



**SPD & Co.**  
(Chartered Accountants)

## INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF  
JFL LIFESCIENCES PRIVATE LIMITED.

### I. Report on the Audit of the Standalone Financial Statements

#### 1. Opinion

A. We have audited the accompanying Standalone Financial Statements of JFL LIFESCIENCES PRIVATE LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").

B. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, the profit and total comprehensive income, cash flows for the year ended on that date

#### 2. Basis for Opinion

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

#### 3. Key Audit Matters

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

#### 4. Information Other than the Standalone Financial Statements and Auditor's Report Thereon

A. The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Standalone Financial Statements and our auditor's report thereon. Our opinion on the standalone financial statements does not cover the other information, and we do not express any form of assurance conclusion thereon

- B. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

**5. Management's Responsibility for the Standalone Financial Statements**

- A. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, total comprehensive income, cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
- B. In preparing the Standalone 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.

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

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

- A. Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.
- B. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- i) Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - ii) Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls
  - iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management



- iv) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern
  - v) Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation
- C. Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in
- i) planning the scope of our audit work and in evaluating the results of our work; and
  - ii) to evaluate the effect of any identified misstatements in the Standalone Financial Statements.
- D. 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.
- E. 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.
- F. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication

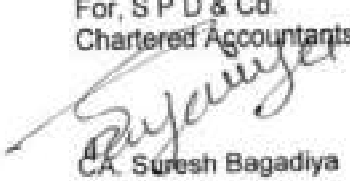
## II. Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
  - A. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit
  - B. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - C. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account
  - D. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014



- E. On the basis of 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 other matters to be included in the 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 the provisions of section 197 of the Act.
- G. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i) The Company does not have any pending litigations which would impact its financial position.
  - ii) The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
  - iii) There were no amounts which required to be transferred by the Company to the Investor Education and Protection Fund.

For, S P D & Co.  
Chartered Accountants

  
CA Suresh Bagadiya

Partner

M. No. 160503

FRN: 131310w

UDIN: 21160503AAAAHV2100

Place: Ahmedabad

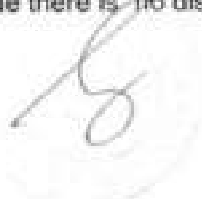
Date: 04.10.2021

## ANNEXURE TO THE AUDITORS' REPORT

The Annexure referred to in our report to the members of JFL LIFESCIENCES PRIVATE LIMITED for the year ended 31<sup>st</sup> March, 2021.

On the basis of the information and explanation given to us during the course of our audit, we report that:

1. (a) As per the information and explanation given to us, the company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.  
(b) As per the information and explanation given to us these fixed assets have been physically verified by the management at reasonable intervals there was no Material discrepancies were noticed on such verification.  
(c) As per the information and explanation given to us total Assets of company includes Immovable property also and the title deeds of immovable properties are held in the name of the company.
2. Physical verification of inventory has been conducted at reasonable intervals by the management and there is no material discrepancies were noticed
3. The company has granted loans secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.  
(a) All terms and conditions are as per the benefits of company and are not prejudicial to the company's Interest.  
(b) Schedule of repayment of principal and interest has been stipulated and receipts are regular.  
(c) There is no such amount which is overdue more than 90 Days of above mentioned loan.
4. In respect of loans, investments, guarantees, and security all mandatory provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.
5. The company has not accepted any deposits.
6. Maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.
7. (a) The company is regular in depositing undisputed statutory dues including provident fund, Employee's state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities.  
(b) Dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax have been deposited on time there is no dispute is pending on the part of company.



8. The company hasn't made any default in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders.
9. The company doesn't raise any money by way of initial public offer or further public offer (including debt instruments)
10. Neither company has done any fraud nor by its officers or employees so nothing to be disclosed separately.
11. Managerial remuneration has been paid or provided in accordance with the requisite approvals  
Mandated by the provisions of section 197 read with Schedule V to the Companies Act.
12. Company is not a Nidhi Company hence nothing to be disclosed for any provisions applicable on Nidhi Company.
13. All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc. as required by the applicable accounting standards;
14. The company hasn't made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. The company hasn't entered into any non-cash transactions with directors or persons connected with him.
16. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For, S P D & Co.  
Chartered Accountants



CA. Suresh Bagadiya  
Partner  
FRN: 131310W  
M.NO. 160503

Place: Ahmedabad  
Date: 04.10.2021  
UDIN: 21160503AAAAHV2100

**JFL LIFESCIENCES PRIVATE LIMITED**  
Notes forming part of the financial statements

Ref No.	Note	Particulars
	<b>1 Corporate information</b>	
		The company is mainly engaged in the business of manufacturing pharmaceuticals formulations
AS 1.1	<b>2 Significant accounting policies (Illustrative)</b>	
①		The significant accounting policies have been predominantly presented below in the order of the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended). The order of presentation may be customised for each Company.
②		The significant accounting policies would need to be customised for each Company based on its applicability and relevance. For example, in case of a Small and Medium Sized Company, it should state in its financial statements that "The Company is a Small and Medium Sized Company as defined in the General Instructions in respect of Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended). Accordingly, the Company has complied with the Accounting Standards as applicable to a Small and Medium Sized Company." and should also modify the accounting policies suitably. Similarly, companies that have not opted for the transition provisions in para 46 / 46A of AS 11 The Effects of Changes in Foreign Exchange Rates and companies that have not opted for Hedge Accounting should modify the accounting policies on Foreign Currency Transactions and Translations and Hedge Accounting, respectively.
	<b>2.1 Basis of accounting and preparation of financial statements</b>	
		The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on accrual basis under the historical cost convention except for categories of fixed assets acquired before 1 April, 200X, that are carried at revalued amounts. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year except for change in the accounting policy for ___ and ___ as more fully described in Note ___.
	<b>2.2 Use of estimates</b>	
		The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.
AS 2.24	<b>2.3 Inventories</b>	
		Inventories are valued at the lower of cost (on FIFO / weighted average basis) and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty.
Ref No.	Note	Particulars
	<b>2.4 Cash and cash equivalents (for purposes of Cash Flow Statement)</b>	
AS 3.5.2		Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.
	<b>2.5 Cash flow statement</b>	

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

## 2.6 Depreciation and amortisation

AS  
6.29  
AS  
26.63  
AS  
26.78  
AS  
26.90.  
a  
AS  
26.90  
b  
AS  
26.94  
a

Depreciation has been provided on the straight-line method as per the rates prescribed in Schedule XIV to the Companies Act, 1956 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under:

- Vehicles - 4 years
- Computers and data processing equipments - 4 years
- Leasehold land is amortised over the duration of the lease
- Assets costing less than ₹ 5,000 each are fully depreciated in the year of capitalisation

Intangible assets are amortised over their estimated useful life as follows:

- Product marketing rights – 15 years (12 years remaining as at the Balance Sheet date)
  - Other intangibles – 3 – 5 years (1-2 years remaining as at the Balance Sheet date)
- Amortisation of Product marketing rights over 15 years is based on the term of the marketing right acquired and the economic benefits that are expected to accrue to the Company over such period.

