PANACHAND K. SHAH & CO.
Panachand K. Shah B.Com., L.L.B., F.C.A., DISA (ICA)

CHARTERED ACCOUNTANTS
410-411, Parmeshwari Centre,
M.M. Malaviya Road,
Opp. Nandanvan Indl. Estate,
Mulund (W), Mumbai 400 080.
Tel.: 2564 2056 / 57
Cell : 98200 51300
Email : pkshah_co@yahoo.co.in

Ref.:

Date :

To the Members of
**EIPII EXPORTS PRIVATE LIMITED**

**Opinion**

We have audited the financial statements of Eipii Exports Private Limited (the " Company") , which comprise the Balance Sheet as at March 31, 2021, 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 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, 2021, 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

We have determined that there are no key audit matters to communicate in our report.

PANACHAND K. SHAH & CO. ★ CHARTERED ACCOUNTANTS ★
M.No. 033253

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

The Company's Board of Directors is responsible for the preparation of Other Information. The other information comprises of Board of Directors Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 financial statement, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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 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 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.

PANACHAND K. SHAH & CO. ★ CHARTERED ACCOUNTANTS ★
M.No. 033253

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

PANACHAND K. SHAH & CO. ★ CHARTERED ACCOUNTANTS ★
M.No. 033253

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

PANACHAND K. SHAH & CO. ★ CHARTERED ACCOUNTANTS ★
M.No. 033253

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 31,2021, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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 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, the company has not paid any remuneration to Directors.
   (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,

PANACHAND K. SHAH & CO. ★ CHARTERED ACCOUNTANTS ★ M.No. 033253

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**

PANACHAND K. SHAH & CO. ★ CHARTERED ACCOUNTANTS ★ M.No. 033253

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

**Date: 10/05/2021**

**Place: Mumbai**
**UDIN:** 21033253AAAABM7294

# Annexure A to Independent Auditors' Report

(Referred to in of our report of even date to the members of EIPII EXPORTS PRIVATE LIMITED.)

**i.** (a) The Company has maintained proper records showing full 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 Company doesn't hold any immovable property.

**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.

PANACHAND K. SHAH & CO. ★ CHARTERED ACCOUNTANTS ★
M.No. 033253

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

**vi.** Since the Company is engaged in trading activity, the company is not required to maintain cost records u/s 148 of the Act.

**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, GST, 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, GST, cess and other material statutory dues which were outstanding as at 31 March, 2021 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.** The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year .Accordingly paragraph 3(viii) of the Order is not applicable.

**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 not paid any managerial remuneration. Accordingly paragraph 3(xi) of the Order is not applicable.

**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.

PANACHAND K. SHAH & CO.
CHARTERED ACCOUNTANTS
M.No. 033253

**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 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.** 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**

PANACHAND K. SHAH & CO. ★ CHARTERED ACCOUNTANTS ★ M.No. 033253

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

**Date: 10/05/2021**

**Place: Mumbai**
**UDIN:** 21033253AAAABM7294

## 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 Eipii Exports Private Limited as of 31 March 2021 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

PANACHAND K. SHAH & CO. ★ CHARTERED ACCOUNTANTS ★ M.No. 033253

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

PANACHAND K. SHAH & CO. ★ CHARTERED ACCOUNTANTS ★ M.No. 033253

being made only in accordance with authorisations 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 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

