPL	Amortised Cost	FVOCI	FVTPL	Amortised Cost
(A)	Financial assets (other than investment in subsidiaries and associates)						
	Non current assets						
1	Investments in Unquoted Equity Shares	1.00	6.96	70.60	1.00	-	70.60
2	Non-current loans			15.27			5.07
3	Others			-			-
(B)	Current assets						
1	Trade receivables			671.25			135.12
2	Cash & Cash Equivalents			8.90			4.48
3	Other bank balances			1,132.92			606.05
4	Current loans			9.40			159.23
5	Other current financial assets			145.43			135.26
	Total financial assets	1.00	6.96	2,053.77	1.00	-	1,115.82
	Financial liabilities						
(A)	Non-current liabilities						
1	Non-current borrowings			200.99			
(B)	Current liabilities						
1	Current borrowings			426.27			626.20
2	Trade payables			458.58			461.04
3	Other financial liabilities			324.46			537.82
	Total financial liabilities			1,410.30			1,625.06



Kremoint Pharma PVT. LTD.

Notes to Accounts

Fair value hierarchy

The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. The company doesn't have investment in equity instruments that have quoted price.

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 this level.

Fair value for assets measured at amortised cost

During the years mentioned above, there have been no transfers amongst the levels of hierarchy.

The carrying amounts of trade receivables, cash and cash equivalents, and other bank balances, current loans, other current financial assets, current borrowings, trade payables and other financial liabilities are considered to be approximately equal to the fair value.

Valuation process

The Company evaluates the fair value of financial assets and financial liabilities on periodic basis using the best and most relevant data available. Also, the Company internally evaluates the valuation process and obtains independent price validation for certain instruments wherever necessary

33. Financial risk management

The company is exposed to credit risk, liquidity risk and Market risk.

A Credit risk

Credit risk arises from cash and bank balances, current and non-current loans, trade receivables and other financial assets measured at amortised cost.

Credit risk management

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed.

The Company periodically assesses the financial reliability of the counter party, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual limits are set accordingly. Investments at Amortised Cost are strategic investments in associated lines of business activity, the company closely monitors the performance of these Companies.

Bank deposits are placed with reputed banks / financial institutions. Hence, there is no significant credit risk on such fixed deposits.



Trade Receivable: The Company trades with recognized and credit worthy third parties. It is the Company's policy that all customers who wish to trade on credit terms are subject to credit verification

Kremoint Pharma PVT. LTD.

procedures. In addition, receivable balances are monitored on an on-going basis with the result that the Company's exposure to bad debts is not significant. Also the company does not enter into sales transaction with customers having credit loss history. There are no significant credit risks with related parties of the Company. The Company is exposed to credit risk in the event of non-payment by customers. Also credit risk in some of cases are mitigated by letter of credit/Advances from the customer.

The history of trade receivables shows a negligible allowance for bad and doubtful debts.

B 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 a reasonable price. For the Company, liquidity risk arises from obligations on account of financial liabilities

- borrowings , trade payables and other financial liabilities.

Liquidity risk management

The company manages its liquidity risk by regularly monitoring its rolling cash flow forecasts. The company's operations provide a natural liquidity of receivables against payments due to creditors. Borrowings are managed through credit facilities agreed with the Banks, internal accruals and realisation of liquid assets. In the event of cash shortfalls, the company approaches the lenders for a suitable term extension.

Maturities of financial liabilities

Amount in Lakhs.

As at 31-Mar-2019	Due in	Due in	Due in	Due after	Total
	Year 0 to 1	Year 1 to 2	Year 3 to 5	Year 5	
Borrowings* (Non Current)		200.99			200.99
Trade payables	458.58				458.58
Borrowings* (Current)	426.27				426.27
Other financial liabilities	324.46				324.46
Total	1410.30				1410.30
As at 31-Mar-2018	Due in	Due in	Due in	Due after	Total
	Year 0 to 1	Year 1 to 2	Year 3 to 5	Year 5	
Borrowings* (Non Current)					
Trade payables	461.04				461.04
Borrowings* (Current)	626.20				626.20
Other financial liabilities	537.82				537.82
Total	1625.06				1625.06



Market risk

Foreign currency risk

The Company is exposed to foreign exchange risk arising from foreign currency receivables and payables. The foreign currency exposures are to USD.

Foreign currency risk management

Considering the time duration of exposures, the company believes that there will be no significant impact on account of fluctuation in exchange rates.

Currencies	Financial assets	Financial liabilities	Net Exposure -
	Trade receivables	Trade payables	Assets/(Liability)
31st March, 2019			
USD	593.13	174.24	418.89
31st March, 2018			
USD	74.25	156.11	-81.86

34. Tax Reconciliation (for profit & loss)

Particulars	31st March 2019	31st March 2018
Profit before income tax expense	497.00	471.32
Add: Depreciation as per Companies Act 2013	115.72	111.11
Less: Depreciation as per Income Tax Act	-144.09	-112.00
Add: Expenses debited to P & L to be disallowed		18.00
Taxable Profit	468.72	488
Tax Rate	27.82%	27.46%
Income Tax Expense	130.66	134



Notes to Accounts

35 RELATED PARTY DISCLOSURES

Related parties with whom transactions have taken place during the year

Holding Company
Subsidiary

Bliss GVS Pharma LTD
EIPPI EXPORTS PVT LTD.
Eco Rich Cosmetic India Private Limited