The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation method is revised to reflect the changed pattern.

## 2.7 Revenue recognition

### Sale of goods

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales include excise duty but exclude sales tax and value added tax.

GN  
9.1.3  
GN  
9.1.4  
  
AS  
7.38.b  
AS  
7.38.c  
AS  
9.12


### Income from services

Revenues from contracts priced on a time and material basis are recognised when services are rendered and related costs are incurred. Revenues from turnkey contracts, which are generally time bound fixed price contracts, are recognised over the life of the contract using the proportionate completion method, with contract costs determining the degree of completion. Foreseeable losses on such contracts are recognised when probable.

Revenues from maintenance contracts are recognised pro-rata over the period of the contract.

Ref No	Note	Particulars
AS 9.12	2.8	<p><b>Other income</b></p> <p>Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.</p>
	2.9	<p><b>Tangible fixed assets</b></p>



AS 10.20 AS 10.23 AS 10.8.2	<p>Fixed assets, except ___ and ___ are carried at cost 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. Exchange differences arising on restatement / settlement of long-term foreign currency borrowings relating to acquisition of depreciable fixed assets are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such assets. Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets. Subsequent expenditure relating to fixed assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.</p>	
	<p>Fixed assets acquired and put to use for project purpose are capitalised and depreciation thereon is included in the project cost till commissioning of the project.</p>	
AS 10.22	<p>Fixed assets acquired in full or part exchange for another asset are recorded at the fair market value or the net book value of the asset given up, adjusted for any balancing cash consideration. Fair market value is determined either for the assets acquired or asset given up, whichever is more clearly evident. Fixed assets acquired in exchange for securities of the Company are recorded at the fair market value of the assets or the fair market value of the securities issued, whichever is more clearly evident.</p>	
AS 10.27 AS 10.30	<p>The Company revalued all its ___ and ___ that existed on 1 April, 200X. The revalued assets are carried at the revalued amounts less accumulated depreciation and impairment losses, if any. Increase in the net book value on such revaluation is credited to "Revaluation reserve account" except to the extent such increase is related to and not greater than a decrease arising from a revaluation / impairment that was previously recognised in the Statement of Profit and Loss, in which case such amount is credited to the Statement of Profit and Loss. Decrease in book value on revaluation is charged to the Statement of Profit and Loss except where such decrease relates to a previously recognised increase that was credited to the Revaluation reserve, in which case the decrease is charged to the Revaluation reserve to the extent the reserve has not been subsequently reversed / utilised.</p>	
AS 10.24	<p>Fixed assets retired from active use and held for sale are stated at the lower of their net book value and net realisable value and are disclosed separately in the Balance Sheet.</p>	
	<p><u>Capital work-in-progress:</u> Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.</p>	
Ref No	Note	Particulars
AS 26.23 AS 26.59 AS 26.62	2.10	<p><b>Intangible assets</b></p> <p>Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Subsequent expenditure on an intangible asset after its purchase / completion is recognised as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset.</p> <p>Refer Note 2.21 for accounting for Research and Development Expenses.</p>
AS 11.9 AS	2.11	<p><b>Foreign currency transactions and translations</b></p> <p><u>Initial recognition</u> Transactions in foreign currencies entered into by the Company and its integral foreign operations are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.</p> <p><u>Measurement of foreign currency monetary items at the Balance Sheet date</u></p> 

AS 11.11 AS 11.21	Foreign currency monetary items (other than derivative contracts) of the Company and its net investment in non-integral foreign operations outstanding at the Balance Sheet date are restated at the year-end rates.
	In the case of integral operations, assets and liabilities (other than non-monetary items), are translated at the exchange rate prevailing on the Balance Sheet date. Non-monetary items are carried at historical cost. Revenue and expenses are translated at the average exchange rates prevailing during the year. Exchange differences arising out of these translations are charged to the Statement of Profit and Loss.
	<u>Treatment of exchange differences</u>
AS 11.13 AS 11.15 AS 11.21 AS 11.46 AS 11.46 A	Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Company and its integral foreign operations are recognised as income or expense in the Statement of Profit and Loss. The exchange differences on restatement / settlement of loans to non-integral foreign operations that are considered as net investment in such operations are accumulated in a "Foreign currency translation reserve" until disposal / recovery of the net investment.
	The exchange differences arising on restatement / settlement of long-term foreign currency monetary items are capitalised as part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such assets or amortised on settlement / over the maturity period of such items if such items do not relate to acquisition of depreciable fixed assets. The unamortised balance is carried in the Balance Sheet as "Foreign currency monetary item translation difference account" net of the tax effect thereon.
	<u>Accounting of forward contracts</u>
AS 11.38	Premium / discount on forward exchange contracts, which are not intended for trading or speculation purposes, are amortised over the period of the contracts if such contracts relate to monetary items as at the Balance Sheet date. Refer Notes 2.28 and 2.27 for accounting for forward exchange contracts relating to firm commitments and highly probable forecast transactions.

Ref No.	Note	Particulars
	<b>2.12</b>	<b>Government grants, subsidies and export incentives</b>
AS 12.13 AS 12.14 AS		Government grants and subsidies are recognised when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants / subsidy will be received. Government grants whose primary condition is that the Company should purchase, construct or otherwise acquire capital assets are presented by deducting them from the carrying value of the assets. The grant is recognised as income over the life of a depreciable asset by way of a reduced depreciation charge. Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same. Government grants in the nature of promoters' contribution like investment subsidy, where no repayment is ordinarily expected in respect thereof, are treated as capital reserve. Government grants in the form of non-monetary assets, given at a concessional rate, are recorded on the basis of their acquisition cost. In case the non-monetary asset is given free of cost, the grant is recorded at a nominal value. Other government grants and subsidies are recognised as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis.
	<b>2.13</b>	<b>Investments</b>
AS 13.28 AS 13.31 AS 13.32 AS 13.35.		Long-term investments (excluding investment properties), are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties. Investment properties are carried individually at cost less accumulated depreciation and impairment, if any. Investment properties are capitalised and depreciated (where applicable) in accordance with the policy stated for Tangible Fixed Assets. Impairment of investment property is determined in accordance with the policy stated for Impairment of Assets.
	<b>2.14</b>	<b>Employee benefits</b>
		Employee benefits include provident fund, superannuation fund, gratuity fund, compensated absences, long service awards and post-employment medical benefits.