PANACHAND K. SHAH & CO. CHARTERED ACCOUNTANTS M.No. 033253

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

**Date: 10/05/2021**

**Place: Mumbai**

**UDIN:** 21033253AAAABM7294

**EIPII EXPORTS PVT LTD**

**Balance Sheet as at March 31, 2021**

Amount in Lakh

| Particulars | Note | As at March 31, 2021 | As at March 31, 2020 |
|---|---|---|---|
| **ASSETS** | | | |
| **NON CURRENT ASSETS** | | | |
| (a) Property, Plant and Equipment | 2 | 3.31 | 3.62 |
| (b) Capital work-in-progress | | - | - |
| (c) Investment property | | - | - |
| (d) Other intangible assets | | - | - |
| (e) Financial Assets | | | |
| (i) Investments | | - | - |
| (ii) Loans | 3 | 0.25 | 0.25 |
| (iii) Others | | - | - |
| (f) Deferred tax asset (net) | | - | - |
| (g) Other non-current assets | | - | - |
| **CURRENT ASSETS** | | | |
| (a) Inventories | 4 | 33.55 | 7.72 |
| (b) Financial Assets | | | |
| (i) Investments | | - | - |
| (ii) Trade receivables | 5 | 0.59 | 14.98 |
| (iii) Cash and cash equivalents | 6 | 107.27 | 120.14 |
| (iv) Bank balances other than (iii) above | 7 | 534.54 | 45.13 |
| (v) Loans | | - | - |
| (vi) Others | 8 | 87.77 | 26.88 |
| (c) Current tax assets (Net) | | 28.93 | - |
| (d) Other current assets | 9 | 109.99 | 91.41 |
| **TOTAL ASSETS** | | **906.20** | **310.13** |
| **EQUITY AND LIABILITIES** | | | |
| (a) Equity Share Capital | 10 | 1.00 | 1.00 |
| (b) Other Equity | 11 | 580.20 | 172.71 |
| **NON-CURRENT LIABILITIES** | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | | - | - |
| (b) Provisions | | - | - |
| (c) Deferred tax liabilities (Net) | 12 | 0.32 | 0.30 |
| (d) Other non-current liabilities | | - | - |
| **CURRENT LIABILITIES** | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | | - | - |
| (ii) Trade payables | | | |
| (A) Total outstanding dues of micro enterprises and small enterprises | | - | - |
| (B) Total outstanding dues of other than micro enterprises and small enterprises | 13 | 321.84 | 129.87 |
| (iii) Other financial liabilities | 14 | 2.59 | 3.36 |
| (b) Other current liabilities | 15 | 0.25 | 1.86 |
| (c) Provisions | | - | - |
| (d) Current tax liabilities (Net) | | - | 1.03 |
| **TOTAL LIABILITIES** | | **906.20** | **310.13** |

**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 : May 10, 2021**

PANACHAND K. SHAH & CO. ★ CHARTERED ACCOUNTANTS ★ M.No. 033253

**For & on behalf of the Board**

B.K.Thakkar

EIPII EXPORTS PVT. LTD ★

**Bhadresh Thakkar**
**Director**
**(DIN:00774787)**

**Shibroor N. Kamath**
**Director**
**(DIN:00140593)**

## EIPII EXPORTS PVT LTD

### Statement of Profit and Loss Account the year ended March 31, 2021

Amount in Lakh

| Particulars | Note | For the year ended March 31, 2021 | For the year ended March 31, 2020 |
|---|---|---|---|
| **PROFIT AND LOSS** | | | |
| **INCOME** | | | |
| I Revenue from Operations | 16 | 3,802.03 | 969.27 |
| II Other Income | 17 | 71.60 | 21.23 |
| **III Total Revenue(I+II)** | | **3,873.63** | **990.50** |
| **IV EXPENSES** | | | |
| Cost of material consumed | | - | - |
| Purchases of Stock-in-Trade | | 3,269.72 | 867.94 |
| Changes in inventories of stock-in-Trade | 18 | (25.83) | (7.72) |
| Employee benefits expense | 19 | 12.80 | 3.61 |
| Finance costs | 20 | 3.01 | 0.93 |
| Depreciation/Impairment | | 0.31 | 0.32 |
| Other Expenses | 21 | 68.61 | 58.99 |
| **Total Expenses** | | **3,328.62** | **924.07** |
| **V Profit before exceptional items(III-IV)** | | **545.01** | **66.43** |
| VI Exceptional Items | | - | - |
| **VII Profit before tax (V-VI)** | | **545.01** | **66.43** |
| **VIII Tax Expense** | | | |
| (1) Current tax | | 137.16 | 16.69 |
| (2) Deferred tax | | 0.01 | - |
| (3) Taxation adjustment of earlier years Excess(-)/Short(+) | | 0.35 | (1.42) |
| **IX Profit/ (loss) for the period (VII-VIII)** | | **407.49** | **51.16** |
| **(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** | | | |
| **XI Total Comprehensive Income for the period(IX+X)** | | **407.49** | **51.16** |
| **Earnings per equity share of ₹ 1/- each** | | | |
| Earnings per share in ₹ (Basic) | 26 | **40,749.42** | **5,116.26** |