Key Management Personnel

1. Mr Bhadresh Keshavji Thakkar
2. Shibroor N Kamath
3. Mr Gautam R. Ashra
4. Bliss GVS Pharma LTD

Relative of Key Management Personnel

1. Yesha Bhadresh Thakkar
2. Mrs Hema Bhadresh Thakkar

Related Party Transactions

(Rs in Lakhs)

Particulars	F.Y.2018-19			F.Y.2017-18		
	Holding Company/ Subsidiary Company	Key Management Personnel	Relatives of Key Management Personnel	Holding Company/ Subsidiary Company	Key Management Personnel	Relatives of Key Management Personnel
Loan Given						
Eco Rich Cosmetic India Private Limited	-	-	-	150.10	-	-
REMUNERATION/SALARY						
Mr. Bhadresh Thakkar	-	36.00	-	-	36.00	-
Yesha Bhadresh Thakkar (Salary)	-	-	24.00	-	-	21.84
Yesha Bhadresh Thakkar (Bonus)	-	-	1.58	-	-	1.22
INTEREST PAID						
Bliss GVS Pharma Ltd	5.40	-	-	5.40	-	-
Dividend Paid						
Hema B.Thakkar	-	-	1.83	-	-	1.83
Bliss GVS Pharma Ltd	12.60	-	-	12.60	-	-
Bhadresh K. Thakkar	-	3.57	-	-	3.57	-
Job Work Charges Received						
Bliss GVS Pharma Ltd	2.25	-	-	1.67	-	-
Sales						
Bliss GVS Pharma Ltd	0.10	-	-	-	-	-
Eco Rich Cosmetic India Private Limited	3.36	-	-	-	-	-
Sale of Fixed Asset						
Eco Rich Cosmetic India Private Limited	-	-	-	4.61	-	-
Other Income						
Financial Guarantee Obligation	3.45	-	-	-	-	-
Purchase						
Bliss GVS Pharma Ltd	15.95	-	-	-	-	-
Eco Rich Cosmetic India Private Limited	29.35	-	-	-	-	-
Expenses						
Bliss GVS Pharma Ltd	0.01	-	-	0.36	-	-
Eco Rich Cosmetic India Private Limited	0.05	-	-	-	-	-
Outstanding Balances						
Loan Taken						
Bliss GVS Pharma Ltd	60.00	-	-	60.00	-	-
Loan Given						
Eco Rich Cosmetic India Private Limited	-	-	-	150.10	-	-
Sundry Creditors						
Bliss GVS Pharma Ltd	15.97	-	-	0.36	-	-
Advance to supplier- Ecorich Cosmetic India Private Limited	416.89	-	-	-	-	-
Sundry Debtors						
Eco Rich Cosmetic India Private Limited	8.57	-	-	4.61	-	-
Bliss GVS Pharma Ltd	1.09	-	-	-	-	-
Financial Guarantee Obligation						
Eco Rich Cosmetic India Private Limited	3.50	-	-	-	-	-

36 CONTINGENT LIABILITIES

Description	(Rs in Lakhs)	
	31/03/2019	31/03/2018
Security given to the Bank on behalf of the Subsidiary	500	100



Notes to Accounts

37 **Employee Benefits**

Company has covered its gratuity liability by a group gratuity plan issued by an Insurance Company Under the Plan Employee at retirement is eligible for benefits which will be equal to 15 days Salary for each completed year of service subject to maximum limit allowable as per Payment of Gratuity Act, 1972.

38 **Earnings and Expenditure in Foreign Exchange**

Particulars	2018-19	2017-18
	Rs. (In Lacs)	Rs. (In Lacs)
Earning in Foreign Exchange	3,319.20	2,677.95
Expense in Foreign Exchange	167.71	179.78

39 **Taxation**

Deferred Tax

The deferred tax during the year due to timing difference is accounted using tax rates that have been enacted or substantially enacted the net difference arising thereon is debited to profit and loss account

The Break Up of Deferred Tax assets and Liabilities into major components at the year end is as below

Particulars	Rs. In Lacs		Rs. In Lacs	
	2018-19		2017-18	
	Liability	Asset	Liability	Asset
Depreciation	162.61		147.03	

40 **Earning Per Share**

Earning per Share is calculated by dividing the profit attributable to equity share holders by the equity shares outstanding at the end of the year

Particulars	Mar-19	Mar-18
Profit after Tax (Rs in Lakhs)	350.12	367.23
No of Equity Shares	6000	6000
Earning Per Share	5835.42	6120.99

41 **Disaggregation of revenue**

Revenue is measured based on a consideration specified in a contract with a customer, and excludes any sales incentives and amounts collected on behalf of third parties. The Company recognizes revenue when it satisfies a performance obligation by transferring control over a product or service to a customer.

Sales	2018-19	2017-18
(Products transferred at point in time)	Rs In Lakhs	Rs In Lakhs
Export	3,319.20	2,677.95
Domestic	539.27	520.65
Total	3858.47	3198.60


Notes 1 to 40 forming part of Balance sheet and statement of profit and loss

As per our report of even date
For PANACHAND K SHAH & CO.
CHARTERED ACCOUNTANTS


PANACHAND K SHAH
PROPRIETOR
MEMBERSHIP NO:033253
F R NO:107271W
Place : Mumbai
Date : 07/05/2019

For & on behalf of the Board

BHADRESH THAKKAR
DIRECTOR
(DIN:00774787)


NARSIMHA SHIBROOR KAMATH
DIRECTOR
(DIN:00140593)