AS 15.45		<u>Defined contribution plans</u> The Company's contribution to provident fund and superannuation fund are considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made.
AS 15.55 AS 15.57 AS 15.65 AS 15.92 AS 15.94 AS		<u>Defined benefit plans</u> For defined benefit plans in the form of gratuity fund and post-employment medical benefits, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.
Ref No.	Note	Particulars
AS 15.10 AS 15.11		<u>Short-term employee benefits</u> The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service. The cost of such compensated absences is accounted as under : (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and (b) in case of non-accumulating compensated absences, when the absences occur.
AS 15.		<u>Long-term employee benefits</u> Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date less the fair value of the plan assets out of which the obligations are expected to be settled. Long Service Awards are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date.
	2.15	<b>Employee share based payments</b>  The Company has formulated Employee Stock Option Schemes (ESOS) in accordance with the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999. The Schemes provide for grant of options to employees of the Company and its subsidiaries to acquire equity shares of the Company that vest in a graded manner and that are to be exercised within a specified period. In accordance with the SEBI Guidelines; the excess, if any, of the closing market price on the day prior to the grant of the options under ESOS over the exercise price is amortised on a straight-line basis over the vesting period. [OR]  The Company has constituted an Employee Stock Option Plan - XXXX. Employee Stock Options granted on or after 1 April, 2005 are accounted under the 'Intrinsic Value Method' stated in the Guidance Note on Employee Share Based Payments issued by the Institute of Chartered Accountants of India.
AS 16.6 AS 16.14 AS 16.17 AS 16.19	2.16	<b>Borrowing costs</b>  Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.
	2.17	<b>Segment reporting</b>

AS 17.19 AS 17.20 AS 17.24		The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.
<b>Ref No.</b>	<b>Note</b>	<b>Particulars</b>
AS 17.19 AS 17.20 AS 17.24 AS 17.33 AS 17.36 AS		The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.  Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors.  Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".
	<b>2.18</b>	<b>Leases</b>
AS 19.11 AS 19.16 AS 19.23 AS 19.26 AS 19.40		Where the Company as a lessor leases assets under finance leases, such amounts are recognised as receivables at an amount equal to the net investment in the lease and the finance income is recognised based on a constant rate of return on the outstanding net investment.  Assets leased by the Company in its capacity as lessee where substantially all the risks and rewards of ownership vest in the Company are classified as finance leases. Such leases are capitalised at the inception of the lease at the lower of the fair value and the present value of the minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.  Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis.
	<b>2.19</b>	<b>Earnings per share</b>
AS 20.10 AS 20.26 AS 20.29 AS 20.32 AS 20.35 AS 20.39		Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.
<b>Ref No.</b>	<b>Note</b>	<b>Particulars</b>
	<b>2.20</b>	<b>Taxes on income</b>

AS 22.20 AS 22.21 AS 22.15 AS 22.17 AS 22.26 AS 22.29		<p>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.</p> <p>Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.</p> <p>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 in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. 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. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.</p> <p>Current and deferred tax relating to items directly recognised in equity are recognised in equity and not in the Statement of Profit and Loss.</p>
	<b>2.21</b>	<b>Research and development expenses</b>
AS 26.41 AS 26.44 AS 26.23		<p>Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss unless a product's technological feasibility has been established, in which case such expenditure is capitalised. The amount capitalised comprises expenditure that can be directly attributed or allocated on a reasonable and consistent basis to creating, producing and making the asset ready for its intended use. Fixed assets utilised for research and development are capitalised and depreciated in accordance with the policies stated for Tangible Fixed Assets and Intangible Assets.</p>
	<b>2.22</b>	<b>Joint venture operations</b>
AS 27.12		<p>The accounts of the Company reflect its share of the Assets, Liabilities, Income and Expenditure of the Joint Venture Operations which are accounted on the basis of the audited accounts of the Joint Ventures on line-by-line basis with similar items in the Company's accounts to the extent of the participating interest of the Company as per the Joint Venture Agreements.</p>
<b>Ref No.</b>	<b>Note</b>	<b>Particulars</b>
	<b>2.23</b>	<b>Impairment of assets</b>
AS 28.6 AS 28.47 AS 28.57 AS 28.103		<p>The carrying values of assets / cash generating units at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. 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. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets.</p>
	<b>2.24</b>	<b>Provisions and contingencies</b>
AS 29.14 AS 29.35 AS 29.27		<p>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 (excluding retirement benefits) 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. Contingent liabilities are disclosed in the Notes.</p>
	<b>2.25</b>	<b>Provision for warranty</b>

AS 29.14 AS 29.35		<p>The estimated liability for product warranties is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures. The timing of outflows will vary as and when warranty claim will arise - being typically upto three years.</p> <p>As per the terms of the contracts, the Company provides post-contract services / warranty support to some of its customers. The Company accounts for the post-contract support / provision for warranty on the basis of the information available with the Management duly taking into account the current and past technical estimates.</p> <p><b>2.26 Hedge accounting</b></p> <p>The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to highly probable forecast transactions. The Company designates such forward contracts in a cash flow hedging relationship by applying the hedge accounting principles set out in "Accounting Standard 30 Financial Instruments: Recognition and Measurement". These forward contracts are stated at fair value at each reporting date. Changes in the fair value of these forward contracts that are designated and effective as hedges of future cash flows are recognised directly in "Hedging reserve account" under Reserves and surplus, net of applicable deferred income taxes and the ineffective portion is recognised immediately in the Statement of Profit and Loss. Amounts accumulated in the "Hedging reserve account" are reclassified to the Statement of Profit and Loss in the same periods during which the forecasted transaction affects profit and loss. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. For forecasted transactions, any cumulative gain or loss on the hedging instrument recognised in "Hedging reserve account" is retained until the forecasted transaction occurs. If the forecasted transaction is no longer expected to occur, the net cumulative gain or loss recognised in "Hedging reserve account" is immediately transferred to the Statement of Profit and Loss.</p>
Ref No.	Note	<b>Particulars</b>
	<b>2.27</b>	<b>Derivative contracts</b> <p>The Company enters into derivative contracts in the nature of foreign currency swaps, currency options, forward contracts with an intention to hedge its existing assets and liabilities, firm commitments and highly probable transactions. Derivative contracts which are closely linked to the existing assets and liabilities are accounted as per the policy stated for Foreign Currency Transactions and Translations.</p> <p>Derivative contracts designated as a hedging instrument for highly probable forecast transactions are accounted as per the policy stated for Hedge Accounting.</p> <p>All other derivative contracts are marked-to-market and losses are recognised in the Statement of Profit and Loss. Gains arising on the same are not recognised, until realised, on grounds of prudence.</p>
	<b>2.28</b>	<b>Share issues expenses</b> <p>Share issue expenses and redemption premium are adjusted against the Securities Premium Account as permissible under Section 78(2) of the Companies Act, 1956, to the extent balance is available for utilisation in the Securities Premium Account. The balance of share issue expenses is carried as an asset and is amortised over a period of 5 years from the date of the issue of shares.</p>
	<b>2.29</b>	<b>Insurance claims</b> <p>Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.</p>
	<b>2.30</b>	<b>Service tax input credit</b> <p>Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is no uncertainty in availing / utilising the credits.</p>