**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 : May 10, 2021**

PANACHAND K. SHAH & CO. CHARTERED ACCOUNTANTS M.No. 033253

**For & on behalf of the Board**

EIPII EXPORTS PVT. LTD

B.K.Thakkar

**Bhadresh Thakkar**
**Director**
**(DIN:00774787)**

**Shibroor N. Kamath**
**Director**
**(DIN:00140593)**

**EIPII EXPORTS PVT LTD**

**Statement of Cash Flows for the year ended March 31, 2021**

Amount in Lakh

| Particulars | For the Year ended March 31, 2021 | For the Year ended March 31, 2020 |
|---|---|---|
| **A. Cash Flow from Operating Activities** | | |
| Profit before Tax | 545.01 | 66.43 |
| Adjustments for: | | |
| Depreciation and Amortisation Expense | 0.31 | 0.32 |
| Interest on Deposits with Banks | (20.00) | (6.53) |
| **Operating Profit before changes in Working Capital** | 525.32 | 60.22 |
| Changes in working capital: | | |
| Inventories | (25.83) | (7.72) |
| Other Non-Current Financial Assets | - | 0.47 |
| Trade Receivables | 14.39 | 28.26 |
| Other Current Financial Assets | (60.89) | (7.14) |
| Other Current Assets | (18.58) | (47.14) |
| Adjustments for increase / (decrease) in operating liabilities: | | |
| Other Current Financial liabilities | (0.77) | 1.81 |
| Trade Payable | 191.97 | 63.35 |
| Other Current Liability | (1.61) | 1.86 |
| **Cash Generated from Operations** | **624.00** | **93.97** |
| Net Income tax paid | (167.46) | (14.78) |
| **Net Cash Flow generated / (used in) from Operating Activities** | **456.54** | **79.19** |
| **B. Cash Flow from Investing Activities** | | |
| Interest on Deposits with Banks | 20.00 | 6.53 |
| Net changes in other Bank Balances | (482.41) | (65.15) |
| **Net Cash used in Investing Activities** | **(462.41)** | **(58.62)** |
| **C. Cash flow from financing activities** | | |
| Loan to subsidiary | - | - |
| **Net Cash used in Financing Activities** | - | - |
| Net (decrease)/ increase in cash and cash equivalent | (5.87) | 20.57 |
| Cash and cash equivalent at the beginning of the period | 28.14 | 7.57 |
| Cash and cash equivalent at End of the period | **22.27** | **28.14** |

**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 : May 10, 2021**

PANACHAND K. SHAH & CO. CHARTERED ACCOUNTANTS M.No. 033253

**For & on behalf of the Board**

EIPII EXPORTS PVT. LTD

B. K. Thakkar

**Bhadresh Thakkar**
**Director**
**(DIN:00774787)**

**Shibroor N. Kamath**
**Director**
**(DIN:00140593)**

## EIPII EXPORTS PVT LTD

### Statement of Change in Equity as at March 31, 2021

Amount in Lakh

| Particulars | Number of Shares | Amount |
|---|---|---|
| Equity Share Capital of Rs. 100/- as at 1st April, 2020 | 1000 | 1.00 |
| Changes during the year | - | - |
| Equity Share Capital of Rs. 100/- as at 31st March, 2021 | 1000 | 1.00 |

Amount in Lakh

| Other Equity | Retained Earnings | Total Other Equity |
|---|---|---|
| Opening Balance | 172.71 | 172.71 |
| Add: Profit for the Year | 545.01 | 545.01 |
| **Closing Balance** | **717.72** | **717.72** |

### Statement of Change in Equity as at March 31, 2020

Amount in Lakh

| Particulars | Number of Shares | Amount |
|---|---|---|
| Equity Share Capital of Rs. 100/- as at 1st April, 2019 | 1000 | 1.00 |
| Changes during the year | - | - |
| Equity Share Capital of Rs. 100/- as at 31st March, 2020 | 1000 | 1.00 |

Amount in Lakh

| Other Equity | Retained Earnings | Total Other Equity |
|---|---|---|
| Opening Balance | 121.55 | 121.55 |
| Add: Profit for the Year | 51.16 | 51.16 |
| **Closing Balance** | **172.71** | **172.71** |

**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 : May 10, 2021**

PANACHAND K. SHAH & CO. ★ CHARTERED ACCOUNTANTS ★ M.No. 033253

**For & on behalf of the Board**

B.K. Thakkar

EIPII EXPORTS PVT. LTD ★

**Bhadresh Thakkar**
**Director**
**(DIN:00774787)**

**Shibroor N. Kamath**
**Director**
**(DIN:00140593)**

## Corporate Information:

Eipii Exports Private Limited is a Private limited Company, incorporated on November 25, 2014 & domicile in India under the Companies Act, 2013 ("the Act"), having its registered office at D-59/60, Additional Ambernath MIDC, Opposite Anand Nagar Octroi Naka, Ambernath, Thane, Maharashtra – 421506. The Company is engaged in trading and export of pharmaceutical products.

The financial statements of the Company for the year ended March 31, 2021 were authorized for issue in accordance with a resolution of the Board of Directors on May 10, 2021.

## Note 1. Significant Accounting Policies:

### a) Basis of Preparation:

The financial statements have been prepared to comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act.

The financial statements are prepared and presented in the form set out in Schedule III of the Act, so far as they are applicable thereto. All assets and liabilities have been classified as current / non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III of the Act. Based on the nature of services and their realization in cash and cash equivalents, the company has ascertained its operating cycle as twelve months for the purpose of current / non-current classification of assets and liabilities.

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.

Moreover, the significant accounting policy used in the preparation of the financial statements have been discussed in below notes.