JFL LIFESCIENCES PRIVATE LIMITED  
Balance Sheet as at March 31, 2021

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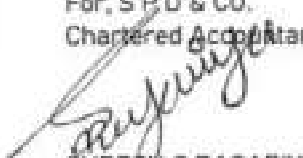
	Note	2020-2021	2019-2020
<b>EQUITY AND LIABILITIES</b>			
1 Shareholders' funds			
(a) Share capital	3	49,69,570	42,29,270
(b) Reserves and surplus	4	6,42,25,676	4,94,67,366
(c) Money received against share warrants			
2 Share application money pending allotment			
3 Non-current liabilities			
(a) Long-term borrowings	5	11,39,18,395	2,76,69,137
(b) Deferred tax liabilities (Net)	6	13,91,073	9,97,175
(c) Other Long term liabilities	-	-	-
(d) Long-term provisions	-	-	-
4 Current liabilities			
(a) Short-term borrowings	7	5,39,59,662	5,70,71,624
(b) Trade payables	8	3,11,85,336	7,95,14,324
(c) Other current liabilities	9	26,69,641	2,37,68,500
(d) Short-term provisions	-	-	-
<b>TOTAL</b>		<b>27,23,19,353</b>	<b>24,27,17,396</b>
<b>ASSETS</b>			
1 Non-current assets			
(a) Property, Plant and Equipment	10	6,45,95,206	5,00,02,892
(i) Tangible assets		-	-
(ii) Intangible assets		-	-
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		-	-
(b) Non-current investments	-	-	-
(c) Deferred tax assets (net)	-	-	-
(d) Long-term loans and advances	11	3,71,51,867	1,70,87,880
(e) Other non-current assets	-	-	-
2 Current assets			
(a) Current investments	-	-	-
(b) Inventories	12	5,73,53,180	3,74,89,147
(c) Trade receivables	13	10,05,98,135	12,65,97,552
(d) Cash and cash equivalents	14	3,69,623	29,80,621
(e) Short-term loans and advances	15	1,22,51,343	85,59,304
(f) Other current assets	-	-	-
<b>TOTAL</b>		<b>27,23,19,353</b>	<b>24,27,17,396</b>

Notes referred to above and notes attached there to form an integral part of Balance Sheet

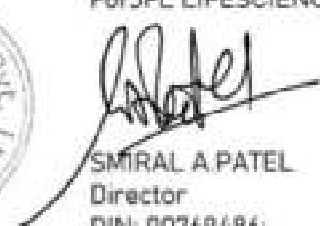
This is the Balance Sheet referred to in our Report of even date.


For, S B D & CO.  
Chartered Accountants

For JFL LIFESCIENCES PRIVATE LIMITED

  
SURESH G BAGADIYA  
PARTNER  
M.No.160503  
FRN :131310W  
Place:AHMEDABAD  
Date : October 04, 2021  
UDIN : 21160503AAAAHV2100



  
SMIRAL A PATEL  
Director  
DIN: 00769486

  
TEJAL S.PATEL  
Director  
DIN: 07391559

JFL LIFESCIENCES PRIVATE LIMITED

Statement of profit and loss for the year ended March 31, 2021

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	Note	2020-2021	2019-2020
Revenue from operations	16	32,77,47,023	30,17,13,130
Other income	17	9,41,321	3,33,746
<b>Total Revenue (I + II)</b>		<b>32,86,88,344</b>	<b>30,20,46,876</b>
Expenses:			
Cost of materials consumed	-	-	-
Purchases of Stock-in-Trade	18	30,85,65,850	28,37,30,307
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	19	(1,98,64,033)	(2,04,12,702)
Employee benefits expense	20	96,08,969	1,23,87,399
Finance costs	21	1,23,36,335	1,16,18,085
Depreciation and amortization expense	10	26,41,090	22,91,973
Other expenses	22	76,48,110	72,51,171
<b>Total expenses</b>		<b>32,09,36,321</b>	<b>29,68,66,233</b>
<b>Profit before exceptional and extraordinary items and tax (III-IV)</b>		<b>77,52,023</b>	<b>51,80,643</b>
Exceptional items		-	-
<b>Profit before extraordinary items and tax (V - VI)</b>		<b>77,52,023</b>	<b>51,80,643</b>
Extraordinary Items		-	-
<b>Profit before tax (VII- VIII)</b>		<b>77,52,023</b>	<b>51,80,643</b>
Tax expense:			
(1) Current tax		17,95,017	12,50,000
(2) Deferred tax		3,93,898	3,52,612
(3) Income Tax related to earlier years		-	-
<b>Profit (Loss) for the period from continuing operations (VII-VIII)</b>		<b>55,63,108</b>	<b>35,78,031</b>
Profit/(loss) from discontinuing operations			
Tax expense of discontinuing operations			
<b>Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)</b>		<b>55,63,108</b>	<b>35,78,031</b>
<b>Profit (Loss) for the period (XI + XIV)</b>		<b>55,63,108</b>	<b>35,78,031</b>
Earnings per equity share:			
(1) Basic		11.19	8.46
(2) Diluted		11.19	8.46

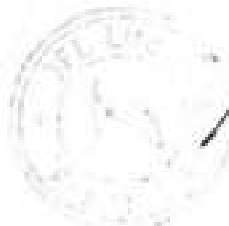
Notes referred to above and notes attached thereto form an integral part of Profit and Loss Statement

This is the Profit and Loss statement referred to in our Report of even date.