### b) Basis of Measurement:

The financial statements have been prepared under the historical cost convention, on the accrual basis of accounting except for certain financial assets and liabilities measured at fair value.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if the market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value measurement and/or disclosure purposes in the financial statements is determined on such a basis and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

I) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

II) Level 2 inputs are inputs, other than quoted prices included in Level 1, that are observable for the asset or liability, either directly or indirectly; and

III) Level 3 inputs are unobservable inputs for the asset or liability.

### c) 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 estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of financial statements, which in management's opinion are prudent and reasonable. Actual results may differ from the estimates used in preparing the accompanying financial statements. Any revision to accounting estimates is recognized prospectively in current and future periods.

PANACHAND K. SHAH & CO. CHARTERED ACCOUNTANTS M.No. 033253



EIPII EXPORTS PVT. LTD

Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are included in the accounting policies:

- Fair value measurement of financial instruments
- Measurement and likelihood of occurrence of provisions and contingencies
- Recognition of deferred tax assets
- Useful lives of property, plant, equipment and Intangibles
- Impairment of financial assets

**d) Functional and presentation currency:**

The financial statements are presented in Indian Rupees, the currency of the primary economic environment in which the Company operates. All the amounts are stated in rupee lakhs.

**I. Property, plant and equipment:**

Property, plant and equipment are stated at their original cost (net of Goods and Service Tax wherever applicable) including freight, non- refundable taxes, duties, customs and other incidental expenses relating to acquisition and installation less accumulated depreciation and impairment loss. Interest and other finance charges paid on loans for the acquisition of tangible qualifying assets are apportioned to the cost of fixed assets till they are ready for use.

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.

Depreciation on tangible assets is provided on straight line method over the useful life of asset prescribed in Part C of schedule II of the Act order to reflect the actual usages of the assets.

**II. Financial Instruments:**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity

**Classification**

On initial recognition the Company classifies financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

The Company classifies all financial liabilities as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit or loss except for financial liabilities measured at fair value through profit or loss

**Initial recognition and measurement**

All financial assets (not measured subsequently at fair value through profit or loss) are recognized initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

**Financial assets and liability at amortized cost**

**A 'financial asset' is measured at the amortized cost if both the following conditions are met:**

i) the asset is held within a business model whose objective is to hold assets/liability for collecting/paying contractual cash flows,
   And
ii) Contractual terms of the asset/liability give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

EIPII EXPORTS PVT. LTD



PANACHAND K. SHAH & CO. CHARTERED ACCOUNTANTS M.No. 033253

After initial measurement, such financial assets/liability are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income/expense in the Statement of Profit and Loss. The losses arising from impairment are recognized in the Statement of Profit and Loss.

**Financial assets at fair value through the Company's statement of profit or loss**

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

**II.1 Cash and cash equivalents:**

Cash and cash equivalents consists of cash on hand, short demand deposits and highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of change in value. Short term means investments with original maturities / holding period of three months or less from the date of investments

**II.2 Trade receivables:**

Trade receivables are amounts due from customers for sale of goods or services performed in the ordinary course of business. Trade receivables are initially recognized at its transaction price which is considered to be its fair value and are classified as current assets as it is expected to be received within the normal operating cycle of the business.

**II.3 Trade payables:**

Trade payables are amounts due to vendors for purchase of goods or services acquired in the ordinary course of business and are classified as current liabilities to the extent it is expected to be paid within the normal operating cycle of the business.

**II.4 De-recognition of financial assets and liabilities:**

The Company derecognizes a financial asset when the contractual right to the cash flows from the asset expires or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction which has substantially all the risk and rewards of ownership of the financial asset are transferred. If the Company retains substantially all the risk and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

The Company derecognizes a financial liability when its contractual obligations are discharged, cancelled or expired; the difference between the carrying amount of derecognized financial liability and the consideration paid is recognized as profit or loss.

**III. Impairment of assets:**

**Financial assets:**

At each balance sheet date, the Company assesses whether a financial asset is to be impaired. Ind AS 109 requires expected credit losses to be measured through loss allowance. The Company measures the loss allowance for financial assets at an amount equal to lifetime expected credit losses if the credit risk on that financial asset has increased significantly since initial recognition. If the credit risk on a financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for financial assets at an amount equal to 12-month expected credit losses. The Company uses both forward-looking and historical information to determine whether a significant increase in credit risk has occurred.

**Non-financial assets:**

Tangible and intangible assets

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. 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.

EIPII EXPORTS PVT. LTD.



PANACHAND K. SHAH & CO. CHARTERED ACCOUNTANTS
M.No. 033253

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognized in the statement of profit and loss to such extent. When an impairment loss subsequently reverses, the carrying amount of the asset (or a CGU) is increased to the revised estimate of its recoverable amount, such that the increase in the carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or CGU) in prior years. A reversal of an impairment loss is recognized immediately in statement of profit and loss.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

**IV. Inventories:**

Inventories of finished goods are valued at cost or net realizable value, whichever is lower.

Finished goods is computed based on respective moving weighted average price of procured material and appropriate share of labour and other manufacturing overheads. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale.

**V. Foreign Currency Transactions:**

a) Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of transaction. Foreign currency monetary assets and liabilities are translated at year-end exchange rates. Exchange difference arising on settlement of transactions and translation of monetary items are recognized as income or expense in the year in which they arise.

**VI. Revenue Recognition:**

Revenue is measured at the fair value of consideration received or receivable.

Revenue is recognized when the Company satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognized is the amount allocated to the satisfied performance obligation.

Revenue is recognized only when it can be reliably measured and it is probable that future economic benefits will flow to the company.

Revenue from operations includes sales of goods, services, scrap, commission, export incentives. Revenue includes excise duty wherever charged from the customer but excludes service tax and sales tax / value added taxes, Goods and Service Tax amounts collected on behalf of third parties.

1. **Sales of Goods:**
   Revenue from sale of goods is recognized on transfer of all significant risks and rewards of ownership to the buyer as per the terms of sale.
2. **Sales of Services:**
   Income from job work is recognized in accordance with terms of contract on completion and is included in sales.
3. **Other Operating Income:**
   Income in respect of export benefits is recognized to the extent the company is reasonably certain of its ultimate realization.
3. **Other Income:**
   a) Income in respect of insurance claims is recognized to the extent the company is reasonably certain of its ultimate realization.
   b) Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

**VII. Expenses:**
Expenses are accounted for on accrual basis.

### VIII. Taxes on Income:

Tax Expense comprises of current and deferred tax.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period.

Deferred taxes arising from deductible and taxable temporary differences between the tax base of assets and liabilities and their carrying amount in the financial statements are recognized using substantively enacted tax rates and laws expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled. The deferred tax arising from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction are not recognized.

Deferred tax asset for all deductible temporary differences and unused tax loses are recognized only to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilized. 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 income tax assets to be utilized.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date.

### IX. Provision & Contingencies:

As provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using equivalent period government securities interest rate. Unwinding of the discount is recognized in the statement of profit and loss as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.
Contingent assets are neither recognized nor disclosed in the financial statements. However, when the realization of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognized as an asset.

### X. Earnings per share:

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.
Diluted earnings per share is computed using the net profit for the year attributable to the shareholder' and weighted average number of equity and potential equity shares outstanding during the year including share options, convertible preference shares and debentures, except where the result would be anti-dilutive. Potential equity shares that are converted during the year are included in the calculation of diluted earnings per share, from the beginning of the year or date of issuance of such potential equity shares, to the date of conversion.

### XI. Recent Accounting Pronouncements:

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2021.

PANACHAND K. SHAH & CO. ★ CHARTERED ACCOUNTANTS ★ M.No. 033253

EIPII EXPORTS PVT. LTD ★

## EIPII EXPORTS PVT LTD

**Notes to Financial Statements as at and for the year ended March 31, 2021**

**Note 2. Property, Plant and equipment as at 31st March 2021**

Amount in Lakh

| Particulars | Plant & equipment | Total |
|---|---|---|
| **Gross Block** | | |
| Opening Balance | 4.88 | 4.88 |
| Additions | - | - |
| Disposals/Transfers | - | - |
| Closing Balance | 4.88 | 4.88 |
| **Accumulated Depreciation** | | |
| Opening Balance | 1.26 | 1.26 |
| Additions | 0.31 | 0.31 |
| Disposals/Transfers | - | - |
| Closing Balance | 1.57 | 1.57 |
| **Net Block** | **3.31** | **3.31** |

**Note 2. Property, Plant and equipment as at 31st March 2020**

Amount in Lakh

| Particulars | Plant & equipment | Total |
|---|---|---|
| **Gross Block** | | |
| Opening Balance | 4.88 | 4.88 |
| Additions | - | - |
| Disposals/Transfers | - | - |
| Closing Balance | 4.88 | 4.88 |
| **Accumulated Depreciation** | | |
| Opening Balance | 0.94 | 0.94 |
| Additions | 0.32 | 0.32 |
| Disposals/Transfers | | |
| Closing Balance | 1.26 | 1.26 |
| **Net Block** | **3.62** | **3.62** |