For, S.P.D & CO  
Chartered Accountants

For JFL LIFESCIENCES PRIVATE LIMITED

SURESH G BAGADIYA  
PARTNER  
M.No.160503  
FRN :131310W  
Place AHMEDABAD  
Date : October 04, 2021  
UDIN : 21160503AAAAHV2100



SMIRAL A PATEL  
Director  
DIN: 00769486

TEJAL S PATEL  
Director  
DIN: 07391559



**JFL LIFESCIENCES PRIVATE LIMITED**

**Cash Flow Statement for the Year Ended March 31, 2021**

Particulars	2020-2021	2019-2020
<b>CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net Profit before Tax (A)	77,52,023	(6,06,324)
Adjustments for:		
Depreciation & Amortization	26,41,090	18,21,561
Interest / Finance Charges	1,23,36,335	37,74,429
Loss on sale of Fixed Assets	-	-
Profit on sale of Fixed Assets	-	-
Profit on sale of Investments	-	-
Loss on sale of Investments	-	-
Interest & Dividend Earned	(7,91,110)	(1,08,750)
<b>Sub Total (B)</b>	<b>1,41,86,315</b>	<b>54,87,240</b>
<b>Operating Profit Before Working Capital Changes (A + B)</b>	<b>2,19,38,338</b>	<b>48,80,916</b>
Adjustments for Changes in Working Capital		
(Increase) / Decrease in Inventories	(1,98,84,039)	(2,04,12,702)
(Increase) / Decrease in Trade Receivable	2,59,99,417	(3,00,13,729)
(Increase) / Decrease in Other Current Assets	-	-
(Increase) / Decrease in Other non-current assets	-	-
(Increase) / Decrease in Short Term Loans and advances	(36,82,038)	1,25,93,078
Increase / (Decrease) in Trade Payables	(4,83,28,988)	6,59,83,147
Increase / (Decrease) in other current Liabilities	(2,03,29,613)	(28,27,458)
Increase / (Decrease) in Long-term provisions	-	-
Increase / (Decrease) in other non-current Liabilities	-	-
Increase / (Decrease) Short term provision	-	-
<b>Sub Total (C)</b>	<b>(8,62,45,258)</b>	<b>2,53,22,396</b>
<b>Cash Generated from Operations (A + B+ C)</b>	<b>(4,43,06,918)</b>	<b>3,02,03,262</b>
Income tax paid during the year (D)	(17,05,917)	(81,77,172)
<b>Net Cash Generated from Operations (A + B+ C + D)</b>	<b>(4,61,01,835)</b>	<b>2,20,26,090</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES :</b>		
(Increase) / Decrease in Fixed Assets / Capital WIP (including Capital Advances)	(1,72,30,404)	(2,68,58,274)
(Increase) / Decrease in Investments	-	-
(Increase) / Decrease in Long Term Loans & Advances	(2,00,63,987)	(77,56,687)
(Increase) / Decrease in Bank Balance not considered as cash equivalent	-	-
Interest & Dividend Received	7,91,110	1,08,750
<b>Net Cash Generated from Investing Activities</b>	<b>(3,65,06,281)</b>	<b>(3,45,06,211)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES :</b>		
(Net Repayment) / Proceeds from Issue of Equity Shares	7,40,300	-
(Net Repayment) / Proceeds from Issue of Preference Shares	-	-
(Net Repayment) / Proceeds from Reserves other than Surplus	84,55,967	42,78,762
(Net Repayment) / Proceeds from Short Term Borrowings	(31,11,962)	1,74,39,745
(Net Repayment) / Proceeds from Long Term Borrowing	8,62,49,258	(26,82,629)
Interest / Finance Charges Paid	(1,23,36,335)	(37,74,429)
<b>Net Cash Generated from Financing Activities</b>	<b>7,99,97,218</b>	<b>1,52,62,469</b>
<b>Net Increase / (decrease) in Cash and cash equivalents</b>	<b>(26,10,995)</b>	<b>26,82,338</b>
<b>Cash and Cash Equivalents at the beginning of the Year</b>	<b>29,80,621</b>	<b>2,90,283</b>
Effect of exchange differences on restatement of foreign currency	-	-
Cash and cash equivalents	-	-
<b>Cash and Cash Equivalents at the end of the Year</b>	<b>3,69,623</b>	<b>29,80,621</b>
<b>Reconciliation of Cash and cash equivalents with the Balance Sheet:</b>		
Cash and cash equivalents (Refer Note Note 14 )	3,69,623	29,80,621
<b>Less:</b>		
Margin money	-	-
Security against borrowings	-	-
Against Guarantees and other Commitments	-	-
in earmarked accounts	-	-
Bank deposits with more than 3months/12 months maturity	-	-
<b>Net Cash and cash equivalents (as defined in AS 3 Cash Flow Statements)</b>	<b>-</b>	<b>-</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>3,69,623</b>	<b>29,80,621</b>

**Notes:**

(1) Cash flow statement has been prepared under the indirect method as set out in the Accounting Standard (AS) 3: "Cash Flow Statements"

(2) Figures in brackets denotes cash outflow

(3) Previous year's figures have been regrouped/reclassified wherever applicable

This is the Cash Flow Statement referred to in our report of even date.

For, S P D & CO.  
Chartered Accountants

SURESH G. AGADHYA  
PARTNER  
M.No. 160503  
FRN : 131310W

Place: AHMEDABAD  
Date : October 04, 2021

UDIN : 21160503AAAHV2100

For JFL LIFESCIENCES PRIVATE LIMITED

TRAIK.PATEL  
Director  
DIN: 00789486

TEJAS S.PATEL  
Director  
DIN: 07331559



**Note 3****Share capital**

Share Capital	2020-2021		2019-2020	
	Number	Amount	Number	Amount
<b>Authorised</b> Equity Shares of Rs.10/- each	5,00,000	50,00,000	5,00,000	50,00,000
<b>Issued</b> Equity Shares of Rs.10/- each	4,96,957	49,69,570	4,22,927	42,29,270
<b>Subscribed &amp; Paid up</b> Equity Shares of Rs.10/- each fully paid up	4,96,957	49,69,570	4,22,927	42,29,270
<b>Subscribed but not fully Paid up</b> Equity Shares of '___' each, not fully paid up	-	-	-	-
<b>Total</b>	4,96,957	49,69,570	4,22,927	42,29,270

The Company has one class of equity shares having a par value of Rs 10/- each. 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 event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their share holding.

**Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period**

Particulars	2020-2021		2019-2020	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	4,22,927	42,29,270	4,22,927	42,29,270
Shares issued during the year	74,030	7,40,300	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	4,96,957	49,69,570	4,22,927	42,29,270

**Shares in the company held by each shareholder holding more than 5 percent shares**

Name of Shareholder	2020-2021		2019-2020	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
SMIRAL A PATEL	359970	72.23%	241659	57.12%
TEJAL PATEL	80285	16.16%	52767	12.48%
SMIRAL A PATEL HUF	33698	6.78%	0	0.00%
RAMILA A.PATEL	0	0.00%	70600	16.76%



Note 4

Reserves and surplus

Particulars	2020-2021	2019-2020
<b>g. Other Reserves (Specify the nature and purpose of each reserve)</b>		
Opening Balance	3,68,49,894	3,68,49,894
(+) Current Year Transfer	88,09,570	-
(-) Written Back in Current Year	-	-
Closing Balance	4,56,59,464	3,68,49,894
<b>Surplus / (Deficit) in Statement of Profit and Loss</b>		
Opening balance	1,26,17,472	90,39,441
Add: Profit / (Loss) for the year	55,63,308	35,78,031
Add: Adjustment of earlier year provision	3,85,632	-
Closing Balance	1,85,66,412	1,26,17,472
<b>Total</b>	<b>6,42,25,876</b>	<b>4,94,67,366</b>

**Note 5**  
**Long Term Borrowings**

Particulars	2020-2021	2019-2020
<b>Secured</b>		
Term loans		
from banks	8,84,10,064	15,79,140
Sub-Total	8,84,10,064	15,79,140
<b>Unsecured</b>		
Term loans		
from other parties	2,55,08,331	2,60,89,997
Loans and advances from related parties	-	-
Sub-Total	2,55,08,331	2,60,89,997
Total	11,39,18,395	1,76,69,137

**Note -**  
**Other Long Term Liabilities**

Particulars	2020-2021	2019-2020
Trade / security deposits received	-	-
Total	-	-

**Note 7**  
**Short Term Borrowings**

Particulars	2020-2021	2019-2020
<b>Secured</b>		
Loans repayable on demand		
from banks	5,39,59,662	5,70,71,624
Sub-Total	5,39,59,662	5,70,71,624
Total	5,39,59,662	5,70,71,624

**Note 8**  
**Trade Payable**

Particulars	2020-2021	2019-2020
Total outstanding dues of micro enterprises and small enterprises, and	3,11,85,336	7,95,14,324
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
Total	3,11,85,336	7,95,14,324

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

Particulars	2020-2021	2019-2020
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid	-	-
(vi) The amount of further interest due and payable even	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

**Note 9**  
**Other Current Liabilities**

Particulars	2020-2021	2019-2020
Current maturities of long-term debt	-	1,62,47,386
Expense Payable	8,74,624	7,06,152
Bank Overdraft	-	7,91,694
Statutory Dues	17,95,017	11,58,663
Interest Payable	-	9,24,941
Other Current Liabilities	-	39,39,664
Total	26,69,641	2,37,68,500

Note 9a Current maturities of long-term debt

Particulars	2020-2021		2019-2020	
	Secured	Unsecured	Secured	Unsecured
Bonds / debentures	-	-	-	-
Term loans from banks	-	-	-	-
Term loans from other parties	-	-	-	-
Deferred payment liabilities	-	-	-	-
Deposits	-	-	-	-
Loans and advances from related parties	-	-	-	-
Other loans and advances	-	-	-	-
<b>Total</b>	-	-	-	-

Note 11

Long Term Loans and Advances

Particulars	2020-2021	2019-2020
Capital Advances		
Unsecured, considered good	-	-
Sub-Total	-	-
Security Deposits		
Unsecured, considered good	2,05,93,402	90,04,135
Sub-Total	2,05,93,402	90,04,135
Other Loans and Advances		
Advance income tax	-	-
Loans and advances	1,65,58,465	80,81,745
Sub-Total	1,65,58,465	80,81,745
<b>Total</b>	<b>3,71,51,867</b>	<b>1,70,87,880</b>

Note 12

Inventories (At lower of cost and net realisable value)

Particulars	2020-2021	2019-2020
Stock-in-trade	5,73,53,180	3,74,89,147
<b>Total</b>	<b>5,73,53,180</b>	<b>3,74,89,147</b>

Note 13

Trade Receivables

Particulars	2020-2021	2019-2020

Trade receivables outstanding for a period exceeding six months from the date they are due for payment Unsecured, considered good	10,05,98,135	12,65,97,552
	10,05,98,135	12,65,97,552
Trade receivables outstanding for a period exceeding six months from the date they are due for payment Unsecured, considered good	-	-
	-	-
<b>Total</b>	<b>10,05,98,135</b>	<b>12,65,97,552</b>

Trade Receivable stated above include debts due from

Particulars	2020-2021	2019-2020
Directors *	-	-
Other officers of the Company *	-	-
Firm in which director is a partner *		
Firm A	-	-
Firm B	-	-
Private Company in which director is a member		
Company A	-	-
Company B	-	-
	-	-

\*Either severally or jointly

#### Note 14

##### Cash and cash equivalents

Particulars	2020-2021	2019-2020
Balances with banks		
In current accounts	-	19,98,121
Cash on hand*	3,69,623	9,82,500
<b>Total</b>	<b>3,69,623</b>	<b>29,80,621</b>
Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 Cash Flow Statements is	3,69,623	29,80,621

\* Balances with banks - In earmarked accounts include Rs \_\_\_\_\_ (As at March 31, 2020 \_\_\_\_\_) which have restriction on repatriation.