PANACHAND K. SHAH & CO. ★ CHARTERED ACCOUNTANTS
M.No. 033253

EIPII EXPORTS PVT. LTD
★

**EIPII EXPORTS PVT LTD**

**Notes to Financial Statements as at and for the year ended March 31, 2021**

Amount in Lakh

| Particulars | As at March 31, 2021 | As at March 31, 2020 |
|---|---|---|
| **Note 3. Financial Assets- Non Current Loans** | | |
| Unsecured -considered good | | |
| Security Deposits | 0.25 | 0.25 |
| **Total** | **0.25** | **0.25** |
| **Note 4. Inventories** | | |
| Finished Goods | 33.55 | 7.72 |
| **Total** | **33.55** | **7.72** |
| **Note 5. Financial Assets- Trade Receivables** | | |
| Unsecured-considered good | 0.59 | 14.98 |
| **Total** | **0.59** | **14.98** |
| **Note 6. Financial Assets- Cash and Cash Equivalents** | | |
| Balances with Bank | 22.24 | 28.06 |
| Cash on hand | 0.03 | 0.08 |
| FD with bank - maturity less than 3 months | 85.00 | 92.00 |
| **Total** | **107.27** | **120.14** |
| **Note 7. Financial Assets- Other Bank Balances** | | |
| FD with bank maturity more than 3 months but less than 12 months | 534.54 | 45.13 |
| **Total** | **534.54** | **45.13** |
| **Note 8. Financial Assets- Other Current assets** | | |
| Export Benefit Receivable and Others | 80.16 | 26.08 |
| Interest Accrued on Fixed Deposits and Advances | 7.61 | 0.80 |
| **Total** | **87.77** | **26.88** |
| **Note 9. Non Financial Assets- Other Current assets** | | |
| GST Receivable | 105.19 | 91.07 |
| Advance to Suppliers | 4.52 | - |
| Prepaid Expenses | 0.28 | 0.34 |
| **Total** | **109.99** | **91.41** |

PANACHAND K. SHAH & CO. CHARTERED ACCOUNTANTS M.No. 033253

EIPII EXPORTS PVT. LTD

**EIPII EXPORTS PVT LTD**

**Notes to Financial Statements as at and for the year ended March 31, 2021**

**Note 10. Share Capital**

Amount in Lakh

| Particulars | As at March 31, 2021 | As at March 31, 2020 |
|---|---|---|
| **a) Authorised** | | |
| 1,000 Equity Share of Rs.100/- each | 1.00 | 1.00 |
| **Total** | **1.00** | **1.00** |
| **b) Issued, Subscribed and paid up** | | |
| 1000 Equity Shares of Re. 100/ each, fully paid | 1.00 | 1.00 |
| **Total** | **1.00** | **1.00** |

**c) Reconciliation of share capital**

Amount in Lakh

| Particulars | As at March 31, 2021 | | As at March 31, 2020 | |
|---|---|---|---|---|
| | No of shares | Amount | No of shares | Amount |
| **Reconciliation of opening and closing equity share capital** | | | | |
| Opening Balance | 1,000 | 1.00 | 1,000 | 1.00 |
| Closing Balance | 1,000 | 1.00 | 1,000 | 1.00 |

**d) Details of shareholders**

Amount in Lakh

| Particulars | As at March 31, 2021 | | As at March 31, 2020 | |
|---|---|---|---|---|
| | No of shares held | % Holding | No of shares held | % Holding |
| **Details of shareholders holding more than 5% shares in the Company** | | | | |
| Bhadresh K Thakkar | 300 | 30.00 | 300 | 30.00 |
| Kremoint Pharma Ltd. | 700 | 70.00 | 700 | 70.00 |

e) 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 subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. 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.

PANACHAND K. SHAH & CO. ★ CHARTERED ACCOUNTANTS ★ M.No. 033253

EIPII EXPORTS PVT. LTD ★

## EIPII EXPORTS PVT LTD

**Notes to Financial Statements as at and for the year ended March 31, 2021**

Amount in Lakh

| Particulars | As at March 31, 2021 | As at March 31, 2020 |
|---|---|---|
| **Note 11. Reserves and Surplus** | | |
| **Surplus in statement of profit and loss** | | |
| At the beginning of the year | 172.71 | 121.55 |
| Add : Profit for the year | 407.49 | 51.16 |
| **Closing Balance at the end of the year** | **580.20** | **172.71** |
| | | |
| **Note 12. Deferred Tax Liabilities (Net)** | | |
| Deferred Tax Liability | | |
| Depreciation / Impairment | 0.32 | 0.30 |
| Deferred Tax Asset | - | - |
| **Net Deferred tax Asset / (Liability)** | **0.32** | **0.30** |
| | | |
| **Note 13. 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 | 321.84 | 129.87 |
| **Total** | **321.84** | **129.87** |
| | | |
| **Note 14. Other Current Financial Liabilities** | | |
| Employee Related Payables | 0.72 | - |
| Other Payables | 1.87 | 3.36 |
| **Total** | **2.59** | **3.36** |
| | | |
| **Note 15. Other Current Liabilities** | | |
| Advance from Customer | - | 1.86 |
| Statutory Dues: | | |
| Other taxes | 0.25 | - |
| **Total** | **0.25** | **1.86** |