#### Note 15

##### Short-term loans and advances

Particulars	2020-2021	2019-2020
Others		
Advances to Suppliers	26,00,000	42,26,226
Interest Receivable	31,734	31,734
Prepaid Expense	-	2,44,183
Balance with Government Authorities	96,19,609	40,57,161
<b>Sub-Total</b>	<b>1,22,51,343</b>	<b>85,59,304</b>
<b>Total</b>	<b>1,22,51,343</b>	<b>85,59,304</b>

##### Contingent liabilities and commitments (to the extent not provided for)

Particulars	2020-2021	2019-2020
i) Contingent Liabilities		
a) Claims against the company not acknowledged as	-	-
b) Guarantees	-	-
c) Other money for which the company is contingently	-	-
	-	-
ii) Commitments		
a) Estimated amount of contracts remaining to be	-	-
b) Uncalled liability on shares and other investments	-	-
c) Other commitments (specify nature)	-	-
	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

Note 10 Property, Plant and Equipment

	Fixed Assets		Gross Block				Accumulated Depreciation			Net Block	
	March 31, 2020	March 31, 2021	March 31, 2021	Disposals	March 31, 2021	March 31, 2020	Depreciation charge for the year	On disposals	March 31, 2021	March 31, 2021	March 31, 2020
<b>a</b>											
Tangible Assets											
FREEHOLD LAND	284,993.03	284,993.03	0	0	0	0	0	0	0	284,993.03	284,993.03
BUILDING	406,452.22	416,207.6	97,554	0	712,784	712,784	116,408	0	62,992	333,288.4	335,173.8
PLANT & MACHINERY	234,448.2	403,247.58	169,027.6	0	892,590.3	892,590.3	203,895.8	0	109,608.1	293,989.7	144,885.19
OFFICE EQUIPMENTS	106,828.6	129,386.2	22,557.6	0	58,987.2	58,987.2	98.3	0	59,755	69,410.7	47,841.4
FURNITURE & FIXTURES	212,519	212,519	0	0	252,33	252,33	119,992	0	14,522.5	67,294	167,286
VEHICLES	336,360.1	336,360.1	0	0	364,031	364,031	35,584.9	0	72,188.0	264,172.1	299,757.0
<b>Total</b>	6,06,22,713	7,78,56,119	1,72,33,406	-	1,06,19,823	1,06,19,823	26,41,070	-	1,32,60,913	6,45,95,206	5,00,02,890
<b>b</b>											
Intangible Assets											
<b>Total</b>	-	-	-	-	-	-	-	-	-	-	-

Note 16

Revenue from operations

Particulars	2020-2021	2019-2020
Sale of products	32,77,47,023	30,17,13,130
<b>Total</b>	<b>32,77,47,023</b>	<b>30,17,13,130</b>

Particulars	2020-2021	2019-2020
Sale of products comprises:		
Manufactured goods		
Product X	-	-
Product Y	-	-
Product Z	-	-
Others	-	-
<b>Total - Sale of manufactured goods</b>	<b>-</b>	<b>-</b>
Traded goods		
Product M	-	-
Product N	-	-
Product O	-	-
Others	-	-
<b>Total - Sale of traded goods</b>	<b>-</b>	<b>-</b>
<b>Total - Sale of products</b>	<b>-</b>	<b>-</b>

Note 17

Other income

Particulars	2020-2021	2019-2020
Interest Income	7,91,110	-
Other non-operating income (net of expenses directly attributable to such income)	1,50,211	3,33,746
<b>Total</b>	<b>9,41,321</b>	<b>3,33,746</b>

Particulars	2020-2021	2019-2020
Interest income comprises:		
Interest from banks on:		
deposits	7,63,469	-
other balances	-	-
Interest on loans and advances	27,641	-
Interest on overdue trade receivables	-	-
Interest on income tax refund	-	-
<b>Sub-total</b>	<b>7,91,110</b>	<b>-</b>
Interest income from current investments		
subsidiaries	-	-
joint ventures	-	-
associates	-	-
others	-	-
<b>Sub-total</b>	<b>-</b>	<b>-</b>
Interest income from long term investments		
subsidiaries	-	-
joint ventures	-	-
associates	-	-
others	-	-
<b>Sub-total</b>	<b>-</b>	<b>-</b>
Interest on income tax refund	-	-
Other interest	-	-
<b>Total - Interest income</b>	<b>7,91,110</b>	<b>-</b>

Particulars	2020-2021	2019-2020
Other non-operating income comprises:		
Rental income from investment properties	-	-
Rental income from operating leases	-	-



Profit on sale of fixed assets [net of expenses directly attributable * __ (Year ended 31 March, 20X1 * __)]	-	-
Share of profit from partnership firms #	-	-
Share of profit from ADPs #	-	-
Share of profit from LLPs *	-	-
Liabilities / provisions no longer required written back	-	-
Prior period items (net) (Refer Note (iii) below)	-	-
Miscellaneous income [net of expenses directly attributable * __ (Year ended 31 March, 20X1 * __)]	-	-
<b>Total - Other non-operating income</b>	<b>-</b>	<b>-</b>

**Note 18**

**Purchases of Stock-in-Trade**

Particulars	2020-2021	2019-2020
Traded goods	30,85,65,850	28,37,30,307
<b>Total</b>	<b>30,85,65,850</b>	<b>28,37,30,307</b>
Traded goods include:		
Item A	-	-
Item B	-	-
Item C	-	-
Other items	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**Changes in inventories of Stock-in-Trade**

Particulars	2020-2021	2019-2020
Stock-in-trade	(5,73,53,180)	(3,74,89,147)
Stock-in-trade	3,74,89,147	1,70,76,445
<b>Total</b>	<b>(1,98,64,033)</b>	<b>(2,04,12,702)</b>

**Note 20**

**Employee Benefits Expense**

Particulars	2020-2021	2019-2020
Salaries and Wages	95,48,246	1,22,64,443
Staff welfare expenses	60,723	1,22,956
<b>Total</b>	<b>96,08,969</b>	<b>1,23,87,399</b>

**Note 21**

**Finance costs**

Particulars	2020-2021	2019-2020
Interest expense on:		
Borrowings	1,22,72,417	1,16,18,085
Interest on statutory dues	-	-
<b>sub-total</b>	<b>1,22,72,417</b>	<b>1,16,18,085</b>
Other borrowing costs		
Bank Charges & Commitment charges	63,918	-
<b>sub-total</b>	<b>63,918</b>	<b>-</b>
<b>Total</b>	<b>1,23,36,335</b>	<b>1,16,18,085</b>

Note 22

Other expenses

Particulars	2020-2021	2019-2020
Electricity Expenses	19,18,583	29,51,275
Rent including lease rentals (Refer-Note -.d)	-	-
Repairs and maintenance - Buildings	-	6,89,518
Repairs and maintenance - Others	1,91,132	1,45,499
Insurance	1,25,610	2,85,762
Rates and taxes	-	-
Telephone Expenses	93,101	1,01,654
Travelling and conveyance	91,637	3,37,359
Printing and stationery	14,564	39,010
Sales commission	47,022	-
Office and Administrative Expenses	-	-
Selling and distribution expenses	67,350	33,420
Donations and contributions	-	-
Legal and professional	10,64,679	4,74,254
Payments to auditors (Refer Note below)	51,501	60,000
Prior period items (net)	-	-
Miscellaneous expenses *	39,82,931	21,33,420
<b>Total</b>	<b>76,48,110</b>	<b>72,51,171</b>