PANACHAND K. SHAH & CO. ★ CHARTERED ACCOUNTANTS ★ M.No. 033253

EIPII EXPORTS PVT. LTD ★

## EIPII EXPORTS PVT LTD

**Notes to Financial Statements as at and for the year ended March 31, 2021**

Amount in Lakh

| Particulars | For the year ended March 31, 2021 | For the year ended March 31, 2020 |
|---|---|---|
| **Note 16. Revenue from Operations** | | |
| Sale of goods including trading sales | 3,683.90 | 930.79 |
| Other operating revenues | | |
| - Export Incentives | 118.13 | 38.48 |
| **Total** | **3,802.03** | **969.27** |
| | | |
| **Note 17. Other Income** | | |
| **Interest income:** | | |
| -On Bank FD | 20.00 | 6.53 |
| **Other non-operating income, net:** | | |
| -Gain on foreign exchange translation (net) | 51.60 | 14.70 |
| **Total** | **71.60** | **21.23** |
| | | |
| **Note 18. Changes in Inventories of Stock-in-Trade** | | |
| Opening Stock | 7.72 | - |
| Less: Closing Stock | 33.55 | 7.72 |
| **Decrease/(Increase) in Stock-in-Trade** | **(25.83)** | **(7.72)** |
| | | |
| **Note 19. Employee Benefit Expenses** | | |
| Salaries | 12.72 | 3.61 |
| Staff welfare Expenses | 0.08 | - |
| **Total** | **12.80** | **3.61** |
| | | |
| **Note 20. Finance Cost** | | |
| Interest paid | 0.21 | - |
| Finance charges | 2.80 | 0.93 |
| **Total** | **3.01** | **0.93** |
| | | |
| **Note 21. Other Expenses** | | |
| Rates and taxes | - | 1.10 |
| Insurance | 3.58 | 0.69 |
| Legal and Professional Charges | 1.12 | 1.08 |
| Advertisement | 0.03 | 0.13 |
| Freight outward | 58.68 | 15.34 |
| Sales promotion expenses | 2.23 | 1.09 |
| Travelling & Conveyance Expenses | 0.06 | 7.56 |
| Auditors' remuneration | 1.40 | 1.15 |
| Miscellaneous expenses | 1.51 | 30.85 |
| **Total** | **68.61** | **58.99** |

PANACHAND K. SHAH & CO. CHARTERED ACCOUNTANTS M.No. 033253

EIPII EXPORTS PVT. LTD

**EIPII EXPORTS PVT. LTD.**

**Notes to Financial Statements as at and for the year ended March 31, 2021**

**22. Fair Value Measurements**

**Financial Instrument by Category**

**Rs in Lakh**

| | | As at 31st March 2021 | | | As at 31st March 2020 | | |
|---|---|---|---|---|---|---|---|
| **Sr No** | **Particulars** | **FVOCI** | **FVTPL** | **Amortised Cost** | **FVOCI** | **FVTPL** | **Amortised Cost** |
| | | | | | | | |
| (A) | **Financial assets (other than investment in subsidiaries and associates)** | | | | | | |
| | **Non current assets** | | | | | | |
| 1 | Non-current loans | | | 0.25 | | | 0.25 |
| 2 | Others | | | - | | | - |
| (B) | **Current assets** | | | | | | |
| 1 | Trade receivables | | | 0.59 | | | 14.98 |
| 2 | Cash & Cash Equivalents | | | 107.27 | | | 120.14 |
| 3 | Other bank balances | | | 534.54 | | | 45.13 |
| 4 | Other current financial assets | | | 87.77 | | | 26.88 |
| | **Total financial assets** | | | **730.17** | | | **207.13** |
| | | | | | | | |
| | **Financial liabilities** | | | | | | |
| (A) | **Non-current liabilities** | | | | | | |
| 1 | Non-current borrowings | | | | | | |
| (B) | **Current liabilities** | | | | | | |
| 1 | Other financial liabilities | | | 2.59 | | | 3.36 |
| 2 | Trade Payables | | | 321.84 | | | 129.87 |
| Fair | **Total financial liabilities** | | | **324.43** | | | **133.23** |

PANACHAND K. SHAH & CO. ★ CHARTERED ACCOUNTANTS M.No. 033253

EIPII EXPORTS PVT. LTD. ★

**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

**23. 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.

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 procedures. In addition, receivable balances are monitored on an on-going basis with the

PANACHAND K. SHAH & CO. M.No. 033253 CHARTERED ACC

EIPII EXPORTS PVT. LTD

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

Rs. in Lakh

| As at 31-Mar-2021 | Due in Year 0 to 1 | Due in Year 1 to 2 | Due in Year 3 to 5 | Due after Year 5 | Total |
|---|---|---|---|---|---|
| Trade Payable | 129.87 | | | | 129.87 |
| Other financial liabilities | 3.36 | | | | 3.36 |
| **Total** | 133.23 | | | | 133.23 |

| As at 31-Mar-2020 | Due in Year 0 to 1 | Due in Year 1 to 2 | Due in Year 3 to 5 | Due after Year 5 | Total |
|---|---|---|---|---|---|
| Trade Payable | 321.84 | | | | 321.84 |
| Other financial liabilities | 2.59 | | | | 2.59 |
| **Total** | 324.43 | | | | 324.43 |

### 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.

PANACHAND K. SHAH & CO. ★ M.No. 033253 ★ CHARTERED ACCOUNTANTS

EIPII EXPORTS PVT. LTD. ★

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

### 24. Tax Reconciliation (for profit & loss)

Rs. in Lakh

| Particulars | 2020-21 | 2019-20 |
|---|---|---|
| Profit Before Taxes | 545.01 | 66.43 |
| Income tax rate | 25.17% | 25.17% |
| Expected income tax expense | 137.16 | 16.72 |
| **Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense** | | |
| Effect of differential tax rates | - | (0.02) |
| Others(net) | 0.01 | - |
| Taxation adjustment of earlier years | 0.35 | (1.43) |
| **Total Tax Expenses** | **137.51** | **(15.28)** |

### 25. 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

(Amount in Lakh)

| Particulars | As at March 31, 2021 | As at March 31, 2020 |
|---|---|---|
| Profit after Tax (in Lakh) | 407.49 | 51.16 |
| No of Equity Shares | 1,000.00 | 1,000.00 |
| Earning Per Share (in ₹) | 40,749.42 | 5,116.26 |

**26**. As per Indian Accounting Standard 24, the disclosure of transactions with the related parties are given below

**RELATED PARTY DISCLOSURES**

**Related parties with whom transactions have taken place during the year**

| | |
|---|---|
| Key Management Personnel | 1. Bhadresh Keshavji Thakkar |
| | 2. Shibroor N Kamath |
| Holding Company | 1. Kremoint Pharma Private Limited |
| Related Party | 1. Ritu Thakkar |

**Related Party Transactions**

(Amount in Lakh)

| Particulars | For the year ended March 31, 2021 | For the year ended March 31, 2020 |
|---|---|---|
| **Remuneration/ Salary** | | |
| Ritu Thakkar | 12.72 | 3.60 |
| **Purchases** | | |
| Kremoint Pharma Private Ltd. | 176.00 | 176.00 |

### 27. Earnings and Expenditure in Foreign Exchange

(Amount in Lakh)

| Particulars | For the year ended March 31, 2021 | For the year ended March 31, 2020 |
|---|---|---|
| Earning In Foreign Exchange | 3,626.14 | 930.80 |
| Expense In Foreign Exchange | - | 2.18 |

PANACHAND K. SHAH & CO. M.No. 033253 CHARTERED ACCOUNTANTS

EIPII EXPORTS PVT. LTD.

**EIPII EXPORTS PVT. LTD.**

**Notes to Financial Statements as at and for the year ended March 31, 2021**

**28. Auditor's Remuneration**

(Amount in Lakh)

| **Particulars** | **For the year ended March 31, 2021** | **For the year ended March 31, 2020** |
|---|---|---|
| Statutory Audit Fees | 0.90 | 0.90 |
| GST Audit Fees | 0.50 | 0.25 |
| **Total** | **1.40** | **1.15** |

**29. Impact of Covid-19**

In March 2020, the World Health Organisation declared COVID-19 to be a pandemic. The company has adopted measures to curb the spread of infection in order to protect the health of its employees and ensure business continuity with minimal disruption.
The company has considered internal and external information while finalizing various estimates in relation to its financial results captions upto the date of approval of the financial results by the Board of Directors. The actual impact of the global health pandemic may be different from that which has been estimated, as the COVID -19 situation evolves In India and globally. The company will continue to closely monitor any material changes to future economic conditions.

Signatures to Notes 1 to 29 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 : May 10, 2021**

PANACHAND K. SHAH & CO. CHARTERED ACCOUNTANTS M.No. 033253

**For & on behalf of the Board**

B. K. Thakkar

**Bhadresh Thakkar**
**Director**
**(DIN:00774787)**

EIPII EXPORTS PVT. LTD.

**Shibroor N. Kamath**
**Director**
**(DIN:00140593)**