Particulars	2020-2021	2019-2020
Payments to the auditors comprises (net of service tax input credit, where applicable):		
(a) To statutory auditors		
For audit	-	-
For taxation matters	-	-
For company law matters	-	-
For management services	-	-
For other services	-	-
Reimbursement of expenses	-	-
(b) To branch auditors for branch audit	-	-
(c) To cost auditors for cost audit	-	-
<b>Total</b>		

Details of Prior period items (net)		
Prior period expenses (give details)	-	-
Prior period income (give details)	-	-

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## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Significant Accounting Policies

#### 1. Accounting Convention:

The financial statement of the company has been prepared in accordance with generally accepted accounting principles in the India (India GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under the companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provision of companies Act, 2013. The financial statement has been prepared on accrual basis and under the historical cost convention.

#### 2. Use of estimates:

The preparation of financial statement in conformity with India GAAP requires management to make judgments estimates and assumption that effect the reported amount of revenue, expenses, assets and liabilities and disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, uncertainty about these assumption and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future period.

#### 3. Income & Expenditure Recognition:

All Income and Expenditure are recognized on accrual basis except bank interest which is accounted for on receipt basis. The sales recorded when supply of goods takes place and in accordance with the term of sales and on change in title of goods.

#### 4. Revenue Recognition:

##### (i) Sales & Services:

Sales are recognized on passing of property in goods i.e. delivery as per term of sales. Revenue from services rendered is recognized on accrual basis.

##### (ii) Other Income:

Interest income and income from investment are accounted on accrual basis.

#### 5. Borrowing Cost

Borrowing costs that are allocated to the acquisition or construction of qualified assets are capitalized as part of cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charges to revenue.

#### 6. Treatment of Prior Period and Extra Ordinary Items

(i) Any material (other than those arising out of over/ under estimation in earlier years) arising as a result of error or omission in preparation of earlier years financial statements are separately disclosed.

(ii) Any material gains/ losses which arise from the events or transaction which are distinct from ordinary activities of the company are separately disclosed.

#### 7. Provisions:

The company recognizes provisions for all present obligation for which the company has no other realistic alternative that can be measured reliably and it is certain there will be an outflow of resources embodying economic benefits on settlement of such obligation. The company discloses contingent liabilities for all possible obligation and those present obligations which cannot be measured reliably. The company reviews all contingent liabilities continually to see whether the possible obligation can be measured reliably. If it is so, the Company recognizes provisions for the same. If the possibility of the obligation is remote, no contingent liability is disclosed. The company does not recognize any contingent assets.

#### 8. Cash and cash equivalents:

The company considers all highly liquid financial instrument, which are readily convertible in to cash and have original maturities of three month or less from the date of purchase, to be cash equivalents.

#### 9. Fixed Assets:

The Fixed Assets have been valued at cost. Cost of Acquisition is inclusive of freight, taxes and other directly attributable cost incurred to bring the Assets to their working condition for intended use.

#### 10. Method of Depreciation:

Depreciation on fixed assets is provided pro-rata for the periods of use on the Written down value method at the rates specified in Schedule II to the Companies Act, 2013.

#### 11. Taxation

Income tax expense will comprise of current tax and deferred charge or credit.

Current tax is determined as the amount of tax payable in respect of taxable income for the year.

Deferred Tax should be recognized to that extent only, subject to consideration of prudence in respect of deferred tax assets, or timing differences, being the differences between the taxable incomes and accounting income that originate in one year and are capable of reversal in one or more subsequent years, having tax consequences.

12. Figures have been rounded off to the nearest rupee.

13. The accounts of sundry debtors, sundry creditors and advances are subject to confirmation/reconciliation and adjustments, if any. The management does not expect any material difference affecting the current year's financial statements.

#### 14. Payment of Auditors Fees

	31.03.2021	31.03.2020
Audit Fees	51501.00	NIL
ROC Fees	NIL	NIL

15. There is no liability of gratuity as none of employees have completed qualifying service.

16. Amount remitted in foreign currency on account of dividend and earning in foreign exchange is NIL.

17. The other information as required under Schedule-VI Part-II is either Nil or not Applicable to the Company.

18. In the Opinion of the Board of Directors, Current Assets, Loan and Advances have realized value at least equal to amount stated in balance sheet in ordinary course of business.

#### 19. Related party disclosure:

During the year, the company entered into transactions with related parties. Those transactions along with related balance as at 31<sup>st</sup> March, 2021 and for the year then ended are in the following table.

Name of the Parties	Relationship	Nature of transactions	2020-21 (in Rs.)
Smiral A. Patel	DIRECTOR	Director's Remuneration	11,85,000
		Loan Taken	86,38,406
		Loan Repaid	93,81,134
Tejal A. Patel	DIRECTOR	Director's Remuneration	9,49,000
		Loan Taken	60,00,042
		Loan Repaid	90,00,042
Jay Formulations Ltd.	Relative's Company	Loan Repaid	3,37,055
		Sales	18,54,973
		Purchase	9,59,280
Flourish Pharma	Relative's Firm	Loan Taken	30,17,525
		Loan Repaid	1,03,47,295

**20. Earnings Per Share (EPS) AS-20:**

Particulars	2020-21	2019-20
Net profit after tax	55,63,108	35,78,031
No. of shares at beginning of the year	4,22,927	4,22,927
Weighted average No. of shares as at year	4,96,957	4,22,927
Earnings per share	11.19	8.46

**21. The Calculation of deferred tax assets/liability:**

Particulars	Amount
Depreciation (As per Companies Act, 2013)	26,41,090
Depreciation as per Income Tax Act, 1961	41,70,792
Difference	(15,29,702)
Deferred Tax Liability reversal	3,93,898

For, S P D & Co.  
Chartered Accountants



C.A. Suresh Bagadiya  
Partner

M. No. 160503  
FRN: 131310W  
UDIN: 21160503AAAAHV2100

For JFL LIFESCIENCES PVT LTD



SMIRAL A.PATEL  
Director

DIN: 00769486  
Place: Ahmedabad  
Date: 04.10.2021



TEJAL S.PATEL  
Director

DIN: 07391559

